D-Link **News Release**

Spokesperson:

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D-Link Reports 1Q 09 Unaudited Consolidated Financials

- First quarter 2009 net revenue was NT$6.805bln, down 7.6% QoQ.
- First quarter 2009 gross margin exclusive of inventory related loss was 27.7%, compared to 29.5% in 4Q08.
- First quarter 2009 gross margin inclusive of inventory related loss was 24.6%, compared to 28.1% in 4Q08.
- First quarter 2009 operating margin, including inventory and account receivables provisional loss, was -6.4%, compared to -3.1% in 4Q08.
- First quarter 2009 tax expense was NT$63mln, compared to tax income of NT$60mln in 4Q08.
- First quarter 2009 net loss was NT$324mln, compared to net income of NT$26mln in 4Q08.
- First quarter 2009 EPS, per year-end capital of NT$5.652bln, was NT$-0.57, compared to NT$0.05 per share in 4Q08.
- All of the figures are pro forma.

Taipei, Taiwan, April 29, 2009 - D-Link Corporation ("D-Link", "the Company", or "the Group") (TAIEX 2332) today announced its global unaudited consolidated financial results for the first quarter of 2009.

For the first quarter of 2009, D-Link posted a net revenue of NT$6.805bln, down 7.6% over 4Q08, or down 19.9% compared to the year-ago figure, primarily due to continuously tough circumstances in the global economy. Due to price erosion and product mix shifting, gross margin excluding inventory related loss dropped to 27.7% in 1Q09 from 29.5% in 4Q08, or compared to 33.7% in the year-ago quarter. By applying article number 10 of Taiwan's GAAP, gross margin including inventory provisional loss was 24.6% in 1Q09, down by another 3.5% from 28.1% in 4Q08, or compared to 32.0% of the comparable 2008 quarter. Operating expenses of 31.0% of net revenue were slightly down from 31.2% in the previous quarter, or compared to 28.1% in 1Q08, a result of a smaller sales base in 1Q09, and provisions for credit loss. NT$2.109bln of 1Q09's operating expenses were trimmed down by NT$186mln or 8.1% QoQ, compared to NT$2.295bln in 4Q08. Operating profit margin shrank to -6.4% from -3.1% in 4Q08, or 3.9% in 1Q08.

On the non-operating side, income consisted of NT$115mln from long-term investment profit under equity method, NT$31mln from FX gain, and NT$28mln by way of financial/other incomes, totaled NT$174mln in 1Q09. In regards to the bottom line, the loss before tax was NT$264mln, which was deducted by a one-time back duty of NT$63mln and enhanced by the minority interest of NT$3mln, resulting in the consolidated net loss of NT$324mln of the first quarter of 2009, or an EPS of NT$-0.57 based on the fully diluted capital of NT$5.652bln.

All financial metrics of D-Link's balance sheet of the March quarter remained healthy and faced further strengthening. D-Link held NT$1.681bln in cash and NT$551mln in money market funds, totaling NT$2.232bln at the end of March. The cash position dropped by NT$649mln from NT$2.881bln as of the end of last December's quarter, mainly due to cash outflow offsetting account payables. Account Receivables slightly decreased to NT$5.935bln from NT$5.985bln as of December's quarter end, primarily from relatively soft sales in 1Q09. The March quarter inventory level significantly descended to NT$5.476bln from NT$7.472bln, compared to the December quarter, due to smooth inventory digestion. Account Payables significantly dropped to NT$3.417bln from NT$5.725bln in the December quarter end primarily due to less product pull-in. Regarding financial ratios of 1Q operation, Days A/R was lengthened to 80 days from 74 days of the last December quarter end. On a QoQ basis, Days Inventory decreased to 115 days from 131 days in the December quarter, a result of smooth inventory digestion in the March quarter of 2009. Cash cycle was extended to 114 days, compared to its previous quarter's figure of 104 days, due primarily to temporarily higher working capital required in these tough economic circumstances. The current ratio and debt/equity ratio remained sound, reflecting financial strength and stability of the company. Annualized ROE for the first quarter end of 2009 stayed negative and has yet to turn positive when the end demand recovers to a healthy level. Overall, D-Link financial standings kept a stable position in liquidity. For the rest of 2009, D-Link will further tighten cost and control expenses in an effect to thrive during the hardship.

NT$M	1Q09		4Q08		1Q08		QoQ	YoY
NA	1,485	21.8%	1,649.0	22.4%	2,041.0	24.0%	-9.9%	-27.2%
EU	2,115	31.1%	2,323.0	31.5%	2,287.0	26.9%	-9.0%	-7.5%
Emg. & APac	3,205	47.1%	3,392.0	46.1%	4,165.0	49.1%	-5.5%	-23.0%
Total	6,805	100.0%	7,364.0	100.0%	8,493.0	100.0%	-7.6%	-19.9%

To break down 1Q09's revenue by region, D-Link's global operation cast 21.8% in North America, 31.1% in Europe, and 47.1% from Emerging and Asia Pacific markets of consolidated sales. Among the regions, North America's sales were down 9.9% QoQ, or down 27.2% compared to the figure in the year-ago comparable quarter, Europe's dropped by 9.0% QoQ, or down 7.5% YoY, and Emerging and Asia Pacific markets declined by 5.5% QoQ or down 23.0% YoY. In the first quarter of 2009, D-Link's geographic revenue remained globally well diversified.

Regarding 1Q09's revenue by product categories, WLAN products remained the most popular item, accounting for 44.3% of 1Q09 consolidated revenue, followed by Switch products at 25.4%, Broadband at 19.0%, Digital Home at 9.0%, NIC and Others at 2.3%. Switch dropped 11.2% QoQ or down by 24.0% YoY, WLAN descended 0.9% QoQ or down by 6.1% YoY, Broadband decreased 5.8% QoQ or down by 25.4% YoY, and Digital Home declined by 19.3% QoQ or down by 34.5% YoY.

According to In-stat 2008 statistics, in port/unit shipments, D-Link was able to maintain its leading position in the global small to medium business connectivity segment, commanding 19.9% of global market shares, ahead of Linksys' 13.8%, Netgear's 13.3%, and 3Com's 5.0%.

In regards to the corporate updates, D-Link's Board approved the proposal to distribute NT$0.5/share of cash dividend and NT$1.4/share of stock dividend for 2008's earnings pending approval by the Annual General Shareholder Meeting. In order to cope with the global economic recession, the company will begin to leverage cost all the way to the vendors along the whole supply chain. In addition D-Link will cut down selling and marketing expenses as well as strictly control administration and R&D expenses. The inventory level is expected to reduce by implementing tighter inventory management control.

For outlooks, we expect the quarterly revenue will deliver sequential growth on the quarter-over-quarter basis for the rest of the year with steady improvement on profitability in light of new product and market initiating in emerging countries.

About D-Link

D-Link is the global leader in total products shipped for consumer networking connectivity according to reports published by the In-Stat Research Group. D-Link is the worldwide leader and award winning designer, developer, and manufacturer of networking, broadband, digital electronics, voice and data communications solutions for the digital home, Small Office/Home Office (SOHO), Small to Medium Business (SMB), and Workgroup to Enterprise environments. With in-depth worldwide market channel coverage over 100 countries and full-range product offering of Ethernet adapters, switches and routers for professional and home users, D-Link is a dominant market participant and price/performance leader in the networking and communications market. D-Link Corporation headquarter is located at No.289, Sinhu 3rd Road, Neihu District, Taipei City 114, Taiwan. Phone: 886-2-6600-0123; FAX: 886-2-6600-9898; http:// www.dlink.com.tw