WPG Holdings (TWEX:3702)

(http://www.WPGholdings.com)

WPI Group SAC Group RichPower Group Pernas Group AIT Group

Agenda

- Welcome
- WPG Briefing
- Financial Highlights & Overview
- Q&A

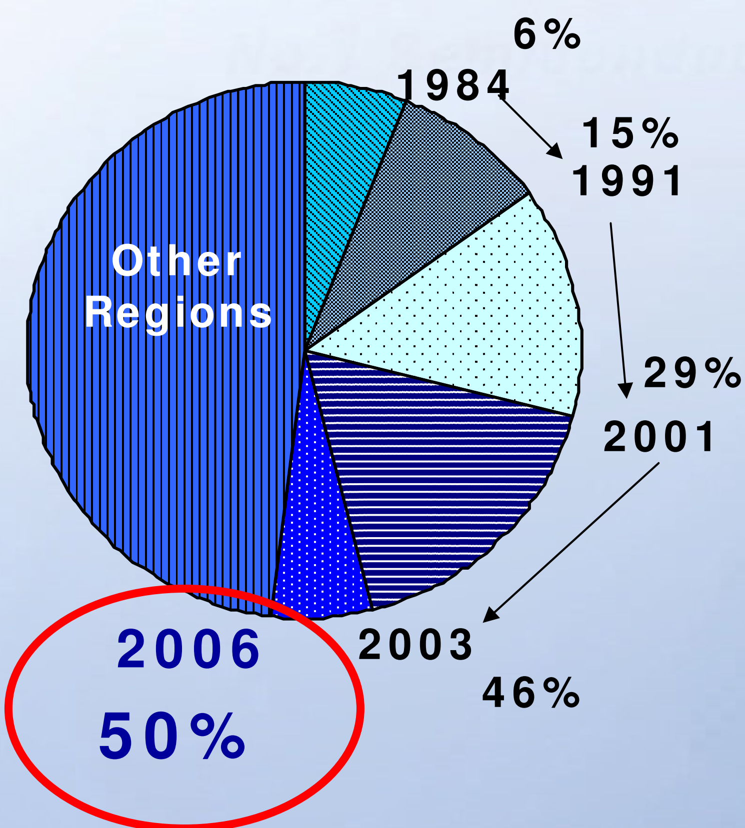
Asiaæs No.1 Electronics Distributor

Rank	Company	2007 Revenue ($ Millions)	2006 Revenue ($ Millions)	Revenue Change ’06/ ’07 (%)	2007 Asia/ Japan Revenue
1	Avnet Inc.	16,993	14,766	15.10	3,214
2	Arrow Electronics	15,985	13,577	17.70	2,500
3	WPG Holdings	4,670	3,820	22.30	4,670
4	Future Electro	4,416	4,015	10.00	NA
5	Bell Microproducts	4,050	3,400	19.10	NA
6	Electrocomponents plc	1,814	1,464	23.90	NA
7	Premier Famell plc	1,489	1,345	10.70	NA
8	TTI/Mouser Electronics	1,381	1,225	12.70	95
9	Digi-Key Corp.	941	829	13.50	NA
10	NuHorizons	777	727	6.90	NA

AsiaÆs # 1

Source: Electronics Supply & Manufacturing May 2008- Update

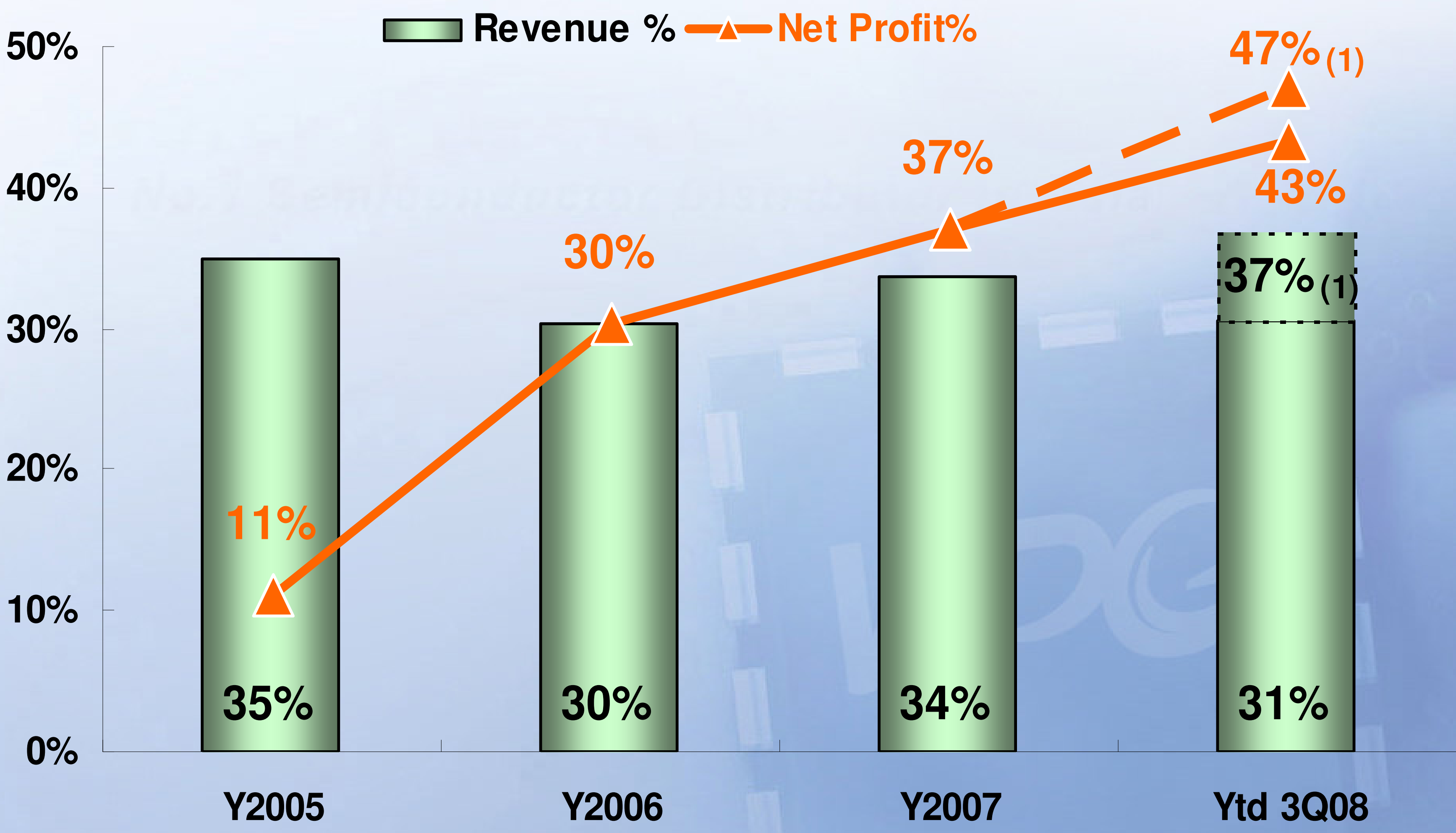
Market share Growing to 12%



(US$)	2006	2007	2008 (e)	2009 (F)	2010 (F)
WW SC TAM	262B	270B	261B	256B	273B
WW SC TAM in APAC.	140B	148B	124B	134B	144B
30% DTAM in APAC.	42B	44B	37B	40B	43B
WPG WW Sales	3.6B	4.3B	4.5B		
WPG WW Market Share in APAC	9%	10%	12%		

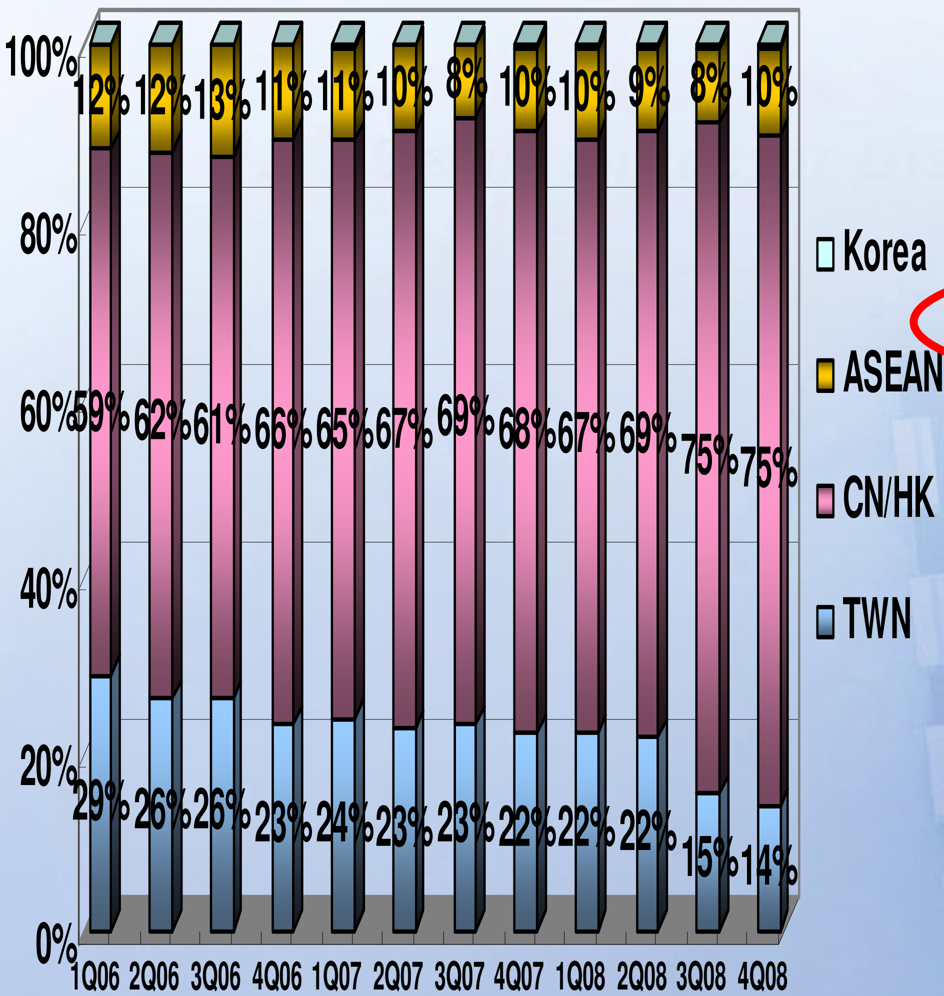
Source: Gartner, Inc.,
WSTS(World Semiconductor Trade Statistics)

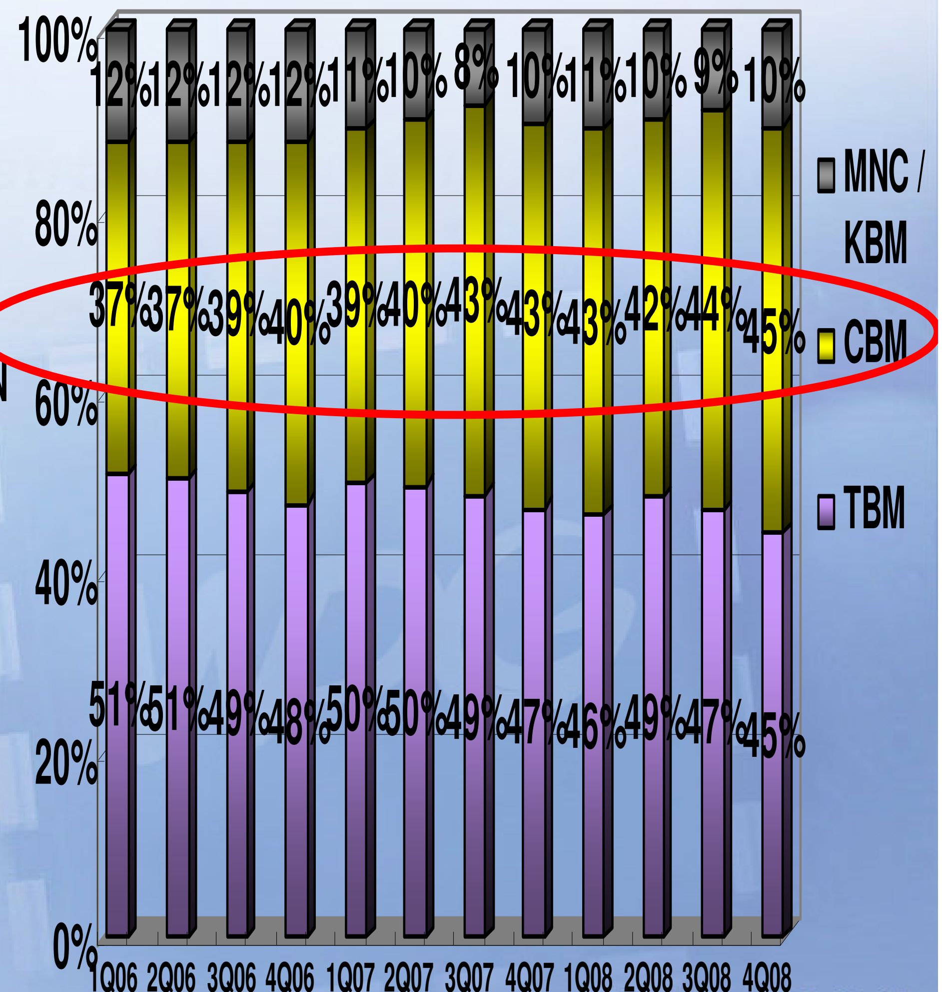
Dominate on Great China Top 10



Note1：AITg join, pro forma base.

45% from China Domestic Markett





The Main Functions of Distributor
- Supply chain services provider -

Supply Chain of Electronic Industry

Supplier | **Distributor** | **Customer**

Services of Distributor

- Warehouse Management
- Product/ Market Promotion
- Customer Services
- Localization Service
- Program Management
- Supply Chain Management

- Warehouse Management
- Design and Implement
- Customer Services
- On time delivery
- Multi-shipping Models
- Supply Chain Management

Main functions:

1. Balance → Buffer the gap between market demand and supply.
2. Integration → Information integration between customers and suppliers.
3. Transparency → Accurate and efficient Information delivery is the key to success!!

One stop Shoppingg

- Products：Over 200 authorized brands
  - Major Lines by 2008 Revenue (In alphabetical order):

hynix Semiconductor | infineon | intel | 聯發科技 MediaTek Inc. | NXP founded by Philips | ON Semiconductor
REALTEK | Texas Instruments Authorized Distributor | VISHAY

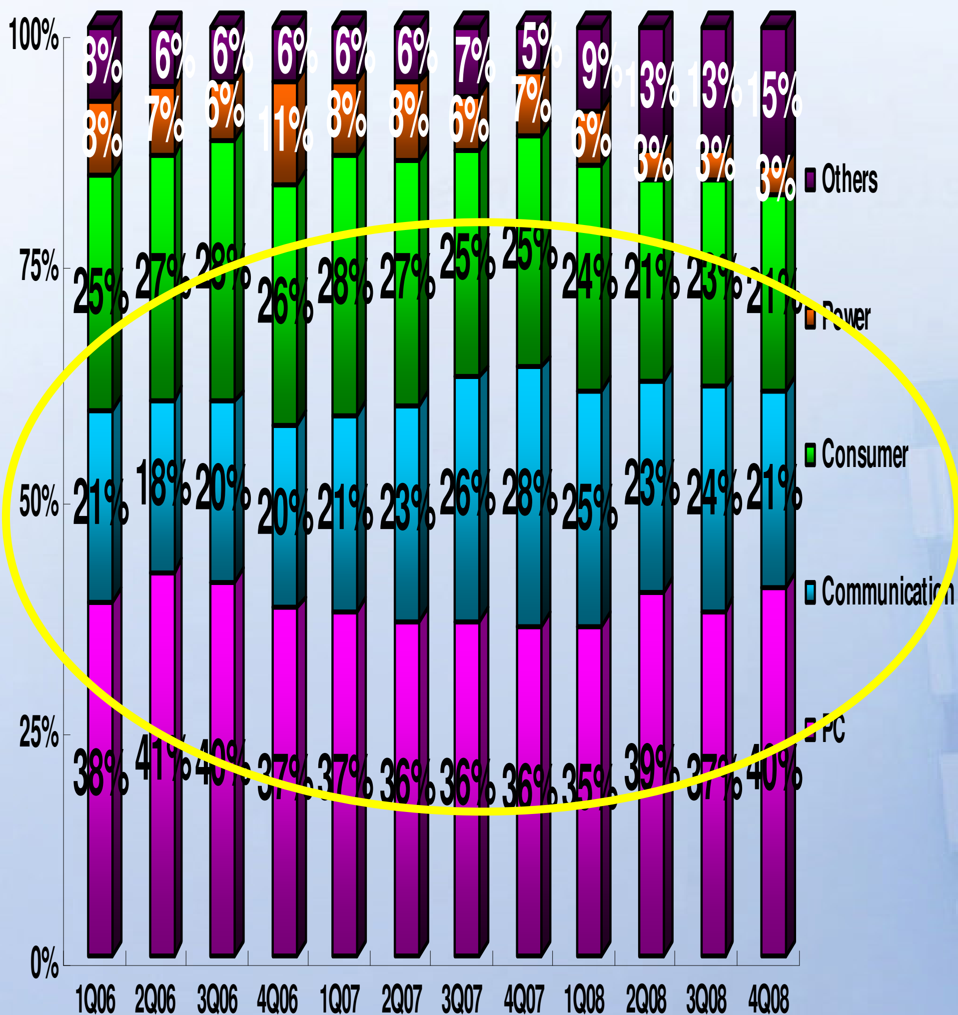
- Others (In alphabetical order):

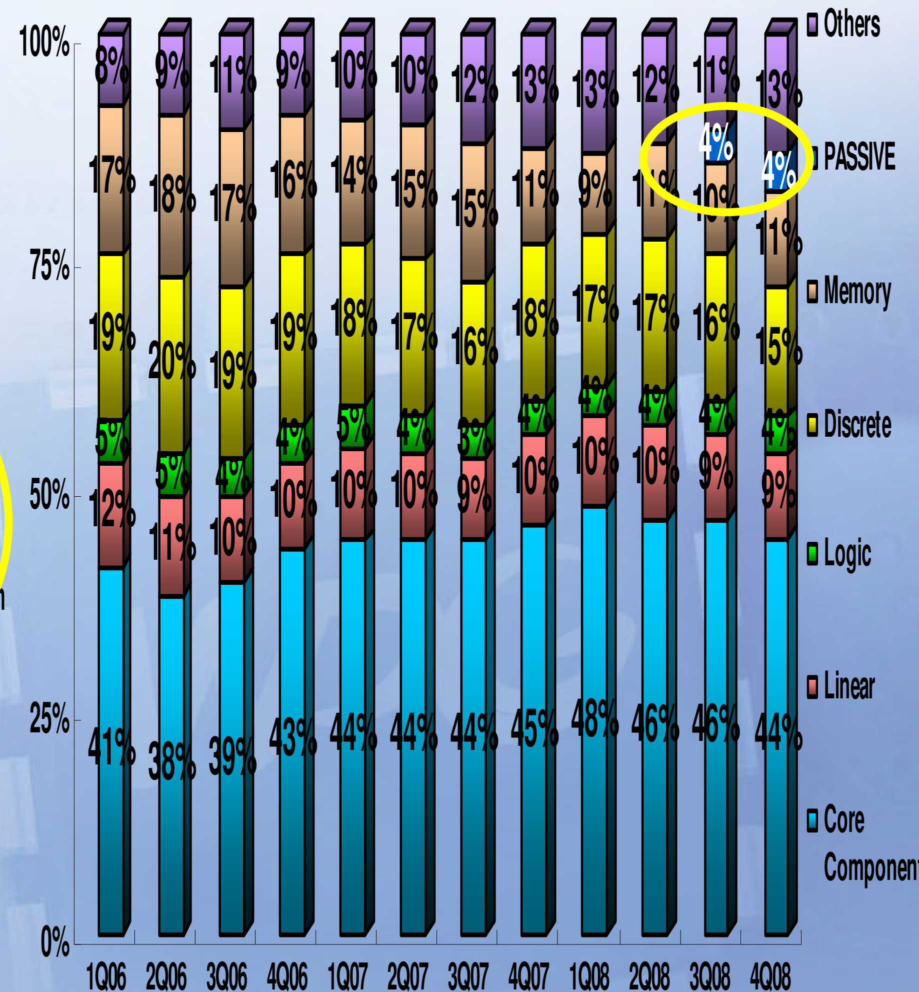
Actions 炬力集成 | ANALOG DEVICES | Amlogic | ANADIGICS | ANALOGIC TECH | ANPEC
Aptina | Atheros | ATMEL | AuthenTec | CONEXANT | CREE LED Light
csr | DIODES INCORPORATED | EPSON | EVERLIGHT Lighting Forever | freescale semiconductor | FAIRCHILD SEMICONDUCTOR
FUJITSU | GCT | IDT | MEMSIC | MICROCHIP | Micron
molex | MPS Monolithic Power Systems | MStar Semiconductor | National Semiconductor The Sight & Sound of Information | OmniVision | OKI
OSRAM | Panasonic ideas for life | PXI | RICHTEK | SAMSUNG ELECTRO-MECHANICS | SANYO
SEMTECH INTERNATIONAL AG | SEQUANS Communications | SETi | SHARP | 昭和電工株式会社 SHOWA DENKO | SiGe Semiconductor
Silicon Image | SILICON LABS | SKYWORKS | SPREADTRUM | SUNPLUS | TeleChips
TI-RFid A Texas Instruments Technology | TOSHIBA | VIMICRO | wolfson microelectronics

14 New Franchises Undertaking

- GPS Chipset Module for Mobile Phone
- Small Array Microphone for Mobile Phone, Car Kit
- Multi Media Application Processor for TDMB/CMMB/PND
- CMOS Sensor for Mobile Phone, NB CAM., PC CAM., IP CAM.
- MEMS process, programmable Oscillator
- GPS Module for handheld devices
- Backend processor for PC CAM., NB CAM., Mobile Phone
- CMMB Demodulator
- Acoustic MEMS Microphone
- FM Receiver/Transceiver
- EMI/ESD Solutions
- AC/DC Power, Power Management IC
- Crystals, Automotive Crystals, Oscillators, SAW Devices
- Chip Resistor, Thin Film, Resistor, Fuse

Sales on 3C & Passive components growingC





3C Application Coverage

Total 35 Sales Offices in Asia Pacific.
To serve more than 8,500 customers.

- TW:4
- CN: 17
- SA: 6
- India:6
- Korea:1
- Japan:1

S & M > 2,600
Sales Office = 35
Warehouse = 4
Technical Support >400

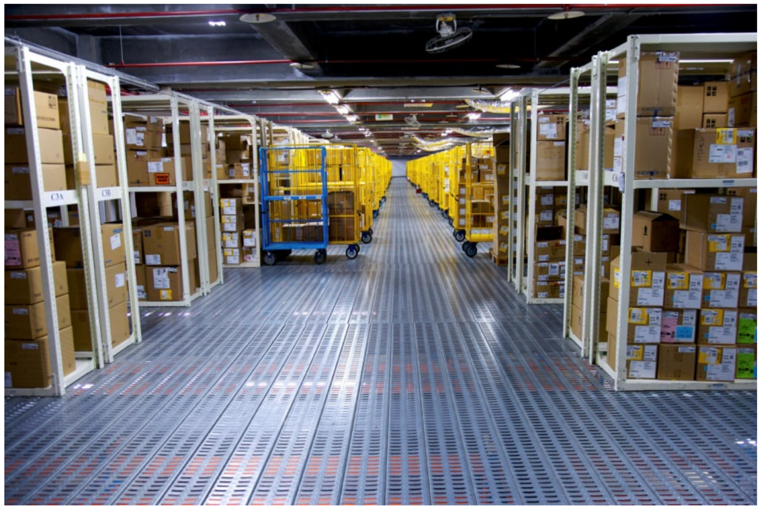
Updated:Feb.,2009

WPG Regional Logistic Support

Updated： Feb., 2009

	Taiwan	Hong Kong	Singapore	Shanghai
Established	2002/01/01	1986/02/18	2004//03/06	2004/12/03
Area	Linkuo	Tuen Mun	Singapore	Min Hang
Floor Area (s.q.m) (pin)	 5,100 1,543	 31,800 9,620	 2,200 666	 8,100 2,450
Investment	USD 1.3 million	USD 1.8 million	USD 0.5 million	USD 0.3 million
Manpower Administration Operating	 7 persons 89 persons	 8 persons 180 persons	 3 persons 34 persons	 9 persons 78 persons
Certification	ISO9001:2000	ISO9001:2000	ISO9001:2000	ISO9001:2000
Performance	1000 orders/day, 2300 ctns/day,	1500 orders/day, 6500 ctns/day,	450 orders/day, 1500 ctns/day,	140 orders/day, 1500 ctns/day,
Warehouse Management System	Exceed 4000	Exceed 4000	Exceed 4000	Exceed 4000
Traffic	To Airport: within 20 min	To Airport : within 20mins To Huang-kang (Shenzhen) ： within 15 minutes	To airport and seaport: within 15 min	To airport : within 40 min

Warehouse in Linko



Warehouse in Tuen Mun





WPG Strategy

y **Continue to gain market shares & more expansion**
y
  y Continue to Lead in Asia-Pacific region
  - More New Franchises
  - Continue to invest to gain more biz
  - More Value-added M&A

- **Strong Financial capability, not only to weather the Storm, also ensure our Future Growths**
  s Consistent Profitability & More Returns to shareholders
  s Well management of working capital to reduce operational risk & strengthen Asset Liquidity & Balance Sheet
  s Continue to generate Free cash flow from Operation

Financial Highlights & Overview

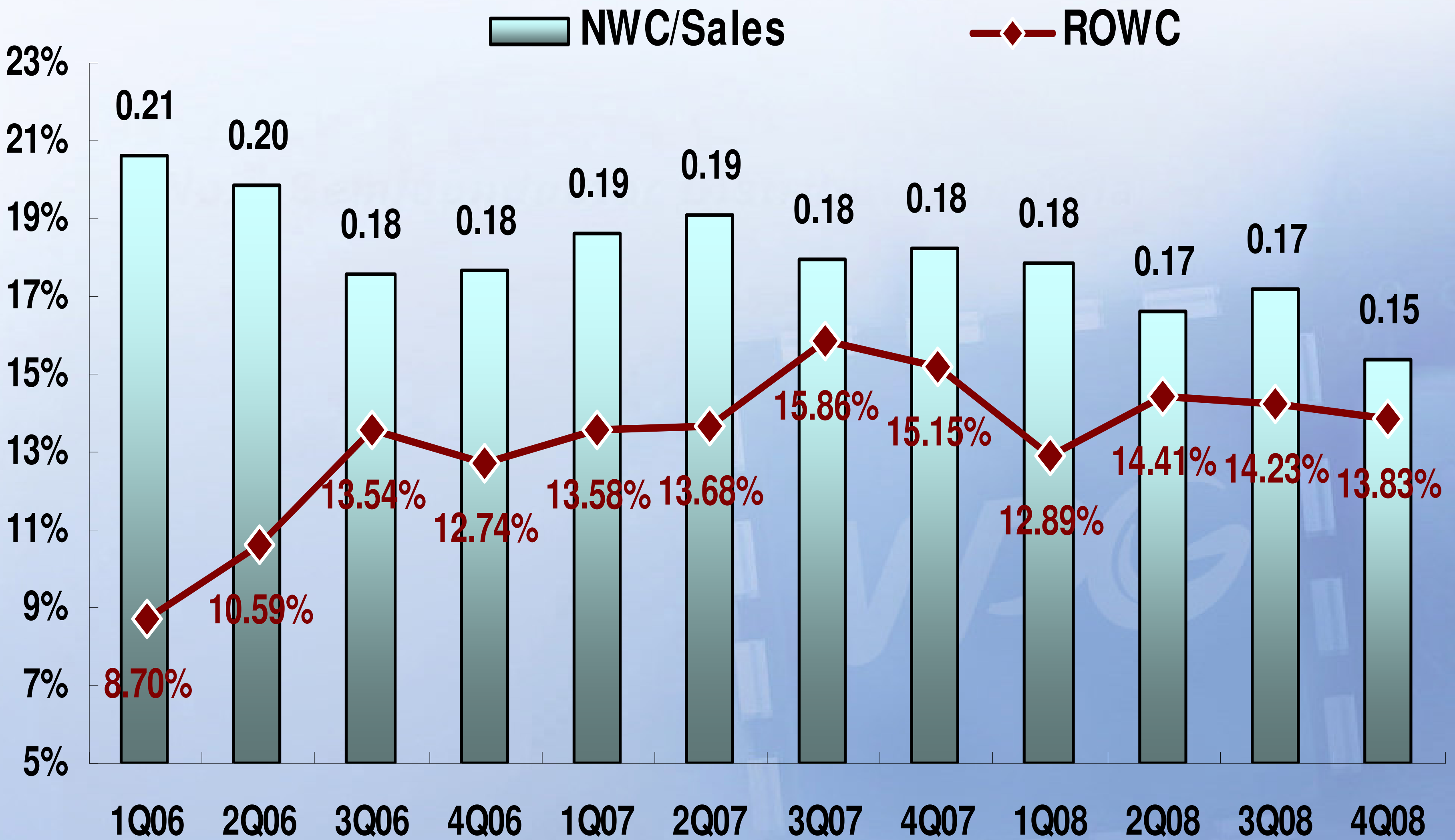
Historical Result Highlights

Unit:NT$million

item	2008	2007	2006	2005(3)
Net Sales	143,194	142,974	116,124	116,159
Operating Income	3,247	3,973	2,761	2,106
Net Income	1,860	2,561	1,386	373
EPS (NTD)(1)	2.43	3.55	1.95	0.56
Net Book Value(NT$)	19.43	20.00	17.05	0.00
Total Assets	43,062	47,356	37,347	42,751
Total Liabilities	28,286	32,931	25,232	31,182
Total Equity	14,777	14,425	12,115	11,569
Net Working Capital	22,074	26,012	20,492	23,920
Total Borrowing	16,940	18,744	14,493	19,861
Free Cash Flow	5,808	(2,353)	5,541	(147)
KEY Indices(2)				
ROWC	*13.83%*	*15.15%*	*12.74%*	*6.57%*
NWC/Sales	*0.15*	*0.18*	*0.18*	*0.21*
Opex/GP	*62.75%*	*53.28%*	*62.93%*	*73.54%*
ROE	*12.59%*	*17.75%*	*11.44%*	*3.22%*
Gearing ratio	0.64	0.97	0.98	1.46

(1).Weighted average shares outstanding
(2).Annualized
(3).Pro forma base.

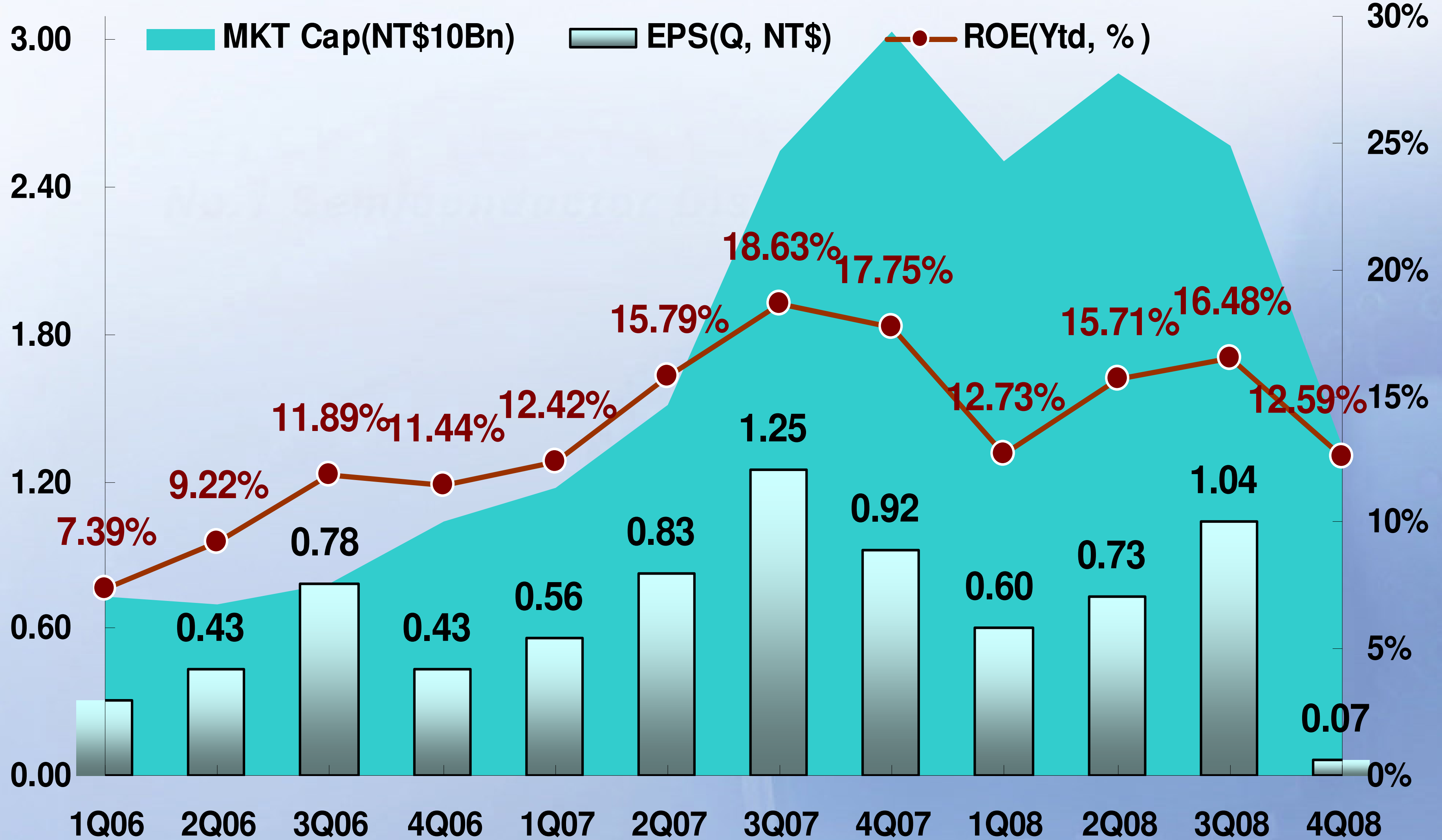
ROWC vs. NWC/Sales



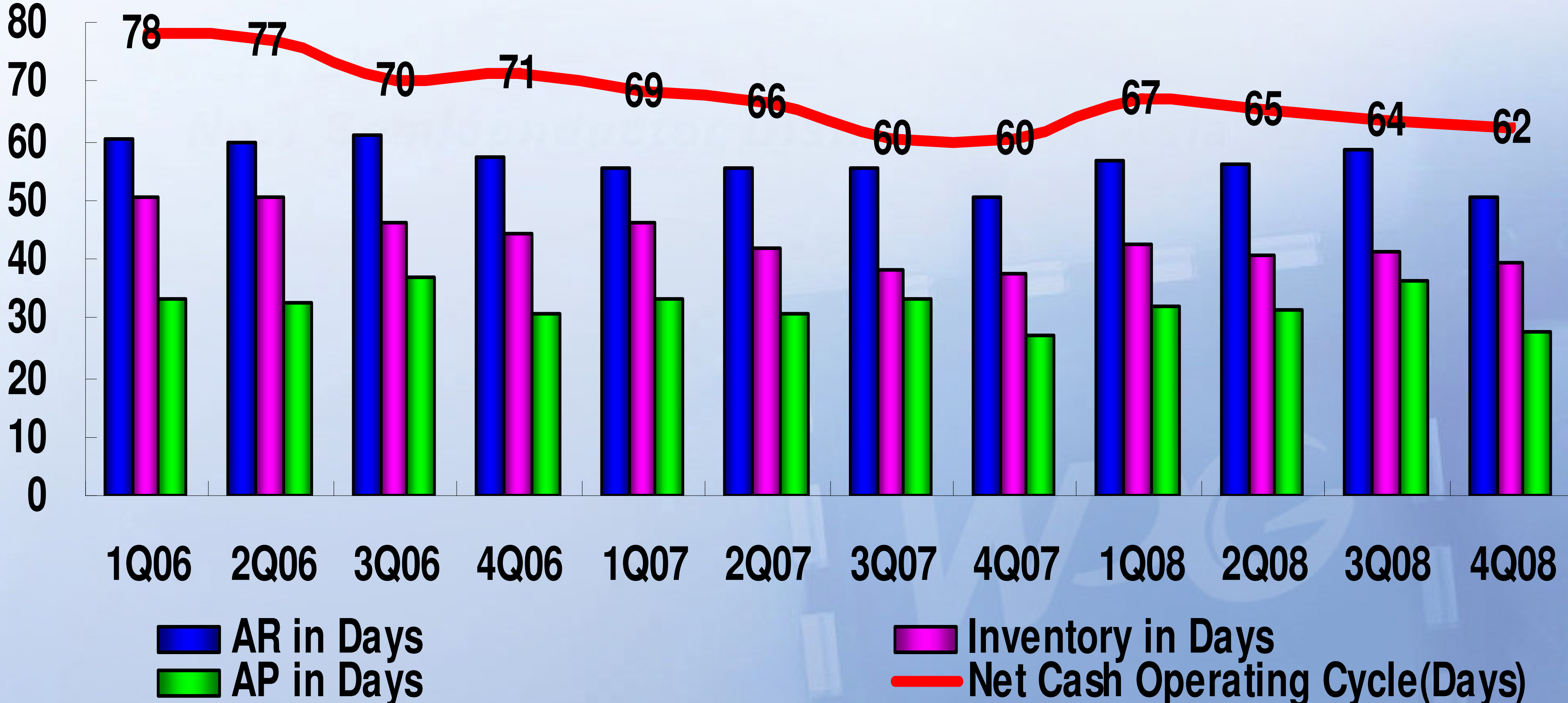
亞洲第一電子通路

大聯大控股
WPG Holdings Limited

ROE vs. EPS


MKT Cap(NT$10Bn)
EPS(Q, NT$)
ROE(Ytd, %)
3.00
2.40
1.80
1.20
0.60
0.00
30%
25%
20%
15%
10%
5%
0%
7.39%
9.22%
11.89%
11.44%
12.42%
15.79%
18.63%
17.75%
12.73%
15.71%
16.48%
12.59%
0.43
0.78
0.43
0.56
0.83
1.25
0.92
0.60
0.73
1.04
0.07
1Q06
2Q06
3Q06
4Q06
1Q07
2Q07
3Q07
4Q07
1Q08
2Q08
3Q08
4Q08

Operating Cash Cycle



1Q09 Guidance

- Revenues is expected to be between NT$30 billion and NT$32 billion at a forecast of FX rate of 33 NT dollars to 1 US dollar averaged over 1Q09.
- Gross profit margin is expected to be between 5.7% and 5.9%
- Operating profit margin is expected to be between 1.1% and 1.3%

Recap of Major Events 08

- WPG Holdings was certified as „RECSR(Reliable Electronics Components Suppliers) by Ministry of Information Industry, PRC(2008/01)
- WPG Annual Shareholder meeting Approved Dividend of NT$2.15 Cash & 3.15% Stock Per Share(2008/06/25)
- WPG Board has set up the Audit Committee to supervise the proper disclosure of company financial report; the selection, termination, independence and performance of certifying accountant; the effectiveness of internal control ; compliance of laws, regulations and legal terms; and the existing or potential risk management of the company (2008/06/25)
- Closing announcement of PERNAS acquisition (2008/07/16)
- Closing announcement of AIT acquisition (2009/02/06)

http://www.wpgholdings.com

Income Statements

Unit:NT$million

Item	2008	2007(2)	2006(2)	2005(2)(3)
Net operating Revenue	143,194	142,974	116,124	116,159
COGS	(135,001)	(134,538)	(109,081)	(110,225)
Gross Profit	8,193	8,436	7,043	5,935
Gross Margin	5.72%	*5.90%*	*6.06%*	*5.11%*
Operating Expenses	(4,946)	(4,463)	(4,282)	(3,829)
Operating Income	3,247	3,973	2,761	2,106
Operating Margin	2.27%	*2.78%*	*2.38%*	*1.81%*
Net Non-operating Items	(726)	(707)	(867)	(1,396)
Net Financing costs	(779)	(903)	(816)	(712)
Inventory Provision & OBS	(194)	(32)	(151)	(535)
Others	247	227	99	(148)
Profit Before Tax/Minority	2,521	3,266	1,894	710
Tax	(640)	(635)	(490)	(318)
Minority/Accounting Principle Change	(20)	(70)	(18)	(19)
Profit After Tax/Minority	1,860	2,561	1,386	373
Net Margin	*1.30%*	*1.79%*	*1.19%*	*0.32%*
EPS (NTD)(1)	2.43	*3.55*	*1.95*	*0.56*
Tax%	25%	19%	26%	45%

(1).Weighted average shares outstanding

(2).Expense of employee profit sharing not included

(3).Pro forma base.

Balance Sheet

Unit:NT$million	2008		2007		2006		2005	
item	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
Cash &Marketable Securities	6,422	*15*	4,209	*9*	2,846	*8*	3,047	*7*
Accounts Receivable - Trade	16,924	*39*	22,432	*47*	16,951	*45*	19,638	*46*
Inventory	13,990	*32*	15,146	*32*	12,395	*33*	13,994	*33*
Current Assets	40,265	*94*	44,760	*95*	34,892	*93*	39,699	*93*
Others	2,798	*6*	2,596	*5*	2,455	*7*	3,052	*7*
Total Assets	43,062	*100*	47,356	*100*	37,347	*100*	42,751	*100*
Current Interest-bearing Debt	12,521	*29*	14,299	*30*	9,257	*25*	15,429	*36*
Accounts Payable	8,839	*21*	11,565	*24*	8,854	*24*	9,712	*23*
Accured Liabilities and Others	2,242	*5*	2,339	*5*	1,596	*4*	1,377	*3*
Current Liabilities	23,602	*55*	28,203	*60*	19,708	*53*	26,519	*62*
Long-term Interest-bearing Debt	4,419	*10*	4,446	*9*	5,236	*14*	4,431	*10*
Others	265	*1*	281	*1*	289	*1*	232	*1*
Total Liabilities	28,286	*66*	32,931	*70*	25,232	*68*	31,182	*73*
Total Equity	14,777	*34*	14,425	*30*	12,115	*32*	11,569	*27*
KEY Indices								
Net Working Capital ($)	*22,074*		*26,012*		*20,492*		*23,920*	
AR Turnover (Days)	*50*		*50*		*58*		*52*	
Inventory Turnover (Days)	*39*		*37*		*44*		*46*	
AP Turnover (Days)	*28*		*28*		*31*		*26*	
Average Collection Periods (Days)	*62*		*60*		*71*		*72*	
Current Ratio	*171%*		*159%*		*177%*		*150%*	
Debt/Asset Ratio	*66%*		*70%*		*68%*		*73%*	
Debt/Equity Ratio	*191%*		*228%*		*208%*		*270%*	
Gearing Ratio	*0.64*		*0.97*		*0.98*		*1.46*	

Cash Flows

Unit:NT$million	2008 *Amount*	2007 *Amount*	2006 *Amount*
-Net Income(1)	1,880	2,631	1,408
-Changes of NWC	4,497	(5,194)	3,428
-Adjustment & Others	(569)	211	706
From Operation	**5,808**	**(2,353)**	**5,541**
-Financial Instrument	591	(38)	341
-Capital Expenditure	(138)	(84)	(32)
-Others	(64)	(144)	35
From Investment	**388**	**(266)**	**343**
-Financial Debt	(2,755)	4,251	(5,058)
-Treasury Stock	0	0	(659)
-Cash Dividends	(1,567)	(781)	(109)
-ESOP	37	185	36
-Others	214	172	(46)
From Financing	**(4,072)**	**3,826**	**(5,837)**
Net Cash Position Change	**2,125**	**1,207**	**48**
Effect on changes of consolidated subsidiaries	91	(14)	(74)
Cumulative translation adjustments	180	(62)	(48)
Ending Cash Balance	**6,372**	**3,977**	**2,846**

(1).Minority interest is included.