



元太科技工業股份有限公司
E INK HOLDINGS INC.



Company Presentation

May 2011



Milestones

E Ink Holdings is years ahead of competition in the EPD space

- 1992** **Founded by Taiwan's leading paper making and printing group YFY and is the 1st TFT-LCD company in Taiwan**
- 2004** **Listed on Taiwan OTC**
- 2005** **Acquired EPD business from Philips**
- 2008** **Acquired Hydis (Korea) to expand capacity**
- 2009** **Acquired E Ink Corporation (USA) to integrate the supply chain**

Founded in 1997 based on research started at the MIT Media Lab, E Ink Corporation is the leader in electronic paper display materials and intellectual property. E Ink has a strong patent portfolio and has commercialized many different forms of "Electronic Paper" solutions over the past ten years.



Worldwide Locations

Further integration to lower cost and support growth

- Market Cap: US\$2.0 Billion
- Revenue: US\$868 Million (YR2010)

Transcend Optronics (Yang Zhou)
 Module Manufacturing
 4000 employees
Founded in 2002

Hydis Technologies (South Korea)
 TFT Mfg & FFS IP
 1000 employees
Acquired in 2008

Hydis Japan (Tokyo)
 Sales Office

Prime View Communications, Ltd
 Sales office

PVI(America), Inc.
 (San Mateo CA)
 Sales Office

LATIN AMERICA

NORTH AMERICA

EUROPE

AFRICA

ASIA

OCEANIA

 **E·INK**
E Ink Corporation
 (Cambridge, MA)
 ePaper Material & IP
 200 employees
Acquired in 2009



E Ink Holdings HQ (Hsinchu)
 TFT Manufacturing
 900 employees
Founded in 1992

Solution Service Center (Taipei)
 System Design
 40+ employees



Key benefits of EPD

Highly Innovative & Eco Friendly Technology

Readability

- Innovative digital reading experience – **Paper-like**
- No eye strain
- Read fast from any angle
- Sunlight readable – no shade required

Portability

- Thin – so eBooks can be smaller than regular books
- Lightweight – like newspaper, unlike laptop
- Compact – a library in your pocket!

Power Saving

- **No backlight** – uses natural light, like paper
- **Bi-stable** – leave power cord at home!
- Ultra long battery life

up to 14,800
page turns
(about 40
books)

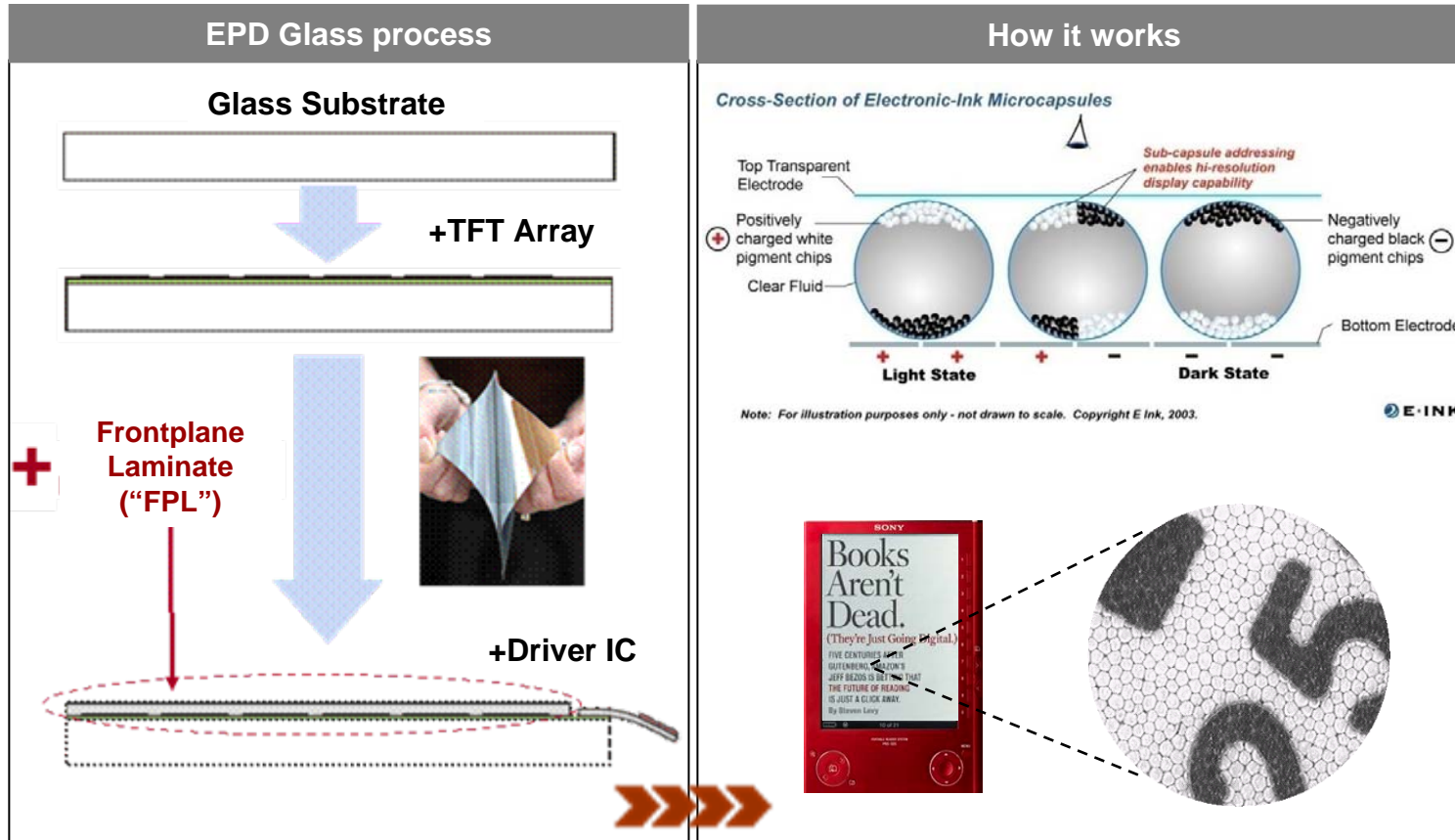
E Ink Holdings aims to provide the world's best reading experience



E Ink technology overview

Reflective technology with high whiteness and contrast ratio

Technology based on moving black and white particles in microcapsules using electric charges



Paper-like

Ultra-Low Power

Thin & Flexible

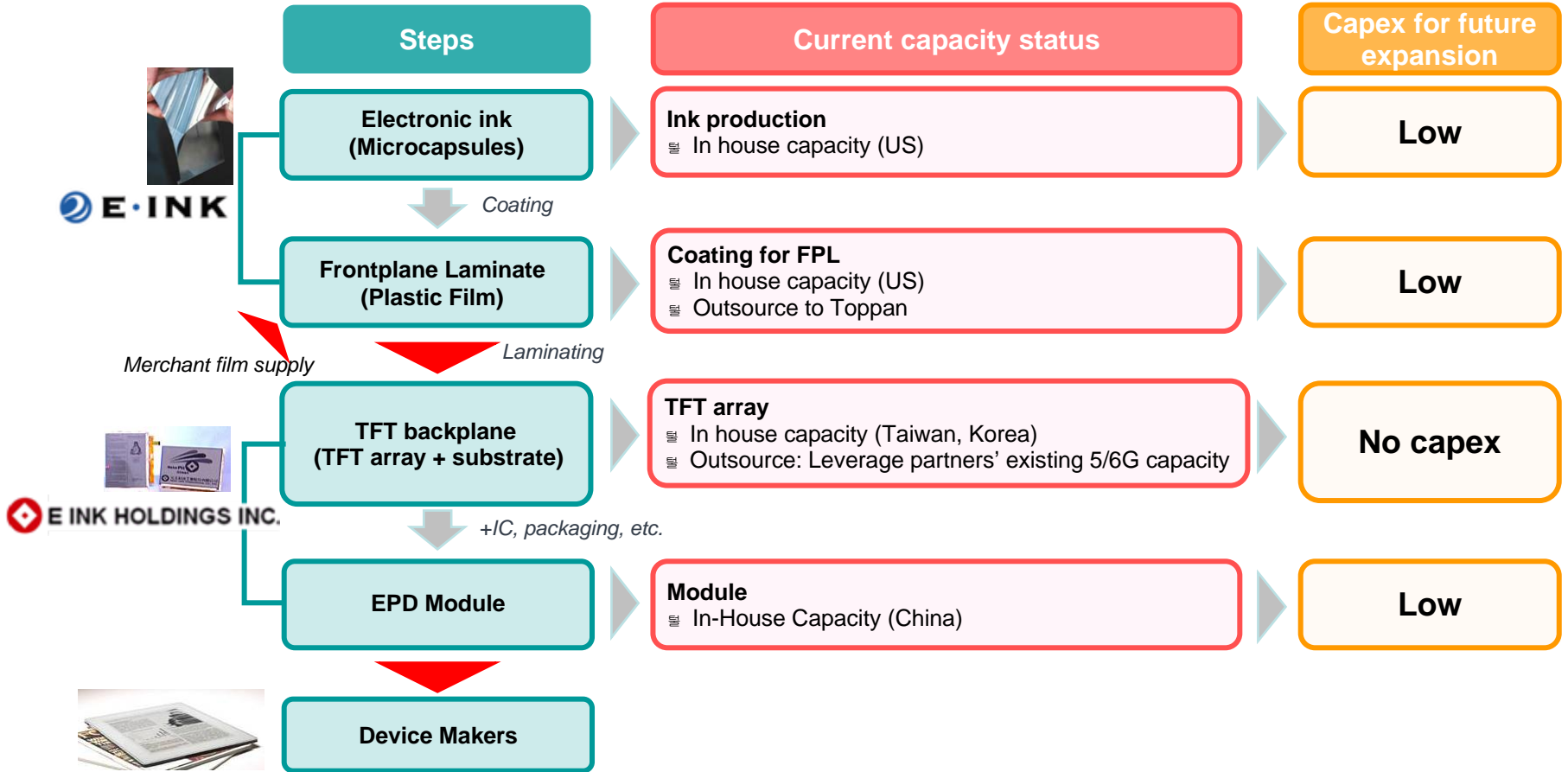
E Ink is the leading electrophoretic technology



Streamlined EPD supply chain

Expedite capacity expansion to meet market demand

Integrated ePaper display supply chain



Streamlined EPD supply chain allows growth with limited capex



Leading market position

With blue-chip customers and product leadership

Solid relationship with the heavyweights in the e-reader industry

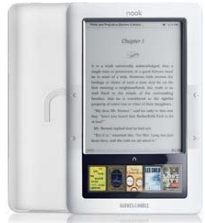
amazon.com



Bambook 锦书



汉王 Hanvon



BARNES & NOBLE



acer

SONY



Bookeen

FOUNDER 方正

edo

iriver

enTourage eDGe™

kobo
EREADER



南開津科
CREATIVE & WEALTHY



Strong E Ink Brand Presence in the market



Technology roadmap

New products rolling out

Color
Technology
Roadmap

High Contrast Ink

Full Color



E-Textbook



Full color module



E-Magazine

Touch
Technology
Roadmap

Capacitive

Digitizer

Flexible
Technology
Roadmap

Unbreakable

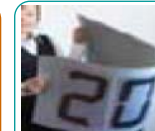
Flexible



E-Tag



E-Magazine



E-Signage



E-Map

Planning

Future/R&D

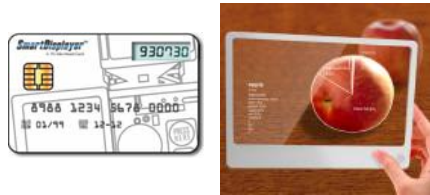
Future technology roadmap based on innovation: Color, Touch, Flexible



Further EPD applications

Application alternatives beyond publishing

The versatile properties of EPDs allow information to be printed on almost any surface



- Architectural (Smart Glass)
- Defense / Security
- Rewriteable Films / Printing
- Out-Licensing



Smart Surface



- Changeable Keypads
- In-Store Signage
- Outdoor Signage
- Indicators
- Smart Labels
- Mobile Device Accessories

Mobile Information



Publishing

- eBooks
- eNewspapers
- eTextbooks

Others

- Mobile Phones
- Mobile Internet Devices
- Handheld Data Collection
- GPS
- Secondary Displays
- Tablet PCs
- eNotepads

EPD can be applied to various applications in addition to publishing



Strong R&D capabilities

Rich R&D pipeline and patent portfolio

FFS technology (“Fringe Field Switching”)

- ✓ Sunlight readable
- ✓ Wide viewing angle
- ✓ Power saving



EIH & Hydys

- ✓ TFT-LCD Patents
- ✓ ~3,000+ issued
- ✓ ~2,000+ pending

 **E·INK**

- ✓ TFT-EPD Patents
- ✓ 160+ US patents
- ✓ 70+ foreign issued patents

- ✓ Research began at MIT Media Lab
- ✓ Electrophoretic technology

EPD technology leader

We have a rich patent portfolio to support and protect our leadership position



1Q11 Consolidated Financial (Unaudited)

(NT\$Million)	1Q10		4Q10		1Q11(Unaudited)	
Net Sales	5,012	100.0%	9,725	100.0%	10,086	100.0%
Gross Profit	1,488	29.7%	3,039	31.2%	2,913	28.9%
Operating Expense	843	16.8%	1,201	12.3%	1,058	10.5%
R&D Expense	365	7.3%	436	4.5%	405	4.0%
Operating Profit	644	12.8%	1,838	18.9%	1,855	18.4%
Non-op items	310	6.2%	38	0.4%	12	0.1%
Pre-tax Income(Loss)	954	19.0%	1,877	19.3%	1,867	18.5%
Tax	251	5.0%	16	0.2%	200	2.0%
Net Income	702	14.0%	1,861	19.1%	1,668	16.5%
E Ink Net income	704	14.0%	1,915	19.7%	1,677	16.6%
EPS	0.70		1.80		1.56	



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Safe Harbor Notice

E Ink Holdings' statement of its current expectations are forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in any forward-looking statements.