Your Testing Quality is Our Commitment.

CHROMA ATE INC.

2013

Test and Automation turnkey Solution provider

3Q. 2013 Investor Conference

28th October, 2013

Disclaimer

This presentation contains some forward-looking statements that are subject to substantial risks and uncertainties. Typically, these statements contain words such as "anticipate", "believe", "could", "estimate", "expect", "intend", "plan", "forecast", "project", "predict", "potential", "continue", "may", "should", "will", and "would" or similar words. You should consider these forward-looking statements carefully because such statements are only our expectations or projections about future events, and actual results may differ materially from those expressed or implied by such statements. The forward-looking statements in this presentation include, but are not limited to, growth rates for various markets estimated by third party sources, future products and technology development, widespread market acceptance of the hosted delivery model, future revenue growth and profitability. You should be cautioned that the forward-looking statements are no guarantee of our future performance. The forward-looking statements contained in this presentation are made only as of the date of this presentation and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances, except as required by law.

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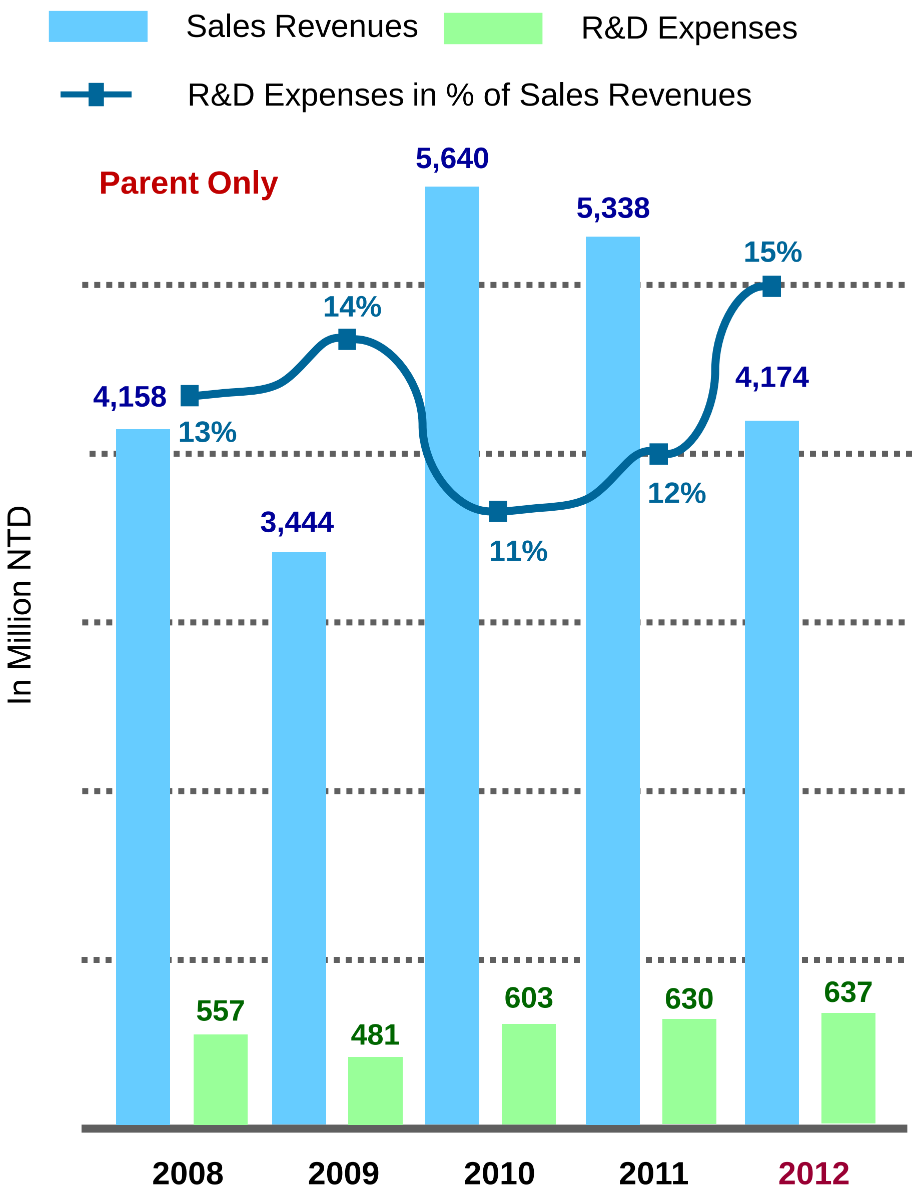
Agenda

- Corporate Profile
- Quarterly Highlights
- Financial Review
- Operation Highlights
- Q&A

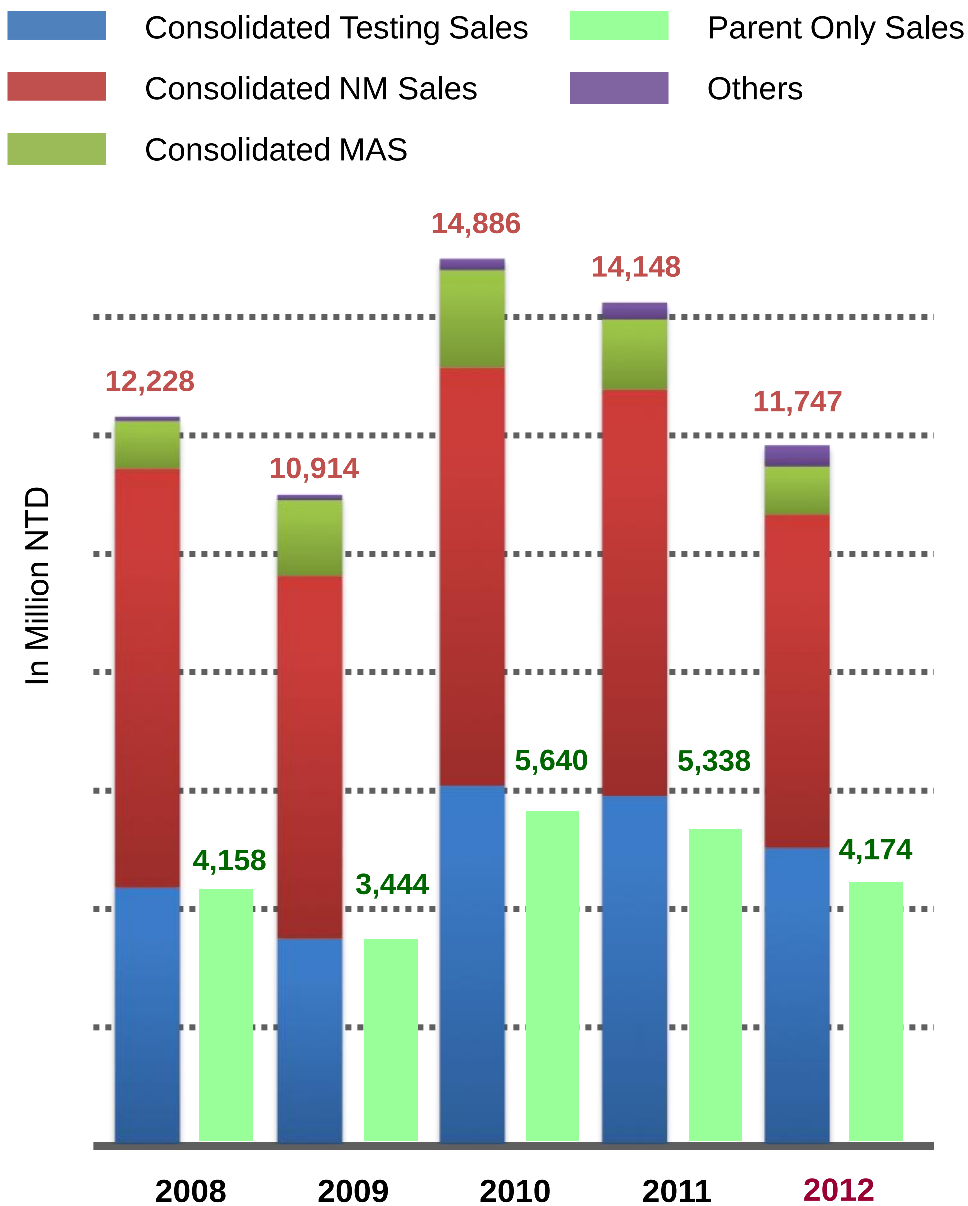
CORPORATE PROFILE

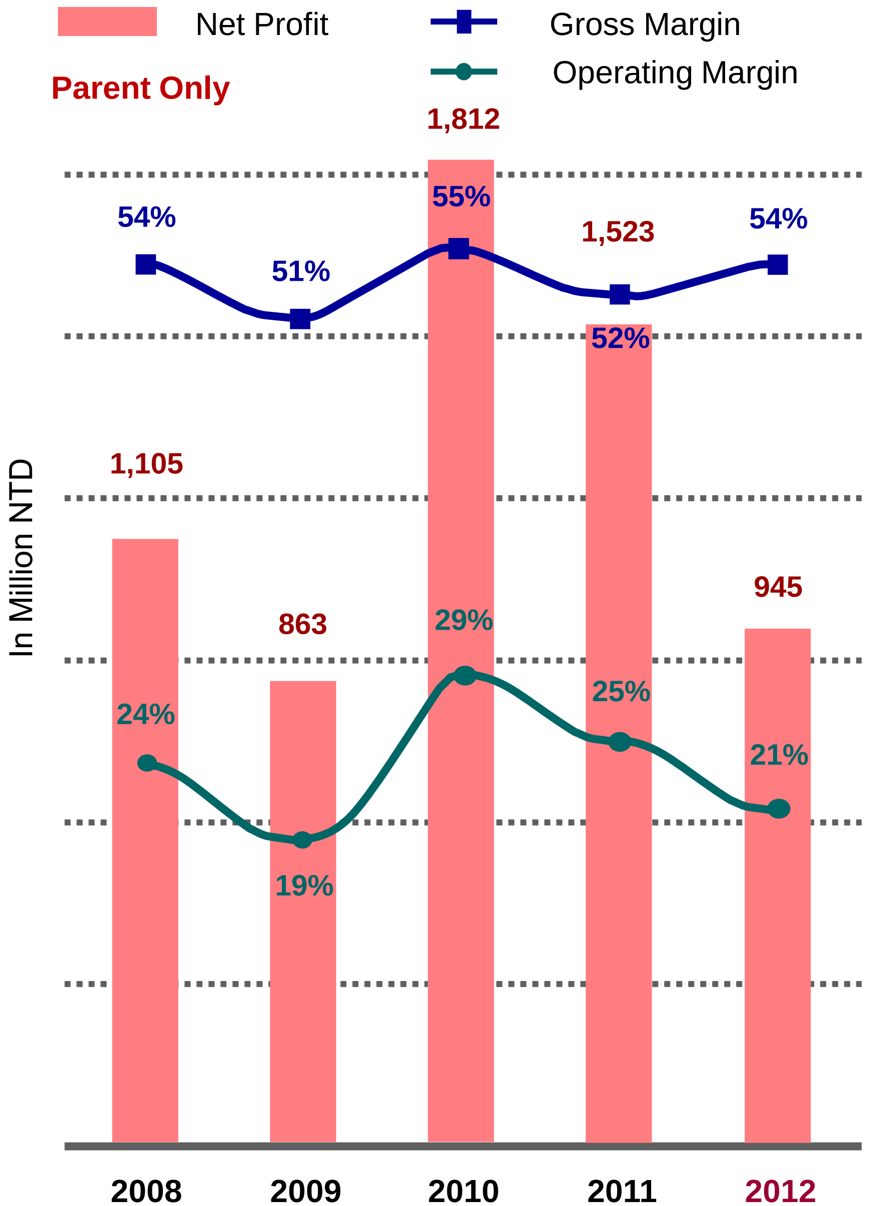
Corporate Profile

- Founded in 1984, a world leading own brand turnkey test & automation solution provider, specialized in electronics test and measurement instruments and system. Products cover test and measurement instruments and system for various industries, and a turnkey solution of an integration of test and measurement with automation and manufacturing execution systems (MES).
- Key success: Precision, Reliability, Innovation
- 2012 Sales Revenues: NT$4,174 million
- 2012 Net Income: NT$945 million
- Total 1,256 employees, 37% in R&D (as Sept, 2013)
- Named as top 10 “Mittelstand” of Taiwan, by Industrial Development Bureau, MoEA.

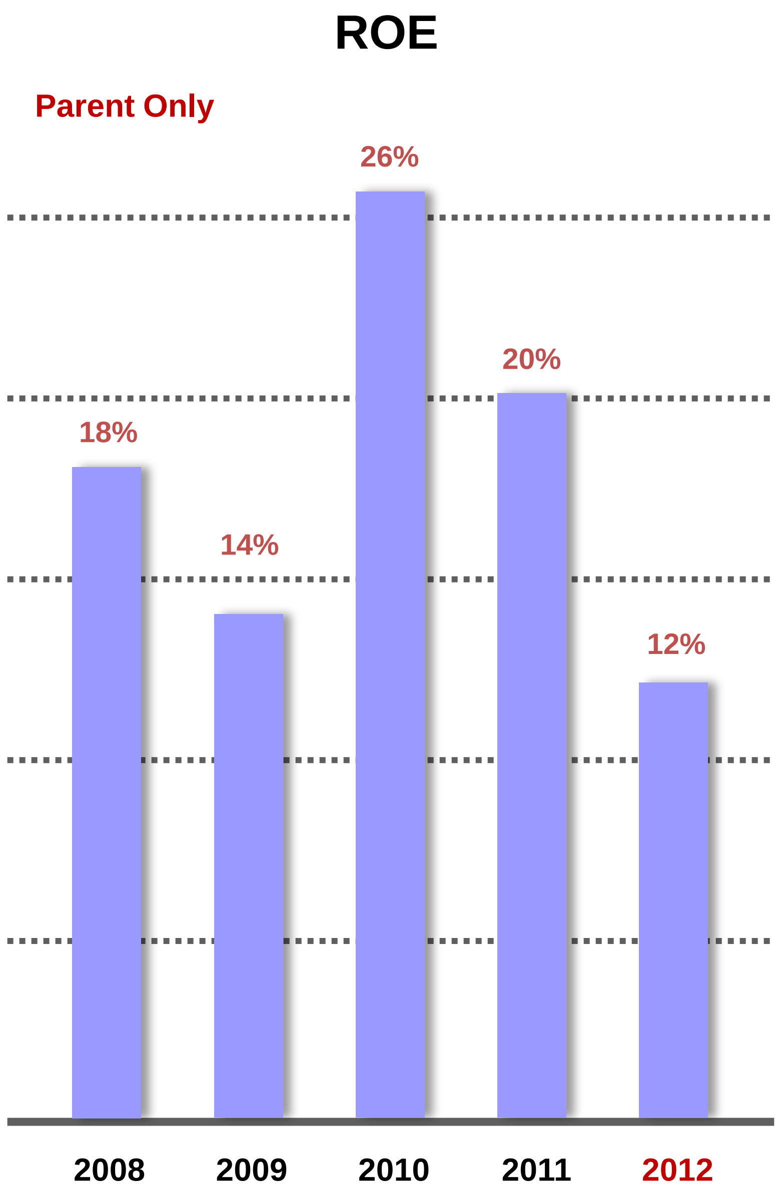


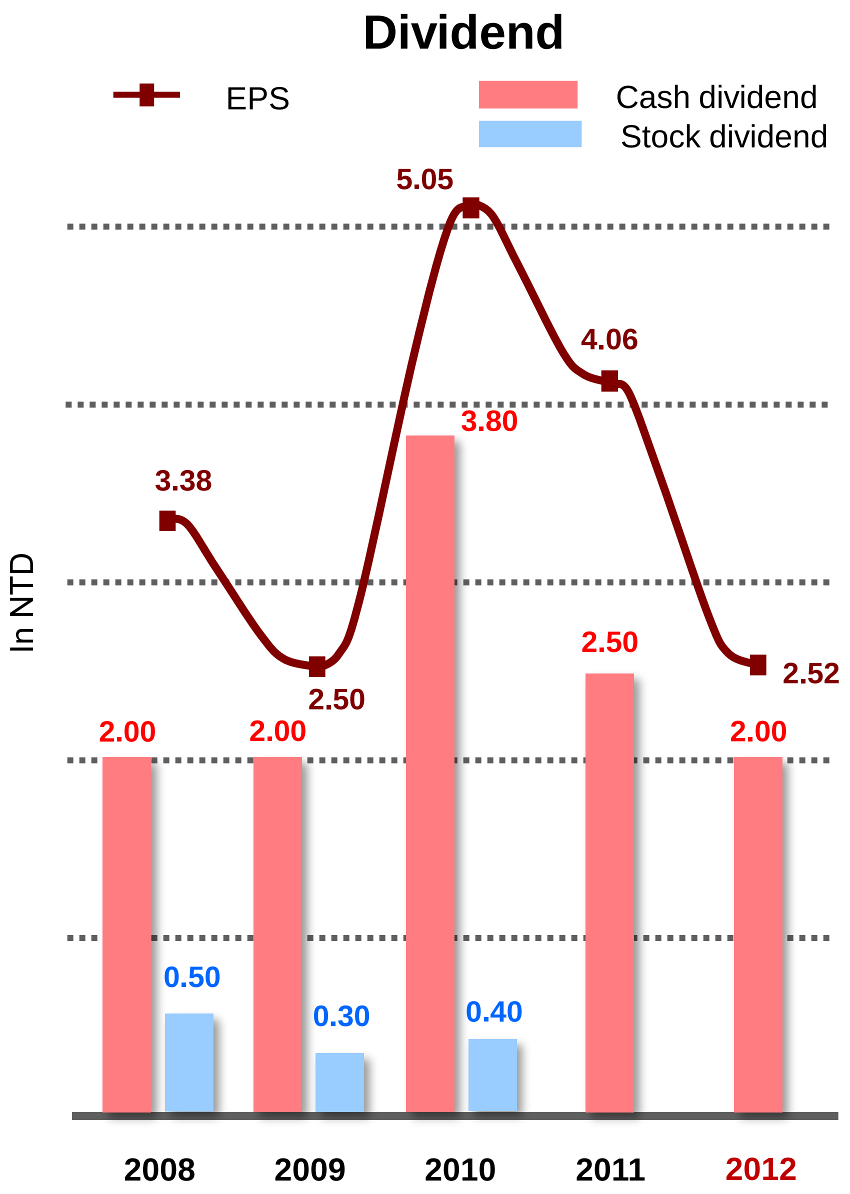
Financial Performance





Financial Performance





Chroma Global Network

Global Employees：1,639 , Branch Offices x16, Distributors x58

US :

Irvine /

Foothill Ranch, CA

Tempe, AZ

Hong Kong : Neworld

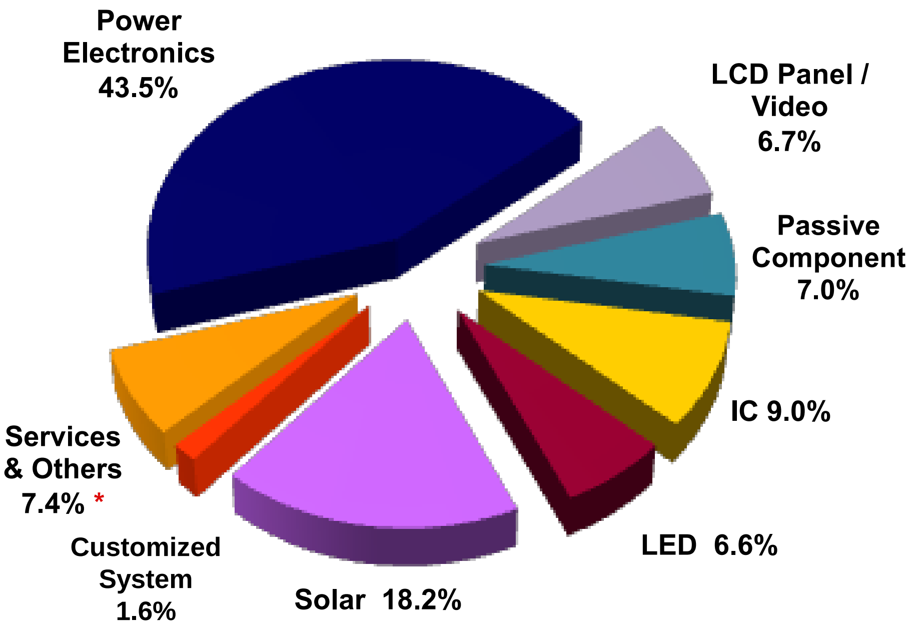
Japan: Shin Yokohama

Europe : Netherlands / Finland

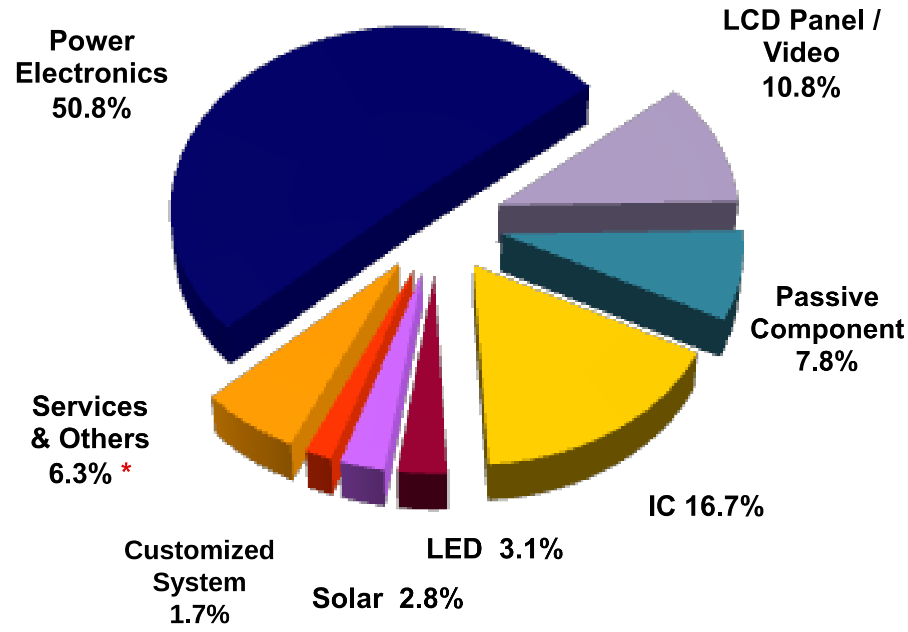
China : Shenzhen / Dongguan / Xiamen / Suzhou Nanjing / Shanghai / Beijing / Chongqing

Product Mix

A Turnkey Test and Automation Solution Provider



Year 2011



Year 2012

* Services & Others included general services and government projects.

QUARTERLY HIGHLIGHTS

FINANCIAL REVIEW

Year 2013. Sept Condensed Consolidated Balance Sheet

(In Million NTD)	Sept 2013	%	Sept 2012	%
Assets				
Current Assets				
Cash & Cash Equivalents	1,168	9%	1,896	17%
Investments in Marketable Financial Instruments	893	7%	288	3%
Note Receivable	21	-	64	-
Accounts Receivable – Third Party	3,110	24%	2,840	25%
Accounts Receivable – Related Party	4	-	4	-
Inventories	1,618	13%	1,647	14%
Other Current Assets	302	3%	294	3%
Total Current Assets	7,116	56%	7,033	62%
Non-current Assets				
Available-for-Sale Financial Assets - noncurrent	456	4%	375	3%
Financial Assets Carried at Cost - noncurrent	169	1%	166	2%
Investments Accounted by Equity Method	448	4%	396	4%
Fixed Assets, Buildings & Equipment	2,724	21%	2,667	23%
Goodwill and Trademark	190	1%	137	1%
Prepayment Fixed Assets	1,443	11%	364	3%
Other Noncurrent Assets	244	2%	265	2%
Total Noncurrent Assets	5,674	44%	4,370	38%
Total Assets	**$ 12,790**	**100%**	**$ 11,403**	**100%**

	Sept 2013	%	Sept 2012	%
Liabilities & Shareholders' Equity				
Current Liabilities				
Short-term Borrowings	941	7%	738	6%
Note Payable – Third Party	64	1%	90	1%
Note Payable – Related Party	4	-	-	-
Accounts Payable – Third Party	1,515	12%	1,821	16%
Accounts Payable – Related Party	6	-	2	-
Other Current Liabilities	934	7%	824	7%
Total Current Liabilities	3,464	27%	3,475	30%
Non-current Liabilities				
Long-term Debt	818	6%	22	-
Other Non-current Liabilities	176	2%	166	2%
Total Liabilities	4,458	35%	3,663	32%
Shareholders' Equity Attributable to Shareholders of the Parent				
Capital Stock	3,768	29%	3,768	33%
Capital Surplus	951	7%	917	8%
Retained Earnings	3,131	25%	2,777	24%
Others	518	4%	314	3%
Treasury stock	(36)	-	(36)	-
Equity Attributable to Shareholders of the Parent	8,332	65%	7,740	68%
Total Liabilities & SH Equity	**$ 12,790**	**100%**	**$ 11,403**	**100%**

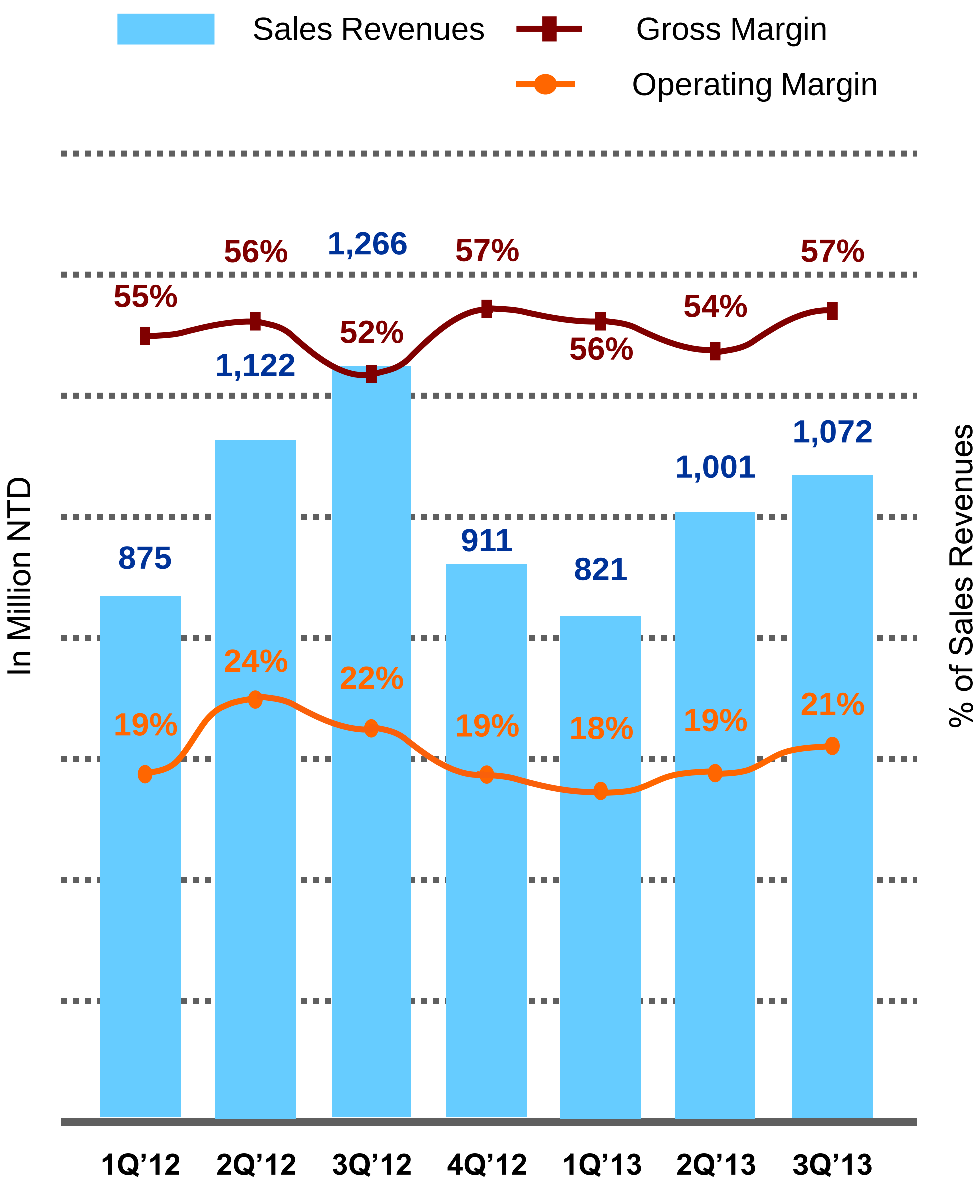
Year 2013.1~3Q Condensed Consolidated Income Statement

Condensed Consolidated P&L (In Million NTD, except for EPS in NTD)	1~3Q' 2013	%	1~3Q' 2012	%	YoY %
Net Sales	**7,739**	**100.0%**	**9,016**	**100.0%**	**(14%)**
Consolidated Sales of Testing Business	3,194	41.3%	3,888	43.1%	**(18%)**
Consolidated Sales of MAS	1,508	19.5%	474	5.3%	**218%**
Consolidated Sales of New Material	2,698	34.9%	4,398	48.8%	**(39%)**
Others	339	4.3%	256	2.8%	**32%**
Cost of Goods Sold	(4,866)	(62.9%)	(6,396)	(70.9%)	**(24%)**
Gross Profit	**2,873**	**37.1%**	**2,620**	**29.1%**	**10%**
Operating Expenses:					
General & Administration	(1,416)	(18.3%)	(1,208)	(13.4%)	**17%**
Research & Development	(527)	(6.8%)	(520)	(5.8%)	**1%**
Operating Income	**930**	**12.0%**	**892**	**9.9%**	**4%**
Non-Operating Income (Expenses), net	141	1.8%	41	0.5%	**244%**
Income (Loss) Before Tax	1,071	13.8%	933	10.4%	**15%**
Income Tax	(156)	(2.0%)	(216)	(2.5%)	**(28%)**
Net Income	**915**	**11.8%**	**717**	**7.9%**	**28%**
Other Comprehensive Income	176	2.3%	62	0.7%	**184%**
Comprehensive Income	**$ 1,091**	**14.1%**	**$ 779**	**8.6%**	**40%**
Net Income (Losses) Attributable To:					
Shareholders of the Parent	923	11.9%	722	8.0%	**28%**
Noncontrolling Interests	(8)	(0.1%)	(5)	(0.1)	**60%**
	$ 915	**11.8%**	**$ 717**	**7.9%**	**28%**
EPS (Basic)	**$ 2.46**		**$ 1.93**		**27%**

Quarterly Highlights

3Q' 2013 Key Points

- Sales Revenue: $ 1,072 million,
  up 7% QoQ, down 15% YoY
- Gross Margin: 57%
- Operating Margin: 21%
- Net Income: NT$ 276 million,
  down 36% QoQ, down 12% YoY
- 3Q 2013 Highlights:
  - The major sales drivers in this quarter are contributed from LCD / Video and Solar Testing sectors, up 95% and 116% QoQ respectively.



Year 2013. 3Q Condensed Income Statement

Condensed P&L – Parent Only (In Million NTD, except for EPS in NTD)	3Q' 2013	%	2Q' 2013	%	QoQ %	3Q' 2012	%	YoY %
Net Sales	**1,072**	**100.0%**	**1,001**	**100.0%**	**7%**	**1,266**	**100.0%**	**(15%)**
Cost of Goods Sold	(463)	(43.2%)	(457)	(45.6%)	**1%**	(614)	(48.5%)	**(25%)**
Gross Profit	**609**	**56.8%**	**544**	**54.4%**	**12%**	**652**	**51.5%**	**(7%)**
Operating Expenses:								
General & Administration	(216)	(20.1%)	(198)	(19.8%)	**9%**	(200)	(15.8%)	**8%**
Research & Development	(165)	(15.4%)	(156)	(15.6%)	**6%**	(177)	(14.0%)	**(7%)**
Operating Income	**228**	**21.3%**	**190**	**19.0%**	**20%**	**275**	**21.7%**	**(17%)**
Non-Operating Income (Expenses), net	71	6.6%	264	26.4%	**(73%)**	80	6.3%	**(11%)**
Income (Loss) Before Tax	299	27.9%	454	45.4%	**(34%)**	355	28.0%	**(16%)**
Income Tax	(23)	(2.1%)	(25)	(2.5%)	**(8%)**	(41)	(3.2%)	**(44%)**
Net Income	**$ 276**	**25.8%**	**$ 429**	**42.9%**	**(36%)**	**$ 314**	**24.8%**	**(12%)**
Other Comprehensive Income	36	3.3%	78	7.8%	**(54%)**	39	3.1%	**(8%)**
Comprehensive Income	**$ 312**	**29.1%**	**$ 507**	**50.7%**	**(38%)**	**$ 353**	**27.9%**	**(12%)**
EPS (Basic)	**$ 0.73**		**$ 1.15**		**(37%)**	**$ 0.84**		**(13%)**

Non-operating Income included 100% owned subsidiaries' income - New Material: 10m (QoQ -), MAS: 41m (QoQ n/a).

Year 2013. 1~3Q Condensed Income Statement

Condensed P&L – Parent Only (In Million NTD, except for EPS in NTD)	1~3Q' 2013	%	1~3Q' 2012	%	YoY %
Net Sales	**2,894**	**100.0%**	**3,262**	**100.0%**	**(11%)**
Cost of Goods Sold	(1,283)	(44.3%)	(1,508)	(46.2%)	**(15%)**
Gross Profit	**1,611**	**55.7%**	**1,754**	**53.8%**	**(8%)**
Operating Expenses:					
General & Administration	(583)	(20.2%)	(564)	(17.3%)	**3%**
Research & Development	(464)	(16.0%)	(485)	(14.9%)	**(4%)**
Operating Income	**564**	**19.5%**	**705**	**21.6%**	**(20%)**
Non-Operating Income (Expenses), net	429	14.8%	150	4.6%	**186%**
Income (Loss) Before Tax	993	34.3%	855	26.2%	**16%**
Income Tax	(70)	(2.4%)	(133)	(4.1%)	**(47%)**
Net Income	**$ 923**	**31.9%**	**$ 722**	**22.1%**	**28%**
Other Comprehensive Income	176	6.1%	63	1.9%	**179%**
Comprehensive Income	**$ 1,099**	**38.0%**	**$ 785**	**24.0%**	**40%**
EPS (Basic)	**$ 2.46**		**$ 1.93**		**27%**

- Non-operating Income included 100% owned subsidiaries' income - New Material: 32m (YoY ↓ 20%), MAS: 287m (YoY n/a).

Balance Sheet Highlights & Financial Ratio

Parent Only (In Million NTD)	**Sept. 2013**	**Dec. 2012**	**+ / - %**
Balance Sheet Highlights			
Cash & Short Term Investment	259	547	- 53%
Inventory	1,291	1,073	20%
Short Term Debt	800	380	111%
Long Term Debt	700	-	n/a
Shareholders Equity	8,176	7,797	5%
Total Assets	**10,859**	**9,257**	**17%**
Inventory Turnover (Day)	249	234	
AR Turnover (Day)	152	141	
AP Turnover (Day)	101	89	
Net Debt to Equity (%)	15%	-	
ROE (%) ●	**15%**	**12%**	
ROA (%) ●	**12%**	**10%**	

Cash Position	**3Q' 2013**	**2Q' 2013**	**QoQ**	**1~3Q' 2013**	**YoY**
EBITDA	337	491	(31%)	1,107	12%
Cash Flow from Operation	(217)	292	n/a	322	(66%)
Free Cash Flow ●●	**(857)**	**346**	**n/a**	**(416)**	**n/a**

● All ROE + ROA has been annualized.

●● Free Cash Flow = Net Cash Provided by Operating Activities + (Net Cash used by Investing Activities)

OPERATION

HIGHLIGHT

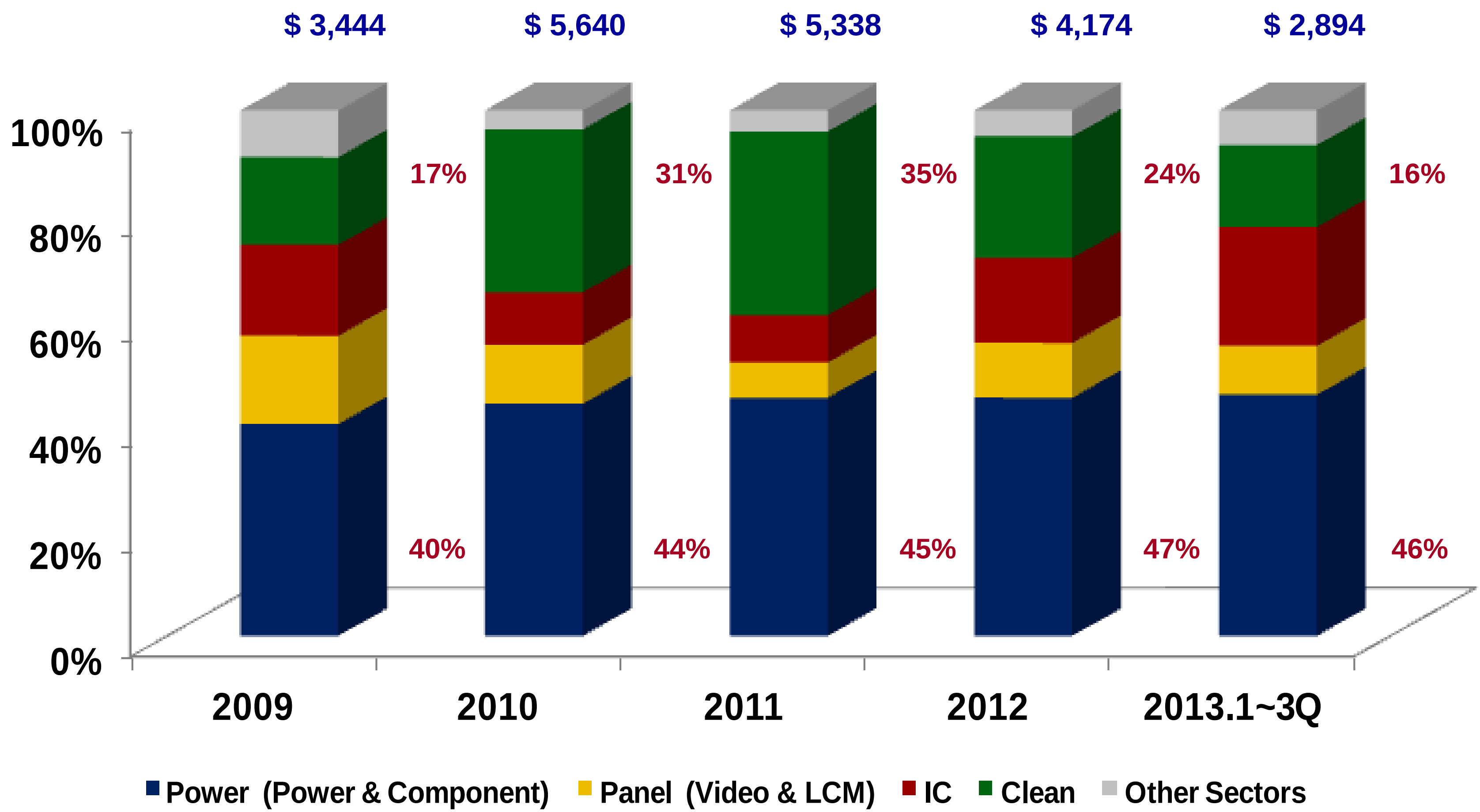
Sales Breakdown By Testing Solution

(Unit: Million NTD)	3Q'2013	%	2Q'2013	%	QoQ	3Q'2012	%	YoY
Power Electronics Testing	494	46.1%	476	47.5%	4%	740	58.5%	(33%)
Component Testing	95	8.8%	137	13.7%	(31%)	92	7.3%	3%
LCD Panel / Video Testing	142	13.3%	73	7.3%	95%	127	10.0%	12%
IC Testing	219	20.4%	222	22.2%	-	146	11.5%	50%
LED Testing	13	1.2%	12	1.2%	8%	33	2.6%	(61%)
Solar Power Testing	41	3.8%	19	1.9%	116%	25	1.9%	64%
Customized System	18	1.7%	16	1.6%	13%	21	1.7%	(14%)
Service & Others	50	4.7%	46	4.6%	9%	82	6.5%	(39%)
Total	**1,072**	**100.0%**	**1,001**	**100.0%**	**7%**	**1,266**	**100.0%**	**(15%)**

Sales Breakdown By Industries

Innovation, Integration Capability, Market Penetration

In million NTD / % of Sales



* Clean Technology included solar, LED, battery cell formation and EV OEM business.

Guidance

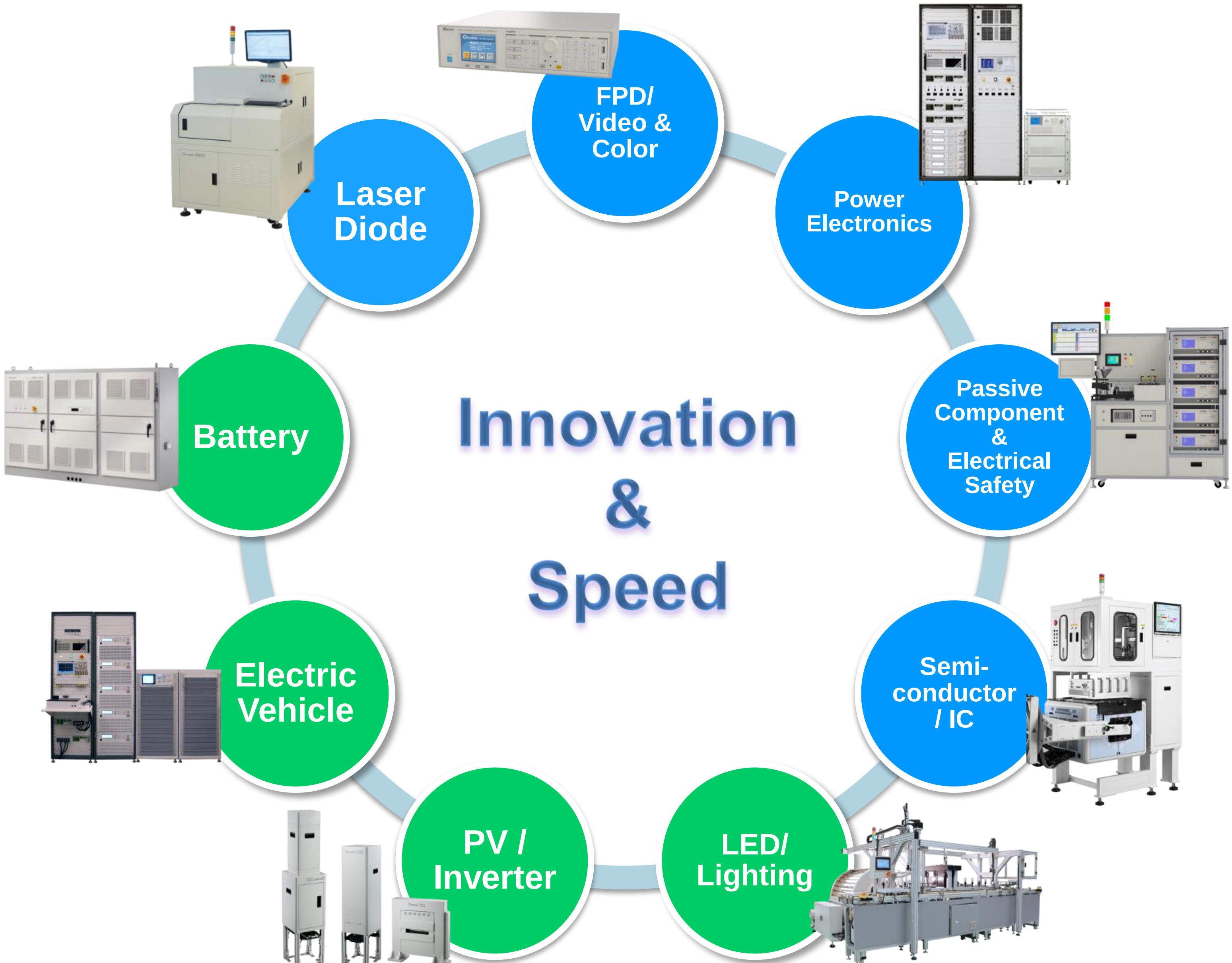
- The year 2013.3Q sales revenues were mainly contributed from LCD panel / video and solar tester businesses, increased by 95% and 116% QoQ respectively. IC tester business is consistent with the expectation.

- The clean technology related product sectors are going to make a major contribution in 4Q sales revenues.

- Aggressively promoting the turnkey solutions for emerging market opportunity in order to increase customer penetration. Expecting the turnkey solutions will be high potential growth in the coming years.

- The Company stay optimistic toward the low season in 4Q .

Innovations in Test & Automation Solutions



4Kx2K Video Pattern Generator

New

(Model: 22294-A)

- ✓ Support 4Kx2K ultra high resolution TV
- ✓ Comply with HDMI 1.4b standard
- ✓ 3D / HDCP / EDID / CEC test functions

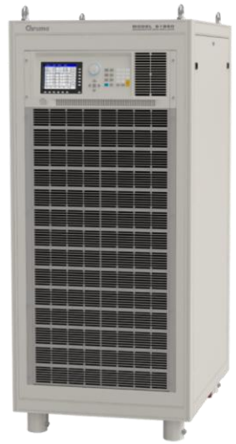
LCM ATS

New

(Model: 2917) (Model: A291710)

- ✓ LCM signal and power source test system
- ✓ Suitable for Full HD; up to 4Kx2K resolution
- ✓ Support LVDS 2/4/8 ch data output
- ✓ DC Power Source

Regenerative Grid Simulator (AC Power Source)



New

(Model: 61800)

- Inverter/battery inverter/EV charger for smart grid application
- Bi-directional AC source (4-quadrant)
- High power 60kVA (1 & 3-phase output)
- Parallelable up to 300KVA

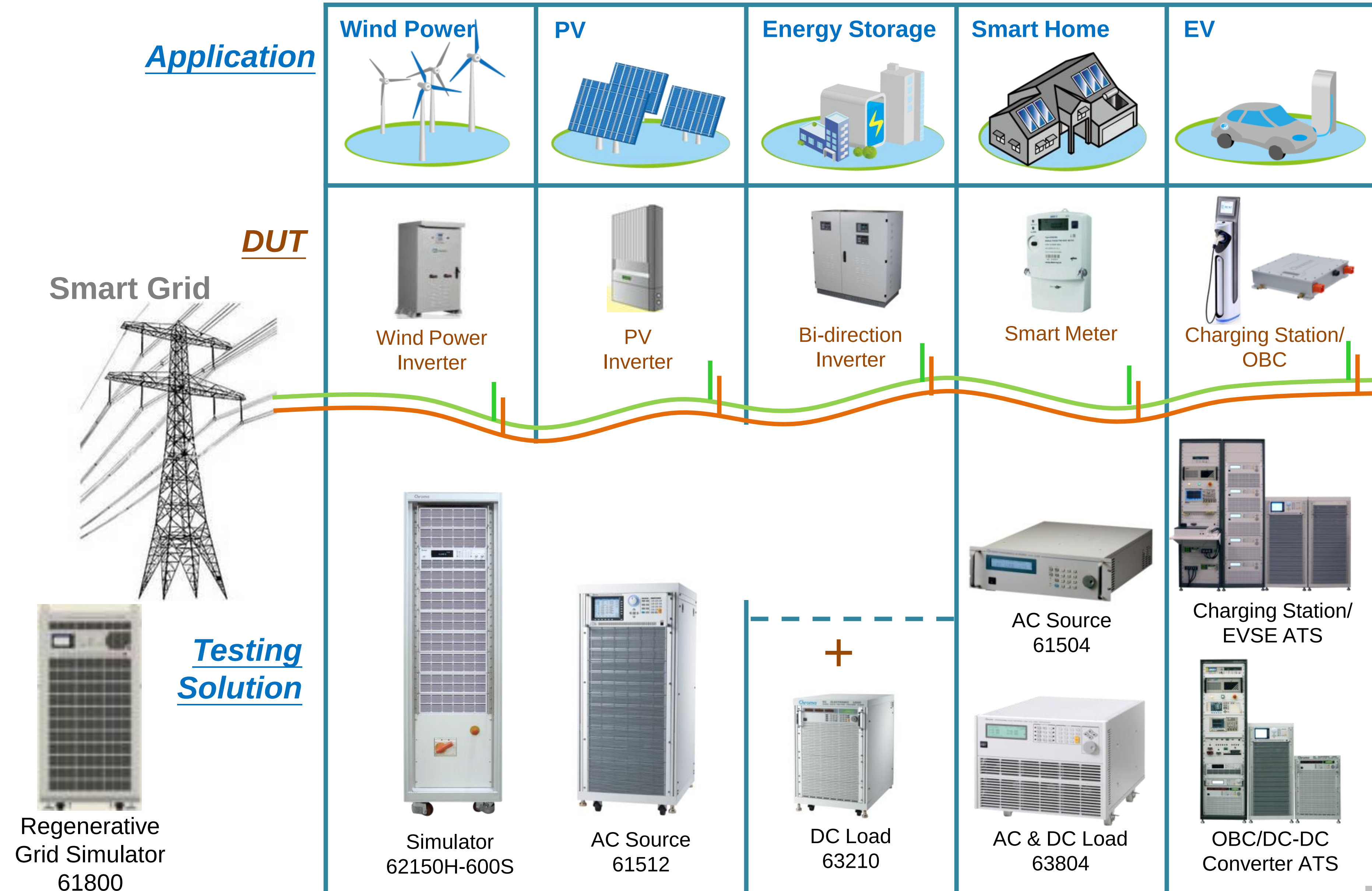
Solar Array / Wind Power Simulator

New

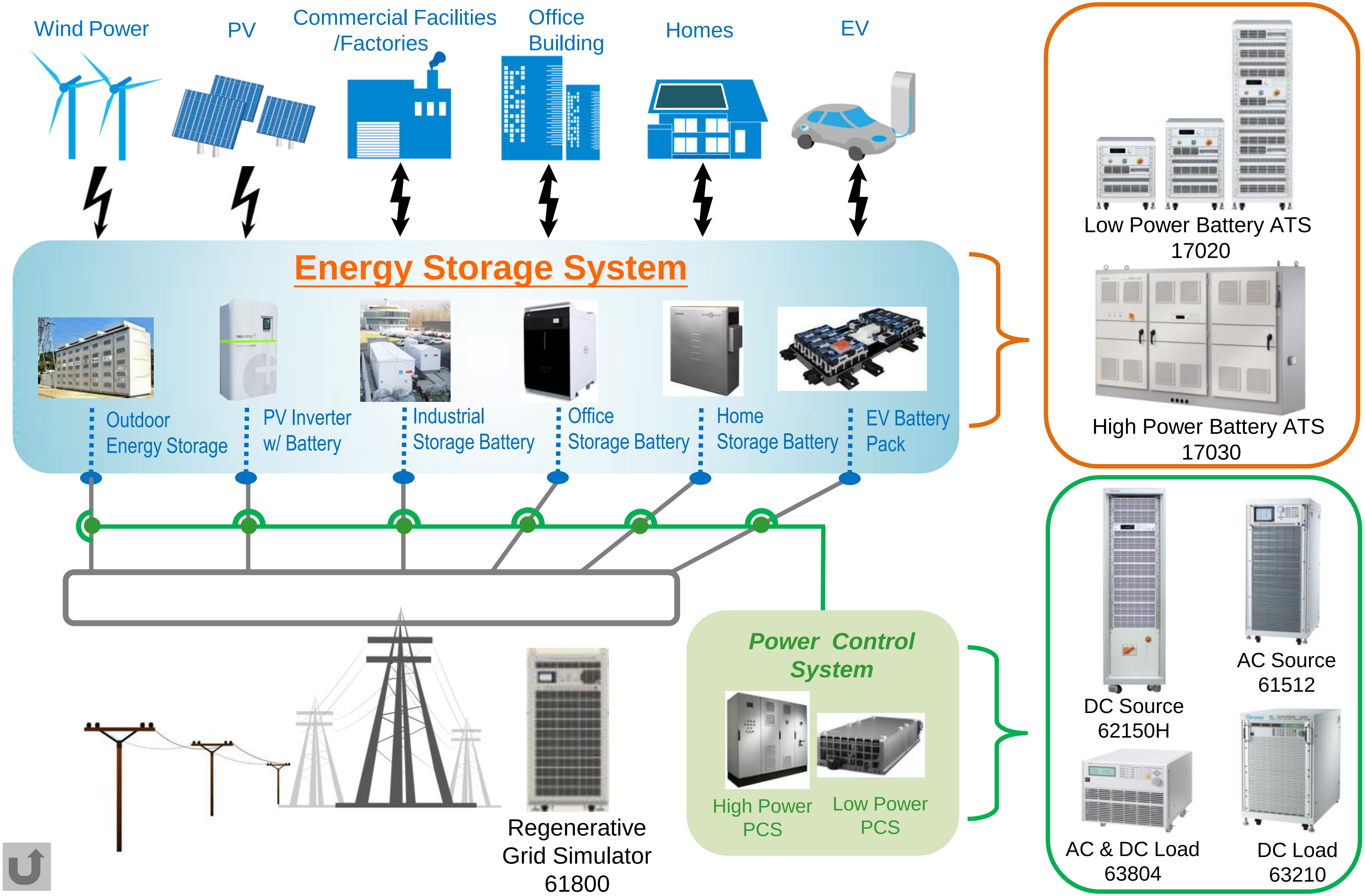
(Model: 62150H-600S)

- Solar array/ Wind power simulator
- Power: 15kW~150kW
- Constant power profile with 3 times capability
- Test for inverter and DC-DC optimizer

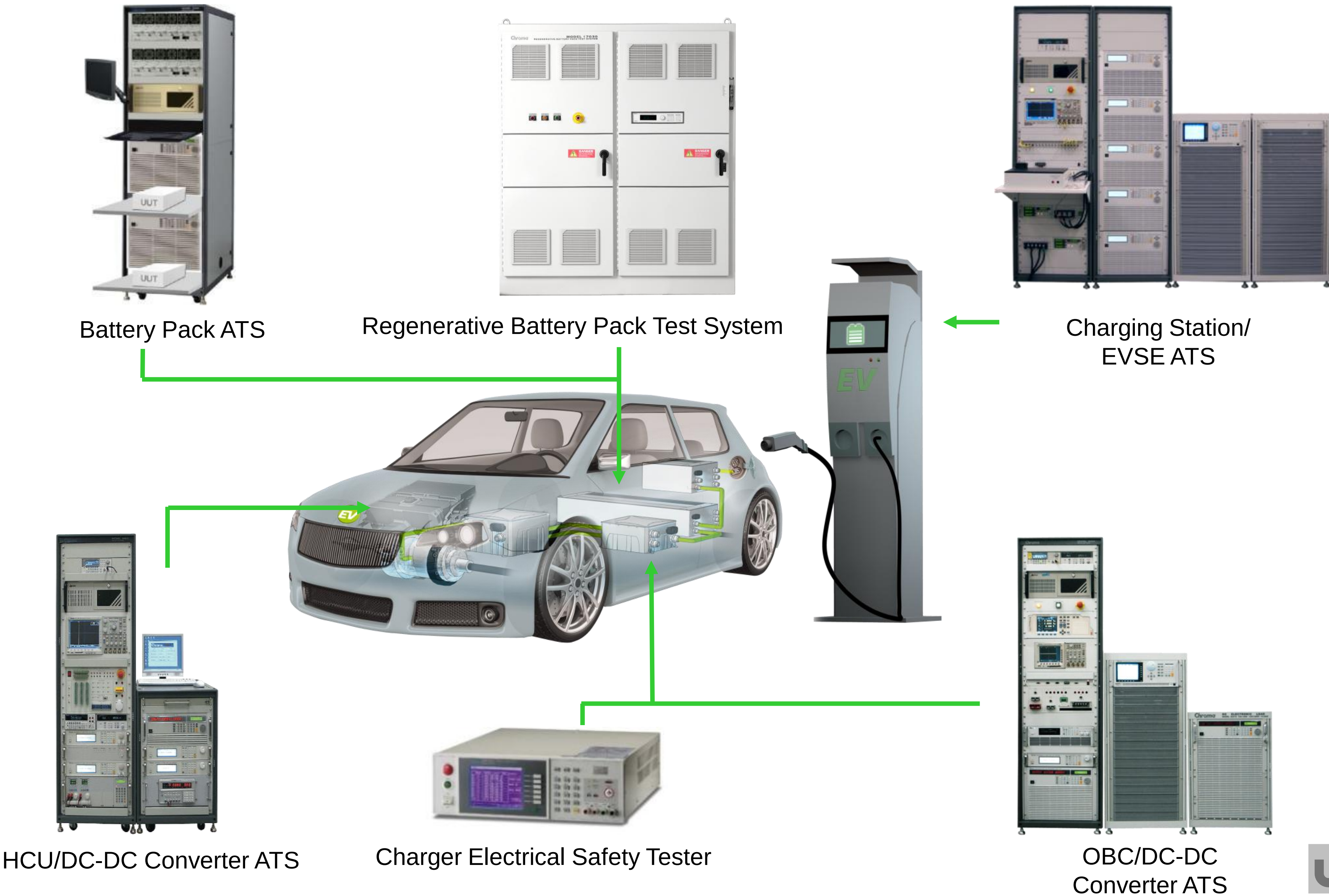
Power Electronics Testing in Smart Grid Application



Power Electronics Testing in Energy Storage Application



Power Electronics Testing in Automotive/EV Application



Innovation in Passive Component & Electrical Safety Test Solution

Inductor Impulse Winding Test System

New Patent

(Model: 19301) (Model: 1871 for production)

- ✓ Semi-Four-Terminals Impulse Winding Test
- ✓ High through-put: Up to 1,000 pcs / min
- ✓ Test inductance range : 0.1uH~100uH
- ✓ Test voltage range : 10V~1000V, sampling resolution 0.25V

Inductor Automatic Test & Packing System

New

(Model: 1870)

- ✓ Test Items :
  - Winding phase
  - Inductance, Q/ACR
  - Winding resistance
- ✓ High output speed: Up to 1,000 pcs / min
- ✓ DUT auto positioning for packing
- ✓ CPK and quality control software

Wound Component EST Analyzer

New

Patent

(Model: 19036)

- ✓First combining impulse tester and hipot analyzer
- ✓Multichannel scanning: Up to 40 channels with patented 4-wire port.
- ✓Test Range: 5kVac/6kVdc; 6kV impulse voltage

New 3380P/3380 VLSI Test system

New

(Model: 3380)

- ✓ **50/100 MHz clock rate**
- ✓ **1280 I/O pins**
- ✓ **Up to 1024 sites parallel testing**
- ✓ **128M Memory**

Hybrid Single Site IC Test Handler

New

(Model: 3110)

- ✓ **Tri Temp ATC capability: -55 ~ 150℃; Resolution: 0.1℃**
- ✓ **System integration with ATE, CIS handler, capture grabbing and light source**
- ✓ **Idea for high-end consumer/commercial and automotive products**

Automatic System Function IC Tester

(Model: 3240-Q)

- ✓ **Best solution for Bluetooth, GSM, WCDMA and LTE**
- ✓ **RF shielding capacity 2.4~5.8 GHz**
- ✓ **High throughput, multi-DUTs capability up to 8 sites**

Innovation in LED/Lighting Test Solution

Double Sided Wafer Chip Inspection System

New

(Model: 7936)

- ✓Applicable for vertical chip and flip chip
- ✓Simultaneous top and back side inspection
- ✓Programmable magnification change

LED Lighting Test Line (for Production)

New Patent

(Model: 5102)

LEDinsde "Aurora Award 2013"
「極光獎2013」

- ✓High speed and low labor cost
- ✓Test LED lamps in steady states
- ✓All in one measurement function

Innovation in PV Test Solution

Solar Wafer Inspection System

(Model: 7200)

- ✓ Applied Wafers: mono/poly/quasi crystalline wafers, both 5” and 6”
- ✓ Inspection Items: 2D geometry, front-side surface, back-side surface, sawmarks
- ✓ UPH: 3000~3600

Solar Cell Quality Classifier

(model: 7210)

- ✓33um/pixel resolution
- ✓Defect and color inspection in the same time
- ✓Real-time illumination monitor
- ✓SPC and defect position analysis software

Innovation in Turnkey Solution

Automation Integration

Test & Measurement Technology

MES

Solutions

- LED Lighting Automatic Assembly & Testing
- Photovoltaic Automatic Testing & Sorting
- Flat Panel Display Burn-in & Testing
- Battery Cell Formation
- IC Automatic Testing & Sorting
- Auto Winding & Testing

Loading → Assembly → AOI → Safety Test → Power Electronics Test → TEC Test & Control → Aging → Final Test → Sorting → Unloading

MES

Assembly & Test Automation

Manufacturing Execution System → Computer Integrated Manufacturing → Equipment Management System → Statistics Process Control System

The World for You & for Me…

Thank You!