

WPG Holdings Ltd.

(3702.TT/3702.TW)

4Q11 Earning Release

Feb. 3rd, 2012



WPG Holdings Limited

Safe Harbor Notice

Austral No.1 Electronics Distributor

- These forward-looking statements, which may include statements regarding WPG' future results of operations, financial condition or business prospects, are subject to significant risks and uncertainties and are based on WPG' current expectations.
- Actual results may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including, among other things: the cyclical nature of our industry; our dependence on introducing new products on a timely basis; our dependence on growth in the demand for our products; our ability to compete effectively; our ability to successfully expand our capacity; our dependence on key personnel; general economic and political conditions, including those related to the IC industry; possible disruptions in commercial activities caused by natural and human-induced disasters, including terrorist activity and armed conflict; and fluctuations in foreign currency exchange rates.
- In addition, any financial information contained here within is presented in conformity with accounting principles generally accepted in the Republic of China ("ROC GAAP").
- Our release of financial forecasts and forward-looking statements at any particular time does not create any duty of disclosure beyond that which is imposed by law, and we expressly disclaim any obligation to publicly update or revise any forecasts or forward-looking statements, whether as a result of new information, future events or otherwise.



WPG Holdings Limited

Agenda

Asia's No.1 Electronics Distributor

- Welcome

Kathryn Chen

- 4Q11 Financial Highlights & 1Q12 Outlook

Cliff Yuan

- Q&A

Simon Huang/
Scott Lin/
Cliff Yuan

Result Highlights

No.1 Electronics Distributor

Unit:NT\$million

item	4Q11	4Q11 Guidance	3Q11	4Q10	QoQ(%)	YoY(%)
Net Sales	82,193	79~83B	87,917	69,988	(6.5)	17.4
Gross Margin	5.18%	5.2% ~ 5.4%	5.42%	5.34%	-24 bp	-15 bp
Operating Expenses	(2,881)		(2,907)	(2,469)	(0.9)	16.7
Operating Income	1,378		1,861	1,265	(26.0)	8.9
Operating Margin	1.68%	1.6% ~ 1.8%	2.12%	1.81%	-44 bp	-13 bp
Net Income	988		1,360	975	(27.4)	1.3
EPS (NT\$) ⁽¹⁾	0.62		0.86	0.71		
Net Book Value (NT\$)⁽¹⁾	23.45					
Total Assets	109,573		121,136	94,282		
Total Liabilities	71,669		84,001	60,373		
Total Equity	37,904		37,135	33,910		
Net Working Capital	52,639		61,984	39,680		
Free Cash Flow	8,801		(6,416)	7,650		
KEY Indices⁽²⁾						
ROWC	10.5%		12.0%	15.5%	-154 bp	-500 bp
NWC/Sales	0.16		0.18	0.12		
ROE	11.1%		15.5%	14.5%	-436 bp	-333 bp
Gearing	0.65		0.91	0.43		

(1).Weighted average shares outstanding

(2).Annualized

Income Statements

WPG Holdings Limited | 2011 Electronics Distributor

Unit:NT\$million

Item	4Q11	3Q11	QoQ(%)	4Q10	YoY(%)
Net operating Revenue	82,193	87,917	(6.5)	69,988	17.4
COGS	(77,935)	(83,149)	(6.3)	(66,254)	17.6
Gross Profit	4,259	4,768	(10.7)	3,734	14.1
Gross Margin	5.18%	5.42%		5.34%	
Operating Expenses	(2,881)	(2,907)	(0.9)	(2,469)	16.7
Operating Income	1,378	1,861	(26.0)	1,265	8.9
Operating Margin	1.68%	2.12%		1.81%	
Net Non-operating Items	(120)	(180)	(33.0)	(66)	82.4
Net Financing costs	(226)	(163)	39.0	(139)	63.2
Others	106	(17)		73	
Profit Before Tax/Minority	1,257	1,681	(25.2)	1,199	4.8
Tax	(259)	(320)	(19.0)	(258)	0.3
Minority/Accounting Principle Change	(11)	(1)		34	
Profit After Tax/Minority	988	1,360	(27.4)	975	1.3
Net Margin	1.20%	1.55%		1.39%	
EPS (NTD) ⁽¹⁾	0.62	0.86		0.71	
Tax %	21%	19%		22%	

(1).Weighted average shares outstanding

Balance Sheet

Sia's No.1 Electronics Distributor

Unit:NT\$million

item	4Q11		3Q11		4Q10	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	7,953	7	7,848	6	7,726	8
Accounts Receivable - Trade	47,563	43	54,427	45	36,204	38
Inventory	33,441	31	39,805	33	29,646	31
Current Assets	98,373	90	110,902	92	84,211	89
Others	11,199	10	10,234	8	10,072	11
Total Assets	109,573	100	121,136	100	94,282	100
Current Interest-bearing Debt	30,310	28	39,289	32	25,085	27
Accounts Payable	28,366	26	32,249	27	26,171	28
Accured Liabilities and Others	6,925	6	6,510	5	6,692	7
Current Liabilities	65,600	60	78,048	64	57,947	61
Long-term Interest-bearing Debt	5,456	5	5,323	4	1,823	2
Others	613	1	630	1	603	1
Total Liabilities	71,669	65	84,001	69	60,373	64
Total Equity	37,904	35	37,135	31	33,910	36

KEY Indices⁽¹⁾

Net Working Capital (\$)	52,639	61,984	39,680
AR Turnover (Days)	46	50	42
Inventory Turnover (Days)	37	40	32
AP Turnover (Days)	32	34	31
Average Collection Periods (Days)	51	56	43
Current Ratio	150%	142%	145%
Gearing Ratio	0.65	0.91	0.43

(1).Annualized

Cash Flows

Asia's No.1 Electronics Distributor

Unit:NT\$million

	4Q11	3Q11	4Q10
-Net Income ₍₁₎	998	1,362	941
-Changes of NWC	9,059	(7,761)	7,156
-Adjustment & Others	(1,256)	(17)	(447)
From Operation	8,801	(6,416)	7,650
-Financial Instrument	696	(467)	5
-Capital Expenditure	(620)	(56)	(61)
-Others	48	(242)	60
From Investment	124	(766)	3
-Financial Debt	(8,853)	9,202	(5,380)
-Cash Dividends	-	(3,051)	-
-Others	56	(38)	86
From Financing	(8,797)	6,113	(5,294)
Effect on changes of consolidated subsidiaries	-	-	2,027
Cumulative translation adjustments	127	1,568	(2,055)
Net Cash Position Change	255	498	2,331
Ending Cash Balance	7,821	7,566	7,573

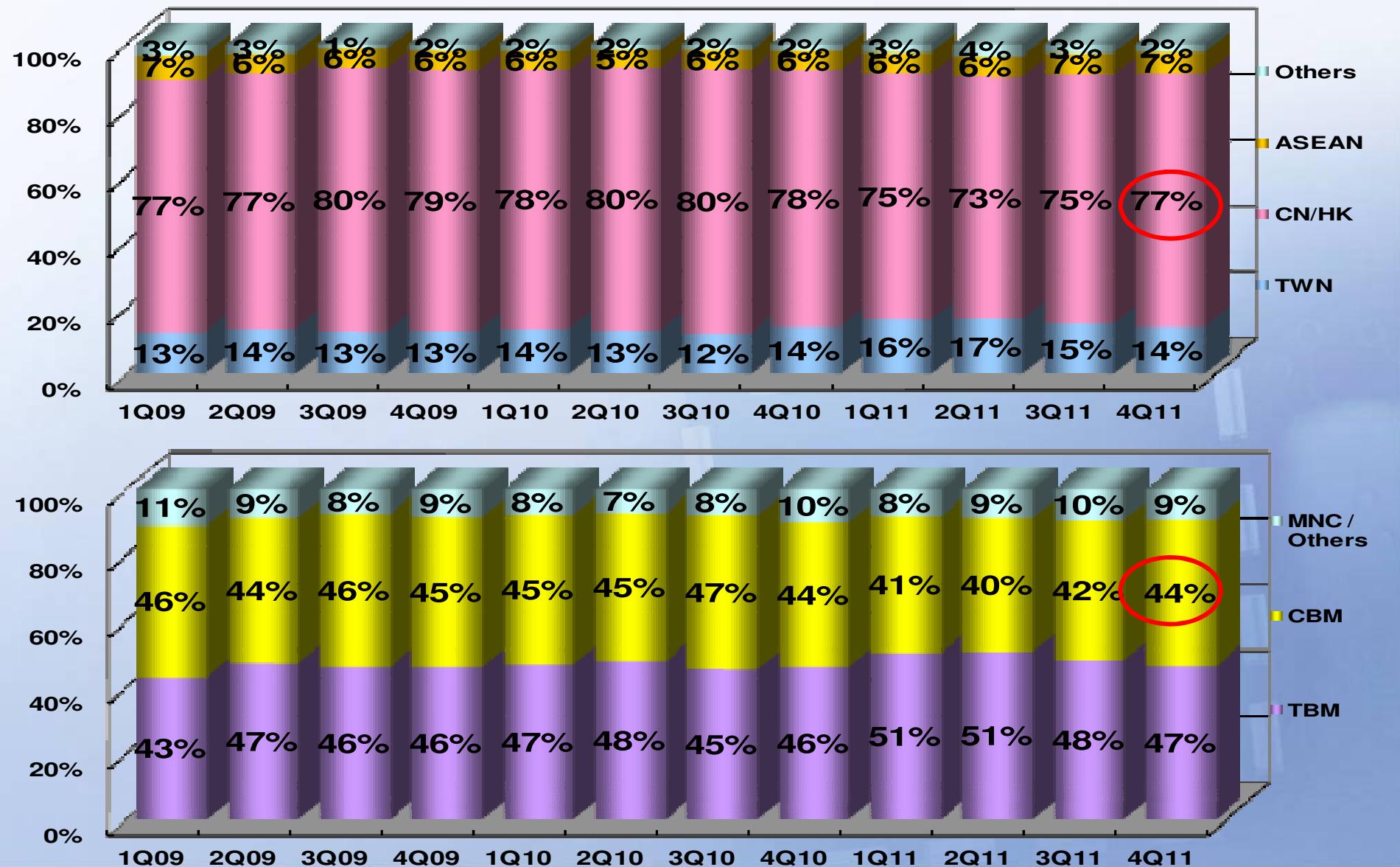
(1).Minority interest is included.

Consolidated Revenue

Unit: NT\$million



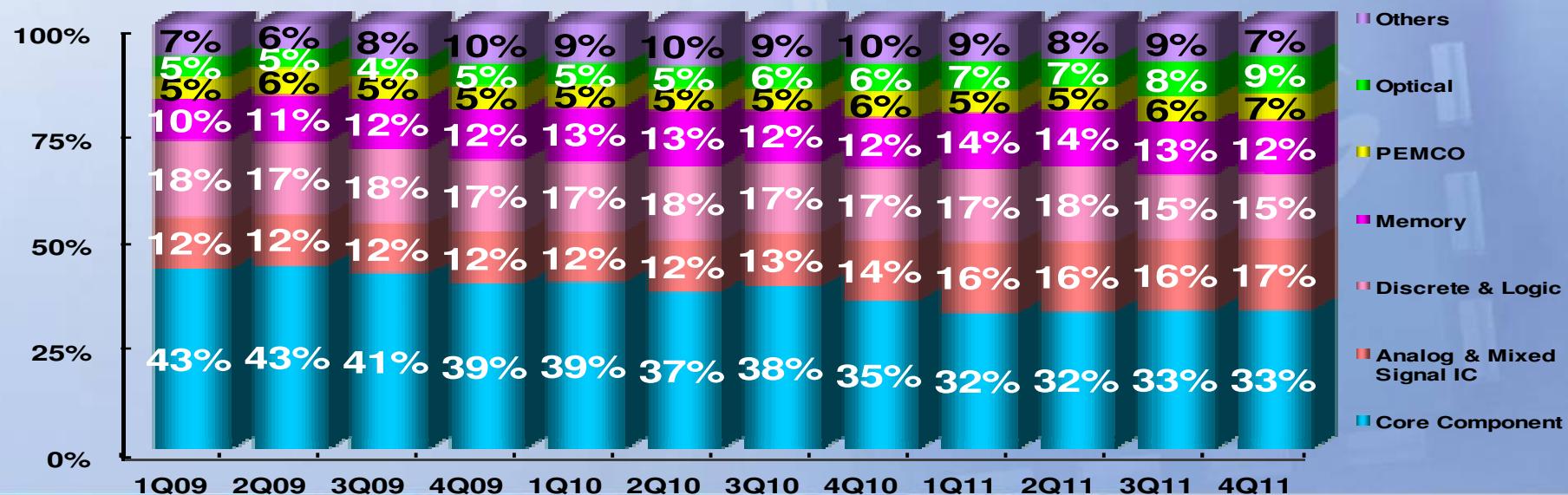
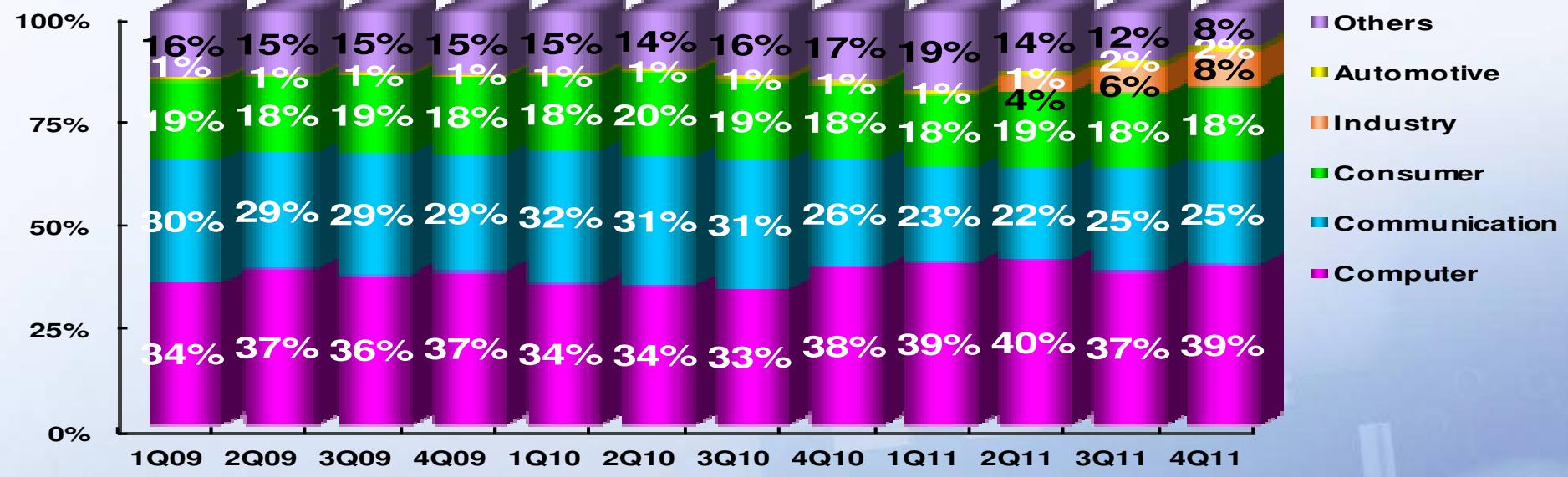
Sales breakdown by Geography/ Customer



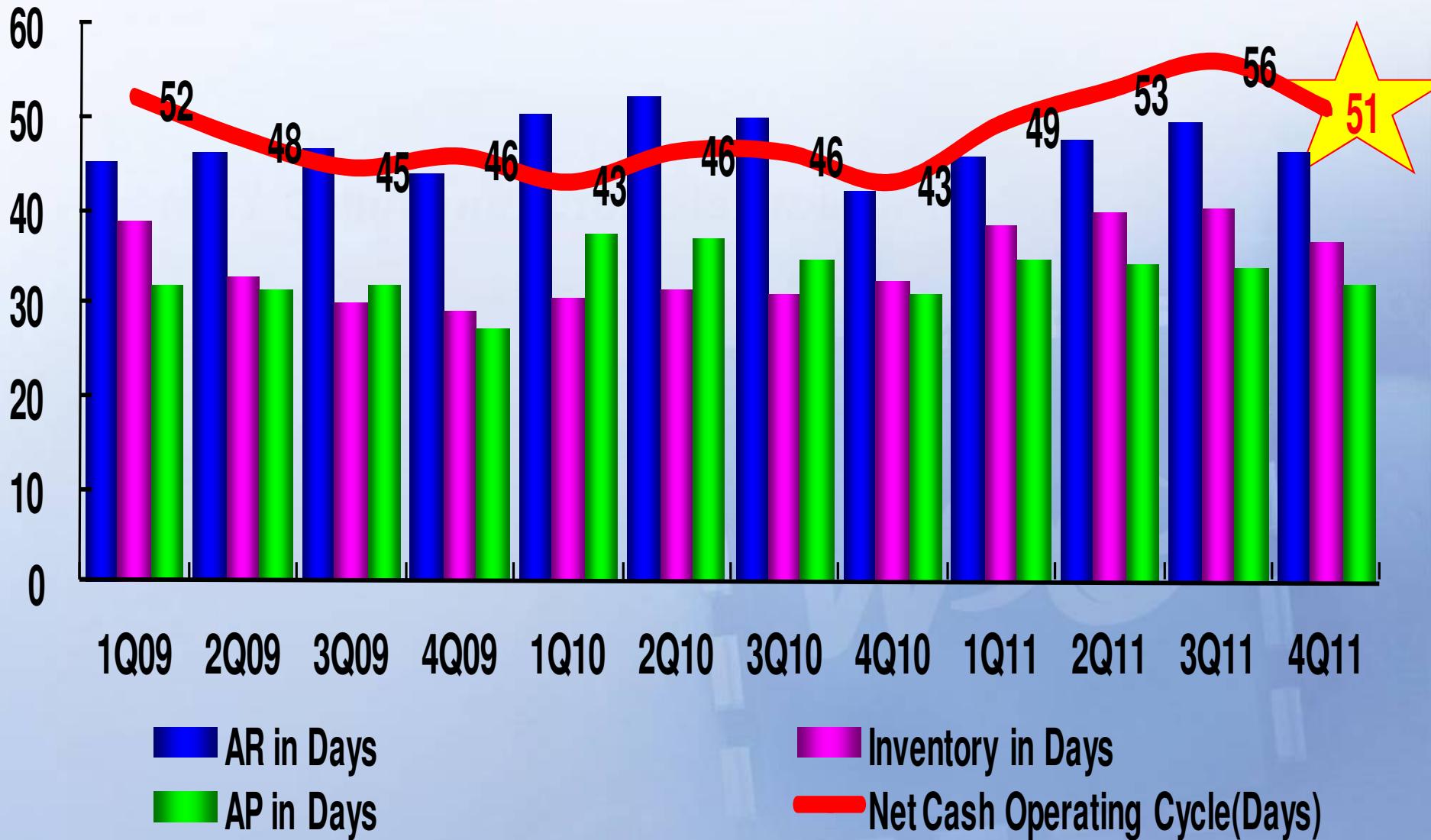
TBM : Taiwan-Based Customers
CBM : China Based Customers

WPG Holdings Limited

Sales breakdown by Application/ Device Type



Operating Cash Cycle



Result Highlights

Asia's No.1 Electronics Distributor

Unit:NT\$million

item	2011	2010	YoY (%)
Net Sales	332,409	257,217	29.2
Gross Margin	5.45%	5.68%	-23 bp
Operating Expenses	(11,389)	(8,565)	33.0
Operating Income	6,724	6,042	11.3
Operating Margin	2.02%	2.35%	-33 bp
Net Income	5,146	4,965	3.6
EPS (NTD)⁽¹⁾	3.25	4.11	
Total Assets	109,573	94,282	
Total Liabilities	71,669	60,373	
Total Equity	37,904	33,910	
Net Working Capital	52,639	39,680	
Free Cash Flow	(6,038)	2,352	
KEY Indices⁽²⁾			
ROWC	12.8%	20.1%	-732 bp
NWC/Sales	0.16	0.12	
ROE	14.5%	18.4%	-390 bp
Gearing	0.65	0.43	

(1).Weighted average shares outstanding

(2).Annualized

Income Statements

Unit:NT\$million

Item	2011	2010	YoY(%)
Net operating Revenue	332,409	257,217	29.2
COGS	(314,295)	(242,611)	29.5
Gross Profit	18,114	14,607	24.0
Gross Margin	5.45%	5.68%	
Operating Expenses	(11,389)	(8,565)	33.0
Operating Income	6,724	6,042	11.3
Operating Margin	2.02%	2.35%	
Net Non-operating Items	(401)	(20)	1,868.9
Net Financing costs	(646)	(341)	89.2
Others	245	321	(23.8)
Profit Before Tax/Minority	6,323	6,021	5.0
Tax	(1,157)	(1,072)	7.9
Minority/Accounting Principle Change	(20)	16	(231.4)
Profit After Tax/Minority	5,146	4,965	3.6
Net Margin	1.55%	1.93%	
EPS (NTD)₍₁₎	3.25	4.11	
Tax%	18%	18%	

(1).Weighted average shares outstanding

Cash Flows

Asia's No.1 Electronics Distributor

Unit:NT\$million

	2011	2010
-Net Income ₍₁₎	5,166	4,949
-Changes of NWC	(10,915)	(2,305)
-Adjustment & Others	(289)	(293)
From Operation	(6,038)	2,352
-Financial Instrument	2,283	533
-Capital Expenditure	(724)	(131)
-Others	(367)	(178)
From Investment	1,192	223
-Financial Debt	6,542	731
-Cash Dividends	(3,051)	(1,789)
-ESOP	-	5
-Others	3	(45)
From Financing	3,494	(1,098)
Effect on changes of consolidated subsidiaries	328	1,982
Cumulative translation adjustments	1,272	(2,400)
Net Cash Position Change	248	1,059
Ending Cash Balance	7,821	7,573

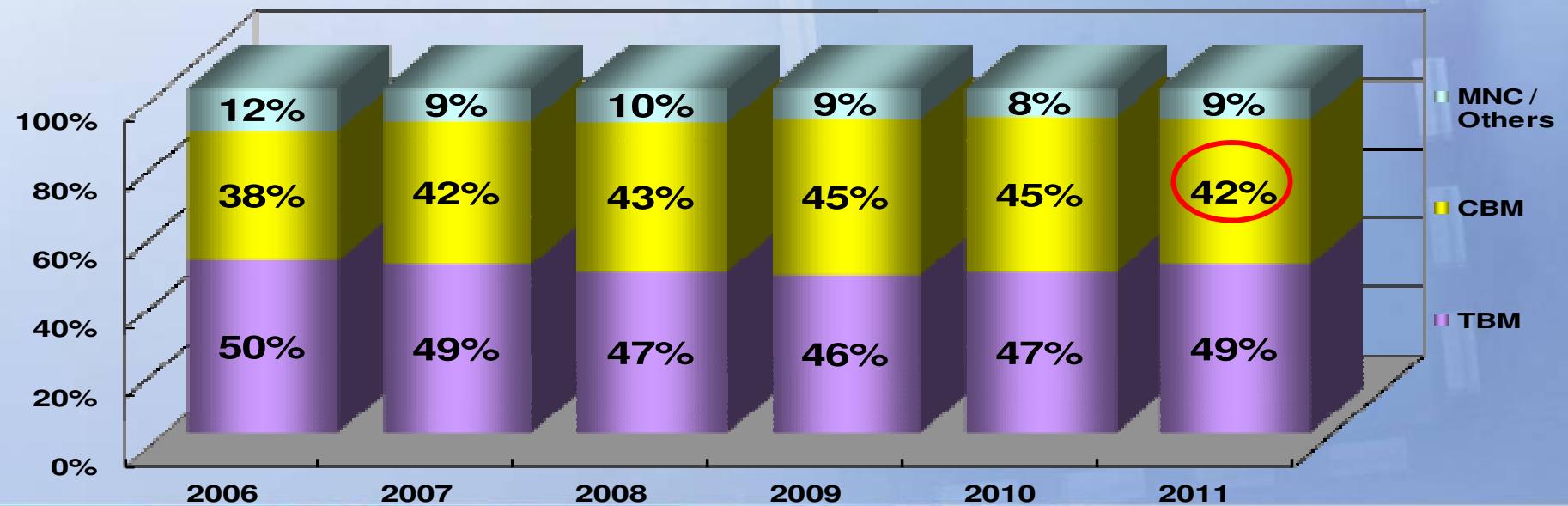
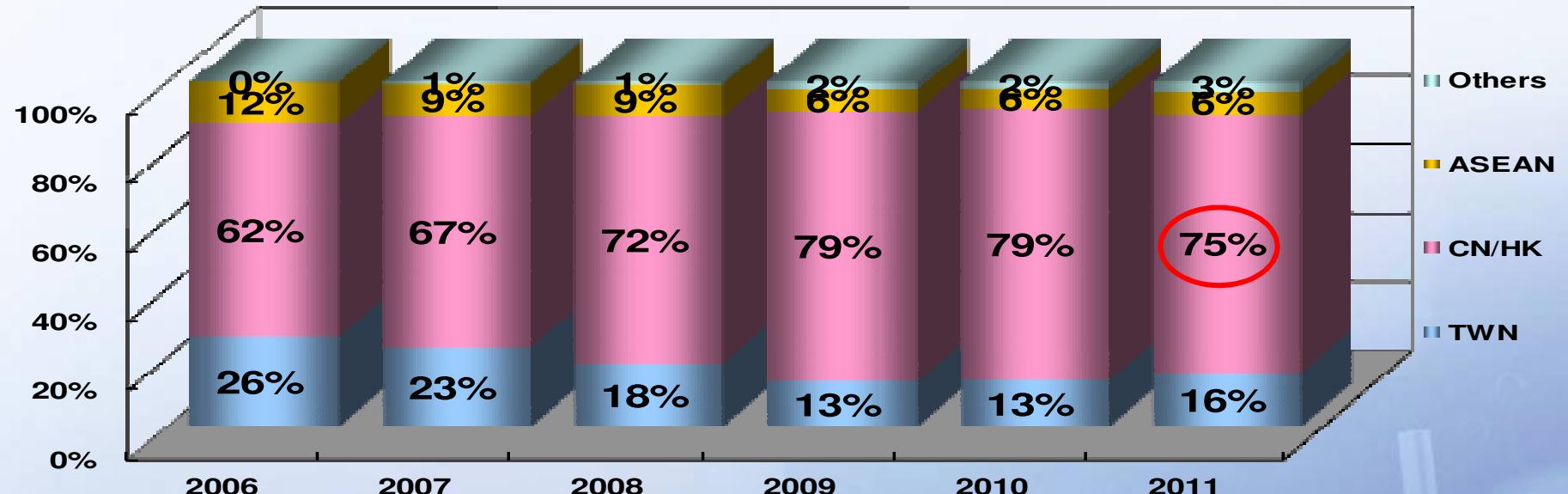
(1). Minority interest is included.

Consolidated Revenue

Unit: NT\$million

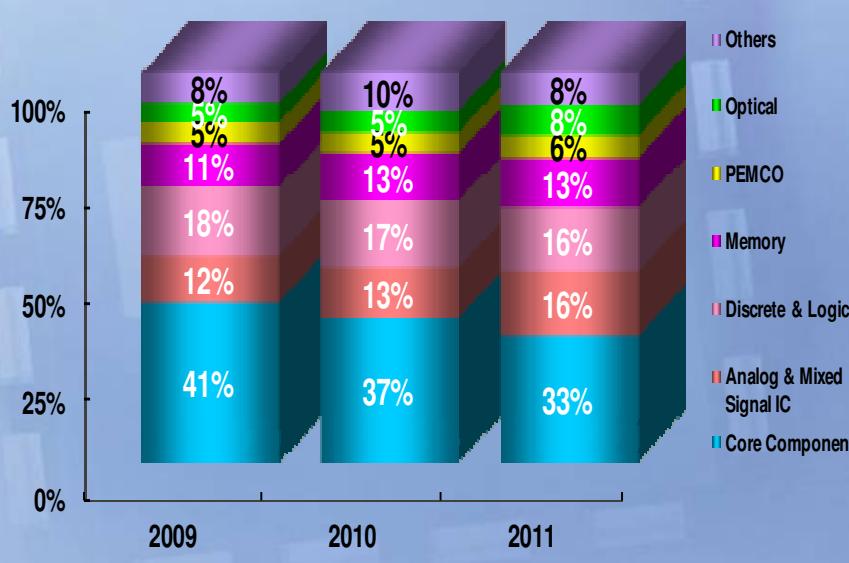
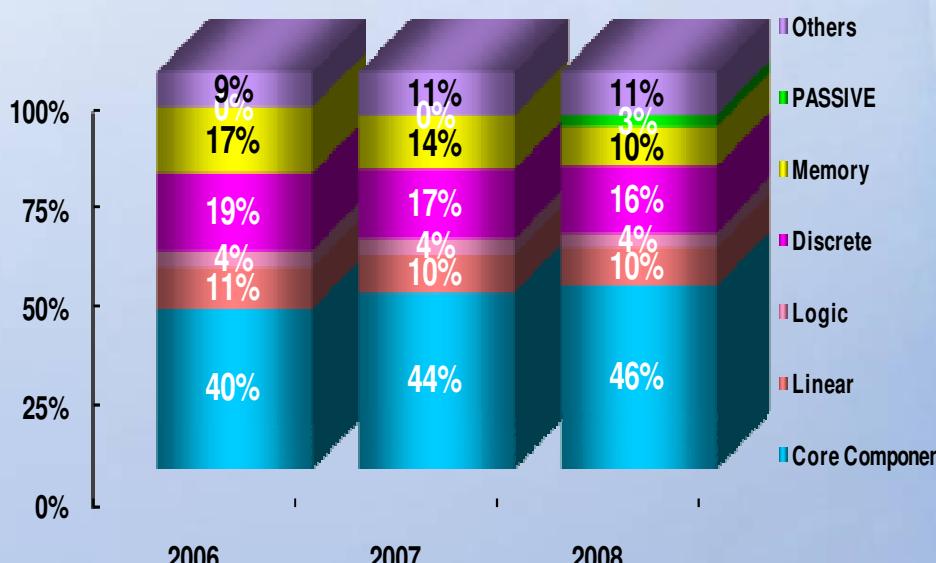
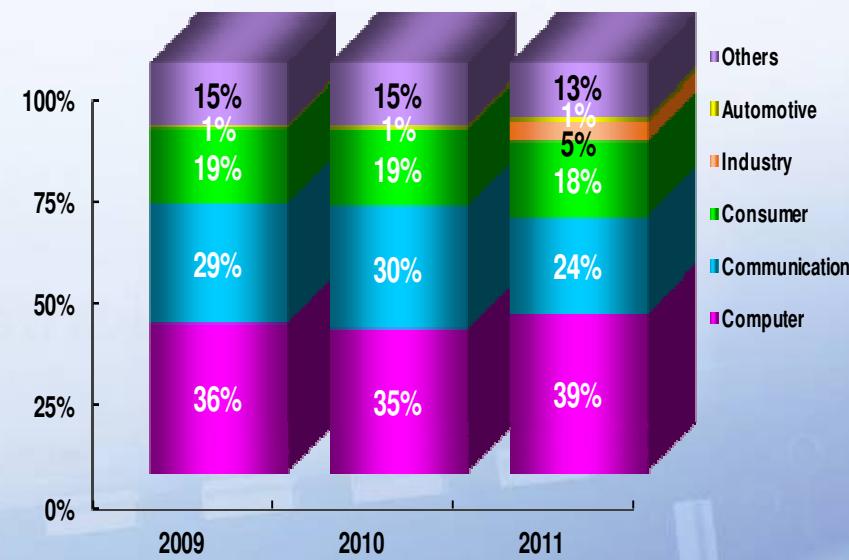
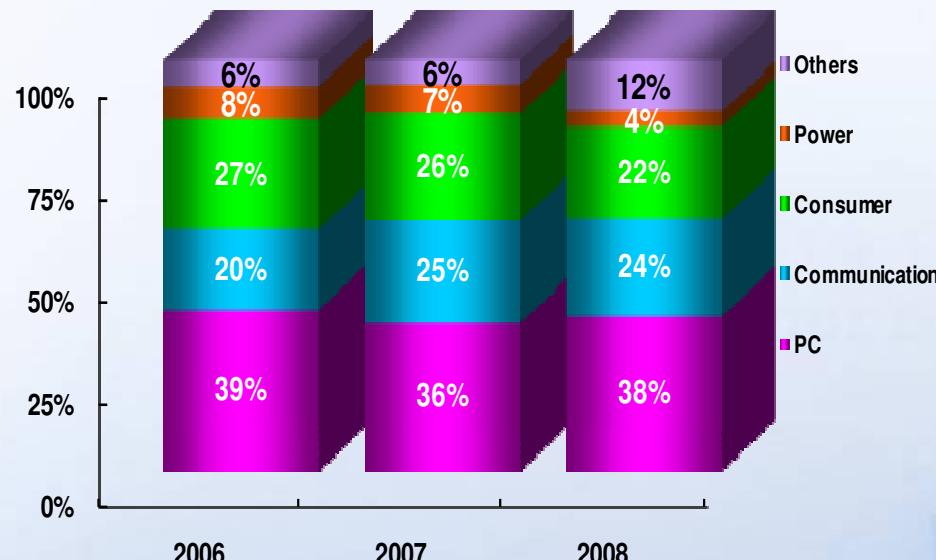


Sales breakdown by Geography/ Customer



TBM : Taiwan-Based Customers
CBM : China Based Customers

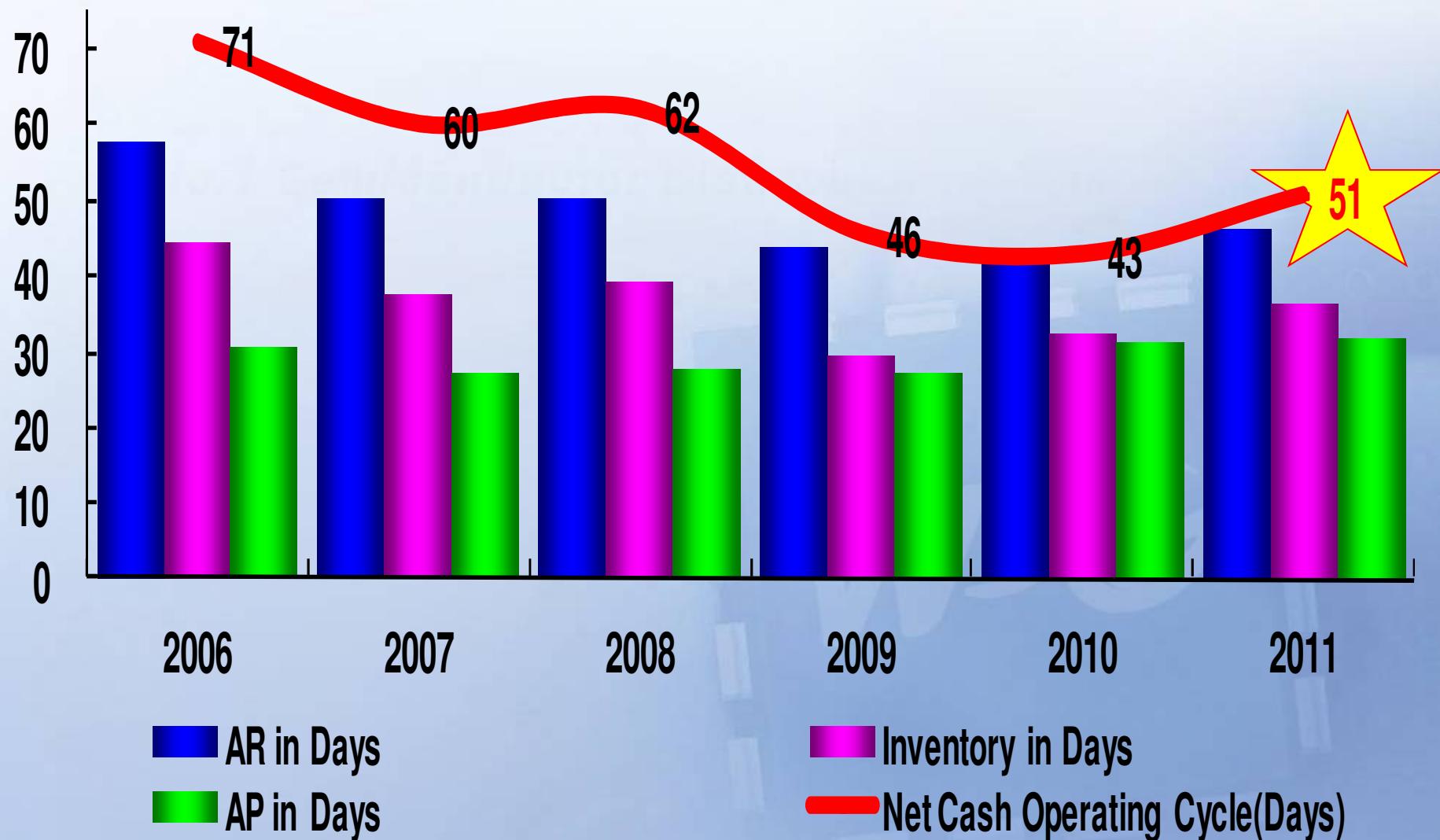
Sales breakdown by Application/ Device Type



Note : Industrial included after 2Q11

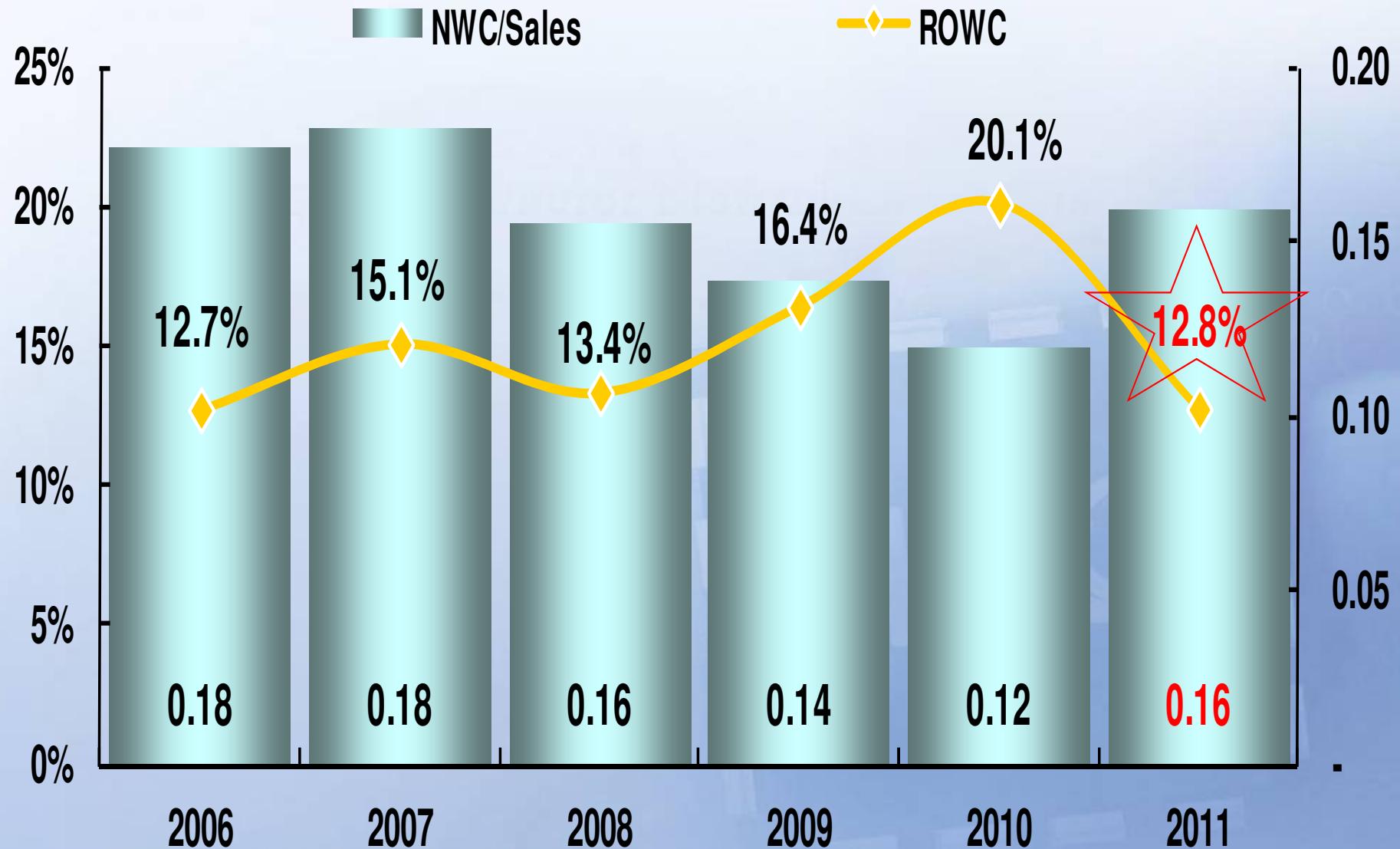
Operating Cash Cycle

AJL Incorporated Electronics Distributor



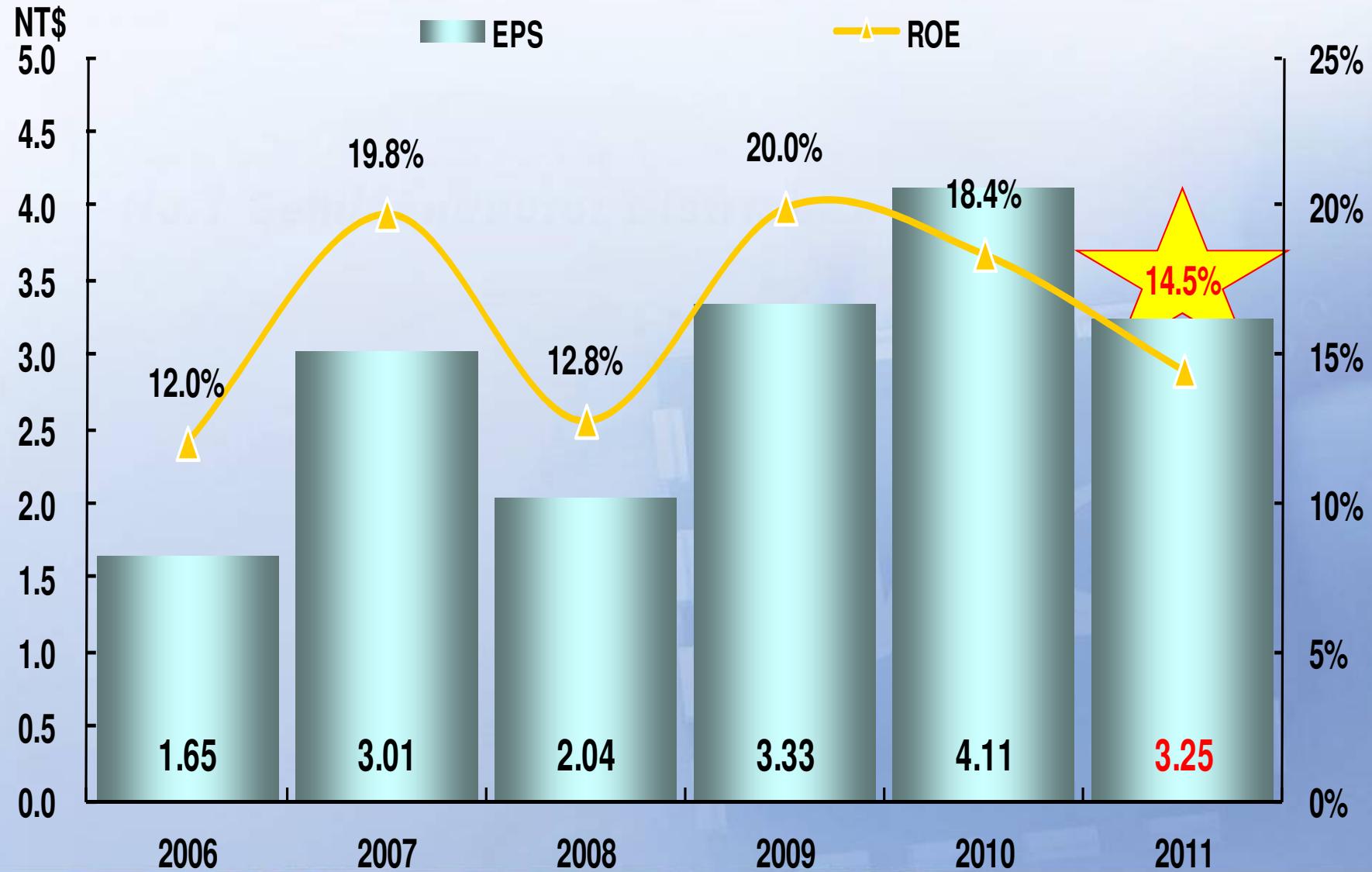
ROWC vs. NWC/Sales

America's Total Electronics Distributor



ROE vs. EPS

Asia's No.1 Electronics Distributor



1Q12 Guidance

Taiwan's No.1 Electronics Distributor

Based on our current business outlook,
management expects :

- Revenues to be between NT\$ **75** billion and NT\$ **79** billion at a forecast FX rate of 30 NT dollars to 1 US dollar averaged over 1Q12.
- Gross profit margin to be between **5.3%** and **5.5%**
- Operating profit margin to be between **1.4%** and **1.6%**

Recap of Recent Major Events

■ 61 Solutions Launched in 4Q11 :



- ▶ 力推 SPI 接口控制器型 SmartModem 用于销售据点(POS)终端系统 2011-12-14
- ▶ 力推销售点管理系统解决方案 2011-12-14
- ▶ 推出高效能 POS 解决方案和平台 2011-12-14
- ▶ 力推 POS 方案 2011-12-14
- ▶ 推出服务器应用解决方案 2011-12-14
- ▶ 推出工业电脑 (IPC) 之主、被动元件解决方案 2011-11-30
- ▶ 力推 IPC(工业电脑)解决方案 2011-11-30
- ▶ 提出工业电脑解决方案 2011-11-30
- ▶ 力推工业电脑代理产品解决方案 2011-11-30
- ▶ 推出一系列工业用电脑应用整合方案 2011-11-30
- ▶ 推出 G-Series Embedded Platform 解决方案 2011-11-30
- ▶ 推出桌上型电脑 WiFi/Lan 完整解决方案 2011-11-16
- ▶ 推出桌上型电脑暨週邊應用之主、被動元件最佳解决方案 2011-11-16
- ▶ 力推光感應原件，有效增加使用時間並自動調整螢幕背光源 2011-11-16
- ▶ 推出電腦週邊的解决方案 2011-11-16
- ▶ 推出桌上型電腦解决方案和 DiiVA 及 USB3.0 的應用 2011-11-16
- ▶ 推出 DESKTOP DC-DC 電源整體方案 2011-11-16
- ▶ 力推 SSD 控制芯片 2011-11-16
- ▶ 力推 “80 PLUS® 白金” 认证标准的银盒电源参考设计 2011-11-16
- ▶ 推出移动互联网解决方案 2011-11-02
- ▶ 推出多重选择电容式触摸屏平板电脑解决方案 2011-11-02



- ▶ 推出一系列數位行動電話整合方案及周邊應用 2011-12-14
- ▶ 力推行動數位電話整合解決方案 2011-12-14
- ▶ 推出 OMAP™ 4 平台智慧型手機方案 2011-12-14
- ▶ 推出支援智慧型手機與平版電腦的 4 合 1 WiFi SiP 模組 2011-12-14
- ▶ 推出 Motion Sensor 解決方案 2011-12-14
- ▶ 推出數位行動電話解決方案 2011-12-14
- ▶ 力推 WiFi LNA 方案 2011-11-02
- ▶ 推出適用於平板電腦、智慧型手機等應用高效能無線通訊方案 2011-11-02
- ▶ 推出無線通訊之主、被動元件解決方案 2011-11-02
- ▶ 力推 WiMAX 2 (802.16m) 4G 單晶片解決方案 2011-11-02
- ▶ 力推於無線通訊上的解决方案 2011-11-02
- ▶ 推出高性能、低成本的 Femtocell 解決方案 2011-11-02
- ▶ 力推 MID 解决方案 2011-11-02



Solar
charging
Beacon
system



Car-CD MP3
Solution

Recap of Recent Major Events

■ 61 Solutions Launched in 4Q11 :



工業電子

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- ▶ 推出一套完整的太阳能绿色节能解决方案
- ▶ 力推市电供电可控硅调光及非调光 LED 驱动方案
- ▶ 推出世界最小可编辑线性式锂电池充电芯片
- ▶ 力推提供再生能源储能系统完善的 BMS 与整合解决方案
- ▶ 推出电源管理之主、被动组件解决方案
- ▶ 力推电源管理产品系列
- ▶ 力推系列电源管理解决方案
- ▶ 推出电源供应解决方案及周边应用
- ▶ 力推动力电池解决方案
- ▶ 推出快速充电解决方案
- ▶ 推出電源供應解決方案及周邊應用
- ▶ 推出一系列針對交換式電源供應器(SMPS)應用解決方案
- ▶ 推出電源轉換器解決方案
- ▶ 推出電源供應器之主、被動元件最佳解決方案
- ▶ 力推專業高性能 Power IC 解決方案
- ▶ 推出電源供應器的解決方案
- ▶ 力推系列绿色智能型开关电源方案



消費電子

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- 2011-12-28 ▶ 推出照明設備的解決方案
- 2011-12-28 ▶ 推出 LED 驅動方案及多款 LED 照明方案
- 2011-12-28 ▶ 力推一系列 LED 照明方案
- 2011-12-28 ▶ 推出 LED Lighting 解決方案
- 2011-12-28 ▶ 推出照明 (Lighting) 解決方案
- 2011-12-28 ▶ 力推高效能的 LED 節能產品方案
- 2011-12-28 ▶ 推出綠色節能解決方案
- 2011-12-28 ▶ 推出綠色節能應用解決方案
- 2011-11-02 ▶ 推出 Amlogic MID/Android Box 解決方案



一般應用

- ▶ 力推低功耗三轴加速计(Accelerometer) 应用于移动装置解

2011-11-02



LED
Lighting
with
Dimming



Car TV



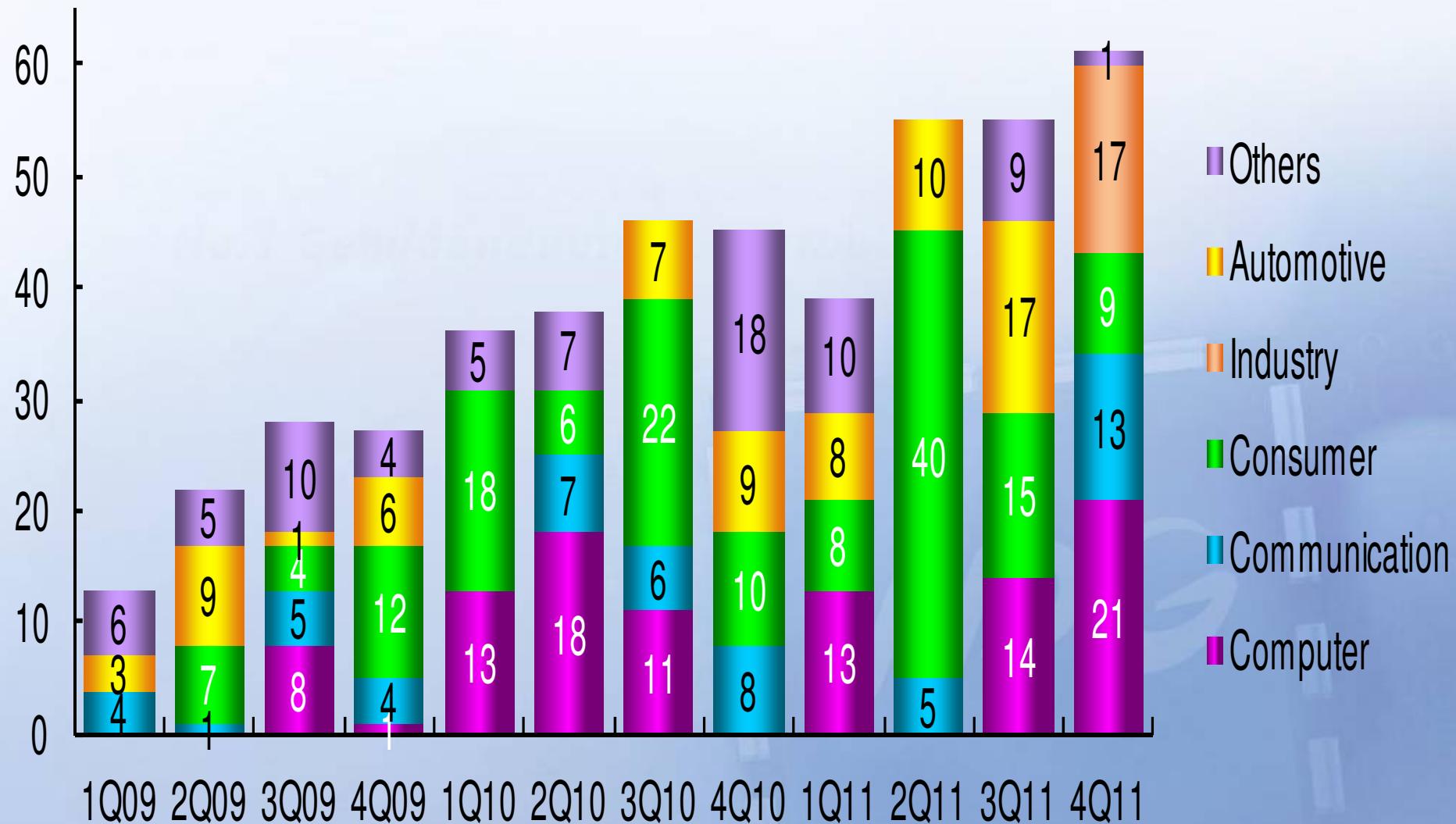
GPS Solution



GPS

More Solutions Launched ...

WPG Holdings Limited Electronics Distributor



<http://www.WPGholdings.com/wpgtechonline.php>

Asia's No.1 Electronics Distributor

<http://www.WPGholdings.com>