



Investor Conference

2014/ 3/ 28



Safe Harbor Statement

Statements in this presentation that are not strictly historical, including the statements regarding the market, economy, the Company's ePaper, LCD and other business, the Company's future product launches, the Company's positioning and expectations for 2013 and future periods, and any other statements regarding events or developments that we believe or anticipate will or may occur in the future, may be "forward-looking" statements within the meaning of thesecurities laws in Taiwan. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things, the uncertainty in the economy, contractions or growth rates and cyclicalilty of markets we serve, competition, our ability to develop and successfully market new products and technologies and expand into new markets, our ability to successfully identify, consummate and integrate appropriate acquisitions, contingent liabilities relating to acquisitions, risks relating to potential impairment of goodwill and other long-lived assets, currency exchange rates, our compliance with applicable laws and regulations and changes in applicable laws and regulations, tax audits and changes in our tax rate and income tax liabilities, litigation and other contingent liabilities including intellectual property and environmental matters, risks relating to product defects and recalls, the impact of our debt obligations on our operations, raw material costs, our ability to adjust purchases and manufacturing capacity to reflect market conditions, legislative reforms and other changes in industry, labor matters, our relationships with and the performance of our customers and partners, risks relating to man-made and natural disasters, our ability to achieve projected cost reductions and growth, and international economic, political, legal and business factors. These forward-looking statements speak only as of the date of this presentation and the Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.

4Q13 Consolidated Financials (Unaudited)

(NT\$ million)	4Q13		3Q13		QoQ	4Q12		YoY
Net Sales	5,866	100.0%	4,732	100.0%	24%	10,796	100.0%	-46%
Gross Profit	1,510	25.7%	1,031	21.8%	46%	2,345	21.7%	-36%
Operating Expense	1,217	20.8%	1,259	26.6%	-3%	1,268	11.7%	-4%
R&D Expense	407	6.9%	422	8.9%	-4%	491	4.6%	-17%
Operating Profit	292	5.0%	(228)	-4.8%	--	1,077	10.0%	-73%
Non-op items	820	14.0%	459	9.7%	79%	295	2.7%	177.6%
Pre-tax Income	1,112	19.0%	231	4.9%	382%	1,372	12.7%	-19%
Tax	61		(413)		--	361		-83%
Minority Interest	32		134		-76%	(79)		--
E Ink Net Income	1,019		511		99%	1,089		-6%
EPS (after-tax)*	0.93		0.49		0.898	1.01		-0.079

*based on average outstanding shares

4Q13 Consolidated Financials (Unaudited)

(NT\$ million)	4Q13	3Q13
Cash	4,664	5,119
Inventory (Net)	3,198	3,793
Fixed Assets	9,835	10,014
Intangible Assets	9,798	9,898
Total Assets	40,085	40,542
Short-term Debt	3,313	4,913
Long-term Debt	4,878	4,871
Total Liabilities	14,533	16,195
	11,410	11,410
Total Equity	25,769	24,604

4Q13 Results

- 4Q13 consolidated sales was NT\$ 5.87 billion, up 24% QoQ
- 4Q13 GPM was 25.7%, up 3.9% QoQ
- 4Q13 consolidated operating expense decreased by 3%, decreasing OPEX ratio to 20.8%
- 4Q13 consolidated profit before tax was NT\$1.11 billion
- 4Q13 profit after tax was NT\$1.02 billion, EPS was NT\$0.93

2013 Consolidated Financials (Unaudited)

(NT\$ million)	1H		2H		2013		2012		YoY
Net Sales	8,306	100.0%	10,599	100.0%	18,905	100.0%	26,705	100.0%	-29%
Gross Profit	478	5.7%	2,541	24.0%	3,019	16.0%	2,820	10.6%	7%
Operating Expense	2,191	26.4%	2,476	23.4%	4,667	24.7%	4,268	16.0%	9%
R&D Expense	742	8.9%	829	7.8%	1,571	8.3%	1,693	6.3%	-7%
Operating Profit	(1,713)	-20.6%	65	0.6%	(1,648)	-8.7%	(1,448)	-5.4%	14%
Non-op items	158	1.9%	1,279	12.1%	1,437	7.6%	813	3.0%	76.6%
Pre-tax Income	(1,555)	-18.7%	1,343	12.7%	(211)	-1.1%	(635)	-2.4%	-67%
Tax	176		(352)		(175)		447		--
Minority Interest	(231)		165		(65)		(334)		-80%
E Ink Net Income	(1,501)		1,530		29		(749)		--
EPS (after-tax)*	(1.39)		1.42		0.03		(0.69)		--

*based on average outstanding shares

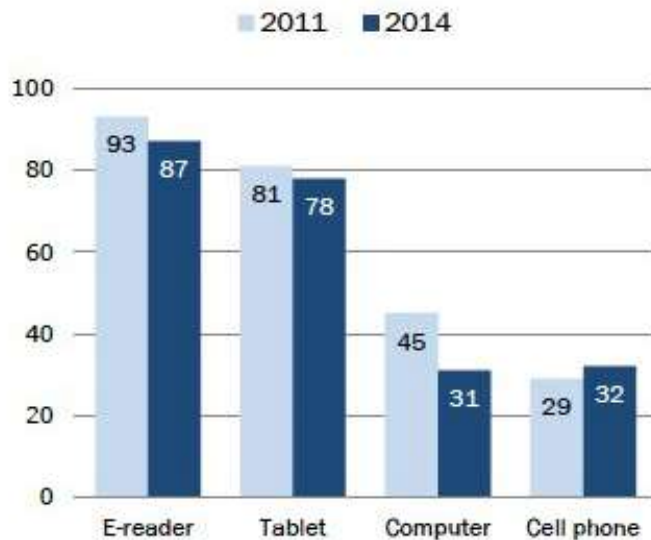
2013 Results

- 2013 consolidated sales was NT\$18.91 billion, down 29% YoY
- 2013 GPM was 16.0%, up 5.4% YoY
- 2013 consolidated operating expense increased by 9% YoY
- 2013 consolidated loss before tax was NT\$211 million
- 2013 profit after tax was NT\$29 million, EPS was NT\$0.03

2014 eReader Market Expands

eReaders continue to be the most popular eBook option across all electronic mediums

Among e-book readers who own each device, the % who read e-books on that device. For instance, among tablet owners who read an e-book in the year prior to January 2014, 78% read e-books on their tablet.

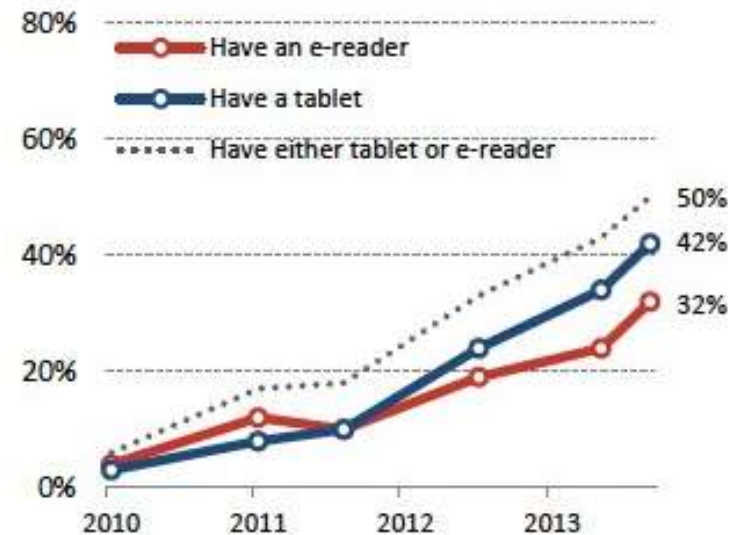


Source: Pew Research Center's Internet Project Omnibus Survey, January 2-5, 2014. N= 1005 American adults ages 18 and older. Interviews were conducted on landlines and cell phones, in English and Spanish.

PEW RESEARCH CENTER

Nearly 1/3 of Americans own an eReader

% of American adults ages 18+ who own each device



Source: Pew Research Center's Internet Project Omnibus Survey, January 2-5, 2014. N= 1005 American adults ages 18 and older. Interviews were conducted on landlines and cell phones, in English and Spanish.

PEW RESEARCH CENTER

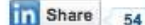
eReader: New Geographies

Amazon tests Brazil's retail jungle with its Kindle

BY ESTEBAN ISRAEL AND MARCELA AYRES

SAO PAULO | Fri Feb 7, 2014 8:36am EST

1 COMMENTS



Graphics of the new Amazon Kindle tablets are seen at a news conference during the launch of Amazon's new tablets in New York, September 28, 2011.

CREDIT: REUTERS/SHANNON STAPLETON

According to industry figures, Brazilians bought 435 million books in 2012 worth 4.98 billion reais (\$2 billion). Szapiro said ebooks were about three percent of total Brazilian book sales.

Source: Esteban Israel and Marcela Ayres, Reuters.com

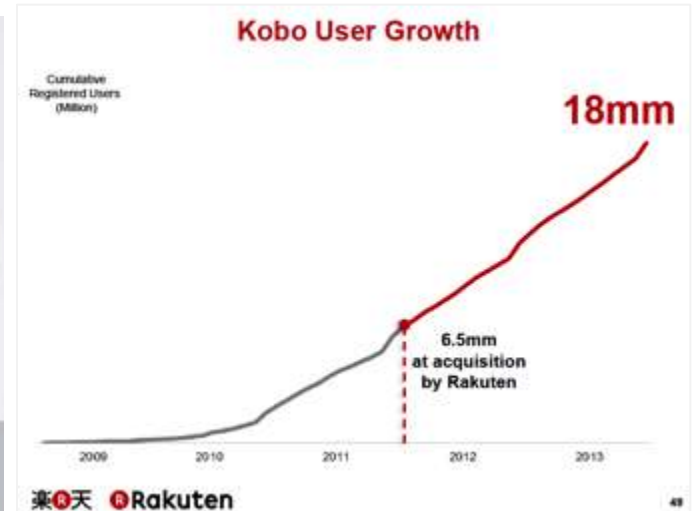
Growth Continues for Key Customers



Kobo's 2013 Q4 Investors Conference

Results:

- Kobo Content User Base Reaches 18M members
- Revenues Increase 44% from Q412



Dual-Display Smartphones

“Dual-screen YotaPhone has a second shot at greatness”

engadget



E Ink Presence at CES



E Ink Mobius



Indicator at Faraday eBike



CAD Reader



Luggage eTag



ClockOne by Twelve24



E Ink Spectra

New Medical Devices

Abbott Diabetes Care

FreeStyle Optium Neo

Smart diabetes support at your fingertips*

FreeStyle Optium Neo has a choice of tools designed to help people who use insulin

Tells you when your blood glucose results need attention



Clear, sharp screen



Quick accurate** blood sugar testing



Lets you log insulin doses you have taken



Flexible Display Options



CST-01



SONY DPS-T1



Sonostar Smartwatch



New Product Applications

Dynamic Luggage Tag



ePaper Signage Wall at UN



Interactive Displays with No Batteries
(Disney Research)



Q&A

In compliance with applicable laws and regulations, non-disclosure agreements, and company policy, we will not respond or comment on the following topics:

- Forward-looking financial numbers
- Product ASP and shipment quantity
- Product mix / customer mix
- Customers' and partners' future product plans (schedule, specifications, pricing, costs, etc.)
- Other companies or components in our customers' supply chain

Eink



See More.

<http://www.einkgroup.com/>