



Gamania Reports Financial Results for the Nine-Month Ended September 30, 2010

Taipei, Taiwan, R.O.C., October 26, 2010 — Gamania Digital Entertainment Co., Ltd. (OTC: 6180) today announced its consolidated operating revenues of NT\$4,370,224 thousand, gross profit of NT\$2,139,174 thousand with gross margin of 48.95%, operating income of NT\$396,917 thousand, net income of NT\$169,221 thousand, and earnings per share (EPS) of NT\$1.11 for the nine-month ended September 30, 2010 based on audited financial statements.

<i>(In NT\$ thousands, except per share data)</i>	1Q-3Q10	1Q-3Q09	YoY
Operating Revenues	4,370,224	3,984,467	9.68%
Operating Cost	(2,231,050)	(1,951,411)	14.33%
Gross Profit	2,139,174	2,033,056	5.22%
Operating Expenses	(1,742,257)	(1,626,277)	7.13%
Operating Income	396,917	406,779	(2.42%)
Non-operating Income (Expenses)	(76,987)	(4,423)	1,640.61%
Profit before Income Tax	319,930	402,356	(20.49%)
Income Tax Benefit (Expenses)	(150,562)	(101,142)	48.86%
Net Income	169,368	301,214	(43.77%)
Net Income attributable to:			
Minority Interest	147	9,155	(98.39%)
Holders of ordinary shares	169,221	292,059	(42.06%)
Earnings per Share(NT\$)	1.11	2.00	-

Source: Reviewed consolidated financial statements for the nine-month ended September 30, 2009 and 2010

Operating revenues for the first three quarters of 2010 increased by 9.68% year-over-year. The year-over-year increase in revenues was primarily due to the solid performance of Gamania's parent company and its subsidiaries, Gamania Hong Kong and Gameastor. The operating revenues of Gamania's parent company increased by 10% year-over-year, mainly due to the ongoing popularity of its flagship titles "Lineage", "Maple Story", and "Counter Strike Online". Furthermore, "Kart Rider" has become another flagship title for Gamania with more than 100% year-over-year increase in revenues. Gameastor reported 50% year-over-year increase in revenues, which is primarily due to the solid contribution of "Elsword" and "Loong". As for Gamania Hong Kong, it reported 10% year-over-year increase in revenues, mainly driven by the release



of “Elsword” and self-developed title “Divinia”.

Operating expenses increased year-over-year due to the exhibition expenses of Tokyo Game Show, increase in R&D staff for in-house game development, and expansion into the U.S. and European markets. Profit before Income Tax decreased by 20.49% year-over-year. The decrease was mainly due to the increase in operating expenses as well as one-time write-off resulted from the termination of certain games.

Going forward, Gamania is expected to further boost its growth momentum through the launch of expansion packs and new titles. Its flagship titles “Lineage”, “Maple Story” and “Kart Rider” will release new expansion packs in November; the highly anticipated new title “Dragon Nest” will be commercially launched in November. In addition, self-developed title “Hero: 108” will launch closed beta testing on October 29 in Taiwan. Furthermore, self-developed title “Divina” has surpassed 10K Peak Concurrent Users (PCU) in Japan since its release on September 13, 2010. “Divina” has begun contributing revenue to Gamania Japan since October. A movie tie-in, self-developed title “Reign of Assassins” will be launched on October 29 in Hong Kong.