



WIN Semiconductors

Wireless • Information • Networking

1Q 2014 Investor Conference

May 2014

- 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.

Financial Performance

Consolidated Statements of Comprehensive Income - Quarterly (IFRSs)



(NTD M\$) Selected Items	1Q'13	4Q'13	1Q'14	QoQ	YoY
Net revenue	2,848	1,926	1,667	-13%	-41%
Gross profit	916	513	500	-2%	-45%
<i>Gross margin (%)</i>	32.2%	26.6%	30.0%		
Operating expenses	(300)	(268)	(297)	+11%	-1%
<i>Operating expenses rate (%)</i>	-10%	-14%	-18%		
Operating income	616	244	204	-17%	-67%
<i>Operating margin (%)</i>	21.6%	12.7%	12.2%		
Non-operating incomes (expenses), net	369	(137)	46		
Income before income tax	985	107	250	+134%	-75%
Income tax expense	(195)	19	(37)		
Net income	790	126	213	+69%	-73%
<i>Net margin (%)</i>	27.7%	6.5%	12.8%		
EPS (NT\$)	1.04	0.17	0.29	+71%	-72%
Other comprehensive income (net of tax)	116	134	121		
Comprehensive income	906	260	334	+28%	-63%
Annualized ROE(%)	21%	3%	6%		
Approx. Utilization (%)	80%	55%	45%		
Depreciation	442	446	459		
CAPEX	775	463	232		

Non-Operating Income and Expenses



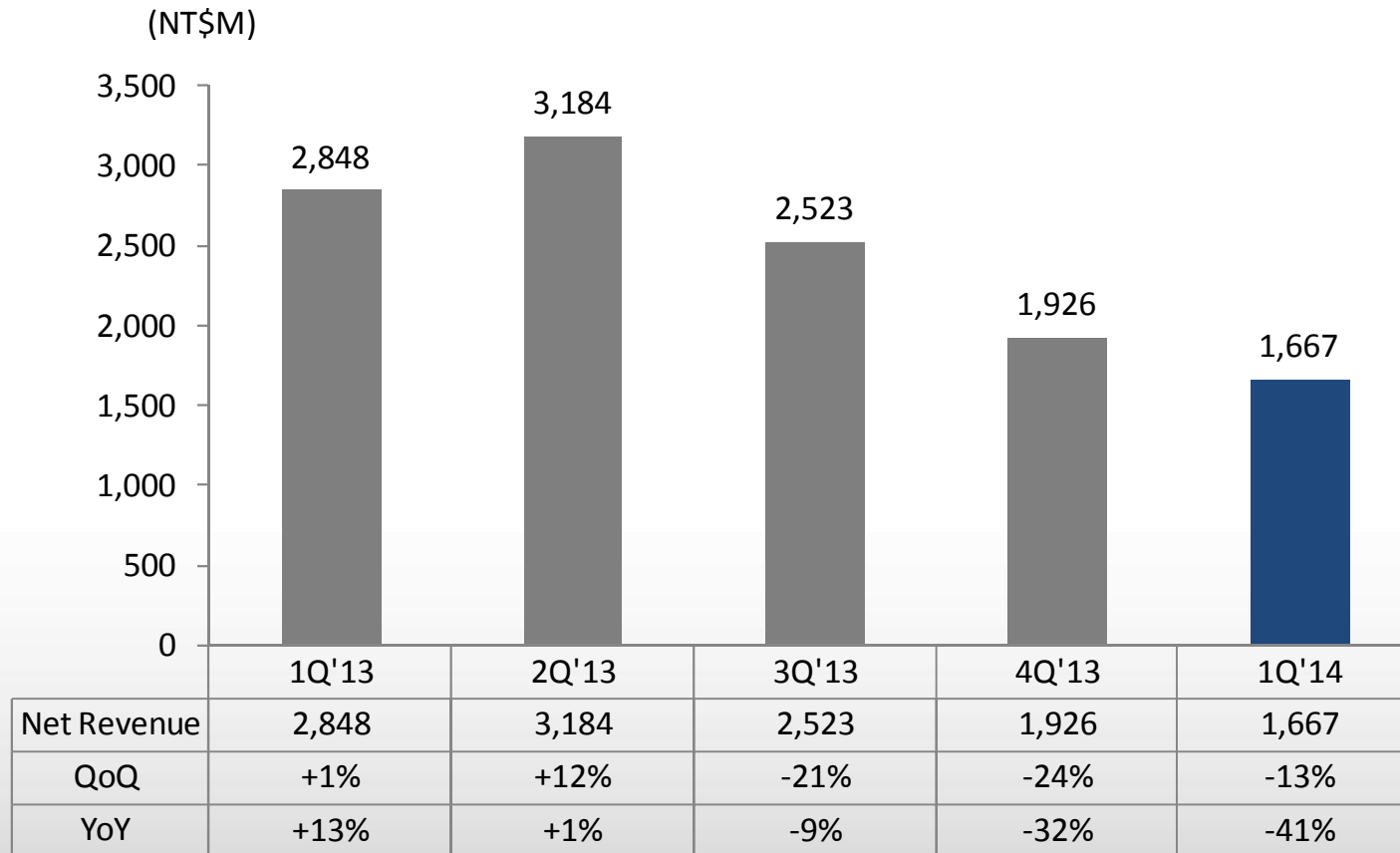
(NTD M\$)	Selected Items	1Q'13	1Q'14
	Foreign exchange gains	96	6
	Losses on disposals of investments	(334)	(55)
	Gains (losses) on disposals of property, plant and equipment	307	-
	Gains on financial assets (liabilities) at fair value through profit or loss, net	333	121
	Share of loss of associates and joint ventures accounted for using equity method	(18)	(6)
	Others	(1)	(18)
	Total	382	48

Consolidated Balance Sheets (IFRSs)



(NTD M\$)	Selected Items	2013/3/31		2013/12/31		2014/3/31	
		Amount	%	Amount	%	Amount	%
	Cash and cash equivalents	3,614	15%	1,967	9%	1,694	8%
	Current financial assets at fair value through profit or loss	1,683	7%	1,162	6%	1,772	8%
	Current available-for-sale financial assets	610	2%	585	3%	668	3%
	Notes and accounts receivable, net	1,050	4%	650	3%	617	3%
	Inventories	2,412	10%	1,127	5%	1,047	5%
	Long-term investments	1,350	5%	1,065	5%	1,126	6%
	Net property, plant and equipment	13,376	54%	14,117	67%	13,828	65%
	Total Assets	24,767	100%	21,112	100%	21,281	100%
	Current liabilities	3,747		2,327		2,141	
	Long-term borrowings	5,500		3,721		3,724	
	Total Liabilities	9,432	38%	6,220	29%	6,036	28%
	Common stock	7,575		7,393		7,402	
	Total Equity	15,334	62%	14,892	71%	15,245	72%
	Book value per share (NT\$)	20.25		20.14		20.60	
	Key Indices						
	Current ratio (<i>Current assets / Current liabilities</i>)	259%		244%		285%	
	Debt ratio (<i>Total liabilities / Total assets</i>)	38%		29%		28%	

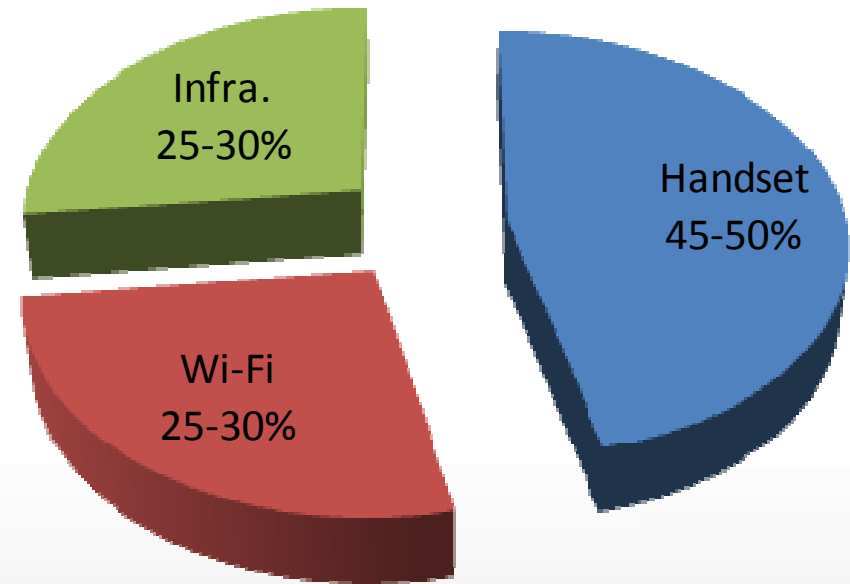
Revenue Trend - Quarterly



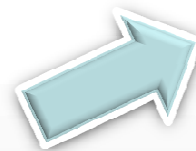
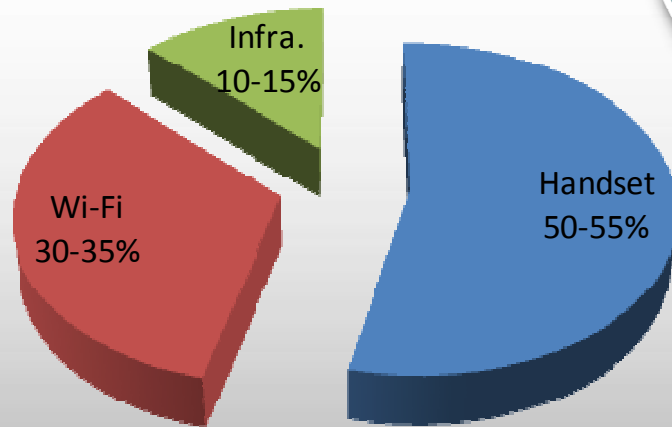
Product Mix



1Q'14



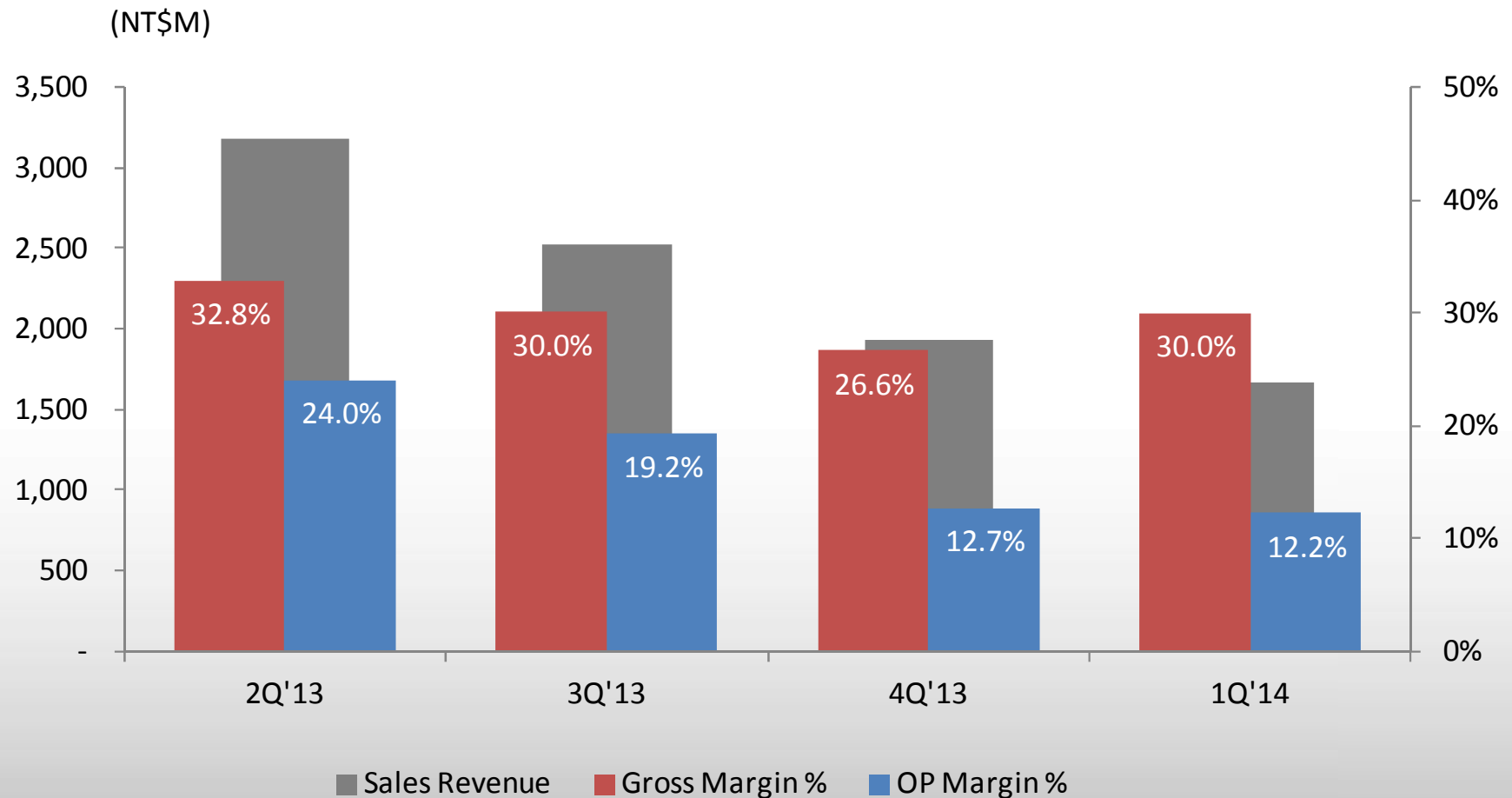
4Q'13



Gross Margin & Operating Margin



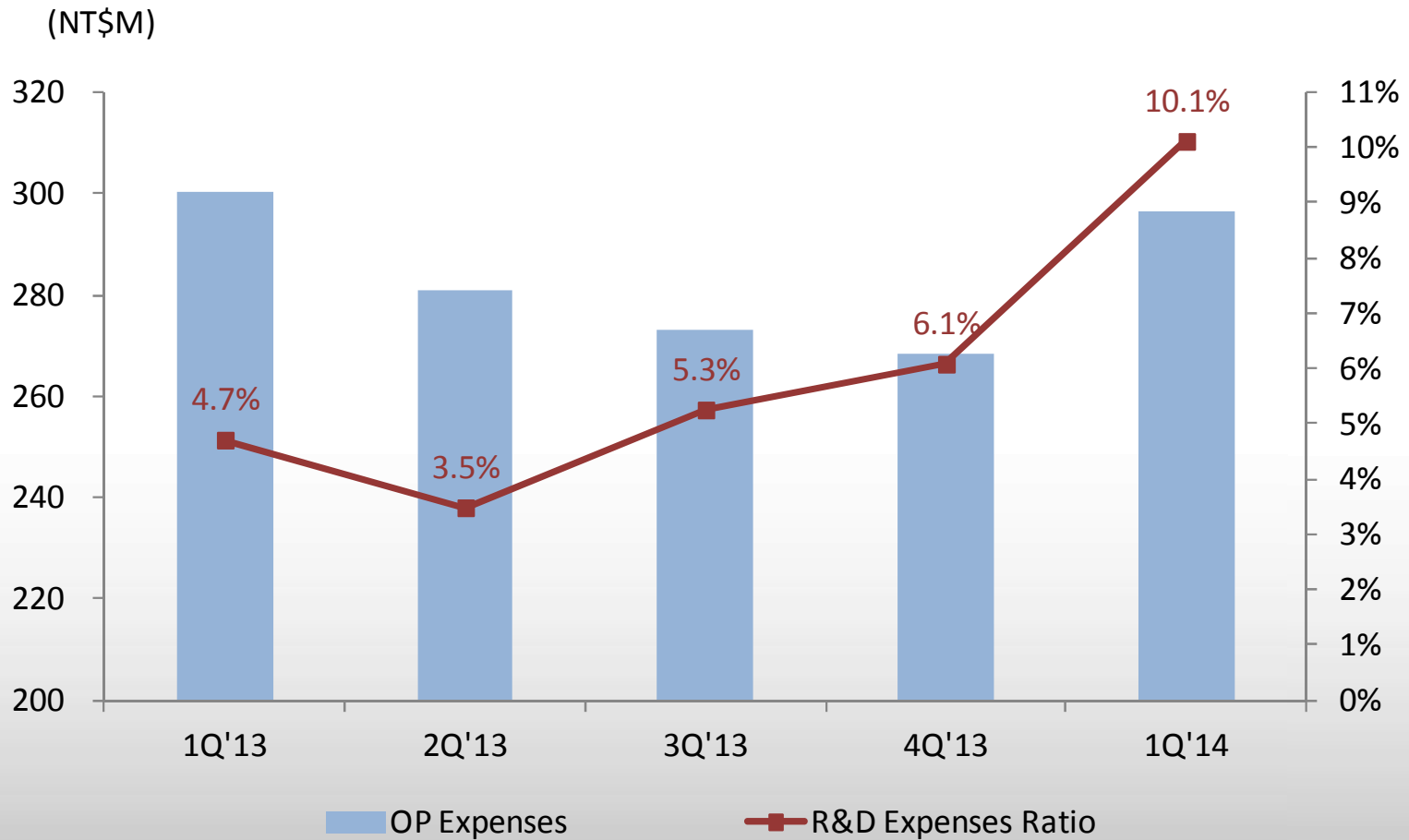
➤ Better Gross Margin than last quarter due to better product mix



Operating Expenses

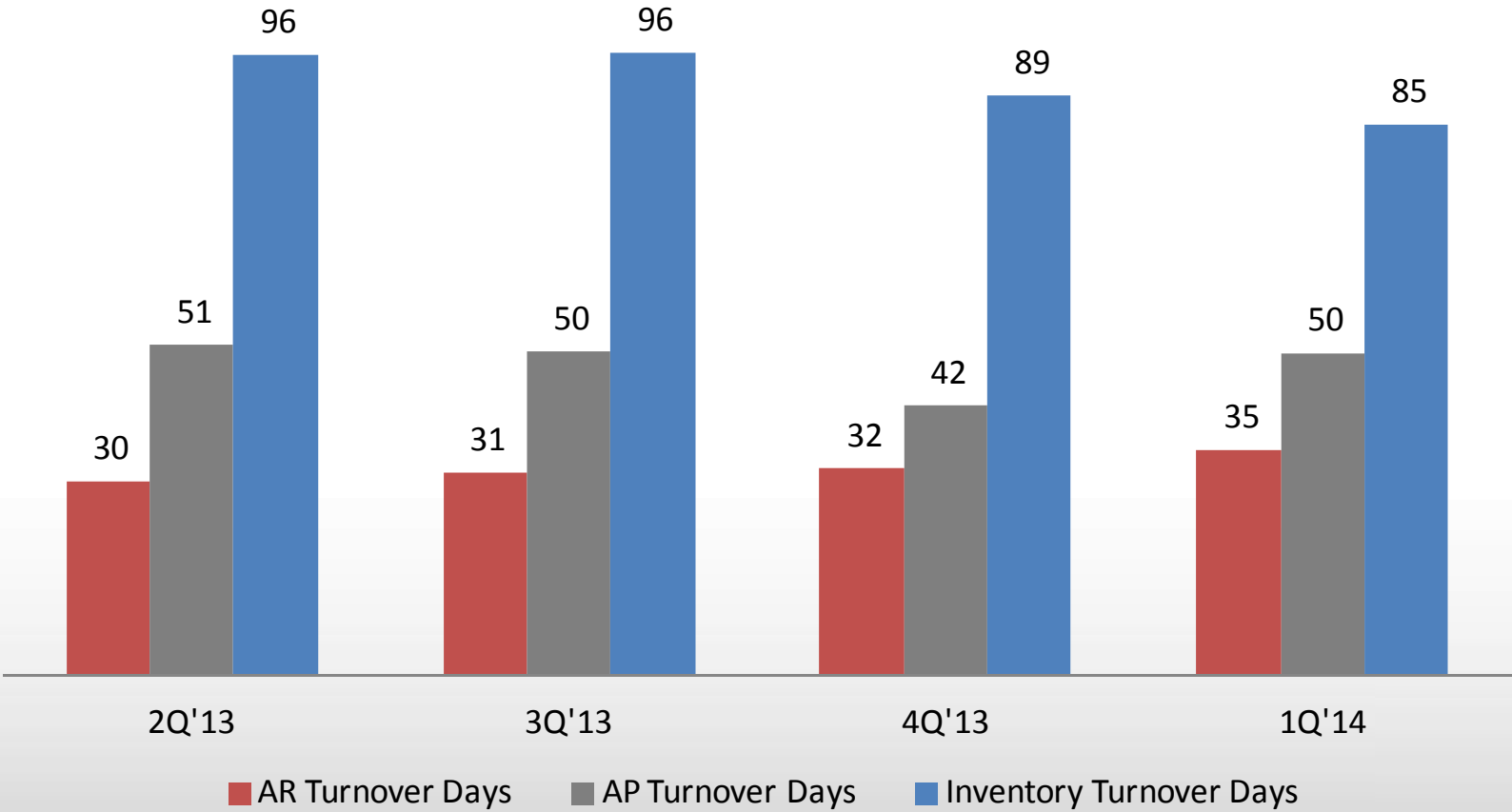


➤ Higher OP expenses than last quarter due to higher R&D expenses (\$169M)



Note: R&D expenses ratio = R&D expenses / sales revenue

Stable Working Capital Management

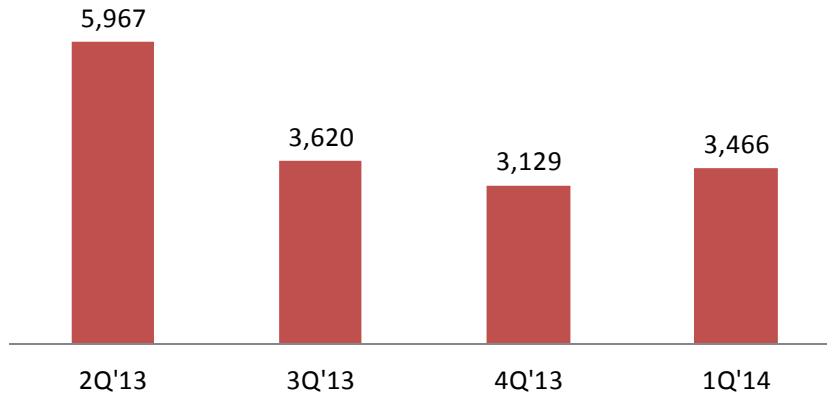


Note: AR Turnover Days = average AR / annualized net revenue*365
AP Turnover Days = average AP / annualized COGS*365
Inventory Turnover Days = average inventory / annualized COGS*365

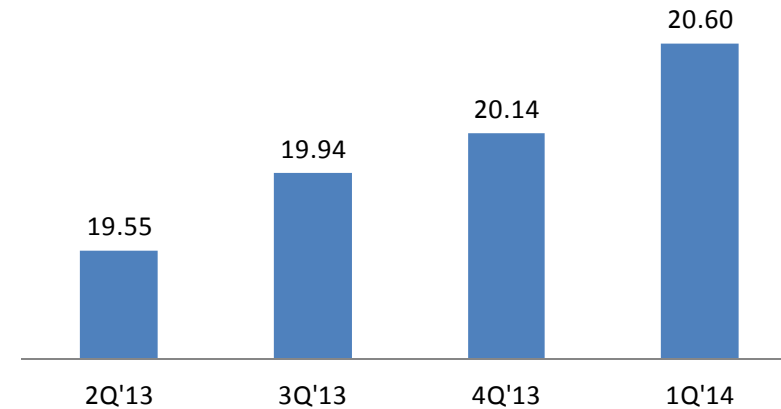
Healthy Financial Structure



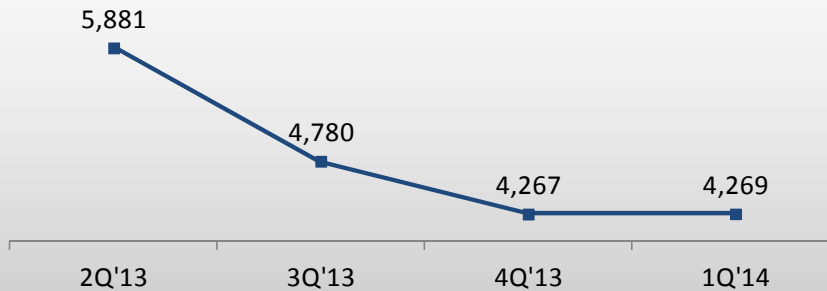
Cash and marketable securities* (NT\$M)



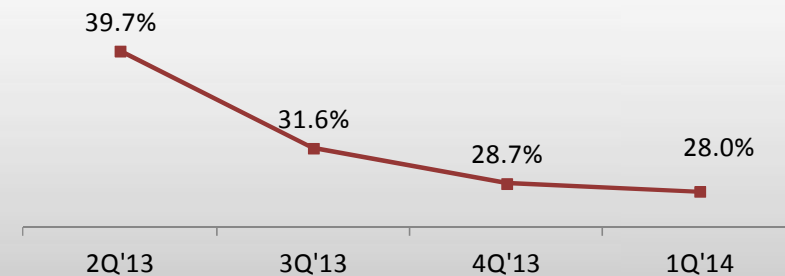
Book value per share (NT\$)



Interest-bearing debt (NT\$M)



Gearing ratio**



* Cash and market securities = Cash and cash equivalents + Current financial assets at fair value through profit or loss

** Gearing ratio = interest-bearing debt / total equities

Q & A

For more information regarding WIN
www.winfoudry.com

For all inquiries, suggestions, and comments
ir@winfoundry.com

