

DSET Corporation
Consolidated Balance Sheets
(In \$000 except per share data)

Assets	June 30, 2000 (unaudited)	December 31, 1999* (audited)
Current assets:		
Cash and cash equivalents	\$ 11,045	\$ 2,212
Marketable securities	34,472	37,946
Accounts receivable, net	19,242	20,132
Income taxes receivable.....	431	-
Deferred income taxes	975	736
Prepaid Licenses	3,196	25
Prepaid expenses and other current assets	2,478	1,964
Total current assets.....	71,839	63,015
Acquired technology, net	4,875	4,343
Capitalized software development costs, net	500	565
Fixed assets, net.....	4,471	3,428
Goodwill, net.....	1,121	1,258
Intangibles and other assets, net	825	886
Total assets.....	\$ 83,631	\$ 73,495
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 8,395	\$ 6,145
Income taxes payable.....	-	394
Deferred revenues.....	3,411	1,720
Note payable	945	1,000
Current portion of capital lease obligation.....	136	130
Total current liabilities.....	12,887	9,389
Capital lease obligation.....	493	562
Long term note payable	837	1,310
Deferred income taxes	627	711
Total liabilities	14,844	11,972
Commitments		
Shareholders' equity:		
Common stock.....	49,559	45,636
Deferred stock compensation	(131)	(197)
Retained earnings.....	19,340	16,248
Unrealized appreciation/(depreciation) on investments.....	19	(164)
Total shareholders' equity	68,787	61,523
Total liabilities and shareholders' equity.....	\$ 83,631	\$ 73,495

* Certain amounts have been reclassified for comparative purposes.