



Gamania Reports Financial Results for the year ended Dec 31st, 2008

Taipei, Taiwan, R.O.C., Mar 23, 2008 — Gamania Digital Entertainment Co., Ltd. (OTC: 6180) today announced its consolidated annual operating revenue of NT\$3,768,663 thousand, gross margin of NT\$1,838,389 thousand with gross margin rate 48.78%, operating income of NT\$276,102 thousand, net income of NT\$260,049 thousand, and earnings per share (EPS) NT\$1.70 based on audited financial statements and report of year 2008.

Unit: NT\$ Thousand, except EPS	FY2008	FY2007	YoY
Operating Revenues	3,768,663	3,500,757	7.65%
Operating Cost	(1,930,274)	(1,795,073)	7.53%
Gross Margin	1,838,389	1,705,684	7.78%
Operating Expenses	(1,562,287)	(1,218,018)	28.26%
Operating Income	276,102	487,666	-43.38%
Non-operating Income (Expenses)	51,086	(15,070)	—
Profit before Income Tax	327,188	472,596	-30.77%
Income Tax Benefit (Expenses)	(64,000)	(89,671)	-28.63%
Consolidated Net Income Attributable to:	263,188	382,925	-31.27%
Minority Interest	3,139	(860)	—
Shareholders	260,049	383,785	-32.24%
Earnings per Share(NT\$)	1.70	2.49	—

Source: Audited consolidated financial statements for the year ended Dec. 31, 2007 and 2008.

The 2008 operating revenue increased 7.65% year-over-year. The growth momentum was attributed to Gamania Taiwan's solid contribution brought by "Lineage" and "Maple Story" and the robust operation of major subsidiaries such as Gamania Japan, Hong Kong, and Taiwan Index Co. The 2008 operating revenue of Gamania Japan surged 57.19% year-over-year thanks to the group self-developed titles "Bright Shadow" and "Lucent Hear (Zodiac)" which created a huge sensation in the local area. Benefited by the product diversification strategy, Gamania Hong Kong's revenue hit its historical high with a growth of 47.96% year-over-year driven by the solid performance from the existing titles and incremental contribution from some new titles such as "Counter Strike Online" and "Chi bi". Moreover, Taiwan Index Co.'s revenue grew around 30.26% thanks to the revenue brought by "Chi bi" launched in Sep 2008. The 2008 margin was 48.78%, similar to the level of the previous year.



To cope with the increasing rivalry of gaming market, Gamania has adopted the product diversification strategy since 2008 in order to attract new clients and further enlarge the market scale. Followed by the implementation of this strategy to massively launch and operate new titles, Gamania needed to inject resources into several aspects and therefore increased the marketing and administrative expenses. On the other hand, the group also invested in developing R&D capabilities to enrich the pipeline of the self-developed titles and therefore caused the R&D expenses to rise. The effect of the abovementioned invest has revealed since the second-half year of 2008. Beside two flagship titles “Lineage” and “Maple Story”, three titles “Counter Strike Online”, “Chi bi”, and self-developed title “Zodiac” have become the major revenue generators to the group.

Recently, the consolidated and unconsolidated revenue for Feb 2009 already hit the historical high. Look forward to the future, Gamania would launch new titles “**Xun Sian**” and release the new episode of “**Lineage**” in March. Chinese legends MMORPG “Xun Sian” already entered the open-beta period and opened its item mall on March 4th and created solid performance in testing period with current peak concurrent users about 40,000. Lineage’s highly-anticipated episode “*Crack of Time*” was launched on March 18th. With the new story and two new characters of this episode, “Lineage” would bring the incremental growth to the revenue. Besides, while three titles “Counter Strike Online”, “Chi bi”, and self-developed title “Zodiac” keep contributing the whole-year revenue for 2009, the management team expect to further strengthen the growth momentum.