WPG Holdings Ltd.
(3702.TT/3702.TW)
3Q13 Earning Release

Oct. 31th, 2013

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, beginning on January 1, 2013, any financial information contained here within is presented in conformity with TIFRS (International Financial Reporting Standards as endorsed for use in R.O.C.). We have historically presented our consolidated financial statements in accordance with ROC GAAP, including our consolidated financial statements for the year ended December 31, 2012. Consequently, the selected comparison financial information to be included in our quarterly earning releases in 2013 may differ materially from those released historically.

- 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** — **Kathryn Chen**
- **3Q13 Financial Highlights & 4Q13 Outlook** — **Cliff Yuan**
- **Q&A** — **Simon Huang/ Scott Lin/ Cliff Yuan**

Result Highlights

Unit:NT$million

item	3Q13	3Q13 Guidance	2Q13	3Q12	*QoQ(%)*	*YoY(%)*
Net Sales	107,757	105~110B	100,651	98,340	7.1	9.6
Gross Margin	4.65%	*4.6% ~ 4.8%*	4.78%	5.00%	-13 bp	-35 bp
Operating Expenses	(3,228)		(3,122)	(3,041)	3.4	6.2
Operating Income	1,779		1,689	1,875	5.4	(5.1)
Operating Margin	1.65%	*1.65% ~ 1.85%*	1.68%	1.91%	-3 bp	-26 bp
Net Income	1,334		1,377	1,386	(3.2)	(3.7)
EPS (NT$)(1)	0.81		0.83	0.84		
Net Book Value (NT$)(1)	23.26					
Total Assets	137,451		132,239	125,629		
Total Liabilities	98,870		94,469	88,149		
Total Equity	38,581		37,770	37,479		
Net Working Capital	68,762		66,191	60,811		
Free Cash Flow	(1,331)		(3,259)	(496)		
KEY Indices(2)						
ROWC	*10.3%*		*10.2%*	*12.3%*	+14 bp	-198 bp
NWC/Sales	*0.16*		*0.16*	*0.15*		
ROE	*13.9%*		*14.5%*	*14.9%*	-61 bp	-97 bp
Gearing	1.10		0.97	0.92		

(1).Weighted average shares outstanding

(2).Annualized

Unaudited, Prepared by WPG based on TIFRS.

Income Statements

Unit:NT$million

Item	3Q13	2Q13	QoQ(%)	3Q12	YoY(%)
Net operating Revenue	107,757	100,651	*7.1*	98,340	*9.6*
COGS	(102,749)	(95,841)	*7.2*	(93,424)	*10.0*
Gross Profit	5,007	4,810	*4.1*	4,916	*1.9*
Gross Margin	*4.65%*	*4.78%*		*5.00%*	
Operating Expenses	(3,228)	(3,122)	*3.4*	(3,041)	*6.2*
Operating Income	1,779	1,689	*5.4*	1,875	*(5.1)*
Operating Margin	*1.65%*	*1.68%*		*1.91%*	
Net Non-operating Items	(178)	14	*NM*	(225)	*(20.9)*
Net Financing costs	(232)	(193)	*19.7*	(230)	*0.5*
Others	54	208		5	
Profit Before Tax/Minority	1,601	1,703	*(6.0)*	1,650	*(3.0)*
Tax	(266)	(325)	*(18.0)*	(263)	*1.0*
Minority/Accounting Principle Change	(1)	(1)		(1)	
Profit After Tax/Minority	1,334	1,377	*(3.2)*	1,386	*(3.7)*
Net Margin	*1.24%*	*1.37%*		*1.41%*	
EPS (NTD)(1)	0.81	0.83		0.84	
Tax %	17%	19%		16%	

(1).Weighted average shares outstanding

Unaudited, Prepared by WPG based on TIFRS.

Balance Sheet

Unit:NT$million	3Q13		2Q13		3Q12	
item	*Amount*	%	*Amount*	%	*Amount*	%
Cash & Marketable Securities	8,324	*6*	8,442	*6*	8,528	*7*
Accounts Receivable - Trade	69,370	*50*	66,130	*50*	60,972	*49*
Inventory	40,194	*29*	39,053	*30*	36,723	*29*
Current Assets	123,094	*90*	117,947	*89*	112,360	*89*
Others	14,357	*10*	14,291	*11*	13,269	*11*
Total Assets	**137,451**	***100***	**132,239**	***100***	**125,629**	***100***
Current Interest-bearing Debt	48,029	*35*	39,975	*30*	40,526	*32*
Accounts Payble	40,802	*30*	38,992	*29*	36,885	*29*
Accrued Liabilities and Others	5,439	*4*	8,978	*7*	5,472	*4*
Current Liabilities	94,270	*69*	87,945	*67*	82,883	*66*
Long-term Interest-bearing Debt	3,729	*3*	5,659	*4*	4,513	*4*
Others	871	*1*	865	*1*	753	*1*
Total Liabilities	**98,870**	***72***	**94,469**	***71***	**88,149**	***70***
Total Equity	**38,581**	***28***	**37,770**	***29***	**37,479**	***30***
KEY Indices(1)						
Net Working Capital ($)	68,762		66,191		60,811	
AR Turnover (Days)	*57*		*58*		*54*	
Inventory Turnover (Days)	*35*		*36*		*37*	
AP Turnover (Days)	*35*		*36*		*36*	
Average Collection Periods (Days)	*57*		*57*		*56*	
Current Ratio	*131%*		*134%*		*136%*	
Gearing Ratio	*1.10*		*0.97*		*0.92*	

(1).Annualized

Cash Flows

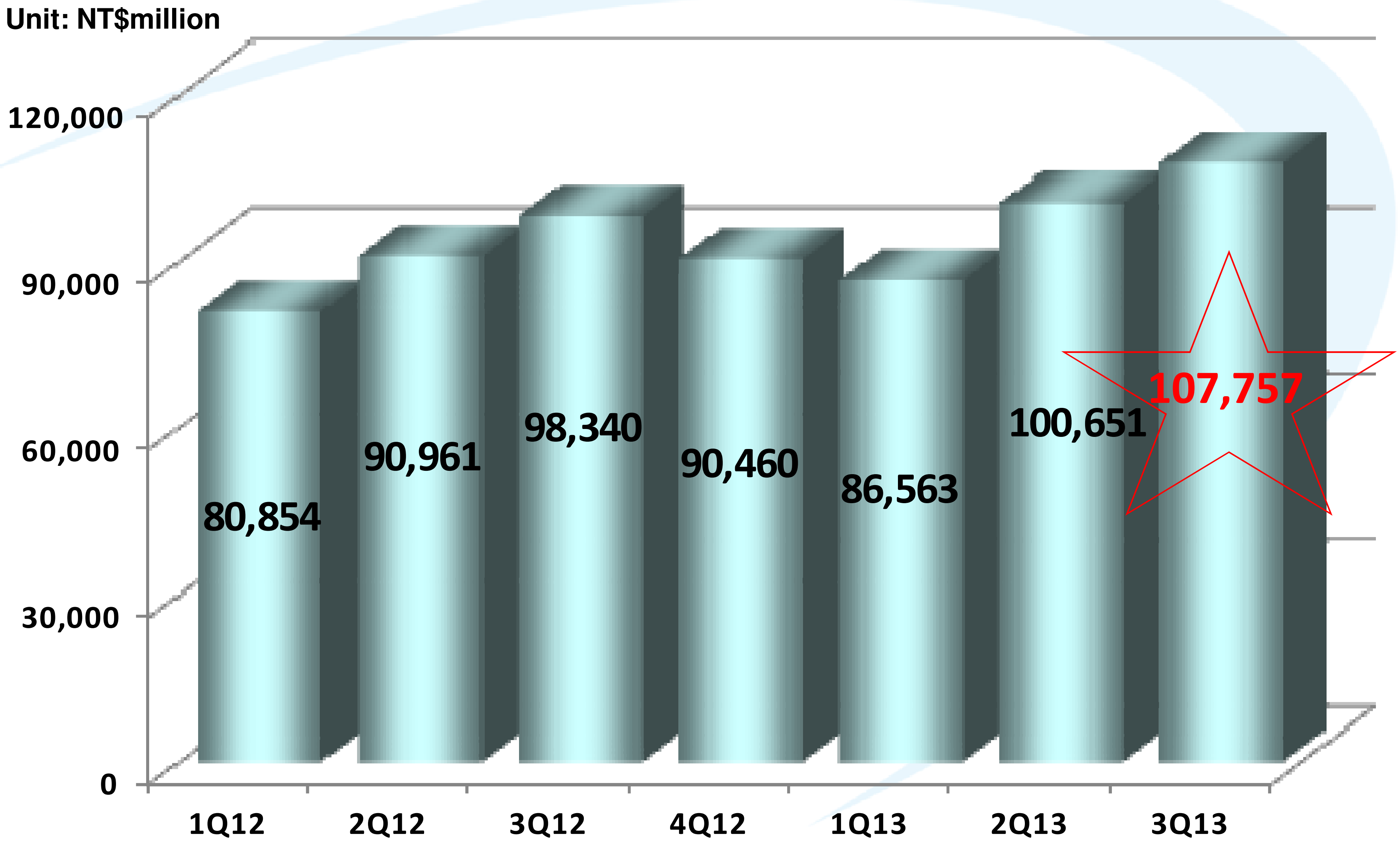
Unit:NT$million

item	3Q13	2Q13	3Q12
-Income before Income Tax(1)	1,601	1,703	1,650
-Changes of NWC	(2,442)	(5,730)	1,615
-Adjustment & Others	(489)	769	(3,761)
From Operation	**(1,331)**	**(3,259)**	**(496)**
-Financial Instrument	(48)	298	436
-Capital Expenditure	(218)	(131)	(492)
-Effect on changes of consolidated subsidiaries	(4)	-	-
-Others	(155)	149	(318)
From Investment	**(425)**	**316**	**(373)**
-Financial Debt	6,124	3,421	6,228
-Cash Dividends	(3,974)	-	(4,305)
-Others	0	(0)	(32)
From Financing	**2,150**	**3,421**	**1,891**
Cumulative translation adjustments	**(512)**	**219**	**(694)**
Net Cash Position Change	**(117)**	**697**	**328**
Ending Cash Balance	**8,310**	**8,427**	**8,476**

(1).Minority interest is included.

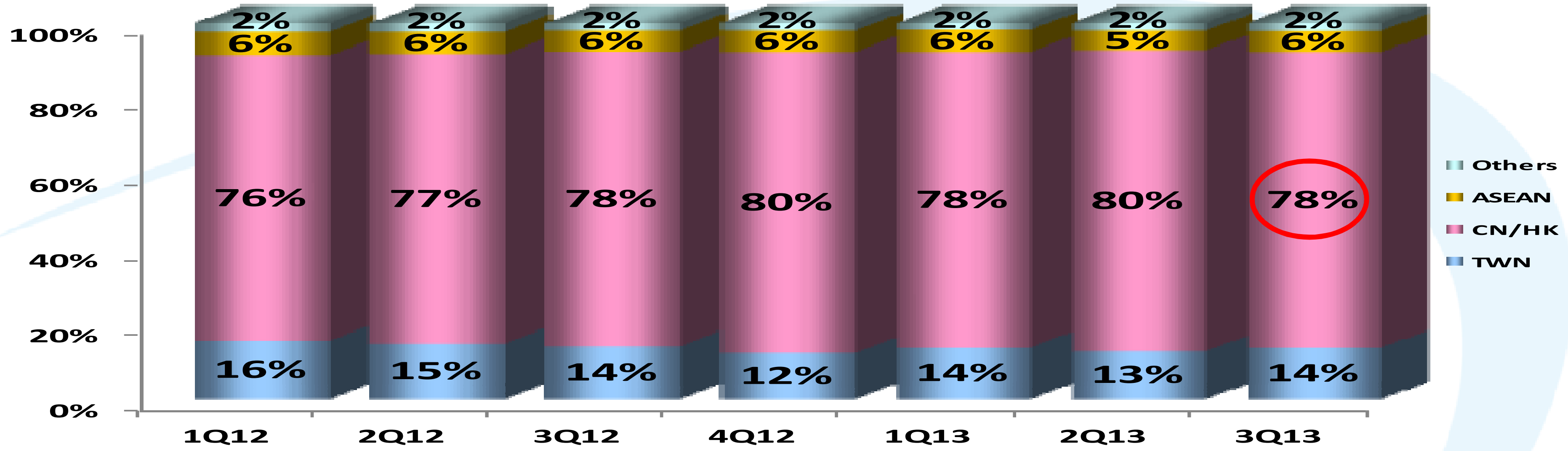
Unaudited, Prepared by WPG based on TIFRS.

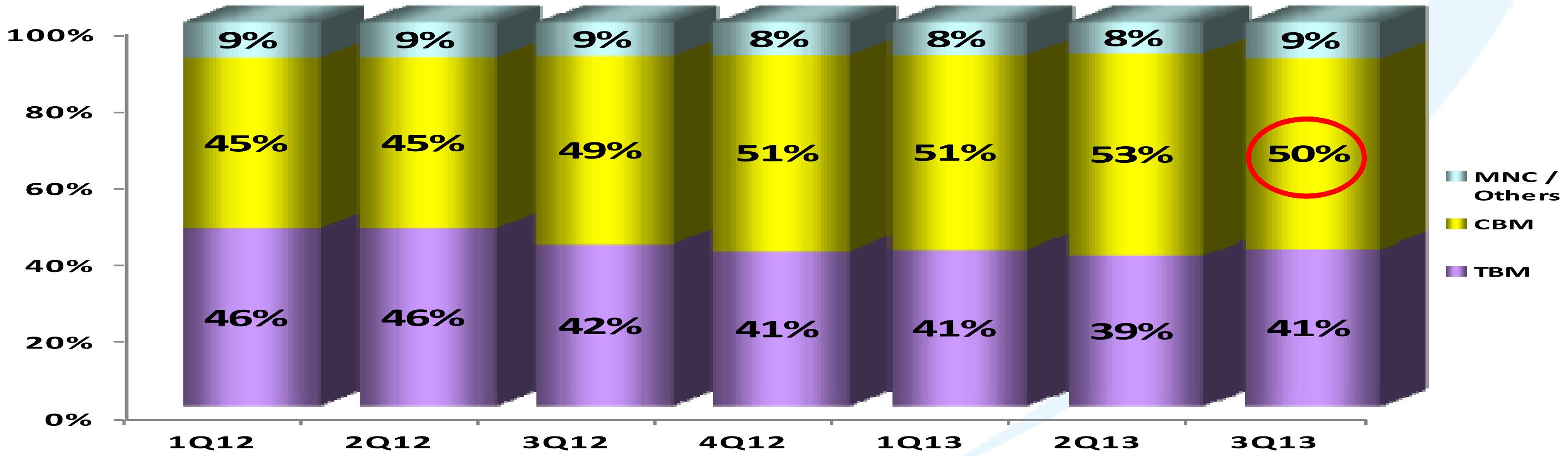
Consolidated Revenue



Unaudited, Prepared by WPG based on TIFRS.

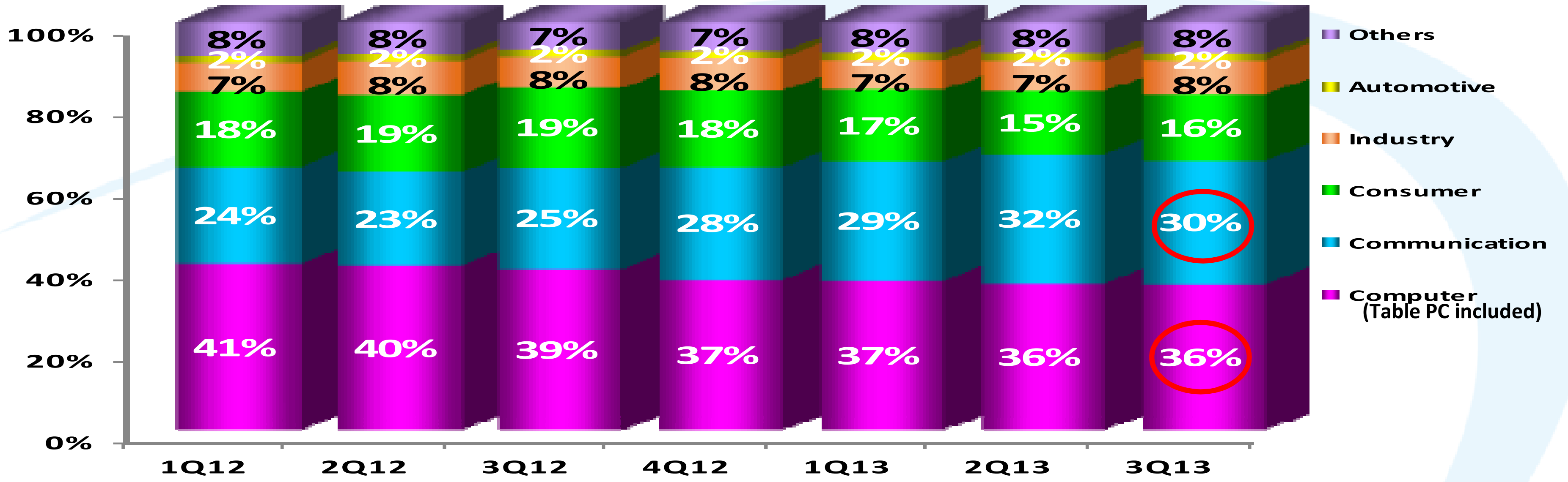
Sales breakdown by Geography/ Customer

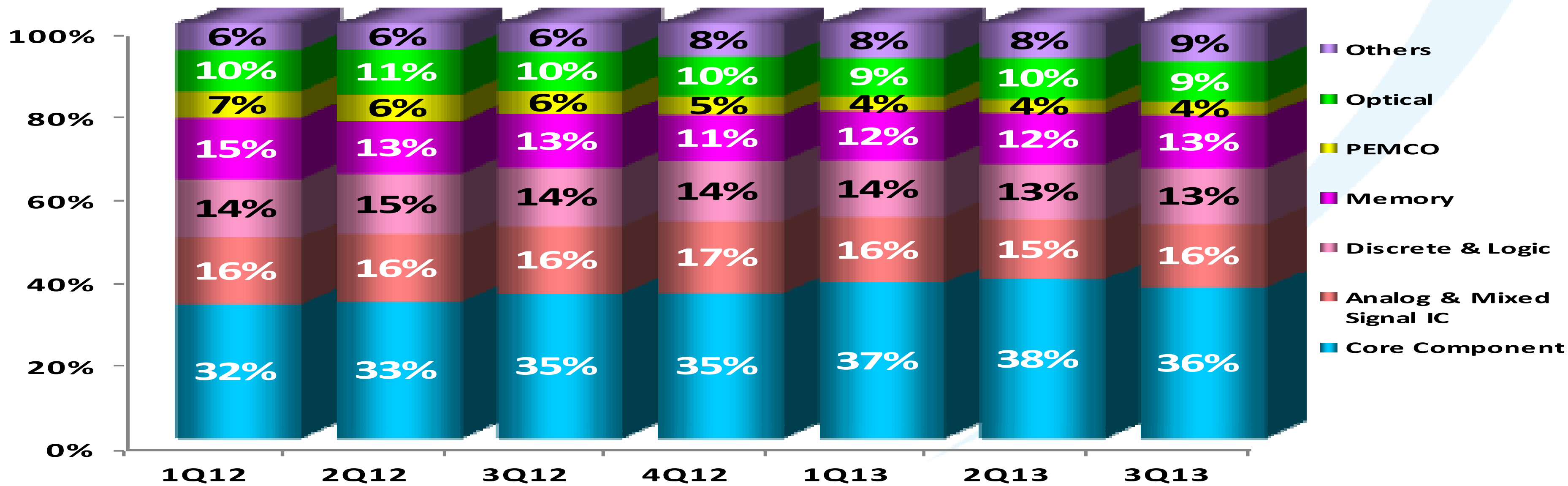




TBM：Taiwan-Based Customers
CBM：China Based Customers
Unaudited, Prepared by WPG based on TIFRS.

Sales breakdown by Application/ Device Type





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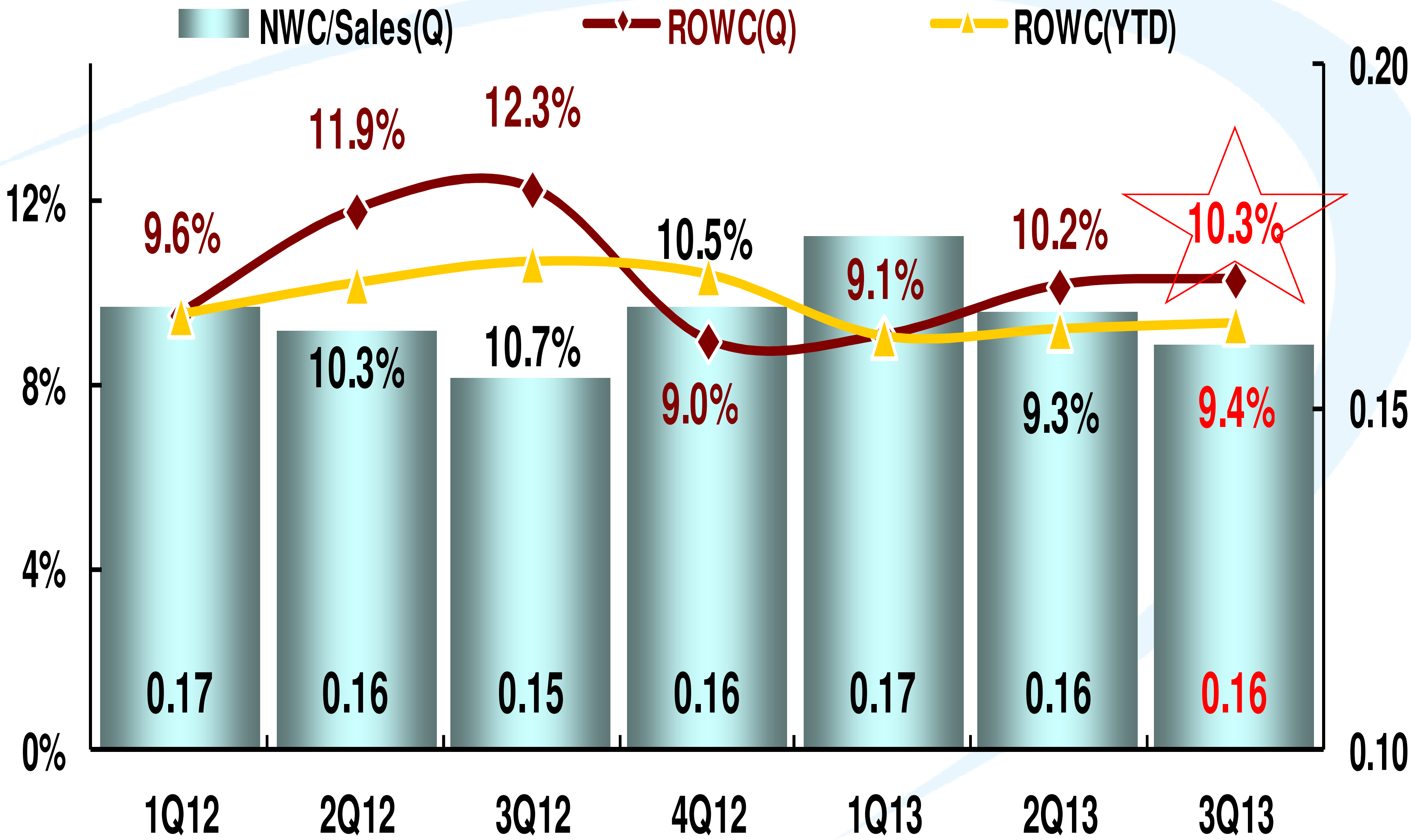
ROWC vs. NWC/Sales



Note：Annualized

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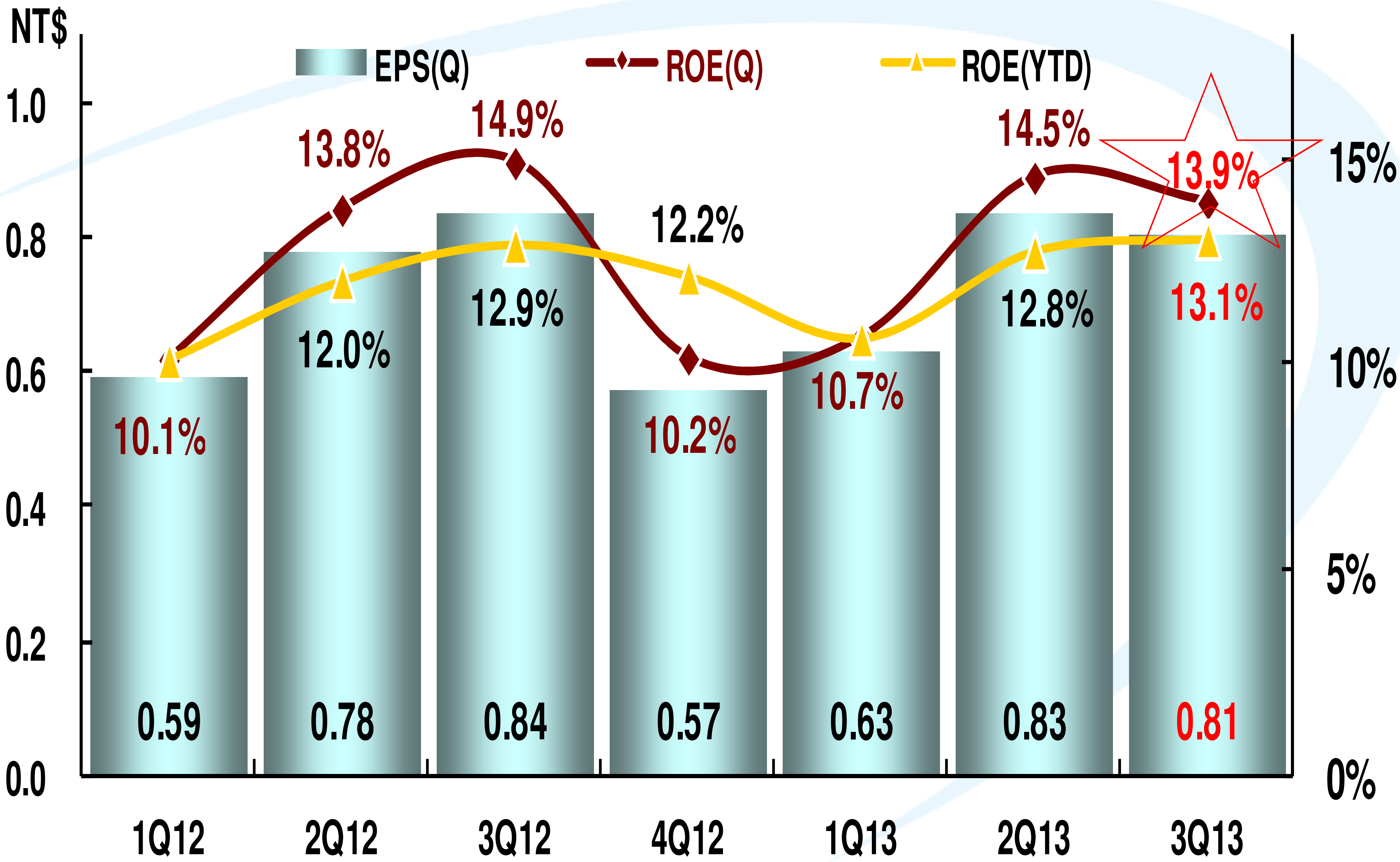
ROE vs. EPS



Note：Annualized

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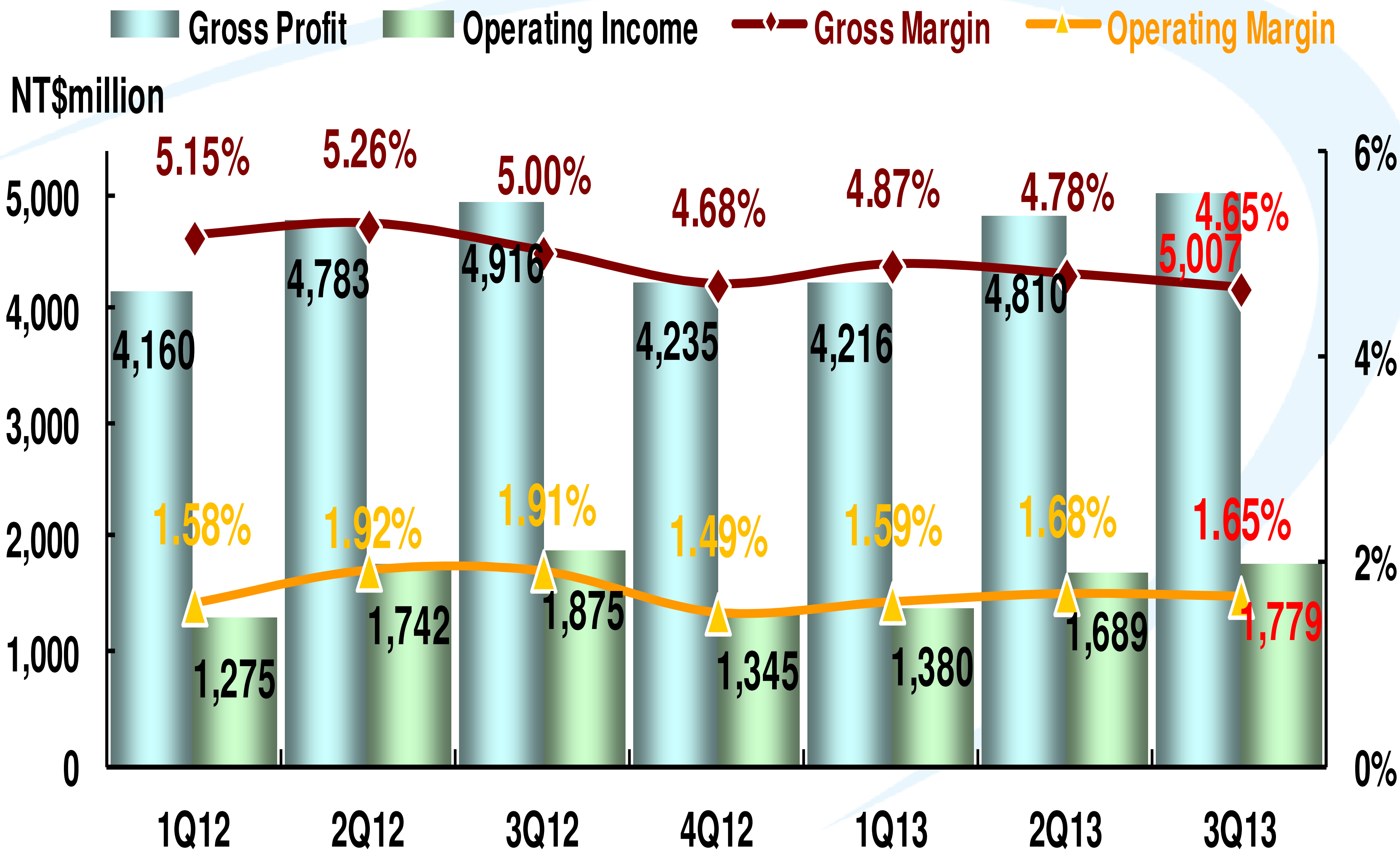
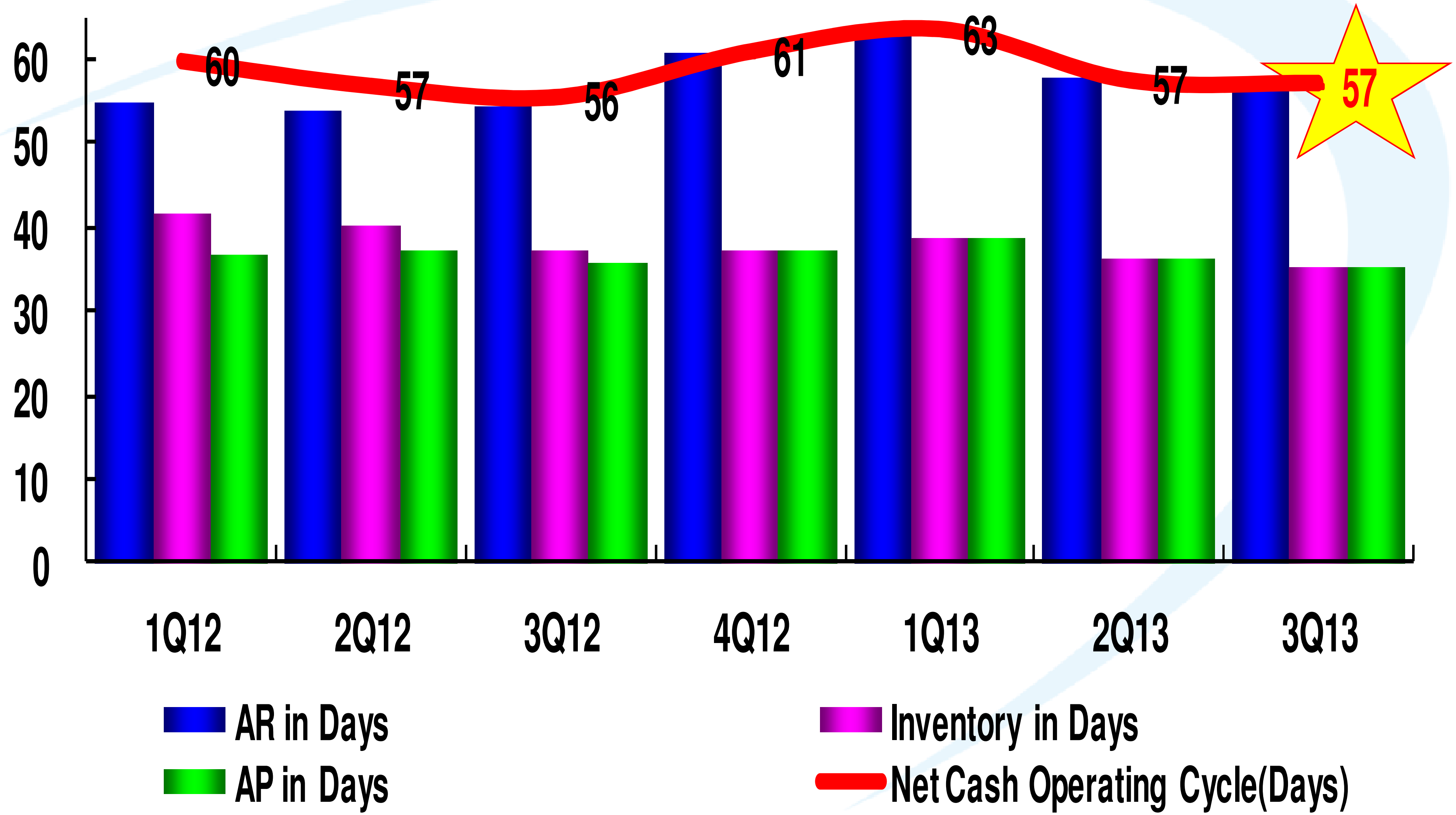
Gross Margin vs. Operating Margin



Unaudited, Prepared by WPG based on TIFRS.

Operating Cash Cycle



Note：Annualized

Unaudited, Prepared by WPG based on TIFRS.

4Q13 Guidance

Based on our current business outlook, management expects：

- **Revenues to be between NT$ 95 billion and NT$ 100 billion at a forecast FX rate of 29.55 NT dollars to 1 US dollar averaged over 4Q13.**
- **Gross profit margin to be between 4.5% and 4.7%**
- **Operating profit margin to be between 1.35% and 1.55%**

Recap of Recent Major Events

■ 51 Solutions Launched in 3Q13：

▶ 推出多品牌 LED 照明產品解決方案	2013-07-17
▶ 推出四個產線 LED 驅動方案及多款 LED & ERP 模组照明方案	2013-07-17
▶ 力推電源驅動 LED 方案提高電源能效，改善照明品質，延長使用壽命	2013-07-17
▶ 推出 LED 照明(Lighting)解決方案	2013-07-17
▶ 推出新世代 Vero LED 陣列提供 LED 照明解決方案	2013-07-17
▶ 力推適用 LED 照明應用裝置方案	2013-07-17

(Table PC included)

▶ 推出於平板電腦的設計參考方案	2013-09-11
▶ 推出多重選擇電容式觸控式螢幕平板電腦解決方案	2013-09-11
▶ 力推平板電腦周邊應用方案	2013-09-11
▶ 推出多種主被動元件平板電腦解決方案	2013-09-11
▶ 推出應用於平板電腦解決方案	2013-09-11
▶ 力推平板電腦 WIFI 解決方案	2013-09-11
▶ 推出應用於平板電腦解決方案	2013-09-11
▶ 力推平板电脑解决方案	2013-09-11

▶ 推出產品線於車用娛樂解決方案	2013-07-03
▶ 推出車載資訊娛樂主機解決方案	2013-07-03
▶ 力推於汽車多媒體解決方案增強用戶體驗、簡化方案設計	2013-07-03
▶ 推出車用娛樂主、被動整合解決方案	2013-07-03
▶ 推出車用娛樂應用解決方案	2013-07-03
▶ 推出適用車載娛樂系統之完整解決方案	2013-07-03
▶ 推出车载娱乐影音及行车记录仪整体解决方案	2013-07-03
▶ 力推 Car Radio Tuner 解决方案	2013-07-03
▶ 力推 SiRFprimaII™平台，将顶级的导航与信息娱乐系统功能带入汽车市场	2013-07-03

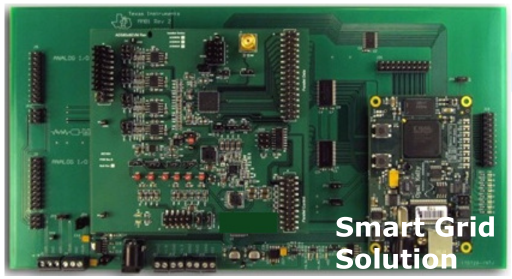
LED Solution

Recap of Recent Major Events

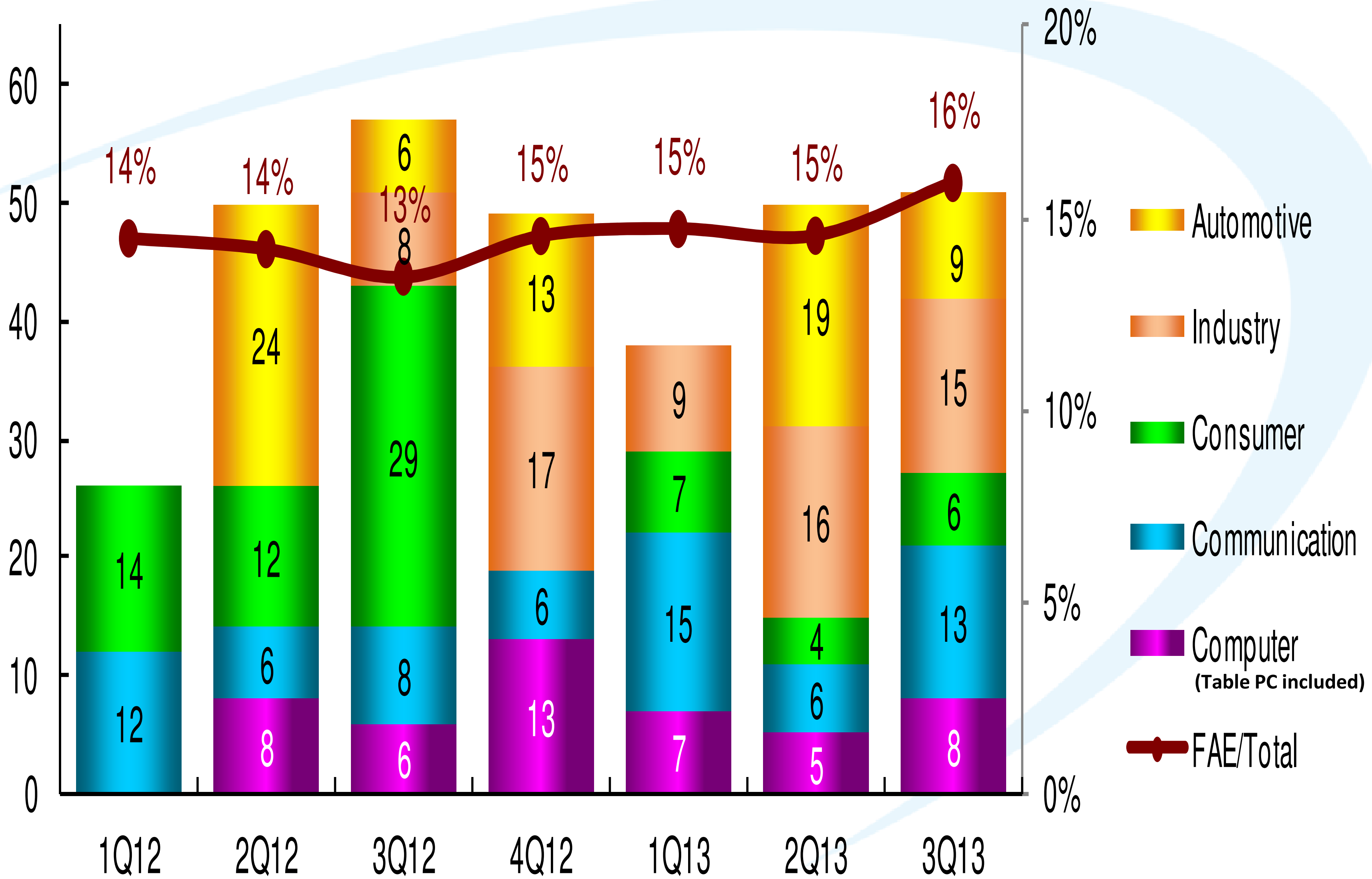
- **51 Solutions Launched in 3Q13：**

▶ 力推產品應用於安全監控的完整方案	2013-09-25
▶ 推出安全監控解決方案	2013-09-25
▶ 提出安全監控系統解決方案	2013-09-25
▶ 推出安全監控解決方案	2013-09-25
▶ 推出安全監控應用解決方案	2013-09-25
▶ 推出安全監控整合解決方案	2013-09-25
▶ 推出适用安全监控之完整解决方案	2013-09-25
▶ 联合多家 IDH，重磅推出广义安全监控整合方案	2013-09-25
▶ 力推高清视频监控方案 ： 提供高达1080P 每秒65帧的高画面的分辨率和流畅度	2013-09-25
▶ 推出品牌智慧電錶解決方案	2013-08-28
▶ 推出電力自動化繼電保護方案	2013-08-28
▶ 推出智能電網 IEEE802.15.4/ ZigBee 解決方案	2013-08-28
▶ 推出智慧電網之主、被動組件解決方案	2013-08-28
▶ 力推適用智能電表之完整解決方案	2013-08-28
▶ 推出一系列智能电网解决方案为智能电网用户提供丰富和灵活的半导体器件解决方案	2013-08-28

▶ 推出電子錢包方案	2013-08-14
▶ 推出基於技術的電子錢包方案	2013-08-14
▶ 力推在行動裝置付費的應用	2013-08-14
▶ 推出近距離無線通訊器材整合解決方案	2013-08-14
▶ 力推近距離無線傳輸技術解決方案	2013-08-14
▶ 推出產品於智慧手機上的解決方案	2013-07-31
▶ 推出智慧手機方案 & Slimport 高清數字顯示介面周邊應用	2013-07-31
▶ 力推新款閃光燈及紅外線感測器於智能手機方案應用	2013-07-31
▶ 推出智慧型手機主被動元件解決方案	2013-07-31
▶ 推出智慧手機解決方案	2013-07-31
▶ 力推產品於智慧手機的解決方案	2013-07-31
▶ 力推智能手机方案	2013-07-31
▶ 力推适用智能手机之完整解决方案	2013-07-31



More Solutions Launched …



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