



Outline

- 2012 Q1 Financial Results
- 2012 Q1 Business Summary

Safe Harbor Notice

We have made forward-looking statements in the presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.

We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

Disclaimer

These financial information in this document are based on unaudited results of the ODM consolidated core business only.

2012 Q1 Financial Results

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Q1 Income Statement: QoQ Analysis

Amount : NT\$ Billion

	2012 Q1		2011 Q4		QoQ
Net Sales	20.71	100.0%	21.86	100.0%	-5.3%
COGS	(19.33)		(20.53)		
Gross Margin	1.38	6.7%	1.33	6.1%	+0.6 ppt
Opex	(1.23)	-5.9%	(1.06)	-4.9%	
Operating Income	0.15	0.7%	0.27	1.2%	-0.5 ppt
Net Non-op Items	0.38		(2.28)		
Income before Tax	0.53		(2.01)		
Net Income	0.51	2.5%	(2.01)	-9.2%	+11.7 ppt
EPS-Diluted (NT\$)	0.26		(1.02)		
Net Worth / Share (NT\$)	11.27		10.96		

* Unaudited results of consolidated core business

* EPS-diluted was calculated based on total diluted, weighted-averaged outstanding shares (1,964 m shares)

* Net worth per share was calculated based on total outstanding shares (1,964 m shares)

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Q1 Balance Sheet Highlights

Amount: NT\$ Billion

	2012 Q1		2011 Q4		QoQ
Cash & Equivalent	5.62	8.8%	6.86	10.4%	(1.24)
Accounts Receivable	10.45	16.3%	10.12	15.4%	0.33
Inventory	7.36	11.5%	7.93	12.0%	(0.57)
L-T Investments	25.11	39.3%	26.19	39.7%	(1.08)
Total Assets	63.95	100.0%	65.89	100.0%	(1.94)
Fin. Debt	21.68	33.9%	22.72	34.5%	(1.04)
Accounts Payable	15.07	23.6%	15.91	24.1%	(0.84)
Total Liabilities	41.82	65.4%	44.36	67.3%	(2.54)
Equity	22.13	34.6%	21.53	32.7%	0.60

* Unaudited results of consolidated core business

* Fin. debt included long term and short term financial debts

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Q1 Key Financial Ratios

	2012 Q1	2011 Q4	QoQ
A/R Turnover	45 days	40 days	+5 days
Inventory Turnover	36 days	35 days	+1 days
A/P Turnover	75 days	75 days	0 days
Cash Conversion Cycle	6 days	0 days	+6 days
ROA	0.8%	-3.0%	+3.8 ppt
ROE	2.3%	-9.0%	+11.3 ppt
Current ratio	110.6%	107.5%	+3.1 ppt
Fin. Debt / Total Assets	33.9%	34.5%	-0.6 ppt

* Unaudited results of consolidated core business

* ROA and ROE were calculated on a quarterly basis

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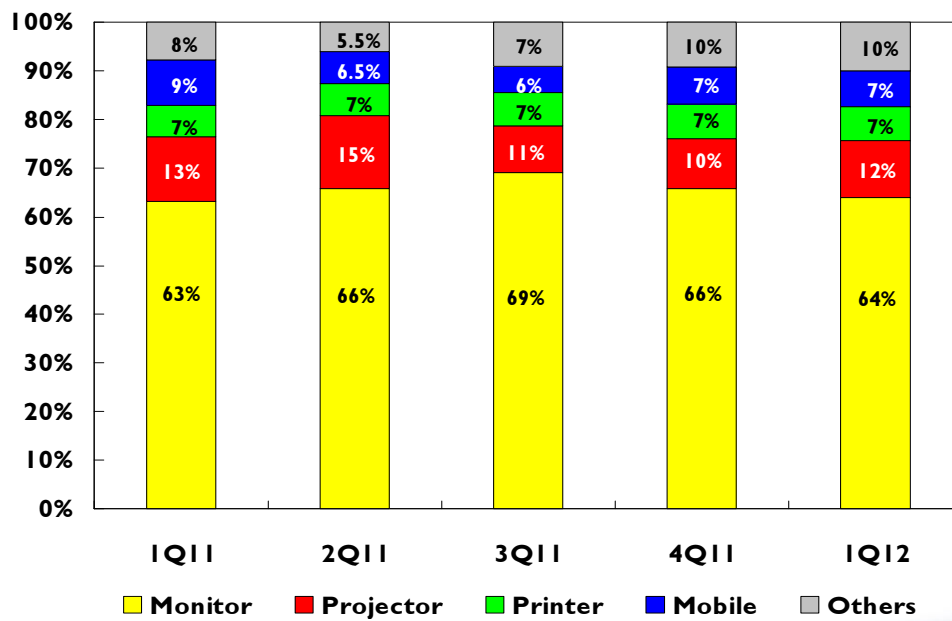
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2012 Q1 Business Summary

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Revenue Breakdown by Product Line



Note : "Others" includes products with a revenue share below 3%, such as professional & industrial displays, automobile electronics, and others

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2012 Q1 Business Summary

- **Monitor :**
 - Unit shipment decreased by 7% QoQ
- **Projector :**
 - Unit shipment increased by 18% QoQ
- **Color laser printer :**
 - Unit shipment decreased by 12% QoQ
- **Mobile devices :**
 - Unit shipment decreased by 25% QoQ



Qisda Corporation.
Unaudited Core Business Consolidated Balance Sheet
Mar ,31, 2012

UNIT : NT\$K

Assets					
Current assets :					
Cash & cash equivalents	4,636,478	7.3%			
Financial assets at fair value through profit or loss - current	2,095,401	3.3%			
Notes and accounts receivable, net	5,916,121	9.3%			
N/R & A/R from related parties	4,535,985	7.1%			
Other receivables, net	1,259,778	2.0%			
Other receivable from related parties	100,477	0.2%			
Other financial assets - current	985,131	1.5%			
Net inventories	7,364,736	11.5%			
Prepaid expenses and other current assets	317,931	0.5%			
Deferred income tax assets - current	2,915,327	4.6%			
Total current assets	30,127,364	47.1%			
Fixed assets :					
Long-term investments	25,107,313	39.3%			
Less : Accumulated depreciation and allowance for impairment	(2,753,484)	4.3%			
Total fixed assets	6,070,615	9.5%			
Other assets	2,642,157	4.1%			
Total Assets	\$63,947,449	100.0%			
Liabilities and stockholders' equity					
Liabilities					
Short-term borrowings	7,083,180	11.1%			
Financial liabilities at fair value through profit or loss - current	35,143	0.1%			
N/P & A/P	13,837,876	21.6%			
N/P & A/P to related parties	1,233,685	1.9%			
Other payable to related parties	12,793	0.0%			
Bonds payable and long-term debt due within one year	785,710	1.2%			
Accrued exp. & other current liab.	4,244,173	6.6%			
Total current liabilities	27,232,560	42.6%			
Long term loan	13,810,240	21.6%			
Bonds payable	0	0.0%			
Other liabilities	773,194	1.2%			
Total liabilities	41,815,994	65.4%			
Stockholders' equity					
Common stock	19,667,820	30.8%			
Capital surplus	3,899,523	6.1%			
Legal reserve	312,870	0.5%			
Unrealized gain or loss on available-for-sale financial assets	(364,944)	-0.6%			
Retained earnings	(1,720,258)	-2.7%			
Cumulative translation adjustment	363,165	0.6%			
Treasury stock	(26,719)	0.0%			
Total stockholders' equity	22,131,455	34.6%			
Total Liabilities and stockholders' equity	\$ 63,947,449	100.0%			

Qisda Corporation.
Unaudited Core Business Consolidated Income Statement
Jan~Mar' 2012

UNIT : NT\$K

Net sales	\$20,709,634	100.0%
Cost of goods sold	(19,329,931)	-93.3%
Gross profit	1,379,703	6.7%
Operating expense :		
S & M	(481,621)	-2.3%
G & A	(182,100)	-0.9%
R & D	(567,717)	-2.7%
Total Operating expense	(1,231,439)	-5.9%
Operating income (loss)	148,264	0.7%
Non-operating income (loss)	379,281	1.8%
Earning before income tax	527,545	2.5%
Income tax expense	(15,786)	-0.1%
Profit after tax	\$511,758	2.5%

Qisda Corporation
Reviewed Non-consolidated Balance Sheets
March 31, 2011 and 2012
(Expressed in thousands of New Taiwan dollars and US dollars)

Assets	2011.3.31	2012.3.31		Liabilities and Stockholders' Equity	2011.3.31	2012.3.31	
	NT\$	NT\$	US\$		NT\$	NT\$	US\$
Current assets:				Current liabilities:			
Cash and cash equivalents	477,926	588,938	19,944	Short-term borrowings	-	2,181,200	73,864
Financial assets at fair value through profit or loss— current	26,698	1,227	42	Financial liabilities at fair value through profit or loss— current	74,185	35,143	1,190
Available-for-sale financial assets— current	-	2,094,174	70,917	Accounts payable	2,071,739	2,354,681	79,739
Notes and accounts receivable, net	4,239,504	4,649,247	157,441	Accounts payable to related parties	3,383,480	9,972,787	337,717
Accounts receivables from related parties	5,534,369	7,560,769	256,037	Other payable to related parties	34,274	37,288	1,263
Other receivables, net	528,997	575,360	19,484	Income tax payable	132,074	-	-
Other receivables from related parties	2,069,595	971,817	32,909	Accrued expenses	4,176,063	2,477,688	83,904
Inventories	1,955,779	2,637,797	89,326	Advance receipts	533,645	352,361	11,932
Prepaid expenses and other current assets	52,086	68,641	2,324	Bonds payable due within one year	117,575	-	-
Deferred income tax assets— current	113,115	-	-	Current installments of long-term debt	2,478,000	785,710	26,607
Total current assets	14,998,069	19,147,970	648,424	Other current liabilities	164,279	161,118	5,456
Long-term investments:				Deferred income tax liabilities – current	-	24,209	820
Equity method	33,166,162	31,177,776	1,055,800	Deferred inter-company profits	90,916	14,721	499
Available-for-sale financial assets— non-current	3,301,100	207,401	7,023	Total current liabilities	13,256,230	18,396,906	622,991
Financial assets carried at cost— non-current	225,050	1,592	54	Long-term liabilities	16,592,000	12,629,040	427,668
Total long-term investments	36,692,312	31,386,769	1,062,877	Other liabilities:			
Property, plant and equipment:				Deposits in	2,530	2,530	86
Land	600,168	602,950	20,418	Deferred gain on sale-and-leaseback transaction— non-current	582,275	473,099	16,021
Buildings	1,426,071	1,434,671	48,584	Other liabilities	330,892	20,115	681
Machinery and equipment	876,231	879,452	29,782	Total other liabilities	915,697	495,744	16,788
Furniture and fixtures	118,720	98,361	3,331	Total liabilities	30,763,927	31,521,690	1,067,447
Miscellaneous equipment	50,611	57,471	1,946				
Prepayments for plant and equipment	8,102	7,228	245	Stockholders' equity:			
	3,079,903	3,080,133	104,306	Common stock	19,282,176	19,667,820	666,028
Less: accumulated depreciation	(1,580,281)	(1,602,499)	(54,267)	Capital surplus	3,557,234	3,612,608	122,337
Net property, plant and equipment	1,499,622	1,477,634	50,039	Legal reserve	-	312,870	10,595
Intangible assets	51,067	59,422	2,012	Special reserve	-	286,915	9,716
Other assets:				Retained earnings (accumulated deficit)	1,945,745	(1,720,259)	(58,255)
Assets for lease	214,975	202,622	6,862	Cumulative translation adjustment	189,581	363,165	12,298
Idle assets	104,324	104,324	3,533	Unrealized loss on available-for-sale financial assets	(849,365)	(364,944)	(12,358)
Refundable deposits	95,561	61,496	2,082	Treasury stock	(78,728)	(26,719)	(905)
Deferred expenses	118,341	42,357	1,434	Total stockholders' equity	24,046,643	22,131,456	749,456
Deferred income tax assets— non-current	915,854	1,053,179	35,665	Commitments and contingencies			
Prepaid pension cost	120,445	117,373	3,975				
Total other assets	1,569,500	1,581,351	53,551				
Total assets	54,810,570	53,653,146	1,816,903	Total liabilities and stockholders' equity	54,810,570	53,653,146	1,816,903

(Note: Translation of New Taiwan dollar amounts into U.S. dollar amounts is included in the non-consolidated financial statements solely for the convenience of the readers, using the spot rate of the Bank of Taiwan on March 31, 2012, of NT\$29.53 to US\$1 uniformly for all the financial statements accounts.)

Qisda Corporation
Reviewed Non-consolidated Statements of Operations
For the three-month periods ended March 31, 2011 and 2012
(Expressed in thousands of New Taiwan dollars and US dollars, except earnings per share)

	2011 Q1		2012 Q1	
	NT\$	NT\$	NT\$	US\$
Net sales	15,760,020	19,106,414	19,106,414	647,017
Cost of goods sold	(14,922,568)	(18,437,912)	(18,437,912)	(624,380)
Gross profit	<u>837,452</u>	<u>668,502</u>	<u>668,502</u>	<u>22,637</u>
Change in unrealized inter-company profits	(2,010)	9,986	9,986	338
Realized gross profit	<u>835,442</u>	<u>678,488</u>	<u>678,488</u>	<u>22,975</u>
Operating expenses :				
Selling	(247,627)	(230,373)	(230,373)	(7,801)
Administrative	(112,882)	(82,725)	(82,725)	(2,801)
Research and development	(525,766)	(487,814)	(487,814)	(16,518)
	<u>(886,275)</u>	<u>(800,912)</u>	<u>(800,912)</u>	<u>(27,120)</u>
Operating loss	<u>(50,833)</u>	<u>(122,424)</u>	<u>(122,424)</u>	<u>(4,145)</u>
Non-operating income:				
Interest income	11,554	7,362	7,362	249
Investment income recorded under the equity method, net	-	678,393	678,393	22,973
Foreign currency exchange gain, net	339,831	83,494	83,494	2,827
Gain on disposal of investments, net	-	3,775	3,775	128
Others	16,489	14,300	14,300	484
	<u>367,874</u>	<u>787,324</u>	<u>787,324</u>	<u>26,661</u>
Non-operating expenses:				
Interest expense	(125,800)	(152,952)	(152,952)	(5,180)
Investment loss recorded under the equity method, net	(988,590)	-	-	-
Evaluation loss on financial instruments, net	(384,274)	-	-	-
Others	(1,329)	(190)	(190)	(6)
	<u>(1,499,993)</u>	<u>(153,142)</u>	<u>(153,142)</u>	<u>(5,186)</u>
Income (loss) before income tax	<u>(1,182,952)</u>	<u>511,758</u>	<u>511,758</u>	<u>17,330</u>
Income tax expense	-	-	-	-
Net income (loss)	<u>(1,182,952)</u>	<u>511,758</u>	<u>511,758</u>	<u>17,330</u>
Earnings per share (expressed in New Taiwan dollars and US dollars):				
Basic earnings per share	<u>(0.60)</u>	<u>0.26</u>	<u>0.26</u>	<u>0.009</u>
Diluted earnings per share	<u>(0.60)</u>	<u>0.26</u>	<u>0.26</u>	<u>0.009</u>

Qisda Corporation
Reviewed Non-consolidated Statements of Cash Flows
For the three-month periods ended March 31, 2011 and 2012
(Expressed in thousands of New Taiwan dollars and US dollars)

	2011 Q1	2012 Q1	
	NT\$	NT\$	US\$
Cash flows from operating activities:			
Net income (loss)	(1,182,952)	511,758	17,330
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation	25,750	20,364	690
Amortization	10,344	9,324	316
Change in allowance for bad debt and sales discounts	61,756	(27,867)	(944)
Amortization of bond issuance cost and discount on convertible bond	7,763	22,241	753
Change in provision for inventory obsolescence	913	(18,348)	(621)
Investment loss (income) recorded under equity method, net	988,590	(678,393)	(22,973)
Gain on disposal of property, plant and equipment, net	(5)	-	-
Evaluation loss (gain) on financial instruments	384,274	(3,775)	(128)
Amortization of deferred profits on sale-and-leaseback transaction	(27,294)	(27,294)	(924)
Differences in accounts in the accompanying balance sheets:			
Notes and accounts receivable	(50,059)	(785,973)	(26,616)
Receivables from related parties	264,409	(6,971)	(236)
Other receivables	66,417	283,560	9,602
Other receivables from related parties	(16,375)	(18,570)	(629)
Inventories	(197,412)	(143,489)	(4,859)
Prepaid expenses and other current assets	(4,948)	(13,921)	(471)
Prepaid pension expenses	(1,358)	(1)	-
Accounts payable	241,811	257,739	8,728
Payable to related parties	483,539	137,208	4,646
Accrued expenses and other current liabilities	(919,297)	(209,873)	(7,107)
Other payables to related parties	1,622	(59,567)	(2,017)
Deferred inter-company profit	2,010	(9,986)	(338)
Net cash provided by (used in) operating activities	<u>139,498</u>	<u>(761,834)</u>	<u>(25,798)</u>
Cash flows from investing activities:			
Additions to property, plant and equipment	(12,783)	(10,761)	(364)
Proceeds from disposal of property, plant and equipment	5	-	-
Decrease (increase) in refundable deposits	(1,275)	92	3
Increase in intangible assets and deferred assets	(1,268)	(28,268)	(957)
Decrease (increase) in loan receivables from related parties	(125,264)	13,146	445
Net cash used in investing activities	<u>(140,585)</u>	<u>(25,791)</u>	<u>(873)</u>
Cash flows from financing activities:			
Decrease in short-term borrowings	-	(1,529,454)	(51,793)
Redemption of bonds	-	(120,900)	(4,094)
Increase in long-term debt	13,500	5,100,000	172,705
Decrease in long-term debt	-	(6,214,710)	(210,454)
Net cash provided by (used in) financing activities	<u>13,500</u>	<u>(2,765,064)</u>	<u>(93,636)</u>
Net increase (decrease) in cash and cash equivalents	<u>12,413</u>	<u>(3,552,689)</u>	<u>(120,307)</u>
Cash and cash equivalents at beginning of period	<u>465,513</u>	<u>4,141,627</u>	<u>140,251</u>
Cash and cash equivalents at end of period	<u>477,926</u>	<u>588,938</u>	<u>19,944</u>
Supplemental disclosure of cash flow information:			
Cash paid during the period for:			
Interest	<u>118,920</u>	<u>173,141</u>	<u>5,863</u>
Income taxes	<u>35</u>	<u>608</u>	<u>21</u>
Supplemental disclosure of non-cash investing and financial activities:			
Increase (decrease) in cumulative translation adjustment	<u>87,622</u>	<u>(383,981)</u>	<u>(13,003)</u>
Adjustments of net equity of investee companies	<u>(14,263)</u>	<u>(70,798)</u>	<u>(2,397)</u>
Changes in unrealized loss on available-for-sale financial assets	<u>(460,491)</u>	<u>542,053</u>	<u>18,356</u>