



winbond

A Global Supplier of
Advanced Memory Solutions



3Q11 Investor Conference

Oct 28, 2011



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- We have made forward-looking statements in this presentation. Our forward-looking statements contain information regarding, among other things, our financial condition, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about us.
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Agenda

- **3Q11 Financial Results**
- **Business Update & Outlook**
- **Q&A**

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3Q11 Financial Results



3Q11 Income Statement(QoQ)

	3Q'11		2Q'11		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Net Sales	6,918	100	7,420	100	(502)	(7)
Gross Profit	897	13	1,234	17	(337)	(27)
Operating Income	(22)	(0)	339	5	(361)	(106)
Pretax Income	(79)	(1)	324	4	(403)	(124)
Net Income	(41)	(1)	269	4	(310)	(115)
EPS (NTD)	(0.02)		0.08		(0.1)	
EBITDA	2,427	35	2,841	38		

Note: All financial figures are unconsolidated



3Q11 Income Statement(YoY)

	3Q'11		3Q'10		YoY change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Net Sales	6,918	100	8,574	100	(1,656)	(19)
Gross Profit	897	13	2,026	24	(1,129)	(56)
Operating Income	(22)	(0)	1,263	15	(1,285)	(102)
Pretax Income	(79)	(1)	1,901	22	(1,980)	(104)
Net Income	(41)	(1)	1,901	22	(1,942)	(102)
EPS (NTD)	(0.02)		0.52		(0.54)	
EBITDA	2,427	35	4,025	47		

Note: All financial figures are unconsolidated



Balance Sheet as of Sep. 30, 2011

	Sep 30 '11		Jun 30 '11		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Cash & Equivalents	5,013	8	4,250	7	763	18
Net Fixed Assets	36,110	58	36,686	59	(576)	(2)
Total Assets	62,250	100	62,311	100	(61)	(0)
L-T Liabilities	7,867	13	8,792	14	(925)	(11)
SH Equity	36,703	59	37,366	60	(663)	(2)
Current Ratio	0.96		1.01			
Net Debt/ Equity Ratio	0.37		0.38			

Note: All financial figures are unconsolidated



3Q11 Statement of Cash Flow

	3Q'11	2Q'11	QoQ change
Unit: NT\$ mil	Amount	Amount	Amount
Operating Cash Flow	2,105	2,605	(500)
Investing Cash Flow	(1,495)	(1,842)	347
Financing Cash Flow	153	(1,425)	1,578
Cash & Equivalents	5,013	4,250	763
Depreciation and Amortization	2,449	2,502	(53)
CAPEX	1,410	1,721	(311)

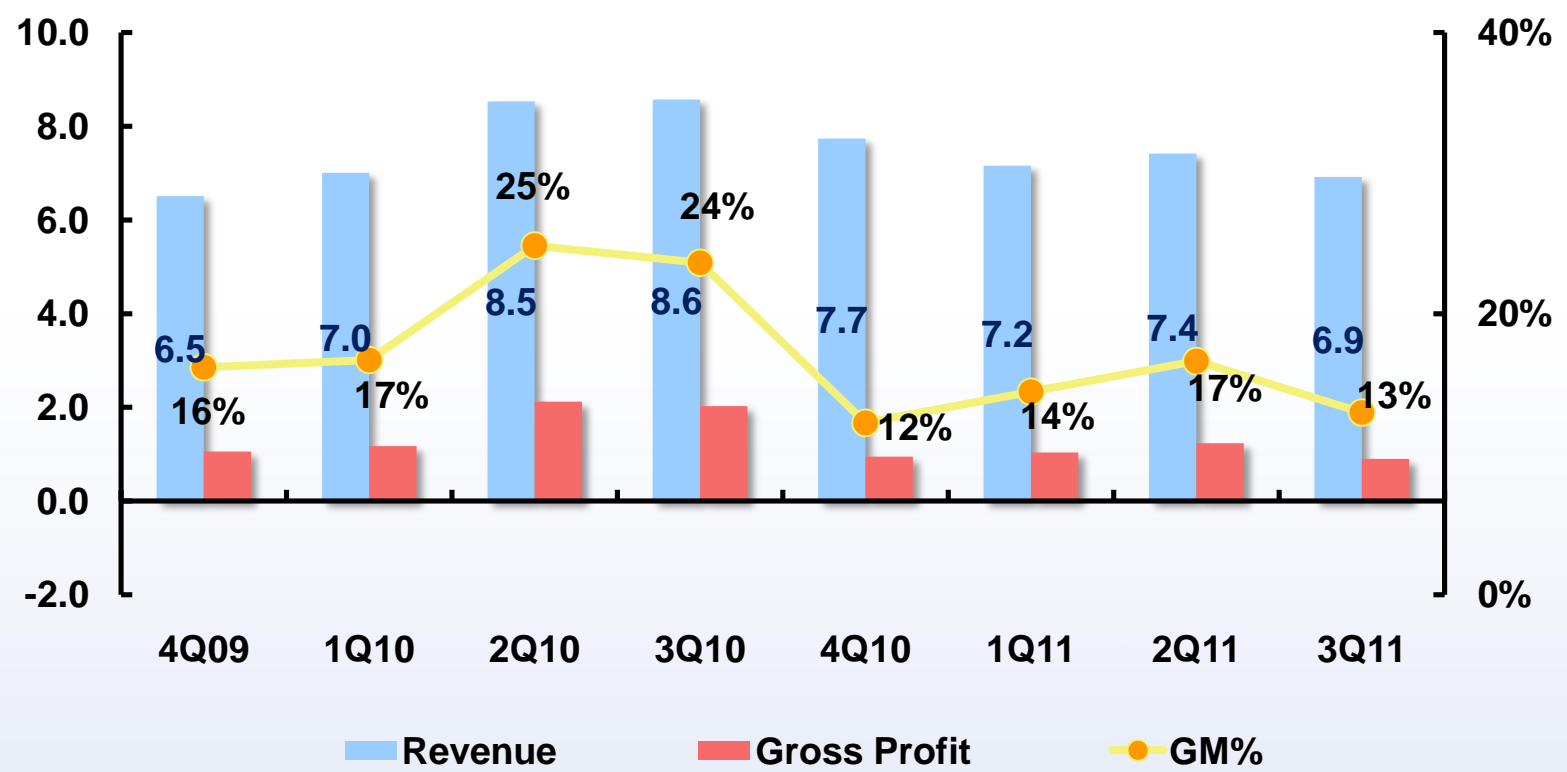
Note: All financial figures are unconsolidated



Revenue and GM Trend - Winbond alone

Revenue (NT\$ bil)

Gross Margin



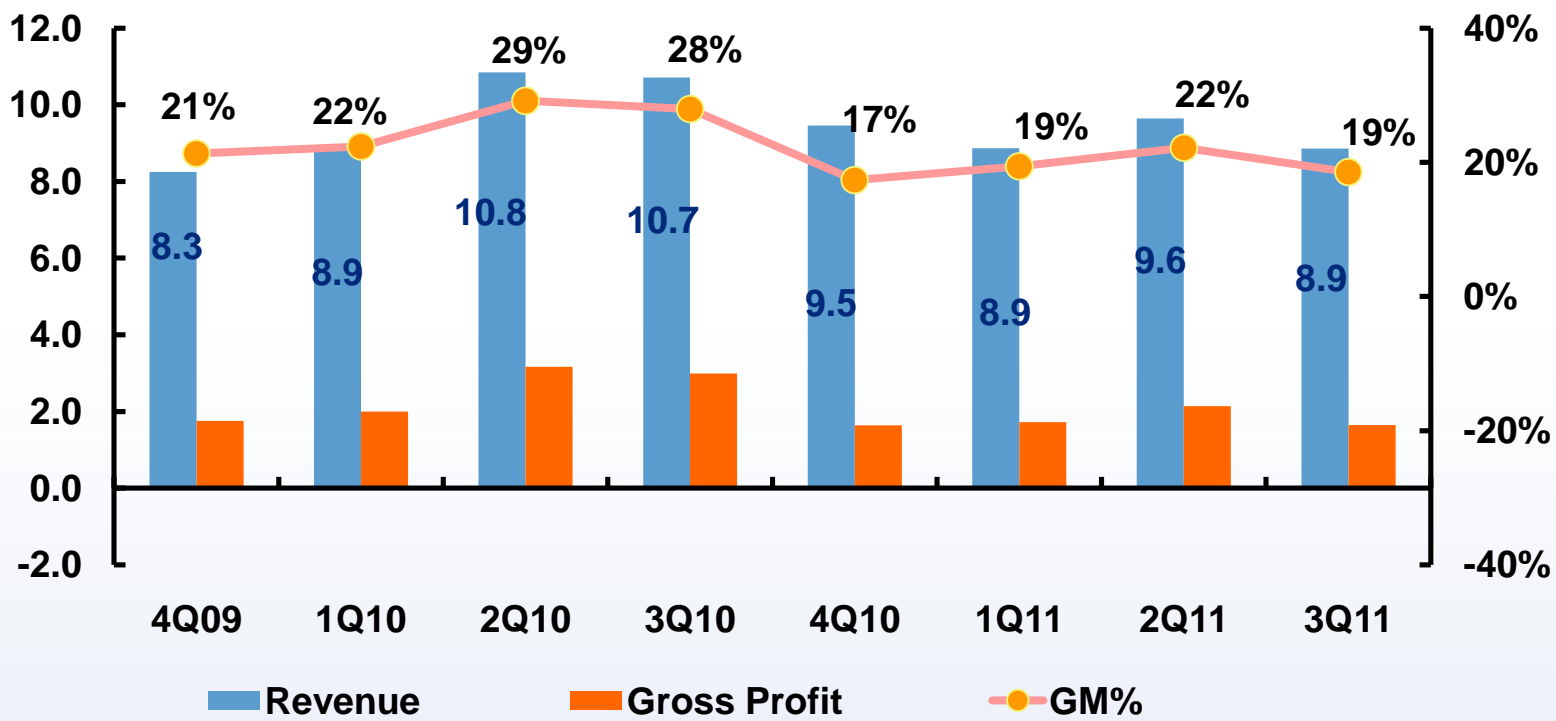
Note: All financial figures are unconsolidated



Revenue and GM Trend - Consolidated

Revenue (NT\$ bil)

Gross Margin

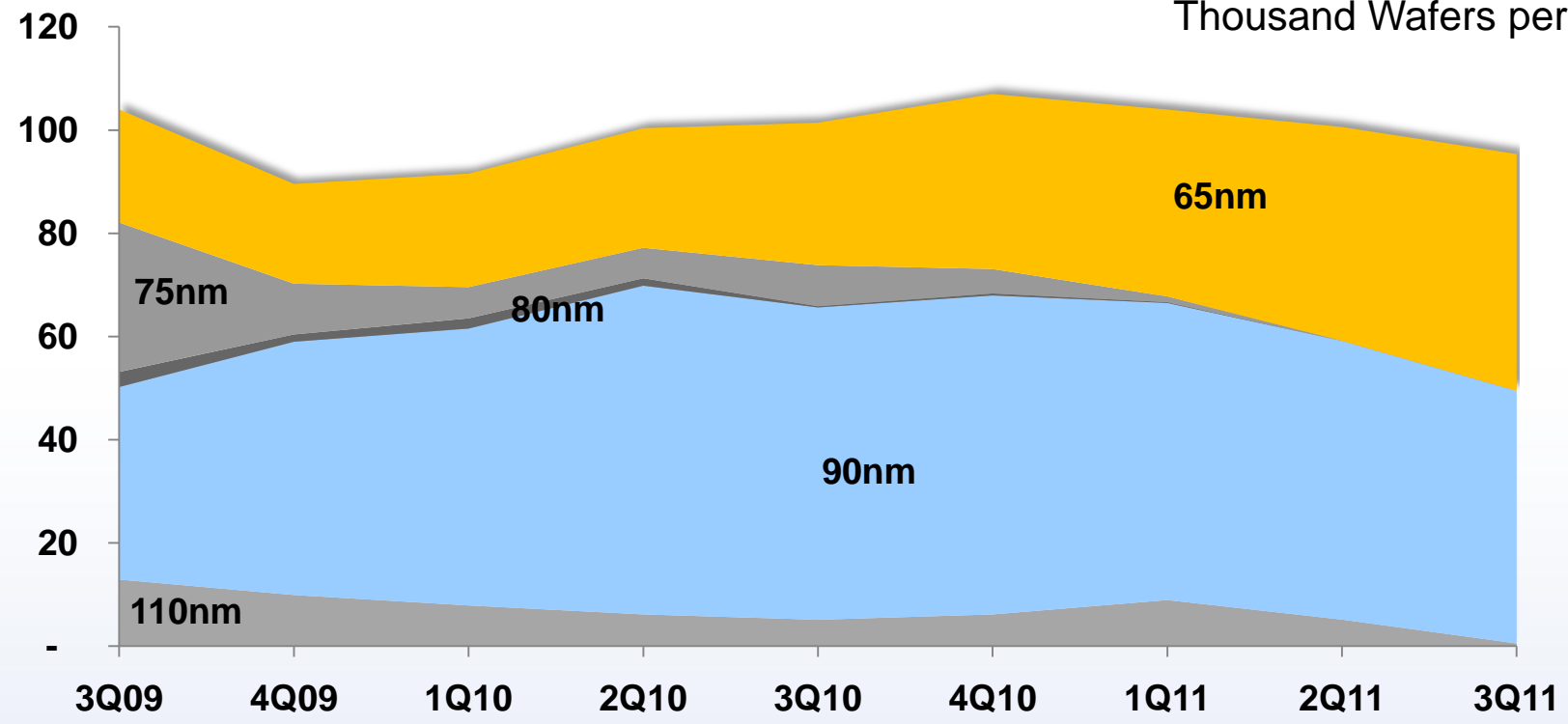


Note: 1. Entities in the consolidated statements include Nuvoton, WEC America, WEC Japan, etc..
 2. Figures before Y2009 were re-classified in accordance with SFAS NO.10



Geometry Breakdown

Thousand Wafers per Quarter

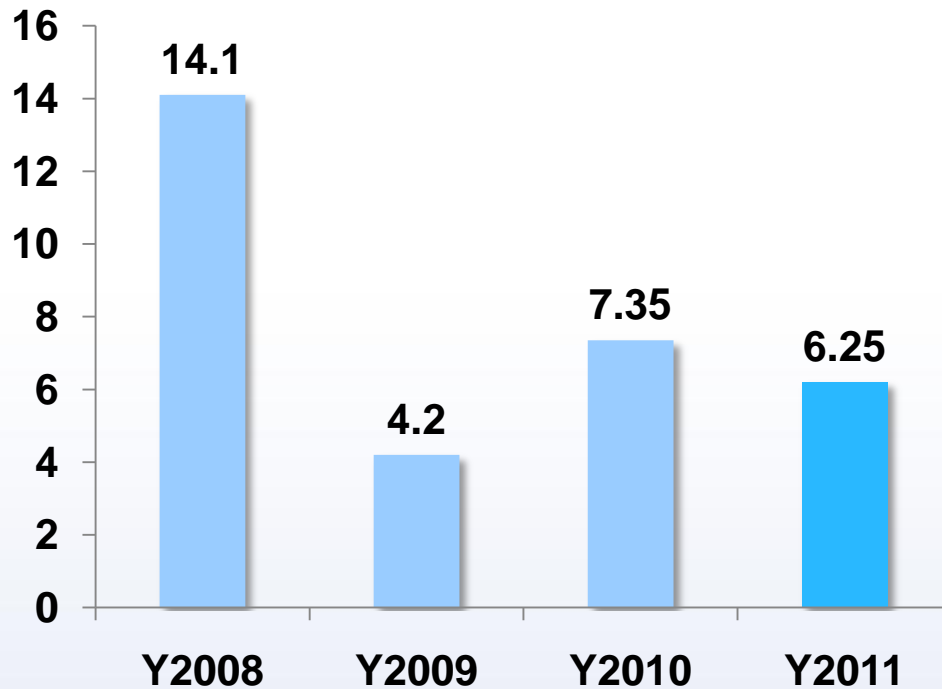


- Memory Geometry in 3Q11 :
1% in 110nm, 51% in 90nm and 48% in 65nm.



Y2011 CAPEX

NT\$ Billion



Purposes of Y2011 CAPEX :

- 90nm & 58nm Flash capacity to 14K WPM
- 65 & 46nm DRAM capacity to 20K WPM.

Cash Basis CAPEX as of 10/28/2011

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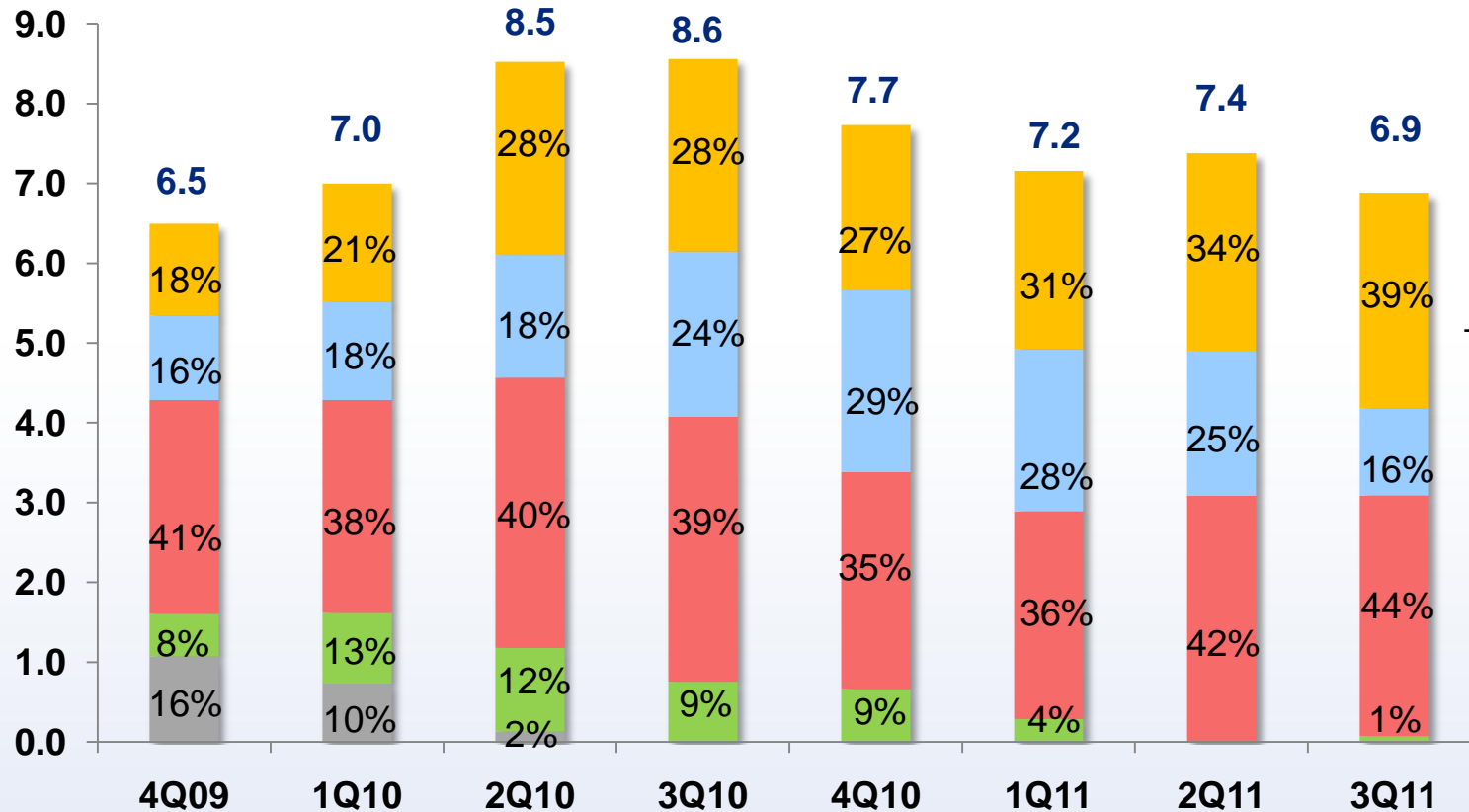


Business Update and Outlook



Revenue Breakdown by Product

Revenue (NT\$ bil)



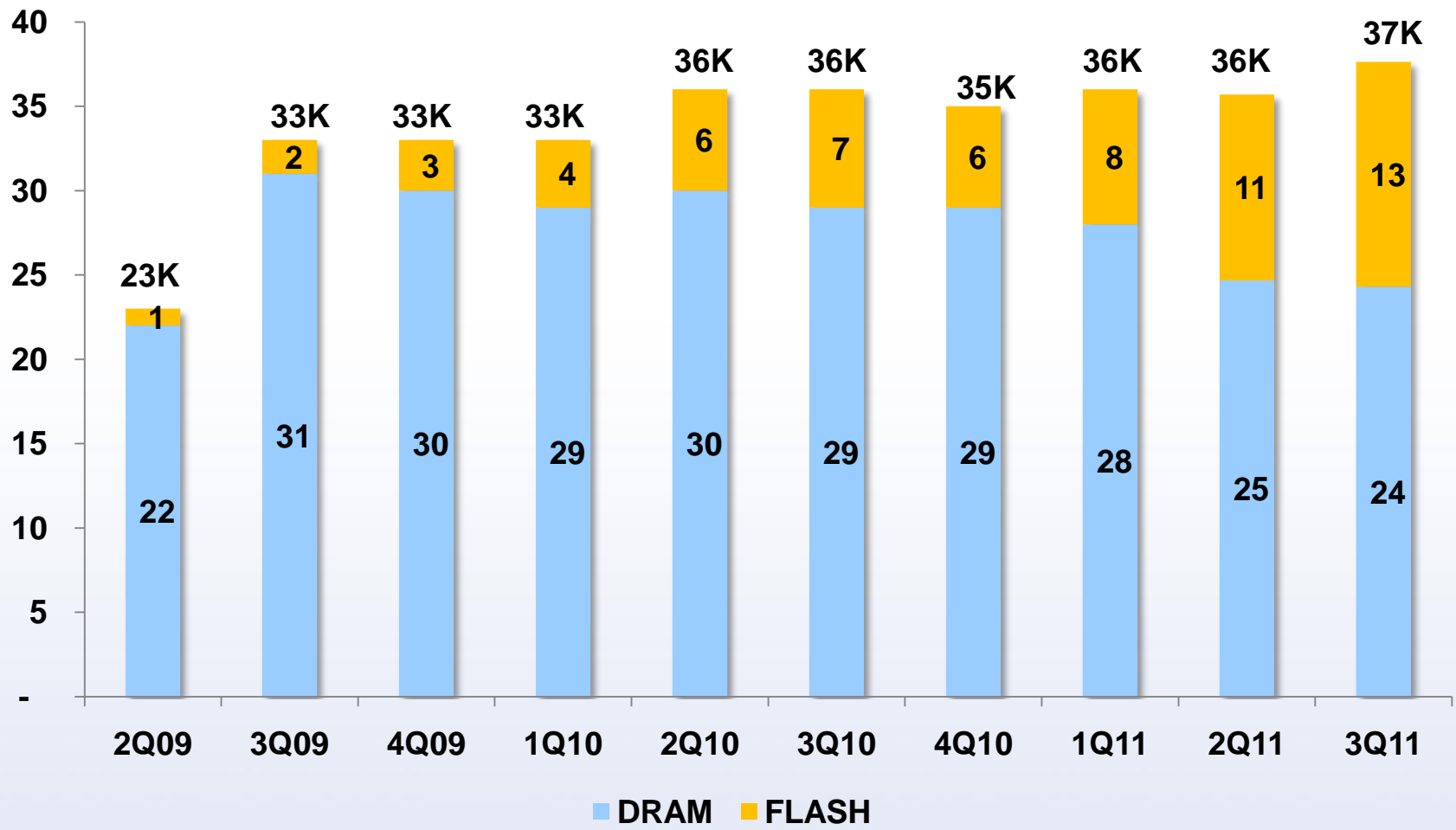
	QoQ %	YoY %
Flash	9%	12%
Mobile	-40%	-47%
Specialty	-2%	-9%

- Commodity DRAM
- Graphics DRAM
- Specialty DRAM
- Mobile RAM
- NOR Flash



12" Fab Output by Product

Wafer out (K pcs)





Flash Memory Business

- **+9% QoQ / +12% YoY**
- Mobile phone application accounted for 21% revenue in Q3, increasing from 10% in Q2
- Provide the most complete SF product portfolio for mobile phone new SiP platform
 - Continue business growth in Q4, but expect fierce price pressure
 - Will introduce 58nm products in Q4
- 1st 58nm SF product has been qualified by multiple customers and will be into mass production in Q4
- Flash production increases to 14K wafers/mo in Q3
- Parallel Flash business starts to ramp in Q4



Specialty DRAM Business

- **-2%** QoQ / **-9%** YoY
- 65nm products accounted for 86% revenue in September
- Continuous improvement in product mix and customer mix
- 46 nm product introduction
 - Samples of 1st 46nm product have been released
 - Samples of 2nd 46nm product to be released in December
 - Mass production in 2012 Q1



Mobile RAM Business

- - **40%** QoQ/ - **47%** YoY
- Pseudo RAM
 - Q3 shipment quantity drops by 30%, while price relatively stable
 - 65nm products accounted for 62% revenue in September
 - Business in high density Pseudo RAM will pick up in 2012 1H
- ASIC RAM
 - Weak demand due to end application in TV
- Low Power DRAM
 - Design-in ongoing in a few major opportunities



Impact of Thai Flood on Business

- Winbond is a supplier of DRAM and Flash to all HDD makers
- Impact on worldwide HDD manufacturing will be in December and 2012 Q1
- Industry believes that the reduced output in HDD & PC (due to HDD shortage) will be recovered by extra demand in subsequent quarters



Business Outlook

大環境驚濤駭浪

準備好的公司 乘風破浪 迎接燕群





Questions

&

Answers

Website: www.winbond.com