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A Global Supplier of  
Advanced Memory Solutions



# 2Q12 Investor Conference

Aug 1, 2012



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# Agenda

- **2Q12 Financial Results**
- **Business Update & Outlook**
- **Q&A**

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# 2Q12 Financial Results



# 2Q12 Income Statement(QoQ)

	2Q'12		1Q'12		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Net Sales	6,792	100	5,813	100	979	17
Gross Profit	439	6	296	5	143	48
Operating Income	(473)	(7)	(707)	(12)	234	(33)
Pretax Income	(326)	(5)	(646)	(11)	320	(50)
Net Income	(326)	(5)	(646)	(11)	320	(50)
EPS (NTD)	(0.08)		(0.18)		0.1	
EBITDA	1,763	26	1,792	31		

Note: All financial figures are unconsolidated



# 2Q12 Income Statement(YoY)

	2Q'12		2Q'11		YoY change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Net Sales	6,792	100	7,420	100	(628)	(8)
Gross Profit	439	6	1,233	17	(794)	(64)
Operating Income	(473)	(7)	339	5	(812)	(240)
Pretax Income	(326)	(5)	324	4	(650)	(201)
Net Income	(326)	(5)	269	4	(595)	(221)
EPS (NTD)	(0.08)		0.08		(0.16)	
EBITDA	1,763	26	2,841	38		

Note: All financial figures are unconsolidated



# Balance Sheet as of Jun. 30, 2012

	Jun 30 '12		Mar 31 '12		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Cash & Equivalents	3,855	7	3,991	7	(136)	(3)
Net Fixed Assets	31,577	56	33,110	57	(1,533)	(5)
Total Assets	56,779	100	58,331	100	(1,552)	(3)
L-T Liabilities	5,100	9	8,367	14	(3,267)	(39)
SH Equity	34,470	61	34,928	60	(458)	(1)
Current Ratio	0.95		1.09			
Debt/ Equity Ratio	0.65		0.67			

Note: All financial figures are unconsolidated



# 2Q12 Statement of Cash Flow

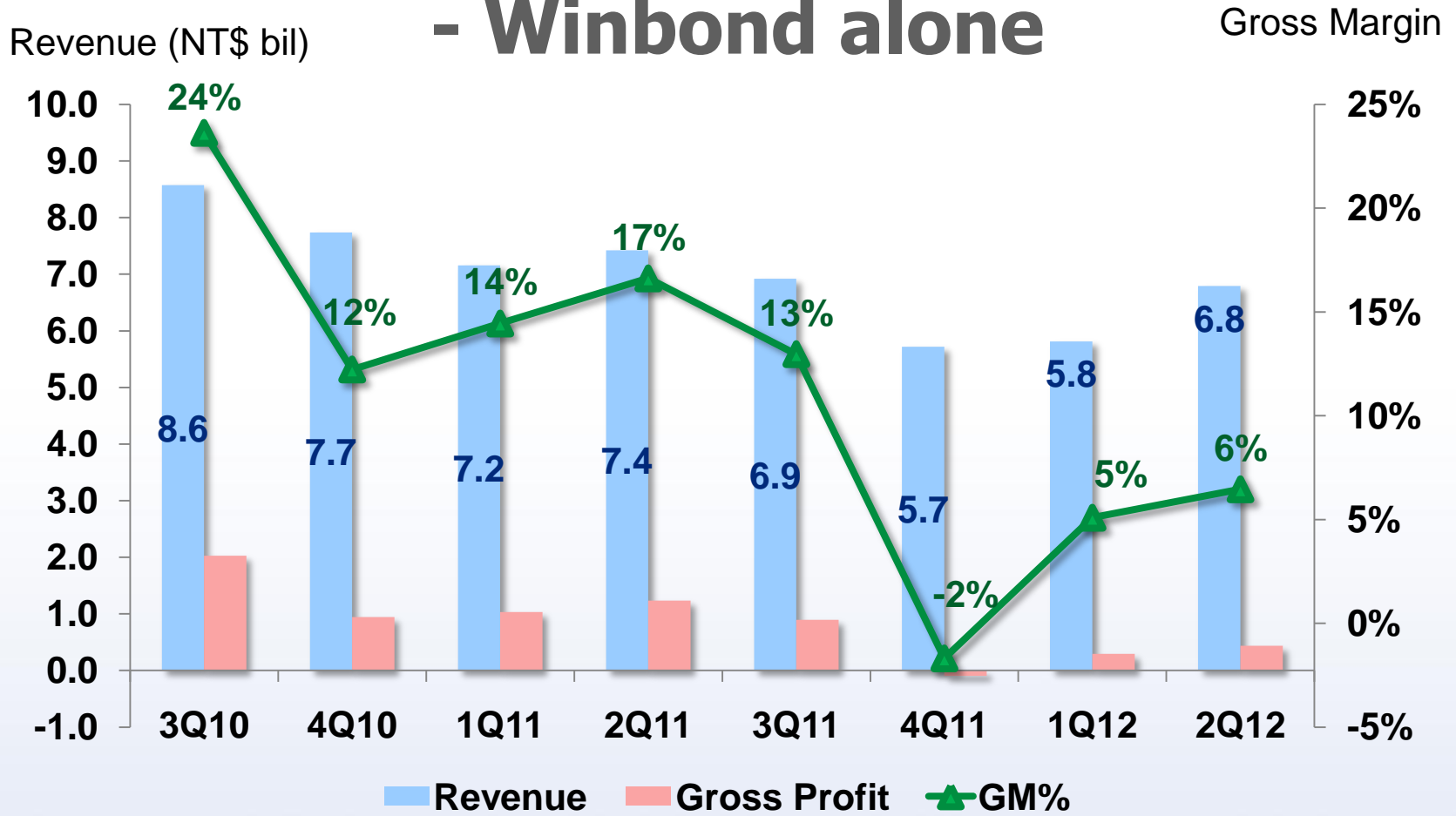
	2Q'12	1Q'12	QoQ change
Unit: NT\$ mil	Amount	Amount	Amount
Operating Cash Flow	2,653	231	2,422
Investing Cash Flow	(657)	(1,209)	552
Financing Cash Flow	(2,133)	1,156	(3,289)
Cash & Equivalents	3,855	3,991	(136)
Depreciation and Amortization	2,237	2,499	(262)
CAPEX	675	1,181	(506)

Note: All financial figures are unconsolidated





# Revenue and GM Trend - Winbond alone



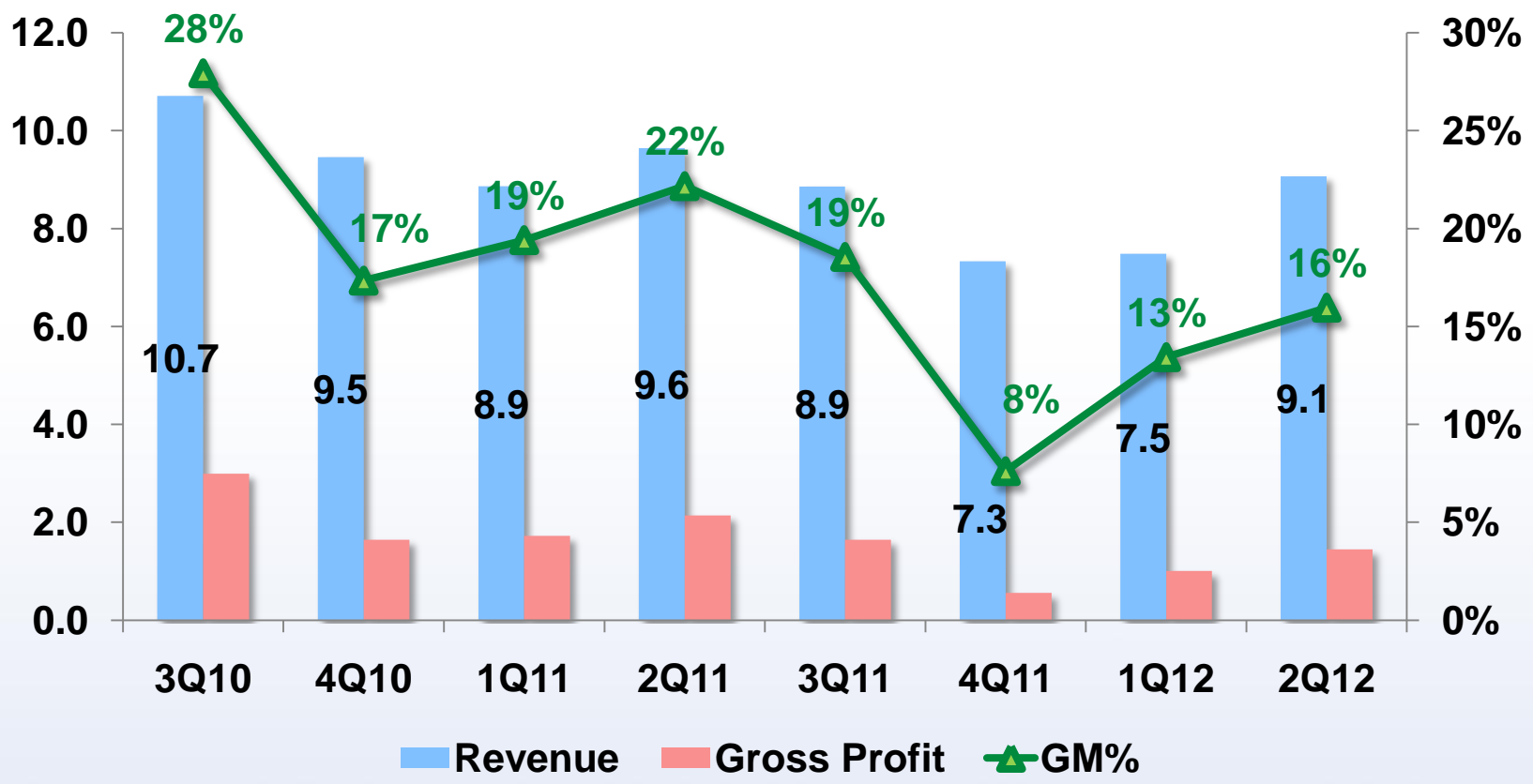
Note: All financial figures are unconsolidated



# Revenue and GM Trend - Consolidated

Revenue (NT\$ bil)

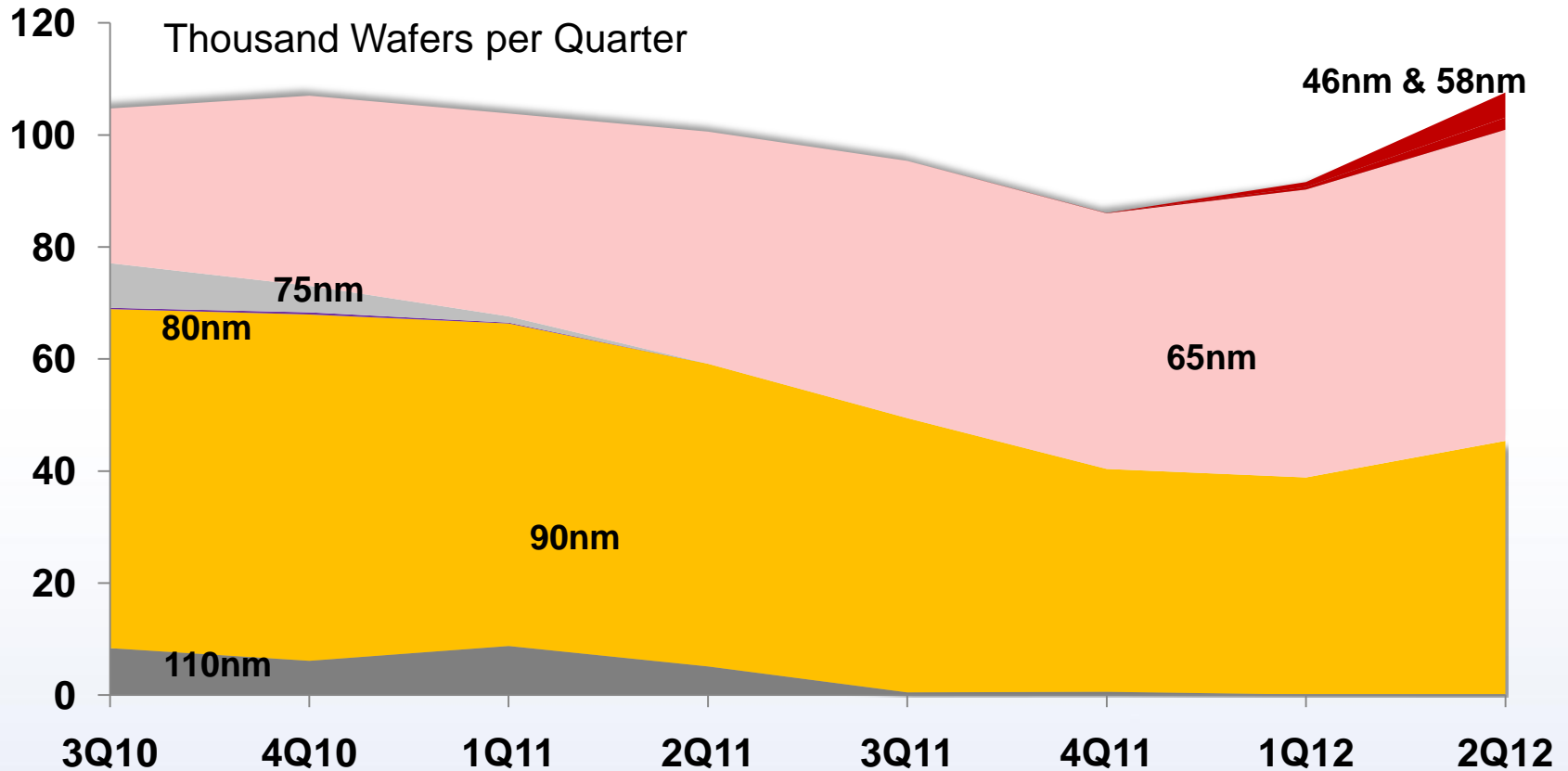
Gross Margin



Note: Entities in the consolidated statements include Nuvoton, WEC America, WEC Japan, etc..



# Geometry Breakdown

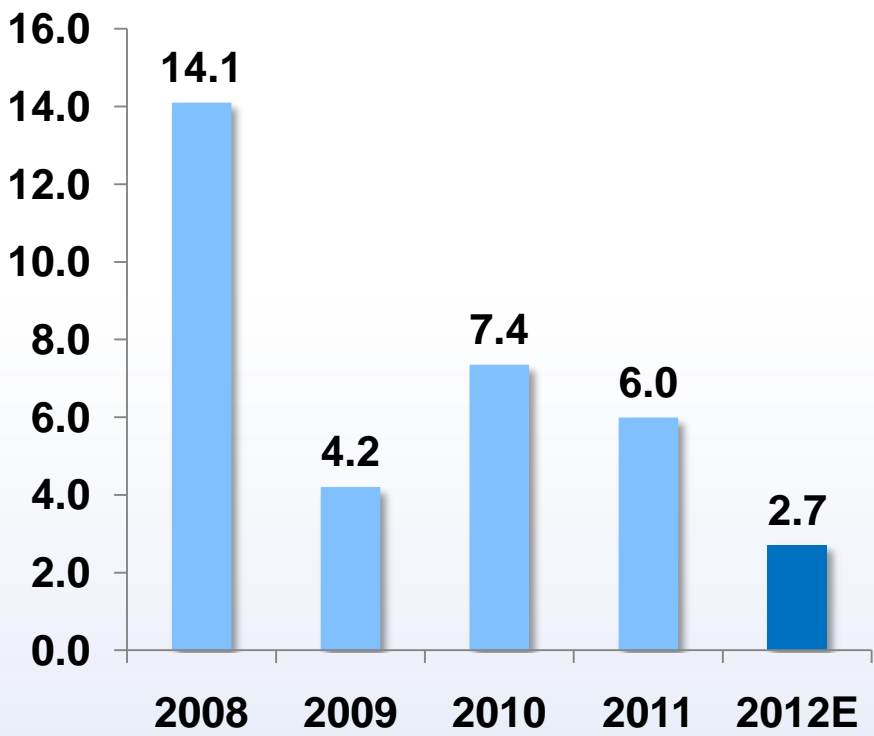


- Memory Geometry in 2Q12 :  
42% in 90nm, 52% in 65nm and 2% in 58nm, 4% in 46nm



# Y2012 CAPEX

NT\$ Billion



**Revised Y2012 CAPEX**  
**To adjust product/technology mix**

- 58nm Flash to 6K WPM
- 46nm Flash to 1K WPM
- 46nm DRAM to 6K WPM

Cash Basis CAPEX as of 8/1/2012

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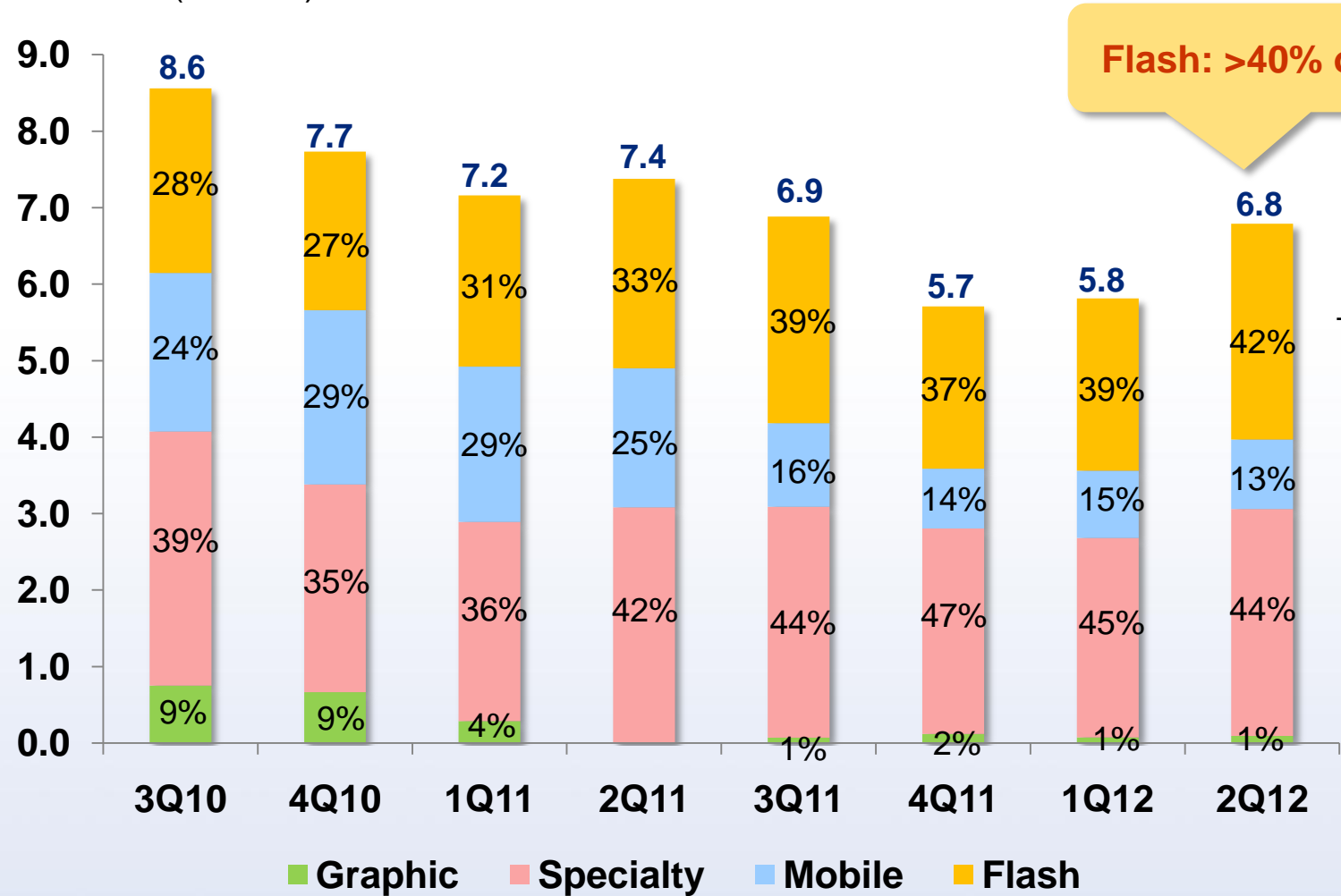


# **Business Update and Outlook**



# Revenue Breakdown by Product

Revenue (NT\$ bil)



**Flash: >40% of total revenue**

	QoQ %	YoY %
<b>Flash</b>	25%	14%
<b>Mobile</b>	4%	-50%
<b>Specialty</b>	14%	-4%



# Flash Memory Business

- **+25% QoQ / +14% YoY**
- Achieved record high revenue in Q2
  - Growth rate outpaces other major NOR Flash players
- Strong new business in handheld devices
- Mobile Flash penetrating into tier-1 brand name feature phones
- Shipment of 58nm product will accelerate in Q3 and enhance gross margin
- Foresee continuous revenue growth and improved gross margin with expansion into new markets, more tier-1 customers, higher density products and technology migration

WW NOR Market Share		Unit: USD M
Company	2011	2012 Q1
Micron	1,390 32%	261 30%
Spansion	1,037 24%	212 24%
Macronix	525 12%	105 12%
Samsung	439 10%	82 9%
Winbond	321 7%	76 9%
Others	652 15%	141 16%
<b>Total</b>	<b>4,364 100%</b>	<b>877 100%</b>
Source: iSuppli		



# Specialty DRAM Business

- 14% QoQ / -4% YoY
- Increasing revenue and improved gross margin in low density products (below 512Mb)
- Strong demand in 512Mb DDR2 from many tier-1 customers, but abnormally facing severe price pressure
- 46nm products accounting for > 10% of specialty DRAM sales
- Foresee improved gross margin and stable revenue of overall specialty DRAM business with better mix in product and customer





# Mobile RAM Business

- 4% QoQ / - **50%** YoY
- Increasing business of medium-density low-power DRAM products in peripheral modules in mobile devices
  - CRAM revenue declined slightly in Q2
- 46nm CRAM released for design-in
  - Expecting to increase market share and profitability
- 46nm 512Mb low-power DRAM released for design-in



# Q uestions & A nswers

Website: [www.winbond.com](http://www.winbond.com)