

**Lite-On Tech reports fourth-quarter net profits of NT\$325 million with operating profit margin hitting record high**

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Lite-On Tech (2301) reported its fourth-quarter worldwide consolidated of NT\$25.3 billion and net profits of NT\$325 million, or EPS of NT\$0.15. As a result of product mix improvement and cost efficiency programs in place, the fourth-quarter operating profit margin reached 7.6%, setting a record high. The company also posted 2008 consolidated revenue of NT\$142.1 billion and net profits of NT\$4.42 billion, or EPS of NT\$2.01.

Lite-On Tech's gross margin and operating profit margin were significantly improved in the fourth quarter as compared to the fourth quarter of 2007, given the weakened global economy in the second half of 2008. Gross margin posted 14.7%, up from 12.1% in the third quarter and 9.5% a year earlier. Operating profit margin reached 7.6%, hitting record high since 2002, compared to 3.6% of the same period in the prior year.

The fourth-quarter non-operating items posted a net expense of NT\$1.85 billion, including Perlos' one-off restructuring cost of € 27 Million. To improve the operating efficiency and cost competitiveness in the long run, Perlos has accelerated its Asian migration, starting the capacity relocation from Hungary to China and India plants at the end of 2008. The Asian migration enables Perlos to stay closer to key clients and further benefit from the supply chain clusters. Looking ahead, with the strong program ramp-ups in the first half of 2009, intensification of the product portfolio and better cost efficiency, it is expected to see further improvement in Perlos' profitability.

For the full-year results, excluding DDBU (Digital Display Business Unit) sales, Lite-On Tech's 2008 consolidated revenue reported NT\$105.4 billion, up 4% year-on-year with steady growth in core business units, hitting a record high in 7 years. On top of that, the revenue contribution from Green Technology business, including Power Supply and Optoelectronics sales, climbed to 47% of 2008 revenue, up from 39% in 2006, representing our strong growth and leading position in the global market. Meanwhile, MFP, camera module, and Network Access business sales also posted a strong yearly growth of 73%, 60% and 26% respectively.

In 2008, thanks to our effective supply chain management, infrastructure improvement and strict inventory control, Lite-On Tech's gross margin and operating margin both increased to 11% and 4% respectively, compared to 9.8% and 3.7 % in 2007, resulting from better product mix, strong cost and operating efficiency improvement.

Looking forward, Lite-On Tech will stay focused on the core businesses to fulfill client's demands and future applications, so as to further strengthen its leading position in the global optoelectronics industry. For power supply business, the company will continue penetrating into the server and consumer electronics segments by the leverage of its dominant presence in PC market. In LED, it is expected to benefit from the strong growing adoption of LED backlight in panels. In addition, LiteOn has a well diversified application to offer, including LED indoor/ outdoor lighting, signage, display as well as Ultra Low Temperature lighting.

Lite-On Tech today also announced its March worldwide consolidated revenue of NT\$7.36 Billion, up 21% month-on-month. Of that, Power supply, Optoelectronics and Imaging business sales reported a monthly growth of 28%, 19% and 6% respectively. Meanwhile, Human Input Solution business (PC Keyboard) posted a 43% monthly growth, stronger than the others.

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