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## **3Q12 Investor Conference**



## Safe Harbor Notice

- 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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## Winbond Financial Results



## 3Q12 Income Statement- Consolidated

	3Q'12		2Q'12		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Net Sales	8,540	100	9,069	100	(529)	(6)
Gross Profit	1,546	18	1,447	16	99	7
Operating Income	(102)	(1)	(113)	(1)	11	(10)
Pretax Income	(207)	(2)	(147)	(2)	(60)	41
Net Income	(256)	(3)	(210)	(2)	(46)	22
EBITDA	2,123	25	2,174	24		



## 3Q12 Balance Sheet- Consolidated

	Sep 30 '12		Jun 30 '12		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Cash & Equivalents	6,020	10	6,487	11	(467)	(7)
Net Fixed Assets	30,306	52	32,313	54	(2,007)	(6)
Total Assets	57,824	100	59,797	100	(1,973)	(3)
L-T Liabilities	5,100	9	5,100	9	0	0
SH Equity	35,230	61	35,539	59	(309)	(1)
Current Ratio	1.26		1.13			
Debt/ Equity Ratio	0.64		0.68			



## 3Q12 Cash Flow Statement- Consolidated

	3Q'12	2Q'12	QoQ change
Unit: NT\$ mil	Amount	Amount	Amount
Operating Cash Flow	739	2,956	(2,217)
Investing Cash Flow	(157)	(655)	498
Financing Cash Flow	(1,041)	(2,322)	1,281
Cash & Equivalents	6,020	6,487	(467)
Depreciation and Amortization	2,225	2,287	(62)
CAPEX	356	689	(333)



## 3Q12 Income Statement- Winbond alone

Unit: NT\$ mil	3Q'12		2Q'12		3Q'11		QoQ change		YoY change	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	6,579	100	6,792	100	6,918	100	(213)	(3)	(339)	(5)
Gross Profit	694	11	439	6	897	13	255	58	(203)	(23)
Operating Income	(330)	(5)	(473)	(7)	(22)	(0)	143	(30)	(308)	1400
Pretax Income	(325)	(5)	(326)	(5)	(79)	(1)	1	(0)	(246)	311
Net Income	(325)	(5)	(326)	(5)	(41)	(1)	1	(0)	(284)	693
EPS (NTD)	(0.09)		(0.09)		(0.02)		0		(0.07)	
EBITDA	1,841	28	1,763	26	2,427	35				



## 3Q12 Balance Sheet- Winbond alone

	Sep 30 '12		Jun 30 '12		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Cash & Equivalents	3,520	7	3,855	7	(335)	(9)
Net Fixed Assets	29,687	54	31,577	56	(1,890)	(6)
Total Assets	54,968	100	56,779	100	(1,811)	(3)
L-T Liabilities	5,100	9	5,100	9	0	0
SH Equity	34,098	62	34,470	61	(372)	(1)
Current Ratio	1.05		0.95			
Debt/ Equity Ratio	0.61		0.65			



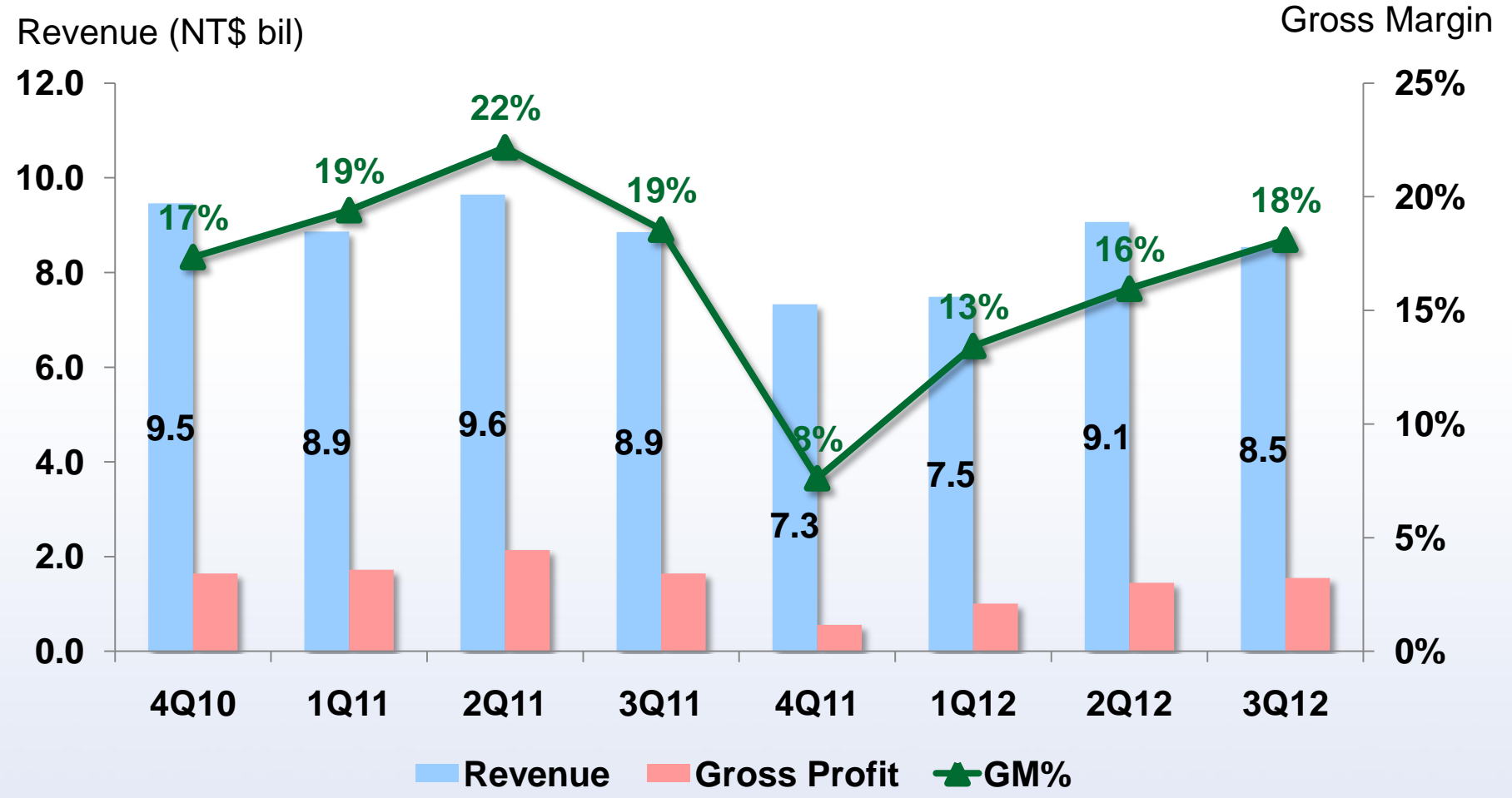


## 3Q12 Statement of Cash Flow- Winbond alone

	3Q'12	2Q'12	QoQ change
Unit: NT\$ mil	Amount	Amount	Amount
Operating Cash Flow	813	2,653	(1,840)
Investing Cash Flow	(313)	(657)	344
Financing Cash Flow	(835)	(2,133)	1,298
Cash & Equivalents	3,520	3,855	(335)
Depreciation and Amortization	2,171	2,237	(66)
CAPEX	318	675	(357)



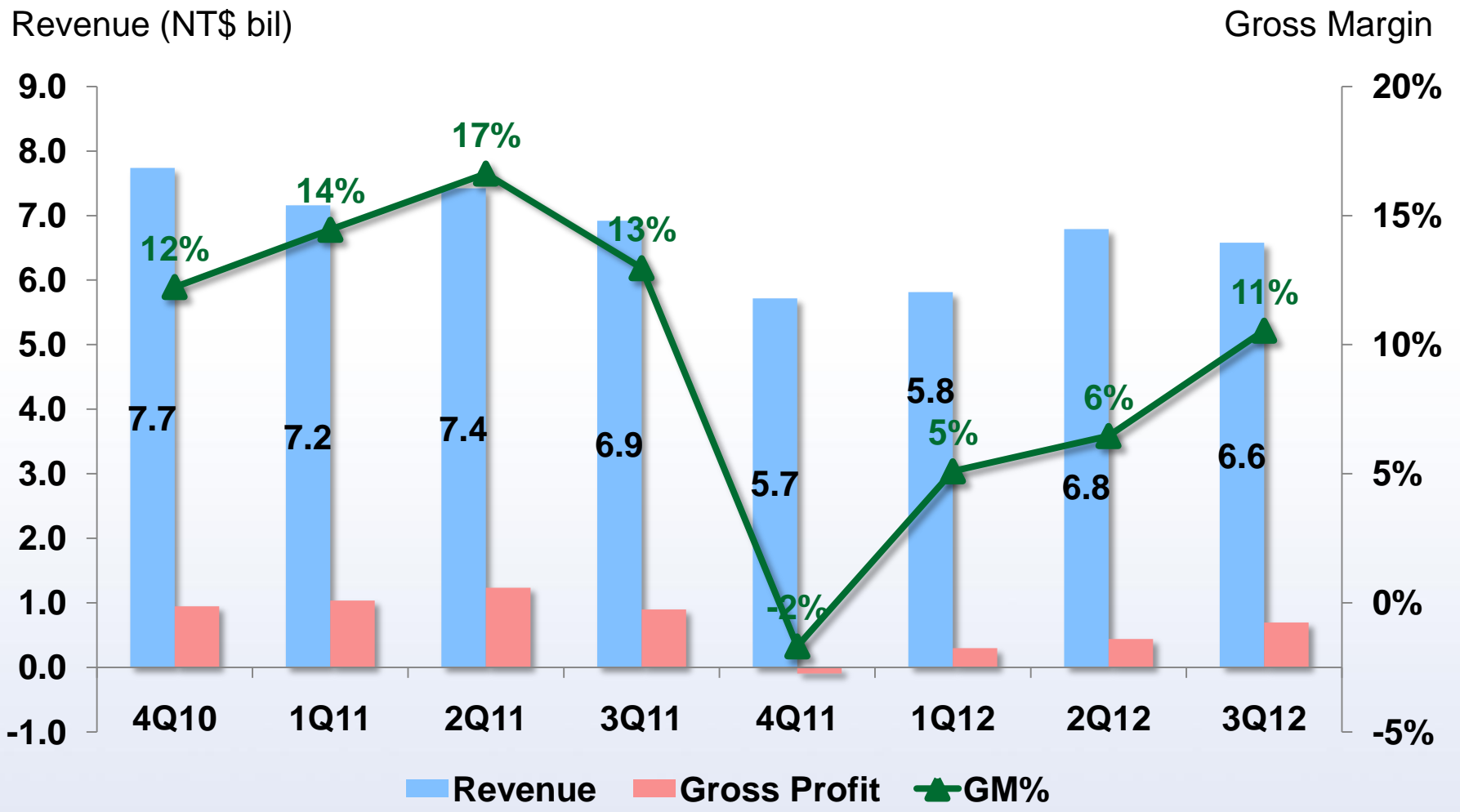
# Revenue and GM Trend- Consolidated



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



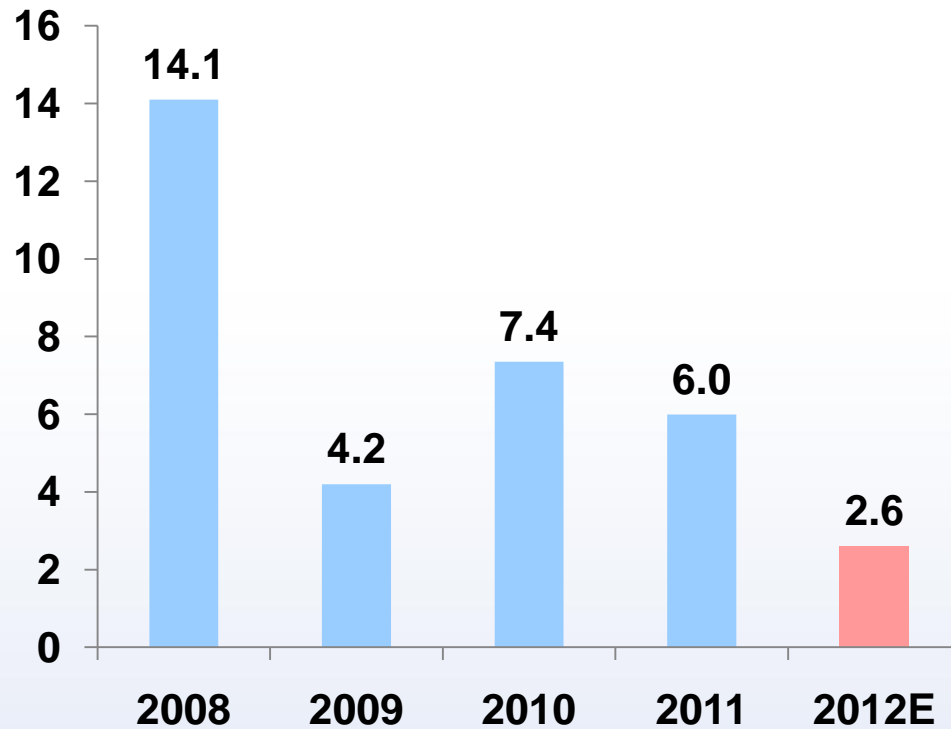
# Revenue and GM Trend- Winbond alone





# Y2012 Memory CAPEX

NT\$ B



## Revised Y2012 CAPEX

- **Total Flash: 16K WPM**
  - 58nm Flash to 6K WPM
  - 46nm Flash to 1K WPM
- **Total DRAM: 18K WPM**
  - 46nm DRAM to 5K WPM

Cash Basis CAPEX as of 10/26/2012

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# Winbond Business Update & Outlooks



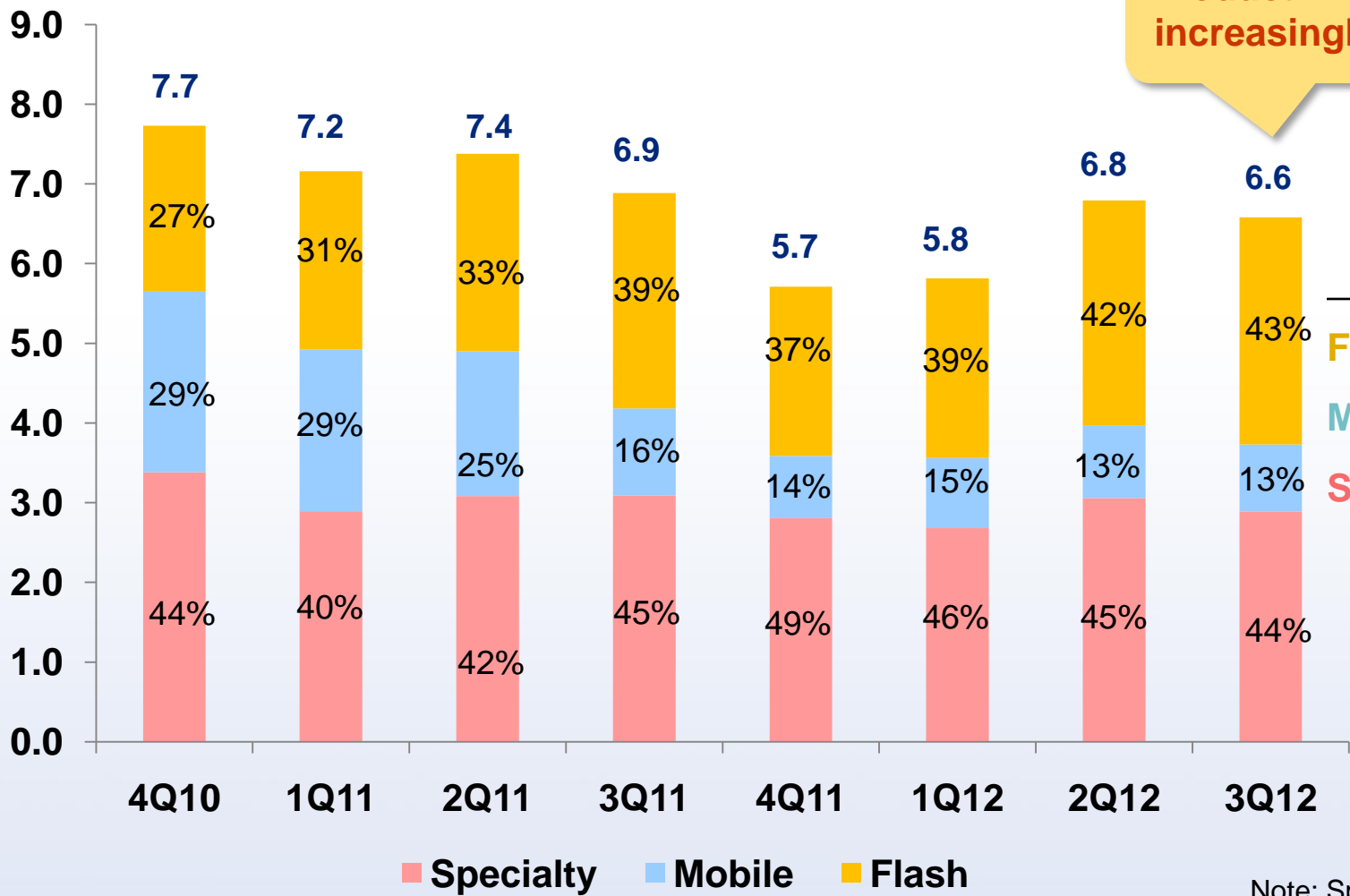
# Market Dynamics

- **Market downside**
  - PC (NB and DT) and PC peripherals (HDD and ODD)
  - Feature phones
- **Market upside**
  - Smart phones and peripherals enhancing performance/features
  - Tablet PCs and peripherals enhancing performance/features
  - LCD TV and peripherals enhancing performance/features
  - Networking products serving “cloud”
- **Polarized markets**
  - A few major brands take majority of the markets
  - Healthy environment in high-end markets/products, while severe price competition in low-end markets/products
  - **User/customer experience, Quality, and Service** are key to win business



# Memory Revenue Breakdown

Revenue (NT\$ bil)



**Product mix becomes increasingly balanced**

	QoQ	YoY
Flash	1%	5%
Mobile	-8%	-23%
Specialty	-6%	-6%

Note: Specialty including Graphic



# Flash Memory Business

**+1% QoQ / +5% YoY**

- Strong demand in mobile devices
- 58nm products accounted for >15% Flash sales
- Gained business in tier-1 customers who are demanding in product quality and performance
- Increasing business and design-in in high density products





# DRAM Memory Business

## Specialty DRAM

**-6% QoQ / -6% YoY**

- Improved profitability by better mix in product and customer
  - Increasing concentration in KGD, industrial and automotive
- 46nm products accounted for 20% of Specialty DRAM sales
- Slow demand in HDD

## Mobile RAM

**-8% QoQ / - 23% YoY**

- Expanding Low-Power DRAM business in mobile devices
- 46nm CRAM product in customer qualification

# QUESTIONS & ANSWERS

## Company website

- Winbond: [www.winbond.com](http://www.winbond.com)