

The top half of the slide features a background image of the Earth from space. In the upper left, a large black memory chip is shown with the 'winbond' logo and 'We Deliver' text on its surface. A smaller chip is positioned above it. The 'winbond' logo is rendered in a bold, italicized, red font with a white outline.

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A Global Supplier of  
Advanced Memory Solutions

# 4Q11 Investor Conference

Feb 8, 2012



# 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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# Agenda

- **4Q11 Financial Results**
- **Business Update & Outlook**
- **Q&A**

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# 4Q11 Financial Results



# 4Q11 Income Statement(QoQ)

	4Q'11		3Q'11		QoQ change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Net Sales	5,717	100	6,918	100	(1,201)	(17)
Gross Profit	(96)	(2)	897	13	(993)	(111)
Operating Income	(1,163)	(20)	(22)	(0)	(1,141)	5,186
Pretax Income	(1,230)	(22)	(79)	(1)	(1,151)	1,457
Net Income	(1,189)	(21)	(41)	(1)	(1,148)	2,800
EPS (NTD)	(0.32)		(0.02)		(0.3)	
EBITDA	1,256	22	2,427	35		

Note: All financial figures are unconsolidated



# 4Q11 Income Statement(YoY)

	4Q'11		4Q'10		YoY change	
	Amount	%	Amount	%	Amount	%
Unit: NT\$ mil						
Net Sales	5,717	100	7,737	100	(2,020)	(26)
Gross Profit	(96)	(2)	946	12	(1,042)	(110)
Operating Income	(1,163)	(20)	121	2	(1,284)	(1,061)
Pretax Income	(1,230)	(22)	30	0	(1,260)	(4,200)
Net Income	(1,189)	(21)	30	0	(1,219)	(4,063)
EPS (NTD)	(0.32)		0.01		(0.33)	
EBITDA	1,256	22	2,915	38		

Note: All financial figures are unconsolidated



# Balance Sheet as of Dec. 31, 2011

Unit: NT\$ mil	Dec 31 '11		Sep 30 '11		QoQ change	
	Amount	%	Amount	%	Amount	%
Cash & Equivalents	3,813	7	5,013	8	(1,200)	(24)
Net Fixed Assets	34,492	59	36,110	58	(1,618)	(4)
Total Assets	58,371	100	62,250	100	(3,879)	(6)
L-T Liabilities	7,967	13	7,867	13	100	1
SH Equity	35,356	61	36,703	59	(1,347)	(4)
Current Ratio	1.00		0.96			
Debt/ Equity Ratio	0.65		0.70			

Note: All financial figures are unconsolidated



# 4Q11 Statement of Cash Flow

	4Q'11	3Q'11	QoQ change
Unit: NT\$ mil	Amount	Amount	Amount
Operating Cash Flow	1,978	2,105	(127)
Investing Cash Flow	(1,418)	(1,495)	77
Financing Cash Flow	(1,761)	153	(1,914)
Cash & Equivalents	3,813	5,013	(1,200)
Depreciation and Amortization	2,419	2,449	(30)
CAPEX	1,371	1,410	(39)

Note: All financial figures are unconsolidated

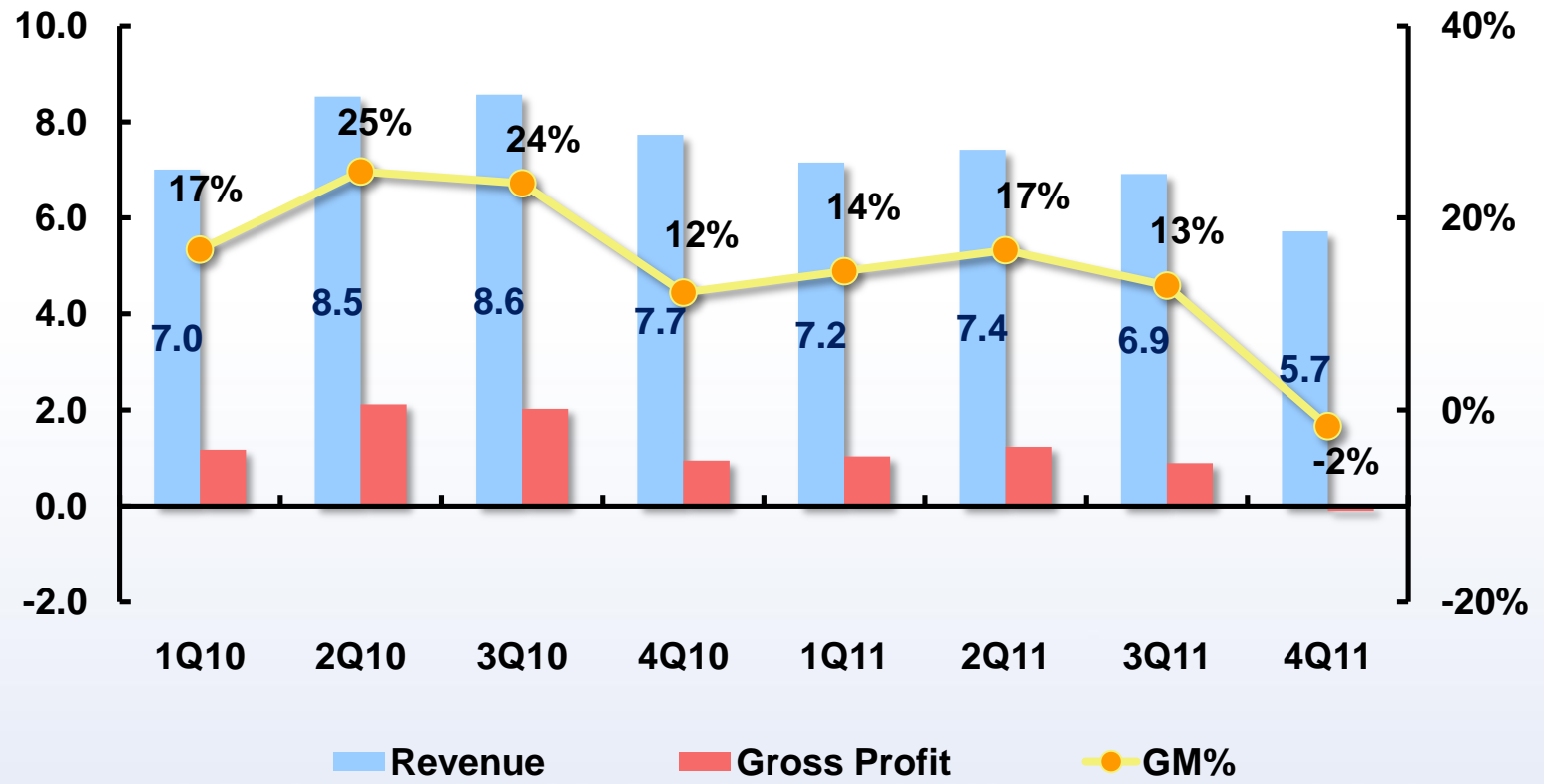




# Revenue and GM Trend - Winbond alone

Revenue (NT\$ bil)

Gross Margin



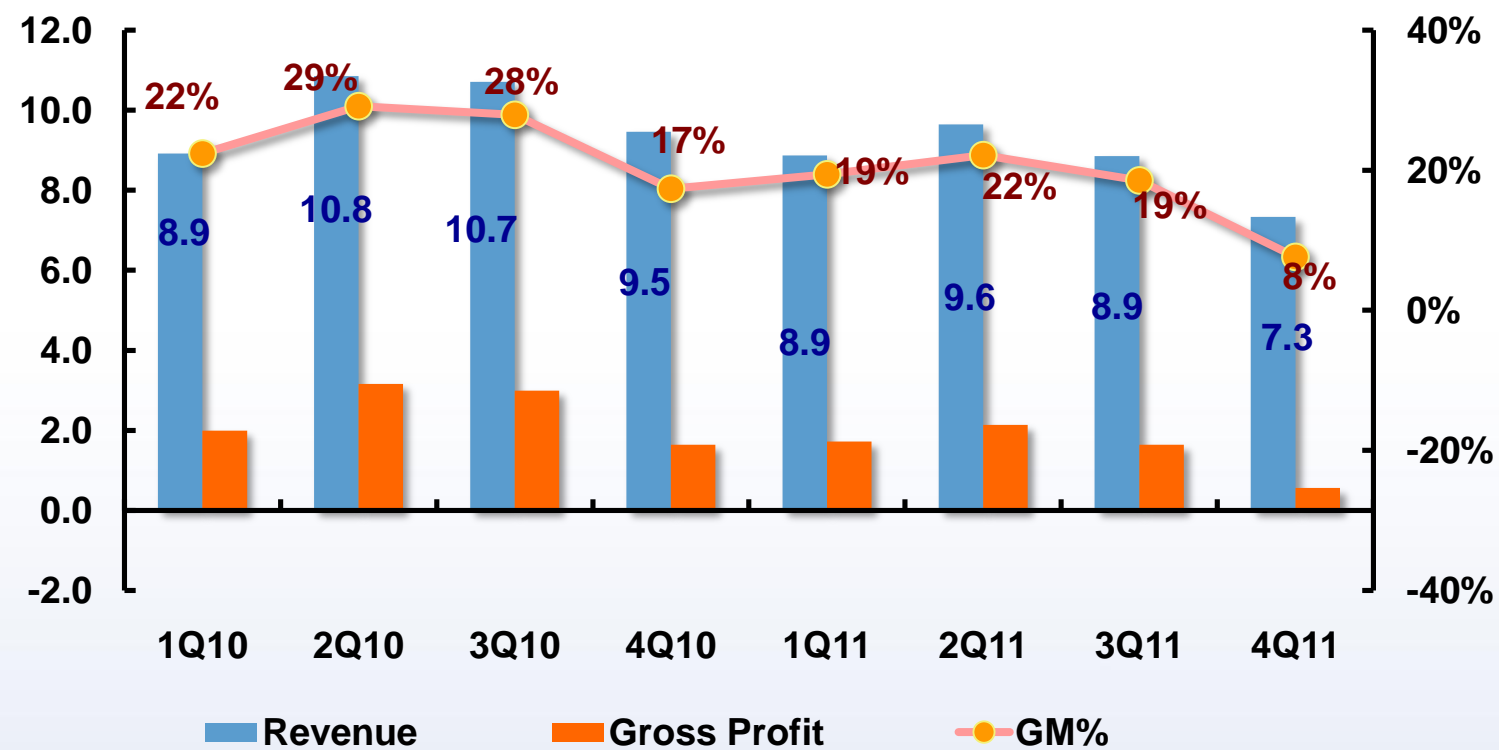
Note: All financial figures are unconsolidated



# Revenue and GM Trend - Consolidated

Revenue (NT\$ bil)

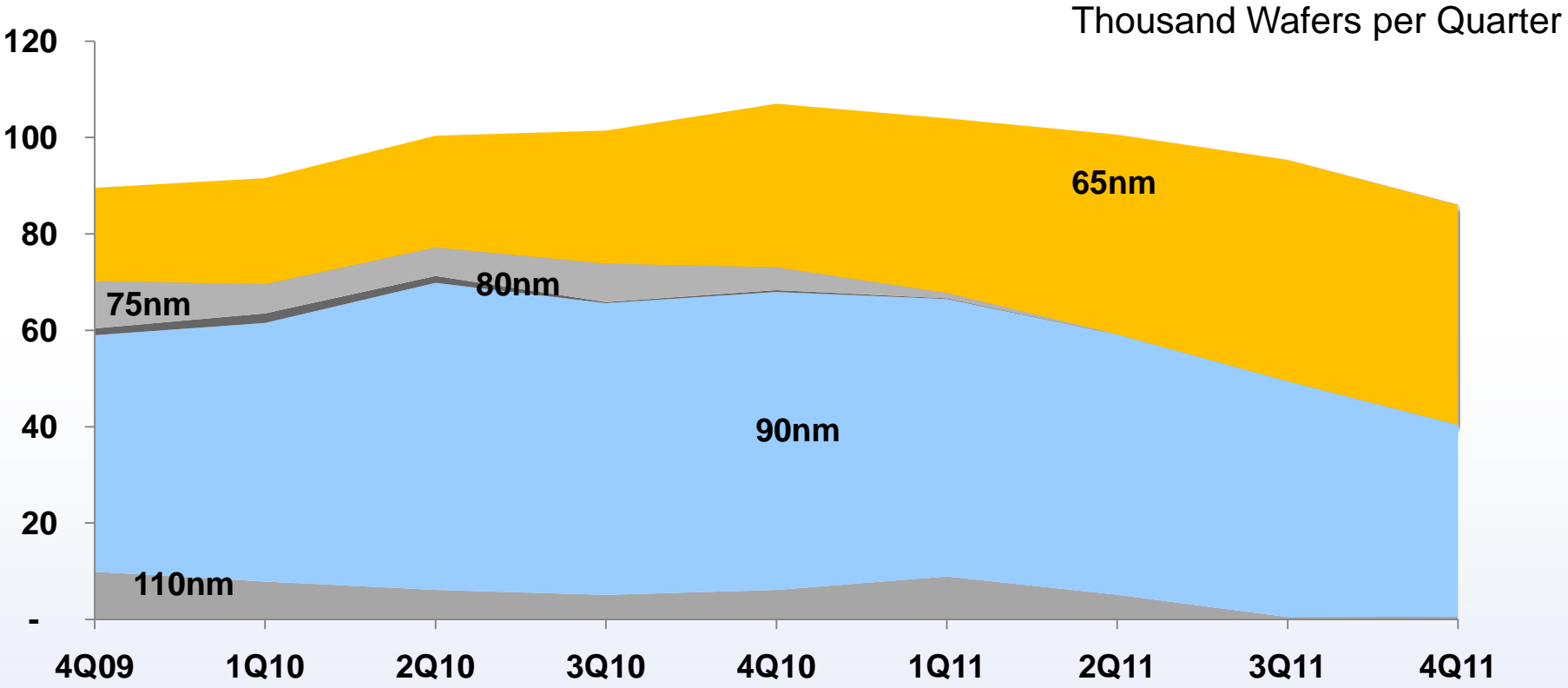
Gross Margin



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



# Geometry Breakdown

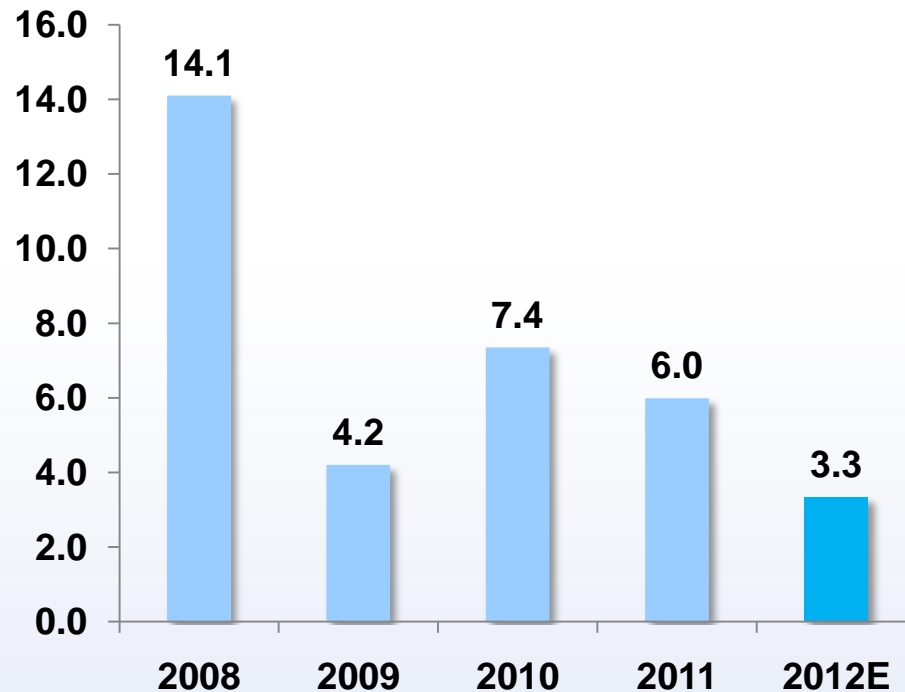


- Memory Geometry in 4Q11 :  
1% in 110nm, 46% in 90nm and 53% in 65nm.



# Y2012 CAPEX

NT\$ Billion



## Y2012 CAPEX :

- 58nm Flash capacity to 6K WPM & 46nm DRAM capacity to 9K WPM.
- Process Technology Development

Cash Basis CAPEX as of 2/8/2012

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# 4Q11 Recap and 2012 Outlook



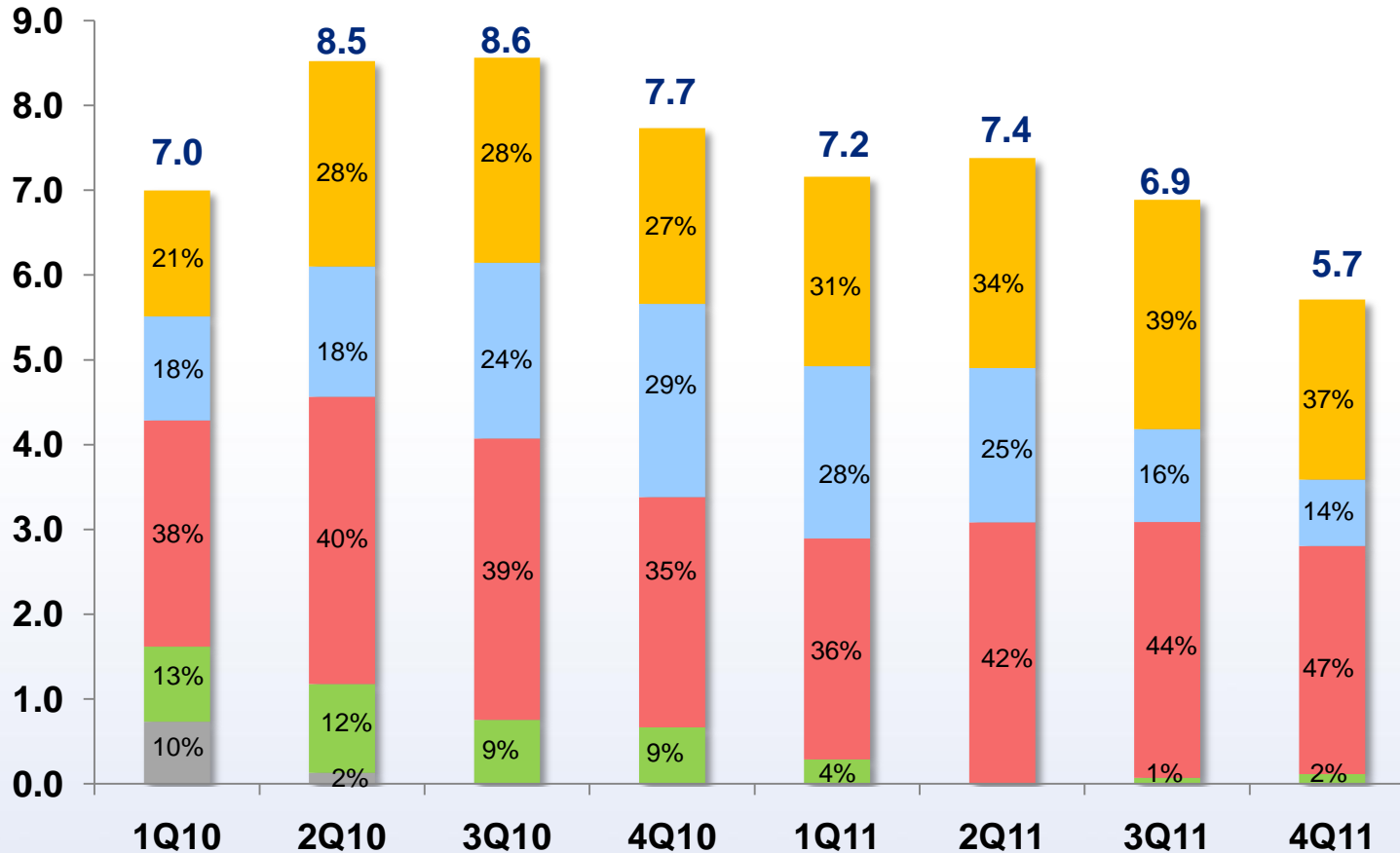
## 4Q11 Business Recap

- ✓ 4Q11 revenue down 17% QoQ and down 26% YoY
  - Significant drop of demand from HDD due to Thailand flood
  - Weak demand in PC, TV and feature phone
  - Price erosion
  
- ✓ 58nm SF product & 46nm Specialty DRAM product into mass production



# Revenue Breakdown by Product

Revenue (NT\$ bil)



	QoQ	YoY
<b>Flash</b>	-22%	2%
<b>Mobile</b>	-28%	-66%
<b>Specialty</b>	-11%	-1%
<b>Graphic</b>	64%	-82%

■ Commodity DRAM  
 ■ Graphic DRAM  
 ■ Specialty DRAM  
■ Mobile RAM  
 ■ NOR Flash



## 2011 vs 2010

NT\$B	2010	2011	YoY %
<b>Sales Revenue</b>	<b>31.8</b>	<b>27.1</b>	<b>-15%</b>
Flash	8.4	9.5	14%
Specialty	12.1	11.4	-6%
Mobile	7.1	5.7	-20%
Graphic	3.3	0.5	-86%
Commodity	0.9	0	N/A
<b>Net Income</b>	<b>3.6</b>	<b>-0.8</b>	<b>-124%</b>
<b>EPS(NT\$)</b>	<b>0.97</b>	<b>-0.23</b>	<b>-1.2</b>





## 2012 Business Outlook

- ✓ A Specialty Memory solution provider
  - ✓ Specialty DRAM, Pseudo RAM, Low Power DRAM, Serial Flash , Parallel Flash, SLC NAND Flash
  - ✓ Focus on medium and low density memory products, complementing to “Big Players” in high density memory
- ✓ Price erosion slows down
- ✓ Increasing balanced business portfolio in 3C with continuous improvement in product and customer mix
- ✓ 46nm DRAM and 58nm Flash product portfolio improve cost structure from 2H



## 2012 Outlook- Flash

- ✓ Maintain worldwide leadership in Serial Flash
  - ✓ Fast business expansion in hand-held devices and networking
  - ✓ Increasing focus in small factor packages
- ✓ Account for > 40% Winbond 2012 business
- ✓ Parallel Flash business gains momentum
- ✓ Target to introduce 46nm low density SLC NAND Flash in Q4/12 - Q1/13



## 2012 Outlook- Specialty DRAM

- ✓ Business in HDD segment recovers in Q2
- ✓ Aggressively drive product migration to 46nm
- ✓ Focus on improving application/customer/product mix for long-term stable business and profitability



## 2012 Outlook - Mobile RAM

- ✓ Strong demand in high density Pseudo RAM demand
- ✓ Fast business growth of medium density Low Power DRAM in hand-held devices and peripheral modules
- ✓ Introduce 46nm Pseudo RAM and Lower Power DRAM in 2H



Questions

&

Answers

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