# Financial Highlights

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>33,857,100</td>
<td>31,016,351</td>
<td>9.2</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>10,579,642</td>
<td>9,616,879</td>
<td>10.0</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>975,250</td>
<td>394,598</td>
<td>147.2</td>
</tr>
<tr>
<td><strong>Income Before Tax</strong></td>
<td>1,513,855</td>
<td>735,000</td>
<td>106.0</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>1,221,566</td>
<td>511,562</td>
<td>138.8</td>
</tr>
<tr>
<td><strong>FX Rate (USD to NTD)</strong></td>
<td>31.6654</td>
<td>33.0554</td>
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<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2009</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash &amp; Cash Equivalents</strong></td>
<td>5,296,920</td>
<td>5,558,349</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td>25,655,452</td>
<td>25,372,477</td>
<td>1.1</td>
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<tr>
<td><strong>Working Capital</strong></td>
<td>5,735,229</td>
<td>5,151,403</td>
<td>11.3</td>
</tr>
<tr>
<td><strong>Long Term Loans</strong></td>
<td>-</td>
<td>500,000</td>
<td>-100.0</td>
</tr>
<tr>
<td><strong>Shareholder's Equity</strong></td>
<td>14,530,928</td>
<td>14,767,758</td>
<td>-1.6</td>
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<tr>
<td>**Shares Outstanding **</td>
<td>647,580</td>
<td>647,580</td>
<td>0.0</td>
</tr>
<tr>
<td><strong>FX Rate (USD to NTD)</strong></td>
<td>29.0300</td>
<td>32.0300</td>
<td></td>
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</tbody>
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** in thousands

**Note:**
1. Taiwan GAAP announced implementation of new accounting criteria named "Article No. Ten" on Jan. 1, 2009. The gross profit presented by gross margin includes inventory provisional gain or loss.
CHALLENGES AND OPPORTUNITIES
2010 was another challenging year as markets around the world continued to grapple with economic recovery. Although the second half of 2010 saw improvements overall, the beginning of the year included obstacles such as the shortage of factory workers in China and the scarcity of microchips and other critical materials. Multiple disruptive factors such as the debt crisis, currency volatility, and climate anomalies all served to deepen marketplace uncertainty. Economies in Europe, North America, and other major markets continued to struggle with high unemployment rates and weak consumer spending. Fortunately, the cloud of economic turmoil in many emerging markets has lifted. D-Link’s rigorous infrastructure, accountable fiscal policies, and reliable brand image has allowed us to take full advantage of the favorable conditions in these regions. These factors, coupled with ongoing technical innovation, consistent product quality, and excellent operational efficiency helped D-Link to maintain stable revenue growth. Subsequently, profit rebounded strongly over last year.

FINANCIAL PERFORMANCE
In 2010, D-Link’s consolidated revenue totaled NT$33.86 billion, up 9.2% over the previous year. Operating income grew to NT$975 million, up 147% over the previous year. Net profit after tax was NT$1.22 billion, compared to the previous year’s NT$511 million, a significant growth of 139%. Profit status has outshined the shadow cast by the prevailing financial turmoil abroad. Global consolidated revenue in US dollars came in at US$1.069 billion compared with US$938 million in 2009, a stable growth of 13.8%. A combined gross margin of 31.2% was seen in 2010, similar to the 31% from 2009. Still, operating profit margin was up to 2.9% from 1.3% last year due to economies of scale, a 1.6% improvement. Annual earnings per share showed an increase from 0.79 to 1.89. Overall operating performance was in line with expectations.

MARKET SHARE
D-Link’s annual switch shipments totaled approximately 62.7 million ports, a growth of 10.6% over 2009. According to Gartner, D-Link retained its number one ranking in the small business market based on enterprise Ethernet switch ports shipped with a worldwide market share of 38.5% in 2010. In the midsize and large enterprise market for 2010, D-Link’s market share based on ports shipped reached 13.2%, for a ranking of third place worldwide. Wireless devices totaled approximately 1,784 million units shipped. This is a growth of 42.2% over the previous year. According to Gartner, within the small business and midsize and large enterprise markets for WLAN stand-alone access points, D-Link had worldwide market shares of 30.4% and 25.4% respectively in 2010. Additionally, the broadband telecom product line achieved annual shipments of 1,791 million units, growing 64.5% over last year. Based on product line, wireless products accounted for 41.5% of annual turnover, followed by 28.3% for switches, 20.4% for broadband telecom, and 7.6% for digital home.

INNOVATION
D-Link remains a leading brand of global consumer networking products for the digital home. The design community has acknowledged D-Link’s innovation with multiple awards and distinctions. Perhaps most notably, the acclaimed and groundbreaking Boxee Box won over 15 awards, including Best in Show at CES 2010. The DIR-685 Xtreme N Storage Router also won coveted awards including the “red dot” Design Award as well as the Good Design Award.
D-Link is also a formidable pioneer within the enterprise segment. Powerful new features such as Auto Surveillance VLAN demonstrate D-Link’s dedication to easing the strain on network administrators and systems integrators. Similarly, the ZoneDefense feature of D-Link firewalls was awarded a patent in the UK for the proactive manner by which it secures networks from potential threats.

GREEN TECHNOLOGY
One of the greatest advantages that D-Link products have over the competition is their exemplification of green technology. D-Link continues to maintain its commitment to reducing the impact on the environment, a pledge that the company has kept since first designing high-performance energy-saving products in 1994. Green practices have reduced energy consumption and waste to promote others to recycle and re-use.

This year we launched two desktop switches, the 5-port (DGS-1005D) and 8-port (DGS-1008D), both of which were awarded ISO / CD 14067-1:2010 and PAS 2050:2008 certifications. This puts them among the first products whose first carbon footprint is in line with the latest international 
CNC standards. Moving forward, we intend to pursue additional R&D capabilities and supply chain controls to improve environmental stewardship and reduce carbon emissions.

THINKING GLOBALLY, ACTING LOCALLY
After nearly 25 years of hard work and perseverance, we have amassed a powerful global distribution system. D-Link is now comprised of over 2,700 employees in 71 countries, with 160 sales offices throughout the world. D-Link has some of the most comprehensive global market coverage among international networking companies. Our physical proximity to each region gives us a deeper awareness of the subtle definitions among each local customer’s requirements, culture, and values. From this insight, we are able to develop a unique brand of service, grounded in sustainability and respect. In particular, D-Link’s roots in Asia Pacific, Latin America, and emerging markets have allowed us to contribute to and benefit from the recovery and development there. In 2010, those areas contributed to 56% of consolidated revenues. As these areas gain increased political and economic power, we will continue to strengthen our foothold, since these opportunities will provide a good platform for stable growth.

OUTLOOK
As we look to the future, overall economic conditions are forecasted to improve. In particular, consumption via digital content delivery, reliance on online applications, and the demand for broadband are all expected to grow considerably. This increasing consumer dependence on the “cloud” affects the way families and friends interact, while driving the demand for networking equipment that can empower this new form of connectivity. D-Link will meet these demands through continued investment in D-Link’s core technologies, research and development, and strategic global alliances. As always, ongoing improvements to logistics, operational efficiency, and inventory management are a top priority. These factors assist D-Link in reaching the market with new products and technologies early on and subsequently dominating the competition.

Although the market for networking products has become more competitive, continuous innovation has sustained D-Link’s brand leadership within the industry. Looking ahead, we anticipate stable growth momentum comparable to what was experienced prior to the recent global economic turmoil. We would like to extend our gratitude to the shareholders for their enduring trust and support. The executive team and staff pledge their continued dedication to responsible management, sustainable development, and corporate social responsibility. We maintain our determination to reach performance goals, strengthen growth, and enhance profitability.

Finally, we would like to wish everyone at D-Link, including all shareholders and staff, continued good health and good fortune. As we look forward to the following year, D-Link’s talented and committed employees, innovative technologies, strategic partners, and global branding position us well for continued success.

Sincerely,

CHARLEY CHANG
Chairman
D-Link Group

TONY TSAO
Chief Executive Officer
D-Link Group

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D-Link Corporation | Annual Report 2010 | 03
Globalization through Localization

Meeting the World’s Needs through Local Units
LOCAL MARKET UNDERSTANDING, INTERNATIONAL PRESENCE

Unity: a strategy for success executed on a global scale. D-Link is the worldwide leader and an award-winning designer, developer, and solution provider of Wi-Fi and Ethernet networking, broadband, multimedia, voice and data communications, and digital electronics solutions. D-Link has systematically expanded its market share by penetrating geographic targets through a strategy of establishing in-country business units supported by a strong corporate foundation.

Confident in the resources of D-Link headquarters to develop and deliver state-of-the-art networking products, each local business – regardless of its location around the world – effectively penetrates the market. The Company’s innovative products provide solutions for home and businesses, each built with standards-based reliability. D-Link has become a trusted international brand that connects people to their lives, their work, and to each other.
Global recovery from the previous year’s economic woes, in addition to pent up spending, allowed D-Link to experience tremendous gains with year-over-year sales growth rates of 19.2% (NTD) and 24.2% (USD). Further development in regions such as Russia, Latin America, Asia Pacific, Middle East, and Africa enhanced D-Link’s influence. D-Link’s local brand awareness, competitive price points, and versatile product offerings proved to be distinguishing factors for success.

Revenue from the Russian market exceeded expectations and reassured D-Link’s positive brand recognition and sales performance there. Switch sales continued to be a major contributor after a number of switching devices and software systems were introduced in 2010. The ever-growing adoption rate of “D-Link Green” products also shows promise. D-Link was involved in Russian education as an official partner of IT Planet’s IT Olympian challenge and as a promoter of distance learning. Channel relations proved to be another area of strength. D-Link was rated by CRN as a Champion Russian IT Channel, earning a bronze award for “networking” and a gold award for “NAS systems for home and office.” Solid core offerings continued to remain a key success factor along with competitive pricing, comprehensive feature sets, and high-quality customer service.

In Latin America, diversification among market segments allowed for successful sales across Switch, Wireless, and SOHO/SMB Router product lines, which accounted for the majority of revenue within the region. D-Link maintained a leading position in the consumer segment through appropriately timed promotions that strengthened customer brand loyalty, while also broadening its customer base. Programs and incentives for channel partners were also thoughtfully created and driven, helping to enhance sales across vertical markets. In 2010, D-Link developed a financing unit to help expand its value offerings to small to medium-sized businesses (SMBs). This offering ultimately improved short-term liquidity for SMBs, helping them to achieve management goals without sacrificing production.

3G products were in high demand in Southeast Asia as collaboration with service providers allowed D-Link products to receive more exposure. D-Link has continued to enhance its business presence within these regions, promoting Wi-Fi products and winning multiple projects in both education and service provider sectors. D-Link maintains superb name recognition, having received “Business Superbrand” status, an award that honors the most valuable business to business brands in the region.

In India and the Middle East, D-Link adopted a number of innovative sales and marketing strategies to enhance its brand presence. Positive relationships across multiple channels have helped the company earn a number of accolades, including DQ Channels Magazine’s Channel Choice Award for “Wireless Networking” and CRN Magazine’s Channel Champion Awards for “SMB Networking,” and “Home & SOHO Networking.” D-Link continues to hold various channel partner events to develop and bolster partnerships throughout the regions.

In 2010, D-Link’s offerings continued to attract new consumers as the demand for extensible platforms and affordable products grew. Fresh networking infrastructure continues to be deployed in many new areas. This progress is encouraging, and will likely contribute to sales growth in the future. In the Asia Pacific, Latin America, and emerging markets, the primary users of advanced networking technology have often been Telco providers and government agencies seeking to offer their end-users new services based on advanced and competitive infrastructure. D-Link anticipates that its Ethernet and high-speed wireless platforms will continue to be the reliable choice for municipal networks worldwide, and looks to these areas for continued growth opportunities.
CASE STUDY

THE REGIONAL GOVERNMENT OF CALLAO
The Regional Government of Callao was looking to improve the infrastructure of its region to build a digital city for its citizens to provide a high quality of living through the use of information and communications technologies. However, due to limitations, the government headquarters’ previous network solution was unable to provide the functionality required for its intended digital city. The network was primarily connected to 10 Mbps links, and many of the switches and hubs were unmanaged. D-Link was asked to provide a solution that could tend to these needs while retaining investment for the region in the years to come.

D-LINK PRODUCTS
- DGS-3324SRi and DGS-3324SR (Switches with Gigabit Connectivity)
- DEM-311GT (Managed Switch)
- DWL-7700AP (Wireless AG Outdoor AP/Bridge)
- DWL-3200AP (802.11b/g Managed Access Point)
- DES-1228P (24-Port PoE 10/100 Switch)

BENEFITS
D-Link deployed its Gigabit Ethernet Layer 3 Core Switches so that the Regional Government’s headquarters was able to experience speed that was ten times faster than its existing switch, while also supporting both copper and fiber connectivity. These switches also supported redundant power supplies to help achieve zero failure in the event of failure from the power supply unit. Wireless Outdoor Access Points were deployed around five elementary schools to save on the cost of leasing dedicated lines to the school. Additionally, Web Smart Switches with Power over Ethernet were deployed at each school to eliminate the difficulty and hazards of installing cables. With the deployment of D-Link solutions, the Regional Government of Callao is now able to move onto its new plans for a digital city and provide e-government services to its community without connection or speed issues.

EMERGING MARKETS & ASIA PACIFIC
End-User Spending on Enterprise Network Equipment by Region, 2007-2015 (Millions of US Dollars)

Chart created by D-Link based on Gartner data. Regions in this graph include: Asia / Pacific, Japan, Latin America, Middle East, and Africa.
Europe

Europe contributed 24.7% of D-Link’s global revenue in 2010, growing both its Business Solutions and Service Provider Business.

Despite the challenging economic climate, D-Link Europe experienced year on year growth in the business segment, doubling both its IP Surveillance and Storage revenues. In addition, a broadening portfolio, strategic pricing initiatives, and aggressive positioning of key products against its competition all combined to boost performance in this important area for the company.

For the second year running, D-Link Europe exceeded its Service Provider targets, achieving its goal of continued growth in this arena. Approximately 2.5 million routers, wireless routers, and wireless adapters were shipped as part of Service Provider projects across Europe - a clear indication of the level of success in this market segment.

Going into 2010, D-Link Europe’s strategy was to enter the IP Surveillance and Storage Area Networks markets, increase Business Solutions revenue, grow the Service Provider business, and maintain market share in Wireless N and PowerLine.

In order to achieve these goals, D-Link Europe grew its competitive product lines and concentrated considerable resources on marketing and sales training around the broadened portfolio. The business achieved its product targets in five key technology areas: Broadband, Digital Home, Security, Wireless, and IP Surveillance, and is now striving to improve on these targets, particularly around the areas of IP Surveillance, Storage and Switching. As a strategic area of focus, IP Surveillance proved particularly successful in 2010 with a number of important project wins for D-Link.

In 2010, D-Link Europe also focused on a number of technology groups that proved to be key to its accomplishments. In a major launch, D-Link Europe introduced the Boxee Box by D-Link, one of the most hotly anticipated HD Media Players on the market today. A first for Europe, this has provided consumers with a new way to enjoy TV programs, movies, videos, and music from the Internet or a hard drive on their TVs. With the launch of the Boxee Box, D-Link is now competing with top tier brands in the European market.

Storage technologies were also a major focus for the year, with the Europe-wide launch of the ShareCenter range, providing consumers with an easy way to stream, share, protect, and manage all their important files. Running parallel to this was a focused campaign to stimulate sales of D-Link’s xStack Storage range for businesses. This new family of products is used by businesses to store important data as organizations depend on such information to stay competitive, manage operations, produce goods and services, and report on progress.

Moving into 2011, D-Link Europe will celebrate 25 years of innovation in technology for both homes and businesses – a huge achievement in such a competitive space. Building on this legacy, D-Link Europe will continue to deliver technologies that make a real impact on businesses and consumers that use them. D-Link Assist, which launched on January 31st, will be a major focus in this drive. By offering round-the-clock technical support for business customers experiencing issues with their network, D-Link Assist will be a key platform in D-Link’s endeavor to offer best-in-class customer service.

With the launch of a remote monitoring portal on consumer cameras in May of this year, IP Surveillance will continue to be a major focus throughout. Switching will also be a key priority as D-Link Europe looks to introduce a comprehensive managed and entry level chassis switch offering to cater for the important SMB/SME market. For the consumer business, D-Link will continue to drive the Digital Home agenda by launching a range of innovations for consumers, and building on the incredibly successful Boxee Box launch.
CASE STUDY

MISSION MOTORCYCLES
Mission Motorcycles was founded in the 1950s and is one of the UK’s leading motorcycle dealerships today. Over the last three years, the company has endured three break-ins, the last of which involved the theft of five motorbikes, each worth at least £5,000. In addition, the shop was badly damaged by the determined thieves who were able to enter the dealership despite the fully gated system and CCTV camera surveillance in operation. Unfortunately, the company’s previous surveillance system was of limited benefit in addressing this situation because it relied on the person locking up to put in a new tape each night, which was often forgotten. It was also expensive to maintain, and the storage of all the tapes and equipment took up valuable space inside the store. Furthermore, the quality of the footage was so low that the police refused to use the tapes as they were not good enough to use to identify suspects.

D-LINK PRODUCTS
• DCS-7510 (Day and Night Outdoor IP Camera)
• DCS-6111 (Day and Night Indoor Dome IP Camera)
• DGS-1224P (Power over Ethernet Switch)
• DNS-722-4 (2-Bay Network Video Recorder)

KEY BENEFITS
D-Link’s IP Surveillance system benefitted Mission Motorcycles in a number of ways. First and foremost, the system acts as a deterrent for would-be criminals, and Mission Motorcycles has ensured that signs were placed everywhere to make the public aware of the surveillance system. Second, it has saved a significant amount of time and effort as staff no longer need to spend time running and maintaining surveillance because the cameras are always on and accessible anywhere. Third, the new system doesn’t require tapes, so staff no longer need to remember to change or replace them in order for the system to work. Finally, the footage recorded is in high-quality and in high-resolution, so the police will be able to use it to apprehend suspects should another burglary occur. The footage can also be viewed remotely, such as on an iPhone, which means that staff can see what is going on at the shop no matter where they are.
North America

The strategic release of new products throughout 2010 allowed D-Link North America to capitalize on sales for a year-over-year growth of 11.7%.

In light of the recovering economy in 2010, D-Link launched several major initiatives centered around communicating D-Link’s corporate vision to deliver unified solutions that encompassed its expanding portfolio of networking products. The D-Link North America division established a state-of-the-art lead nurturing system to maximize cross-sales of customers. In doing so, D-Link North America continued to expand its relationships with channel, retail, and technology partners while listening intently to customer needs and pain points in order to develop products and programs to enhance D-Link’s overall marketplace position.

In support of D-Link North America’s goal to increase market share with mid-size enterprise businesses, the company successfully launched its core line of business switches. D-Link focused its messaging around the need for multi-vendor solutions and ensuring new product investments provide the extensive line of features and support required to remain competitive, but work within businesses’ waning IT budgets. This approach was well received by the market, particularly in comparison to product and service offerings by the largest networking vendors. To support the launch of D-Link’s business switch line, the company developed strategic campaigns and worked closely with the channel to capture and nurture all sales opportunities.

Strategic consumer product introductions and specialized launch campaigns broadened D-Link’s presence in key growth areas. In addition to strong efforts geared towards enhancing retail channels, D-Link North America expanded its focus on the education sector, creating new marketing content such as case studies to leverage the end-user experience. Furthermore, establishing an advanced education program and developing an all-new micro site helped reinforce D-Link’s credibility as an end-to-end networking solutions provider.

Key initiatives for the business market included a greater focus on aligning efforts with strategic partners to help deliver D-Link solutions. 2010 was also a critical year in establishing the infrastructure for D-Link’s leadership and growth within the service provider industry, working closely with telecom and cable companies to test IPv6 compatible products and educate telecom cable operators on D-Link’s investments in IPv6. Through these endeavors, D-Link was able to create more project opportunities with major telecom providers in the market.

Leveraging its leadership in home networking, D-Link North America focused on expanding its product line to encompass consumer electronics with the launch of the mydlink-enabled Wireless N Network Camera (DCS-930L) and the Boxee Box by D-Link. The Boxee Box, D-Link’s first Smart TV thrust, took the market by storm, providing the ultimate web-to-TV viewing experience to homes across the country, while the introduction of the affordable DCS-930L gave households an easy-to-use network camera solution for monitoring from virtually anywhere via a range of mobile device apps and the mydlink.com portal. These successful launches helped bring D-Link beyond a purely home router solution provider to delivering true end-user products offering the ideal combination of price, performance and ease-of-installation.

Also integrated with D-Link’s success in 2010, was the Value in Partnership (VIP) Partner Program. The VIP program provided Value Added Resellers (VARs) with the tools necessary for successful sales within the channel, including deal registration and a unique “bounty” rebate program. In addition, the VIP program offered a certification process and training opportunities, allowing partners to leverage expertise and knowledge of D-Link products in customer outreach.

Looking ahead, the company will continue to push technology leadership and innovation within the small business and medium enterprise IT markets, while continuing to drive growth within the home networking segment. Priorities will be given towards delivering more powerful home networking technologies that directly address smart connectivity needs in today’s homes including high-bandwidth HD streaming and ensuring signal strength in every corner of the home. In addition, D-Link will expand its focus on the growing need for comprehensive IP surveillance solutions that include high definition IP cameras, switch technology that leverages D-Link’s auto virtual LAN capabilities and network storage. D-Link will continue communicating its corporate vision of delivering cost-effective unified networking solutions to its customers. Efforts in the service provider market will continue to focus on expanding relations with service providers and positioning D-Link as an IPv6 leader and industry resource to attract new customers.
CASE STUDY

TANDUS
In Dalton, Georgia – the carpet capital of the world – thousands of rolls of carpet and pallets of tile are dispatched from 15 docks at Tandus Flooring’s corporate manufacturing and distribution center. Video monitoring certifies shipments to Tandus’ global locations, sales offices, and dealer partnerships in dozens of countries. However, Tandus’ aging analog CCTV and tape recording system used for monitoring its distribution center only provided low resolution black and white images and did not capture footage from all 15 docks. Tandus turned to Cpak Technology Solutions, which after a thorough site survey, recommended a complete D-Link IP Surveillance system with a variety of cameras, D-Link D-View monitoring and recording software, and iSCSI SAN storage.

D-LINK PRODUCTS
- DCS-6620 (10/100TX PTZ Internet Camera)
- DCS-6110 (Fixed Dome PoE Network Camera)
- DCS-3110 (Fixed Network Camera, Megapixel, Day & Night, PoE)
- DSN-1100-10 (4x1GbE iSCSI SAN Array, 5-Bay Enclosure)
- D-VIEW 3.1 (Monitoring and Recording Software)

KEY BENEFITS
Tandus realized ROI on the system in just 12 months. Cpak replaced Tandus’ CCTV equipment with D-Link’s unified system for recording, monitoring, and storing video, which connected seamlessly to its existing IP network, simplifying support and saving thousands of dollars over piece-meal camera plus storage implementations. The D-Link solution proved superior in resolution, color, and above all, search capabilities. This enabled Tandus personnel at the distribution center to utilize the docks more efficiently, reducing wait time, saving fuel, and getting more loads in and out faster. Tandus also saved costs when it came to storing and retrieving video footage, as employees could now isolate and e-mail digital shipment verification to customers and dealers in a matter of minutes from any location with Internet access and with a number of devices.

NORTH AMERICA
End-User Spending on Enterprise Network Equipment by Region, 2007-2015 (Millions of US Dollars)

Chart created by D-Link based on Gartner data.
Consumer Solutions

As consumers discover new ways to utilize the Internet, ties to their digital lifestyle have become stronger than ever before. D-Link has always been a pioneer in the digital home, releasing groundbreaking products to accommodate the evolving requirements of consumers.

In 2010, D-Link introduced a number of new products to satisfy the evolving needs of the consumer market segment. The recent surge in online video streaming and social networking has caused an increased demand for high-speed connectivity. Similarly, the introduction of mobile applications and devices means that users need access to the Internet everywhere and anywhere, thus driving the demand for bandwidth to an all-time high. D-Link recognized this new digital lifestyle trend, and subsequently focused on enhancing home entertainment, connectivity, monitoring, and storage product lines.

D-Link enhanced its network connectivity offerings by releasing a series of wireless and wired solutions to provide users with greater speed, range, and flexibility. D-Link introduced the D-Link Rush (DAP-1560), an access point with a unique 4x4 antenna design that can extend the wireless range of any router, allowing homeowners to quickly stream high-definition content. Additionally, the D-Link Touch (DIR-865), was the company’s first ever touch-screen router, combining a user-friendly touch interface with the speed, power, range, and security of a high-end router to create a device capable of handling the demands of the latest multimedia applications. For situations where the installation of network cabling would be inconvenient, D-Link has presented a number of PowerLine products that utilize a home’s existing electrical wiring to create a high-speed network connection between different rooms in a home, even ones unreachable by wireless signals.

Consumers have begun to awaken to the limitless possibilities presented by their wide-range home network connections. D-Link anticipates that security devices such as surveillance cameras will gain increased popularity as consumers learn of their many benefits. In particular, mydlink-enabled cameras can be set up easily and remotely viewed anytime, anywhere. Integration with mydlink smartphone applications and the mydlink.com website makes viewing camera feeds more straightforward and accessible than ever before. D-Link also announced its energy monitoring kit, a device that helps consumers reduce carbon emissions when connected to the mydlink portal, another of the many environmentally-conscious products that D-Link makes available to consumers.

Recognizing the trend toward dedicated multimedia hardware, D-Link collaborated with social media and multimedia platform developer Boxee Inc. to create the Boxee Box by D-Link, a media player that allows users to enjoy Internet content on standard or HD televisions. Announced in the first quarter of 2010, the Boxee Box was well-received by the public, earning a “Best of Innovations” award from the Consumer Electronics Association (CEA). As more and more online content becomes available, D-Link expects a growing number of consumers to continue to take advantage of the benefits provided by the Boxee Box and the rest of D-Link’s media player line.

Media players bring a growing need for storage capacity for users who store high-definition video, audio, and photo content. Given the demand to access files while “on the go,” network attached storage (NAS) devices have satisfied this need in the past, but have been daunting for users with limited technical ability. D-Link’s latest network attached storage (NAS) devices provide users with a robust set of features, but are also easier to install and configure than ever before.

Consumers are increasingly accustomed to working from home or on the road. To satisfy the needs of these consumers, D-Link has introduced new mobile devices that empower users to maintain their productivity wherever and whenever 3G/4G coverage is available. The latest series of mobile devices like the MyPocket Router even allow users to share their mobile connections with colleagues via Wi-Fi.

D-Link looks to expand its consumer base by growing its product lines, providing innovative solutions at competitive prices. Diversified offerings and innovative technologies will allow D-Link to maintain its position as a leader in the Consumer and Digital Home segment.
HOME NETWORKING
D-Link is a dominant player in home networking with award-winning products that are powerful and easy to use.

SWITCHING
D-Link Green Ethernet switches help consumers expand their network while saving energy automatically.

MULTIMEDIA
D-Link MediaLounge-branded products bring new options to the consumer in the digital home by connecting PCs and other devices to a home entertainment system.

VOICE & IP COMMUNICATIONS
D-Link VoIP products are sold through retail partners and service providers, giving customers affordable calling options over an Internet connection.

HOME NETWORK STORAGE
D-Link home storage enclosures are ideal for consumers to store and share their entire library of digital music, photos, videos, and data files.

INTERNET CAMERAS
D-Link SecuriCam cameras provide secure access to their live video streams over the Internet to any PC in the world anytime, anywhere.

CABLE/DSL MODEMS
D-Link broadband modems are standards-based connectivity solutions sold through the retail channel and service providers.

USB/FIREWIRE
D-Link is a market leader in plug-and-play, high-bandwidth connectivity solutions for computers, peripherals, and consumer electronics products.

Notable Achievements for 2010:

- The Boxee Box by D-Link wins the CEA Innovations 2010 Design and Engineering Award.
- The D-Link Xtreme N Storage Router (DIR-685) was a Taiwan Excellence Gold Award Winner 2010.
- The Boxee Box by D-Link was named a CNET Best of CES 2010 Finalist.
Business Solutions

With many exciting opportunities arising from the business market segment, D-Link remains committed to providing SMEs, SMBs, and SOHO customers with powerful and cost-effective solutions that facilitate success in today’s evolving networking environment.

D-Link’s primary focus has been on solutions for the small to medium business segment with an emphasis on high-port-density unmanaged switches. Within the past several years, mounting expertise has allowed D-Link to increase production volume of managed switches suitable for a wider array of applications. This has produced outstanding revenue growth of over 70 percent in managed switches worldwide. The D-Link Smart Switch series is likely to experience comparable or greater popularity as a middle ground for businesses that require the power of a managed switch without the complexity.

D-Link plans to further extend its reach, especially in the mid-to-large enterprise segment by releasing its first Chassis series switch (DGS-8000). This extensible switch series supports core-to-edge applications for larger enterprise network environments.

The near exhaustion of IPv4 addresses has raised awareness of the need for IPv6-capable network infrastructure. With this in mind, D-Link has made IPv6 readiness a priority for all products. Ahead of the competition, D-Link has already attained IPv6-ready certification for all of its Managed Switch products, including its full line of Smart Switches. D-Link L3 switches currently support IPv6 routing in addition to IPv4 management.

Security has been a primary concern for networking administrators. However, the complexity of creating a secure network environment can prove to be a daunting task. With this in mind, D-Link developed its Unified Services Routers to provide everything needed for comprehensive management, superior wireless performance, robust security, and flexible deployment. Similarly, D-Link’s NetDefend UTM Firewalls also offer an extensive feature set that includes Intrusion Prevention (IPS), Antivirus (AV), and Web Content Filtering (WCF) for managing, monitoring, and maintaining a healthy and secure network.

The increased dependence on wireless technologies has fostered many opportunities for D-Link as a provider of “fat” access points and unified wireless solutions. In particular, D-Link’s unified access points, unified wireless switches, and wireless controllers for management and roaming control have seen considerable growth of over 70 percent worldwide. This growth has also been met with increased investment as D-Link expands its wireless offerings to small and medium enterprises.

D-Link storage solutions empower data centers with support for virtualization. For maximum value, D-Link iSCSI storage solutions are embedded with license-free snapshot and replication technology capable of handling applications that require high-availability in virtualization and cloud computing environments. D-Link Unified NAS systems were recently developed to serve businesses that require iSCSI capabilities alongside standard file-based storage systems. Furthermore, D-Link’s xStack storage solutions achieved both Citrix Ready certification and VMware Ready status to accommodate to future needs of the business environment to assure for virtualization compatibility with enterprise applications. The next generation of D-Link storage products will include added integration with cloud backup services, making them particularly attractive to channel partners and customers.

IP surveillance has begun to overtake CCTV as the preferred method for surveillance because of the quality and convenience that it provides. The latest generation of switches includes support for Auto Surveillance VLAN, a sophisticated feature that offers advantages for businesses establishing a combined switching and surveillance infrastructure. D-Link IP cameras can be installed on the same network used for data transfers without any degradation in network performance. Auto Surveillance VLAN provides the benefit of zero-configuration combined with quality of service (QoS) improvements.

As a leader in the industry, D-Link has made a number of products with green technologies available to the public, to conserve energy, protect the environment, and reduce waste. D-Link Green technology was developed several years ago as part of an initiative to equip businesses with energy efficient technologies that meet or exceed current green guidelines for manufacturing and disposal. When IEEE ratified the green standard for Energy Efficient Ethernet in October 2010, D-Link had already launched an IEEE-compliant switch. D-Link will soon extend this compliance to its entire line of enterprise products and will continue to help businesses minimize their carbon footprint.

D-Link has defined itself as an end-to-end solution provider, offering products that extend across all areas of network infrastructure including switching, security, wireless, IP surveillance, and storage. With a rich and robust selection of features and products among all of these categories, D-Link has been able to supply businesses with powerful building blocks that add value at each level of their network infrastructure.
SWITCHING
D-Link business-class Ethernet switching products provide Small to Medium and Enterprise businesses with performance-leading solutions at competitive price points.

ENTERPRISE WIRELESS
D-Link AirPremier wireless solutions are designed for medium to large businesses that require extensive feature sets for both indoor and outdoor WLAN applications.

VPNs
D-Link Virtual Private Network (VPN) products establish strong and secure connections to business headquarters networks for the remote office worker and business traveller.

FIREWALLS
D-Link NetDefend products effectively protect networks, corporate resources, and data communication from outside intrusion.

NETWORK STORAGE
The D-Link xStack Storage Area Network (SAN) line is designed to provide a reliable network data storage solution for customers in entry-level and SMB segments.

INTERNET CAMERAS
D-Link’s full featured camera surveillance systems provide remote video and audio monitoring, recording, and pan/tilt/zoom over the Internet for businesses.

KVM SWITCHES
D-Link Keyboard, Video, Mouse (KVM) switches allow for easy management of multiple PCs or servers for IT managers and integrators.

Notable Achievements for 2010:
- D-Link’s xStack SAN storage products achieved Citrix Ready™ and VMWare Ready™ status.
- D-Link’s DGS-3120, DES-3810, and DES-8500 switches received IPv6 Ready Core Logo Phase-2 certification from the IPv6 Forum.
- D-Link was named “Best Channel Vendor” by Business Solutions Magazine for the second year in a row in both the Wireless and Mobility categories.
Long-standing relationships with reliable vendors and manufacturers have contributed to D-Link’s reputation as a dependable partner for service providers. Internet Service Providers (ISPs) view D-Link as a “one stop shop” with comprehensive offerings, including everything from consumer-level ADSL routers found in the home to enterprise-level management switches which provide advanced infrastructures for ISPs.

Service providers face many challenges in the current competitive environment, especially since average revenue per user has begun to drop while operating expenses have begun to increase. The demand for data traffic has grown as a result of the increased use of cloud-dependent mobile devices and the large adoption rate of bandwidth-heavy applications, such as video streaming. Additionally, Telcos and Internet Service Providers have experienced growing conflict as they determine how to appropriately share bandwidth loading. One of the main concerns from both Telcos and their subscribers as the rate of data traffic increases has been bandwidth allocation. To address this problem, D-Link’s Smart QoS technology allows content to be classified and prioritized according to the preference of the Telco or its subscribers to ensure that enough bandwidth is allocated to preferred applications. By using device signatures, home devices can be automatically identified and prioritized according to a pre-defined hierarchy for bandwidth allocation. The use of OSGi as a service platform allows service providers to easily add new applications or services for subscribers.

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As subscribers demand more services, such as on-site and online technical support, D-Link has relieved ISPs of some of the burden with its Remote Support System (RSS) for home networking management. D-Link’s Network helper application lets home users easily diagnose and fix Internet connection problems via a step-by-step graphical user interface. Similarly, D-Link’s Network Map allows users to manage and monitor home devices via a friendly user interface to let users adjust settings such as parental controls and home networking topology.

With the growing number of mobile handsets and smart phones, service providers have needed to address the obstacle of 3G traffic loading. D-Link provided two solutions to address this issue with Femtocell access points and Wi-Fi hot spots. D-Link’s years of experience with access connectivity and wireless technology have placed the company in a solid position to provide Femtocell solutions to service providers. Centralized management via D-Link’s access controller helps to reduce setup time for Wi-Fi hot spots serving multiple devices.

To enhance its mobile solutions business, D-Link produced several 3G dongles that attracted service providers with their simplicity and performance. D-Link’s presence in consumer networking and the digital home leaves the company prepared to deliver the next generation of mobile networking devices.

The increasing demand for more bandwidth looks to be a trend that will continue for quite some time due to the high-speed connection required for modern applications. Products offering higher throughput will be in demand, including GPONs, DOCSIS3.0 routers/gateways, VDSL, ADSL2+ IADs, and media gateways. In the mobile market, 3GPP Long Term Evolution (LTE) has emerged to also relieve the deficiency in bandwidth, ultimately creating a transition in more stable ecosystems such as North America and Europe. Considering the current landscape, D-Link seeks to expand its global reach with an emphasis on emerging markets and a renewed determination for developed nations.

D-Link has successfully established a competitive mobile product line to complement its flourishing broadband offerings as it accommodates the evolving needs of the Telco market.
BROADBAND MODEMS
D-Link modems are standards-based connectivity devices that deliver strong, high-speed Internet connectivity.

BROADBAND ROUTERS
D-Link’s strength in engineering brings customizable router solutions to the service provider selling to the end-user.

VOICE & IP COMMUNICATIONS
D-Link VoIP products are primarily sold through VoIP service providers, bringing affordable calling options over an Internet connection.

WIRELESS MEDIA PLAYERS
D-Link media players and set-top boxes are next-generation, value-adding devices for service providers selling to the home consumer.

ADSL MODEMS
D-Link ADSL modems help create a high-speed DSL Internet connection and offer Ethernet and USB ports for flexible connectivity.

INTERNET CAMERAS
D-Link SecuriCam Internet cameras represent another value-added option for service providers, bringing access to live video streams over the Internet to the home consumer.

SWITCHING
D-Link business-class Ethernet switching products are robust solutions capable of providing worldwide service provider networks.
We often overlook how quickly the Internet and computer networking have changed the way people communicate and do business. D-Link has been a pioneer in this area, constructively influencing the way the world perceives networking in the home and office.

For nearly 25 years, D-Link has taken the initiative to develop new technologies and make them accessible to businesses and consumers all over the world. Throughout this journey, D-Link engineers have been leading innovators in providing quality networking products to businesses and consumers.

As always, D-Link’s core competency is in Ethernet networking. D-Link drives innovation and development by producing a wide range of powerful devices for every type of consumer. D-Link products are available as wired and wireless solutions for home and business at the enterprise, workgroup, and departmental levels.

Thus, D-Link does more than sell products that compete with those of other enterprise-class switch manufacturers – D-Link drives the industry. The xStack product line, for example, includes world-class, fully-managed switches available at a fraction of the cost of its competitors and are backed by D-Link’s renowned dependability. D-Link engineers apply the same innovative drive to business-class WLAN, storage, and security products for medium and large enterprises.

D-Link consumer products are known all over the world for industry-leading design and functionality. These features, combined with a reputation for reliability, both create and serve a growing demand for networking at home and in the small office. Built upon the best-reviewed Wireless N routers in the industry, D-Link’s offerings for the digital home include innovative network storage devices, Internet cameras, media players, and IP telephony systems.

From fully-managed switches for enterprise to award-winning 802.11n routers for the home and small office, D-Link empowers its customers to work, communicate, and relax, taking full advantage of the benefits of broadband. Since D-Link owns most of its supply chain, its products are feature-rich and competitively priced.

Producing goods for a global marketplace, D-Link expands each year to establish an ever-increasing number of localized business units. Operated as a global brand with a local touch, D-Link’s internationally respected products are promoted and distributed to customers by people they know and trust. This is the case whether they are in Brazil, Russia, Japan, or any of the company’s 158 locations around the world.

Coordinated teamwork across borders produces cutting-edge products distributed to every corner of the globe. Local teams communicate their requirements to D-Link Headquarters, which fulfills these needs from its own state-of-the-art manufacturing facilities within timeframes that competitors cannot match.

D-Link’s motto is “Building Networks for People.” This enduring way of doing business continues to be proven one customer at a time.
Whether it is at the office where ideas are generated, or at the manufacturing sites where our products are assembled, we strive to provide more energy-efficient products that allow consumers to upgrade their network equipment and immediately experience dramatic energy savings. We are proud of D-Link’s current leadership position for Green products, and are committed to reaching even greater heights to protect the environment.

Many consumers have already begun to make environmentally conscious decisions to reduce their energy consumption. Based on these needs, companies have been striving to create products that are more appropriate for the environment, reducing energy used and making the transition to Green products easier for the user.

We at D-Link are proud that we have been able to deliver a suite of products that offer an eco-friendly alternative to our competitors in the market. When making the move to more energy efficient “Green” devices, however, it was paramount that achieving such goals did not come at a cost to performance and affordability for our products. We have succeeded in these goals, and offer devices that operate with low power, and are subsequently more environmentally friendly.

D-Link remains committed to strengthening its market leader position in developing high-quality Green networking solutions for the office and home. “Building Networks for People” has always been a motto that D-Link believes in, but the Company also believes in being a responsible leader for the public. In conjunction with both new and previous environmental initiatives, D-Link strives to create environmentally-friendly solutions today for a better future.

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