WPG Holdings Ltd.
(3702 TT/3702.TW)
1Q11 Earning Release

Apr. 29th, 2011

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
- 1Q11 Financial Highlights & 2Q11 Outlook — Cliff Yuan
- Q&A — Simon Huang/ Scott Lin/ Cliff Yuan

Result Highlights

Unit:NT$million

item	1Q11	1Q11 Guidance	4Q10	1Q10	*QoQ(%)*	*YoY(%)*
Net Sales	79,780	74~78B	69,988	58,047	14.0	37.4
Gross Margin	5.45%	*5.3% ~ 5.5%*	5.34%	5.85%	+11 bp	-40 bp
Operating Income	1,615		1,265	1,526	27.7	5.8
Operating Margin	2.02%	*1.6% ~ 1.8%*	1.81%	2.63%	+22 bp	-60 bp
Net Income	1,318		975	1,258	35.1	4.7
EPS (NT$)(1)	0.91		0.77	1.19	17.2	(23.9)
Net Book Value (NT$)	24.38					
Total Assets	103,318		94,282	67,334		
Total Liabilities	67,822		60,373	46,018		
Total Equity	35,496		33,910	21,316		
Net Working Capital	46,111		39,680	28,306		
Free Cash Flow	(3,580)		7,747	(799)		
KEY Indices(2)						
ROWC	*14.0%*		*15.5%*	*21.6%*	-145 bp	-755 bp
NWC/Sales	*0.14*		*0.12*	*0.12*		
ROE	*15.2%*		*14.5%*	*24.3%*	+76 bp	-911 bp
Gearing	0.50		0.43	0.45		

(1).Weighted average shares outstanding

(2).Annualized

Income Statements

Unit:NT$million

Item	1Q11	4Q10	QoQ(%)	1Q10	YoY(%)
Net operating Revenue	79,780	69,988	14.0	58,047	37.4
COGS	(75,433)	(66,254)	13.9	(54,654)	38.0
Gross Profit	4,346	3,734	16.4	3,394	28.1
Gross Margin	5.45%	5.34%		5.85%	
Operating Expenses	(2,731)	(2,469)	10.6	(1,867)	46.2
Operating Income	1,615	1,265	27.7	1,526	5.8
Operating Margin	2.02%	1.81%		2.63%	
Net Non-operating Items	(16)	(66)	76.5	40	(139.1)
Net Financing costs	(138)	(139)	(0.3)	(50)	175.9
Others	123	73		90	
Profit Before Tax/Minority	1,600	1,199	33.4	1,566	2.2
Tax	(278)	(258)	7.6	(302)	(8.0)
Minority/Accounting Principle Change	(4)	34		(6)	
Profit After Tax/Minority	1,318	975	35.1	1,258	4.7
Net Margin	1.65%	1.39%		2.17%	
EPS (NTD)(1)	0.91	0.77	17.2	1.19	(23.9)
Tax %	17%	22%		19%	

(1).Weighted average shares outstanding

Balance Sheet

Unit:NT$million	1Q11		4Q10		1Q10	
item	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
Cash &Marketable Securities	7,671	*7*	7,726	*8*	5,515	*8*
Accounts Receivable - Trade	43,962	*43*	36,204	*38*	33,762	*50*
Inventory	33,564	*32*	29,646	*31*	20,735	*31*
Current Assets	93,342	*90*	84,211	*89*	64,343	*96*
Others	9,976	*10*	10,072	*11*	2,991	*4*
Total Assets	**103,318**	***100***	**94,282**	***100***	**67,334**	***100***
Current Interest-bearing Debt	26,905	*26*	25,085	*27*	11,708	*17*
Accounts Payble	31,415	*30*	26,171	*28*	26,191	*39*
Accured Liabilities and Others	7,067	*7*	6,692	*7*	3,653	*5*
Current Liabilities	65,387	*63*	57,947	*61*	41,552	*62*
Long-term Interest-bearing Debt	1,938	*2*	1,823	*2*	4,160	*6*
Others	497	*0*	603	*1*	306	*0*
Total Liabilities	**67,822**	***66***	**60,373**	***64***	**46,018**	***68***
Total Equity	**35,496**	***34***	**33,910**	***36***	**21,316**	***32***
KEY Indices(1)						
Net Working Capital ($)	46,111		39,680		28,306	
AR Turnover (Days)	*46*		*42*		*50*	
Inventory Turnover (Days)	*38*		*32*		*30*	
AP Turnover (Days)	*35*		*31*		*38*	
Average Collection Periods (Days)	*49*		*43*		*43*	
Current Ratio	*143%*		*145%*		*155%*	
Gearing Ratio	*0.50*		*0.43*		*0.45*	

(1).Annualized

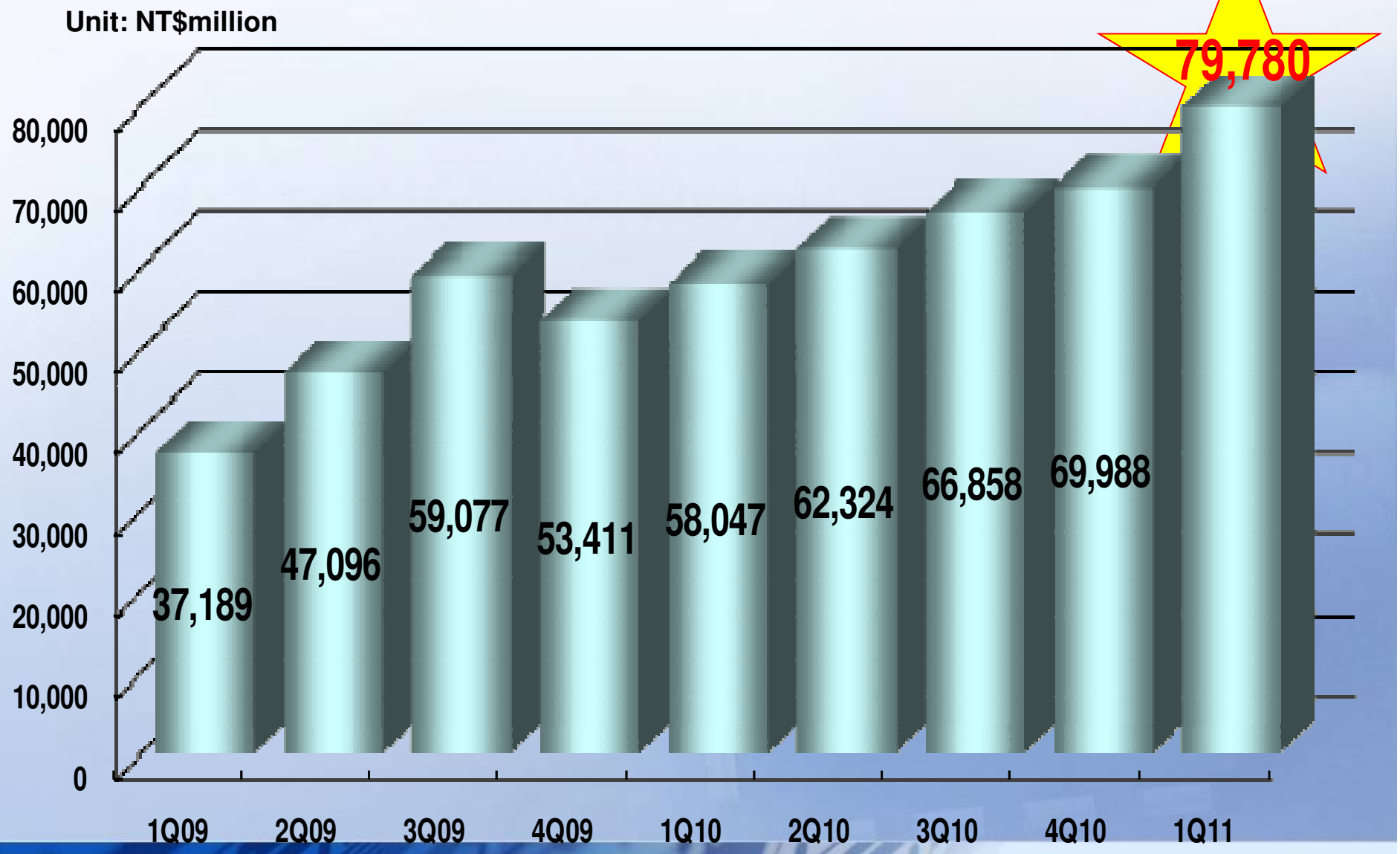
Cash Flows

Asia's No.1 Electronics Distributor

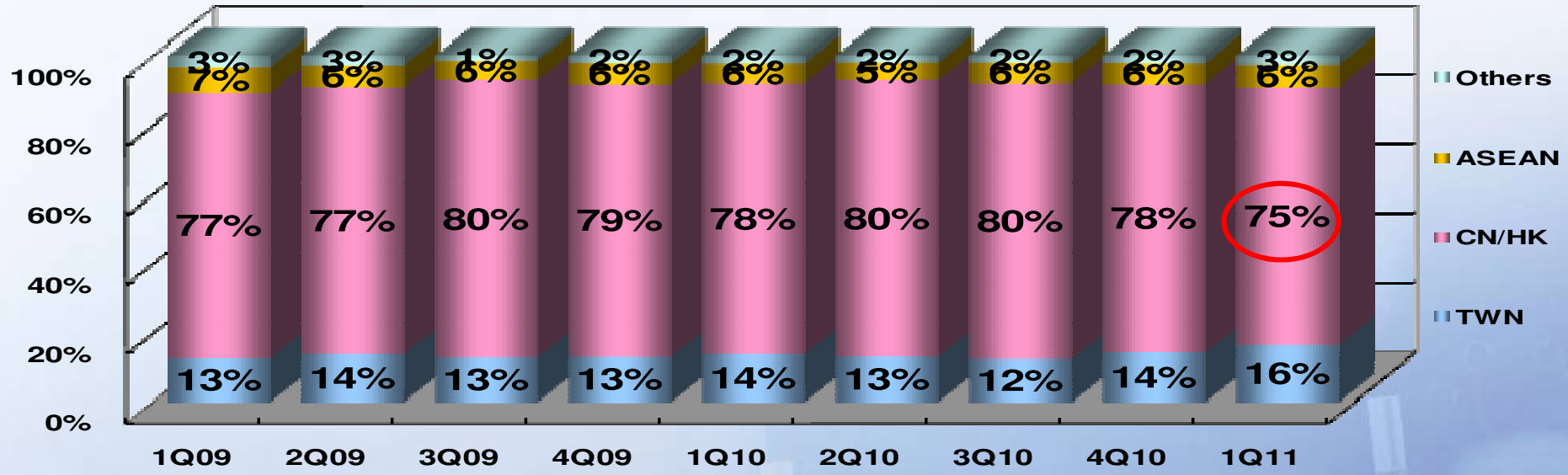
Unit:NT$million	1Q11	4Q10	1Q10
-Net Income(1)	1,322	941	1,264
-Changes of NWC	(6,431)	7,156	(1,128)
-Adjustment & Others	1,529	(350)	(934)
From Operation	**(3,580)**	**7,747**	**(799)**
-Financial Instrument	1,288	5	702
-Capital Expenditure	19	(61)	(28)
-Others	(114)	4	153
From Investment	**1,193**	**(53)**	**827**
-Financial Debt	1,934	(5,380)	(970)
-ESOP	-	-	2
-Others	23	45	(50)
From Financing	**1,957**	**(5,336)**	**(1,018)**
Effect on changes of consolidated subsidiaries	**-**	**2,027**	**-**
Cumulative translation adjustments	**276**	**(2,055)**	**(101)**
Net Cash Position Change	**(154)**	**2,331**	**(1,090)**
Ending Cash Balance	**7,419**	**7,573**	**5,423**

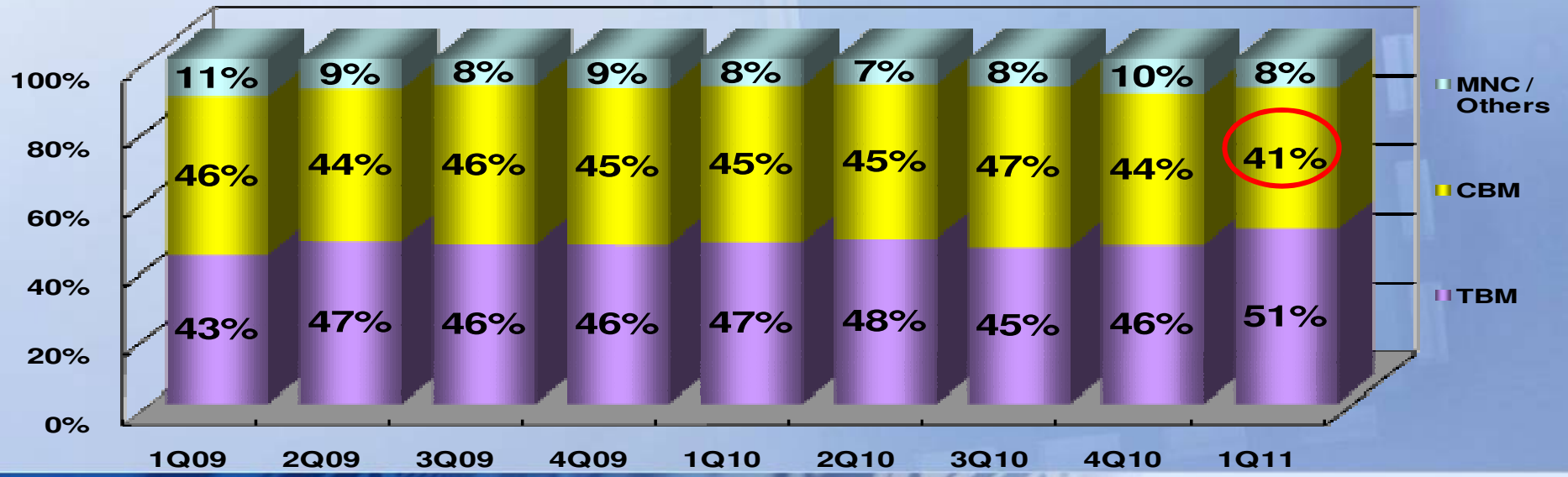
(1).Minority interest is included.

Consolidated Revenue



Sales breakdown by Geography/ Customer

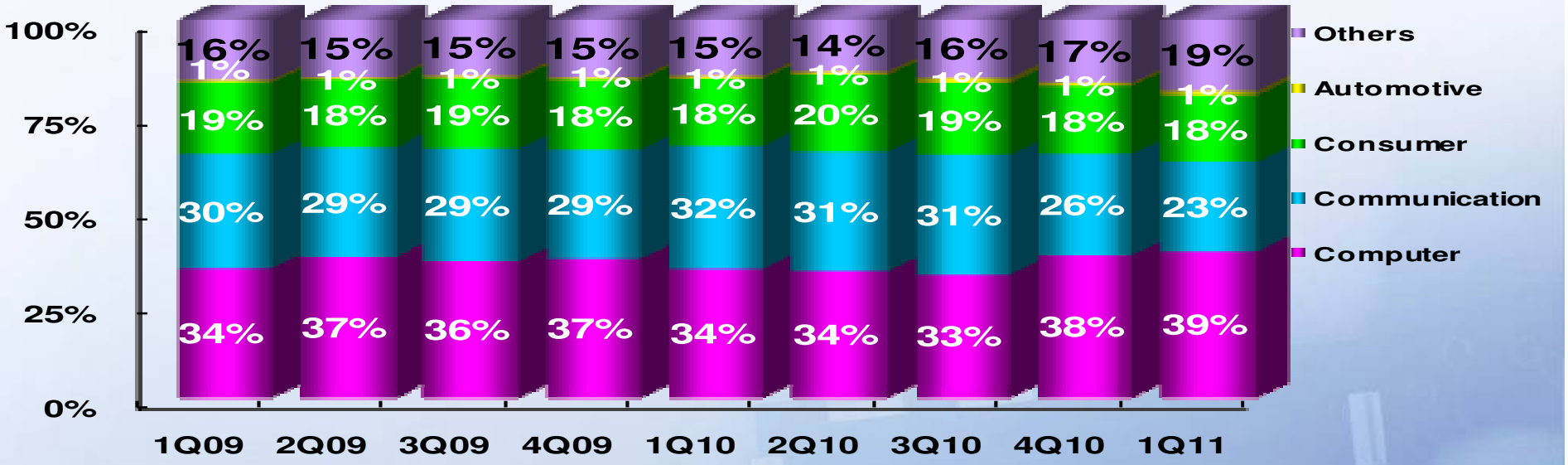


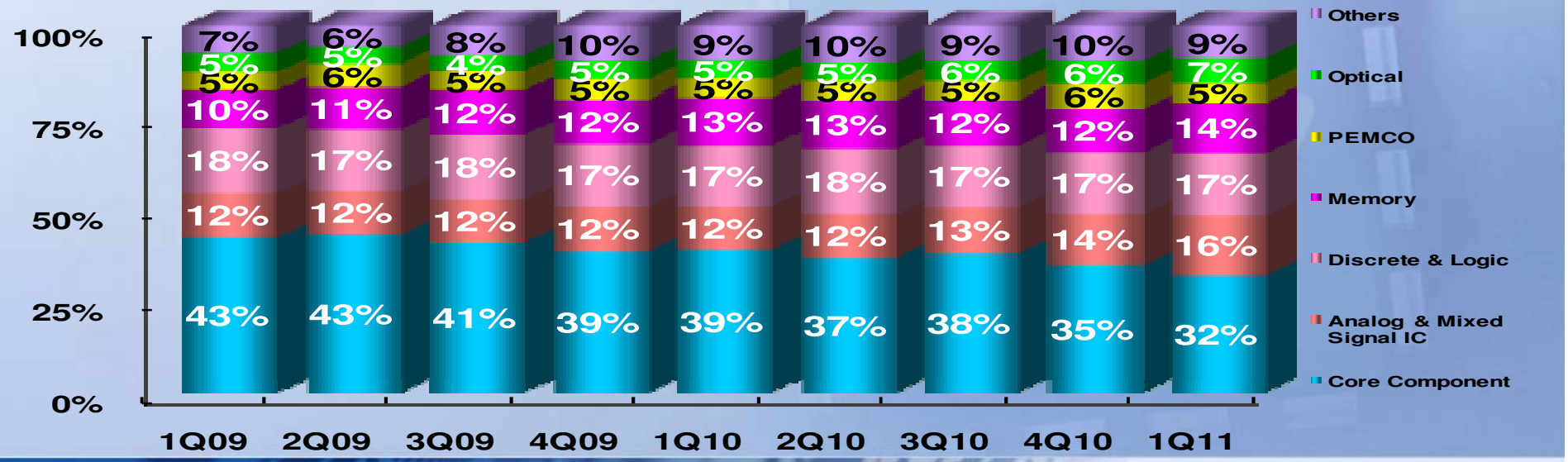


TBM：Taiwan-Based Customers
CBM：China Based Customers

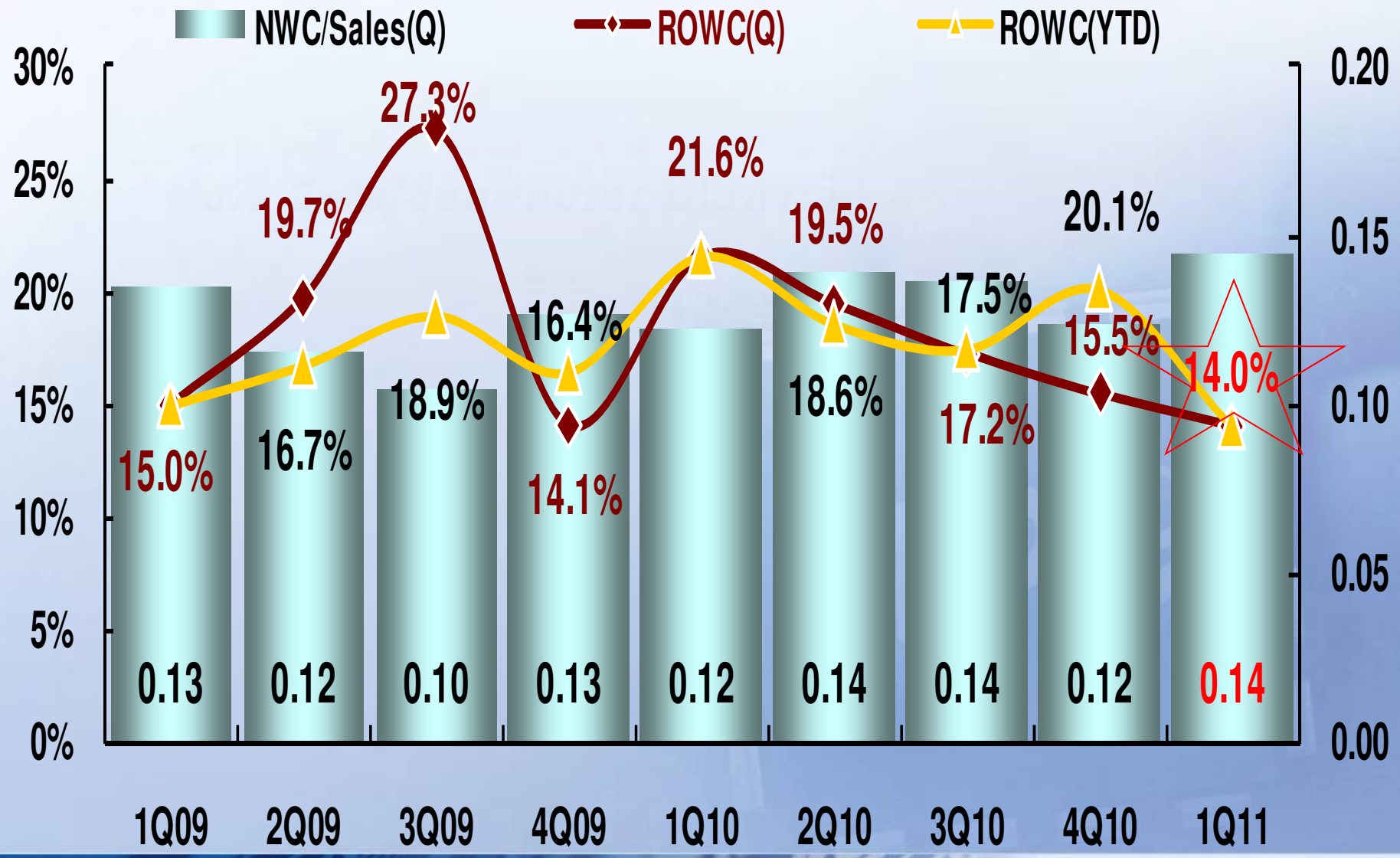
WPG Holdings Limited

Sales breakdown by Application/ Device Type



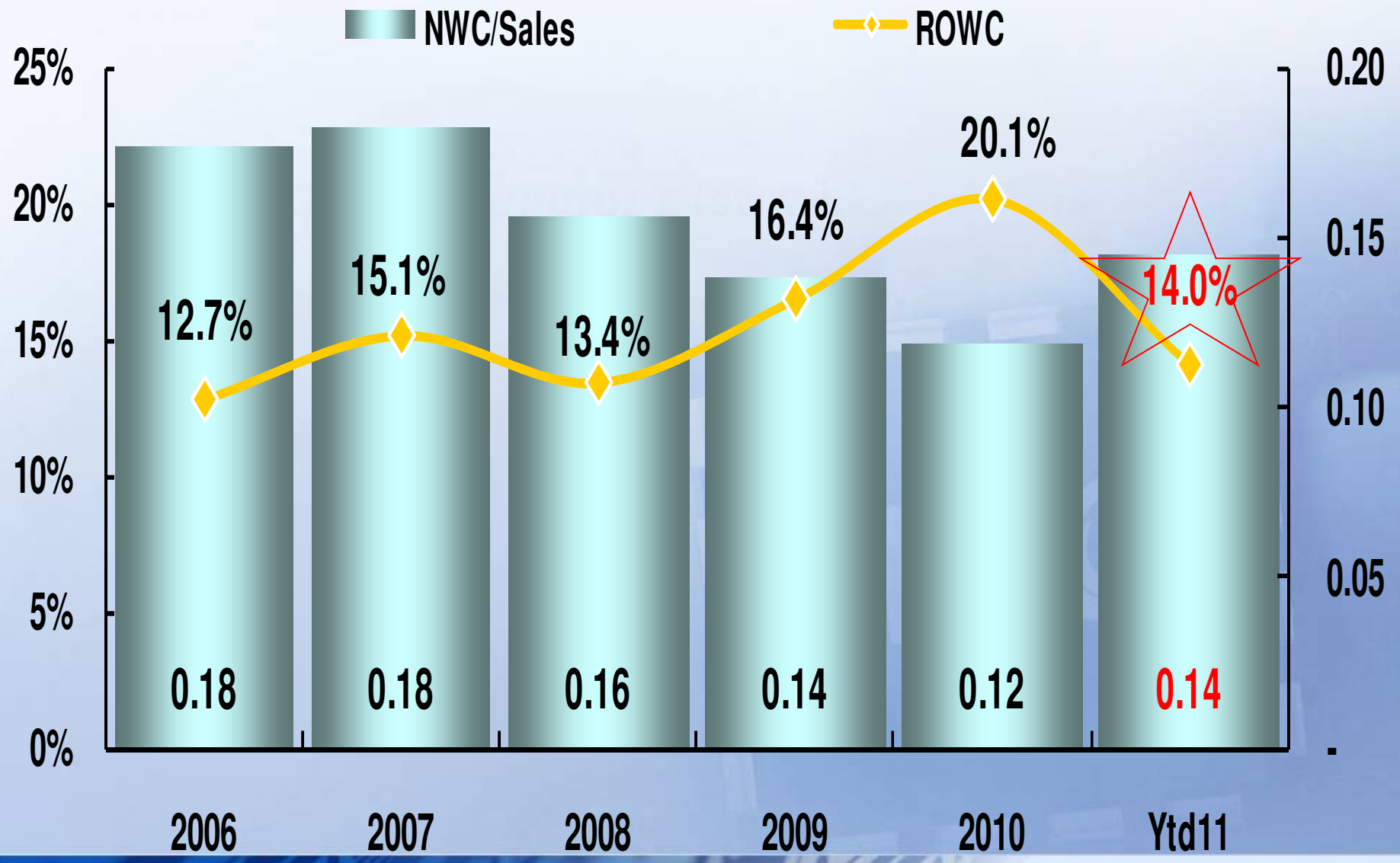


ROWC vs. NWC/Sales



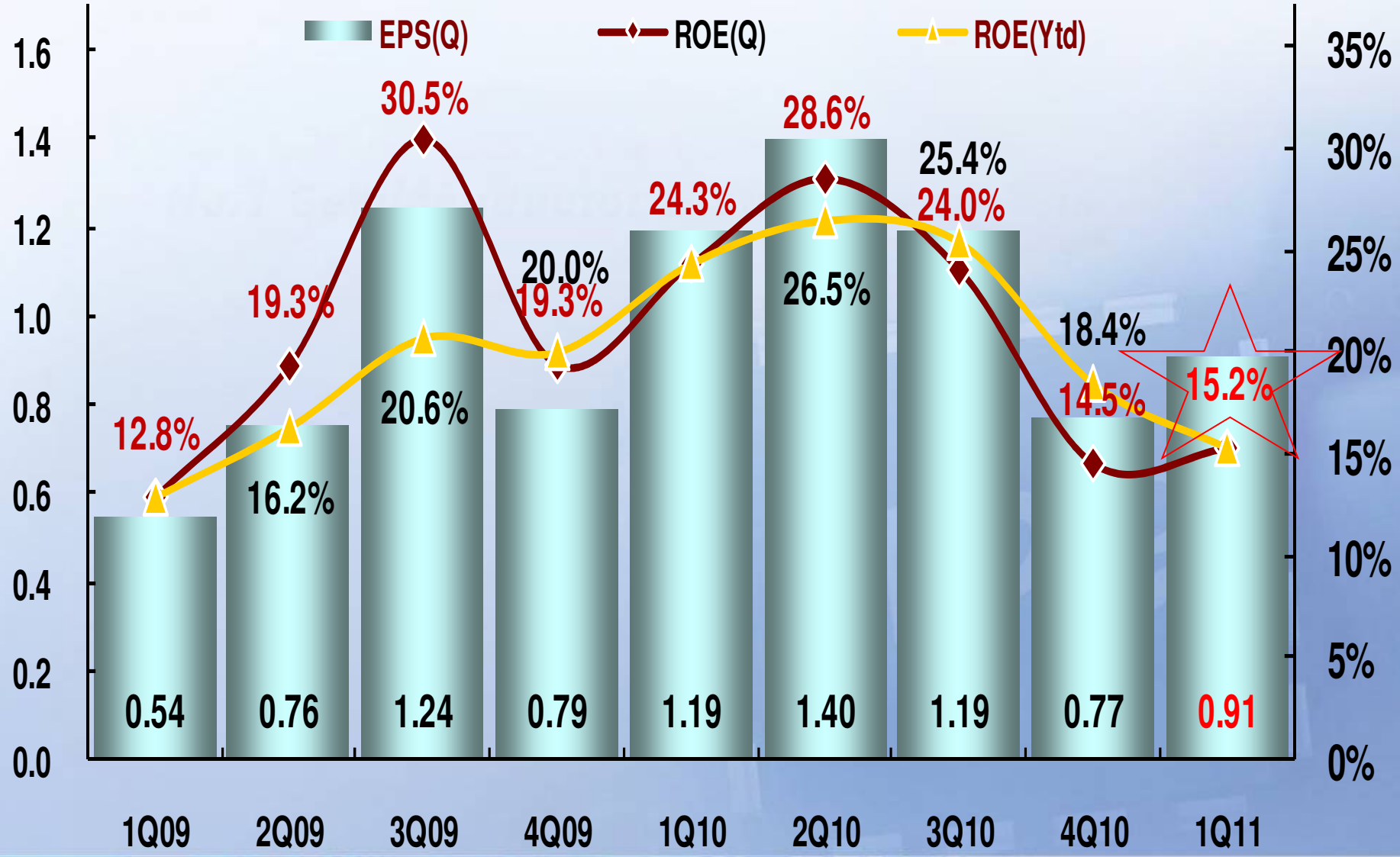
Note：Annualized

ROWC vs. NWC/Sales



Note：Annualized

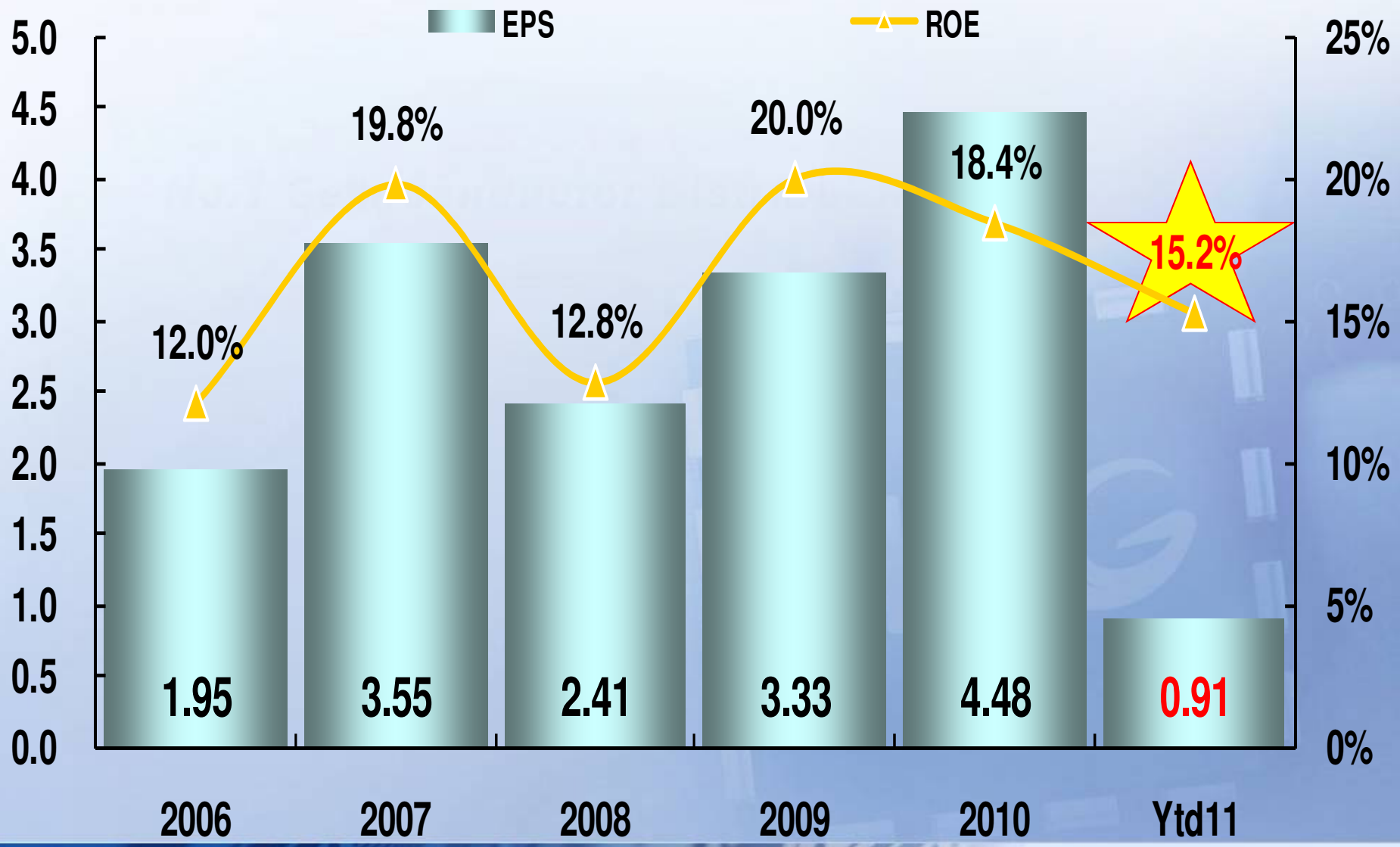
ROE vs. EPS



Note：Annualized

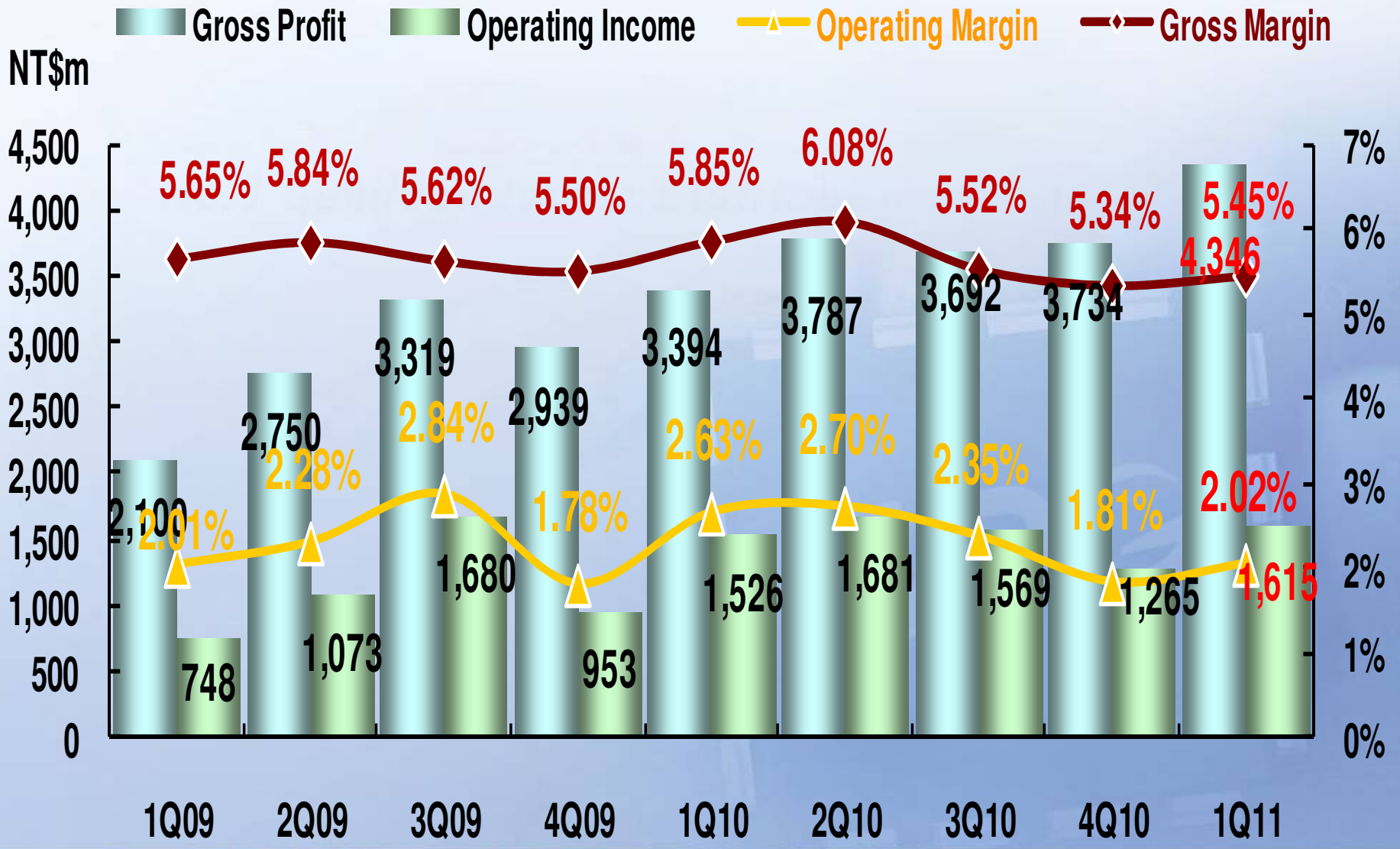
ROE vs. EPS

Asia's No.1 Electronics Distributor

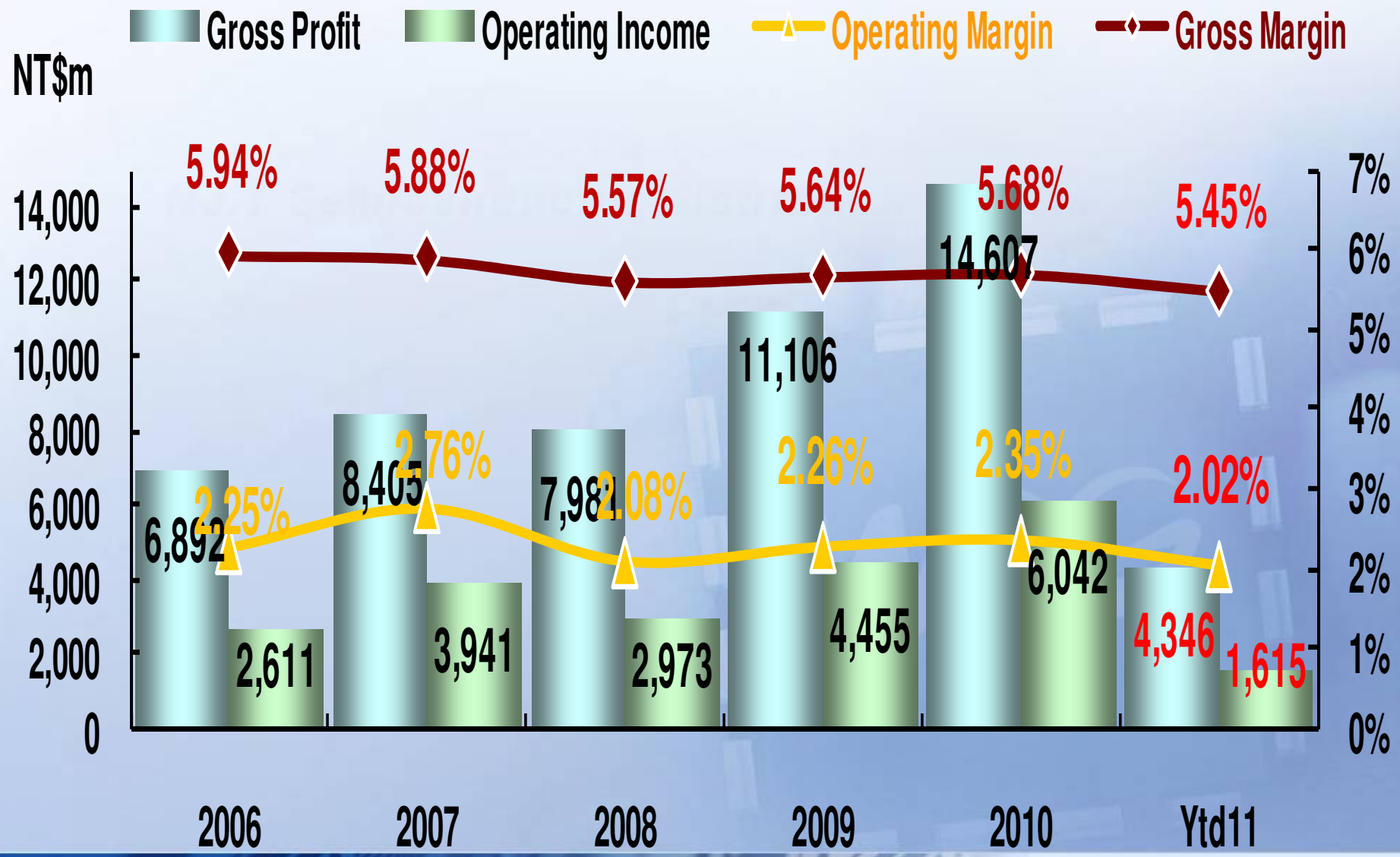


Note：Annualized

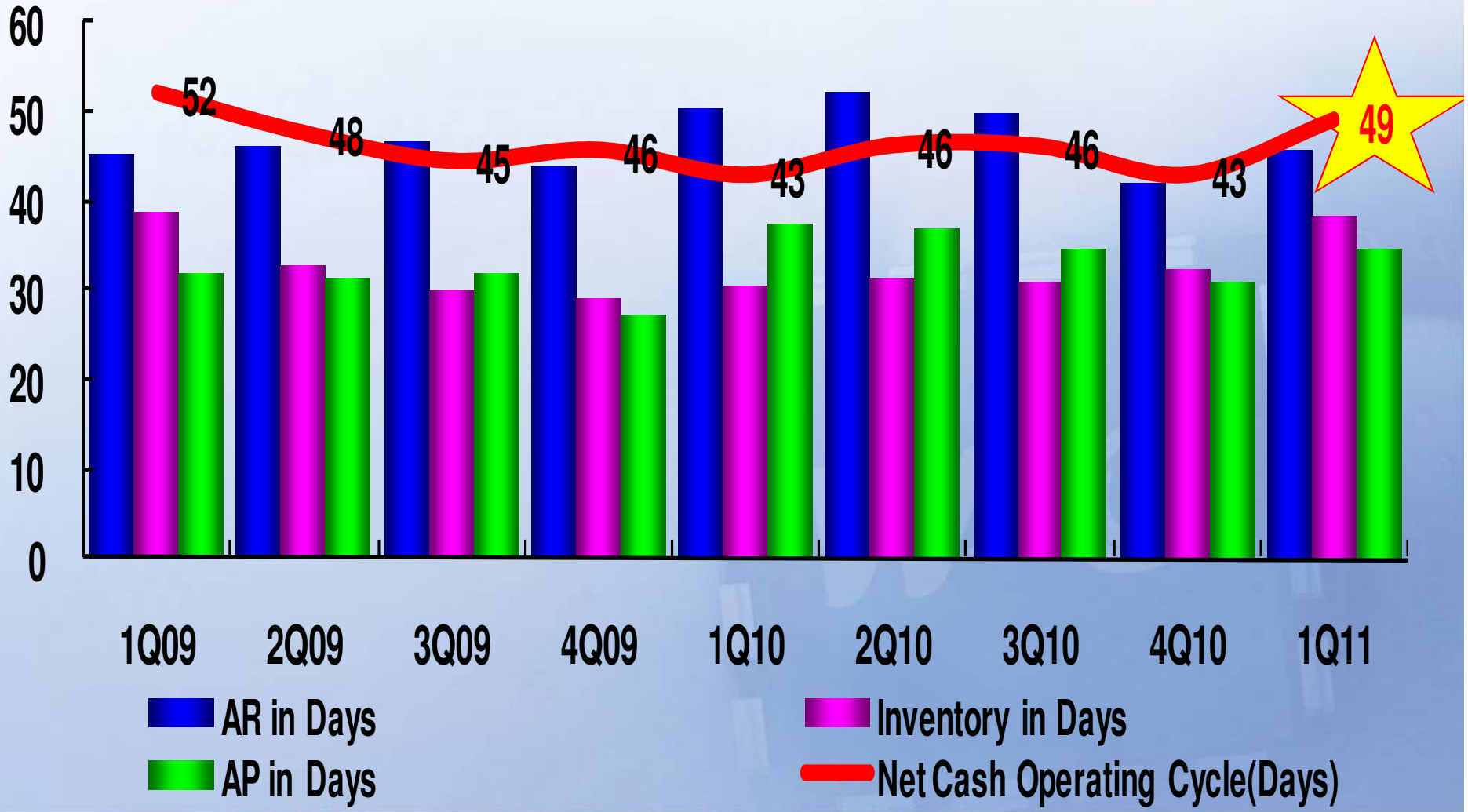
Gross Margin vs. Operating Margin



Gross Margin vs. Operating Margin

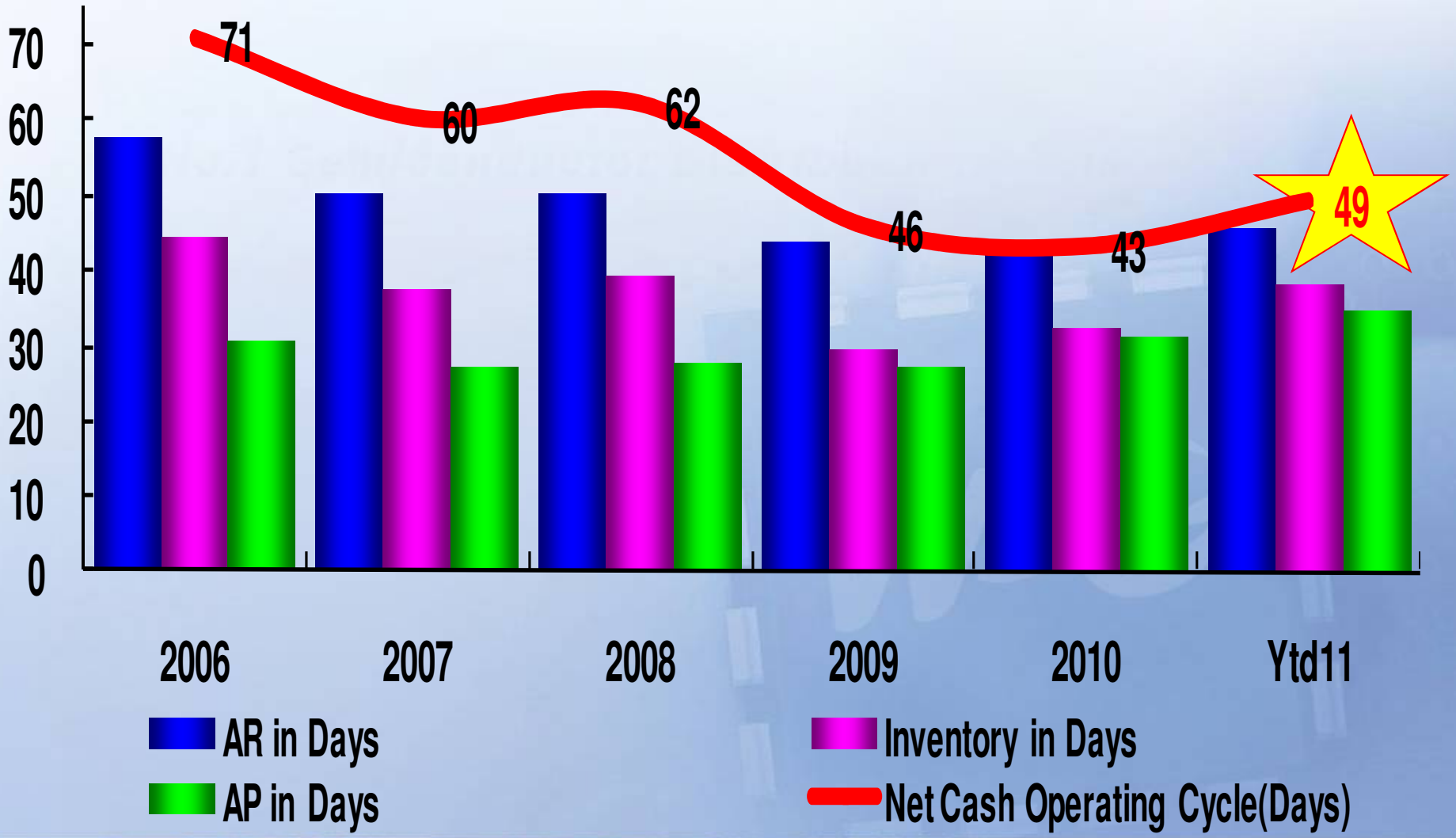


Operating Cash Cycle



Note：Annualized

Operating Cash Cycle



Note：Annualized

2Q11 Guidance

Based on our current business outlook, management expects：

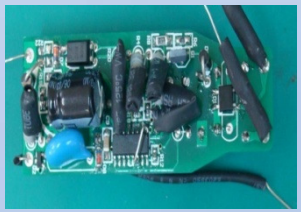
- **Revenues to be between NT$ 80 billion and NT$ 84 billion at a forecast FX rate of 29 NT dollars to 1 US dollar averaged over 2Q11.**
- **Gross profit margin to be between 5.2% and 5.4%**
- **Operating profit margin to be between 1.7% and 1.9%**

Recap of Recent Major Events

- **39 Solutions Launched in 1Q11：**

推出 TV 及周邊應用方案	2011-02-23
推出 Local Dimming LED TV 背光驅動整合方案	2011-02-23
推出領先業界 HQV™ MotionSMART™及 3D 處理器 FRC 解決方案	2011-02-23
推出電視暨周邊應用之主、被動元件最佳解決方案	2011-02-23
力推 LED TV 用 MOSFET 使成本更具競爭力	2011-02-23
推出電視週邊產品整合方案	2011-02-23
推出高清 TV + 3D Shutter Glasses 整合方案	2011-02-23
力推电容式 LCD TV 触摸按键解决方案	2011-02-23

推出车电保全应用产品之主被动元件最佳解决方案	2011-03-23
推出车载 GPS 单机式电子狗	2011-03-23
力推 KeeLoq® 滚动码技术的防盗车身控制器（BCM）解决方案	2011-03-23
推出采用 CMOS sensor 行车纪录器方案	2011-03-23
推出“通电即用”RF 平台简化无钥匙遥控设计	2011-03-23
推出綠色節能應用之主、被動元件最佳解決方案	2011-03-09
力推高性價比 MOSFET 使 E-Bike 更具市場競爭力	2011-03-09
推出 Mini-SPM 模組，提高電機設計的效率水準	2011-03-09



LED Lighting with Dimming

Car TV

GPS Solution

GPS

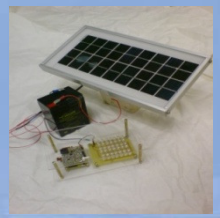
Car-CD MP3 Solution

Recap of Recent Major Events

- **39 Solutions Launched in 1Q11：**

▶ 推出多重選擇的電容式觸摸屏平板電腦解決方案	2011-01-26
▶ 推出一系列針對筆記型電腦應用整合方案	2011-01-26
▶ 整合旗下代理產線推出 Tablet PC total solution	2011-01-26
▶ 力推平板電腦、筆記型電腦應用而打造的藍芽通訊晶片	2011-01-26
▶ 推出高效、低功耗、Multimedia Rich 全方位 Cortex Tablet PC 整合方案	2011-01-26
▶ 力推 MID 平板笔记本电源管理方案	2011-01-26
▶ 推出桌上型電腦解決方案和 Synerchip DiiVA 及 Innostor USB3.0 的應用	2011-01-12
▶ 推出針對桌上型電腦應用解決方案	2011-01-12
▶ 推出桌上型電腦 WiFi/Lan 完整解決方案	2011-01-12
▶ 推出桌上型電腦暨週邊應用之主、被動元件最佳解決方案	2011-01-12
▶ 力推 SSD 控制晶片	2011-01-12
▶ 推出 Intel Sugar Bay 新桌上型電腦解決方案	2011-01-12
▶ 力推关于 Mother Board 电源应用诸多解决方案	2011-01-12

▶ 推出安全監控系統技術方案	2011-01-26
▶ 主打一系列 SoC 安全監控元件	2011-01-26
▶ 推出監控影像感測器 實現高畫質高感光性效果	2011-01-26
▶ 推出安全監控系統之主、被動元件最佳解決方案	2011-01-26
▶ 推出強化視訊監控應用產品線 多通道解碼器帶來業界最低的功率消耗	2011-01-26
▶ 推出安全監控系統之解決方案	2011-01-26
▶ 推出一套完整的太陽能綠色節能解決方案	2011-01-12
▶ 主打太陽能 PV 逆變器解決方案	2011-01-12
▶ 推出微型可編程 Buck Regulators 晶片	2011-01-12
▶ 力推荧光灯节能照明解决方案	2011-01-12



Solar charging Beacon system

More Solutions Launched …

Recap of Recent Major Events

- **WPG Board of Directors Proposes NT$2.1 Cash Dividend Per Share & 9 percent Stock Dividend (90 shares for every 1,000 owned) (2011/04/26)**

http://www.WPGholdings.com