

SMDK CORP
CONSOLIDATED BALANCE SHEETS
AS OF DECEMBER 31, 2010

	December 31,	
	2010	2009
	(in thousands, except par value)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 431	\$ 577
Total current assets	431	577
TOTAL ASSETS	\$ 431	\$ 577
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 246	\$ 243
Accrued liabilities	115	115
Term Loan	3,640	3,417
Total current liabilities	4,001	3,775
Stockholders' equity:		
Common stock, \$.001 par value; 60,000 shares authorized; 26,885 issued and 26,420 outstanding at December 31, 2010 and 2009	27	27
Capital in excess of par value	149,134	149,134
Common stock held in treasury, 100 shares at December 31, 2009 and 2008, at cost	(99)	(99)
Accumulated deficit	(152,632)	(152,260)
Total stockholders' equity	(3,570)	(3,198)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 431	\$ 577

Note: Fiscal 2010 and Fiscal 2009 Balance Sheets are un-audited

SMDK CORP
CONSOLIDATED STATEMENTS OF OPERATIONS
AS OF DECEMBER 31, 2010

	<u>Year Ended December 31,</u>	
	<u>2010</u>	<u>2009</u>
	(in thousands, except per share amounts)	
Revenues:		
Royalty income and license fees	\$ 495	\$ 80
Total revenues	495	80
Operating expenses:		
General and administrative	654	620
Total operating expenses	654	620
Operating loss	(159)	(540)
Interest and other income	10	8
Interest and other expenses	(223)	(210)
Loss before income taxes	(371)	(742)
Net loss	(371)	(742)

Note: Fiscal 2010 and Fiscal 2009 Statements of Operations are un-audited