

**SMDK CORP.**  
**CONSOLIDATED BALANCE SHEET**  
**AS OF DECEMBER 31, 2013**

	<b>December 31,</b>	
	<b>2013</b>	<b>2012</b>
	<b>(in thousands, except par value)</b>	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents.....	\$ 84	\$ 210
<b>TOTAL ASSETS</b> .....	<b>\$ 84</b>	<b>\$ 210</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable.....	\$ 245	\$ 247
Accrued liabilities.....	113	110
Term Loan.....	4,363	4,103
<b>Total current liabilities</b> .....	<b>4,721</b>	<b>4,460</b>
Stockholders' equity:		
Common stock, \$.001 par value; 60,000 shares authorized; 26,438 issued and outstanding at December 31, 2013.....	27	27
Capital in excess of par value.....	149,134	149,134
Common stock held in treasury, 100 shares at December 31, 2013 and 2012, at cost.....	(99)	(99)
Accumulated deficit.....	(153,699)	(153,313)
<b>Total stockholders' equity</b> .....	<b>(4,637)</b>	<b>(4,251)</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b> .....	<b>\$ 84</b>	<b>\$ 210</b>

Note: Fiscal 2013 and Fiscal 2012 Balance Sheets are unaudited.

**SMDK CORP.**

**CONSOLIDATED STATEMENT OF OPERATIONS**

**AS OF DECEMBER 31, 2013**

	<b>Year Ended December 31,</b>	
	<b>2013</b>	<b>2012</b>
	<b>(in thousands)</b>	
REVENUES:		
Royalty income and license fees.....	\$ -	\$ 50
Total revenues.....	<u>-</u>	<u>50</u>
Operating expenses:		
General and administrative.....	125	156
Total operating expenses.....	<u>125</u>	<u>156</u>
Operating loss.....	(125)	(106)
Interest and other income.....		-
Interest and other expenses.....	(260)	(253)
Loss before income taxes.....	<u>(385)</u>	<u>(359)</u>
Net loss.....	<u>\$ (385)</u>	<u>\$ (359)</u>

Note: Fiscal 2013 and Fiscal 2012 Statements of Operations are unaudited.