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WIN SEMI. REPORTS 3Q16 CONSOLIDATED RESULTS (UNAUDITED)

Taiwan, Oct 28, 2016: WIN Semiconductors Corp. (WIN Semi., TPEX: 3105), the global leader in GaAs foundry services, today reported its fiscal year 2016, third quarter (3Q16) consolidated financial results.

3Q16 Results Highlights

- ◆ Net revenue for the quarter finished at NT\$3,553 million, down 1% quarter-on-quarter, and up 22% year-on-year.
- ◆ Gross margin declined sequentially by 3.9 percentage points to 35.3% and operating margin decreased 4.8 percentage points to 24.3%.
- ◆ Operating profit came in at NT\$864 million, down 17% quarter-on-quarter, and up 4% year-on-year.
- ◆ Net profit finished at NT\$1,001 million, up 42% quarter-on-quarter, and up 24% year-on-year. EPS was NT\$2.14, compared to NT\$1.19 for the second quarter of 2016.
- ◆ Net revenue for the first three quarters finished at NT\$10,417 million with EPS of NT\$4.62.

4Q16 Outlook & Guidance

The following statements are forward-looking which are based on our current expectations on market demand and may involve risks and uncertainties, some of which are set forth under “Safe Harbor Notice” below.

- ◆ We expect 4Q16 revenue to decrease by low teens QoQ.
- ◆ We expect 4Q16 gross margin to be flat at or slightly lower than the 3Q16 level.

Management Comments

“For the third quarter of 2016, following a traditionally stronger season with active restocking for the smartphone market in the second quarter, our July revenue reached a record high for a single month, and then gradually entered into a transition period for end products. Combining this and the unfavorable foreign exchange trend, our third quarter revenue of compound semiconductors declined 2.4% quarter-on-quarter, in line with our expectation. If including the additional revenue being consolidated in accordance with IFRS, consolidated revenue declined 1% quarter-on-quarter, and increased 22% year-on-year. For the first three quarters of 2016, revenue increased 18% year-on-year.

Due to the increase in fixed costs and depreciation expenses for the new Fab C, as well as the valuation impact for the items newly-consolidated into the consolidated financial report, our gross margin and operating margin decreased to 35.3% and 24.3%, respectively. Nevertheless, our third quarter net profit of NT\$1 billion and EPS of NT\$2.14 both reached a record high for a single quarter. For the first three quarters of 2016, our net profit increased 30% year-on-year, and EPS of NT\$4.62 has already exceeded the full year EPS last year. This further strengthens our confidence toward our full year growth for company operations this year.

Looking ahead, as the fourth quarter is a traditional low season, we expect revenue for the fourth quarter of 2016 to decline by low teens quarter-on-quarter. We expect gross margin to be flat at or slightly lower than the third quarter level.”

About WIN Semi.

WIN Semiconductors Corporation is the dedicated foundry leader in the world offering GaAs foundry services to its customers focusing on the communications of wireless, wireline and infrastructure. WIN Semi. provides its customers with a diverse technology portfolio of hetero-junction bi-polar transistor (HBT), pseudo-morphic high electron mobility transistor (pHEMT) and BiHEMT processes that support leading-edge products for applications from 50MHz to 100GHz frequencies. WIN Semi. finds the end-application markets for the products it builds for customers in the smartphones, tablet PCs, infrastructure base-stations, VSAT hubs, fiber optics, CATV and automotive. Headquartered in Taoyuan, Taiwan, WIN Semi. has offered the GaAs foundry services from its state-of-the-art, ISO9001/14001-certified 150mm wafer facilities for over a decade. This multi-site manufacturing facilities provide customers with both the front-end HBT, pHEMT and BiHEMT wafer foundry works and the backend DC/RF testing, Cu wafer bumping and turnkey packaging solutions to help customers shorten product cycle times.

Safe Harbor Notice

This presentation contains certain forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Except as required by law, we undertake no obligation to update any forward – looking statements, whether as a result of new information, future events or otherwise.