

GUC Deutsche Bank Access Taiwan Conference 2013

11/19/2013



Agenda

- Company Introduction
- 3Q13 Financial Results
- Business Update
- Q&A

Corporate Information

- **Established at Hsinchu Science Park, Taiwan, 1998**
- **IPO on TWSE (symbol: 3443), 2006**
- **Largest shareholder TSMC, current share 35%**
- **Audit Committee established by Board of Directors, June 2008**
- **Board Members:**
 - Dr. FC Tseng Chairman; Vice Chairman of TSMC
 - Jim Lai Board Member; President; Former TSMC USA Director
 - Lora Ho Board Member; CFO of TSMC
 - Dr. Cliff Hou Board Member; Vice President, Design and Technology Platform of TSMC
 - KC Shih Board Member; Founder of GUC
 - Benson Liu Independent Director; Former Chairman and CEO of Bristol- Myers Squibb (Taiwan) Ltd.
 - Dr. Chein-Wei Jen Independent Director; Former Director of Institute of Electronics at National Chiao Tung University, Taiwan
 - Dr. Wen-Yeu Wang Independent Director; Ph. D. of the Science of Law, Stanford Law School , Stanford University, Professor of College of Law, National Taiwan University
 - Dr. Peter Wu Independent Director; Former President of National Chiao Tung University, Taiwan

GUC Headquarters & Branches



Global Unichip Headquarters

No. 10, Li Hsin 6th Rd., Hsinchu Science Park,
Hsinchu City 30078, Taiwan

Tel: +886-3-564-6600 Fax: +886-3-564-6000



Global Unichip North America

2700 Zanker Road, Suite 168
San Jose, CA 95134, USA
Tel: +1-408-382-8900
Fax: +1-408-321-8299



Global Unichip Japan

Yokohama Landmark Tower 16F, 2-2-1, Minatomirai,
Nishi-ku, Yokohama 220-8116, Japan
Tel: +81-45-222-8256
Fax: +81-45-222-8259



Global Unichip Taipei

8F, No. 246, Sec. 1, Neihu Rd., Neihu Dist.,
Taipei City 11493, Taiwan
Tel: +886-2-8797-5658
Fax: +886-2-8797-5655

GUC Branches

Global Unichip Korea

#423 G-five Central plaza 1685-8
Seocho-Dong, Seocho-Ku,
Seoul, 137-070, Korea
TEL: +82-2-553-3842
FAX: +82-2-553-3846



Global Unichip China

Unit 1806, Hong Yi Plaza, No.288, Jiu
Jiang Rd., Huangpu District, Shanghai
200001, China
TEL: +86-21-3366-5868
FAX: +86-21-3366-5878

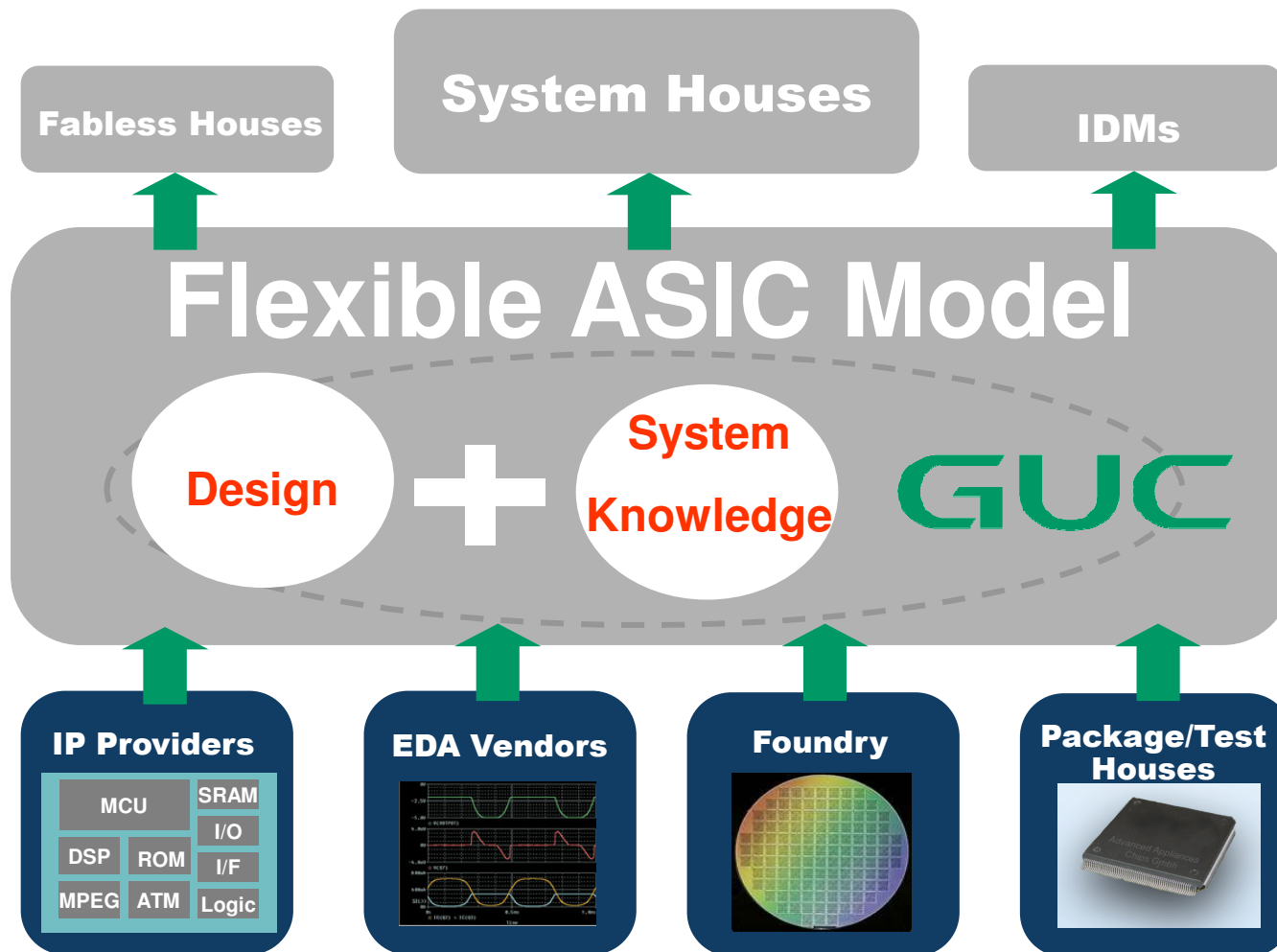


Global Unichip Europe B.V.

Van Leijenberghlaan 232,
1082 DC Amsterdam,
The Netherlands
TEL: +31-20-7184888
FAX: +31-20-7184889



Flexible ASIC Model



GUC's Flexible ASIC Services

Customer Requirements



**Customer
Finished
Good**

SoC Integration

- Complete IP/LIB Portfolio
- IP Customization
- Domain IP Integration
- ARM Total Solution
- SoC Design

Implementation Methodologies

- Advanced Technology - 40/28 nm
- High Gate Count Design
- PPA Optimization
- Design for Test (DFT)
- Design for Manuf. (DFM)

Integrated Manufacturing

- Package Engineering
- Test Engineering
- Product Engineering
- Quality and Reliability Engineering
- Supply Chain Management

SoC Integration

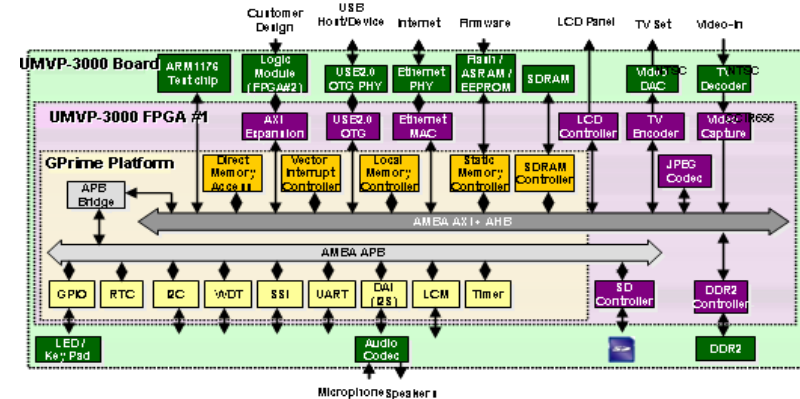
Complete IP/LiB Portfolio
Internal & 3rd Parties IP

IP Customization
IO, Mixed Signal

Domain IP Integration
Chip+Package+PCB Co-design

ARM Total Solution
ARM9/11/Cortex

SoC Design
Specific Platform-based Design Focus



- GUC in-house high speed interface & mixed signal IP
- Partnership with 3rd parties IP vendors
- ARM/CPU core hardening service & total solution
- ARM based development platform available
- Specific domain IP for spec-in design service

Implementation Methodologies

Advanced Technology

TSMC 65nm/40nm/28nm

High Gate Count Design

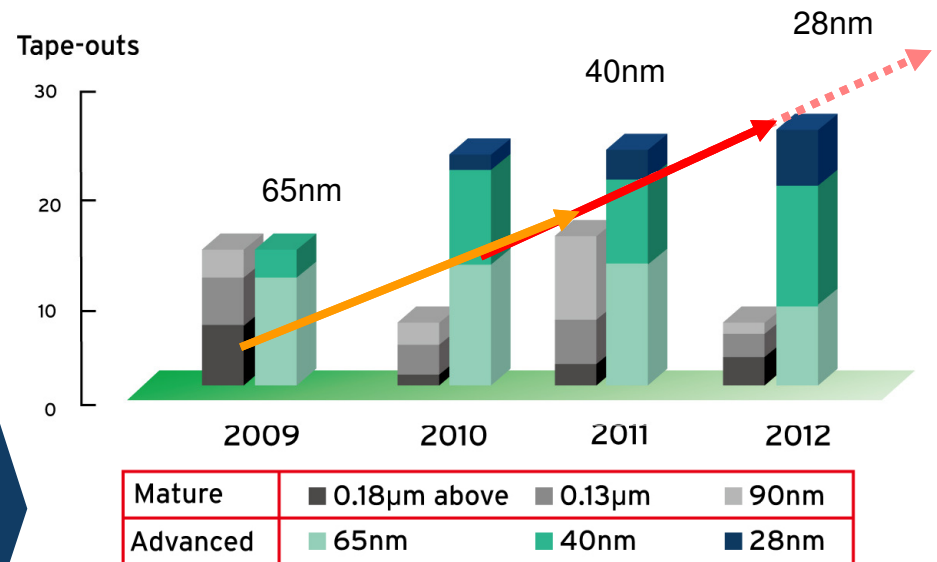
100+M Gate Designs, GHz Timing Closure

PPA Optimization

Low Power, High Performance, Small Area

Design for Test (DFT)

Design for Manufacturing (DFM)



- TSMC 40nm mass production
- TSMC 28nm design momentum
- TSMC 20nm test chip in 2012
- Excellent yield and reliability
- 500+ projects production proven

Integrated Manufacturing Service

Package Engineering

Package Design & Simulation, SiP, IPD

Test Engineering

Test Program Dev., Debug, Hardware

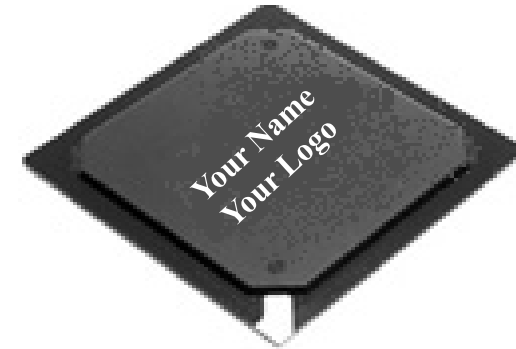
Product Engineering

NPI, Characterization, Yield, FA

Quality & Reliability Engineering

Supply Chain Management

Planning, Logistics



- Ship over 32M units annually
- Design over 60 packages annually
- Develop over 30 total test solutions annually
- Complete over 30 qualification services annually
- Deliver over 17M SiP units cumulatively

P10

3Q13 Consolidated Result Highlights

Unit: NT\$M

	3Q13	2Q13	3Q12
Net Sales	1,954	1,290	2,918
Net Income	36	19	199
EPS (NT\$)	0.27	0.14	1.48
Total Assets	4,955	5,093	5,577
Total Liabilities	1,711	1,884	2,204
Total Equity	3,244	3,209	3,373
ROE (%) (1)	1.14	0.55	6.07

(1) Quarterly net income divided by average equity

P11

Consolidated Statements of Comprehensive Income

Selected Items from Consolidated Statement of Comprehensive Income

Unit: NT\$M

	3Q13	QoQ	2Q13	3Q12	YoY
Net Sales	1,954	51%	1,290	2,918	-33%
NRE	275	-10%	305	468	-41%
Turn Key	1,619	67%	968	2,421	-33%
Others	60	253%	17	29	107%
Gross Margin	357	14%	314	596	-40%
%	18.3%		24.3%	20.4%	
SG&A Exp	(116)	7%	(108)	(140)	-17%
R&D Exp	(200)	7%	(187)	(228)	-12%
Operating Income	41	116%	19	228	-82%
%	2.1%		1.5%	7.8%	
Non-Operating Items	3		4	0	
Income Tax	(8)		(4)	(29)	
Net Income	36	89%	19	199	-82%
%	1.8%		1.5%	6.8%	
EPS (NT\$)	0.27		0.14	1.48	

P12

Consolidated Statements of Comprehensive Income

Unit: NT\$M

	2010		2011		2012		2013 1Q-3Q	
	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	10,271	24% *	9,147	-11% *	9,014	-1% *	4,451	-34% *
NRE	1,995	19%	1,629	18%	1,870	21%	946	21%
Turn Key	7,982	78%	7,323	80%	7,056	78%	3,407	77%
Others	294	3%	195	2%	88	1%	98	2%
Gross Margin	1,993	19.4%	1,906	20.8%	2,071	23.0%	1,079	24.2%
SG&A Exp	(453)	-4%	(444)	-5%	(491)	-5%	(333)	-7%
R&D Exp	(955)	-9%	(882)	-10%	(870)	-10%	(590)	-13%
Operating Income	585	5.7%	580	6.3%	710	7.9%	156	3.5%
Non-Operating Items	79	0.8%	32	0.4%	(4)	-0.1%	20	0.5%
Income Tax	(59)	-0.6%	(85)	-0.9%	(93)	-1.0%	(30)	-0.7%
Net Income	605	5.9%	527	5.8%	613	6.8%	146	3.3%
EPS (NT\$)	4.56		3.94		4.58		1.09	

* YoY revenue growth rate

Note: 2010 and 2011 were under R.O.C GAAP



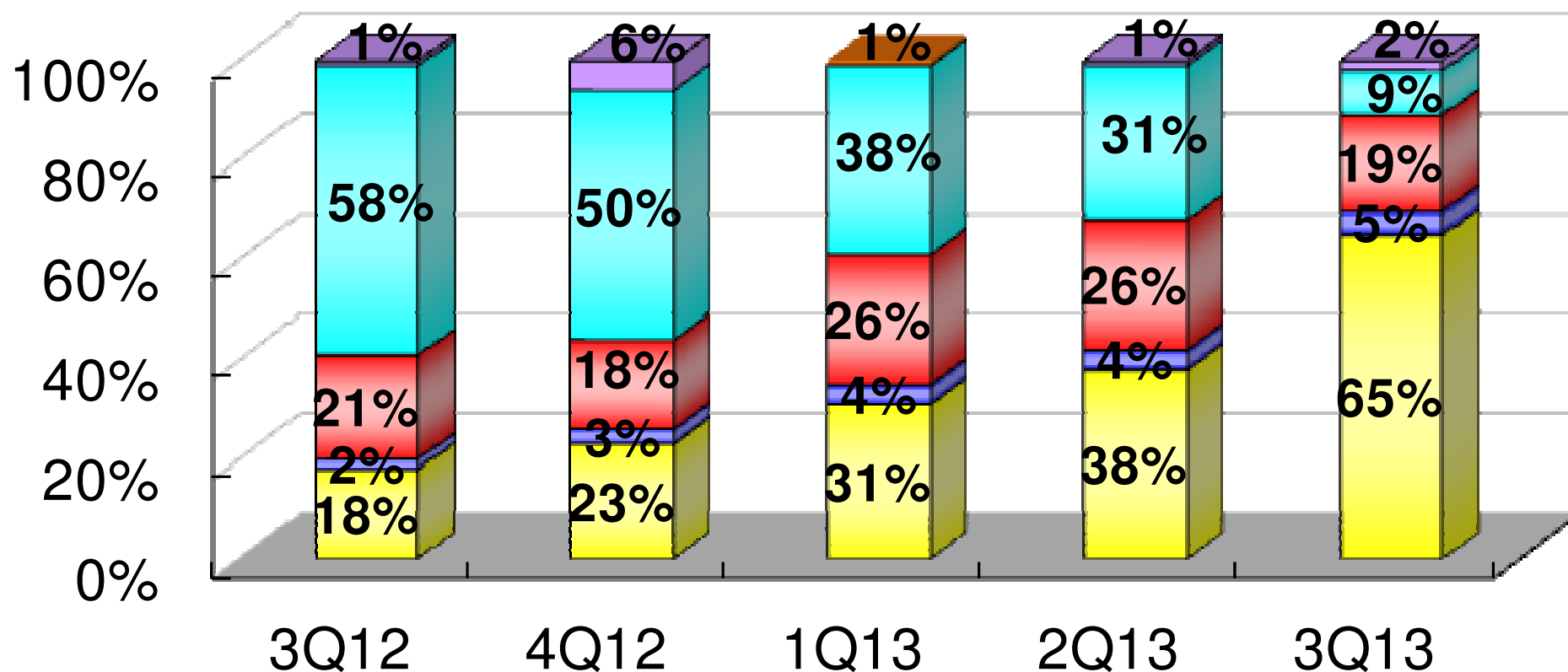
Business Update

3Q13 Business Review

- NRE revenues from advanced technologies accounted for 61% of 3Q13 NRE revenues, down 33 percentage points YoY.
- Turnkey revenues from advanced technologies accounted for 28% of 3Q13 Turnkey revenues, down 53 percentage points YoY.
- Total revenues from advanced technologies accounted for 35% of 3Q13 revenues, down 47 percentage point YoY.
- Candence solutions enable successfully tape out of 20-nanometer SoC test chip by GUC.
- *Please visit GUC's website (<http://www.guc-asic.com>) for details.

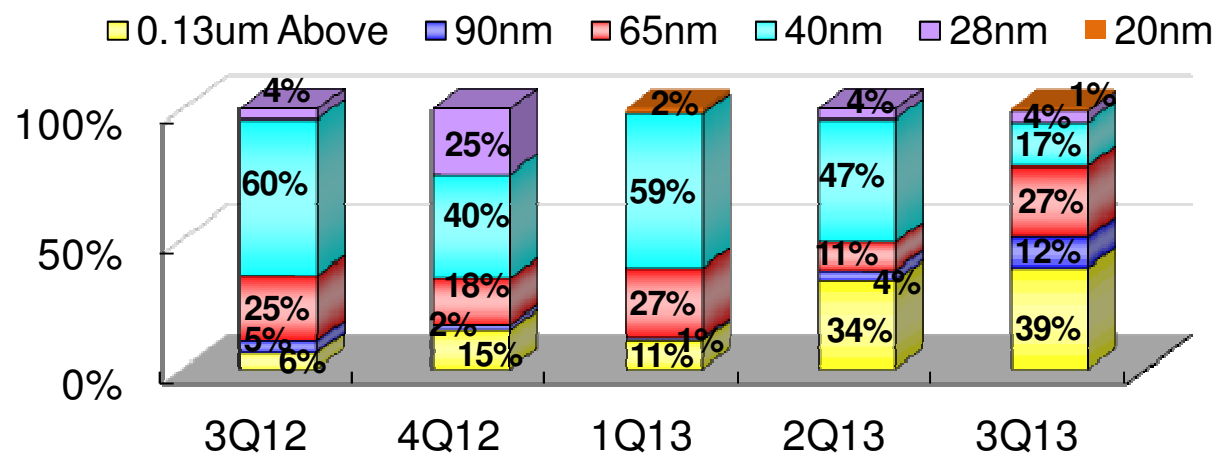
Quarterly Sales Breakdown by Technology

0.13um Above 90nm 65nm 40nm 28nm 20nm

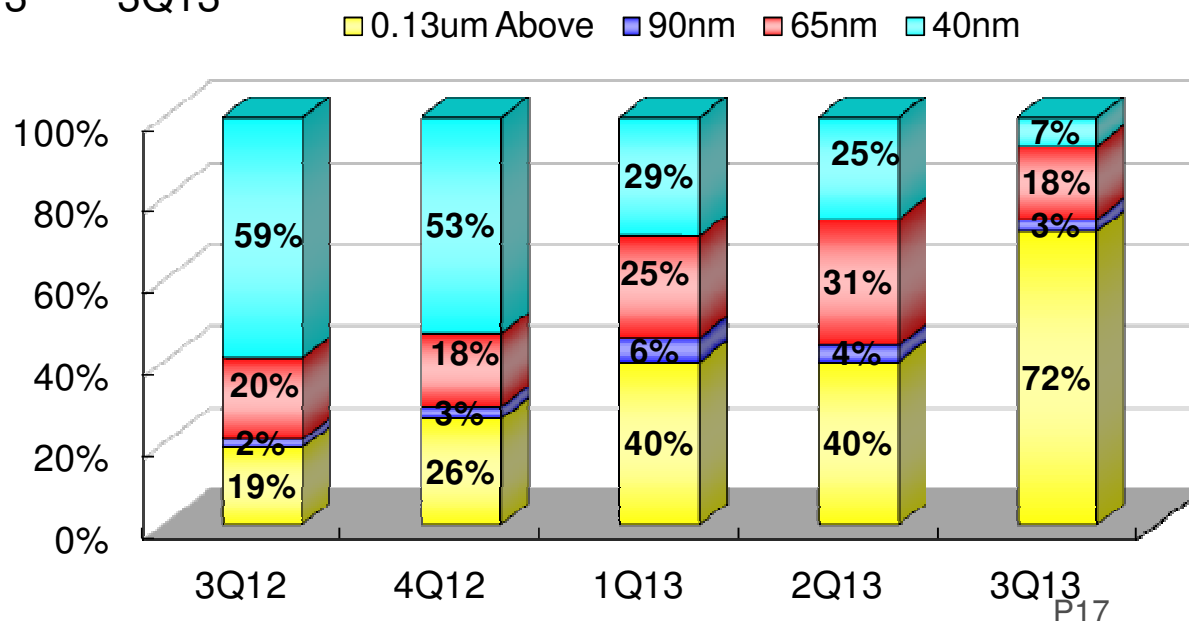


Quarterly Sales Breakdown by Technology

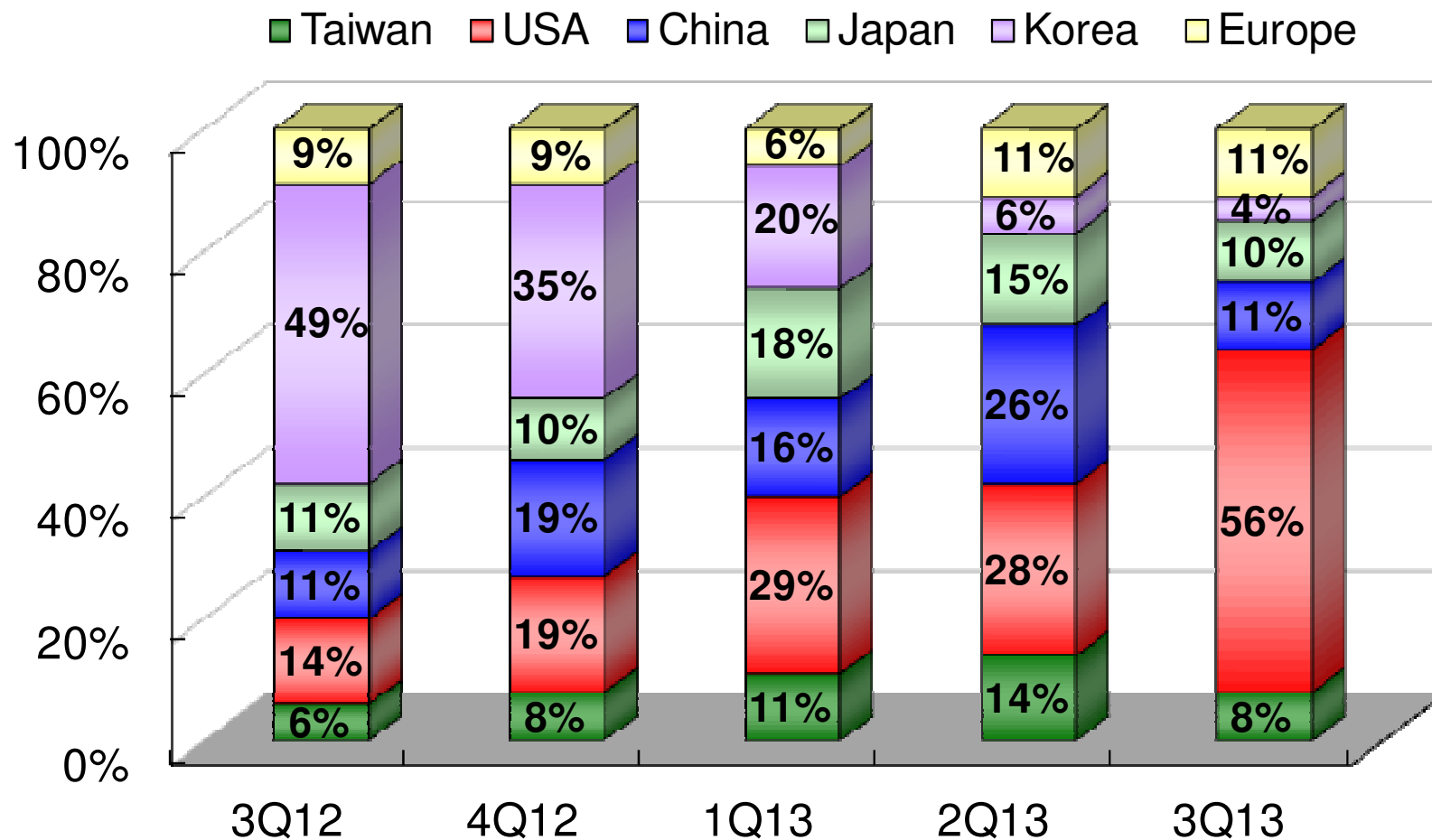
NRE



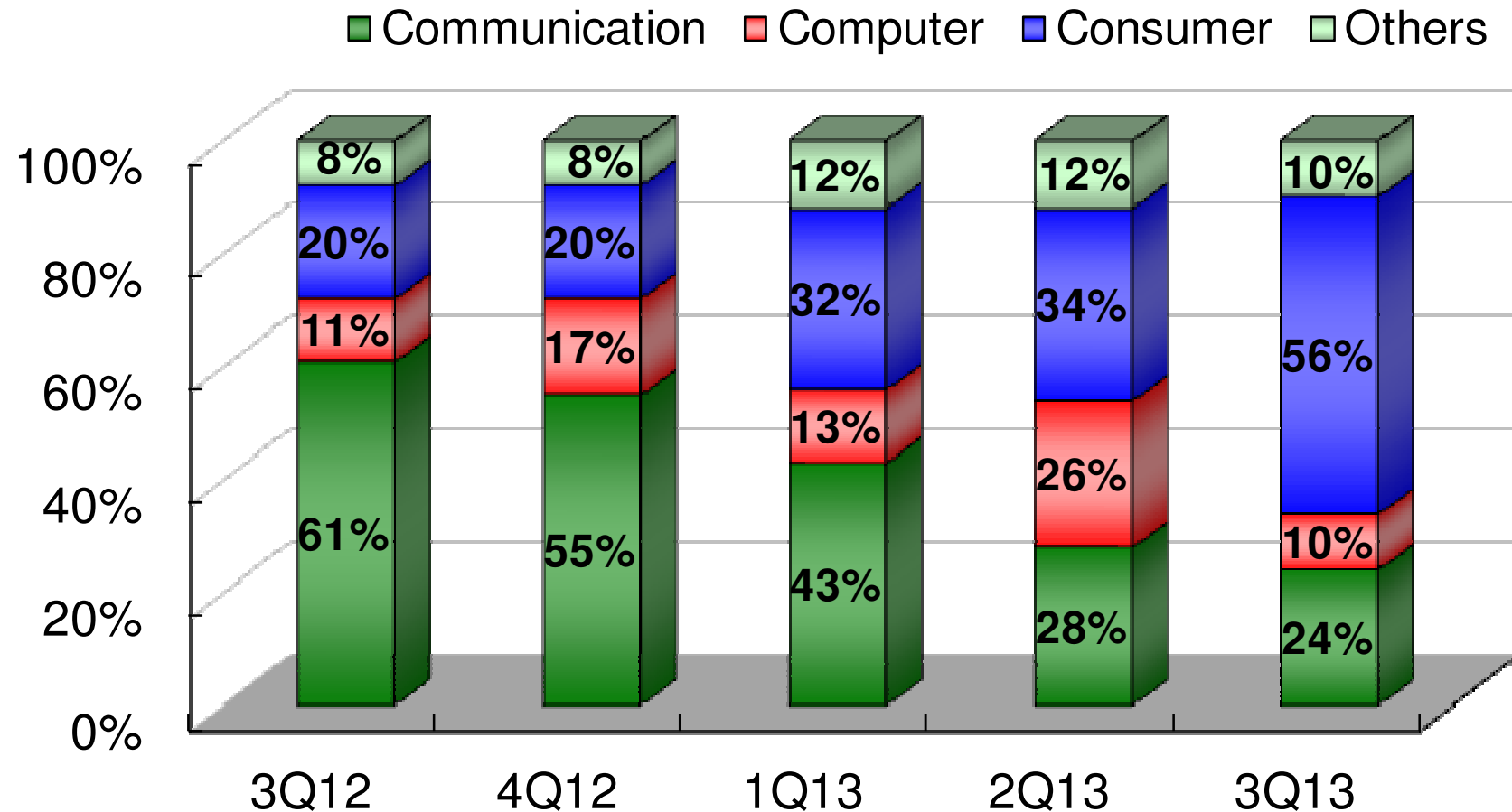
Turnkey



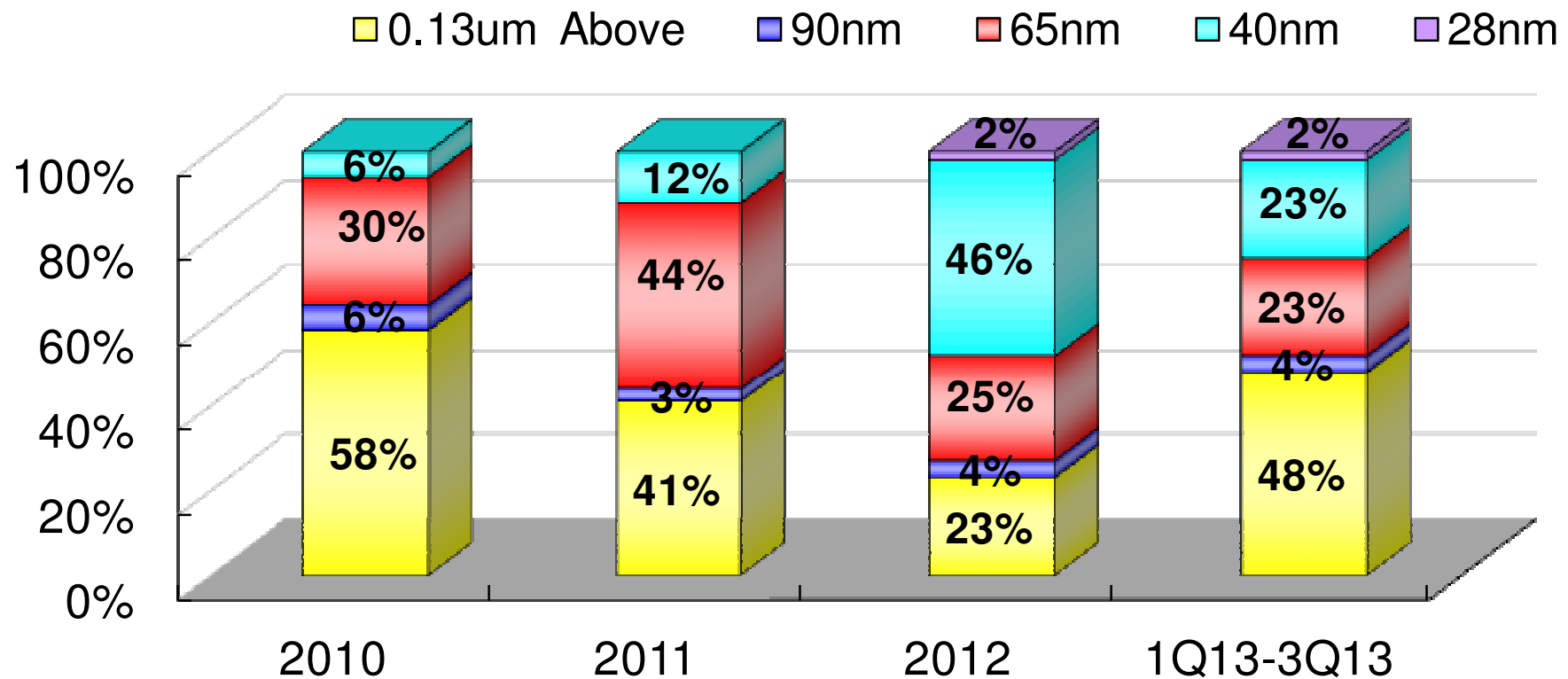
Quarterly Sales Breakdown by Region



Quarterly Sales Breakdown by Application

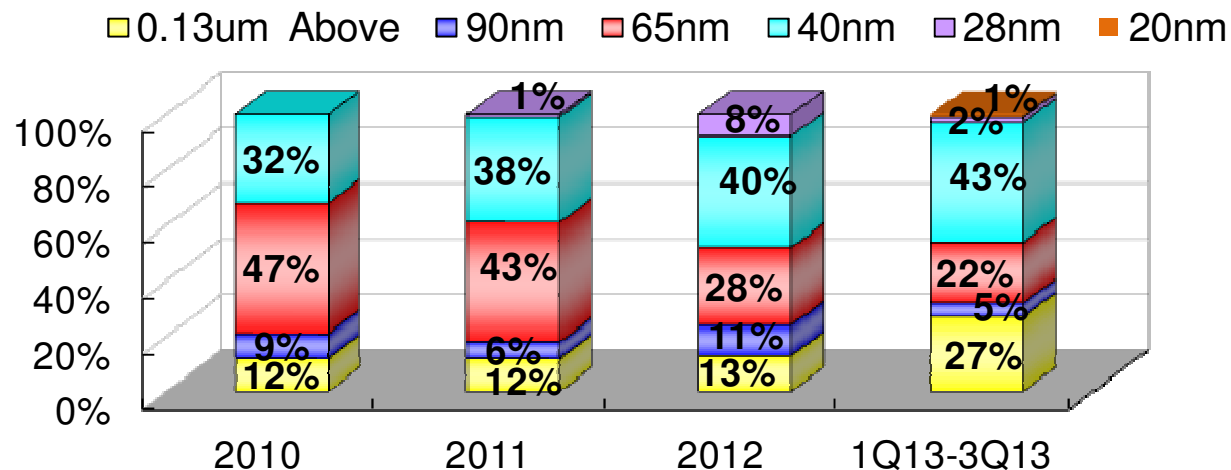


Yearly Sales Breakdown by Technology

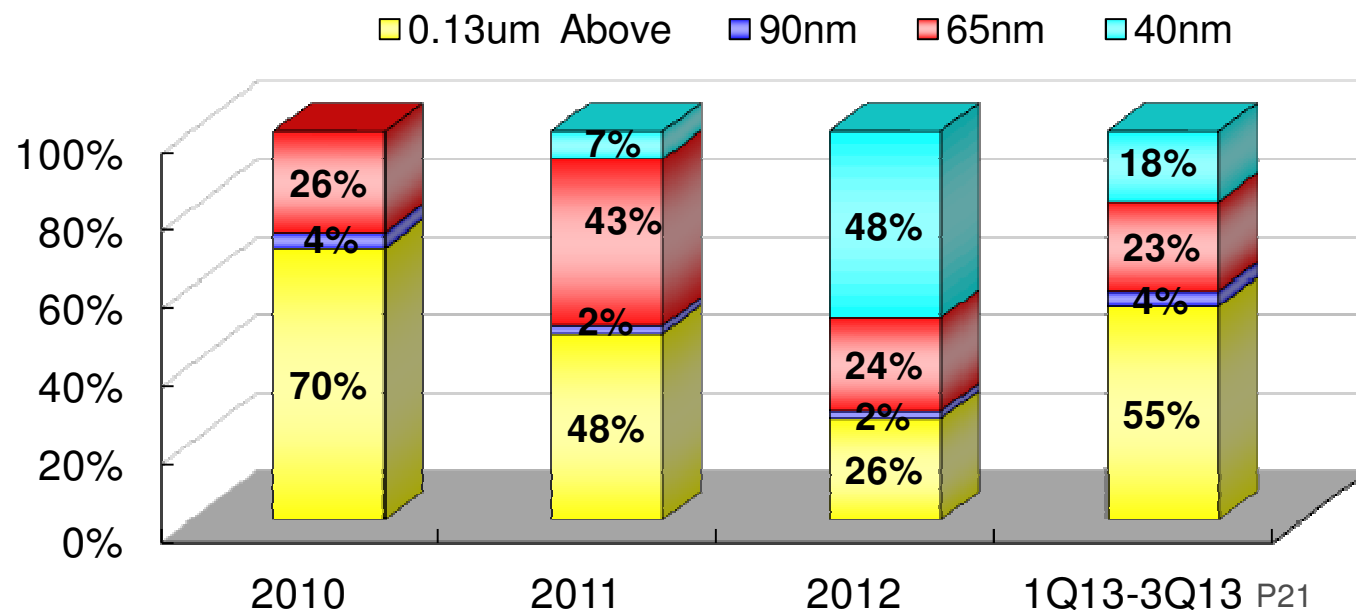


Yearly Sales Breakdown by Technology

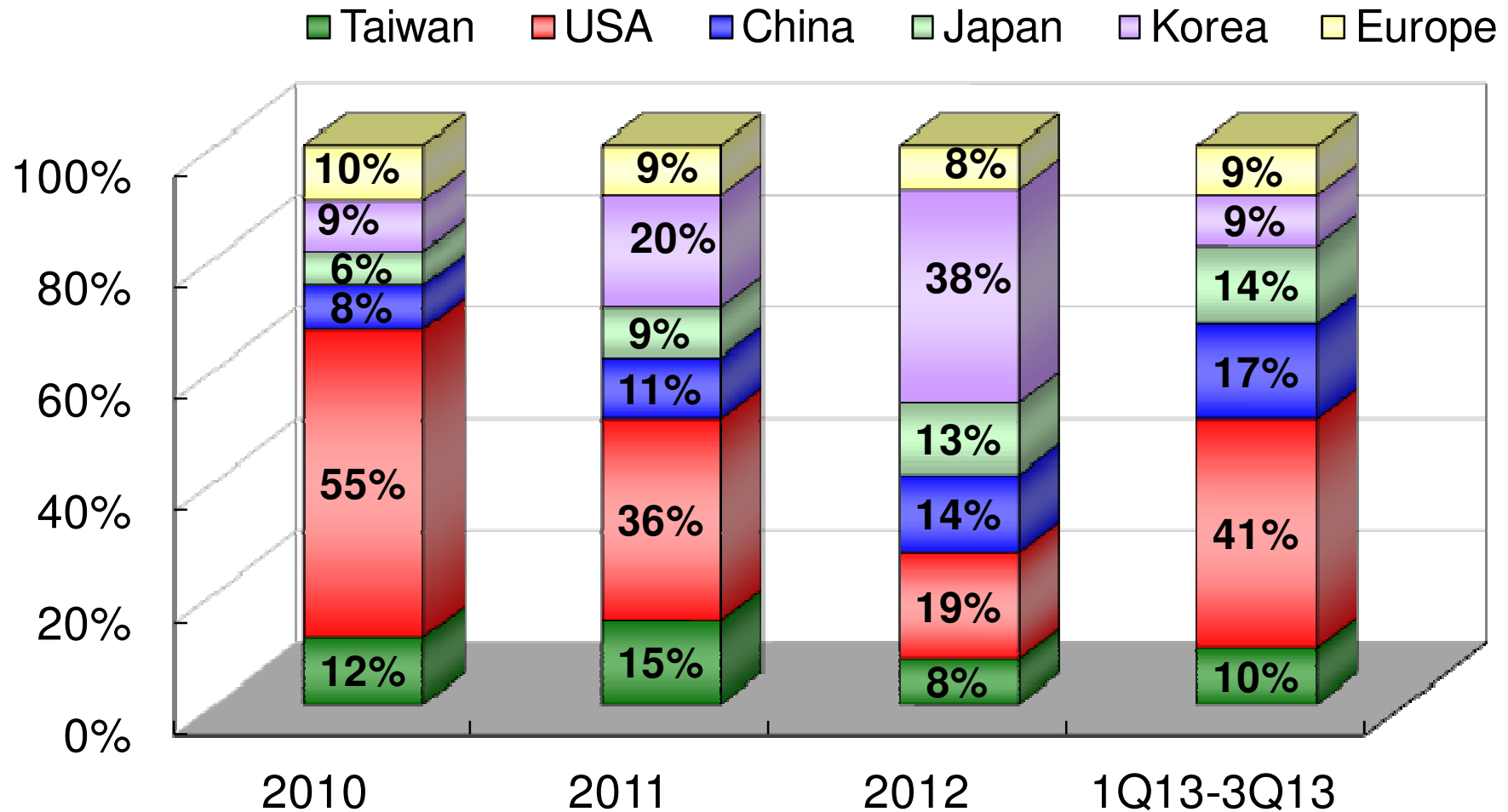
NRE



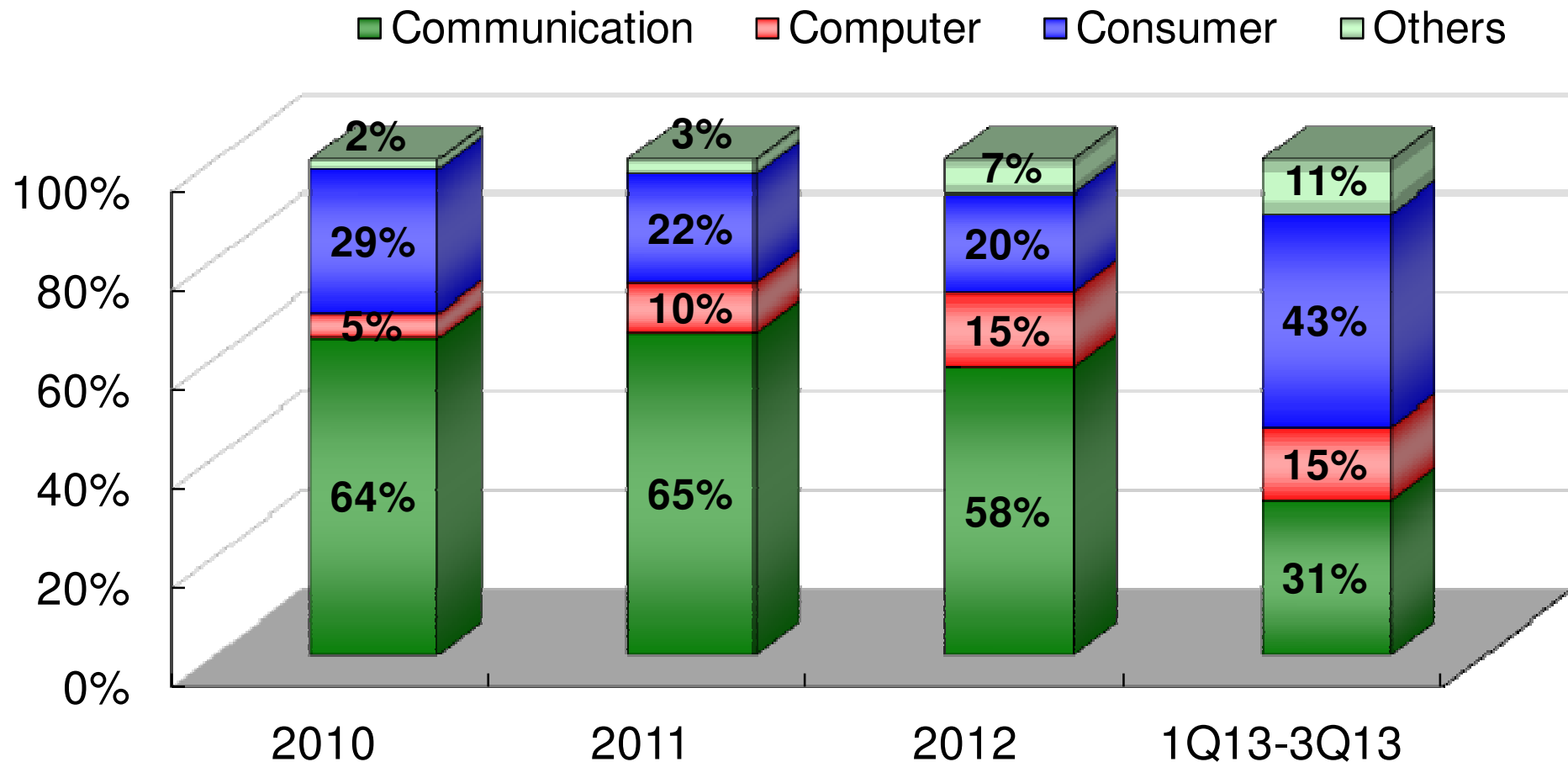
Turnkey



Yearly Sales Breakdown by Region



Yearly Sales Breakdown by Application



Thank you !



www.guc-asic.com