

DSET Corporation
Consolidated Balance Sheets
(In \$000)

Assets	September 30, 2000 (unaudited)	December 31, 1999* (audited)
Current assets:		
Cash and cash equivalents.....	\$ 9,247	\$ 2,212
Marketable securities	30,205	37,946
Accounts receivable, net	19,082	20,132
Income taxes receivable	1,599	-
Deferred income taxes	2,130	736
Prepaid licenses	467	25
Prepaid expenses and other current assets	2,478	1,964
Total current assets	65,208	63,015
Acquired technology, net	4,924	4,343
Software licenses, net.....	2,620	-
Capitalized software development costs, net.....	468	565
Fixed assets, net.....	4,858	3,428
Goodwill, net.....	1,050	1,258
Intangibles and other assets, net	809	886
Total assets.....	\$ 79,937	\$ 73,495
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses.....	\$ 8,291	\$ 6,068
Income taxes payable.....	-	394
Deferred revenues.....	3,266	1,797
Note payable.....	872	1,000
Current portion of capital lease obligation.....	138	130
Total current liabilities.....	12,567	9,389
Capital lease obligation	457	562
Long term note payable.....	410	1,310
Deferred income taxes	455	711
Total liabilities	13,889	11,972
Commitments		
Shareholders' equity:		
Common stock	49,923	45,636
Deferred stock compensation.....	(94)	(197)
Retained earnings	16,089	16,248
Accumulated other comprehensive income	130	(164)
Total shareholders' equity.....	66,048	61,523
Total liabilities and shareholders' equity.....	\$ 79,937	\$ 73,495

* Certain amounts have been reclassified for comparative purposes.