WPI Group

WPI: TSE 2416

3Q 2005 Financial Review

04 Nov, 2005

世平集團

Agenda

- Q305 Financial Review – WPI Group
- WPG Holdings Review
- Q&A

WPI Group Q305
Key Financial Highlights

- Consolidated sales to a YoY 17% rise and a QoQ 21% rise
- Gross margin flattened at 5.1%
- Operating cash cycle (days) further improved to 72 days, compared to 78 days of Q205

Income Statement QoQ consolidated / Reviewed

Unit:US$K

Item	Q1 '05	%	Q2 '05	%	Q3 '05	%	QoQ (%)
Net Revenue	574,164	100.0	588,241	100.0	709,818	100.0	20.7
Gross Profit	28,083	4.9	30,124	5.1	36,297	5.1	20.5
Operating Expenses	(18,087)	(3.2)	(20,417)	(3.5)	(20,615)	(2.9)	1.0
Operating Income	9,996	1.7	9,706	1.7	15,682	2.2	61.6
Net Non-operating Income	(5,985)	(1.0)	(5,004)	(0.9)	(5,861)	(0.8)	17.1
Interest Expenses	(3,261)	(0.6)	(3,356)	(0.6)	(4,034)	(0.6)	20.2
Inventory Prov. & Obsole.	(2,002)	(0.3)	(1,558)	(0.3)	(1,669)	(0.2)	7.1
Profit Before Tax	4,011	0.7	4,703	0.8	9,821	1.4	108.8
Tax	(2,269)	(0.4)	(1,870)	(0.3)	(2,098)	(0.3)	12.2
Minority & Others	0	0.0	(207)	(0.0)	10	0.0	(104.8)
Profit After Tax	1,742	0.3	2,626	0.4	7,733	1.1	194.5

EPS/PAT (in NTD) 0.12 0.19 0.55

*Denominator of EPS: outstanding common stock shares as at 30/09/05

Well Controlled

Interest Rate Trends Upwards

WPI 世平集團

Income Statement YoY consolidated / Reviewed Q3/04 , Q3/05

Unit:US$K

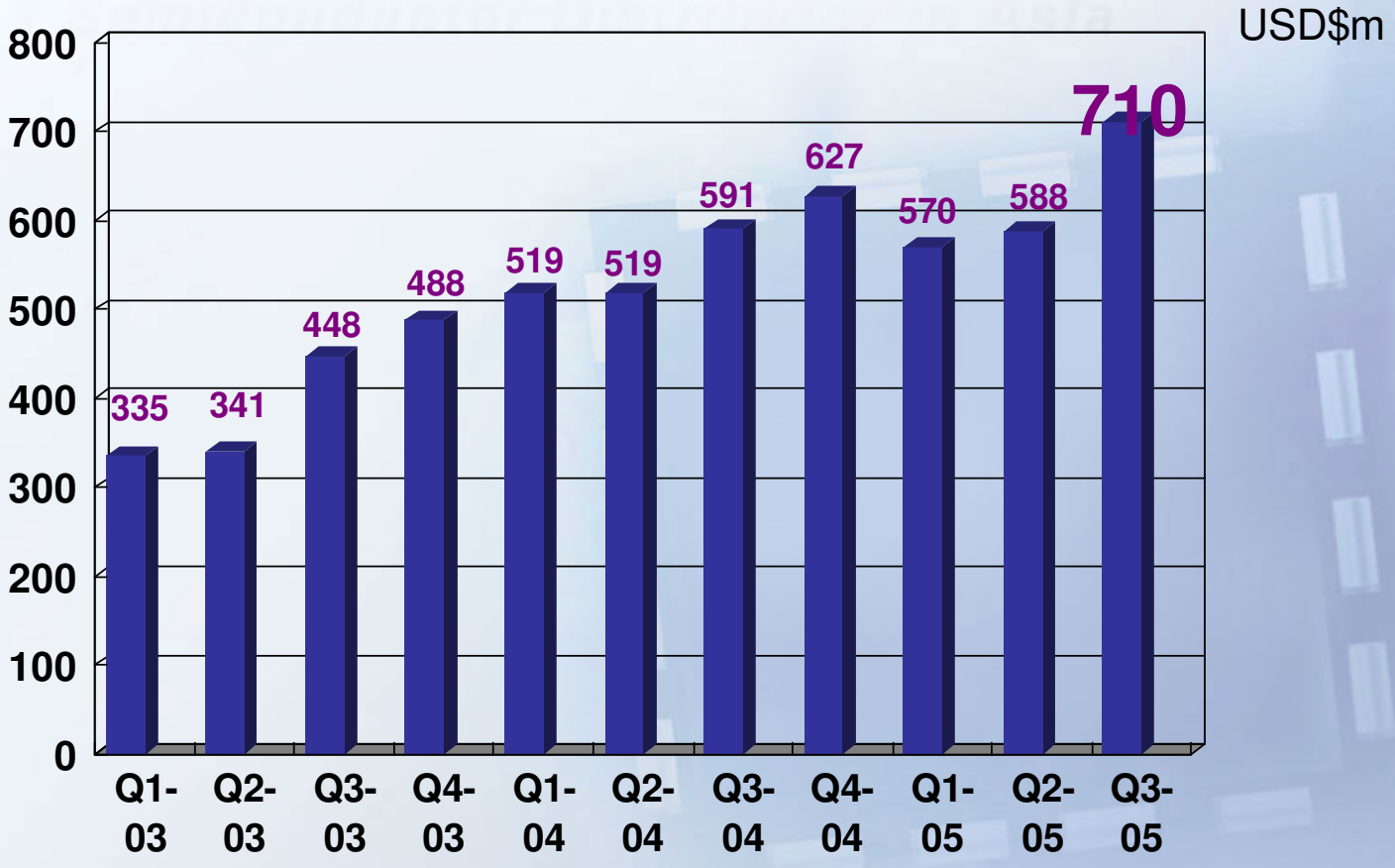
Item	3Q04	%	3Q05	%	YoY(%)
Net Revenue	1,603,145	100.00	1,872,222	100.00	16.78
Gross Profit	94,662	5.90	94,503	5.05	(0.17)
Operating Expenses	(45,685)	(2.85)	(59,119)	(3.16)	29.41
Operating Income	48,977	3.06	35,384	1.89	(27.75)
Net Non-operating Income	(10,695)	(0.67)	(16,849)	(0.90)	57.54
Interest Expenses	(7,488)	(0.47)	(10,652)	(0.57)	42.25
Inv. Prov. & Obsole.	(1,524)	(0.10)	(5,229)	(0.28)	243.11
Profit Before Tax	38,282	2.39	18,535	0.99	(51.58)
Tax	(11,650)	(0.73)	(6,237)	(0.33)	(46.46)
Minority & Others	(2,133)	(0.13)	(803)	(0.04)	(62.35)
Profit After Tax	24,499	1.53	11,495	0.61	(53.08)

EPS/PAT (in NTD) 2.19 0.86

*Denominator of EPS: outstanding common stock shares as at quarter-end

WPI 世平集團

Quarterly Revenue Trend *consolidated*

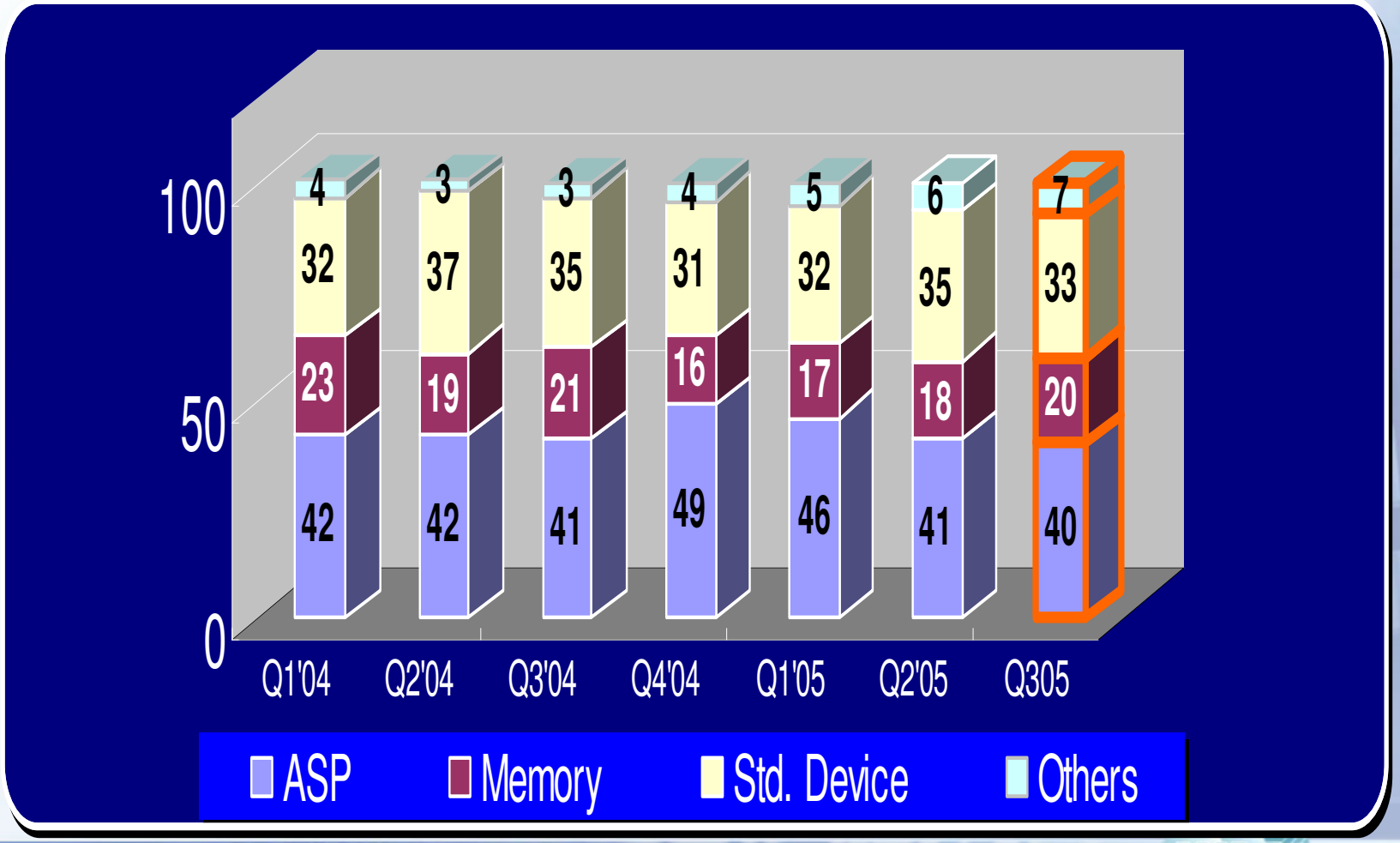


世平集團

Sales Breakdown by Device Type

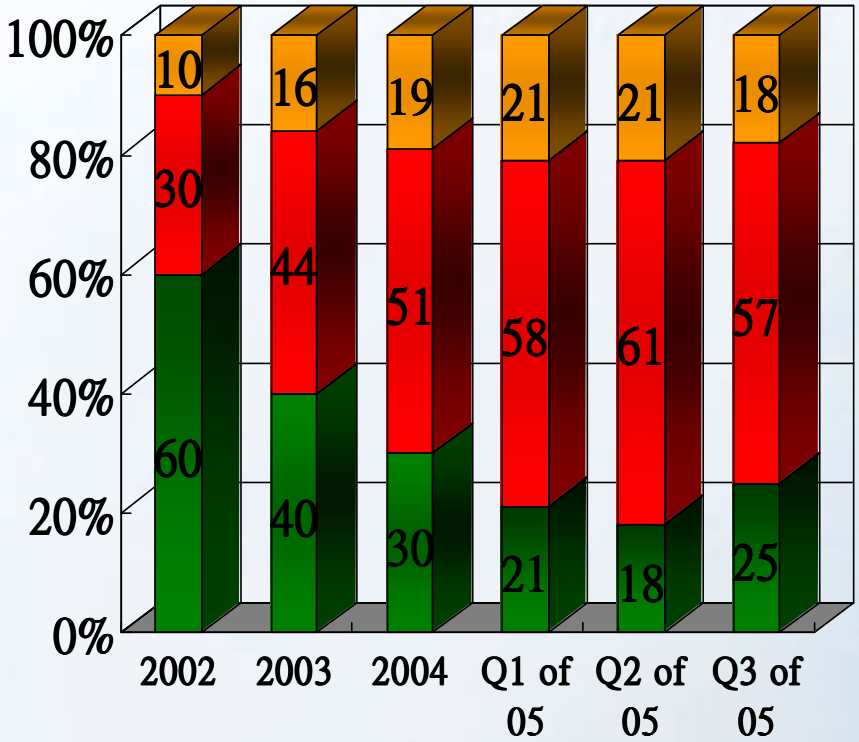
consolidated

** Updated 2005.11*

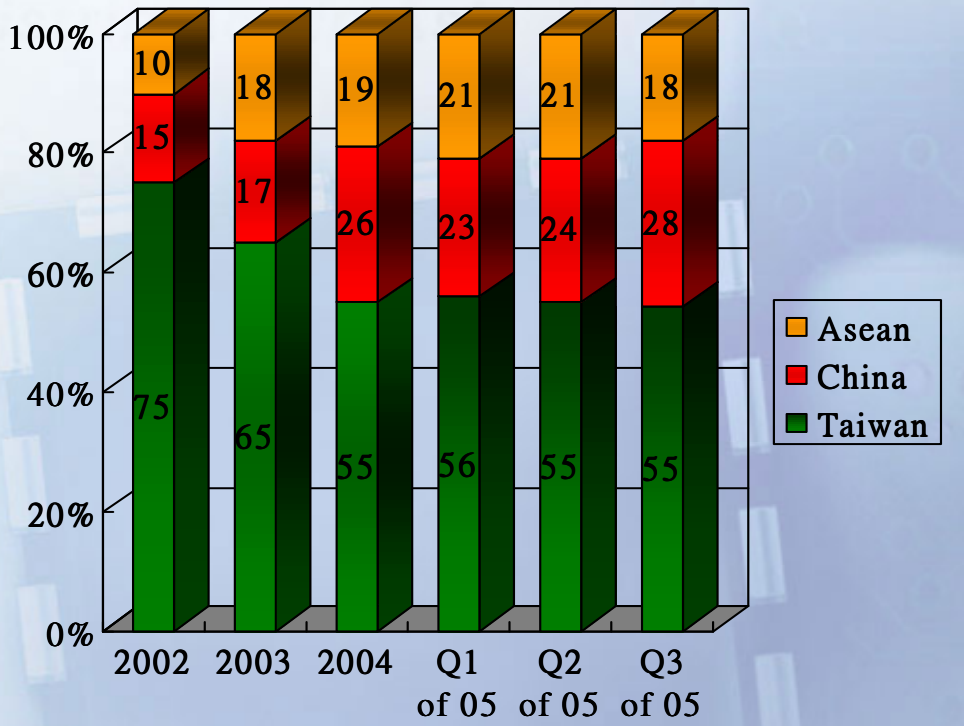


WPI Group Sales distribution

** Updated 2005.11*



(by ship to)



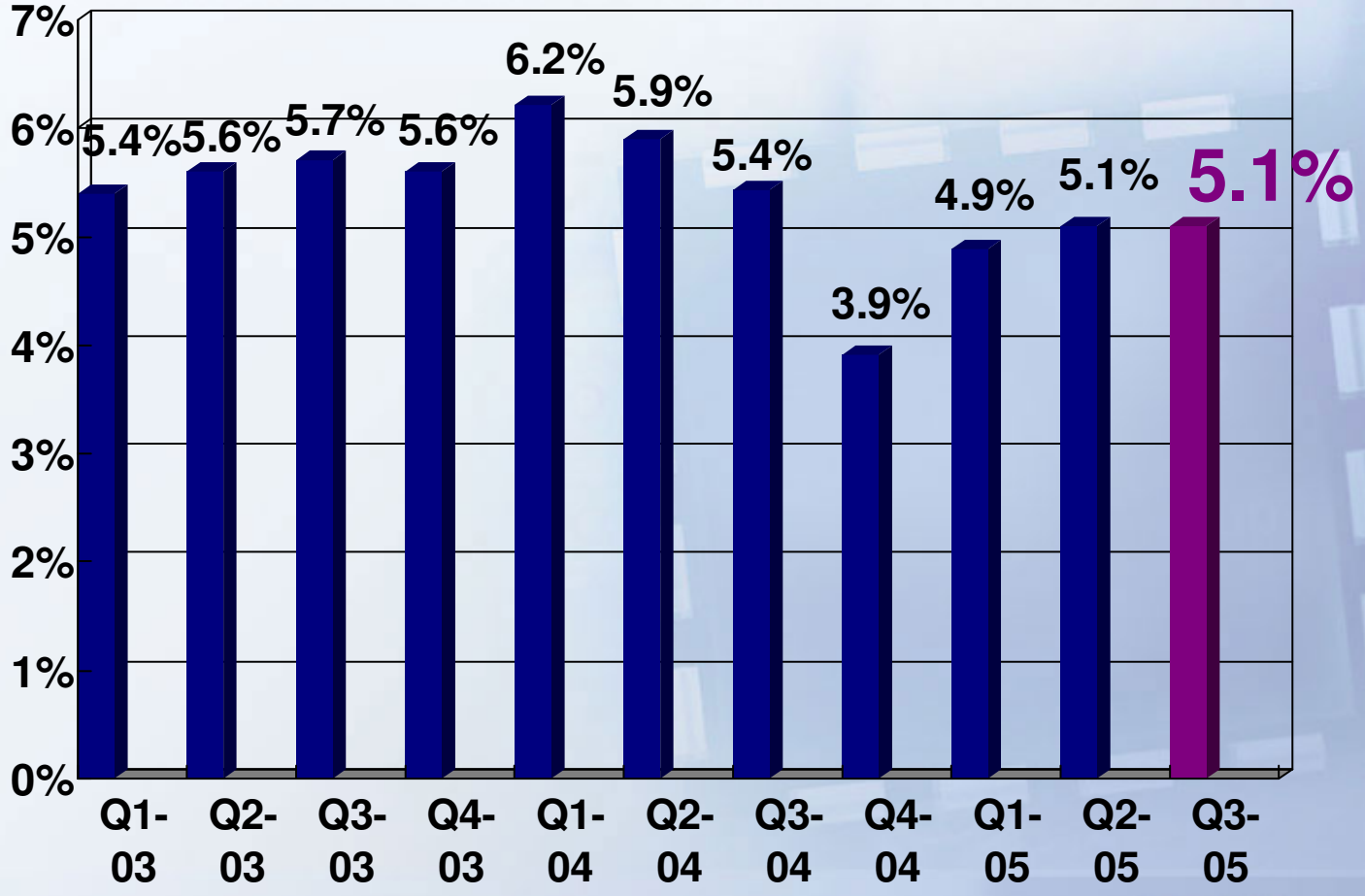
(by invoice from)

WPI 世平集團

Quarterly Gross Margin Trend *consolidated*

YR2003 -> 5.60%

YR2004 -> 5.35%



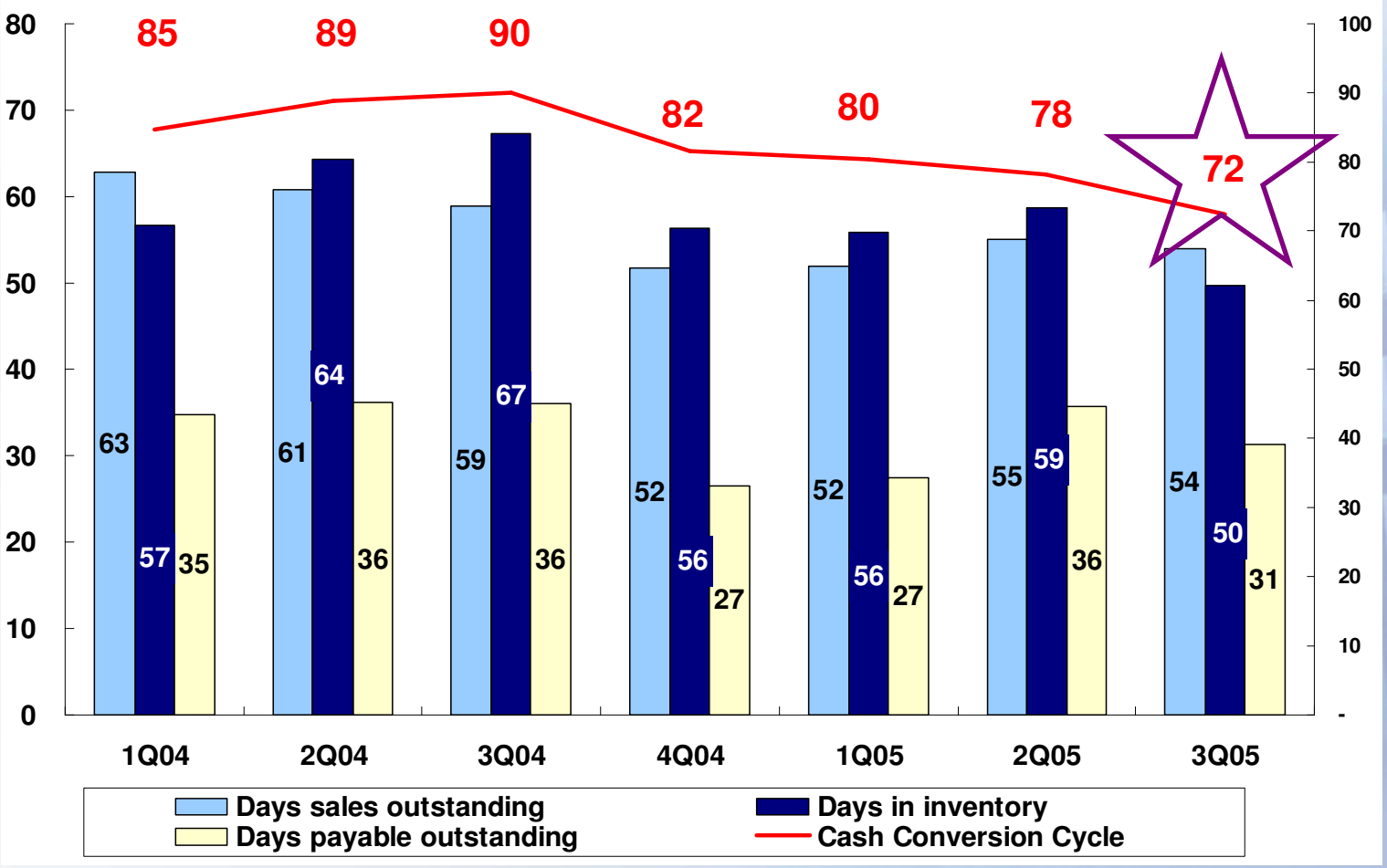
Balance Sheet consolidated / Reviewed 3Q/05

Unit:US$K

item	09/30/04	%	12/31/04	%	03/31/05	%	06/30/05	%	09/30/05
Current Assets	901,901	94	732,332	91	763,331	91	928,109	93	928,065
Long-term investments	16,983	2	28,595	4	24,413	3	23,604	2	26,962
Fixed Assets	31,095	3	32,929	4	34,958	4	36,494	4	33,011
Others	10,559	1	10,661	1	11,760	1	12,617	1	12,671
Total Assets	960,538	100	804,517	100	834,462	100	1,000,824	100	1,000,709
Current Liabilities	517,562	54	334,692	41	387,630	47	606,057	61	661,376
Long-term Liabilities	192,922	20	215,975	27	198,973	24	122,565	12	59,244
Other Liabilities	17,004	2	16,267	2	3,930	0	4,602	0	4,661
Stockholders'Equity	233,050	24	237,583	30	243,929	29	267,600	27	275,428
Receivables	388,719	40	321,725	40	331,541	40	379,106	38	461,237
Inventory	413,188	43	330,491	41	337,698	40	380,983	38	352,163
Inventory Turnover (Days)	67		56		56		59		50
Average Collection Periods (Days)	59		52		52		55		54
Current Ratio	174%		222%		194%		153%		140%
Debt Ratio	76%		70%		71%		73%		72%
Gearing Ratio	203%		165%		148%		165%		169%

Operational Improvement Effort - Operating Cash Cycle (Days)

** Updated 2005.11*



*ARs & APs are trade-related

WPG Holdings Review

WPG Holdings –3Q/05 Proforma P&L

Unit:US$K

	WPI Group		SAC Group		WPG Holding	
Item	Q3 '05	%	Q3 '05	%	Q3 '05	%
Net Revenue	1,872,222	100.0	645,454	100.0	2,517,676	100.0
Gross Profit	94,503	5.0	37,684	5.8	132,187	5.3
Operating Expenses	(59,119)	(3.2)	(22,240)	(3.4)	(81,359)	(3.2)
Operating Income	35,384	1.9	15,444	2.4	50,828	2.0
Net Non-operating Income	(16,849)	(0.9)	(6,550)	(1.0)	(23,399)	(0.9)
Profit Before Tax	18,535	1.0	8,894	1.4	27,429	1.1
Tax	(6,237)	(0.3)	(2,288)	(0.4)	(8,525)	(0.3)
Minority / Policy Change	(803)	(0.0)	(73)	(0.0)	(876)	(0.0)
Profit After Tax	11,495	0.6	6,533	1.0	18,028	0.7
EPS (NTD)					0.85	0
No of Shares (in K)					693,202	

WPG Holdings – 3Q/05 Proforma BS

Unit:US$K

	WPI Group		SAC Group		WPG Holding	
item	Sep. '05	%	Sep. '05	%	Sep. '05	%
Current Assets	928,065	93	307,579	92	1,235,644	93
Long-term investments	26,962	3	11,694	4	38,656	3
Fixed Assets	33,011	3	12,879	4	45,890	3
Others	12,671	1	870	0	13,541	1
Total Assets	1,000,709	100	333,022	100	1,333,731	100
Current Liabilities	661,376	66	204,279	61	865,655	65
Long-term Liabilities	63,905	6	48,305	15	112,210	8
Stockholders'Equity	275,428	28	80,438	24	355,866	27
Receivables	471,798	47	148,481	45	620,279	47
Inventory	352,163	35	87,360	26	439,523	33
Inventory Turnover (Days)		50		39		48
Average Collection Periods (Days)		54		63		58
Debt ratio	72%		76%		73%	
Gearing ratio	169%					

Thank you