

**WPG Holdings Ltd.
(3702.TT/3702.TW)
3Q12 Earning Release**

Nov. 2nd, 2012

Safe Harbor Notice

- **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.**

Agenda

■ **Welcome**

■ **3Q12 Financial Highlights & 4Q12 Outlook** **Cliff Yuan**

■ **Q&A** **Simon Huang/
Scott Lin/
Cliff Yuan**

Result Highlights

Unit:NT\$million

item	3Q12	3Q12 Guidance	2Q12	3Q11	QoQ(%)	YoY(%)
Net Sales	98,331	93~98B	90,961	87,917	8.1	11.8
Gross Margin	5.00%	5.0% ~ 5.2%	5.26%	5.42%	-26 bp	-42 bp
Operating Expenses	(3,050)		(3,049)	(2,907)	0.0	4.9
Operating Income	1,868		1,734	1,861	7.7	0.4
Operating Margin	1.90%	1.7% ~ 1.9%	1.91%	2.12%	-1 bp	-22 bp
Net Income	1,372		1,207	1,360	13.7	0.9
EPS (NT\$) ₍₁₎	0.84		0.74	0.86		
Net Book Value (NT\$) ₍₁₎	22.88					
Total Assets	125,816		122,140	121,136		
Total Liabilities	88,222		85,214	84,001		
Total Equity	37,594		36,927	37,135		
Net Working Capital	60,643		58,796	61,984		
Free Cash Flow	(781)		(3,992)	(6,416)		
KEY Indices₍₂₎						
ROWC	12.3%		11.8%	12.0%	+52 bp	+31 bp
NWC/Sales	0.15		0.16	0.18		
ROE	14.7%		13.0%	15.5%	+166 bp	-78 bp
Gearing	0.93		0.78	0.91		

(1).Weighted average shares outstanding

(2).Annualized

Asia's No.1 Electronics Distributor

Winning Partner Grouping

 WPG Holdings Limited

Income Statements

Unit:NT\$million

Item	3Q12	2Q12	QoQ(%)	3Q11	YoY(%)
Net operating Revenue	98,331	90,961	8.1	87,917	11.8
COGS	(93,413)	(86,177)	8.4	(83,149)	12.3
Gross Profit	4,917	4,783	2.8	4,768	3.1
Gross Margin	5.00%	5.26%		5.42%	
Operating Expenses	(3,050)	(3,049)	0.0	(2,907)	4.9
Operating Income	1,868	1,734	7.7	1,861	0.4
Operating Margin	1.90%	1.91%		2.12%	
Net Non-operating Items	(229)	(79)	191.2	(180)	27.5
Net Financing costs	(188)	(172)	8.9	(163)	15.3
Others	(42)	94		(17)	
Profit Before Tax/Minority	1,639	1,656	(1.0)	1,681	(2.5)
Tax	(265)	(449)	(41.1)	(320)	(17.2)
Minority/Accounting Principle Change	(2)	0		(1)	
Profit After Tax/Minority	1,372	1,207	13.7	1,360	0.9
Net Margin	1.40%	1.33%		1.55%	
EPS (NTD) ₍₁₎	0.84	0.74		0.86	
Tax %	16%	27%		19%	

(1).Weighted average shares outstanding

Balance Sheet

Unit:NT\$million

item	3Q12		2Q12		3Q11	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	8,590	7	8,195	7	7,848	6
Accounts Receivable - Trade	61,042	49	56,282	46	54,427	45
Inventory	36,636	29	39,077	32	39,805	33
Current Assets	112,670	90	109,741	90	110,902	92
Others	13,146	10	12,400	10	10,234	8
Total Assets	125,816	100	122,140	100	121,136	100
Current Interest-bearing Debt	40,519	32	35,186	29	39,289	32
Accounts Payable	37,034	29	36,564	30	32,249	27
Accrued Liabilities and Others	5,570	4	9,276	8	6,510	5
Current Liabilities	83,123	66	81,026	66	78,048	64
Long-term Interest-bearing Debt	4,523	4	3,626	3	5,323	4
Others	576	0	562	0	630	1
Total Liabilities	88,222	70	85,214	70	84,001	69
Total Equity	37,594	30	36,927	30	37,135	31
KEY Indices⁽¹⁾						
Net Working Capital (\$)	60,643		58,796		61,984	
AR Turnover (Days)	54		54		53	
Inventory Turnover (Days)	37		40		42	
AP Turnover (Days)	36		37		35	
Average Collection Periods (Days)	55		57		61	
Current Ratio	136%		135%		142%	
Gearing Ratio	0.93		0.78		0.91	

(1).Annualized

Cash Flows

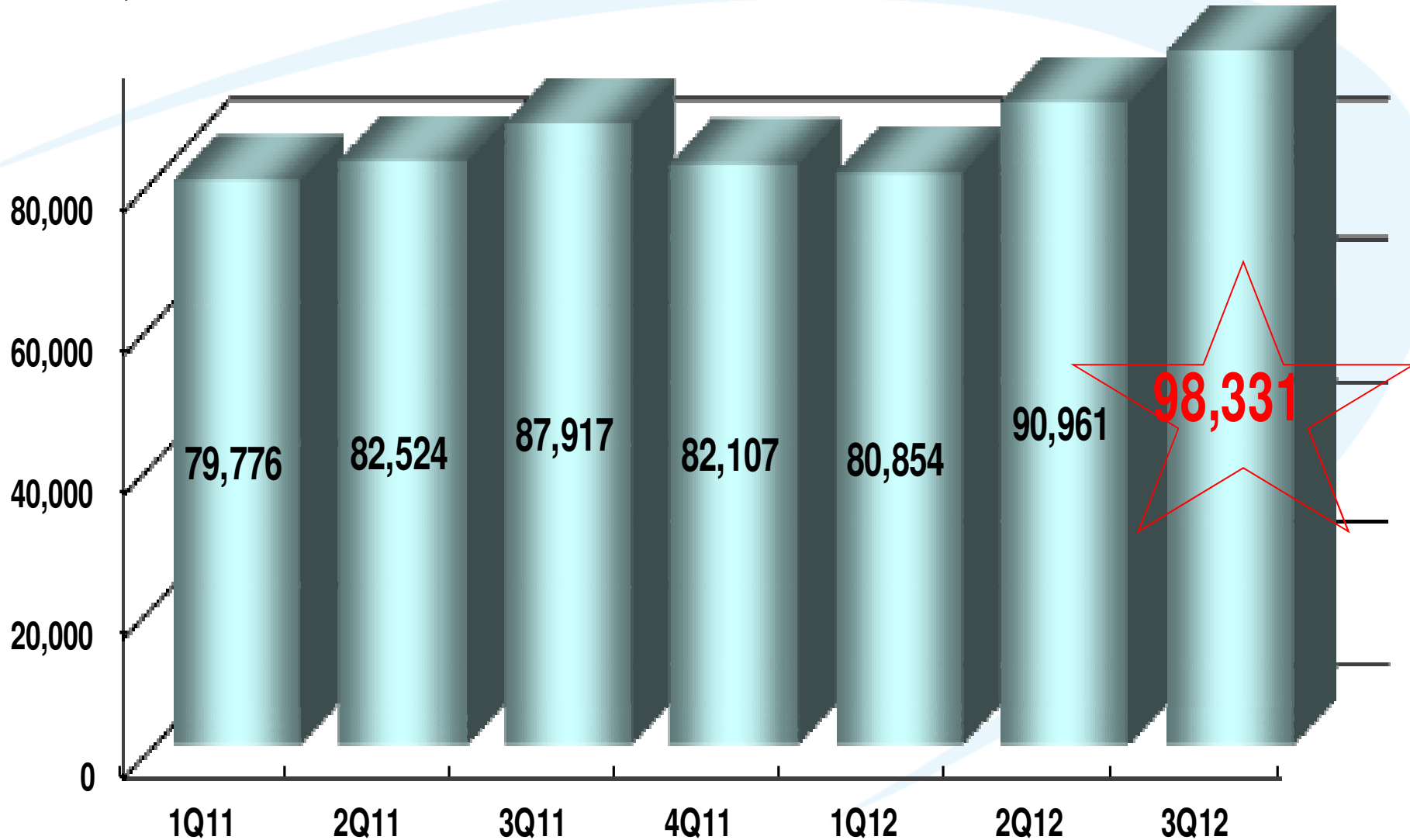
Unit:NT\$million

item	3Q12	2Q12	3Q11
-Net Income ₍₁₎	1,374	1,206	1,362
-Changes of NWC	(1,807)	(6,172)	(7,761)
-Adjustment & Others	(347)	974	(17)
From Operation	(781)	(3,992)	(6,416)
-Financial Instrument	528	212	(467)
-Capital Expenditure	(393)	(468)	(56)
-Others	(90)	197	(242)
From Investment	46	(60)	(766)
-Financial Debt	6,182	4,236	9,202
-Cash Dividends	(4,305)	-	(3,051)
-Others	(17)	(50)	(38)
From Financing	1,860	4,186	6,113
Effect on changes of consolidated subsidiaries	(1,044)	(507)	-
Cumulative translation adjustments	308	397	1,568
Net Cash Position Change	390	24	498
Ending Cash Balance	8,538	8,148	7,566

(1).Minority interest is included.

Consolidated Revenue

Unit: NT\$million

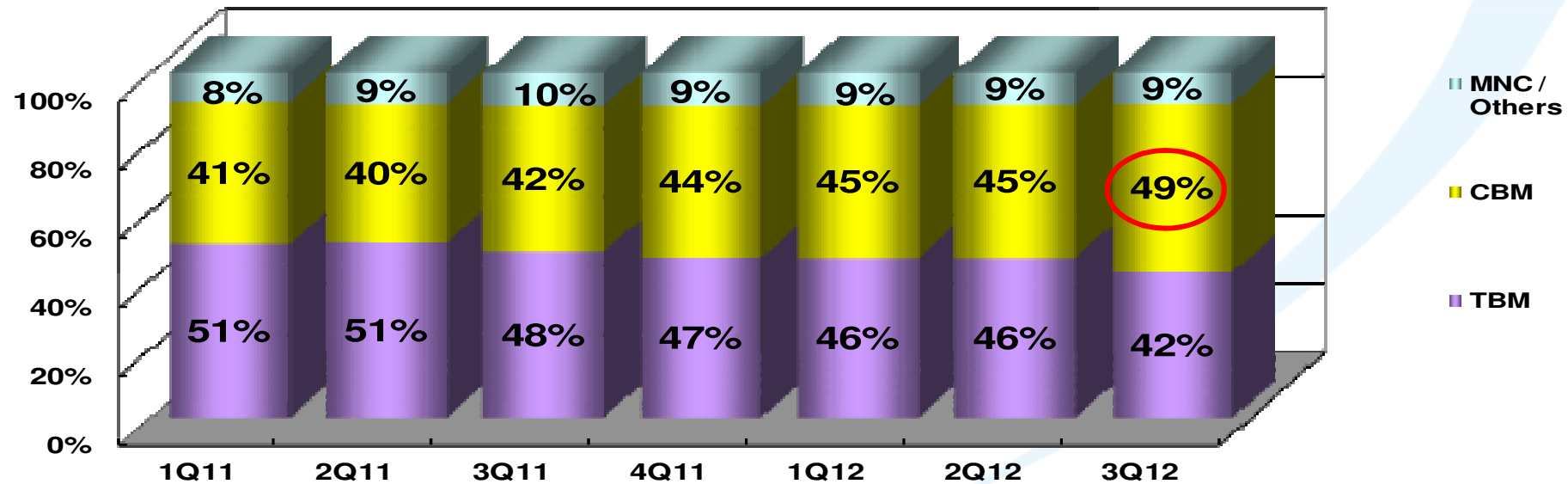
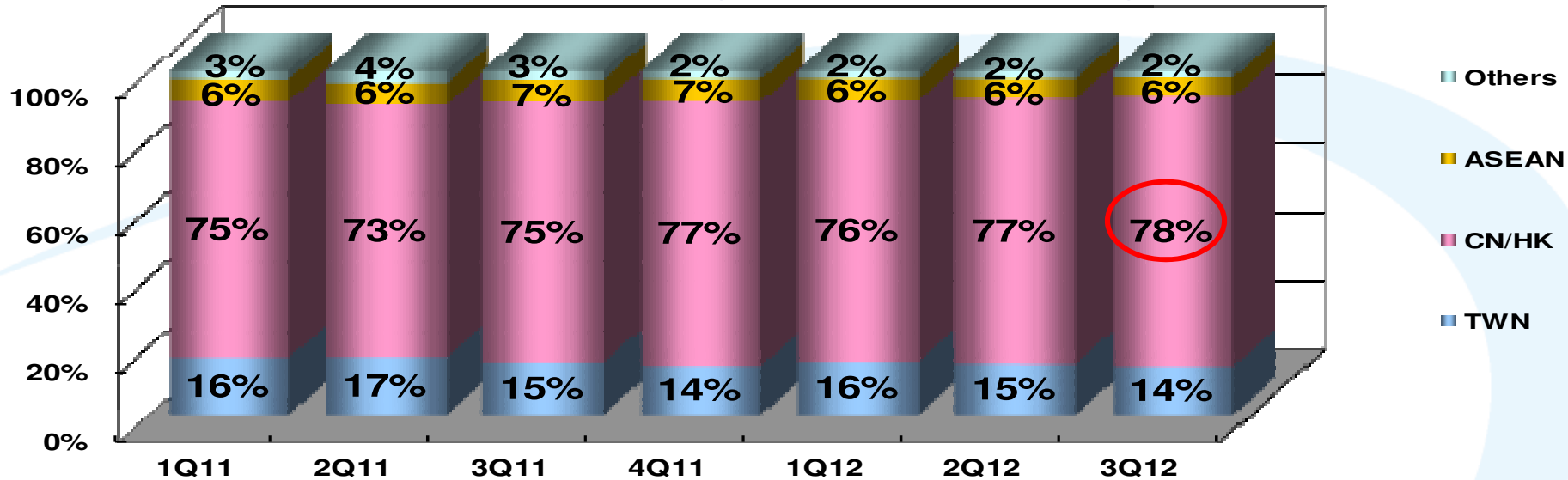


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Winning Partner Grouping

 WPG Holdings Limited

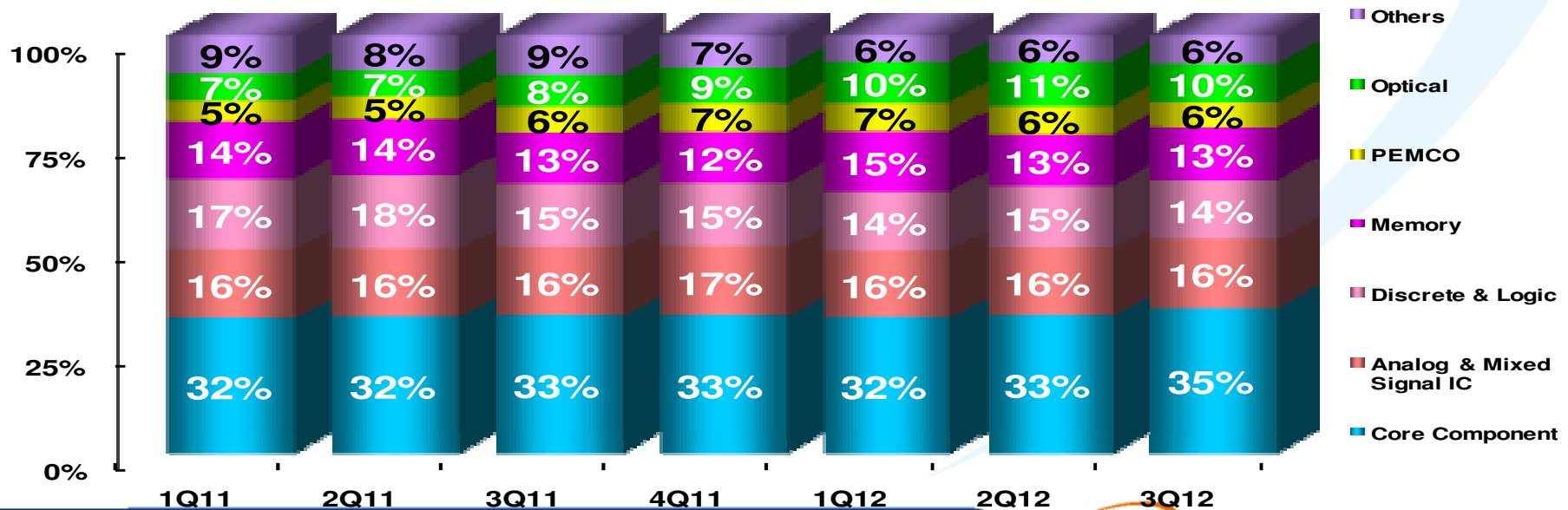
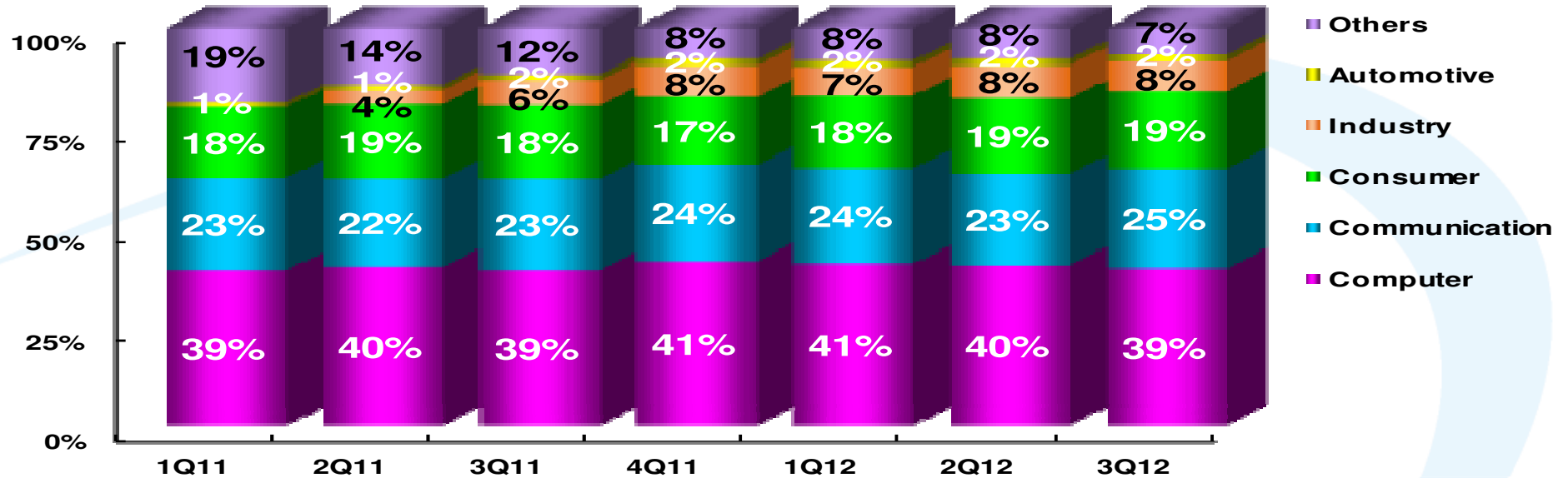
Sales breakdown by Geography/ Customer



TBM : Taiwan-Based Customers

CBM : China Based Customers

Sales breakdown by Application/ Device Type

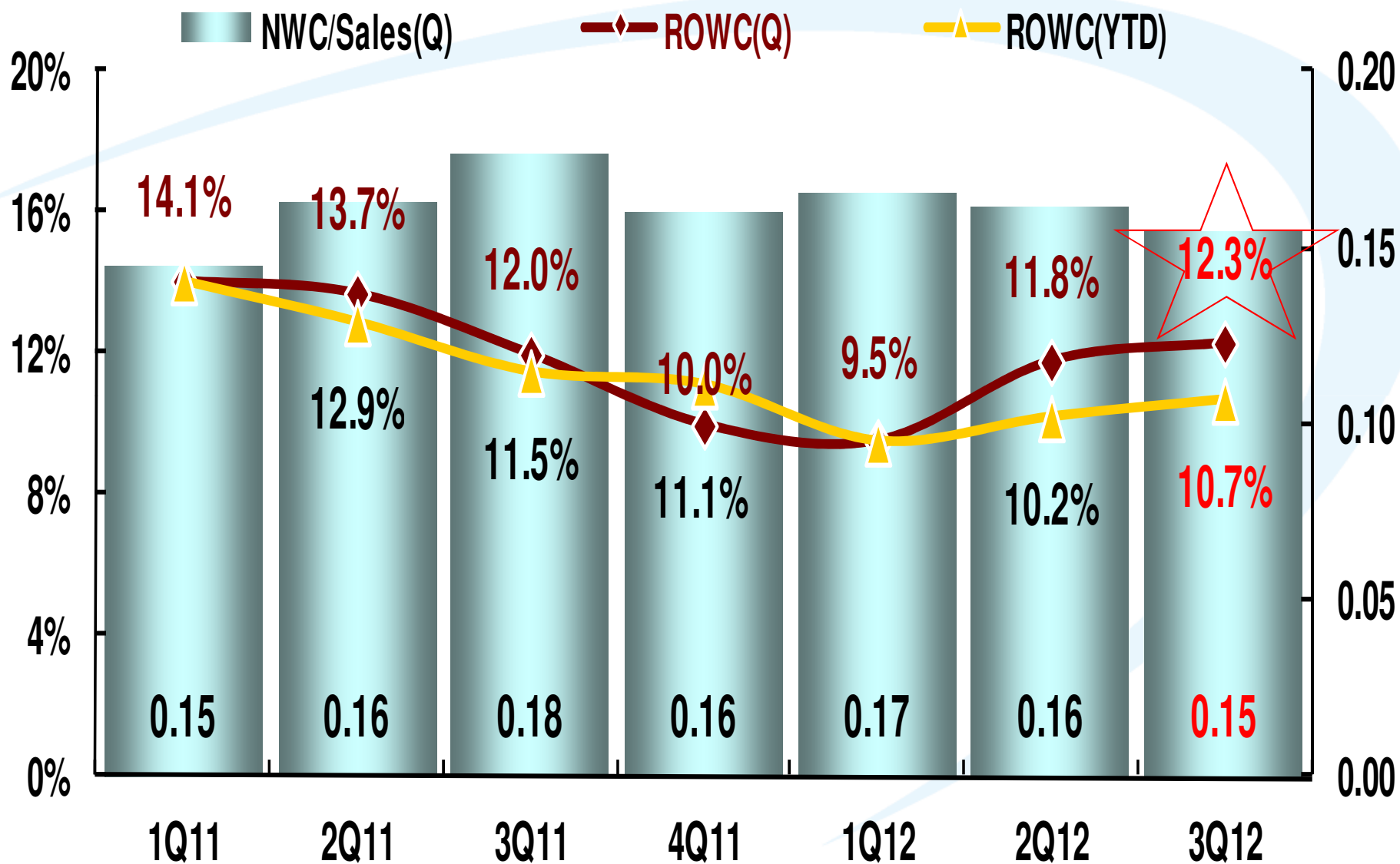


Note : Industrial included after 2Q11
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ROWC vs. NWC/Sales

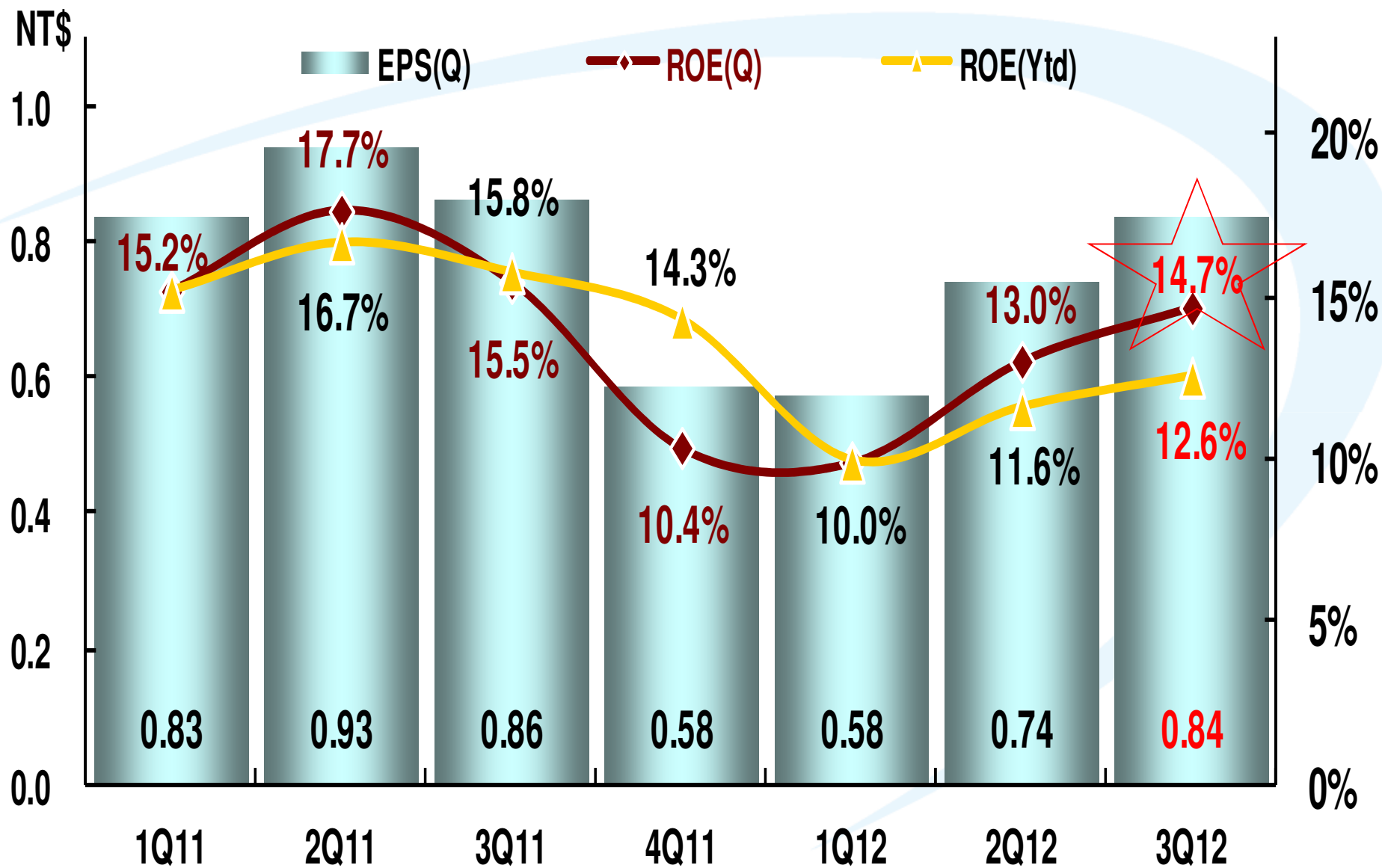


Note : Annualized
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ROE vs. EPS

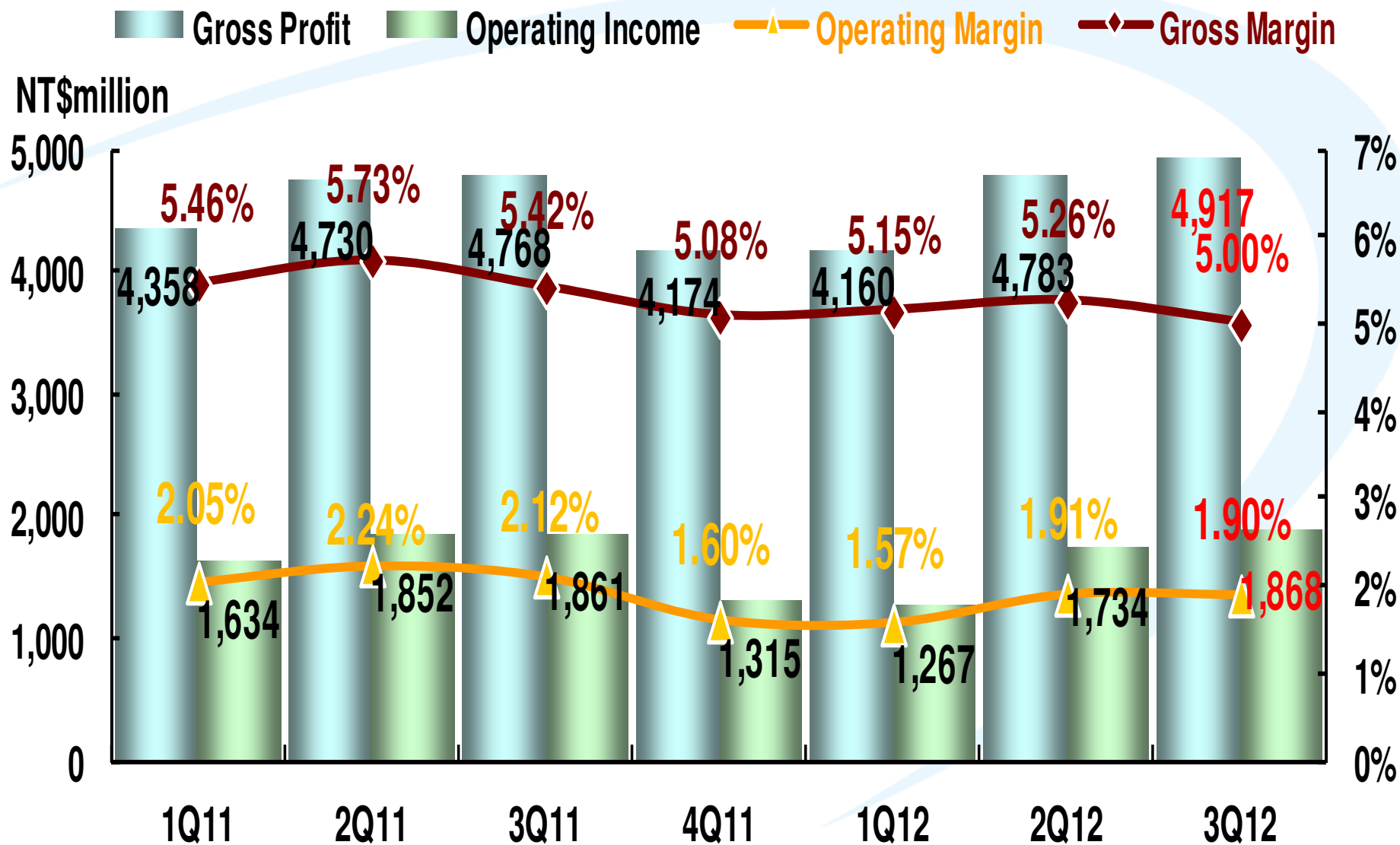


Note : Annualized
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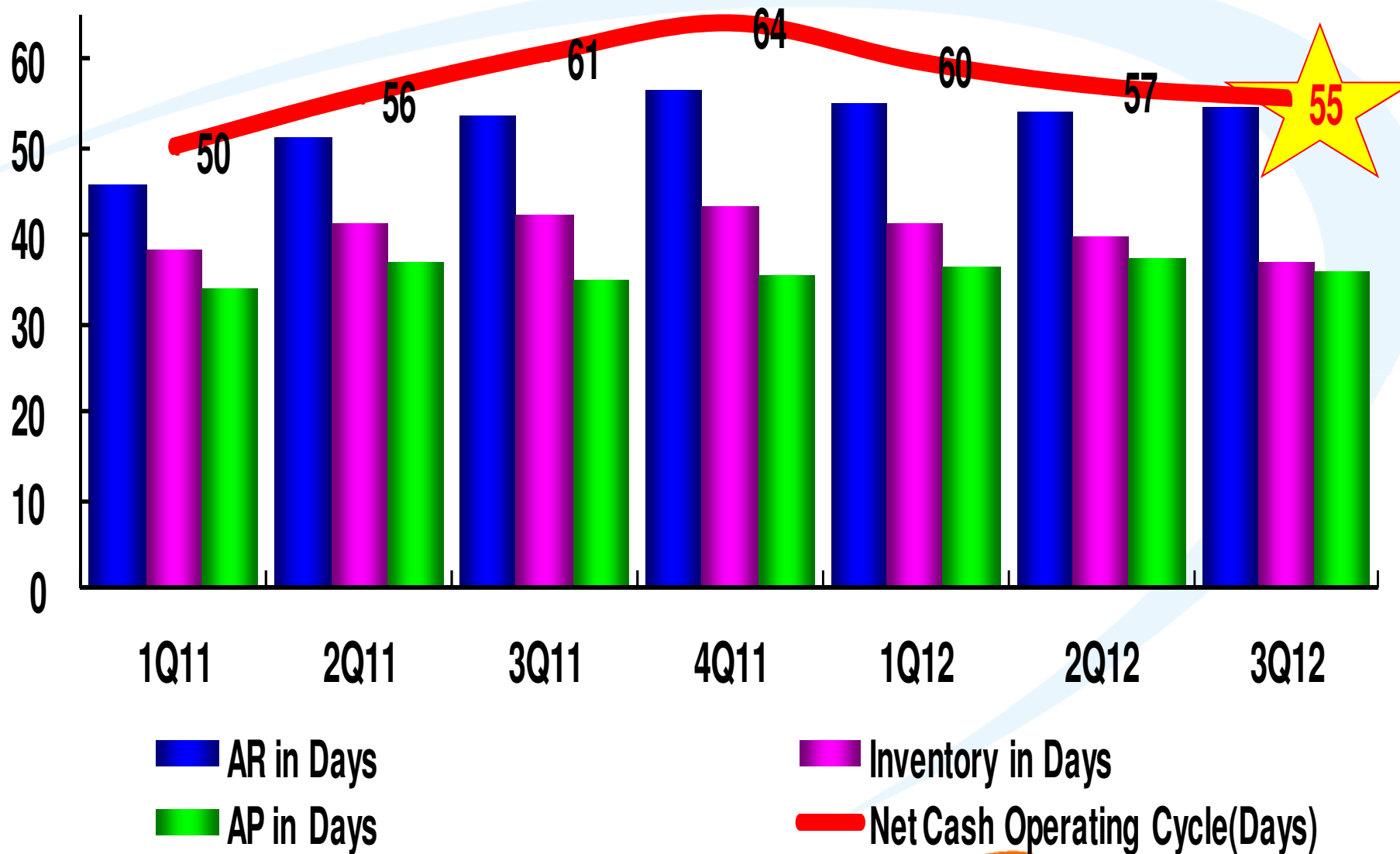
Winning Partner Grouping



Gross Margin vs. Operating Margin



Operating Cash Cycle



4Q12 Guidance

Based on our current business outlook, management expects :

- Revenues to be between NT\$ **88** billion and NT\$ **93** billion at a forecast FX rate of 29.4 NT dollars to 1 US dollar averaged over 4Q12.
- Gross profit margin to be between **4.95%** and **5.15%**
- Operating profit margin to be between **1.6%** and **1.8%**

Recap of Recent Major Events

■ 57 Solutions Launched in 3Q12 :



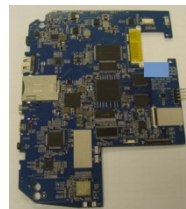
- ▶ 力推多媒體處理器應用方案 2012-09-26
- ▶ 推出應用處理器-多媒體盒方案與產品週邊方案 2012-09-26
- ▶ 推出高清 Android 多媒體播放盒方案 2012-09-26
- ▶ 推出多媒體盒解決方案 2012-09-26
- ▶ 推出多媒體盒主被動元件整合解決方案 2012-09-26
- ▶ 推出网络媒体播放器 NMP BOX 与产品周边方案 2012-09-26
- ▶ 推出 Android Box/MID 解决方案 2012-09-26
- ▶ 推出 Set Top Box 解决方案，滿足 USB、ESD、EMI、IRM 等多種應用需求 2012-09-12
- ▶ 力推機上盒(STB)之完整解決方案 2012-09-12
- ▶ 推出新系列機上盒 IC 2012-09-12
- ▶ 推出 Android 系統機上盒方案 2012-09-12
- ▶ 力推 Digital IP TV 方案 2012-09-12
- ▶ 推出新一代高清互動機上盒方案系列 2012-09-12
- ▶ 力推高性价比 STB 周边产品解决方案 2012-09-12
- ▶ 推出代表的高清数字卫星机顶盒方案。 2012-09-12



- ▶ 力推 NFC 電子錢包解決方案整合於 Android 4.1 平板電腦並實現 Google 電子錢包等創新應用 2012-08-15
- ▶ 推出近距離無線通訊器材主、被動元件解決方案 2012-08-15
- ▶ 力推 SIP 應用於 NFC 行動式裝置 2012-08-15
- ▶ 推出搭配手機的 NFC 解決方案 2012-08-15
- ▶ 推出 NFC 技術的電子錢包方案 2012-08-15
- ▶ 推出居家智能顯示控制解決方案 2012-08-01
- ▶ 主推遠端醫療照護 SoC 元件 2012-08-01
- ▶ 推出 sensor 可應用遠端醫療監控方案 2012-08-01
- ▶ 推出遠端醫療照護解決方案 2012-08-01
- ▶ 力推 eMMC Flash 系列產品適用於遠端醫療照護方案 2012-08-01
- ▶ 推出 NFC 解決方案，適用於醫療照顧上的運用 2012-08-01
- ▶ 推出蓝牙 4.0 无线传输技术的远距医疗方案 2012-08-01
- ▶ 推出智能家居完整解决方案 2012-08-01
- ▶ 推出应用于远程医疗照护解决方案 2012-08-01



Car Audio Solution



MID Solution



TV Solution



Car LDWS Solution

Recap of Recent Major Events

■ 57 Solutions Launched in 3Q12 :



- ▶ 推出 CMOS Sensor 汽车安全领域应用方案 2012-08-29
- ▶ 推出车用传感器之主、被动组件最佳解决方案 2012-08-29
- ▶ 力推新一代 VGA 图像传感器适用于 IPCAM/监控...等产品 2012-08-29
- ▶ 推出车用传感器方案 2012-08-29
- ▶ 推出车用传感器应用方案 2012-08-29
- ▶ 力推最新車聯網應用 - 雙網路、併發車載 Wi-Fi 網路功能 2012-07-04



- ▶ 推出 NFC 解决方案，用於其最新開發的智慧電表產品 2012-07-18
- ▶ 推出安全、性能、成本兼備之智慧電網解决方案 2012-07-18
- ▶ 提供創新解决方案 推動節能革命發展電能計量晶片，為全球首款用於非計費式電能計量的 32 位元 ARM®解决方案 2012-07-18
- ▶ 推出智慧綠色能源管理解决方案 2012-07-18
- ▶ 推出智慧電網之主、被動組件解决方案 2012-07-18
- ▶ 力推無線抄表系統的前端設計方案 2012-07-18
- ▶ 推出 E-METER 产品方案介绍 2012-07-18
- ▶ 推出一系列智能电网的智能终端解决方案 2012-07-18

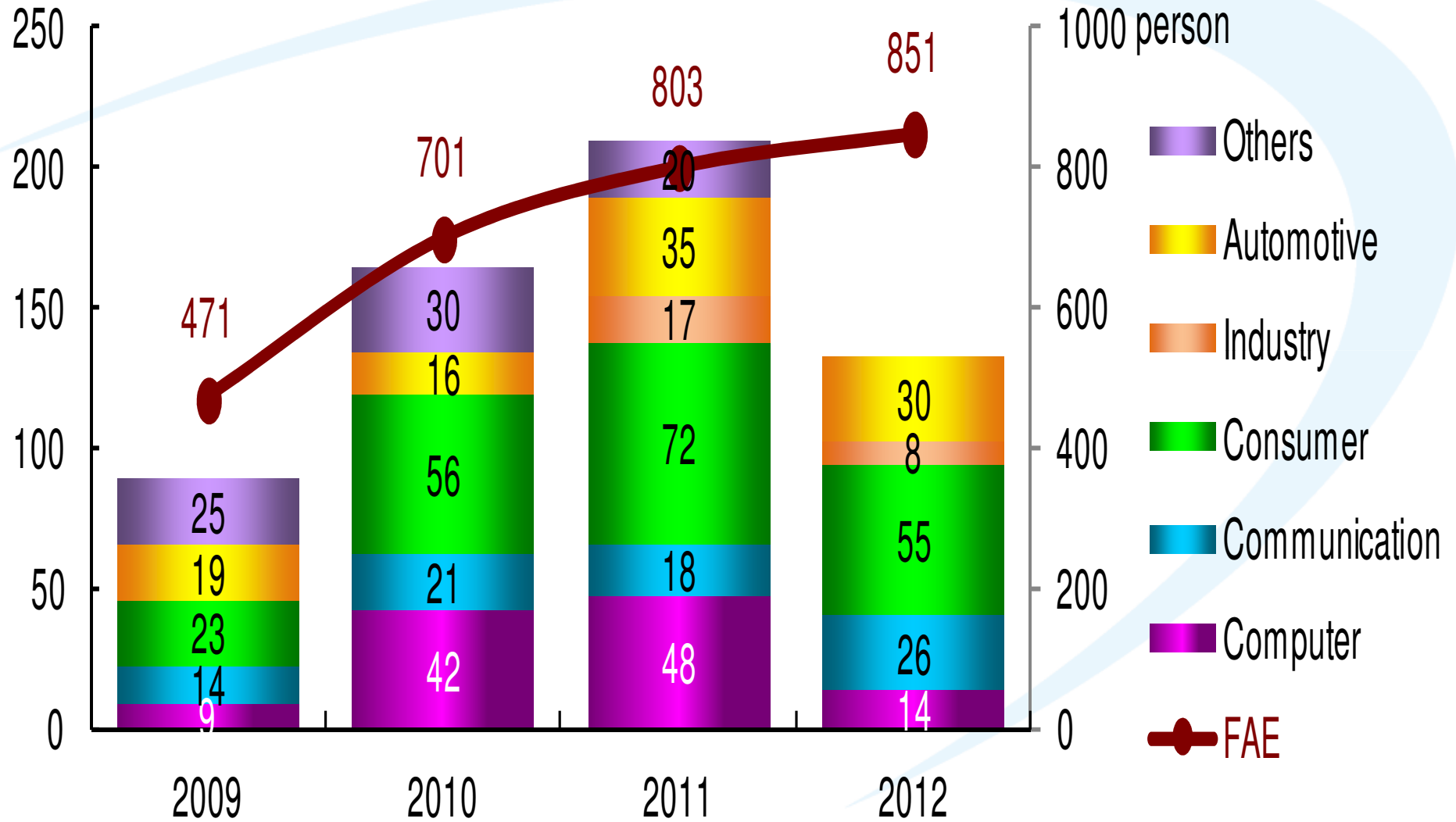


- ▶ 推出嵌入式整合式晶片組，以提昇整體高解析度顯示效果 2012-08-29
- ▶ 推出伺服器 之主、被動元件解决方案 2012-08-29
- ▶ 力推 IPC 工業電腦解决方案 2012-08-29
- ▶ 推出微型伺服器解决方案 2012-08-29
- ▶ 推出高效能伺服器解决方案 2012-08-29
- ▶ 力推伺服器周邊元件整體方案雲端時代周邊元件產品的第一選擇 2012-08-29



- ▶ 力推微型基地台解决方案 2012-07-04
- ▶ 推出 Wireless AP 系列先進技術解决方案 2012-07-04
- ▶ 力推高度整合的無線通訊模組解决方案 2012-07-04
- ▶ 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 2012-07-04
- ▶ 推出無線網路之主、被動組件最佳解决方案 2012-07-04
- ▶ 力推提供业界一流 WiFi/Wireless AP 射頻解决方案 2012-07-04
- ▶ 力推多界面读卡器方案为金融业电子支付及物联网行业提供低成本高可靠性的读卡设备 2012-07-04
- ▶ 推出节能型 IEEE 802.11n 无线局域网路由器解决方案 2012-07-04

More Solutions Launched ...



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

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