



4Q11 Investor Conference

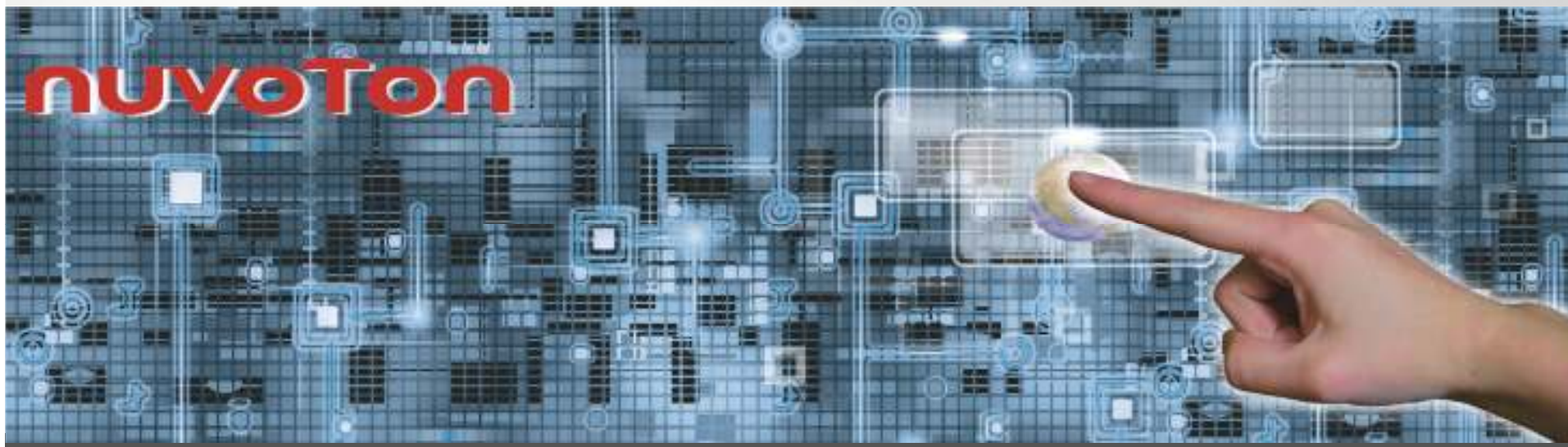
January 19, 2012

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.
- We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future event or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.
- The information contained herein shall also not constitute an offer to sell or a solicitation of an offer to buy the company's securities nor shall there be any sale of such securities in any state or country in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or country.

Agenda

- 4Q11 Financial Results
- Business Recap & Outlook
- Q&A



4Q11 FINANCIAL RESULT

4Q11 Consolidated Income Statement

(In NT Millions unless otherwise noted)

	4Q11		3Q11		4Q10		QoQ Change		YoY Change	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	1,570	100	1,905	100	1,681	100	(335)	(18)	(111)	(7)
Gross Profit	606	39	693	36	651	39	(87)	(13)	(45)	(7)
Operating Income	65	4	141	7	90	5	(76)	(54)	(25)	(27)
Net non-operating income	11	1	(9)	(0)	14	1	20	225	(3)	(20)
Pretax Income	77	5	132	7	104	6	(56)	(42)	(27)	(26)
Net Income	47	3	109	6	95	6	(62)	(57)	(49)	(51)
EPS (NT Dollar)	0.22		0.53		0.45					

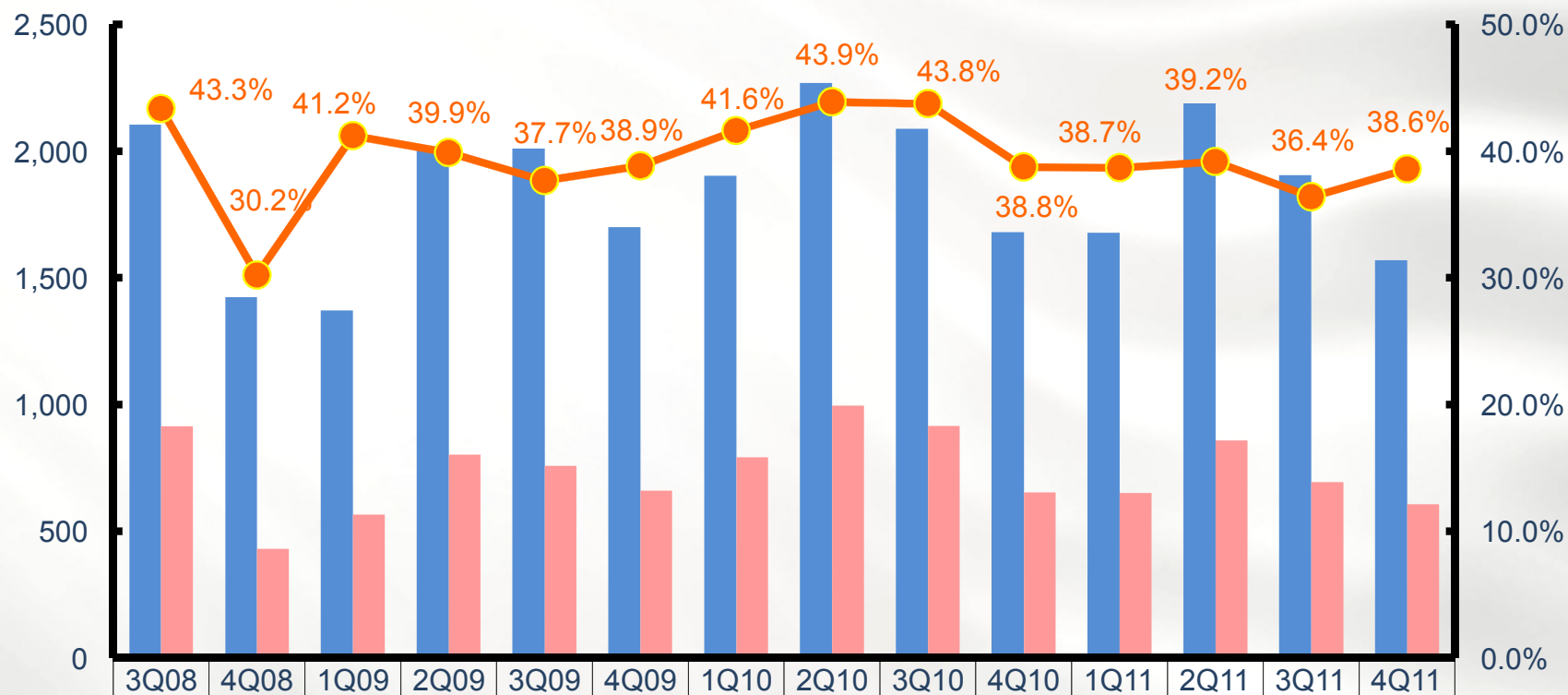
4Q11 Consolidated Balance Sheet

(In NT Millions unless otherwise noted)

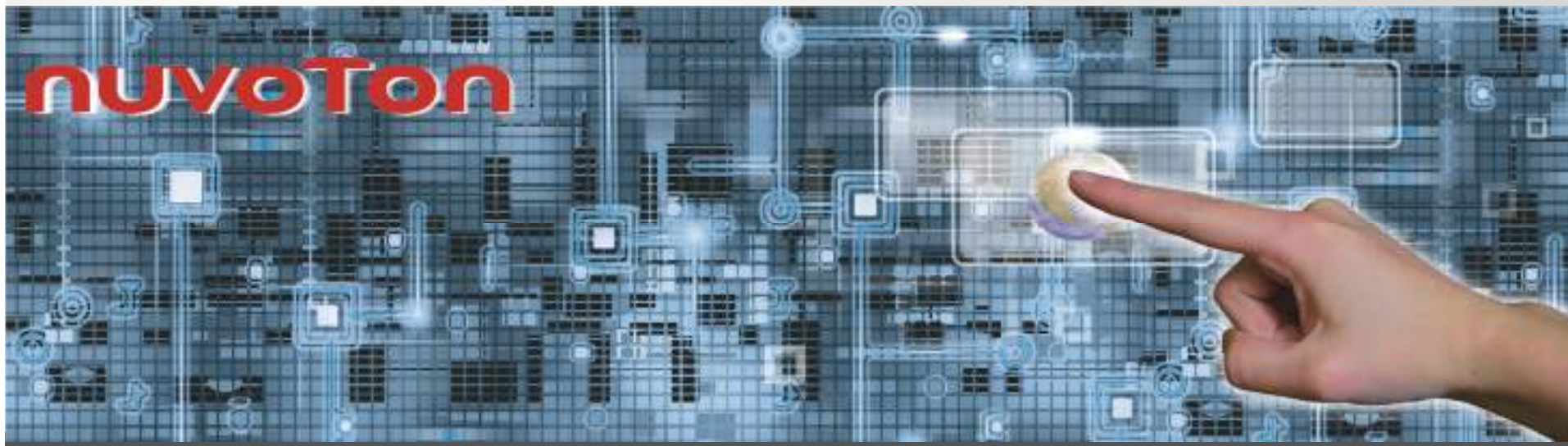
	2011-12-31		2011-09-30		QoQ Change	
	Amount	%	Amount	%	Amount	%
Cash & Equivalents	1,437	33	1,416	31	21	1
Accounts Receivable	871	20	1,058	23	(186)	(18)
Inventory	845	19	914	20	(69)	(8)
Net Fixed Assets	532	12	506	11	25	5
Total Assets	4,360	100	4,614	100	(254)	(5)
Accounts Payable	568	13	790	17	(222)	(28)
Other payable	644	15	694	15	(50)	(7)
Total Liabilities	1,565	36	1,856	40	(291)	(16)
Total Shareholders' Equity	2,795	64	2,758	60	37	1
Current Ratio	2.53		2.22			
Debt/Equity Ratio	0.56		0.67			

Consolidated Revenue and GM Trend

Unit: NT\$ Millions



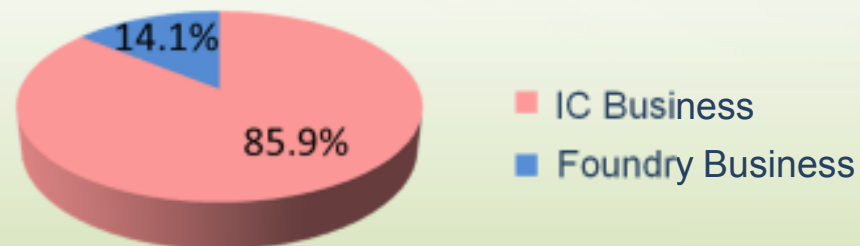
Revenue	2,106	1,424	1,371	2,010	2,011	1,699	1,902	2,269	2,089	1,681	1,678	2,190	1,905	1,570
Gross Profit	913	430	565	802	758	660	792	996	914	651	649	858	693	606
GM	43.3%	30.2%	41.2%	39.9%	37.7%	38.9%	41.6%	43.9%	43.8%	38.8%	38.7%	39.2%	36.4%	38.6%
USD/NTD exchange rate	31.17	32.92	33.94	33.13	32.80	32.30	31.93	31.86	31.94	30.37	29.30	28.85	29.14	30.26



BUSINESS RECAP & OUTLOOK

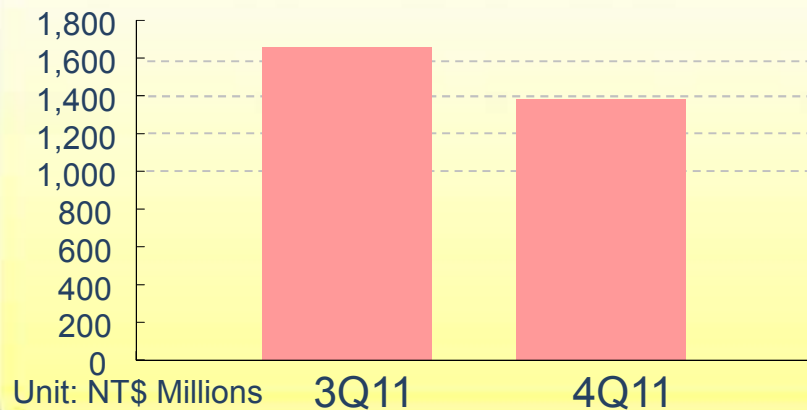
4Q11 Revenue Breakdown

4Q11 Revenue Breakdown



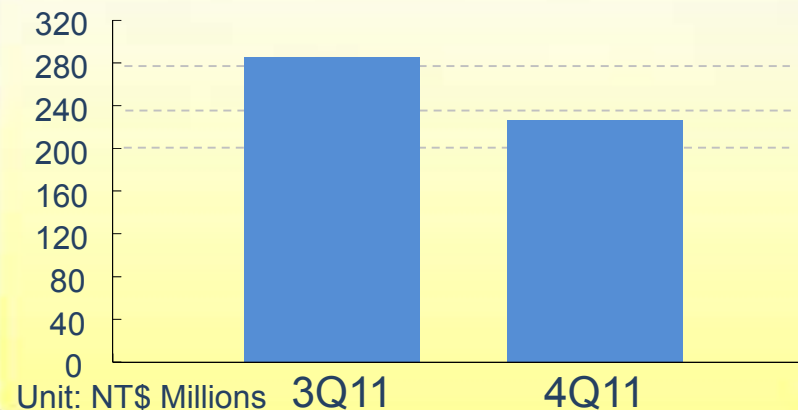
IC Business

QoQ -16.7%



Foundry Business

QoQ -20.7%



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

4Q11 Business Recap (IC Business)

- **Revenue QoQ -16.7% ; YoY -5.8%**
- **Key reasons for QoQ and YoY revenue decrease**
 - ✓ Seasonality: 4Q is traditionally a low season
 - ✓ Computer ICs shipment was impacted by HD shortage due to Thai Floods
 - ✓ Weak global economy especially in US and Europe
- **Gross Margin Rate QoQ improved**
 - ✓ Product Mix improved
 - ✓ NTD QoQ depreciated against USD
- **New products continue shipment**
 - ✓ Audio-Enhancement ICs

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

Note2: All trademarks and copyrights mentioned herein are the property of their respective owners.

4Q11 Business Recap (Foundry Business)

- **Revenue QoQ -20.7% ; YoY -8%**
- **Key reasons for QoQ and YoY revenue decrease**
 - ✓ Weak global economy especially in US and Europe
 - ✓ Seasonality: 4Q is traditionally a low season for Consumer ICs
 - ✓ FAB annual maintenance
- **New Products**
 - ✓ Embedded Flash Process mass production ramped up smoothly

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

1Q12 Business Outlook

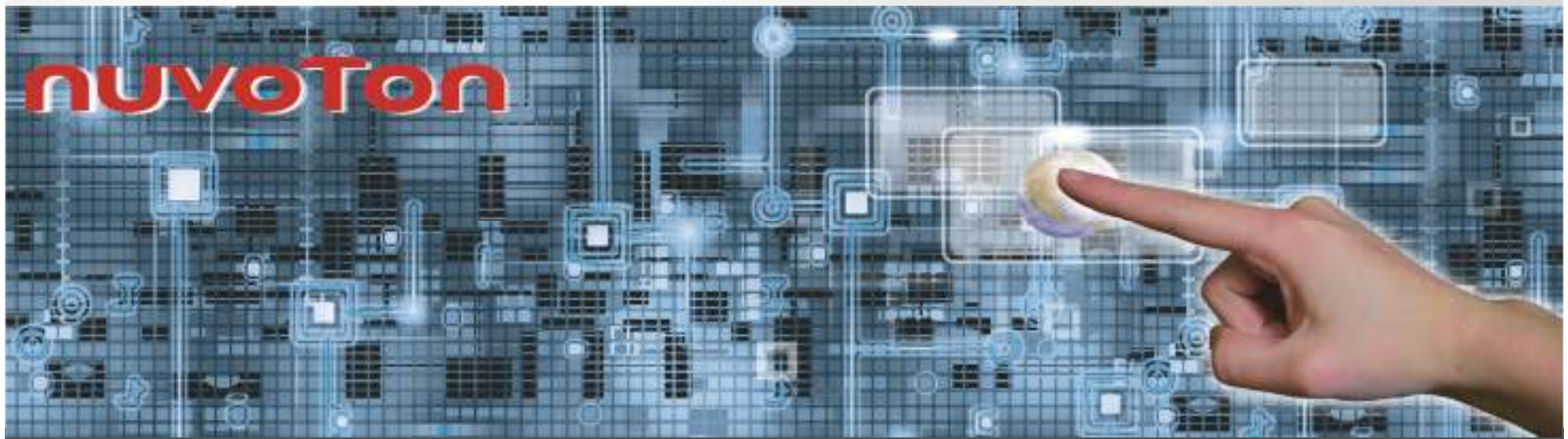
➤ 1Q12 Industry Outlook

- ✓ 1Q12 is traditionally a low season for Consumer IC, Computer IC and Foundry industry
- ✓ Demand of Computer ICs industry are uncertain and affected by HD shortage recovering

➤ 1Q12 New Products

- ✓ **Low Power** ARM® Cortex™—M0 32 bit MCU
- ✓ New Embedded Controller
- ✓ New Super I/O
- ✓ New ELA (Education Learning Aid) ICs
- ✓ 0.35um/5V Power Management Process

Note: All trademarks and copyrights mentioned herein are the property of their respective owners.



Q&A