

DSET Corporation
Consolidated Balance Sheets
(In \$000)

Assets	December 31, 2000 (Unaudited)	December 31, 1999* (Audited)
Current assets:		
Cash and cash equivalents	\$ 7,314	\$ 2,212
Marketable securities	27,760	37,946
Accounts receivable, net	6,249	20,132
Income taxes receivable	3,561	-
Deferred income taxes	-	736
Prepaid licenses	766	25
Prepaid expenses and other current assets, net	1,770	1,964
Total current assets	47,420	63,015
Acquired technology, net.....	4,380	4,343
Software licenses, net.....	2,257	-
Capitalized software development costs, net.....	436	565
Fixed assets, net	5,000	3,428
Goodwill, net	928	1,258
Intangibles and other assets, net.....	762	886
Total assets	\$ 61,183	\$ 73,495
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses.....	\$ 8,030	\$ 5,816
Income taxes payable	-	394
Deferred revenues	3,088	1,797
Note payable.....	872	1,000
Current portion of capital lease obligation	138	130
Total current liabilities	12,128	9,137
Capital lease obligation	423	562
Deferred rent.....	505	252
Long term note payable.....	410	1,310
Deferred income taxes.....	-	711
Total liabilities.....	13,466	11,972
Commitments		
Shareholders' equity:		
Common stock	50,169	45,636
Deferred stock compensation.....	(59)	(197)
Retained (deficit) earnings.....	(2,564)	16,248
Accumulated other comprehensive income	171	(164)
Total shareholders' equity.....	47,717	61,523
Total liabilities and shareholders' equity	\$ 61,183	\$ 73,495

* Certain amounts have been reclassified for comparative purposes.