WPG Holdings
(TWEX:3702)

(http://www.WPGholdings.com)

WPI Group

SAC Group

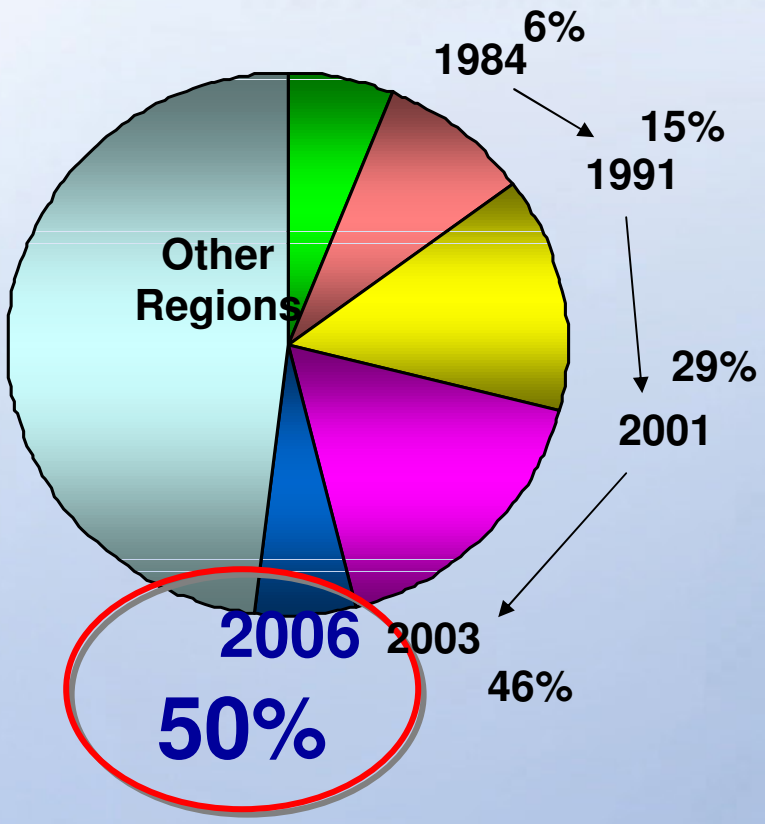
RichPower

Agenda

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

Growing Significance of Asian Semi Market

Y2005/10CAGR
WW: 8.0%
Asia/Pac: 11.1%



(US$)	2005	2006	2007 (F)	2008 (F)	2010 (F)
WW SC TAM	235B	259B	275B	300B	352B
WW SC TAM in APAC.	119B	135B	145B	152B	201B
30% DTAM in APAC.	36B	41B	44B	>46B	60B
WPG's Sales	3.6B	3.6B	4.6B		
WPG's Market Share in APAC	10%	9%	10%		

Source: Gartner, Inc.

2007 WPG Holdings ranked

Asia As 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	23,577	17.70	2,500
3	WPG Holdings	4,670	3,820	22.30	4,670
4	Future Electronics	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

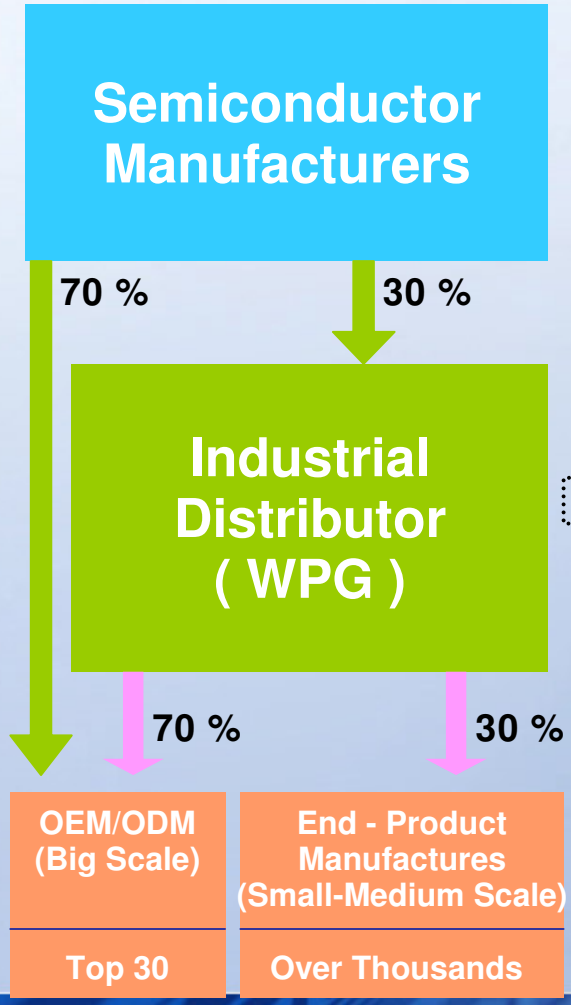
Asia As # 1

Source: Electronics Supply & Manufacturing May 2008- Update

WPG Holdings Briefing

- Products：Over 100 authorized brands
  - Major Lines by 2007 Revenue: Intel, NXP, TI, Hynix, Infineon, Mediatek, ON, Vishay, Winbond, Micron
  - Others (In alphabetical order): Actions, ADI, ALI, Amlogic, ANADIGICS, Anpec, Atheros, Atmel, Centrality, CREE, DiMAGIC, Epson, Freescale, Fairchild, Fuji, IBM, IDT, Marvell, MEMSIC, Microchip, Micronas, Molex, Mstar, Omnivision, Oki, OSRAM, Pixart, Qimonda, Realtek, Richtek, Sanyo, Sharp, Silicon Image, Silicon Lab., SiS, Sunplus, ViMicro, Wolfson, YangFast, , .
- Customers：Over 20,000 APAC domiciled but many from EU, US, Japan
- Employees： >2,800 (S & M >1,500; FAE >400)
- Capital：~ NTD$ 7.2 Billion
- Revenues： 2007 > USD$ 4.6 B

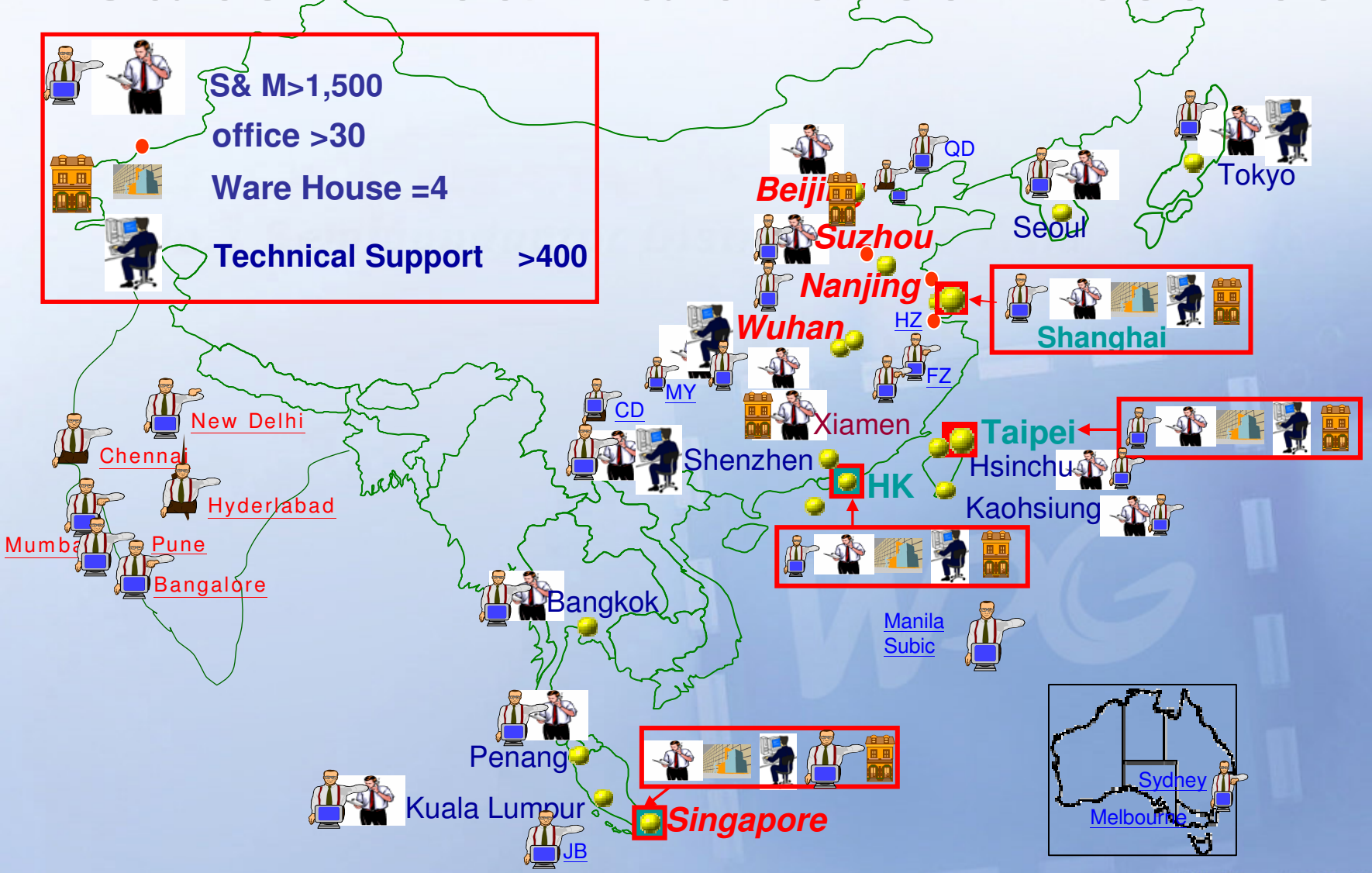
WPG Holdings Value-Added Services
Towards Total Satisfaction



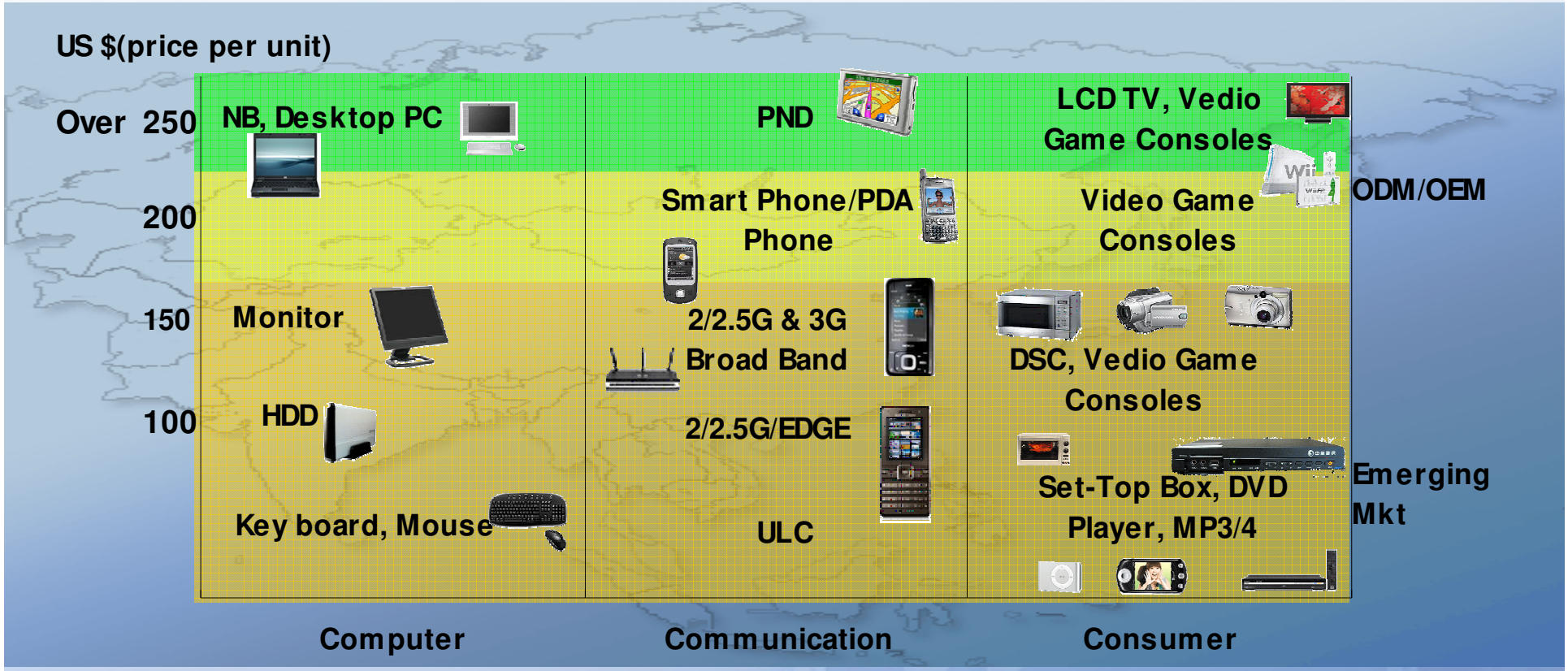
Value-Added Services

- One-Stop Shopping
- Design-in & FAE Service
- Buffer Inventory
- JIT/VMI/e-Services
- Trans-national Services
  - Multi-Site Delivery
  - Multi-Currency Deal
- Turn-key Solutions
- Customized Service

Sales Office/Warehouse Presence



Application Distribution



Emerging Mkt (Population)

	Now	5 yrs latter	10 yrs latter
CN	500M	800M~1BN	>1BN
SA	50M	100M	250M
	500~600M	800M~1BN	>1.25BN

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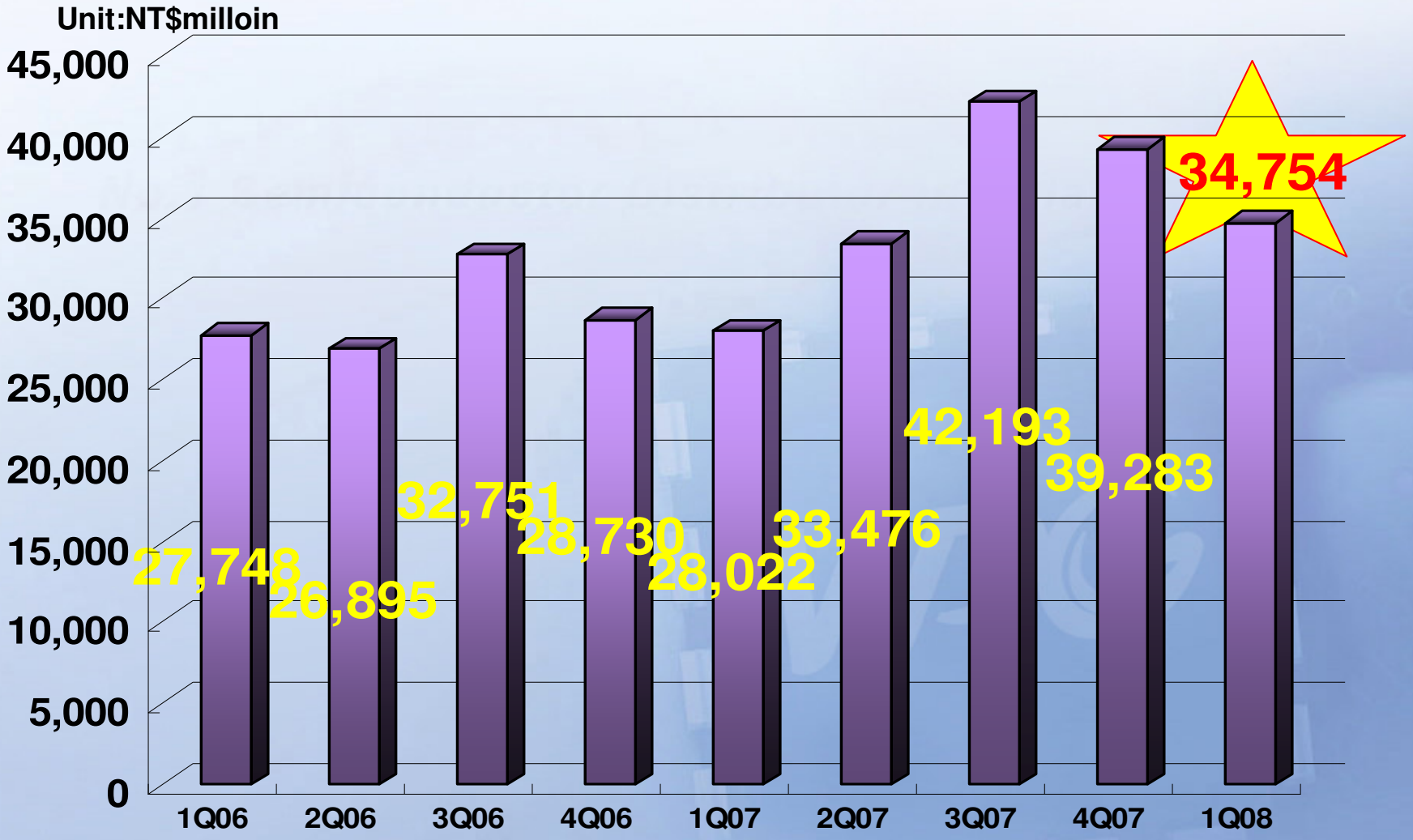
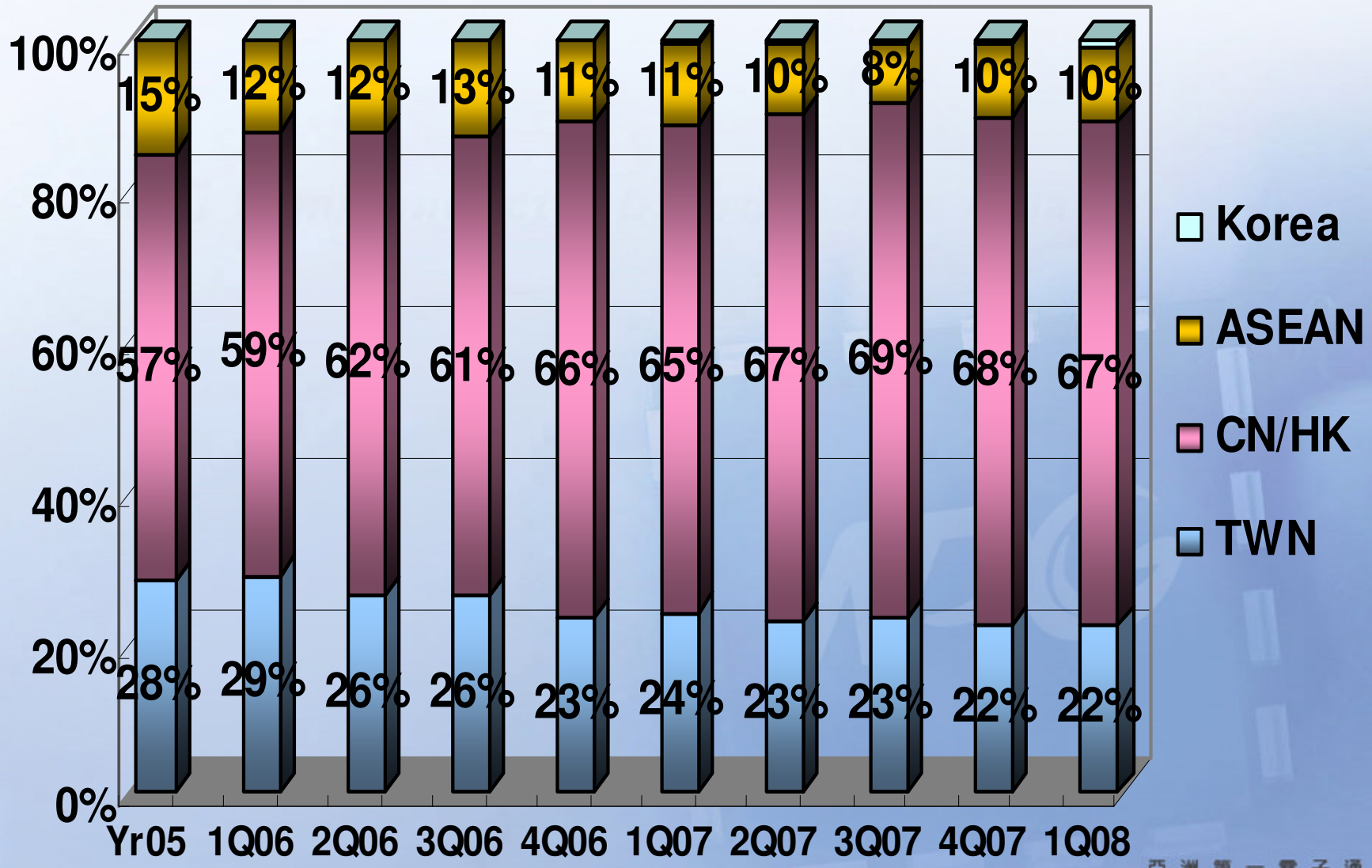
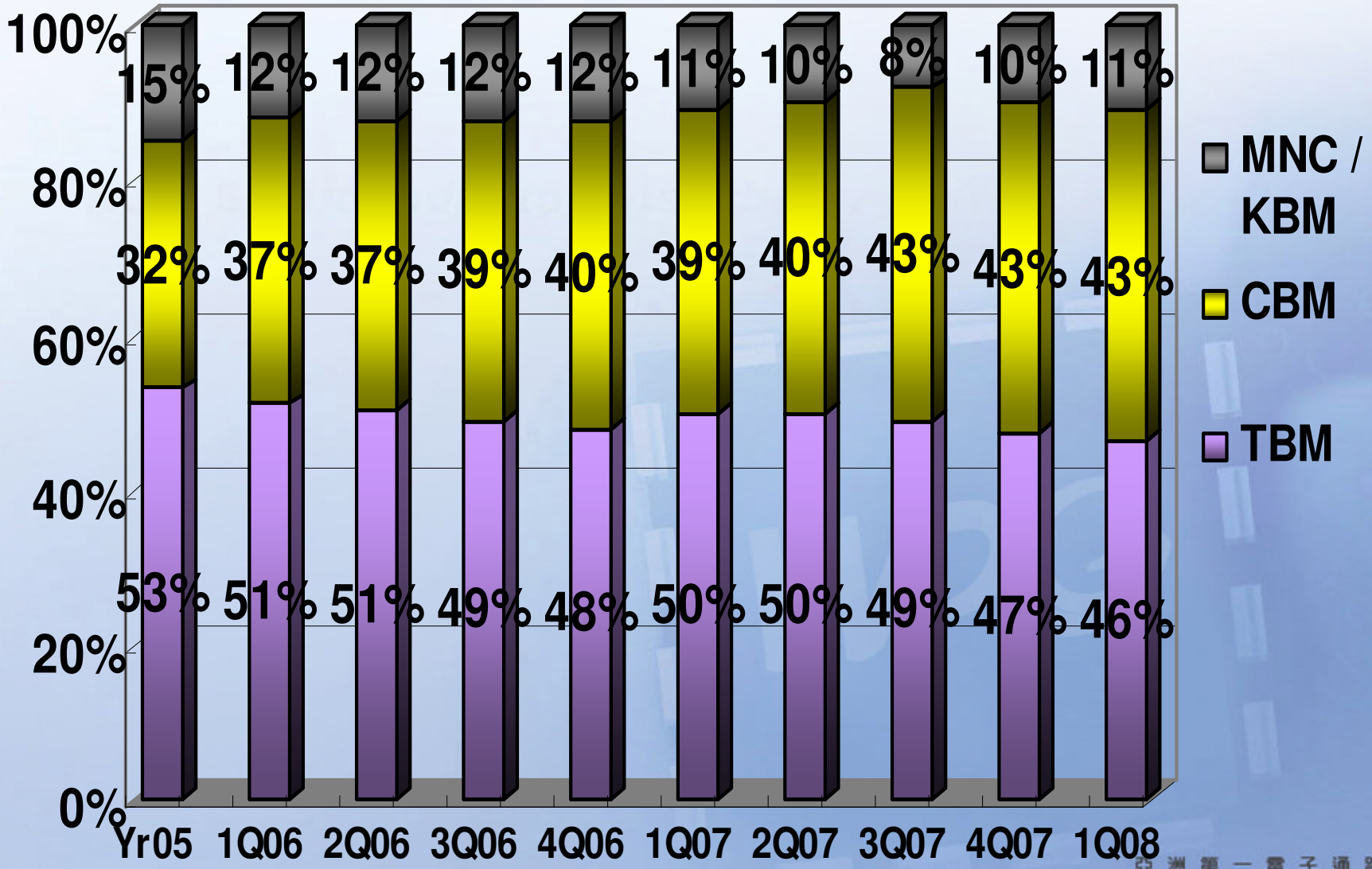
Consolidated Revenue



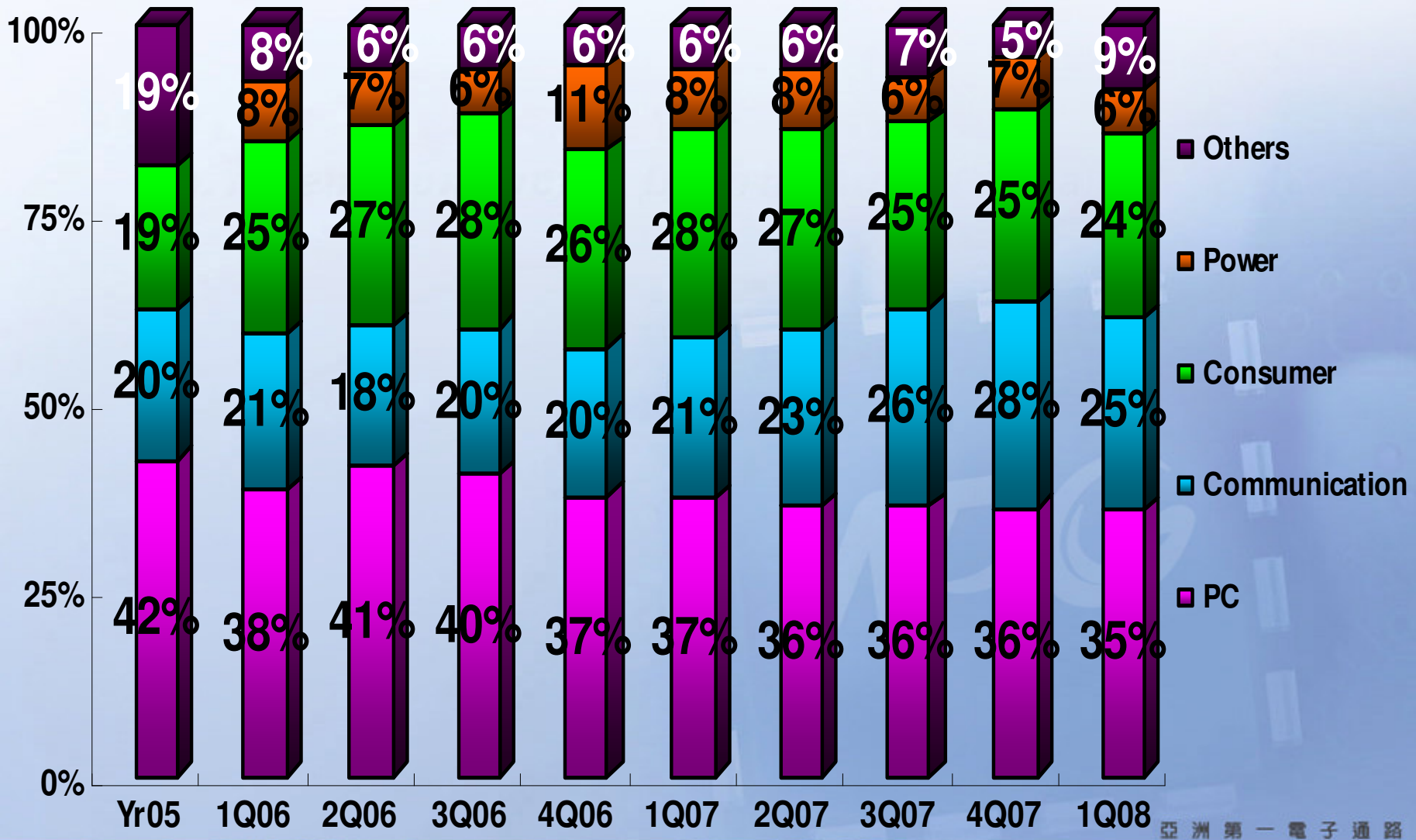
Sales breakdown by Geography



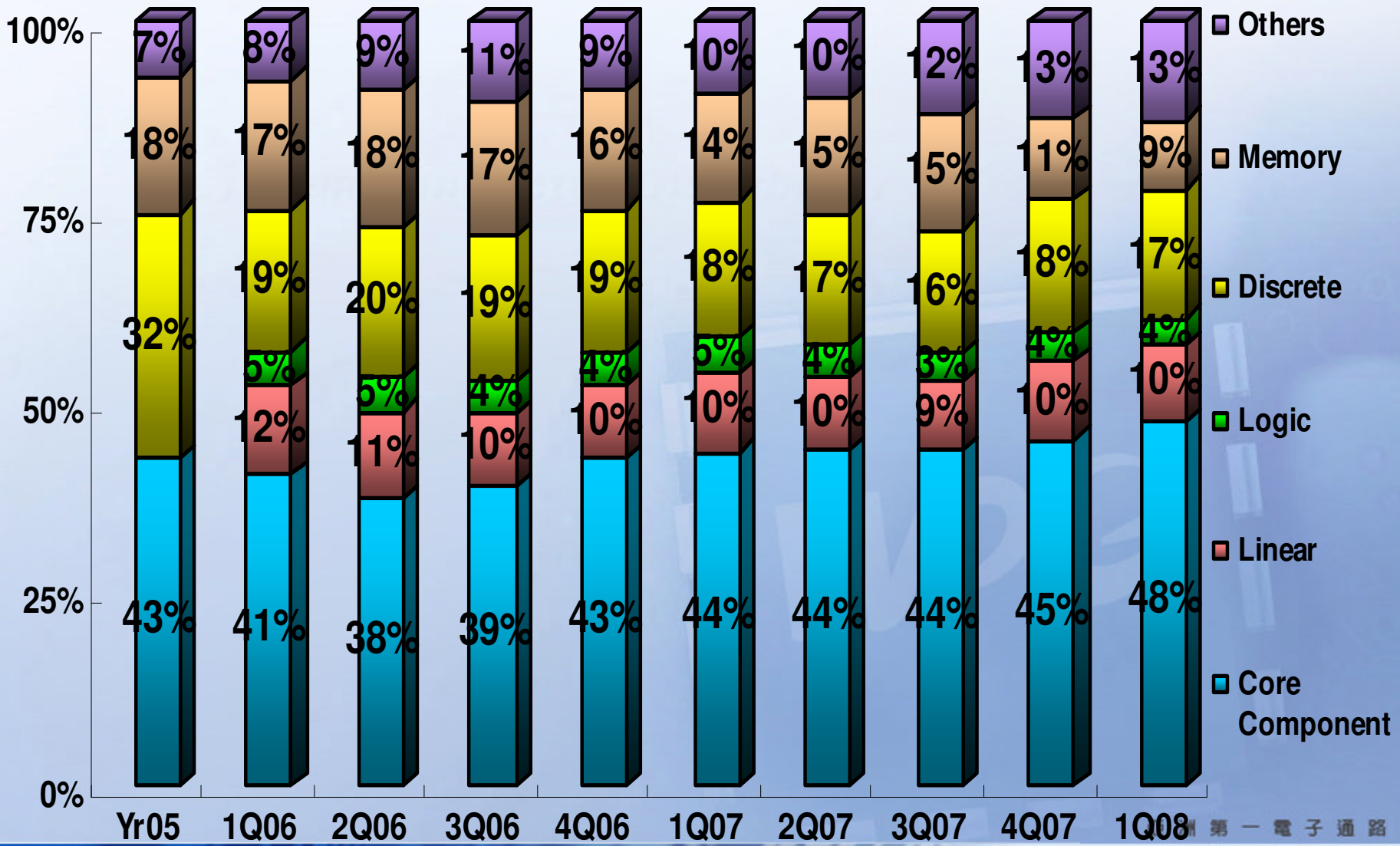
Sales breakdown by Customer



Sales breakdown by Application



Sales breakdown by Device Type



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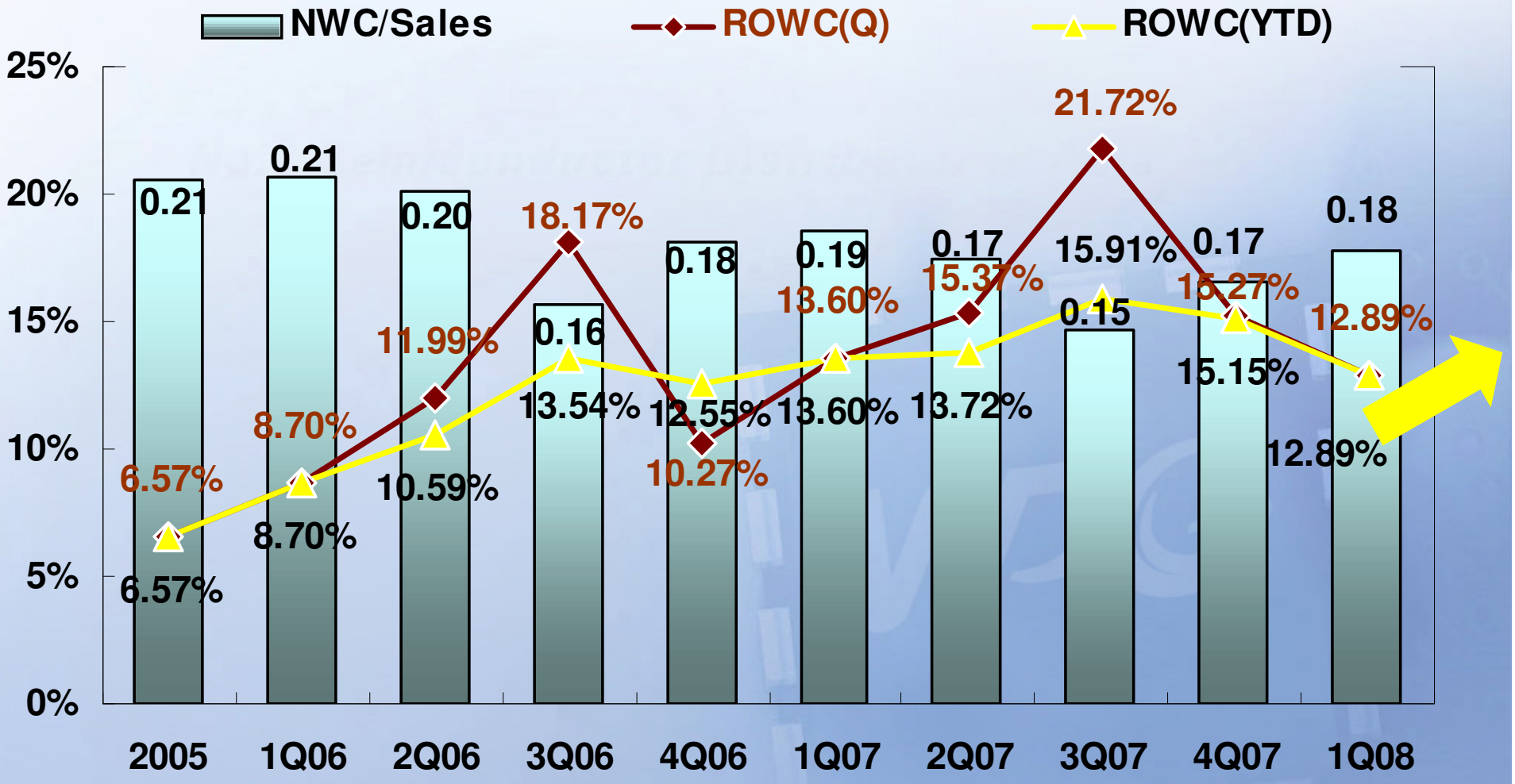
WPG Strategy

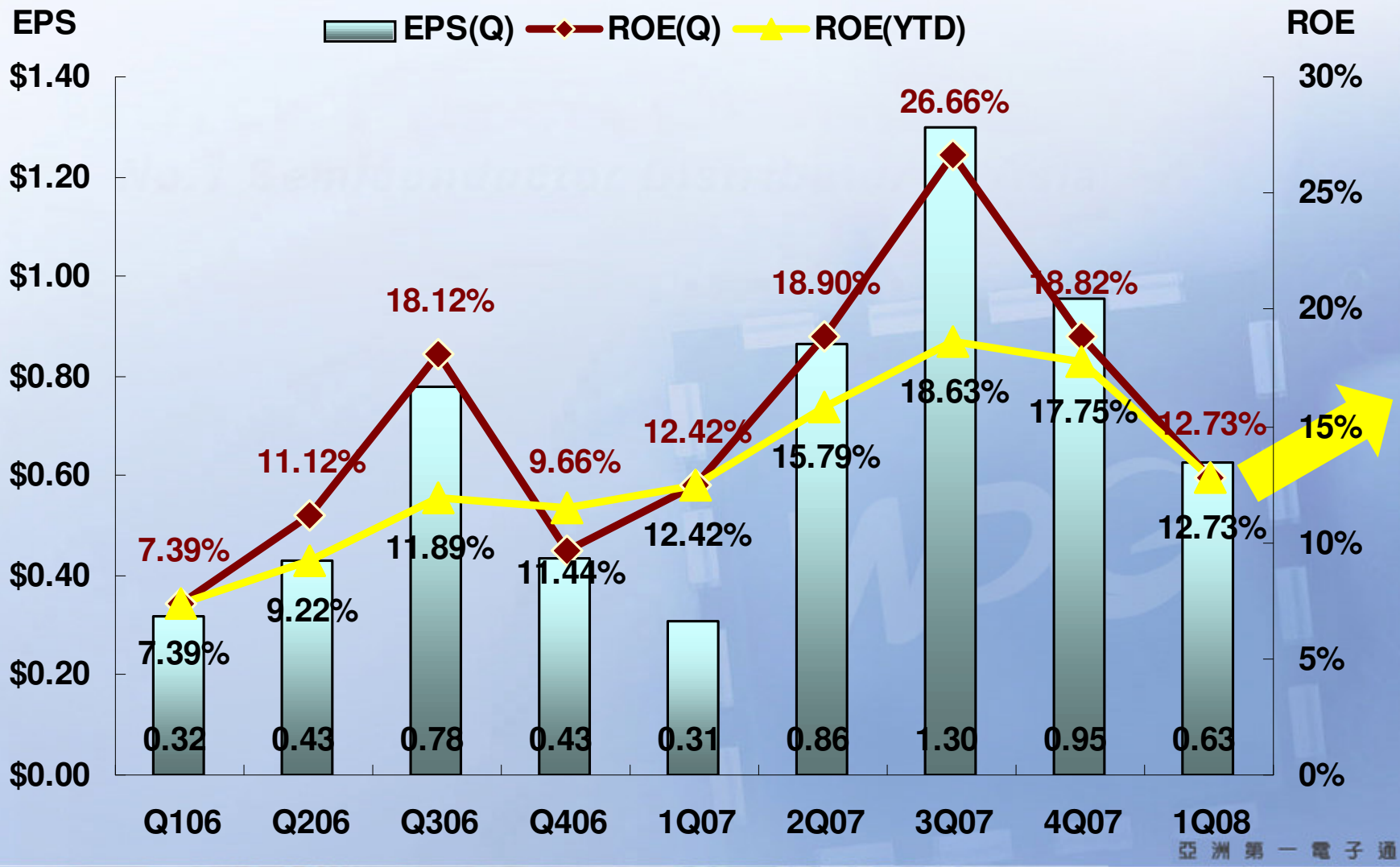
- Resource Reallocation：focus on customers, products & markets which will maximize ROWC (Return On Working Capital)
- M&A：choose the qualified FCF (Free Cash Flow)/ROWC/ROE (Return On Equity) players for Maximum Cash Dividend Payout
- Upgrade personnel productivity through regional integration

Financial Highlights & Overview

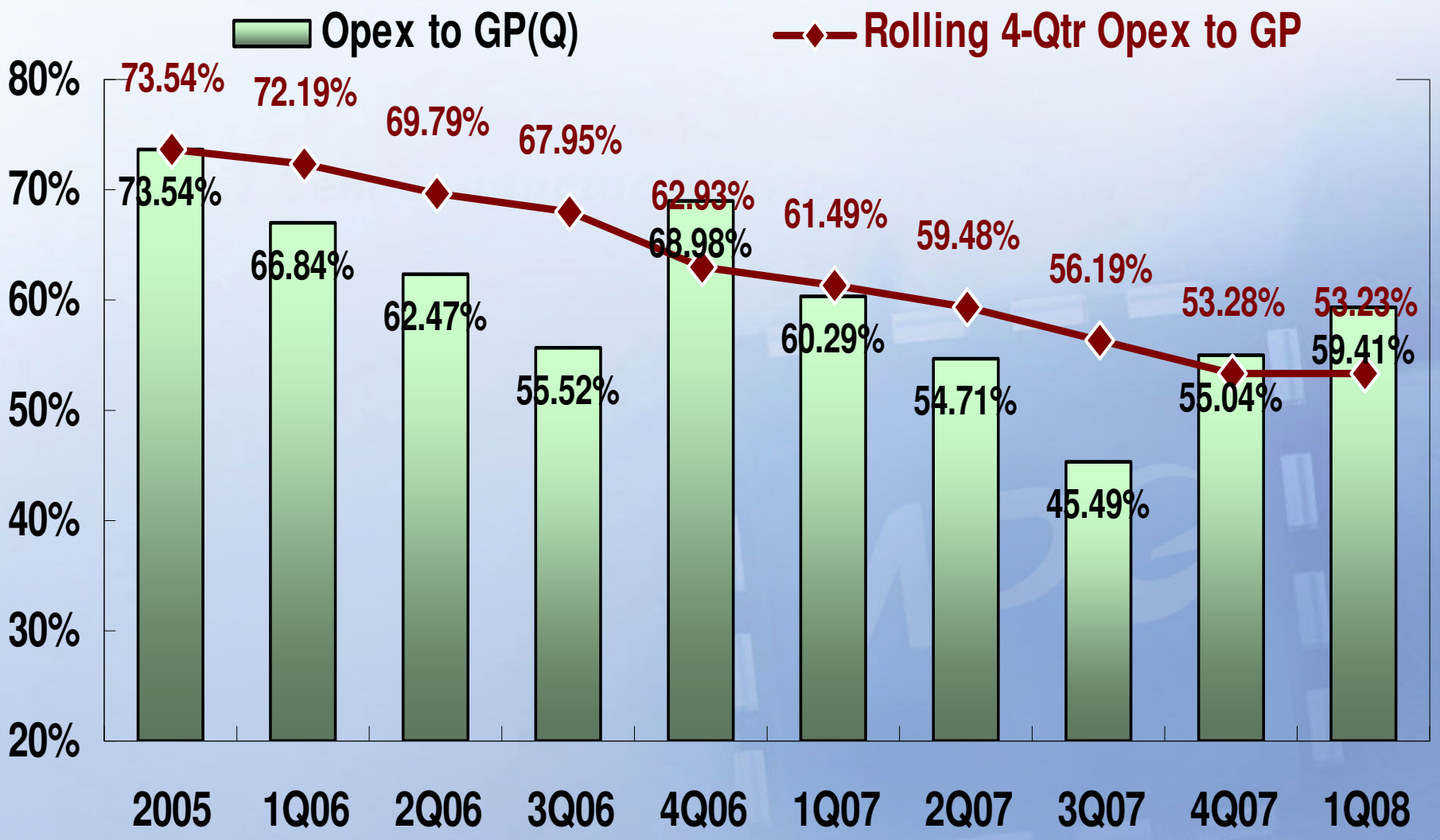
ROWC vs. NWC/Sales



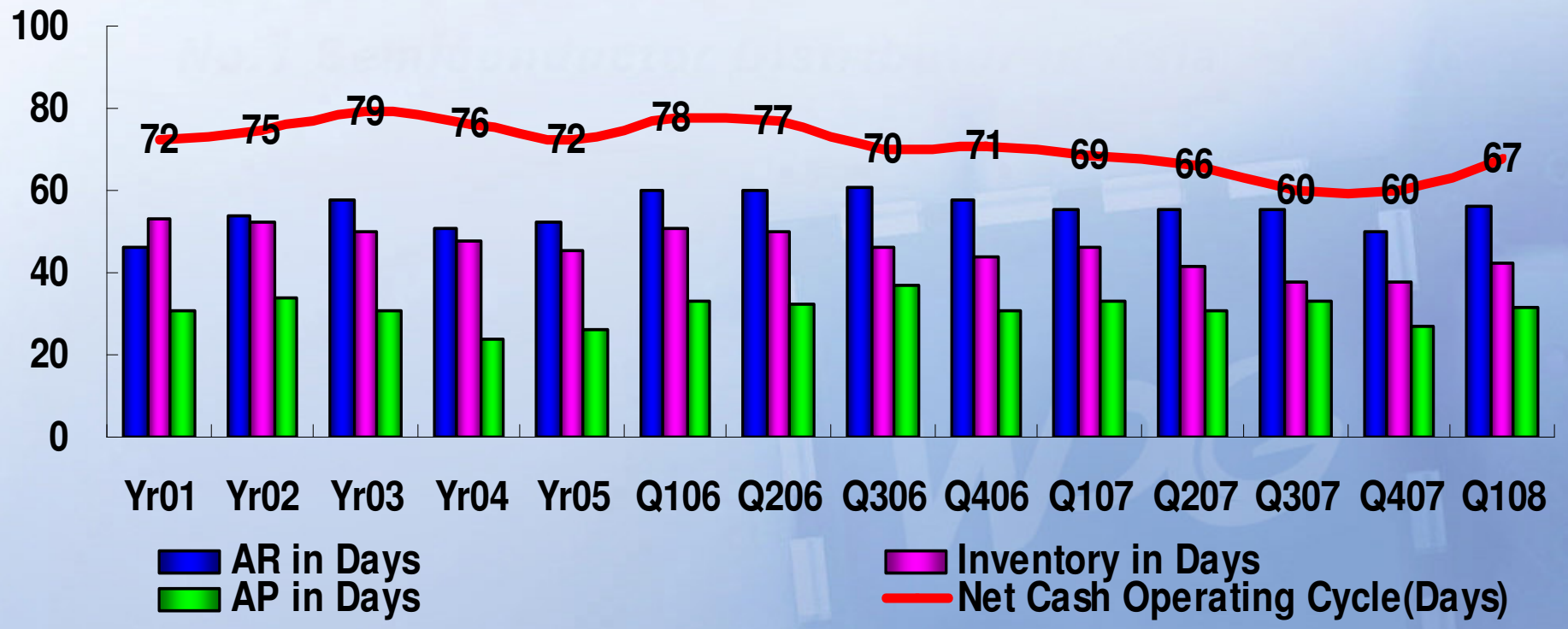
ROE vs. EPS


EPS
EPS(Q)
ROE(Q)
ROE(YTD)
ROE
$1.40
$1.20
$1.00
$0.80
$0.60
$0.40
$0.20
$0.00
30%
25%
20%
15%
10%
5%
0%
7.39%
11.12%
18.12%
9.66%
12.42%
18.90%
26.66%
18.82%
12.73%
7.39%
9.22%
11.89%
11.44%
12.42%
15.79%
18.63%
17.75%
12.73%
0.32
0.43
0.78
0.43
0.31
0.86
1.30
0.95
0.63
Q106
Q206
Q306
Q406
1Q07
2Q07
3Q07
4Q07
1Q08

Productivity improved continuously1



Operating Cash Cycle



Recap of Recent Major Events

- WPG Holdings was certified as „RECSR(Reliable Electronics Components Suppliers) by Ministry of Information Industry, PRC(2008/01)

- New Franchise in Q108：
  - ` GPS Chipset Module for Mobile Phone
  - ` Small Array Microphone for Mobile Phone, Car Kit
  - C Multi Media Application Processor for TDMB/CMMB/PND

- WPG Board Proposes Pernas acquisition by share swap(2008/03/05) & approve by Shareholders meeting (2008/04/21)

Appendix

Income Statements

Unit:NT$million

Item	1Q08	4Q07(2)	QoQ(%)	1Q07(2)	YoY(%)
Net operating Revenue	34,754	39,283	(11.5)	28,022	24.0
COGS	(32,786)	(37,075)	(11.6)	(26,242)	24.9
Gross Profit	1,967	2,208	(10.9)	1,780	10.5
Gross Margin	5.66%	5.62%		6.35%	
Operating Expenses	(1,134)	(1,162)	(2.4)	(1,023)	10.9
Operating Income	833	1,046	(20.3)	757	10.1
Operating Margin	2.40%	2.66%		2.70%	
Net Non-operating Items	(214)	(204)	4.5	(220)	(2.9)
Net Financing costs	(224)	(270)	(16.9)	(199)	12.7
Inventory Provision & OBS	(35)	(53)	(35.0)	(50)	(31.0)
Others	45	119	(61.7)	29	54.5
Profit Before Tax/Minority	620	842	(26.4)	537	15.4
Tax	(148)	(151)	(2.1)	(124)	19.4
Minority/Accounting Principle Change	(20)	(12)	65.1	(19)	8.3
Profit After Tax/Minority	452	679	(33.4)	395	14.4
Net Margin	1.30%	1.73%		1.41%	
EPS (NTD)(1)	0.63	0.95	(34.4)	0.58	7.5
Tax %	24%	18%		23%	

(1). Weighted average shares outstanding

(2).1Q07 & 4Q07 result does not include expense of employee profit sharing

Balance Sheet

Unit:NT$million	1Q08		4Q07		1Q07	
item	*Amount*	*%*	*Amount*	*%*	*Amount*	*%*
Cash &Marketable Securities	4,287	*10*	4,209	*9*	3,071	*8*
Accounts Receivable - Trade	20,561	*46*	22,432	*47*	17,182	*44*
Inventory	15,465	*34*	15,146	*32*	14,033	*36*
Current Assets	42,445	*94*	44,760	*95*	36,350	*94*
Others	2,618	*6*	2,596	*5*	2,498	*6*
Total Assets	**45,063**	***100***	**47,356**	***100***	**38,848**	***100***
Current Interest-bearing Debt	13,137	*29*	14,299	*30*	8,721	*22*
Accounts Payble	11,235	*25*	11,565	*24*	10,419	*27*
Accured Liabilities and Others	1,777	*4*	2,339	*5*	1,446	*4*
Current Liabilities	26,149	*58*	28,203	*60*	20,586	*53*
Long-term Interest-bearing Debt	4,422	*10*	4,446	*9*	5,258	*14*
Others	290	*1*	281	*1*	279	*1*
Total Liabilities	**30,861**	***68***	**32,931**	***70***	**26,122**	***67***
Total Equity	**14,203**	***32***	**14,425**	***30***	**12,726**	***33***

KEY Indices			
Net Working Capital ($)	24,790	26,012	20,796
AR Turnover (Days)	*56*	*50*	*56*
Inventory Turnover (Days)	*43*	*37*	*46*
AP Turnover (Days)	*32*	*27*	*33*
Average Collection Periods (Days)	*67*	*60*	*69*
Current Ratio	*162%*	*159%*	*177%*
Debt/Asset Ratio	*68%*	*70%*	*67%*
Gearing Ratio	*0.96*	*1.02*	*1.04*

Cash Flows

Unit:NT$million	1Q08 Amount	4Q07 Amount	1Q07 Amount
-Net Income(1)	472	691	414
-Changes of NWC	1,222	(1,302)	(380)
-Adjustment & Others	(283)	(60)	289
From Operation	**1,412**	**(671)**	**323**
-Financial Instrument	517	20	310
-Capital Expenditure	(84)	(20)	(13)
-Others	(2)	(61)	(4)
From Investment	**431**	**(61)**	**293**
-Financial Debt	(1,185)	1,172	(516)
-Treasury Stock	0	0	0
-Cash Dividends	0	(5)	0
-ESOP	18	32	6
-Others	118	216	(19)
From Financing	**(1,049)**	**1,414**	**(529)**
Net Cash Position Change	**793**	**682**	**88**
Exchange Rate Change & Others	(800)	(54)	138
Ending Cash Balance	**3,970**	**3,977**	**3,071**

(1).Minority interest is included.

Q & A

http://www.wpgholdings.com