

LITE-ON TECHNOLOGY CORPORATION

A World-Class Company Striving for Excellence

Lite-On Technology

3Q10 Results Presentation

October 27, 2010



Safe Harbor Notice

Lite-On Technology's statement of its current expectations are forward-looking statements which are subject to significant risks and uncertainties. Actual results may differ materially from those contained in any forward-looking statements.



Agenda

- **Financial Results** **Julia Wang**
IR/PR Director

- **Q&A**

KC Terng
Lite-On Tech CEO/ GD CEO

Warren Chen
Lite-On Group CEO

Cor Saris
LITEONMOBILE/ Perlos CEO

3Q10 Results

(Lite-On Tech Pro Forma)

<i>In NT Millions</i>	3Q10		2Q10		QoQ	3Q09		YoY
	Amount	%	Amount	%	%	Amount	%	%
Net Sales	31,862	100.0	32,349	100.0	-1.5	26,545	100.0	20.0
COGS	27,444	86.1	28,131	87.0	-2.4	22,724	85.6	20.8
Gross Profit	4,418	13.9	4,218	13.0	4.7	3,821	14.4	15.6
Operating Expense	2,290	7.2	2,172	6.7	5.4	2,048	7.7	11.8
Operating Profit	2,128	6.7	2,046	6.3	4.0	1,773	6.7	20.0
Other Income/Expense	508	1.6	915	2.8	-44.5	944	3.6	-46.2
Profit Before Tax	2,636	8.3	2,962	9.2	-11.0	2,717	10.2	-3.0
Profit After Tax	2,530	7.9	2,463	7.6	2.7	2,494	9.4	1.4
After Tax EPS	1.14		1.12			1.13		

Note : EPS figures are calculated based on the weighted average share count of 2,226M, 2,204M, and 2,204M for 3Q10, 2Q10, and 3Q09 respectively.

3Q10 YTD Results

<i>In NT Millions</i>	3Q10 YTD		3Q09 YTD		YoY
	Amount	%	Amount	%	%
Net Sales	92,882	100.0	68,669	100.0	35.3
COGS	80,691	86.9	59,221	86.2	36.3
Gross Profit	12,191	13.1	9,449	13.8	29.0
Operating Expense	6,523	7.0	5,407	7.9	20.6
Operating Profit	5,668	6.1	4,042	5.9	40.2
Other Income/Expense	2,102	2.3	1,038	1.5	102.5
Profit Before Tax	7,771	8.4	5,080	7.4	53.0
Profit After Tax	6,800	7.3	4,493	6.5	51.3
After Tax EPS	3.05		2.03		

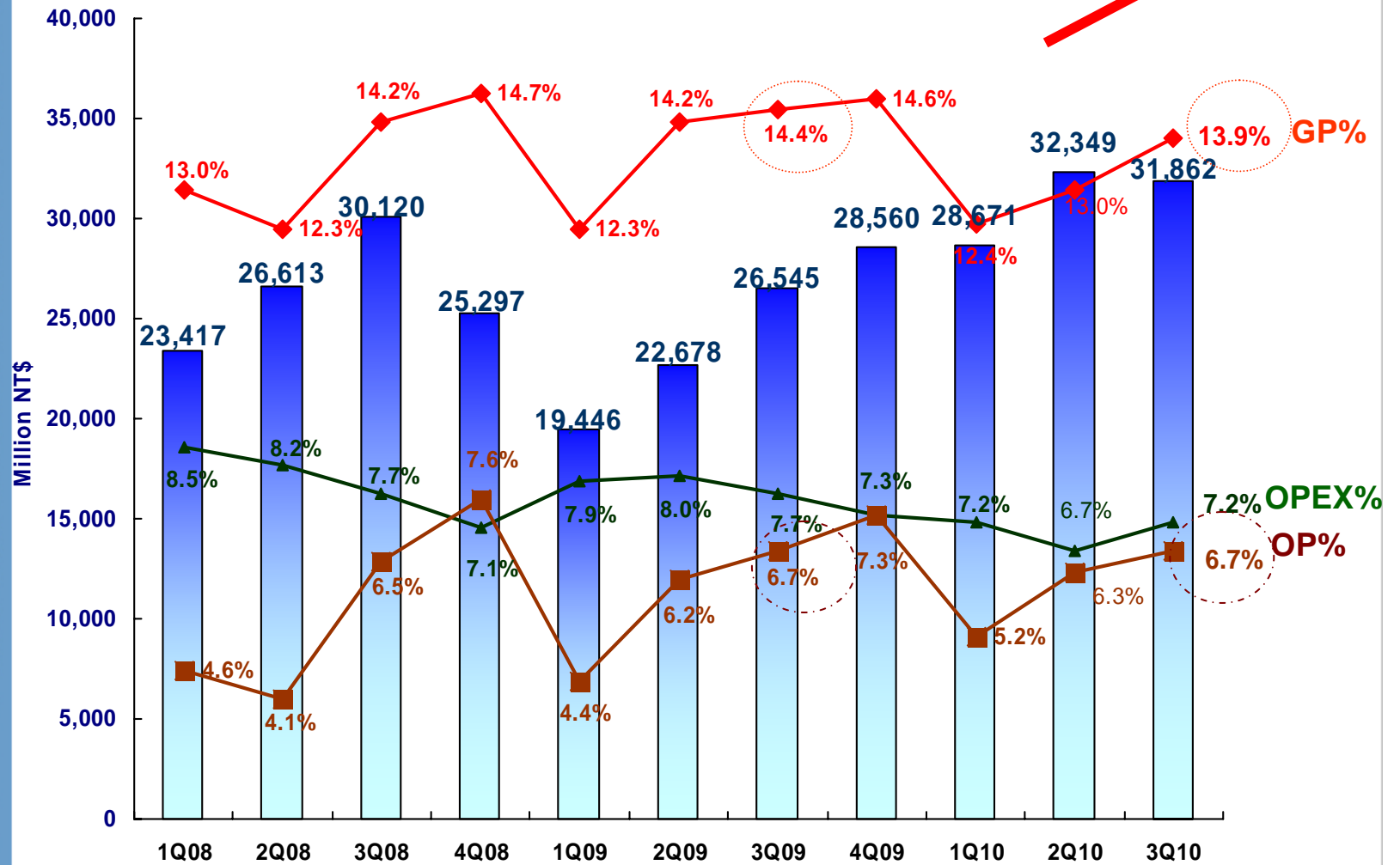
Non-Operating Items

In NT\$ Millions	3Q10	3Q10 YTD
Net Interest	(11)	(52)
FX	(19)	(17)
Investment Income		
LOIT	312	992
Silitech	191	443
LOS	38	95
Perlos	94	464
Others	(95)	179
Total	508	2,102

Perlos 3Q10 Results

In € Millions	3Q10	2Q10	QoQ	3Q09	YoY
Net Sales	138.3	138.7	0%	123.1	12%
COGS	120.6	119.4	1%	105.0	15%
Gross Profit	17.7	19.2	-8%	18.1	-2%
Operating Expense	11.2	12.1	-7%	11.9	-6%
Operating Profit	6.5	7.1	-8%	6.2	5%
OI/OE	(2.2)	(1.8)	-22%	(2.2)	0%
PBT	4.3	5.3	-19%	4.1	5%
Tax	2.1	1.9	11%	0.6	250%
PAT	2.2	3.4	-35%	3.5	-37%
Gross Profit %	12.8%	13.8%		14.7%	
Operating Expense %	8.1%	8.7%		9.7%	
Operating Profit %	4.7%	5.1%		5.0%	

Sustainable margin expansion in 3Q



3Q10 Balance Sheet

<i>In NT Millions</i>	3Q10		2Q10		3Q09	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	25,501	19%	27,353	21%	25,458	21%
Accounts Receivable	28,570	21%	29,763	23%	24,531	20%
Inventories	13,916	10%	12,663	10%	10,775	9%
Total Assets	133,864	100%	131,854	100%	119,877	100%
Short Term Debt	2,178	2%	390	0%	58	0%
Accounts Payable	41,582	31%	46,536	35%	36,888	31%
Long Term Debt	11,437	9%	14,002	11%	15,617	13%
Total Liabilities	66,772	50%	69,239	53%	58,838	49%
Equities	67,092	50%	62,615	47%	61,039	51%

Key Indices

A/R Turnover Days	77	78	72
Inventory Turnover Days	37	33	33
CCC Days	11	11	9
Current Ratio (x)	1.36	1.36	1.60
Quick Ratio (x)	1.10	1.13	1.29
Net Cash (NT Millions)	11,886	12,961	9,782



3Q10 Highlights

Continuous growth on the core

- Q3 record sales in the core, including: Camera Module (+86%) , Opto-LED (+34%), HIS(+28%) and Power Supply(+12%) Y/Y

Solid management in COGS

- COGS % down 0.9% Q/Q, given labor cost pressure, thanks to higher productivity and effective supply chain management

Stable business development and margins into Q4

- Q3 Gross Margin and Operating Margin reached 13.9% and 6.7%, up 0.9% and 0.4% Q/Q respectively
- Stable business and margins are expected in Q4, resulting from strong market position and cost efficiency

Robust Balance Sheet / Strong Cash Flow

- Net cash position remained NT\$11.9billion, after NT\$ 5 billion cash dividend distribution recently
- Strict working capital management and CCC within 11 days



Perlos 3Q10 Highlights

Maintaining operating performance despite cost pressure

- Flat revenue QoQ, due to model transition, and industry-wide component shortages in customer's supply chain
- Gross margin down by 1% QoQ, mainly due to continuing labor cost increase; situation stabilized now
- Better operating cost efficiency to partially offset manufacturing cost increase, resulting in flattish operating margin

Outlook for Q4

- Sequential sales growth in Q4 expected, thanks to new program ramp-ups
- Margins impacted by 1-2% due to touch JV start-up and lower utilization in Mexico
- Touch JV to start mass production towards year-end
- Strong business pipeline built-up for future revenue growth



Thank You!