

# ASUSTeK

3Q 2009 Investor Conference

# Disclaimer

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ASUSTeK's presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The forward-looking statements in this release reflect the current belief of ASUS as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

# Agenda

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- **3Q 2009 Financial Result**
- **Business Highlights**
- **Q & A**

# 3Q Financial Result

# 3Q Brand I/S (unaudited consolidated)

in NT\$ Mn	2009 3Q	%	2009 2Q	%	QoQ
<b>Net Revenue</b>	68,236	100.0%	48,978	100.0%	39.3%
COGS	(52,552)	(77.0%)	(40,973)	(83.7%)	28.3%
<b>Gross Profit</b>	15,684	23.0%	8,005	16.3%	95.9%
OS & Royalty cost	(4,753)	(7.0%)	(2,766)	(5.6%)	71.8%
<b>Gross Profit after OS</b>	10,932	16.0%	5,239	10.7%	108.6%
Operating Expenses	(6,942)	(10.2%)	(5,178)	(10.6%)	34.1%
<b>Operating Income</b>	3,990	5.8%	61	0.1%	6404%
Non-OP Items	3,632	5.3%	(45)	(0.1%)	8156%
<b>Pre-Tax Income</b>	7,621	11.2%	16	0.0%	46781%
Tax	(1,124)	(1.6%)	(147)	(0.3%)	663%
<b>Net Income</b>	6,497	9.5%	(131)	(0.3%)	5061%

# 3Q Brand I/S (unaudited consolidated)

in NT\$ Mn	2009 3Q	%	2008 3Q	%	YoY
<b>Net Revenue</b>	<b>68,236</b>	<b>100.0%</b>	<b>78,259</b>	<b>100.0%</b>	<b>-12.8%</b>
COGS	(52,552)	(77.0%)	(61,363)	(78.4%)	-14.4%
<b>Gross Profit</b>	<b>15,684</b>	<b>23.0%</b>	<b>16,896</b>	<b>21.6%</b>	<b>-7.2%</b>
OS & Royalty cost	(4,753)	(7.0%)	(4,542)	(5.8%)	4.6%
<b>Gross Profit after OS</b>	<b>10,932</b>	<b>16.0%</b>	<b>12,354</b>	<b>15.8%</b>	<b>-11.5%</b>
Operating Expenses	(6,942)	(10.2%)	(6,940)	(8.9%)	0.0%
<b>Operating Income</b>	<b>3,990</b>	<b>5.8%</b>	<b>5,414</b>	<b>6.9%</b>	<b>-26.3%</b>
Non-OP Items	3,632	5.3%	2,082	2.7%	74.4%
<b>Pre-Tax Income</b>	<b>7,621</b>	<b>11.2%</b>	<b>7,496</b>	<b>9.6%</b>	<b>1.7%</b>
Tax	(1,124)	(1.6%)	(1,116)	(1.4%)	0.7%
<b>Net Income</b>	<b>6,497</b>	<b>9.5%</b>	<b>6,380</b>	<b>8.2%</b>	<b>1.8%</b>

# 1~3Q Brand I/S (unaudited consolidated)

in NT\$ Mn	2009 1~3Q	%	2008 1~3Q	%	YoY
<b>Net Revenue</b>	<b>163,428</b>	<b>100.0%</b>	<b>199,288</b>	<b>100.0%</b>	<b>-18.0%</b>
COGS	(135,528)	(82.9%)	(155,420)	(78.0%)	-12.8%
<b>Gross Profit</b>	<b>27,899</b>	<b>17.1%</b>	<b>43,868</b>	<b>22.0%</b>	<b>-36.4%</b>
OS & Royalty cost	(10,367)	(6.3%)	(10,010)	(5.0%)	3.6%
<b>Gross Profit after OS</b>	<b>17,532</b>	<b>10.7%</b>	<b>33,858</b>	<b>17.0%</b>	<b>-48.2%</b>
Operating Expenses	(16,588)	(10.2%)	(17,382)	(8.7%)	-4.6%
<b>Operating Income</b>	<b>944</b>	<b>0.6%</b>	<b>16,476</b>	<b>8.3%</b>	<b>-94.3%</b>
Non-OP Items	6,749	4.1%	7,071	3.5%	-4.6%
<b>Pre-Tax Income</b>	<b>7,693</b>	<b>4.7%</b>	<b>23,548</b>	<b>11.8%</b>	<b>-67.3%</b>
Tax	(873)	(0.5%)	(4,294)	(2.2%)	-79.7%
<b>Net Income</b>	<b>6,820</b>	<b>4.2%</b>	<b>19,254</b>	<b>9.7%</b>	<b>-64.6%</b>

# Non-OP Items

Non-OP Items	3Q	2Q	1Q	1~3Q 2009
Interest Income (net)	(6)	23	(20)	(3)
Investment Income	3,297	707	1,108	5,112
<i>Pegatron</i>	3,281	473	757	4,511
<i>Askey</i>	(21)	25	231	235
<i>Others</i>	38	209	119	366
Exchange Gain / (Loss)	226	(953)	1,397	670
Dividend Income	234			234
Other Income (net)	(120)	178	677	736
<b>Total Non-OP items</b>	<b>3,632</b>	<b>(45)</b>	<b>3,162</b>	<b>6,749</b>
<i>* Pegatron Profits</i>	3,528	497	513	4,539

# 3Q Brand B/S (unaudited consolidated)

in NT\$ Mn	Sep 30, 2009	Jun 30, 2009	Chg %
Cash & cash equivalents	41,896	43,251	-3.1%
Account Receivables	33,506	35,666	-6.1%
Net Inventory	32,162	21,645	48.6%
<b>Current Assets</b>	<b>114,343</b>	<b>104,862</b>	<b>9.0%</b>
Long Term Investments	118,722	114,403	
Fixed Assets	4,813	3,725	
Other Assets	575	1,661	
<b>Total Assets</b>	<b>238,454</b>	<b>224,651</b>	<b>6.1%</b>
Account Payables	39,815	27,597	
<b>Current Liabilities</b>	<b>70,604</b>	<b>62,330</b>	<b>13.3%</b>
<b>Total Liabilities</b>	<b>72,941</b>	<b>64,857</b>	<b>12.5%</b>
<b>Stockholder's equity</b>	<b>165,513</b>	<b>159,794</b>	<b>3.6%</b>
Days of Inventory	56	48	
Days of AR	45	66	
Days of AP	69	61	
<b>CCC Days</b>	<b>32</b>	<b>53</b>	

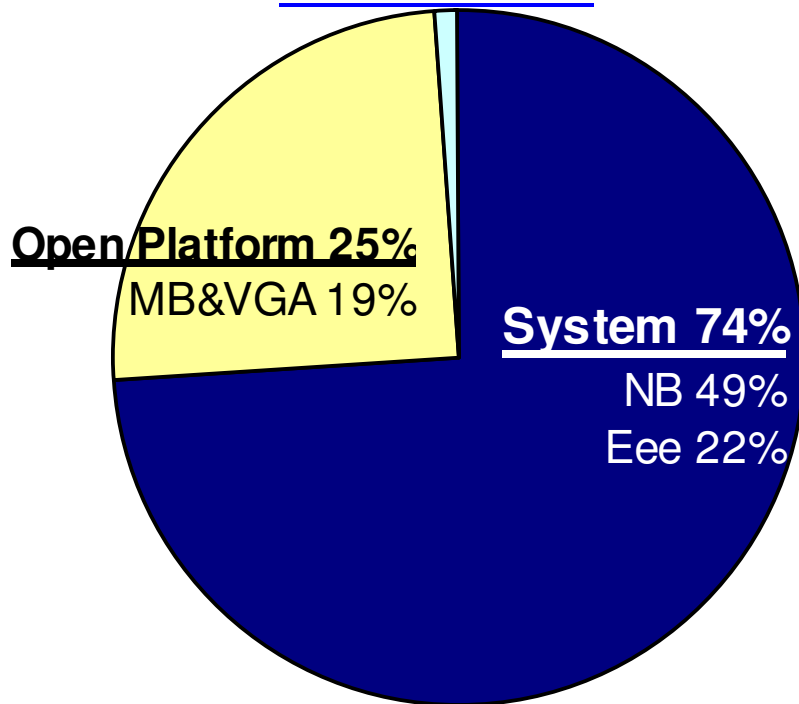
\*CCC calculation based on ending balance and quarterly unaudited consolidated brand financials

# Business Highlights

# Product Mix

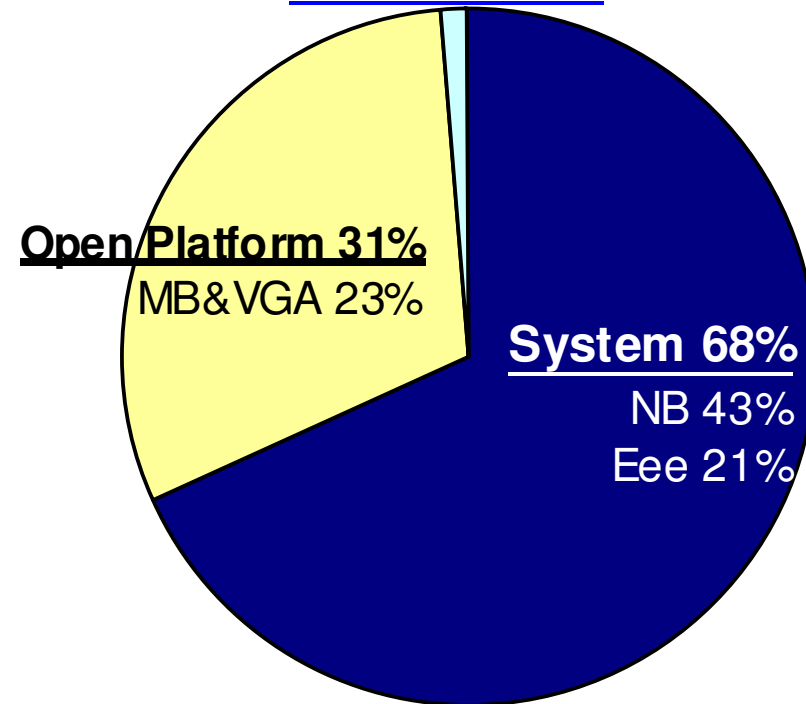
**3Q 2009**  
NT\$ 68bn

Handheld 1%



**2Q 2009**  
NT\$ 49bn

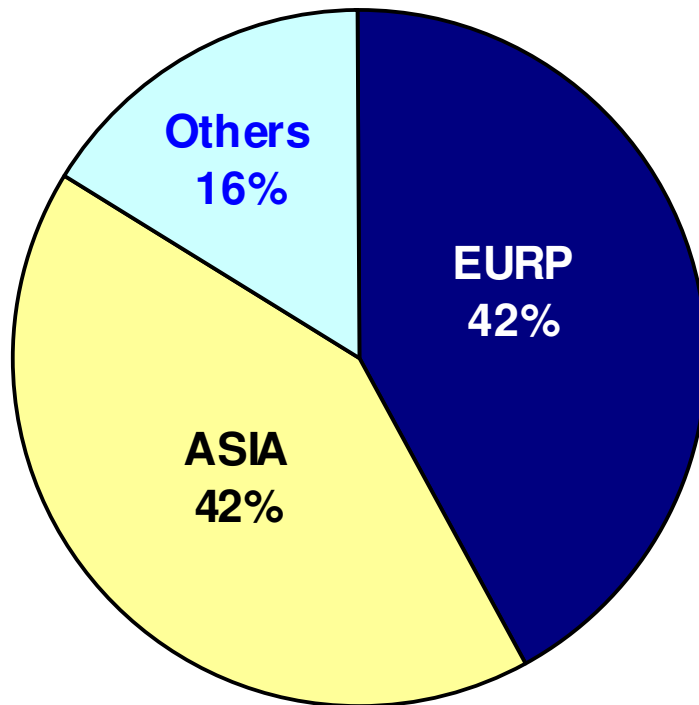
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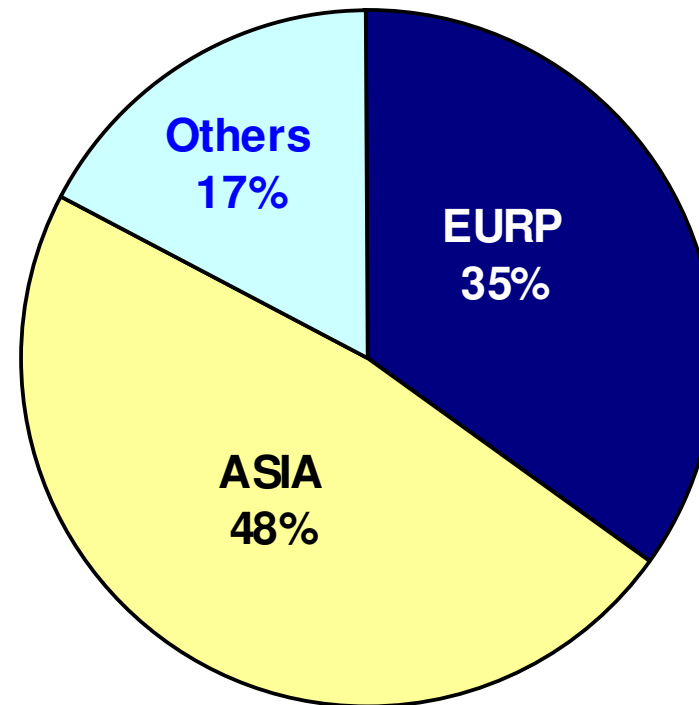
# Geo Mix

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**3Q 2009**  
NT\$ 68bn



**2Q 2009**  
NT\$ 49bn



# Shipment Outlook

## Shipment

	<u>Q3 Target</u>	<u>Q3 Actual</u>	<u>Q4 Target</u>
<b>MB</b>	5.5~6.0M	5.7M	5.0~5.5M
<b>NB</b>	1.8M±10%	2.0M	2.2~2.4M
<b>Eee PC</b>	<u>1.5M±10%</u>	<u>1.6M</u>	<u>1.7~1.9M</u>

## NB New Model Transition

<b>Premium</b>		10+%	15+%
<b>CULV</b>	10~20%	10~20%	15~25%
<b>Mainstream</b>	<u>50%</u>	<u>~60%</u>	<u>50~60%</u>

# Business Update

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## 4Q Plan

- **Execute the new BG/Sales structure to expand business in all regions**
- **Sustain robust sales growth and healthy margins**
- **Reinforce lean operation and mindset**

**Thank You**

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