

LITE-ON TECHNOLOGY CORPORATION

A World-Class Company Striving for Excellence

Lite-On Technology

2Q10 Results Presentation

August 25, 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

- **2Q10 Results**
- **Highlights and Business Outlook**
- **Q&A**

2Q10 Results

(Lite-On Tech Pro Forma)

<i>In NT Millions</i>	2Q10		1Q10		QoQ	2Q09		YoY
	Amount	%	Amount	%	%	Amount	%	%
Net Sales	32,349	100.0	28,671	100.0	12.8	22,678	100.0	42.6
COGS	28,131	87.0	25,116	87.6	12.0	19,450	85.8	44.6
Gross Profit	4,218	13.0	3,555	12.4	18.6	3,228	14.2	30.7
Operating Expense	2,172	6.7	2,061	7.2	5.4	1,822	8.0	19.2
Operating Profit	2,046	6.3	1,494	5.2	36.9	1,406	6.2	45.5
Other Income/Expense	915	2.8	679	2.4	34.8	463	2.0	97.6
Profit Before Tax	2,962	9.2	2,173	7.6	36.3	1,869	8.2	58.5
Profit After Tax	2,463	7.6	1,807	6.3	36.3	1,626	7.2	51.5
After Tax EPS	1.12		0.82			0.75		

Note : EPS figures are calculated based on the weighted average share count of 2,204M, 2,204M, and 2,173M for 2Q10, 1Q10 and 2Q09, respectively.

1H10 Results

<i>In NT Millions</i>	1H10		1H09		YoY
	Amount	%	Amount	%	%
Net Sales	61,020	100.0	42,124	100.0	44.9
COGS	53,247	87.3	36,497	86.6	45.9
Gross Profit	7,773	12.7	5,628	13.4	38.1
Operating Expense	4,233	6.9	3,359	8.0	26.0
Operating Profit	3,540	5.8	2,269	5.4	56.0
Other Income/Expense	1,594	2.6	94	0.2	1,595.7
Profit Before Tax	5,135	8.4	2,363	5.6	117.3
Profit After Tax	4,270	7.0	1,999	4.7	113.6
After Tax EPS	1.94		0.92		

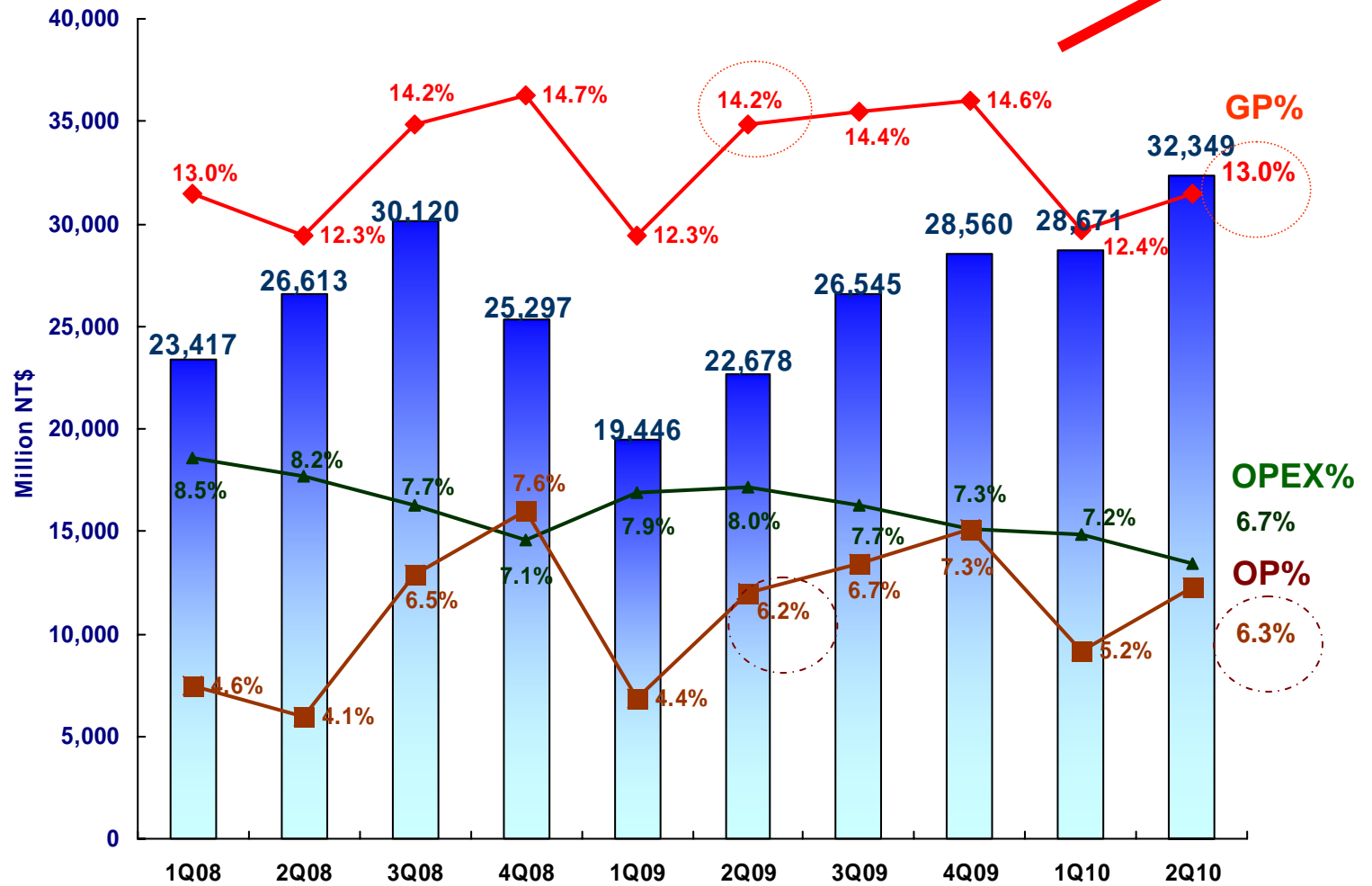
Non-Operating Items

In NT\$ Millions	2Q10	1H10
Net Interest	(15)	(41)
FX	18	2
Investment Income		0
LOIT	336	680
Silitech	139	253
LOS	35	57
Perlos	142	370
Others	261	274
Total	915	1,594

Perlos 2Q10 Results

In € Millions	2Q10	1Q10	QoQ	2Q09	YoY
Net Sales	138.7	133.1	4%	104.0	33%
COGS	119.4	112.9	6%	91.5	30%
Gross Profit	19.3	20.2	-4%	12.5	54%
Operating Expense	12.1	11.8	3%	12.4	-2%
Operating Profit	7.2	8.3	-13%	0.1	7100%
OI/OE	(1.9)	(1.2)	-54%	6.3	--
PBT	5.3	7.1	-25%	6.4	-17%
Tax	1.9	1.9	0%	0.4	375%
PAT	3.4	5.2	-35%	6.0	-43%
Gross Profit %	13.9%	15.2%		12.0%	
Operating Expense %	8.7%	8.9%		11.9%	
Operating Profit %	5.2%	6.2%		0.1%	

Sustainable margin expansion in 3Q





2Q10 Highlights

Solid sales growth in Q2

- Q2 sales up 13% Q/Q, hitting a record high and capping six consecutive quarters of growth; attributable to solid growth in Power Supply(+24%), Opto-LED (+22%), Camera Module (+25%) and Keyboard(+10%)

Well reduction in COGS and OPEX

- COGS % down 0.6% Q/Q, given higher labor cost, thanks to higher productivity, operating concentrating in China and effective supply chain management
- Q2 OPEX was 6.7%, down 0.5% Q/Q and 1.3% Y/Y, thanks to higher business scale

Sequential growth and margin expansion in Q3

- Q2 Gross Margin and Operating Margin reached 13% and 6.3%, up 0.6% and 1.1% Q/Q, respectively, in line with guidance
- Sequential sales growth and margin expansion is expected in Q3, resulting from better cost efficiency

Robust Balance Sheet / Strong Cash Flow

- Net cash position of NT\$12.5 billion with CCC in 11days



Perlos 2Q10 Highlights

Continuing business growth, well controlled Opex in Q2

- Revenue increase by 4% Q/Q and 37% Y/Y, from record-high Q1 sales
- COGS % up 1.3% Q/Q, primarily due to a labor cost increase, impacting ~1% margin
- Operating expense maintained flattish level and down as a percentage of sales

Outlook for Q3

- Flattish Q3 sales outlook, due to model transition in major customer; situation to improve in Q4
- Actions taken to further increase customer share as well as reducing manufacturing cost

2Q10 Balance Sheet

<i>In NT Millions</i>	2Q10		1Q10		2Q09	
	Amount	%	Amount	%	Amount	%
Cash & Equivalent	27,353	21%	26,924	21%	22,771	20%
Accounts Receivable	29,764	23%	25,502	20%	20,267	18%
Inventories	12,663	10%	11,453	9%	9,548	9%
Total Assets	131,855	100%	125,299	100%	111,752	100%
Short Term Debt	390	0%	349	0%	53	0%
Accounts Payable	46,536	35%	37,796	30%	30,244	27%
Long Term Debt	14,504	11%	14,506	12%	16,121	14%
Total Liabilities	69,239	53%	60,126	48%	53,423	48%
Equities	62,615	47%	65,174	52%	58,328	52%

Key Indices

A/R Turnover Days	78	70	77
Inventory Turnover Days	33	31	34
CCC Days	11	7	15
Current Ratio (x)	1.38	1.52	1.64
Quick Ratio (x)	1.14	1.26	1.31
Net Cash (NT Millions)	12,459	12,069	6,597



Thank You!