

# MERGENT OTC INDUSTRIAL

NEWS REPORTS

Thursday, February 4, 2010

Volume 36 No. 2



## NEW COMPANY DESCRIPTIONS

(For details on individual listings, see the News Section of this issue)

### NAME CHANGES

(For details on individual listings, see the News Section of this issue)

Harris Stratex Networks Inc.  
Union Bankshares Corp.

## ACTUATE CORP.

**Acquisition Completed:** On Feb. 1, 2010, Co.'s subsidiary, Actuate Canada International Corporation acquired 9,546,588 common shares, representing approximately 95.2% of the outstanding common shares of Xenos Group Inc., for an aggregate purchase price of C\$33,134,108.

## AHR TEST SYSTEMS

Earnings, 6 mos. to Nov. 30 (Consol. — \$000):

	2009	2008	
Net Sales	2,914	18,932	
Cost & expenses	4,288	16,392	
Operating income	dr1,374	2,540	
Interest income	3.00	110	
Other income (expense), net	12	377	
Income taxes	cr162	1,290	
Net income	dr1,197	1,737	
Earn com sh:			
Primary	d\$0.14	\$0.21	
Fully Diluted	d\$0.14	\$0.20	
Common Shares (000):			
Fully diluted	8,504	8,600	
Year-end	8,598	8,450	

## AEP INDUSTRIES INC.

Annual Report:

Consolidated Income Account, years ended Oct. 31 (\$000):

	2009	2008	2007
Net sales	744,819	762,231	666,318
Cost of sales	584,383	665,409	527,166
Gross profit (loss)	160,436	96,822	139,152
Delivery expenses	37,690	36,425	34,629
Selling expenses	38,675	31,866	31,849
General & administrative expenses	23,691	18,596	19,762
Total operating expenses	100,056	86,887	86,240
Gain (loss) on sales of property & equipment, net	7.00	dr342	dr46
Operating income (loss) from continuing operations	60,387	9,593	52,866
Interest expense	15,749	15,731	15,551
Gain on extinguishment of debt, net	5,285		
Other income (expense), net		916	779
Other income (expense), net	dr500		
Income (loss) from continuing operations before provision (benefit) for income taxes	49,423	dr5,222	38,094
Provision (benefit) for income taxes	18,994	cr8,534	15,217
Income (loss) from continuing operations	30,429	3,312	22,877
Income from discontinued operations	85	898	6,716
Gain from disposition		10,708	459
Discontinued operations - benefit (provision) for income taxes	1,014	dr2,674	
Income (loss) from discontinued operations	1,099	8,932	7,175
Net income (loss)	31,528	12,244	30,052
Common shares(000)			
Weighted average shares outstanding - basic	6,787	6,784	7,508
Weighted average shares outstanding - diluted	6,835	6,842	7,648
Year end shares outstanding	6,852	6,750	6,850

	2009	2008	2007
Earnings (loss) per share - continuing operations - basic	\$4.48	\$4.49	\$3.05
Earnings (loss) per share - discontinued operations - basic	\$0.16	\$1.32	\$0.96
Net earnings (loss) per share - basic	\$4.65	\$1.80	\$4.00
Earnings (loss) per share - continuing operations - diluted	\$4.45	\$4.48	\$2.99
Earnings (loss) per share - discontinued operations - diluted	\$0.16	\$1.31	\$0.94
Net earnings (loss) per share - diluted	\$4.61	\$1.79	\$3.93
Total number of employees	2,000	2,100	
Number of common stockholders	1,500	1,500	

Reclassified to conform with 2009 presentation

Restated to reflect sale of AEP Netherlands as discontinued operations As is Approximately As of January 11, 2010 As of January 21, 2009

Consolidated Balance Sheet, as of Oct. 31(\$000):

	2009	2008
Assets:		
Cash & cash equivalents	301	224
Accounts receivable, net	75,681	102,579
Inventories, net	73,197	78,020
Deferred income taxes	8,699	12,427
Other current assets	8,603	12,683
Assets of discontinued operations	612	450
Total current assets	167,093	206,383
Property, plant & equipment, net	175,963	164,305
Goodwill	9,514	10,894
Intangible assets, net	2,602	3,353
Deferred income taxes	925	925
Other assets	4,898	4,980
Total assets	360,070	390,840
Liabilities:		
Bank borrowings, including current portion of long-term debt	531	1,826
Accounts payable	55,379	74,691
Accrued expenses	36,716	23,762
Liabilities of discontinued operations	366	317
Total current liabilities	92,992	100,596
Long-term debt	169,469	247,329
Deferred income taxes	11,447	1,328
Other long-term liabilities	10,362	1,447
Total liabilities	284,270	350,700
Common stock	110	109
Additional paid-in capital	107,509	105,808
Treasury stock at cost	129,682	129,682
Retained earnings (accumulated deficit)	96,342	64,814
Accumulated other comprehensive income (loss)	1,521	dr909
Total shareholders' equity	75,800	40,140

## AMAZON.COM INC.

Annual Report:

Consolidated Income Account, years ended Dec. 31 (\$000):

	2009	2008	2007
Net sales	24,509,000	19,166,000	14,835,000
Cost of sales	18,978,000	14,896,000	11,482,000
Gross profit	5,531,000	4,270,000	3,353,000
Fulfillment expenses	2,052,000	1,658,000	1,292,000
Marketing expenses	680,000	482,000	344,000
Technology & content expenses	1,240,000	1,033,000	818,000
General & administrative expenses	328,000	279,000	235,000
Other operating expense (income), net	102,000	dr24,000	9,000
Total operating expenses	4,402,000	3,428,000	2,698,000
Income (loss) from operations	1,129,000	842,000	655,000
Interest income	37,000	85,000	90,000
Interest expense	34,000	77,000	
Total other income (expense), net	29,000	47,000	dr8,000
Total non-operating income (expenses)	32,000	59,000	5,000

	2009	2008	2007
Income (loss) before income taxes	1,161,000	901,000	660,000
Provision (benefit) for income taxes	253,000	247,000	184,000
Equity-method investment activity, net of tax	dr6,000	dr9,000	
Net income (loss)	902,000	645,000	476,000
Common shares(000)			
Weighted average shares outstanding - basic	433,000	423,000	413,000
Weighted average shares outstanding - diluted	442,000	432,000	424,000
Year end shares outstanding	444,000	428,000	416,000
Net income (loss) per share - basic	\$2.08	\$1.52	\$1.15
Net income (loss) per share - diluted	\$2.04	\$1.49	\$1.12
Total number of employees	24,300	20,700	17,000
Number of common stockholders	3,544	3,552	3,587

Reclassified to conform with 2009 presentation

Including stock-based compensation - Fulfillment expenses: 2008 \$61,000,000; 2009 \$79,000,000; 2007 \$39,000,000

Including stock-based compensation - Marketing expenses: 2008 \$13,000,000; 2009 \$20,000,000; 2007 \$8,000,000

Including stock-based compensation - Technology &amp; content expenses: 2008 \$151,000,000; 2009 \$182,000,000; 2007 \$103,000,000

Including stock-based compensation - General &amp; administrative expenses: 2008 \$50,000,000; 2009 \$60,000,000; 2007 \$35,000,000

As is Approximately As of January 11, 2010 As of January 22, 2010 As of February 1, 2008

Consolidated Balance Sheet, as of Dec. 31(\$000):

	2009	2008
Assets:		
Cash & cash equivalents	3,444,000	2,769,000
Marketable securities	2,922,000	958,000
Inventories	2,171,000	1,399,000
Accounts receivable, net & oth current assets, net	988,000	827,000
Deferred tax assets	272,000	204,000
Total current assets	9,797,000	6,157,000
Fixed assets, net	1,290,000	854,000
Deferred tax assets	18,000	145,000
Goodwill	1,234,000	438,000
Other assets	1,474,000	720,000
Total assets	13,813,000	8,314,000
Liabilities:		
Accounts payable	5,605,000	3,594,000
Accrued expenses & other current liabilities	1,759,000	1,152,000
Total current liabilities	7,364,000	4,746,000
Long-term debt	109,000	409,000
Other long-term liabilities	1,083,000	487,000
Common stock	5,000	4,000
Treasury stock, at cost	600,000	600,000
Additional paid-in capital	5,736,000	4,121,000
Accumulated other comprehensive income (loss)	dr56,000	dr123,000
Retained earnings (accumulated deficit)	172,000	dr730,000
Total stockholders' equity (deficit)	5,257,000	2,672,000

Reclassified to conform with 2009 presentation

## APPLE INC

Earnings, 3 mos. to Dec. 26 (Consol. — \$000):

	12/26/09	12/27/08
Net Sales	15,683,000	11,880,000
Cost & expenses	10,958,000	8,779,000
Operating income	4,725,000	3,101,000
Other income (expense), net	33,000	158,000
Income taxes	1,380,000	1,004,000
Net income	3,378,000	2,255,000
Earn com sh:		
Primary	\$3.74	\$2.54
Fully Diluted	\$3.67	\$2.50
Common Shares (000):		
Fully diluted	919,783	901,494
Year-end	906,282	890,415
Consolidated Balance Sheet Items, as of (\$000):		
Assets:		
Cash & equivalents	12,26/09	7,609,000
Inventories	15,683,000	576,000
Current assets	10,958,000	37,022,000
Net property & equip.	4,725,000	3,115,000
Total assets	4,725,000	57,922,000

OTC

Liabilities:		
Current liabilities	17,093,000	
Stockholders' equity	35,768,000	

**APPLIED MICRO CIRCUITS CORP.**

Earnings, 9 mos. to Dec. 31 (Consol. — \$000):

	2009	2008
Total revenues	147,988	173,215
Cost & expenses	dr22,697	dr232,551
Deprec., depl. & amort.	3,015	3,015
Operating income	dr22,697	dr232,551
Interest income	5,091	7,879
Interest expense		4.00
Other income (expense), net	dr6,047	dr16,053
Gains or losses	dr24	dr15
Foreign currency	dr26	5.00
Income taxes	cr9,384	cr3,491
Income discount oper.	6,110	dr43,613
Net income	dr8,209	dr280,861
Earn com sh:		
Primary	d\$0.11	d\$4.33
Fully Diluted	d\$0.11	d\$4.33
Common Shares (000):		
Fully diluted	66,226	65,127
Year-end	65,704	

**AVIAT NETWORKS, INC.**  
Stock Trading Symbol: On NMS, AVVNW.

**AVIAT NETWORKS, INC.**  
New Name: On Jan. 29, 2010, Co. changed its name from Harris Stratex Networks Inc. to Aviat Networks, Inc.

**BEL FUSE, INC.**

**Acquisition Completed:** On Jan. 29, 2010, Co. acquired all of the issued and outstanding capital stock of Cinch Connectors, Inc. and Cinch Connectors Limited from Safran USA, Inc. and Safran UK Limited in exchange for approximately \$37,500,000.00 in cash plus approximately \$1,500,000.00 for the assumption of certain expenses.

**BROADCOM CORP.**

**Annual Report:**  
**Consolidated Income Account, years ended Dec. 31 (\$000):**

	2009	2008	2007
Product revenue	4,272,726	4,485,239	3,739,312
Income from			
Qualcomm Agreement	170,611		
Licensing revenue	46,986	172,886	37,083
Total net revenue	4,490,323	4,658,125	3,776,395
Cost of product revenue	2,210,559	2,213,015	1,832,178
Research & development expenses	1,534,918	1,497,668	1,348,508
Selling, general & administrative expenses	479,362	543,117	492,737
Amortization of purchased intangible assets	14,548	3,392	1,027
Impairment of goodwill & other long-lived assets	18,895	171,593	1,500
Settlement costs, net	118,468	15,810	
Restructuring costs (reversal)	7,501	dr1,000	
In-process research & development		42,400	15,470
Charitable contribution	50,000		
Total operating costs & expenses	4,434,251	4,485,995	3,691,420
Income (loss) from operations	56,072	172,130	84,975
Interest income, net	13,901	52,201	131,069
Other income (expenses), net	2,218	dr2,016	3,412
Income (loss) before income taxes	72,191	222,315	219,456
Provision (benefit) for income taxes	6,930	7,521	6,114
Net income (loss)	65,261	214,794	213,342
Common shares(000)			
Weighted average shares outstanding-basic	494,038	512,648	542,412
Weighted average shares outstanding-diluted	512,645	524,208	577,682
Year end shares outstanding	495,556	489,018	537,258
Net earnings (loss) per share-basic	\$0.13	\$0.42	\$0.39
Net earnings (loss) per share-diluted	\$0.13	\$0.41	\$0.37
Number of full time employees	7,407	7,402	
Total number of employees	7,407	7,402	6,347
Number of class A common stockholders	1,168	1,253	1,280
Number of class B common stockholders	167	200	202
Total number of stockholders	1,335	1,453	1,482
Reclassified to conform with 2009 presentation			
Includes stock-based compensation expense - Cost of product revenue: 2008 \$24,997,000; 2009 \$24,545,000 ; 2007 \$26,470,000			
Includes stock-based compensation - Research & development: 2008 \$358,018,000; 2009 \$351,884,000 ; 2007 \$353,649,000			
Includes stock-based compensation - Selling, general & administrative: 2008 \$126,359,000; 2009 \$119,918,000 ; 2007 \$139,533,000			
As is			

**Consolidated Balance Sheet, as of Dec. 31(\$000):**

Assets:	2009	2008
Cash & cash equivalents	1,397,093	1,190,645
Short-term marketable securities	532,281	707,477
Accounts receivable, net	508,627	372,311
Inventory	362,428	366,106
Prepaid expenses & other current assets	113,903	114,674
Total current assets	2,914,332	2,751,213
Property & equipment, net	229,317	234,691
Long-term marketable securities	438,616	
Goodwill	1,329,614	1,279,243
Purchased intangible assets, net	150,927	61,958
Other assets	64,436	66,160
Total assets	5,127,242	4,393,265
Liabilities:		
Accounts payable	437,353	310,487
Wages & related benefits	190,315	151,551
Deferred revenue & income	87,388	12,338
Accrued liabilities	433,294	242,727
Total current liabilities	1,148,350	717,103
Long-term deferred revenue	608	3,898
Other long-term liabilities	86,438	65,197
Class A common stock	44	43
Class B common stock	6.00	6.00
Additional paid-in capital	11,153,060	10,930,315
Retained earnings (accumulated deficit)	dr7,259,069	dr7,324,330
Accumulated other comprehensive income (loss)	dr2,195	1,033
Total shareholders' equity	3,891,846	3,607,067
Reclassified to conform with 2009 presentation		

**BROADCOM CORP.**

**Acquisition Development:** On Feb. 3, 2010, Co. signed a definitive agreement to acquire Teknovus. Terms of the transaction were not disclosed.

**CA INC**

Earnings, 9 mos. to Dec. 31 (Consol. — \$000):

	2009	2008
Total revenues	3,250,000	3,236,000
Cost & expenses	2,015,000	2,089,000
Deprec., depl. & amort.	220,000	200,000
Operating income	1,015,000	947,000
Interest expense	62,000	40,000
Income taxes	283,000	301,000
Net income	670,000	606,000
Earn com sh:		
Primary	\$1.28	\$1.17
Fully Diluted	\$1.27	\$1.15
Common Shares (000):		
Fully diluted	539,000	537,000
Year-end	514,917	

**CALIFORNIA MICRO DEVICES CORP.**

**Sale Completed:** On Jan. 27, 2010, all of the outstanding shares of Co. were acquired by ON Semiconductor Corporation. Terms of the transaction were not disclosed.

**CASCADE MICROTECH INC**

**Acquisition Completed:** On Jan. 27, 2010, Co. acquired all of the outstanding capital stock of SUSS MicroTec Test Systems GmbH, a wholly owned subsidiary of SUSS MicroTec AG for EURO7,000,000 (approximately \$9,800,000).

**CEPHALON, INC.**

**Acquisition Development:** On Feb. 1, 2010, Co. signed an agreement to acquire Mepha AG and its subsidiaries. Terms of the transaction were not disclosed.

**CHARLES & COLVARD LTD**

**New Auditor:** On Jan. 19, 2010, Co. engaged Frazer Frost, LLP as its new independent accounting firm.

**CHATTEM, INC.**

**Annual Report:**  
**Consolidated Income Account, years ended Nov. 30 (\$000):**

	2009	2008	2007
Total revenues	463,342	454,879	423,378
Cost of sales	139,768	131,620	129,055
Advertising & promotion expenses	105,684	118,093	112,206
Selling, general & administrative expenses	60,300	62,590	57,878
Impairment of indefinite-lived intangible assets	38,258		
Product recall expenses		6,269	
Litigation settlement		11,271	
Acquisition expenses			2,057
Total costs & expenses	344,010	329,843	301,196
Income (loss) from operations	119,332	125,036	122,182
Interest expense	20,784	25,310	29,930
Investment & other income (expense), net	327	715	1,460
Gain (loss) on early extinguishment of debt	dr1,571	dr526	dr2,633

Total other income (expense)	dr22,028	dr25,121	dr31,103
Income (loss) before income taxes	97,304	99,915	91,079
Provision for income taxes	34,133	33,629	31,389
Net income (loss)	63,171	66,286	59,690
Common shares(000)			
Weighted average shares outstanding - basic	19,178	18,980	18,927
Weighted average shares outstanding - diluted	19,281	19,364	19,350
Year end shares outstanding	18,916	18,978	19,092
Net income (loss) per share - basic	\$3.29	\$3.49	\$3.15
Net income (loss) per share - diluted	\$3.28	\$3.42	\$3.08
Number of full time employees	524	512	465
Number of part time employees	9.00	10	9.00
Other number of employees	23		
Total number of employees	524	522	474
Number of common stockholders	188		
Total number of stockholders	214	223	
Reclassified to conform with 2009 presentation			
As of January 20, 2010			
As of January 22, 2009			
As of January 22, 2008			

**Consolidated Balance Sheet, as of Nov. 30(\$000):**

Assets:	2009	2008
Cash & cash equivalents	64,766	32,310
Accounts receivable, net	54,607	49,417
Inventories, net	48,775	40,933
Deferred income taxes	5,585	3,968
Prepaid expenses & other current assets	2,494	2,451
Total current assets	176,227	129,079
Property, plant & equipment, net	35,065	32,243
Patents, trademarks & other purchased product rights, net	577,466	616,670
Debt issuance costs, net	9,860	12,253
Other noncurrent assets	2,542	2,727
Total other noncurrent assets	589,868	631,650
Total assets	801,160	792,972
Liabilities:		
Current maturities of long-term debt	3,000	3,000
Accounts payable	22,216	18,116
Bank overdrafts	461	1,184
Accrued liabilities	21,345	21,293
Total current liabilities	47,022	43,593
Long-term debt, less current maturities	388,040	456,500
Deferred income taxes	41,001	35,412
Other noncurrent liabilities	935	1,609
Common shares	30,640	28,926
Retained earnings (accumulated deficit)	294,401	231,230
Total equity before undistributed	325,041	260,156
Interest rate hedge adjustment	dr274	dr1,787
Foreign currency translation adjustment	664	dr968
Unrealized actuarial gains & losses	dr1,269	dr1,543
Total shareholders' equity (deficit)	324,162	255,858

**CHINA ADVANCED CONSTRUCTION MATERIALS GROUP INC**

**Contracts:** On Jan. 25, 2010, Co. signed a definitive contract to provide its ready-mix concrete service to the high-speed railway project between Xi'an and Ankang, city in southern Shanxi Province. Terms of the contract were not disclosed.

**CHINA ELECTRIC MOTOR, INC.**

**Annual Report:**  
**Consolidated Income Account, years ended Dec. 31 (\$ of US \$):**

	2008	2007	2006
Revenue	53,072,547	27,855,159	15,952,167
Other sales		379,911	
Cost of goods sold	38,285,648	20,617,408	11,797,826
Gross profit	14,786,899	7,617,662	4,154,341
Selling expenses	2,719,775	1,351,897	1,016,013
Depreciation	22,636	21,172	16,834
Bad debts		dr60,250	61,524
General & administrative expenses	1,171,908	868,983	578,415
Research & development	1,032,722	445,841	302,875
Total indirect operating costs & expenses	4,947,041	2,627,643	1,975,661
Income (loss) from operations	9,839,858	4,990,019	2,178,680
Interest income	15,036	9,673	1,897
Imputed interest	50,126	43,962	65,251
Sundry income (expense), net	8,845	58,364	21,340
Total other income (expense)	dr26,245	24,075	dr42,014
Income (loss) before income taxes	9,813,613	5,014,094	2,136,666
Income taxes	1,797,721	383,308	172,148
Net income (loss)	8,015,892	4,630,786	1,964,518
Common shares			

Weighted average shares outstanding-basic	10,679,260	10,679,260	10,679,260
Weighted average shares outstanding-diluted	10,679,260	10,679,260	10,679,260
Year end shares outstanding	10,679,260	10,679,260	10,679,260
Net earnings (loss) per share - basic	\$0.75	\$0.43	\$0.18
Net earnings (loss) per share - diluted	\$0.75	\$0.43	\$0.18
Number of full time employees	2,920		

As of September 30, 2009 Approximately

**Consolidated Balance Sheet, as of Dec. 31 (\$ of US \$):**

Assets:	2008	2007
Cash & cash equivalents	2,655,808	1,588,778
Accounts receivable, net	5,239,785	2,645,123
Inventories	7,293,544	3,938,268
Prepaid expenses & other receivables	15,103	88,764
Total current assets	15,204,240	8,260,933
Property & equipment, net	2,770,782	2,366,075
Total assets	17,975,022	10,627,008
Liabilities:		
Accounts payable - trade	2,309,026	1,746,016
Short-term note payable		164,520
Accrued liabilities & other payables	240,130	110,769
Various taxes payable	39,972	49,167
Wages payable	295,367	175,296
Corporate tax payable	469,435	119,032
Due to director	1,339,337	577,927
Due to related parties		961,275
Total current liabilities	4,693,267	3,904,102
Common stock	1,068	1,068
Additional paid-in capital	158,271	108,145
Accumulated other comprehensive income (loss)	1,089,032	507,601
Statutory surplus reserve fund	1,177,075	1,177,075
Retained earnings (accumulated deficit)	10,856,309	4,929,017
Total stockholders' equity (deficit)	13,281,755	6,722,906

**CHINA TRANSINFO TECHNOLOGY CORP.**

Contracts: On Jan. 26, 2010, Co. was awarded an intelligent transportation system contract in Zhejiang Province valued at approximately RMB156,000,000, or approximately \$22,900,000, through its VIE Beijing UNISITS Technology Co. Ltd.

**CIRRUS LOGIC, INC.**

Earnings, 9 mos. to Dec. 26 (Consol. — \$000):

Net Sales	12/26/09	12/27/08
	158,350	141,122
Cost & expenses	141,256	132,198
Operating income	17,094	8,924
Interest income	1,108	2,252
Other income (expense), net	dr46	153
Income taxes	116	86
Net income	18,040	11,243
Earn com sh:		
Primary	\$0.28	\$0.17
Fully Diluted	\$0.28	\$0.17
Common Shares (000):		
Fully diluted	65,452	65,927
Year-end	65,472	65,241

**CREDO PETROLEUM CORP.**

Annual Report:

**Consolidated Income Account, years ended Oct. 31 (\$):**

	2009	2008	2007
Oil sales	10,067,000	17,345,000	14,265,000
Total revenues	10,067,000	17,345,000	14,265,000
Oil & gas production costs	3,260,000	3,861,000	3,375,000
Depreciation, depletion & amortization expenses	4,439,000	3,583,000	3,666,000
Write-down of oil and natural gas properties & impairment of long lived assets	24,653,000		
General & administrative expenses	3,250,000	1,637,000	1,397,000
Total costs & expenses	35,602,000	9,081,000	8,438,000
Income (loss) from operations	dr25,535,000	8,264,000	5,827,000
Realized & unrealized gains (losses) from derivative contracts	2,079,000	188,000	1,455,000
Investment & other income (loss)	dr59,000	dr299,000	793,000
Total other income (expense)	2,020,000	dr111,000	2,248,000
Income (loss) before income taxes	dr23,515,000	8,153,000	8,075,000
Income taxes expense (benefit)	cr9,061,000	2,160,000	2,315,000
Net income (loss)	dr14,454,000	5,993,000	5,760,000
Common shares			
Weighted average shares outstanding - basic	10,326,000	9,697,000	9,280,000

Weighted average shares outstanding - diluted	10,326,000	9,758,000	9,395,000
Year end shares outstanding	10,241,000	10,437,000	9,295,000
Net income (loss) per share - basic	dr\$1.40	\$0.62	\$0.62
Net income per share - diluted	dr\$1.40	\$0.61	\$0.61
Number of full time employees	13	13	
Number of common stockholders	2,321	2,451	

Reclassified to conform with 2009 presentation Restated to reflect the cash flow hedge accounting treatment in accordance with SFAS 133 As of January 7, 2009 As of January 4, 2010

**Consolidated Balance Sheet, as of Oct. 31(\$):**

Assets:	2009	2008
Cash & cash equivalents	12,348,000	22,332,000
Short-term investments	635,000	3,044,000
Trade receivables	487,000	995,000
Accrued oil & gas receivables	1,566,000	1,733,000
Derivative assets	104,000	1,745,000
Other current assets	859,000	205,000
Total current assets	15,999,000	30,054,000
Unevaluated oil & gas properties		72,010,000
Evaluated oil & gas properties	83,490,000	
Less accumulated depreciation, depletion & amortization of oil & gas properties	53,211,000	25,554,000
Net oil & gas properties	30,279,000	46,456,000
Intangible assets, net	4,013,000	1,079,000
Compressor & tubular inventory to be used in development of oil & gas properties	1,865,000	2,592,000
Other assets, net	396,000	379,000
Total assets	52,552,000	80,560,000
Liabilities:		
Accounts payable	407,000	3,857,000
Revenue distribution payable	653,000	982,000
Accrued compensation	948,000	198,000
Other accrued liabilities	394,000	733,000
Income taxes payable	55,000	124,000
Total current liabilities	2,457,000	5,894,000
Deferred income taxes, net	2,537,000	11,117,000
Asset retirement obligation	1,502,000	1,338,000
Total liabilities	6,496,000	18,349,000
Common stock	1,066,000	1,066,000
Capital in excess of par value	31,472,000	31,352,000
Treasury stock, at cost	2,803,000	982,000
Retained earnings	16,321,000	30,775,000
Total stockholders' equity	46,056,000	62,211,000

Reclassified to conform with 2009 presentation

**DOT HILL SYSTEMS CORP.**

Acquisition Completed: On Jan. 26, 2010, Co. acquired Cloverleaf Communications Inc. ('Cloverleaf') as its new subsidiary, through the merger of its subsidiary, Telluride Acquisition Sub, Inc. with and into Cloverleaf, with Cloverleaf continuing as the surviving entity for \$12,000,000.

**ENZON PHARMACEUTICALS INC**

Interest Sale Completed: On Jan. 29, 2010, Co. sold its specialty pharmaceuticals business (the 'Business'), which includes (i) Co.'s marketed products Oncaspar, DepoCyt, Abecetand Adagen ('Products'), (ii) Co.'s Indianapolis, Indiana manufacturing facility, and (iii) other related assets to Klee Pharmaceuticals, Inc. ('Klee') and Defiante Farmaceutica, S.A. ('Defiante') and, together with Klee, the 'Purchasing Parties'). In consideration, Co. received \$300,000,000 in cash, subject to certain customary working capital adjustments, and the Purchasing Parties assumed certain liabilities associated with the Business. In addition, the Purchasing Parties will make certain milestone payments to Co. as follows: (i) \$5,000,000 upon approval by the U.S. Food and Drug Administration ('FDA') of a reformulation of Oncaspar using the SS linker, (ii) \$7,000,000 upon FDA approval of a reformulation of Oncaspar using the SC linker and (iii) either (a) \$15,000,000 if the European Medicines Agency ('EMA') approves a reformulation of Oncaspar using the SC linker on an accelerated basis or (b) \$10,000,000 if the EMA approves a reformulation of Oncaspar using the SC linker on a non-accelerated basis. Co. will also receive the following royalty payments: (i) for the years 2010 through 2014, 5% of the amount by which Net Receipts in respect of Products sold in the United States in such years exceeds Net Receipts in respect of Products sold in the United States in 2009; (ii) for the years 2010 and 2011, 10% of the amount by which Net Receipts in respect of Products sold outside the United States in such years exceeds Net Receipts in respect of Products sold outside the United States in 2009; and (iii) for the years 2012 through 2014, 5% of the amount by which Net Receipts in respect of Products sold outside the United States in such years exceeds Net Receipts in respect of Products sold outside the United States in 2009.

**G & K SERVICES, INC.**

Earnings, 6 mos. to Dec. 26 (Consol. — \$000):

Total revenues	12/26/09	12/27/08
	414,491	486,989
Cost & expenses	390,367	458,052
Operating income	24,124	28,937
Interest expense	7,400	7,418
Income taxes	6,290	10,523
Net income	10,434	10,996
Earn com sh:		
Primary	\$0.57	\$0.59
Fully Diluted	\$0.57	\$0.59

Common Shares (000):		
Fully diluted	18,322	18,622
Year-end	18,569	18,501

**GIBRALTAR INDUSTRIES INC**

Interest Sale Completed: On Feb. 1, 2010, Co. and its subsidiaries, Gibraltar Steel Corporation of Gibraltar, and Gibraltar Strip Steel, Inc., sold majority of the assets of their Processed Metal Products segment, to The Worthington Steel Company, LLC, for \$30,100,000.

**HARRIS STRATEX NETWORKS INC.**

New Name: On Jan. 29, 2010, Co. changed its name from Harris Stratex Networks Inc. to Aviat Networks, Inc.

**HARRIS STRATEX NETWORKS INC**

Contracts: On Jan. 27, 2010, Co. signed a contract with Uninor, the joint venture of the Telenor Group and India's Unitech Ltd. Under the five year contract, Co. will supply its latest state-of-the-art Eclipse platform microwave solution to meet both TDM and IP backhaul requirements. Terms of the contracts were not disclosed.

**HURCO COMPANIES, INC.**

Annual Report:

**Consolidated Income Account, years ended Oct. 31 (\$000):**

	2009	2008	2007
Sales & service fees	91,016	223,994	188,047
Cost of sales & service	65,188	141,377	116,965
Gross profit	25,828	82,617	71,082
Selling, general & administrative expenses	30,874	46,811	40,124
Operating income (loss)	dr5,046	35,806	30,958
Interest expense	35	63	201
Interest income	190	542	699
Investment income	16	465	339
Earnings (losses) from equity investments	dr326	12	1,048
Other income (expense), net	1,389	dr2,596	dr78
Income (loss) before income taxes	dr3,812	34,166	32,765
Provision (benefit) for income taxes	cr1,491	11,646	11,876
Net income (loss)	dr2,321	22,520	20,889
Common shares(000)			
Weighted average shares	6,429	6,415	6,382
Weighted average shares outstanding-diluted	6,429	6,444	6,440
Year end shares	6,441	6,421	6,392
Net earnings (loss) per share-basic	dr\$0.36	\$3.51	\$3.27
Net earnings (loss) per share-diluted	dr\$0.36	\$3.49	\$3.24
Number of full time employees	390	430	380
Total number of employees	390	430	380
Number of common stockholders	182	186	192

Reclassified to conform with 2008 presentation As of January 7, 2010 Approximately As of January 7, 2010 As of January 8, 2008

**Consolidated Balance Sheet, as of Oct. 31(\$000):**

Assets:	2009	2008
Cash & cash equivalents	28,782	26,394
Short-term investments		6,674
Accounts receivable	13,988	31,952
Refundable taxes	7,121	
Inventories, net	60,281	66,368
Deferred income taxes & other current assets		7,461
Derivative assets	376	12,463
Other current assets	7,716	
Total current assets	118,264	151,312
Land	782	782
Building	7,116	7,127
Machinery & equipment	14,995	14,885
Leasehold improvements	2,021	1,765
Property & equipment, gross	24,914	24,559
Less accumulated depreciation & amortization	11,802	10,961
Property & equipment, net	13,112	13,598
Software development costs, less accumulated amortization	6,503	5,711
Investments & other assets	6,864	6,823
Total assets	144,743	177,444
Accounts payable		28,303
Liabilities:		
Accounts payable - related parties	8,262	
Accrued expenses & other current liabilities	9,025	17,598
Accrued warranty expenses	1,286	2,536
Derivative liabilities	2,234	2,692
Total current liabilities	20,807	51,129
Deferred income taxes	2,570	2,056
Deferred credits & other non-current liabilities	990	782
Total non-current liabilities	3,560	2,838
Common stock	644	642

OTC

Additional paid-in capital	52,003	51,690
Retained earnings (accumulated deficit)	69,568	71,889
Accumulated other comprehensive income (loss)	dr1,839	dr744
Total shareholders' equity	120,376	123,477

Reclassified to conform with 2009 presentation

**ICT GROUP, INC.**

**Sale Completed:** On Feb. 2, 2010, Co. was acquired by Sykes Enterprises, Incorporated ("Sykes"), through the merger of Co. and SH Merger Subsidiary I, Inc., a subsidiary of Sykes. All outstanding shares of common stock of Co. were converted into the right to receive \$7.69 in cash and 0.3423 shares of Sykes common stock per share. Each outstanding restricted stock unit award was vested and cancelled entitling the holder thereof to payment equal to \$15.38 multiplied by the number of shares of Co.'s common stock into which each such award would otherwise be convertible and each outstanding stock option was vested and cancelled entitling the holder to payment equal to the number of shares underlying such option multiplied by the difference between \$15.38 and the exercise price of such option.

**INFORMATICA CORP.**

**Acquisition Completed:** On Jan. 28, 2010, Co. acquired Siperian, Inc. ("Siperian") through the merger of its subsidiary, Sputnik Acquisition Corporation with and into Siperian for \$130,000,000 in cash.

**INTUITIVE SURGICAL INC**

**Annual Report:**

**Consolidated Income Account, years ended Dec. 31 (\$000):**

	2009	2008	2007
Products revenue	879,901	748,325	516,089
Services revenue	172,267	126,594	84,739
Total revenue	1,052,168	874,919	600,828
Cost of revenue - products	237,562	200,074	145,654
Cost of revenue - services	63,554	54,068	40,888
Total cost of revenue	301,116	254,142	186,542
Gross profit	751,052	620,777	414,286
Selling, general & administrative expenses	278,511	230,570	158,685
Research & development expenses	95,102	79,372	48,859
Total operating expenses	373,613	309,942	207,544
Income (loss) from operations	377,439	310,835	206,742
Interest & other income, net	18,672	24,368	30,492
Income (loss) before income taxes	396,111	335,203	237,234
Income tax expense (benefit)	163,505	130,888	92,697
<b>Net income (loss)</b>	<b>232,606</b>	<b>204,315</b>	<b>144,537</b>
Common shares(000) - average			
Weighted average shares outstanding - basic	38,298	38,877	37,831
Weighted average shares outstanding - diluted	39,205	39,943	39,021
Year end shares outstanding	38,500	39,183	38,470
Net income (loss) per common share - basic	\$6.07	\$5.26	\$3.82
Net income (loss) per common share - diluted	\$5.93	\$5.12	\$3.70
Total number of employees	1,263	1,049	764
Number of stockholders	319	257	392

As is Approximately As of January 31, 2009  
As of January 31, 2008 As of January 21, 2010

**Consolidated Balance Sheet, as of Dec. 31(\$000):**

	2009	2008
<b>Assets:</b>		
Cash & cash equivalents	221,437	194,623
Short-term investments	333,998	256,746
Accounts receivable	205,384	170,107
Inventory	57,600	63,460
Prepaid & other assets	20,870	9,496
Deferred tax assets	7,339	9,458
Total current assets	846,628	703,890
Property, plant & equipment, net	125,741	117,021
Long-term investments	616,545	450,504
Long-term deferred tax asset	53,341	35,899
Intangible assets, net	56,230	56,224
Goodwill	110,740	110,740
Other assets	491	346
Total assets	1,809,716	1,474,624
<b>Liabilities:</b>		
Accounts payable	27,594	20,501
Accrued compensation & employee benefits	49,758	36,930
Deferred revenue	99,451	77,981
Other accrued liabilities	25,965	29,104
Total current liabilities	202,768	164,516
Deferred revenue	1,066	1,271
Other accrued liabilities	68,599	42,071
Total liabilities	272,433	207,858
Common stock	38	39
Additional paid-in capital	1,024,273	871,846
Retained earnings (accumulated deficit)	511,716	397,824
Accumulated other comprehensive income (loss)	1,256	dr2,943

Total stockholders' equity	1,537,283	1,266,766
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**12 TECHNOLOGIES INC.**

**Sale Completed:** On Jan. 28, 2010, Co. was acquired by JDA Software Group Inc., for \$604,000,000 or \$19.79 per common share.

**JDA SOFTWARE GROUP INC.**

**Acquisition Completed:** On Jan. 28, 2010, Co. acquired 12 Technologies, Inc., for \$604,000,000 or \$19.79 per common share.

**KLA-TENCOR CORP.**

**Earnings, 6 mos. to Dec. 31 (Consol. — \$000):**

	2009	2008
Net Sales	783,042	929,102
Cost & expenses	720,997	1,399,795
Operating income	62,045	dr470,693
Interest expense	26,999	27,726
Other income (expense), net	25,762	19,431
Income taxes	18,609	cr64,023
<b>Net income</b>	<b>42,199</b>	<b>dr414,965</b>
Earn com sh:		
Primary	\$0.25	dr\$2.43
Fully Diluted	\$0.24	dr\$2.43
Common Shares (000):		
Fully diluted	173,292	170,552
Year-end	172,073	169,853

**KOSS CORP.**

**New Auditor:** On Jan. 5, 2010, Co. appointed Baker Tilly Virchow Krause, LLP as its new independent auditor.

**LEXARIA CORP**

**Annual Report:**

**Income Account, years ended Oct. 31 (\$ of US \$):**

	2009	2008	2007
Natural gas & oil revenue	421,955	900,789	253,148
Natural gas & oil operating costs	207,447	352,831	124,907
Depletion	340,875	451,843	148,507
Write down in carrying value of oil & gas properties	548,322	108,071	273,414
Total cost of revenue	dr126,367	dr11,956	dr20,266
Gross profit (loss)	31,958	54,862	49,905
Accounting & audit expenses	8,103	10,140	
Insurance expenses			
Advertising & promotions expenses	930	4,110	20,071
Bank charges & exchange loss	98,210	dr26,497	7,359
Stock based compensation	56,912		
Consulting expenses	165,959	187,461	750,516
Depreciation	1,254	1,275	680
Fees & dues	24,530	13,903	9,963
Interest expense from loan payable	160,121	103,856	15,434
Investor relation	5,821	118,916	69,722
Legal & professional expenses	37,970	35,298	71,462
Office & miscellaneous	1,982	7,640	13,769
Expenses	13,590	11,960	9,794
Rent expenses	4,009	4,010	2,490
Telephone expense	6,958	7,138	1,043
Taxes expenses	350	2,832	
Training expenses	8,643	28,317	32,306
Travel expenses			
Write down of oil & gas property		405,406	
Expenses	627,300	970,627	1,054,514
Income (loss) for the year before other income	dr753,667	dr982,583	dr1,074,780
Interest income	94	4,093	18,085
Amortization of premium on loan payable			dr807
<b>Net income (loss) for the year</b>	<b>dr753,573</b>	<b>dr978,490</b>	<b>dr1,055,888</b>
Common shares			
Weighted average shares	7,327,478	5,980,363	5,525,329
Weighted average shares outstanding-diluted	7,327,478	5,980,363	5,525,329
Year end shares outstanding	10,732,870	6,092,375	5,939,250
Net income (loss) per share-basic	dr\$0.10	dr\$0.16	dr\$0.04
Net income (loss) per share-diluted	dr\$0.10	dr\$0.16	dr\$0.04
Total number of employees			2.00
Number of common stockholders	47	38	43

Reclassified to conform with 2008 presentation  
Adjusted for 1-for-4 stock split, June 23, 2009 As of January 2, 2009 As of December 27, 2009 As of January 10, 2008

**Balance Sheet, as of Oct. 31(\$ of US \$):**

	2009	2008
<b>Assets:</b>		
Cash & cash equivalents	330,167	669,633
Accounts receivable	42,195	15,506
Prepaid expenses & deposit		6,186
Total current assets	372,362	691,325
Capital assets, net	1,445	2,699
Oil & gas properties-proved property	2,823,277	3,034,750

Oil & gas properties-improved properties	132,034	34,265
Oil & gas properties	2,955,311	3,069,015
Total assets	3,329,118	3,763,039
<b>Liabilities:</b>		
Accounts payable & accrued liabilities	240,983	2,695
Loan payable	788,795	272,511
Due to related party	1,769	1,769
Total current liabilities	1,031,547	276,975
Loan payable	1,031,547	723,857
Total liabilities	1,031,547	1,000,832
Common shares	10,733	6,092
Additional paid-in capital	5,658,768	5,374,472
Retained earnings (accumulated deficit)	dr3,371,930	dr2,618,357
Total stockholders' equity	2,297,571	2,762,207

Reclassified to conform with 2009 presentation

**LEXARIA CORP**

**Auditor's Report:** The following is an excerpt from the Report of the Independent Auditors, Chang Lee LLP, as it appeared in Co.'s 2009 10-K: "In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as at October 31, 2009 and 2008 and the results of their operations and their cash flows for the years then ended in conformity with generally accepted accounting principles in the United States of America. The accompanying financial statements refer to above have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the financial statements, the Company had recurring losses and requires additional funds to maintain its planned operations. These factors raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty."

**LIGAND PHARMACEUTICALS INC**

**Acquisition Completed:** On Jan. 27, 2010, Co. acquired Metabasis Therapeutics, Inc. Each share of Metabasis' common stock issued and outstanding was converted into the right to receive \$0.045741 in cash, without interest.

**MICROSOFT CORPORATION**

**Earnings, 6 mos. to Dec. 31 (Consol. — \$000):**

	2009	2008
Total revenues	31,942,000	31,690,000
Cost & expenses	18,947,000	19,752,000
Operating income	12,995,000	11,938,000
Other income (expense), net	1,020,000	86,000
Gains or losses	254,000	dr175,000
Foreign currency	32,000	dr529,000
Income taxes	3,412,000	3,082,000
<b>Net income</b>	<b>10,889,000</b>	<b>8,238,000</b>
Earn com sh:		
Primary	\$1.15	\$0.95
Fully Diluted	\$1.14	\$0.94
Common Shares (000):		
Fully diluted	8,975,000	9,052,000
Year-end	8,811,000	8,889,000

**MOLECULAR DEVICES CORP.**

**Sale Completed:** On Feb. 1, 2010, Co. was acquired by Danaher Corporation. Terms of the transaction were not disclosed.

**MOLEX INC**

**Earnings, 6 mos. to Dec. 31 (Consol. — \$000):**

	2009	2008
Total revenues	1,403,609	1,505,713
Cost & expenses	1,376,916	1,545,832
Operating income	26,693	dr40,119
Other income (expense), net	2,783	20,993
Income taxes	19,499	25,857
<b>Net income</b>	<b>7,691</b>	<b>dr42,947</b>
Earn com sh:		
Primary	\$0.04	dr\$0.24
Fully Diluted	\$0.04	dr\$0.24
Common Shares (000):		
Fully diluted	174,356	175,736
Year-end	173,803	173,231

**MYRIAD GENETICS, INC.**

**Earnings, 6 mos. to Dec. 31 (Consol. — \$):**

	2009	2008
Total revenues	177,890,000	153,917,000
Cost & expenses	113,656,000	97,211,000
Operating income	64,234,000	56,706,000
Interest income	3,444,000	6,871,000
Other income (expense), net	72,000	dr2,005,000
Income taxes	1,948,000	287,000
Income discont. oper.		dr25,628,000
<b>Net income</b>	<b>65,802,000</b>	<b>35,657,000</b>
Earn com sh:		
Primary	\$0.68	\$0.39
Fully Diluted	\$0.66	\$0.37
Common Shares:		
Fully diluted	99,459,000	97,184,000
Year-end	96,370,000	

**NEWS CORP**

**Earnings, 6 mos. to Dec. 31 (Consol. — \$000000):**

	2009	2008
Total revenues	15,883	15,380
Cost & expenses	13,543	21,474
Deprec., depl. & amort.	596	579
Operating income	1,744	dr6,673
Interest income	41	60
Interest expense	514	452
Other income (expense), net	dr58	dr49

Gains or losses	dr48	132
Income taxes	382	cr1,333
<b>Net income</b>	783	dr5,649
Earn com sh:		
Primary	\$0.32	d\$2.26
Fully Diluted	\$0.31	d\$2.26
Common Shares (in millions):		
Fully diluted	2,620	2,612
Year-end	2,620	

**ON SEMICONDUCTOR CORP**

**Acquisition Completed:** On Jan. 27, 2010, Co. acquired all of the outstanding shares of the common stock of California Micro Devices Corporation. Terms of the transaction were not disclosed.

**OPTICAL CABLE CORP.**

**Annual Report:**

**Consolidated Income Account, years ended Oct. 31 (\$):**

	2009	2008	2007
Net sales	58,588,560	60,998,083	45,502,705
Cost of goods sold	38,747,590	36,837,994	28,332,900
Gross profit	19,840,970	24,160,089	17,169,805
Selling, general & administrative expenses	22,345,311	20,642,130	15,299,861
Royalty income, net	877,809	635,638	
Amortization of intangibles	825,399	469,417	
Loss on impairment of intangible assets	343,590		
Income (loss) from operations	dr2,795,521	3,684,180	1,869,944
Interest income	831,084	99,415	119,238
Interest expense	681,851	246,538	98,382
Other income (expense), net	16,130	dr23,577	27,166
Total other income (expense), net	165,363	dr170,700	48,022
Income (loss) before income tax	dr2,630,158	3,513,480	1,917,966
Income tax expense (benefit)	cr705,659	1,301,728	665,328
<b>Net income (loss)</b>	dr1,924,499	2,211,752	1,252,638
Common shares			
Weighted average shares outstanding-basic	5,656,404	6,061,570	6,089,486
Weighted average shares outstanding-diluted	5,656,404	6,061,932	6,095,529
Year end shares outstanding	6,508,821	6,208,861	6,090,331
Net income (loss) per share-basic	d\$0.34	\$0.36	\$0.21
Net income (loss) per share-diluted	d\$0.34	\$0.36	\$0.21
Total number of employees	311	324	198
Number of common stockholders	2,900	3,300	3,600

2007 and prior, non-consolidated presentation  
 Approximately As of December 31, 2008 As of December 31, 2009 As of December 31, 2007

**Consolidated Balance Sheet, as of Oct. 31 (\$):**

	2009	2008
<b>Assets:</b>		
Cash & cash equivalents	1,948,334	3,910,120
Trade accounts receivable, net	9,532,869	12,034,547
Other receivables	433,219	868,359
Income taxes refundable	1,842,008	63,102
Inventories	12,306,286	13,022,260
Prepaid expenses & other current assets	479,601	539,448
Deferred income taxes	1,160,046	1,484,798
Total current assets	27,702,363	31,922,634
Property & equipment, net	14,972,379	16,128,657
Note receivable		4,336,280
Goodwill	6,288,803	
Intangible assets, net	1,271,624	2,250,365
Other assets, net	91,629	199,049
Total assets	50,326,798	54,836,985
<b>Liabilities:</b>		
Current installments of long-term debt	166,909	262,122
Accounts payable & accrued expenses	6,116,946	5,218,702
Accrued compensation & payroll taxes	1,348,281	2,677,104
Total current liabilities	7,632,136	8,157,928
Long-term debt, excluding current installments	8,369,126	10,690,979
Deferred income taxes - noncurrent	149,768	946,752
Other noncurrent liabilities	919,013	209,122
Total liabilities	17,070,043	20,004,781
Common stock	5,166,016	4,362,267
Retained earnings	28,090,739	30,469,937
Total shareholders' equity	33,256,755	34,832,204

**ORACLE CORP.**

**Acquisition Completed:** On Jan. 26, 2010, Co., through its subsidiary, Soda Acquisition Corporation, acquired Sun Microsystems, Inc. ('Sun') as its subsidiary. Each share of Sun's common stock issued and outstanding was cancelled and automatically converted into the right to receive \$9.50 in cash, without interest.

**PDI, INC**

**Contracts:** On Jan. 11, 2010, Co. was awarded a contract sales engagement with a Top 10 pharmaceutical

company that is expected to generate approximately \$10,000,000 to \$12,000,000 in revenue in 2010.

**PLATO LEARNING INC**

**Annual Report:**

**Consolidated Income Account, years ended Oct. 31 (\$000):**

	2009	2008	2007
Subscriptions revenue	41,210	35,221	24,173
License fees revenue	4,101	8,458	17,712
Services revenue	19,872	24,722	27,747
Total revenues	65,183	68,401	69,632
Cost of subscriptions	16,171	18,674	15,540
Cost of license fees	1,809	5,277	8,396
Cost of services	9,886	12,432	13,052
Impairment charges		5,085	531
Total cost of revenues	27,866	41,468	37,519
Gross profit	37,317	26,933	32,113
Sales & marketing expenses	23,762	27,632	29,849
General & administrative expenses	8,984	10,366	12,095
Software maintenance & development	2,637	4,060	4,334
Amortization of intangibles	853	1,550	1,740
Goodwill impairment		71,865	
Restructuring, impairment & other charges (benefit)		6,748	dr478
Total operating expenses	36,236	122,221	47,540
Operating profit (loss)	1,081	dr95,288	dr15,427
Interest income	187	549	1,254
Interest expense	286	300	117
Other income (expense), net	dr25	5.00	22
Income (loss) before income taxes	957	dr95,034	dr14,268
Income tax expense (benefit)		cr3,137	608
<b>Net income (loss)</b>	957	dr91,897	dr14,876
Common shares(000)			
Weighted average shares outstanding - basic	24,165	23,854	23,754
Weighted average shares outstanding - diluted	24,800	23,854	23,754
Year end shares outstanding	24,282	23,988	23,804
Earnings (loss) per share - basic	\$0.04	d\$3.85	d\$0.63
Earnings (loss) per share - diluted	\$0.04	d\$3.85	d\$0.63
Total number of employees	300	384	480
Number of common stockholders	480	512	800
Number of beneficiary stockholders	1,727	1,807	2,050

**Consolidated Balance Sheet, as of Oct. 31 (\$000):**

	2009	2008
<b>Assets:</b>		
Cash & cash equivalents	28,164	20,018
Accounts receivable, net	10,710	6,834
Other current assets	6,539	7,408
Total current assets	45,413	34,260
Equipment & leasehold improvements, net	2,472	3,589
Software development costs, net	19,904	24,086
Identified intangible assets, net	2,384	3,723
Other long-term assets	3,279	3,309
Total assets	73,452	68,967
<b>Liabilities:</b>		
Accounts payable	1,070	3,085
Accrued compensation	3,805	3,996
Other accrued liabilities	2,457	6,909
Deferred revenue	38,020	36,005
Total current liabilities	45,352	49,995
Long-term deferred revenue	15,678	8,916
Total liabilities	61,030	58,911
Common stock	243	240
Additional paid in capital	172,560	171,143
Treasury stock at cost	319	315
Retained earnings (accumulated deficit)	dr158,833	dr159,790
Accumulated other comprehensive income (loss)	dr1,229	dr1,222
Total stockholders' equity (deficit)	12,422	10,056

Reclassified to conform with 2009 presentation

**QLOGIC CORP.**

**Earnings, 9 mos. to Dec. 27 (Consol. — \$000):**

	12/27/09	12/28/08
Total revenues	403,354	503,315
Cost & expenses	331,591	360,301
Operating income	71,763	143,014
Interest income	4,216	9,435
Other income (expense), net		dr3,855
Gains or losses	2,485	dr3,678
Income taxes	18,985	55,457
<b>Net income</b>	59,479	89,459

Earn com sh:		
Primary	\$0.51	\$0.69
Fully Diluted	\$0.51	\$0.68
Common Shares (000):		
Fully diluted	117,965	130,932
Year-end	114,351	122,728

**QUALCOMM, INC.**

**Earnings, 3 mos. to Dec. 27 (Consol. — \$000):**

	12/27/09	12/28/08
Total revenues	2,670,000	2,517,000
Cost & expenses	1,791,000	1,772,000
Operating income	879,000	745,000
Interest income	145,000	135,000
Interest expense	9,000	3,000
Other income (expense), net	dr4,000	dr1,000
Gains or losses	dr61,000	dr392,000
Invest. income	102,000	dr33,000
Income taxes	211,000	110,000
<b>Net income</b>	841,000	341,000
Earn com sh:		
Primary	\$0.50	\$0.21
Fully Diluted	\$0.50	\$0.20
Common Shares (000):		
Fully diluted	1,691,000	1,667,000
Year-end	1,674,000	1,649,000

**Consolidated Balance Sheet Items, as of (\$000):**

	12/27/09	12/28/08
<b>Assets:</b>		
Cash & equivalents	3,660,000	3,500,000
Inventories	350,000	350,000
Current assets	13,574,000	13,574,000
Net property & equip.	2,384,000	2,384,000
Total assets	28,903,000	28,903,000
<b>Liabilities:</b>		
Current liabilities	2,948,000	2,948,000
Stockholders' equity	21,353,000	21,353,000

**QUANTUM FUEL SYSTEMS TECHNOLOGIES**

**WORLDWIDE INC.**

**Annual Report:**

**Consolidated Income Account, years ended Apr. 30 (\$):**

	2009	2008	2007
Net product sales	975,098	11,856,277	10,662,721
Contract revenue from affiliate	13,751,866	2,178,226	
Contract revenue from non-affiliates	8,530,756	12,462,659	7,015,939
Total revenue	23,257,720	26,497,162	17,678,660
Cost of product sales	2,288,237	10,015,622	9,483,918
Research & development expenses	25,177,261	17,499,221	14,146,098
Selling, general & administrative expenses	13,888,843	16,077,527	15,810,938
Amortization & impairment of intangible asset	7,020,607	1,675,835	1,674,190
Total costs & expenses	48,374,948	45,268,205	41,115,144
Operating income (loss)	dr25,117,228	dr18,771,043	dr23,436,484
Interest income	dr3,690,855	dr2,557,266	dr15,781
Interest expense (expense), net			
Fair value adjustments of derivative instruments	27,693,000	dr611,000	1,248,000
Loss on modification of derivative instruments	23,834,000		
Gain (loss) on settlement of derivative instruments	dr4,294,000		dr281,000
Minority interest in losses of subsidiary		dr1,718,813	dr811,262
Equity in earnings (losses) of affiliates, net	dr733,000	335,500	
Other income (expenses), net	1,985,031	dr27,443	5,902
Income (loss) from continuing operations before income tax expense	dr27,991,052	dr19,912,439	dr21,668,101
Income tax expense (benefit)	1,600	1,600	1,600
Income (loss) from continuing operations	dr27,992,652	dr19,914,039	dr21,669,701
Income (loss) from discontinued operations, net of tax effects	dr27,992,652	dr66,886,009	dr118,183,365
<b>Net income (loss)</b>	dr27,992,652	dr86,800,048	dr139,853,066
Common shares			
Weighted average shares outstanding - basic	92,013,338	76,791,382	61,760,458
Weighted average shares outstanding - diluted	92,013,338	76,791,382	61,760,458
Year end shares outstanding	98,627,924	78,972,368	66,052,368
Earnings (loss) per share - continuing operations - basic	d\$.30	d\$.26	d\$.35
Earnings (loss) per share - discontinued operations - basic		d\$.87	d\$1.91
Net earnings (loss) per share - basic	d\$0.30	d\$1.13	d\$2.26
Earnings (loss) per share - continuing operations - diluted	d\$.30	d\$.26	d\$.35

OTC

Earnings (loss) per share - discontinued operations - diluted			
Net earnings (loss) per share - diluted	d\$0.30	d\$1.13	d\$2.26
Number of full time employees	101		
Number of part time employees	100		
Total number of employees	102		
Number of common stockholders	787		
Number of series B common stockholders	100		

Restated to reflect corrections to reflect bifurcation of certain derivative liabilities associated with conversion features contained within two debt instruments in accordance with SFAS 133 Restated to reflect corrections to reflect the derivative liabilities associated with warrants in accordance with SFAS 133 Restated to reflect the discontinued operations of the Tecstar Automotive Group business segment As of January 15, 2010 Approximately

**Consolidated Balance Sheet, as of Apr. 30(\$):**

Assets:	2009	2008	2007
Cash & cash equivalents	2,621,215	6,023,715	
Accounts receivable from affiliate	2,430,093		
Accounts receivable from non-affiliates, net	2,891,825	9,664,751	
Inventories, net	3,050,953	6,062,137	
Prepays & other current assets	782,001	990,925	
Total current assets	11,776,087	22,741,528	
Property & equipment, net	6,880,130	3,852,566	
Investment in & advances to affiliate	5,534,740	3,503,026	
Intangible assets, net		7,020,606	
Goodwill	30,400,000	30,400,000	
Prepayments to affiliates	4,845,400	722,600	
Deposits & other assets	446,447	545,294	
Total assets	59,882,804	68,785,620	
Liabilities:			
Accounts payable	3,408,330	3,364,580	
Accrued payroll obligations	1,263,816	1,422,779	
Deferred revenue from affiliate		4,321,774	
Deferred revenue from non-affiliates	299,187	385,860	
Accrued warranties	223,493	665,606	
Obligation payable to affiliate		1,869,000	
Derivative instruments	15,198,000	16,409,000	
Other accrued liabilities	1,690,007	1,458,086	
Current maturities of long-term debt	14,127,337	7,162,068	
Total current liabilities	36,210,170	37,058,753	
Long-term debt, net of current maturities	18,540,330	29,940,520	
Series B common stock	1,000	1,000	
Common stock	97,628	77,972	
Additional paid-in capital	331,521,501	299,436,962	
Retained earnings (accumulated deficit)	dr325,722,239	dr297,729,587	
Accumulated other comprehensive income (loss)	dr765,586		
Total stockholders' equity	5,132,304	1,786,347	

Restated to reflect corrections to reflect bifurcation of certain derivative liabilities associated with conversion features contained within two debt instruments in accordance with SFAS 133 Restated to reflect corrections to reflect the derivative liabilities associated with warrants in accordance with SFAS 133

**QUANTUM FUEL SYSTEMS TECHNOLOGIES WORLDWIDE INC.**

**Auditor's Comment:** The following is an excerpt from the Report of the Independent Auditors, Ernst & Young LLP, as it appeared in Co.'s 2009 10-K: "We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Quantum Fuel Systems Technologies Worldwide, Inc.'s internal control over financial reporting as of April 30, 2009, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated January 25, 2010 expressed an adverse opinion thereon."

**RENTRAK CORP.**

**Acquisition Completed:** On Feb. 1, 2010, Co. acquired Nielsen EDI from The Nielsen Company. Terms of the transaction were not disclosed.

**RF INDUSTRIES LTD.**

Annual Report:			
Income Account, years ended Oct. 31(\$):			
	2009	2008	2007
Net sales	14,213,045	17,695,146	14,853,039
Cost of sales	7,308,479	8,789,604	7,937,251
Gross profit	6,904,566	8,905,542	6,915,788
Engineering expenses	1,050,398	1,050,574	571,237
Selling & general expenses	4,738,265	5,341,576	4,625,065
Goodwill impairment	209,763		
Total operating expenses	5,998,426	6,392,150	5,196,302

Operating income (loss)	906,140	2,513,392	1,719,486
Other income (loss) - interest	193,429	258,381	359,113
Income (loss) before income taxes	1,099,569	2,771,773	2,078,599
Provision (benefit) for income taxes	443,602	1,212,540	943,376
Net income (loss) Common shares	655,967	1,559,233	1,135,223
Weighted average shares outstanding - basic	2,951,002	3,293,820	3,263,695
Weighted average shares outstanding - diluted	3,248,904	3,715,490	3,755,449
Year end shares outstanding	2,848,313	3,226,264	3,285,969
Net earnings (loss) per share - basic	\$0.22	\$0.47	\$0.35
Net earnings (loss) per share - diluted	\$0.20	\$0.42	\$0.30
Dividends per share	\$0.03	\$1.12	\$0.06
Number of full time employees	87	94	83
Number of common stockholders	447	450	497

Reclassified to conform with 2008 presentation As of December 31, 2007

**Balance Sheet, as of Oct. 31(\$):**

Assets:	2009	2008	2007
Cash & cash equivalents	1,225,927	1,060,838	
Certificates of deposit	6,476,981	6,315,864	
Short-term investments		547,847	
Trade accounts receivable, net	2,263,265	2,071,349	
Inventories, net	4,984,921	5,949,708	
Other current assets	340,362	217,443	
Deferred tax assets	478,200	542,100	
Total current assets	15,769,656	16,705,149	
Equipment & tooling	2,365,160	2,205,525	
Furniture & office equipment	425,389	377,286	
Equipment & furnishings, gross	2,790,549	2,582,811	
Less accumulated depreciation	2,224,745	2,016,951	
Equipment & furnishings, net	565,804	565,860	
Goodwill	137,328	347,091	
Amortizable intangible assets, net	27,156	54,311	
Note receivable from stockholder	66,980	66,980	
Other assets	31,276	28,382	
Total assets	16,598,200	17,767,773	
Liabilities:			
Accounts payable	224,974	329,509	
Accrued expenses	63,080	760,762	
Income taxes payable	75,134	232,927	
Total current liabilities	973,188	1,323,198	
Deferred tax liabilities	50,500	105,700	
Other long-term liabilities	321,030	217,185	
Total liabilities	1,344,718	1,646,083	
Common stock	28,483	32,263	
Additional paid-in capital	6,502,447	6,411,810	
Retained earnings (accumulated deficit)	8,722,552	9,677,617	
Total stockholders' equity	15,253,482	16,121,690	

Reclassified to conform with 2009 presentation

**ROYAL GOLD, INC.**  
**Acquisition Completed:** On Jan. 25, 2010, Co. acquired a production interest in the gold produced from the sulfide portion of the Andacollo copper and gold project in Chile from a subsidiary of Teck Resources Limited, Compaia Minera Teck Carmen de Andacollo for \$217,900,000.

**SANFILIPPO (JOHN B.) & SON, INC.**

Earnings, 6 mos. to Dec. 24 (Consol. — \$000):			
	12/24/09	12/25/08	
Net Sales	306,882	312,579	
Cost & expenses	281,790	301,598	
Operating income	25,092	10,981	
Interest expense	2,786	4,242	
Other income (expense), net	dr641	dr605	
Income taxes	8,079	679	
Net income	13,586	5,455	
Earn com sh:			
Primary	\$1.28	\$0.51	
Fully Diluted	\$1.27	\$0.51	
Common Shares (000):			
Fully diluted	10,697	10,643	
Year-end	10,641	10,620	

**SEACHANGE INTERNATIONAL INC.**

**Acquisition Completed:** On Feb. 1, 2010, Co. acquired Vividlogic, Inc. ("Vividlogic") as its new subsidiary through the merger of its subsidiary, Vulcan Acquisition, Inc. with and into Vividlogic, with Vividlogic continuing as the surviving corporation. Each outstanding share of Vividlogic's capital stock converted into the right to receive its portion of the following cash amounts: \$10,800,000 was paid at the closing; \$1,200,000 deposited in escrow at closing with respect to specified indemnification matters; \$8,500,000 in deferred merger consideration, with \$1,000,000 paid on each of the first, second and third anniversaries of the closing; and earnout payments based on the operating performance of Vividlogic, measured by EBIT, on a cumulative and one-year performance target basis for the periods ended Jan. 31, 2011, 2012 and 2013.

**SHUFFLE MASTER, INC.**

**Annual Report:**  
**Consolidated Income Account, years ended Oct. 31 (\$000):**

Revenue - product leases & royalties	2009	2008	2007
Revenue - product sales & service	76,258	70,898	56,426
Revenue - other	103,113	118,948	122,315
Total revenue	56	160	110
Cost of leases & royalties	179,427	190,006	178,851
Cost of sales & service	24,559	21,866	17,221
Gross profit	49,197	57,238	57,764
Selling, general & administrative expense	105,671	110,902	103,866
Research & development expense	63,647	71,350	61,947
Impairment of goodwill	17,349	18,474	17,337
Total costs & expenses	22,137		
Income (loss) from operations	154,752	191,065	154,269
Interest income	24,675	dr1,059	24,582
Interest expense	860	1,759	1,644
Other income (expense), net	5,401	6,630	7,487
Total other income (expense)	731	1,261	dr4,131
Gain on early extinguishment of debt	dr3,810	dr3,610	dr9,974
Impairment of investment	1,961	1,773	
Equity method investment gain (loss)		1,560	
Income (loss) from continuing operations before tax			dr306
Income tax provision (benefit)	22,826	dr4,456	14,302
Income (loss) from continuing operations	7,367	6,346	cr1,999
Discontinued operations, net of tax	15,459	dr10,802	16,301
Net income (loss) Common shares(000)	15,459	dr10,803	16,379
Weighted average shares outstanding - basic	53,120	40,006	34,680
Weighted average shares outstanding - diluted	53,449	40,006	35,276
Year end shares outstanding	53,617	53,535	35,198
Earnings (loss) per share - continuing operations - basic	\$2.29	dr\$2.27	\$4.47
Net earnings (loss) per common share - basic	\$0.29	dr\$0.27	\$0.47
Earnings (loss) per share - continuing operations - diluted	\$2.29	dr\$2.27	\$4.46
Net earnings (loss) per common share - diluted	\$0.29	dr\$0.27	\$0.46
Total number of employees	640	624	570
Number of common stockholders	250	250	285
Number of beneficiary stockholders	12,540	11,800	13,000

Reclassified to conform with 2008 presentation As is Approximately As of January 8, 2009 As of January 8, 2010 As of January 11, 2008

**Consolidated Balance Sheet, as of Oct. 31(\$000):**

Assets:	2009	2008	2007
Cash & cash equivalents	7,840	5,374	
Accounts receivable, net	36,371	28,915	
Investment in sales-type leases & notes receivable, net	2,281	5,655	
Inventories	27,639	22,753	
Prepaid income taxes	5,893	7,459	
Deferred income taxes	6,637	5,318	
Other current assets	5,897	4,925	
Total current assets	92,558	80,399	
Investment in sales-type leases & notes receivable, net of current portion		1,295	1,961
Products leased & held for lease, net	23,653	21,054	
Property & equipment, net	9,506	9,143	
Intangible assets, net	71,338	66,153	
Goodwill	74,662	60,929	
Deferred income taxes	9,414	10,013	
Other assets	3,043	12,294	
Total assets	285,469	261,946	
Liabilities:			
Accounts payable	6,336	10,645	
Accrued liabilities & other current liabilities	16,608	13,441	
Deferred income taxes, current	62		
Customer deposits	2,828	2,211	
Deferred revenue	6,802	4,610	
Current portion of long-term debt	650	41,753	
Total current liabilities	33,286	72,660	
Total long-term debt, net of current portion	92,560	83,396	
Other long-term liabilities	3,549	2,659	

Deferred income taxes	373	
Total liabilities	129,395	159,088
Common stock	536	535
Additional paid-in capital	88,977	83,710
Retained earnings (accumulated deficit)	42,282	26,823
Accumulated other comprehensive income (loss)	24,279	dr8,210
Total shareholders' equity	156,074	102,858

Reclassified to conform with 2009 presentation  
 Allowance for bad debts Investment in sales-type leases & notes receivable: 2008 \$202,000; 2009 \$164,000

**SINOVAC BIOTECH LTD**

**Contracts:** On Jan. 13, 2010, Co. received its fifth purchase order for its H1N1 vaccine, PANFLU.1(TM), from China's Ministry of Industry and Information Technology for the national purchase plan. Terms of the transaction were not disclosed.

**SPECTRUM CONTROL INC.**

**Contracts:** On Jan. 12, 2010, Co.'s Spectrum Microwave Business Unit was selected by Thales Communications, Inc. as the Supplier for the RF Power Amplifier for the Extended Band Manpack, an accessory to the AN/PRC-148 JTRS Enhanced Multiband Inter/Intra Team Radio. Terms of the contract were not disclosed.

**STARBUCKS CORP.**

**Earnings, 3 mos. to Dec. 27 (Consol. — \$000):**

	12/27/09	12/28/08
Total revenues	2,722,700	2,615,200
Cost & expenses	2,239,500	2,363,200
Deprec., depl. & amort.	130,600	134,300
Operating income	352,600	117,700
Interest expense	8,200	13,000
Income taxes	126,000	34,000
<b>Net income</b>	<b>243,500</b>	<b>64,700</b>
Earn com sh:		
Primary	\$0.32	\$0.09
Fully Diluted	\$0.32	\$0.09
Common Shares (000):		
Fully diluted	762,900	739,100
Year-end	746,500	

**Consolidated Balance Sheet Items, as of (\$000):**

Assets:	12/27/09	
Cash & equivalents	1,306,300	
Inventories	544,900	
Current assets	2,583,900	
Net property & equip.	2,482,700	
Total assets	6,458,400	
Liabilities:		
Current liabilities	1,779,200	
Long-term debt	549,300	
Stockholders' equity	3,311,900	

**SUN MICROSYSTEMS INC**

**Sale Completed:** On Jan. 26, 2010, Co. was acquired by Soda Acquisition Corporation, a subsidiary of Oracle Corporation. Each share of Co.'s common stock issued and outstanding was cancelled and automatically converted into the right to receive \$9.50 in cash, without interest.

**SYKES ENTERPRISES, INC.**

**Acquisition Completed:** On Feb. 2, 2010, Co. acquired ICT Group, Inc. ("ICT Group") through the merger of its subsidiary, Sykes, SH Merger Subsidiary I, Inc. with and into ICT Group, and then ICT Group was merged with and into Sykes Acquisition, LLC ("Sykes Acquisition"), Co.'s other subsidiary. As a result, each outstanding share of ICT Group's common stock, par value \$0.01 per share, was converted into the right to receive \$7.69 in cash, without interest, and 0.3423 of a share of Sykes common stock, par value \$0.01 per share; each outstanding ICT stock option became fully vested and exercisable immediately prior to, and then was canceled at, the effective time of the merger, and the holder of such option became entitled to receive an amount in cash, without interest and less any applicable taxes to be withheld, equal to (i) the excess, if any, of (1) \$15.38 over (2) the exercise price per share of ICT common stock subject to such ICT stock option, multiplied by (ii) the total number of shares of ICT common stock underlying such ICT stock option, with the aggregate amount of such payment rounded up to the nearest cent. If the exercise price was 4 equal to or greater than \$15.38, then the stock option was canceled without any payment to the stock option holder; and each outstanding restricted stock unit ("RSU") of ICT Group became fully vested and then was canceled and the holder of such vested awards became entitled to receive \$15.38 in cash, without interest and less any applicable taxes to be

withheld, in respect of each share of ICT common stock into which the RSU would otherwise have been convertible.

**SYNOPSIS INC**

**Acquisition Completed:** On Feb. 2, 2010, Co. acquired VaST Systems Technology Corporation to extend its virtual prototyping solutions into the automotive and consumer application space. Terms of the transaction were not disclosed.

**THORATEC CORP.**

**Acquisition Completed:** On Jan. 25, 2010, Co. acquired an innovative catheter pump technology from Getinge AB for \$8,500,000.

**TICKETMASTER ENTERTAINMENT, INC.**

**Merger Completed:** On Jan. 25, 2010, Co. and Live Nation, Inc. ("Live Nation") completed their merger following the receipt of regulatory clearances and approvals from all government authorities required by the merger agreement and the approval of Live Nation and Co. stockholders. Co. stockholders will receive approximately 1.474 shares of Live Nation common stock for each share of Co. common stock they own.

**TUESDAY MORNING CORP.**

**Earnings, 6 mos. to Dec. 31 (Consol. — \$000):**

	2009	2008
Net Sales	455,482	446,051
Cost & expenses	432,247	432,227
Operating income	23,235	13,824
Interest income	2.00	1.00
Interest expense	1,455	1,127
Other income (expense), net	88	271
Income taxes	8,081	4,556
<b>Net income</b>	<b>13,789</b>	<b>8,413</b>
Earn com sh:		
Primary	\$0.32	\$0.20
Fully Diluted	\$0.32	\$0.20
Common Shares (000):		
Fully diluted	42,230	41,597
Year-end	41,904	41,476

**UNION BANKSHARES CORP.**

**New Name:** On Feb. 2, 2010, Co. changed its name from Union Bankshares Corp. to Union First Market Bankshares Corp.

**UNION FIRST MARKET BANKSHARES CORP.**

**Acquisition Completed:** On Feb. 1, 2010, Co. acquired First Market Bank. Terms of the transaction were not disclosed.

**UNION FIRST MARKET BANKSHARES CORP.**

**New Name:** On Feb. 2, 2010, Co. changed its name from Union Bankshares Corp. to Union First Market Bankshares Corp.

**VIASAT, INC.**

**Contracts:** On Jan. 21, 2010, Co. was awarded a Limited Production order valued at \$14,400,000 for Multifunctional Information Distribution System Joint Tactical Radio System terminals for the U.S. government.

**VIRTUSA CORP**

**Acquisition Completed:** On Feb. 1, 2010, Co. acquired the business and assets of ConVista Consulting, LLC for approximately \$24,800,000 in cash.

**WESTERN PLAINS ENERGY LLC**

**Annual Report:**

**Income Account, years ended Sep. 30(\$):**

	2009	2008	2007
Revenue	92,268,505	119,228,676	108,761,200
Cost of sales	81,722,233	107,404,082	84,457,974
Gross profit	10,546,272	11,824,594	24,303,226
General & administrative expenses	2,315,556	2,443,180	2,835,635
Depreciation expense	6,386,602	6,324,986	5,858,935
Amortization expense	40,440	40,440	40,440
Total expenses	8,742,598	8,808,606	8,735,010
Income from operations	1,803,674	3,015,988	15,568,216
Interest expense	20,158	115,879	110,092
Interest income	73,148	25,954	57,480
Interest from industrial development revenue bonds	1,120,000	1,120,000	1,120,000
Plant lease expense	1,120,000	1,120,000	1,120,000

Grant & subsidy income	831,601	731,174	1,125,000
Other income (expense)	10,165	13,170	15,672
Total other income	894,756	654,419	1,088,060
<b>Net income (loss)</b>	<b>2,698,430</b>	<b>3,670,407</b>	<b>16,656,276</b>
Common shares			
Weighted average units outstanding-basic	28,420	28,420	28,560
Weighted average units outstanding-diluted	28,420	28,420	28,560
Year end units outstanding	28,420	28,420	28,420
Net income per unit-basic	94.95	129.15	583.10
Net income per unit-diluted	94.95	129.15	583.10
Dividends per unit	175	171	1,000
Number of full time employees	37	36	36
Number of common unitholders	629	625	628

Reclassified to conform with 2008 presentation  
 Adjusted for 7-for-1 stock split, March 10, 2008  
 Approximately  As of December 24, 2008  As of December 28, 2009

**Balance Sheet, as of Sep. 30(\$):**

Assets:	2009	2008
Cash	8,352,894	2,501,358
Accounts receivable	4,852,593	6,143,322
Accounts receivable - government subsidies	700,000	371,919
Inventory	2,899,434	4,197,096
Prepaid expense	436,674	207,971
Commodities trading account - futures & options contracts	94,771	2,332,214
Total current assets	17,336,366	15,753,880
Land	701,872	701,872
Land improvements	1,220,677	1,148,567
Manufacturing equipment	39,029,728	38,811,073
Buildings	3,011,442	2,960,664
Vehicles	550,480	490,599
Grain handling & other equipment	3,742,557	3,742,557
Office equipment, furniture & fixtures	184,188	178,640
Construction-in-progress	679,828	
Spare parts	727,145	712,425
Property & equipment, gross	49,847,917	48,746,397
Less: accumulated depreciation	34,414,342	28,037,845
Property & equipment, net	15,433,575	20,708,552
Investment in industrial development revenue bonds	32,000,000	32,000,000
Water rights	340,408	340,408
Loan origination fees, net	162,947	196,655
Financing fees, net	160,521	167,253
Deposits	97,834	97,834
Total other assets	32,761,710	32,802,150
Total assets	65,531,651	69,264,582
Liabilities:		
Accounts payable & accrued expenses	3,607,417	6,116,316
Accrued interest	5,056	4,765
Notes payable		8,119
Total current liabilities	3,612,473	6,129,200
Lease obligation	32,000,000	32,000,000
Class A capital units	10,910,140	10,910,140
Class B capital units	7,940,895	7,940,895
Class C capital units	250,000	250,000
Membership distributions	dr75,584,300	dr70,610,800
Accumulated comprehensive income (loss)	dr1,931,146	dr2,990,013
Retained earnings	88,333,590	85,635,160
Total members' equity	29,919,179	31,135,382

Reclassified to conform with 2009 presentation

**ZIX CORP**

**Contracts:** On Jan. 12, 2010, Co. signed a three-year contract with Prime Healthcare Services. Co.'s Email Encryption Service will safeguard the Protected Health Information of Prime's patients and allow Prime Healthcare Services to comply with the updated Health Insurance Portability and Accountability Act. Terms of the contract were not disclosed.

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