

# 力晶半導體法人說明會

## Powerchip Semiconductor Corporation Q4 2006 Investor Conference

台北六福皇宮B3永福殿  
The Westin Hotel, Taipei  
January 22, 2007 2:30pm

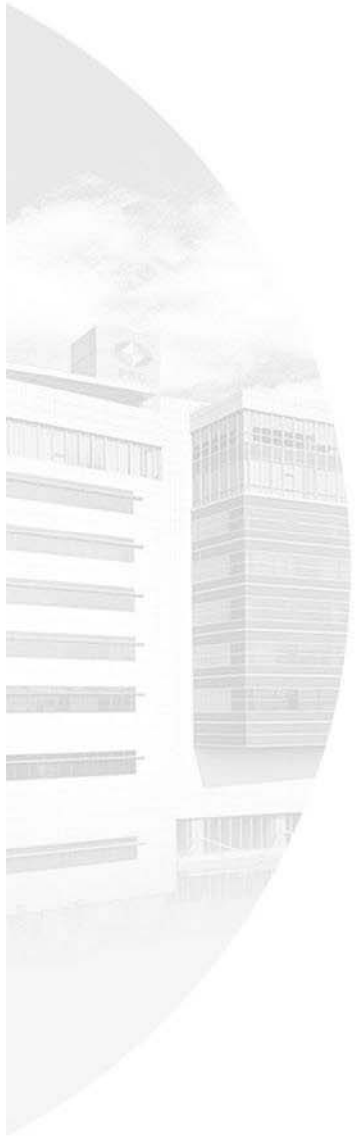
*A Memory  
Solution  
Company*

## Disclaimer

During the course of this event, we may make projections or other forward-looking statements regarding future events of the future financial performance of the Company and the industry.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

We undertake no obligation to update any of these forward-looking statements, whether a result of new information or otherwise.



# Financial Information & Industry Outlook

Dr. Frank Huang, Chairman

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## 2006 Financial Summary

	<i>2006 Q4</i>	<i>QoQ</i>	<i>2006 Q3</i>	<i>FY 2006</i>	<i>YoY</i>	<i>FY 2005</i>
	<i>Unaudited</i>		<i>Audited</i>	<i>Unaudited</i>		<i>Audited</i>
<b>Revenue (NT\$Bn)</b>	<b>33.02</b>	<b>29.3%</b>	<b>25.53</b>	<b>92.12</b>	<b>78.5%</b>	<b>51.61</b>
<b>Gross Margin (%)</b>	<b>47.2%</b>		<b>42.1%</b>	<b>35.7%</b>		<b>17.48%</b>
<b>Operating Margin (%)</b>	<b>43.1%</b>		<b>35.7%</b>	<b>30.2%</b>		<b>10.68%</b>
<b>Net Income Before Tax (NT\$Bn)</b>	<b>15.40</b>	<b>67.9%</b>	<b>9.17</b>	<b>29.14</b>	<b>418%</b>	<b>5.63</b>
<b>Net Income After Tax (NT\$Bn)</b>	<b>15.33</b>	<b>96.8%</b>	<b>7.79</b>	<b>27.33</b>	<b>325%</b>	<b>6.43</b>
<b>EPS (NT\$)</b>	<b>2.47</b>	<b>91.5%</b>	<b>1.29</b>	<b>4.48</b>	<b>273%</b>	<b>1.20</b>
<b>Net Value/Share (NT\$)</b>				<b>18.45</b>		<b>15.21</b>

Note: The average number of shares outstanding for EPS calculation was adjusted retroactively for the issuance of stock dividends and stock bonuses.

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## Current Financial Highlights

<b>Paid-in Capital (NT\$Bn)</b>	<b>69.1</b>
<b>Cash on Hand (NT\$Bn)</b>	<b>40.1</b>
<b>Available Long Term Credit Line (NT\$Bn)</b>	<b>36</b>
<b>2006 CAPEX Planned (NT\$Bn)</b>	<b>85</b>
<b>2006 CAPEX Cash (NT\$Bn)</b>	<b>57</b>
<b>2007 CAPEX Plan (NT\$Bn)</b>	<b>69*</b>

\*includes 12.6Bn for Taichung Fab Shell

As of December, 2006

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# Operations Update & Guidance

Dr. Brian Shieh, President

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**PSC - Fab 12 A-B-M / 300 mm FAB**

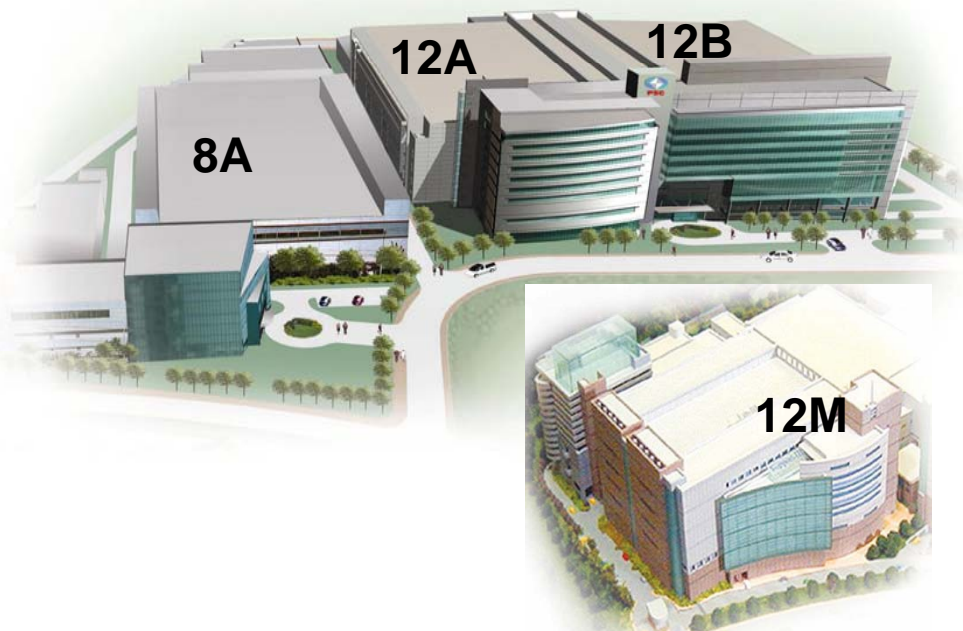
	2006 4Q End Output	2007 1Q End Output
Fab12A+B	90K wpm	90K wpm
Fab 12M	15K wpm	25K wpm

**PSC - Fab 8A / 200 mm FAB**

	Initial Production	Current Capacity
Fab 8A	1996	37K wpm

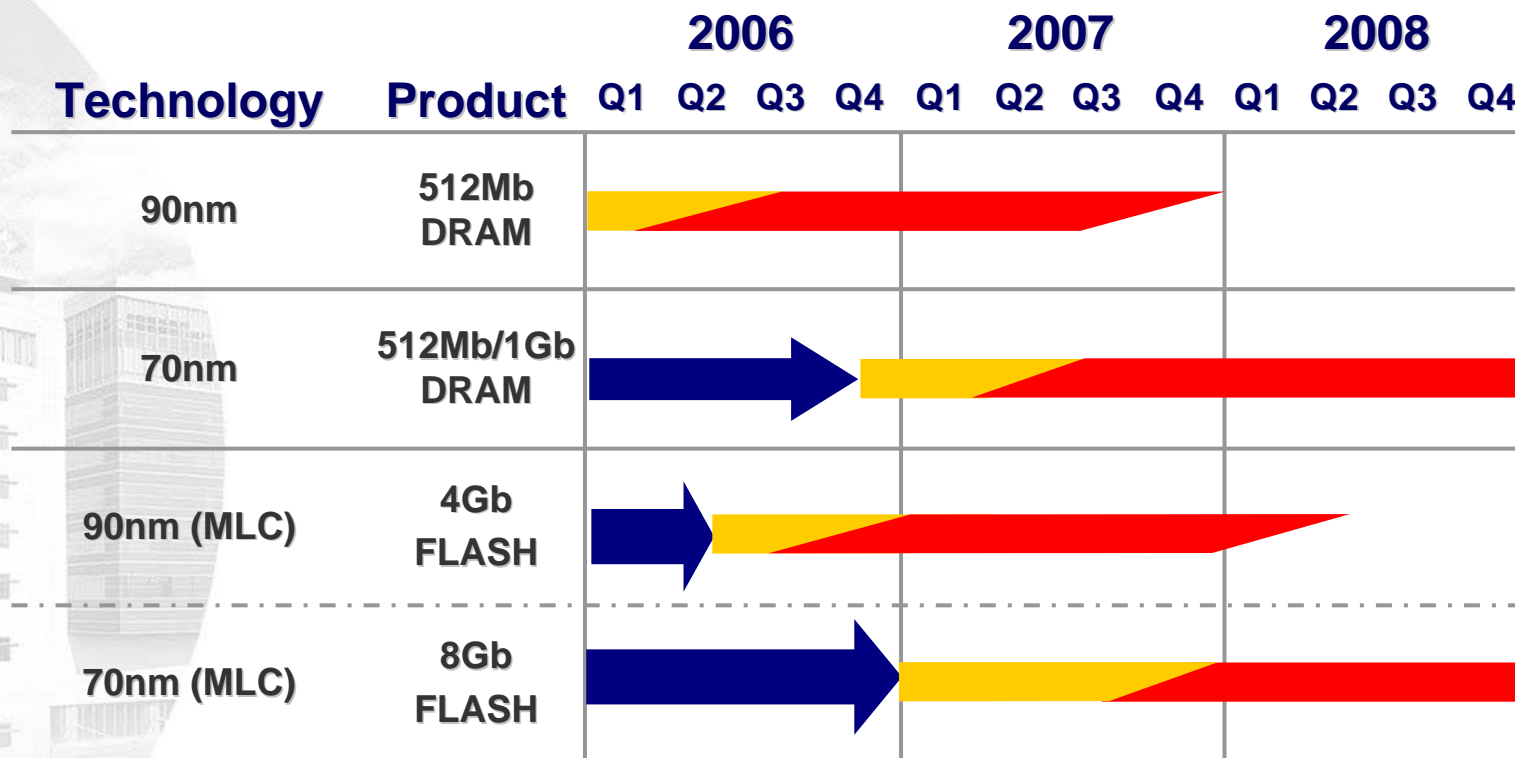
**Rexchip Fab R1-R2 / 300 mm FAB**

	2006 4Q End	2007 1Q End
R1	Begin C/R Install	C/R Install



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# Technology Roadmap



Development 

Pilot Run 

Mass Production 

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## Commodity DRAM Growth

	2006 Q4	2007 Q1
DRAM Bit Growth (QoQ)	<b>29%</b>	<b>15%</b>

	2006	2007
DRAM Bit Growth (YoY)	<b>85%</b>	<b>70%*</b>

**\*including 50% of Rexchip output**

## 2007 PSC Operational Focus

### 1H

- Fab 12M to 40K
- 70nm 512Mb DRAM mass production
- 70nm 8Gb Flash pilot run

### 2H

- Rexchip pilot run & mass production
- 70nm 1Gb DRAM mass production
- 70nm 8Gb Flash mass production

# Q&A

**Powerchip**  
A Memory Solution Company

## PSC Introduction

Powerchip Semiconductor was founded December of 1994 in Hsinchu Science Park in Taiwan in order to focus on the production and the marketing of DRAM (Dynamic Random Access Memory) chips. In 1998, Powerchip Semiconductor moved their factory. In 2006, Powerchip Semiconductor has three 1T/300mm<sup>2</sup> fabs and one 81200mm<sup>2</sup> Fab, 8,000 employees, and Capital of over 15 Billion USD.

PSC was established upon and further developed its long term strategic relationships with Japanese High-Tech firms. Currently Elpida, Renesas and Mitsubishi, are all strategic partners of Powerchip Semiconductor, whom all cooperatively develop highly advanced products including DRAM, Flash, System LSI, and family products.

### 公司簡介

力晶半導體1994年12月於新竹科學工業園區創立，以DRAM（動態隨機存取記憶體）產品為主。1998年以新設廠房與設備擴建工廠。2006年力晶增建第三及第四廠房，目前員工8,000人，資本額超過新台幣150億元。

力晶成立之初即與日本高科技企業建立深厚的策略聯盟關係，目前Elpida、Renesas及三菱電機，均為力晶的合作伙伴，共同開發高階DRAM、Flash及系統晶片System LSI等最新型工業級產品。

*Powerchip, a Memory Solution Company*

