Winbond Electronics Corporation

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.

- We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

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Financial Results

1H16 Statement of Comprehensive Income - Consolidated

Unit: NT$ M	2Q'16 Amount	2Q'16 %	1Q'16 Amount	1Q'16 %	1H'16 Amount	1H'16 %	1H'15 Amount	1H'15 %	YoY Amount	YoY %
Net Sales	10,497	100	10,087	100	20,584	100	18,976	100	1,608	8
Gross Profit	2,965	28	3,038	30	6,003	29	6,086	32	(83)	(1)
Operating Income	887	8	1,006	10	1,893	9	2,260	12	(367)	(16)
Pretax Income	889	8	999	10	1,888	9	2,336	12	(448)	(19)
Net Income	744	7	808	8	1,552	8	1,900	10	(348)	(18)
EPS (NT$)	0.18		0.22		0.40		0.49			
EBITDA	2,307	22	2,466	24	4,773	23	5,169	27	(396)	(8)

1H16 Balance Sheet - Consolidated

Unit: NT$ M	Jun. 30 '16		Mar. 31 '16		Dec. 31 '15		Jun 30'16 vs Dec 31'15	
	Amount	%	Amount	%	Amount	%	Amount	%
Current Assets	26,409	42	26,374	41	24,713	39	1,696	7
Net Fixed Assets	30,608	49	31,280	49	31,915	51	(1,307)	(4)
Total Assets	63,053	100	63,610	100	62,598	100	455	1
L/T Debt	7,866	12	8,758	14	8,755	14	(889)	(10)
Total Equity	41,994	67	41,431	65	40,099	64	1,895	5
Current Ratio	2.25		2.20		2.00			
Debt / Equity Ratio	0.50		0.54		0.56			

1H16 Statement of Cash Flows - Consolidated

Unit: NT$ M	2Q'16	1Q'16	1H'16	1H'15	YoY
	Amount	Amount	Amount	Amount	Amount
Operating Cash Flow	2,499	1,723	4,222	3,594	628
Investing Cash Flow	(707)	(995)	(1,702)	(2,554)	852
Financing Cash Flow	(1,591)	(2)	(1,593)	(1,055)	(538)
Cash & Equivalents	7,325	7,108	7,325	6,915	410
Depreciation and Amortization	1,420	1,460	2,880	2,909	(29)
CAPEX	(775)	(796)	(1,571)	(2,084)	513

1H16 Statement of Comprehensive Income - Memory

Unit: NT$ M	2Q'16		1Q'16		1H'16		1H'15		YoY	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Sales	8,231	100	8,173	100	16,404	100	15,342	100	1,062	7
Gross Profit	1,943	24	2,195	27	4,138	25	4,423	29	(285)	(6)
Operating Income	640	8	867	11	1,507	9	1,949	13	(442)	(23)
Pretax Income	742	9	920	11	1,662	10	2,151	14	(489)	(23)
Net Income	643	8	776	9	1,419	9	1,801	12	(382)	(21)
EPS (NT$)	0.18		0.22		0.40		0.49			
EBITDA	1,996	24	2,264	28	4,260	26	4,736	31	(476)	(10)

1H16 Balance Sheet - Memory

Unit: NT$ M	Jun. 30 '16		Mar. 31 '16		Dec. 31 '15		Jun 30'16 vs Dec 31'15	
	Amount	%	Amount	%	Amount	%	Amount	%
Current Assets	20,630	35	20,838	34	19,345	33	1,285	7
Net Fixed Assets	29,910	50	30,569	51	31,195	52	(1,285)	(4)
Total Assets	59,534	100	60,407	100	59,496	100	38	0
L/T Debt	7,866	13	8,758	14	8,755	15	(889)	(10)
Total Equity	40,785	69	40,206	67	38,902	65	1,883	5
Current Ratio	2.09		1.99		1.78			
Debt / Equity Ratio	0.46		0.50		0.53			

1H16 Statement of Cash Flows-Memory

Unit: NT$ M	2Q'16	1Q'16	1H'16	1H'15	YoY
	Amount	Amount	Amount	Amount	Amount
Operating Cash Flow	2,201	1,457	3,658	3,303	355
Investing Cash Flow	(645)	(872)	(1,517)	(2,446)	929
Financing Cash Flow	(1,586)	0	(1,586)	(1,048)	(538)
Cash & Equivalents	4,190	4,220	4,190	3,955	235
Depreciation and Amortization	1,356	1,397	2,753	2,787	(34)
CAPEX	(749)	(764)	(1,513)	(2,012)	499

Revenue and GM Trend- Consolidated

Revenue (NT$B)

Gross Margin
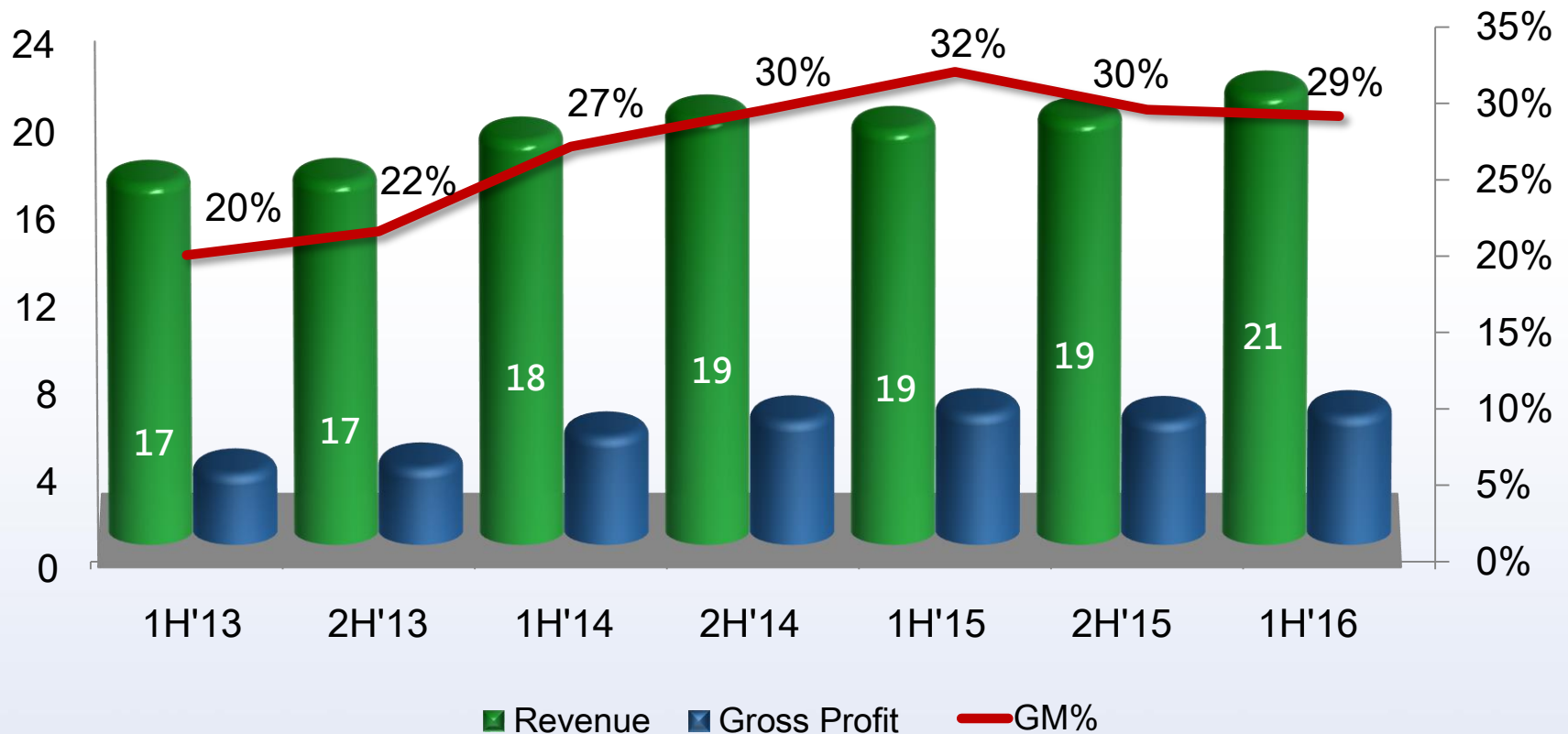
Revenue and GM Trend- Memory

Y2016 Memory CAPEX
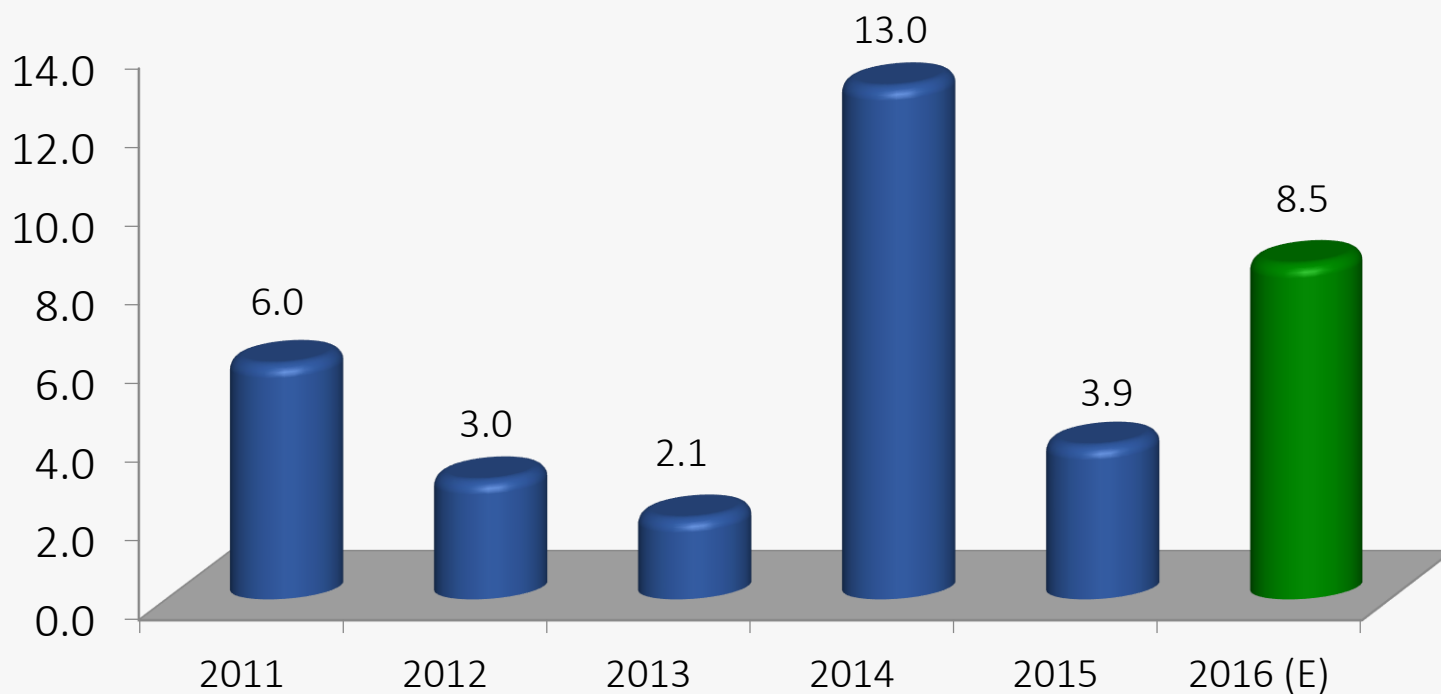
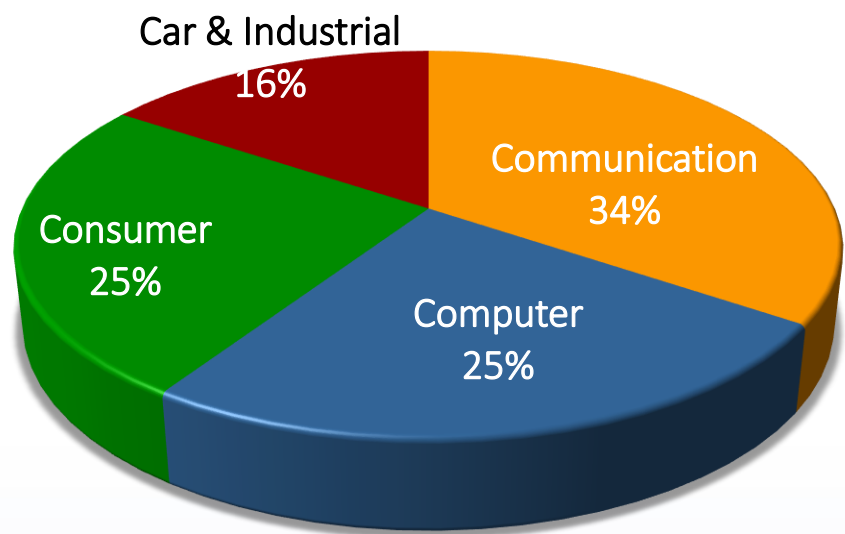CAPEX(Cash Basis) as of 06/30/2016

Winbond Business Update & Outlook

1H16 Memory Business Recap

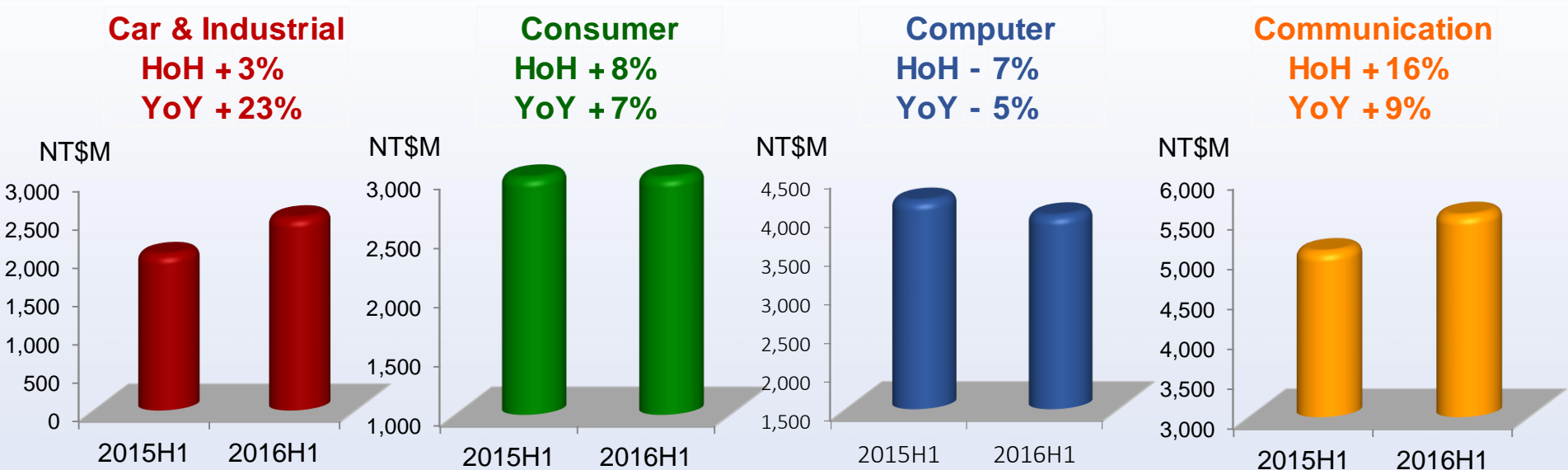|	HoH	YoY
Revenue	+6%	+8%
Gross Profit	+3%	-7%

- Revenue increased due to improving product mix and customer mix
- Gross margin dropped YoY, mainly due to capacity loss.
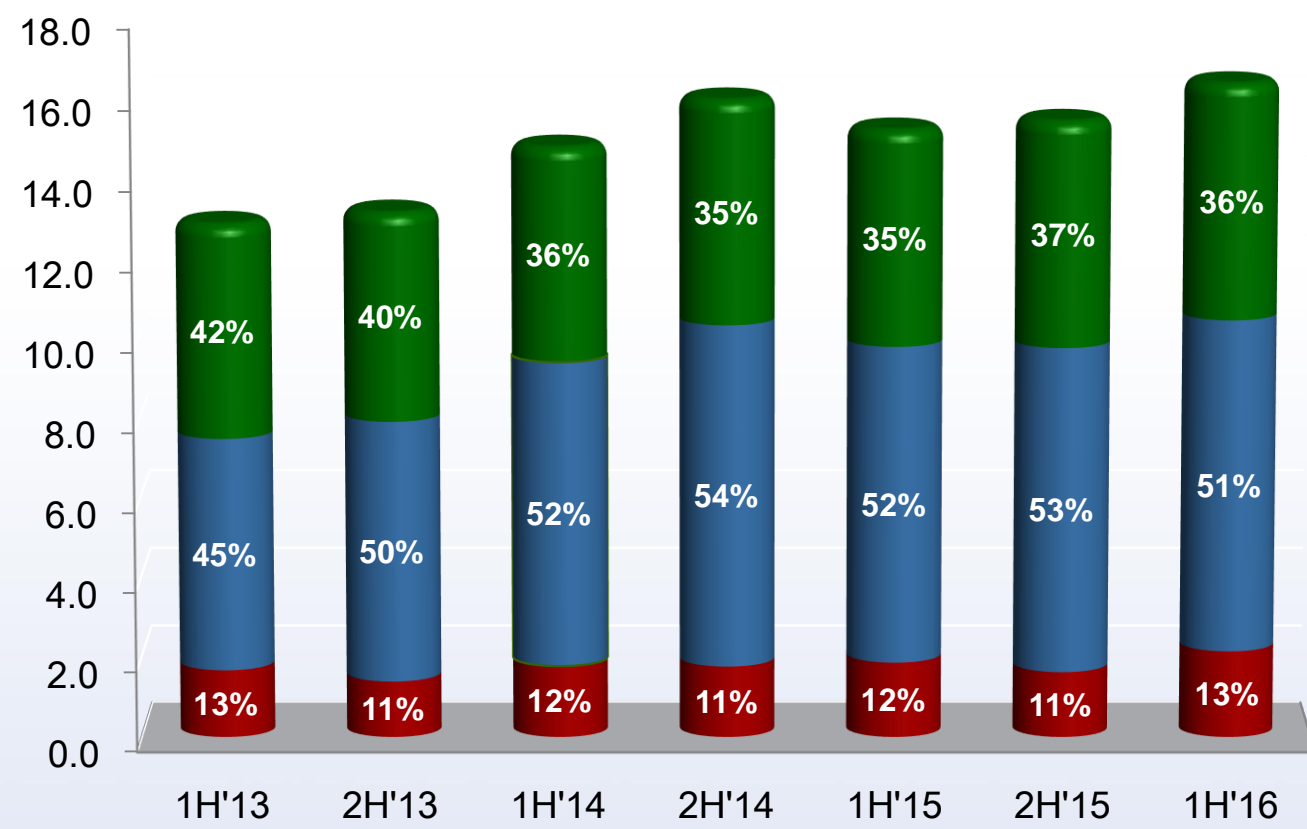
1H16 Revenue Breakdown by Application

Car & Industrial
16%

Communication
34%

Consumer
25%

Computer
25%

Note: Revenue excluded foundry and others

Car & Industrial
HoH +3%
YoY +23%

NT$M

	2015H1	2016H1

Consumer
HoH +8%
YoY +7%

NT$M

	2015H1	2016H1

Computer
HoH - 7%
YoY - 5%

NT$M

	2015H1	2016H1

Communication
HoH +16%
YoY +9%

NT$M

	2015H1	2016H1

1H16 Revenue Breakdown by Product

Revenue (NT$B)

	HoH	YoY
Flash	+4%	+9%
Specialty	+2%	+5%
Mobile	+32%	+15%

1H16 Revenue Breakdown by Geometry
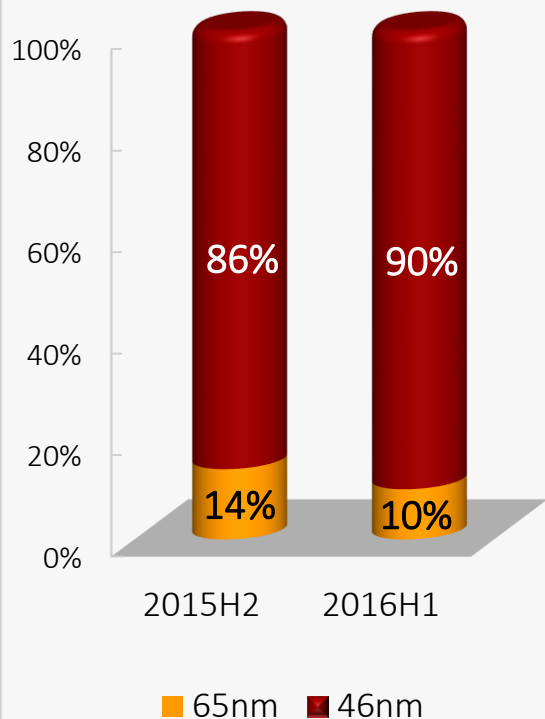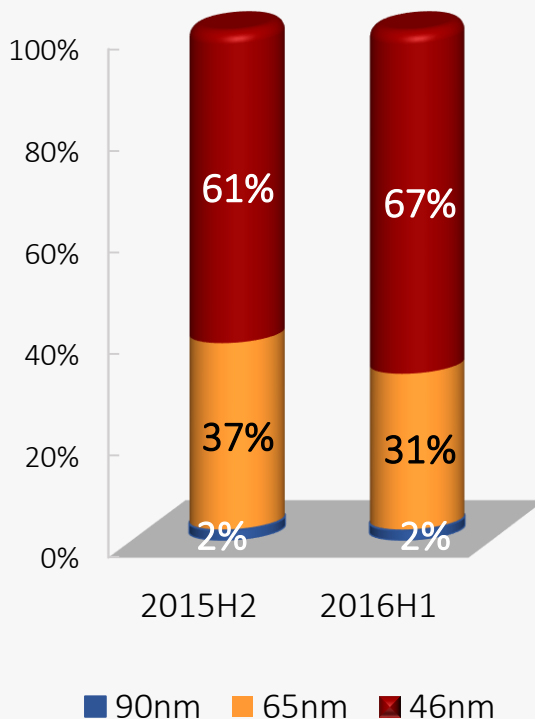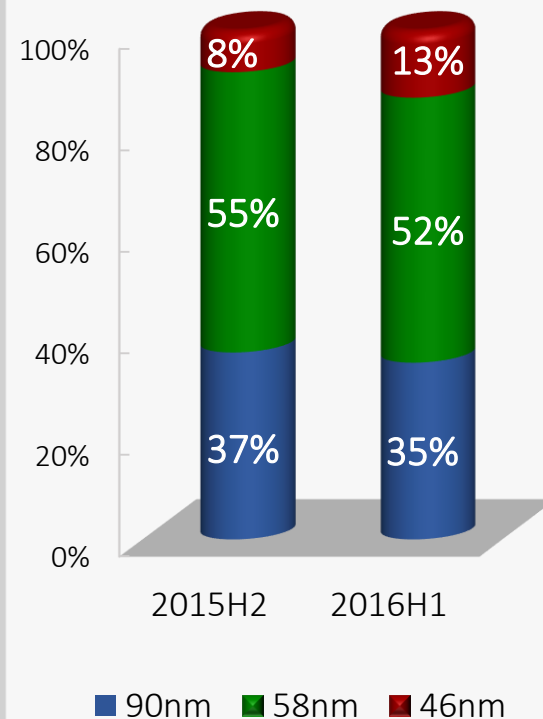
1H16 Specialty DRAM Business

	HoH	YoY
Revenue	+2%	+5%

- Revenue from TV and NTWK remained strong
- Automotive and industrial applications contributed higher growth of revenue

1H16 Mobile DRAM Business

	HoH	YoY
Revenue	+32%	+15%

- Design-win from tier-1 customer
- Demand from ASIC products increased

1H16 Flash Memory Business

	HoH	YoY
Revenue	+4%	+9%

- Business in NTWK application continued expanding
- Demand for high-density products (1Gb above Code Storage Flash) increased

DRAM Maker Benchmark

Vendor	GM %			Change	
	2Q16	1Q16	2Q15	QoQ	YoY
A company	32%	36%	46%	-4%	-14%
B Company	17%	20%	31%	-2%	-14%
C company	28%	33%	42%	-4%	-14%
Winbond	24%	27%	29%	-3%	-5%

- GM% of Winbond Specialty DRAM business maintains stable even without any technology migration in last 6 years

  * Self-developed 3x nm DRAM technology will be released in Q4/2016

Winbond Business Outlook

❑ Maintain stable business in 2H, with continuous focus on KGD, Automotive, Industrial and MCP.

❑ Competitiveness and Profitability in DRAM business will be enhanced from 2017, after self-developed 3x nm DRAM technology is released in Q4/2016.

❑ Increasing business in tier-1 customers in Mobile DRAM

❑ Code storage Flash business maintain stable with good product quality and diversified applications/customers

❑ Increasing business in Gb code storage Flash and Flash+DRAM MCP