

2Q11 Investor Conference

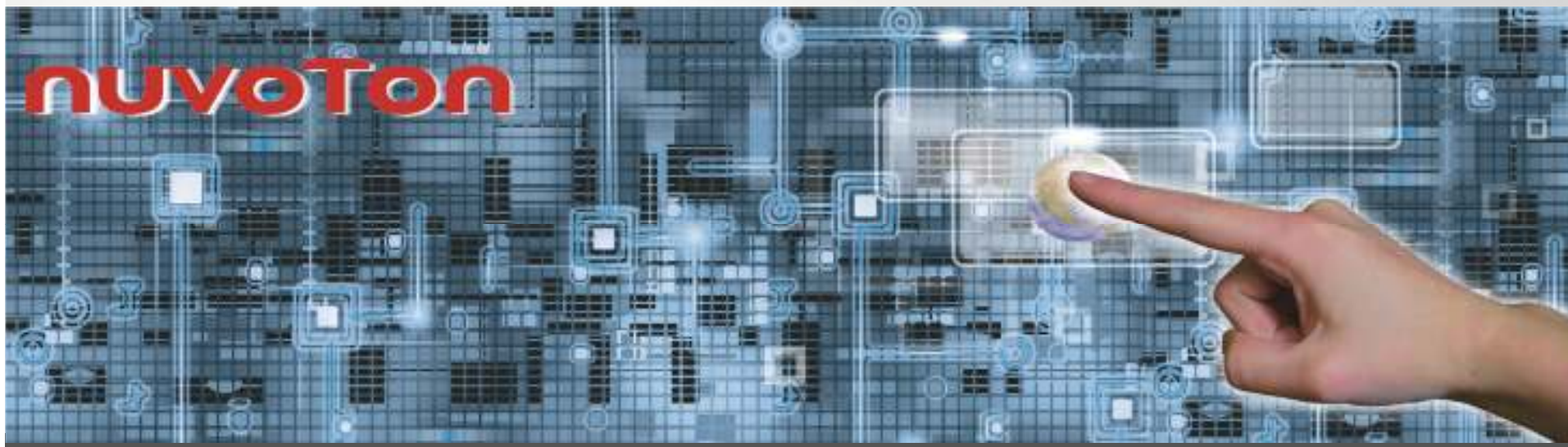
August 4, 2011

Safe Harbor Notice

- We have made forward-looking statements in this presentation. Our forward-looking statements contain information regarding, among other things, our financial condition, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projects are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about us.
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Agenda

- **2Q11 Financial Results**
- **Business Recap & Outlook**
- **Q&A**



2Q11 FINANCIAL RESULT

2Q11 Income Statement

(In NT Millions unless otherwise noted)

| | 2Q11 | | 1Q11 | | 2Q10 | | QoQ Change | | YoY Change | |
|--------------------------|--------|-----|--------|-----|--------|-----|------------|-----|------------|------|
| | Amount | % | Amount | % | Amount | % | Amount | % | Amount | % |
| Net Sales | 2,190 | 100 | 1,678 | 100 | 2,269 | 100 | 512 | 30 | (79) | (3) |
| Gross Profit | 858 | 39 | 649 | 39 | 996 | 44 | 209 | 32 | (138) | (14) |
| Operating Income | 264 | 12 | 75 | 4 | 319 | 14 | 189 | 251 | (55) | (17) |
| Net non-operating income | 5 | 0 | (3) | (0) | 21 | 1 | 8 | 311 | (16) | (74) |
| Pretax Income | 270 | 12 | 73 | 4 | 340 | 15 | 197 | 270 | (71) | (21) |
| Net Income | 209 | 10 | 61 | 4 | 299 | 13 | 149 | 244 | (90) | (30) |
| EPS (NT Dollar) | 1.01 | | 0.29 | | 1.46 | | | | | |

Note: All financial figures are consolidated.

2Q11 Balance Sheet

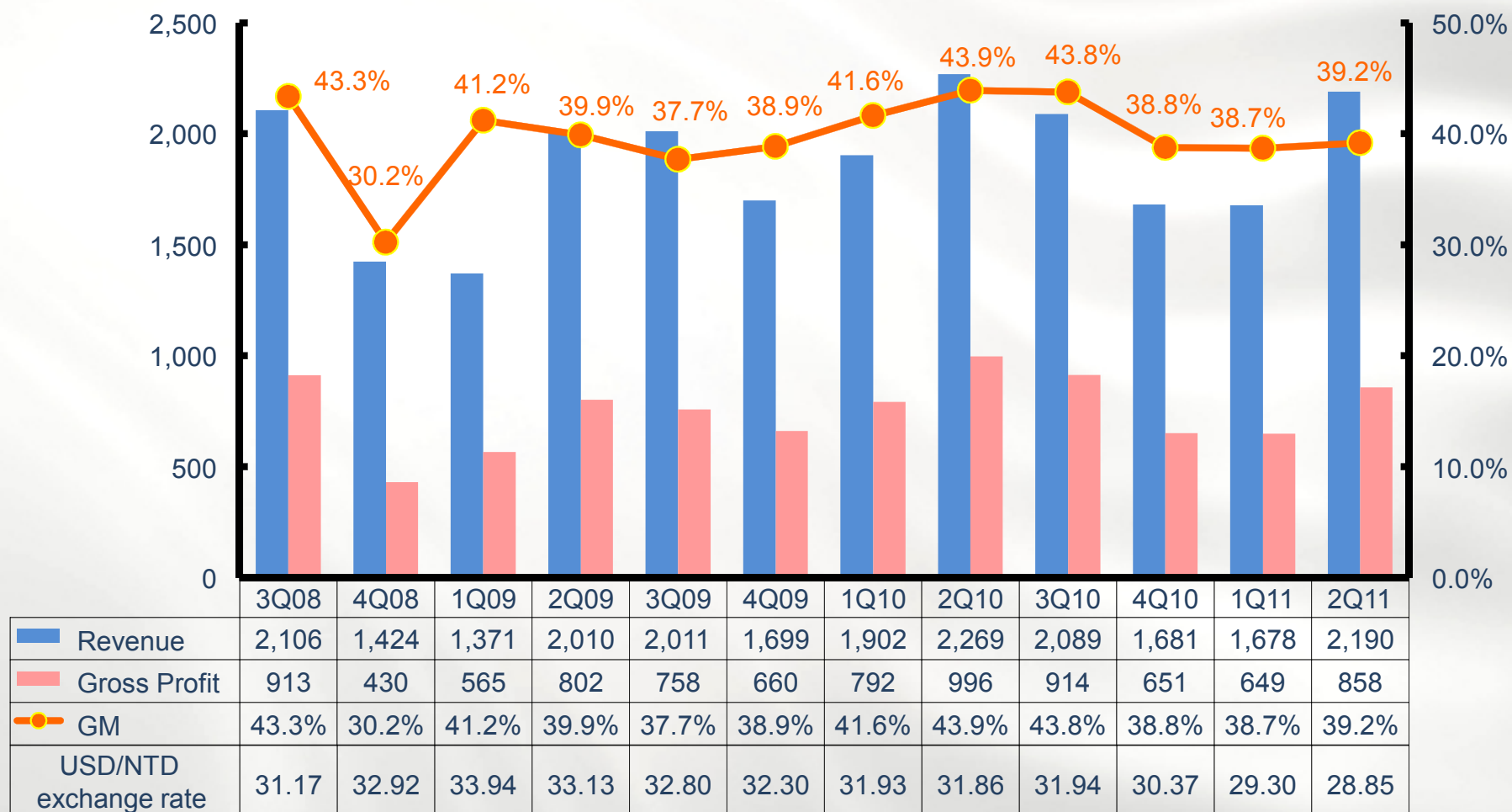
(In NT Millions unless otherwise noted)

| | 2011-06-30 | | 2011-03-31 | | QoQ Change | |
|----------------------------|------------|-----|------------|-----|------------|------|
| | Amount | % | Amount | % | Amount | % |
| Cash & Equivalents | 1,672 | 33 | 1,561 | 31 | 111 | 7 |
| Accounts Receivable | 1,155 | 22 | 978 | 20 | 177 | 18 |
| Inventory | 953 | 19 | 1,088 | 22 | (135) | (12) |
| Net Fixed Assets | 514 | 10 | 537 | 11 | (22) | (4) |
| Total Assets | 5,113 | 100 | 5,014 | 100 | 99 | 2 |
| Accounts Payable | 776 | 15 | 834 | 16 | (58) | (7) |
| Cash dividends payable | 623 | 12 | 0 | 0 | 623 | -- |
| Other payable | 778 | 15 | 786 | 16 | (8) | (1) |
| Total Liabilities | 2,498 | 49 | 1,976 | 39 | 522 | 26 |
| Total Shareholders' Equity | 2,615 | 51 | 3,038 | 61 | (422) | (14) |
| Current Ratio | 1.80 | | 2.25 | | | |
| Debt Ratio | 48.9% | | 39.4% | | | |

Note: All financial figures are consolidated.

Revenue and GM Trend

Unit: NT\$ Millions

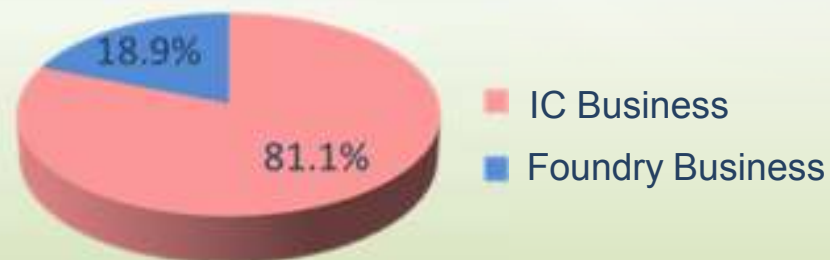




BUSINESS RECAP & OUTLOOK

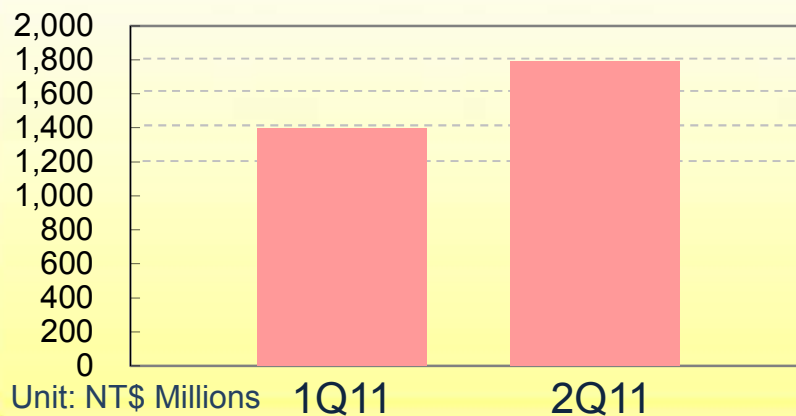
2Q11 Revenue Breakdown

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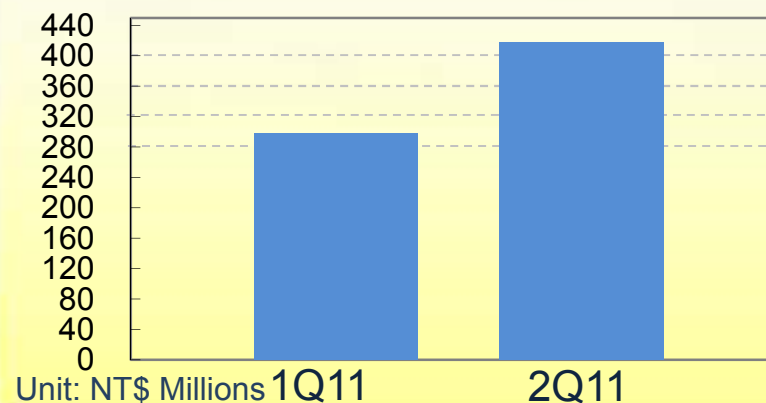
IC Business

QoQ +27.9%



Foundry Business

QoQ + 40.0%



Note: Revenue data are based on standalone financial statements. Other income, sales returns and allowance are excluded.

2Q11 Business Recap (IC Business)

- **Revenue QoQ +27.9% ; YoY -6.2%**
- **Key reasons for QoQ revenue increase**
 - ✓ Consumer IC is in traditional high season
 - ✓ Computer IC warms up for 3Q11 high season
 - ✓ New products continue shipment
 - ARM® Cortex™—M0 32 bit MCU
 - Embedded SIO
 - ELA (Education Learning Aid)
- **Key reasons for YoY revenue decline**
 - ✓ NTD appreciates against USD
 - ✓ 2010 seasonality was abnormal

Note1: Revenue data are based on standalone financial statements. Other income, sales returns and allowance are excluded.

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2Q11 Business Recap (Foundry Business)

- **Revenue QoQ +40.0% ; YoY +7.0%**
- **Key reasons for QoQ and YoY revenue increase**
 - ✓ Foundry-in customers increase
 - ✓ In-house product percentage decreases
 - ✓ Rush orders and new customers increase due to Japan earthquake
 - ✓ Power IC foundry-in growth
- **New Products**
 - ✓ Embedded Flash Process mass production ramped up smoothly
 - ✓ 700V High Voltage Process started mass production

Note: Revenue data are based on standalone financial statements. Other income, sales returns and allowance are excluded.

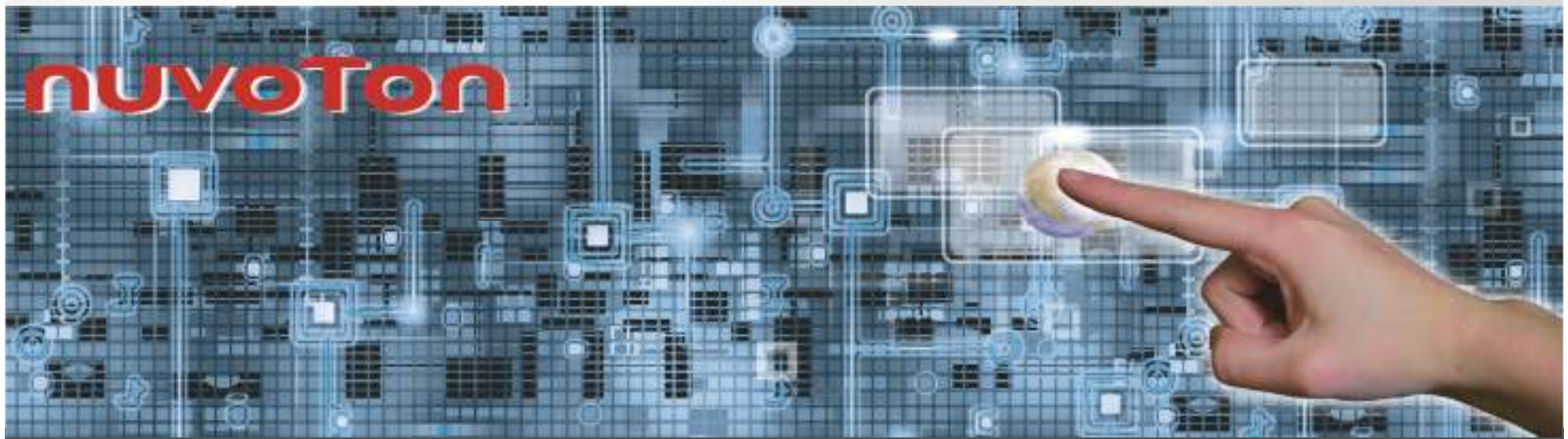
3Q11 Business Outlook

➤ 3Q11 Industry Outlook

- ✓ Low-end consumer IC industry may be a Weak high season
- ✓ Demands are uncertain for traditional high season in Computer IC industry

➤ 3Q11 New Product

- ✓ ARM® Cortex™—M0 32 bit MCU won Multi-Touch designs for Tablet
- ✓ Embedded Controller won Tablet designs



Q&A