



# Company Presentation

4Q11



# 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 2011 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 cyclicity 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.

# Worldwide Locations

*Further integration to lower cost and support growth*

- Market Cap: US\$1.6 Billion
- Revenue: US\$1.3 Billion (YR2011)

## Transcend Optronics (Yang Zhou)

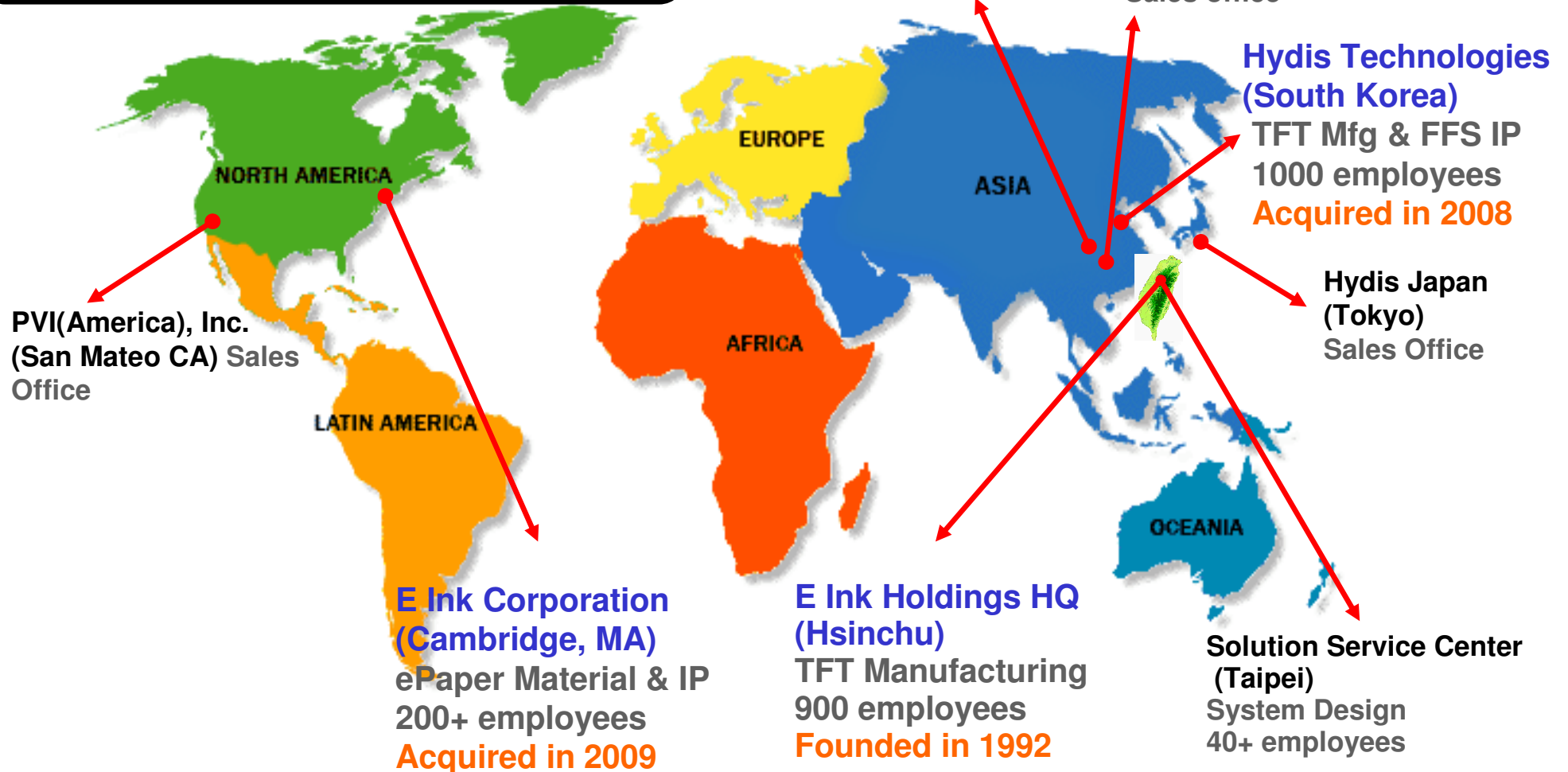
Module Manufacturing  
5000+ employees  
Founded in 2002

Prime View  
Communications, Ltd  
Sales office

## Hydis Technologies (South Korea)

TFT Mfg & FFS IP  
1000 employees  
Acquired in 2008

Hydis Japan  
(Tokyo)  
Sales Office



# 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

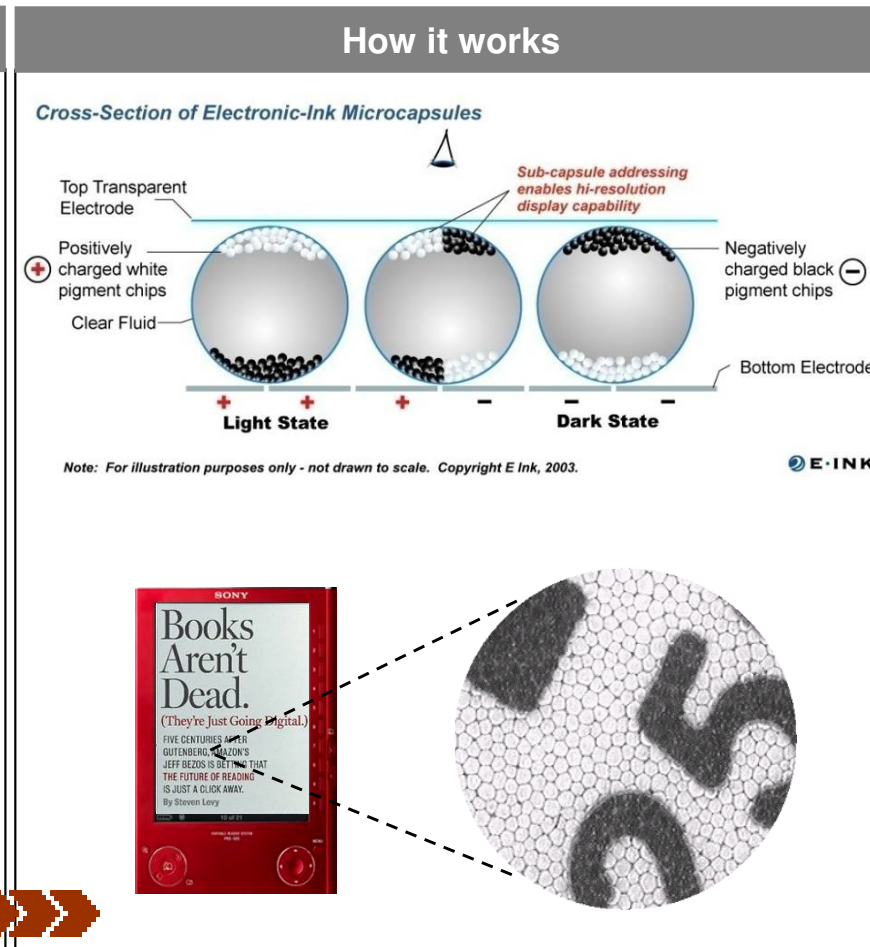
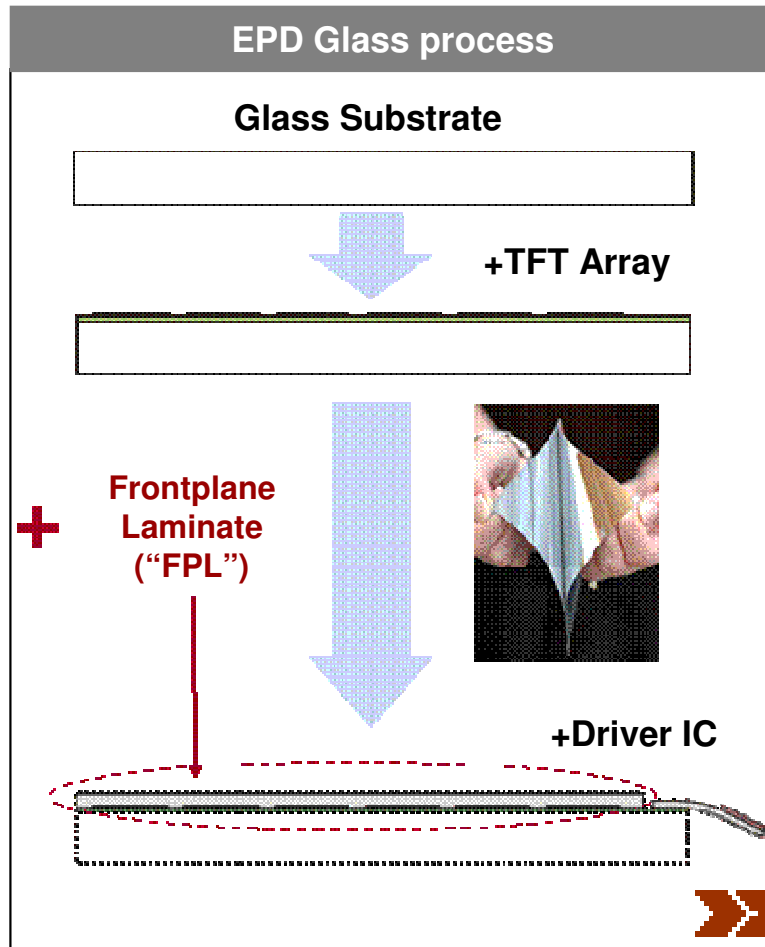
up to 14,800  
page turns  
(about 40  
books)

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

# Leading market position

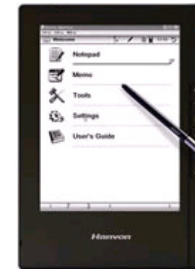
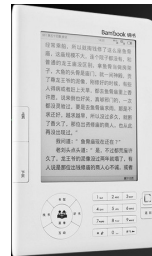
*With blue-chip customers and product leadership*

**Solid relationship with the heavyweights in the e-reader industry**

**amazon.com**



Bambook 锦书



**Hanvon**

**BARNES & NOBLE**

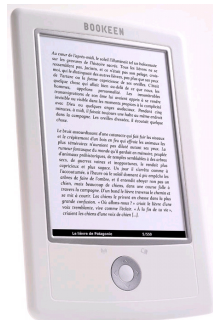
**SONY**



**kobo**  
EREADER



**Bookeen**



**FOUNDER 方正**



**edon**

**enTourage eDGe™**



**Strong E Ink Brand Presence in the market**

**Eink**

# More EPD applications

*Application alternatives beyond eReaders*

## Smart Surface



- Indicators
- Watches (Personal Accessories)
- Keypads
- Wireless Devices
- Retail Displays
- Cell Phones
- Smart Cards

## Future Applications (Conceptual Product Applications)



- At Home
- On the go
- Indoor/Outdoor Signage

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

# 4Q11 Consolidated Financial (unaudited)

(NT\$Million)	1Q11		2Q11		3Q11		4Q11		2011	
<b>Net Sales</b>	10,086	100.0%	6,926	100.0%	10,929	100.0%	10,487	100.0%	38,428	100.0%
<b>Gross Profit</b>	2,913	28.9%	2,251	32.5%	3,874	35.4%	3,005	28.7%	12,042	31.3%
<b>Operating Expense</b>	1,058	10.5%	1,124	16.2%	1,373	12.6%	1,484	14.2%	5,039	13.1%
<b>R&amp;D Expense</b>	398	3.9%	379	5.5%	411	3.8%	574	5.5%	1,762	4.6%
<b>Operating Profit</b>	1,855	18.4%	1,126	16.3%	2,501	22.9%	1,521	14.5%	7,003	18.2%
<b>Non-op items</b>	12	0.1%	121	1.7%	16	0.1%	(261)	-2.5%	(112)	-0.3%
<b>Pre-tax Income(Loss)</b>	1,867	18.5%	1,247	18.0%	2,517	23.0%	1,260	12.0%	6,891	17.9%
<b>Tax</b>	200	2.0%	(8)	-0.1%	368	3.4%	1	0.0%	560	1.5%
<b>Net Income</b>	1,668	16.5%	1,255	18.1%	2,149	19.7%	1,259	12.0%	6,331	16.5%
<b>E Ink Net income</b>	<b>1,677</b>	<b>16.6%</b>	<b>1,325</b>	<b>19.1%</b>	<b>2,247</b>	<b>20.6%</b>	<b>1,278</b>	<b>12.2%</b>	<b>6,527</b>	<b>17.0%</b>
<b>EPS</b>	1.56		1.22		2.08		1.19		6.05	



**Thank You**