

力晶半導體法人說明會

Powerchip Semiconductor Corporation Q1 2007 Investor Conference

台北六福皇宮B3永福殿
The Westin Hotel, Taipei
April 23, 2007 2:30pm

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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.

2007 Financial Summary

	2007 Q1 <i>Unaudited</i>	YoY	2006 Q1 <i>Audited</i>
Revenue (NT\$Bn)	28.90	95.5 %	14.78
Gross Margin (%)	30.9%		13.8%
Operating Margin (%)	25.4%		7.6%
Net Income Before Tax (NT\$Bn)	8.14	706%	1.01
Net Income After Tax (NT\$Bn)	7.53	646%	1.01
EPS (NT\$)	1.10	511%	0.18
Net Value/Share (NT\$)	19.51		18.45

* 2006 Dividend Policy: 2.5 NTD (1.5 NTD Cash Dividend + 1.0 Stock Dividend)

Current Financial Highlights

Paid-in Capital (NT\$Bn)	69.4
Cash on Hand (NT\$Bn)	43
Available Long Term Credit Line (NT\$Bn)	36
2007 Depreciation and Amortization	31.2
2007 CAPEX Planned (NT\$Bn)	69*
2007 Q1 CAPEX Cash (NT\$Bn)	13.6
2007 PSC's Cash Investment in Rexchip (NT\$Bn)	10.5

•Including NT\$ 12Bn for PSC's Fab 12C to be Transferred to Rexchip Fab R1

As of March 31, 2007

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

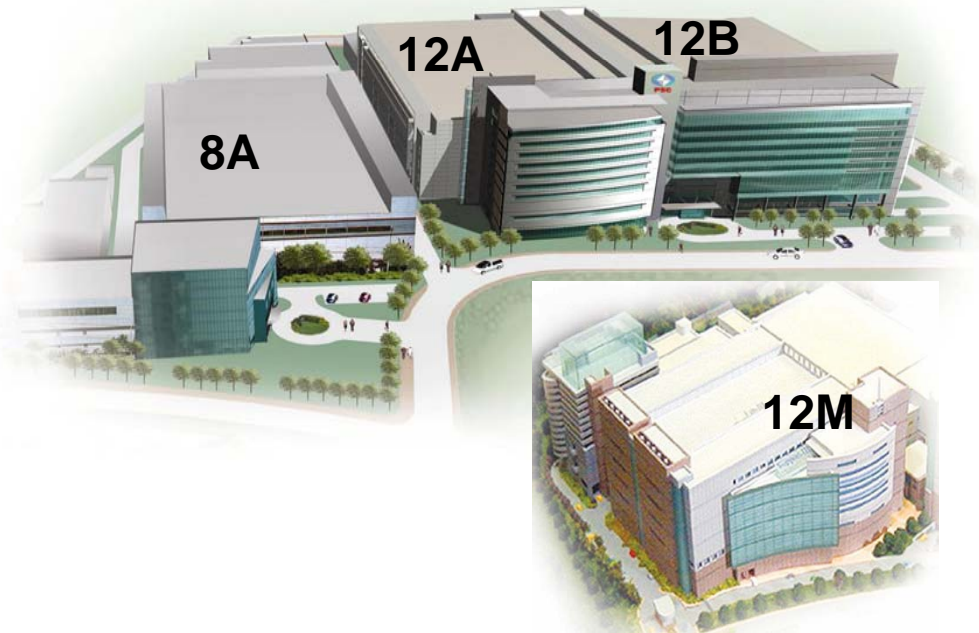
	2007 1Q End Output	2007 2Q End Output
Fab12A+B	90K wpm	90K wpm
Fab 12M	28K wpm	38K wpm

PSC - Fab 8A / 200 mm FAB

	Initial Production	Current Capacity
Fab 8A	1996	37K wpm

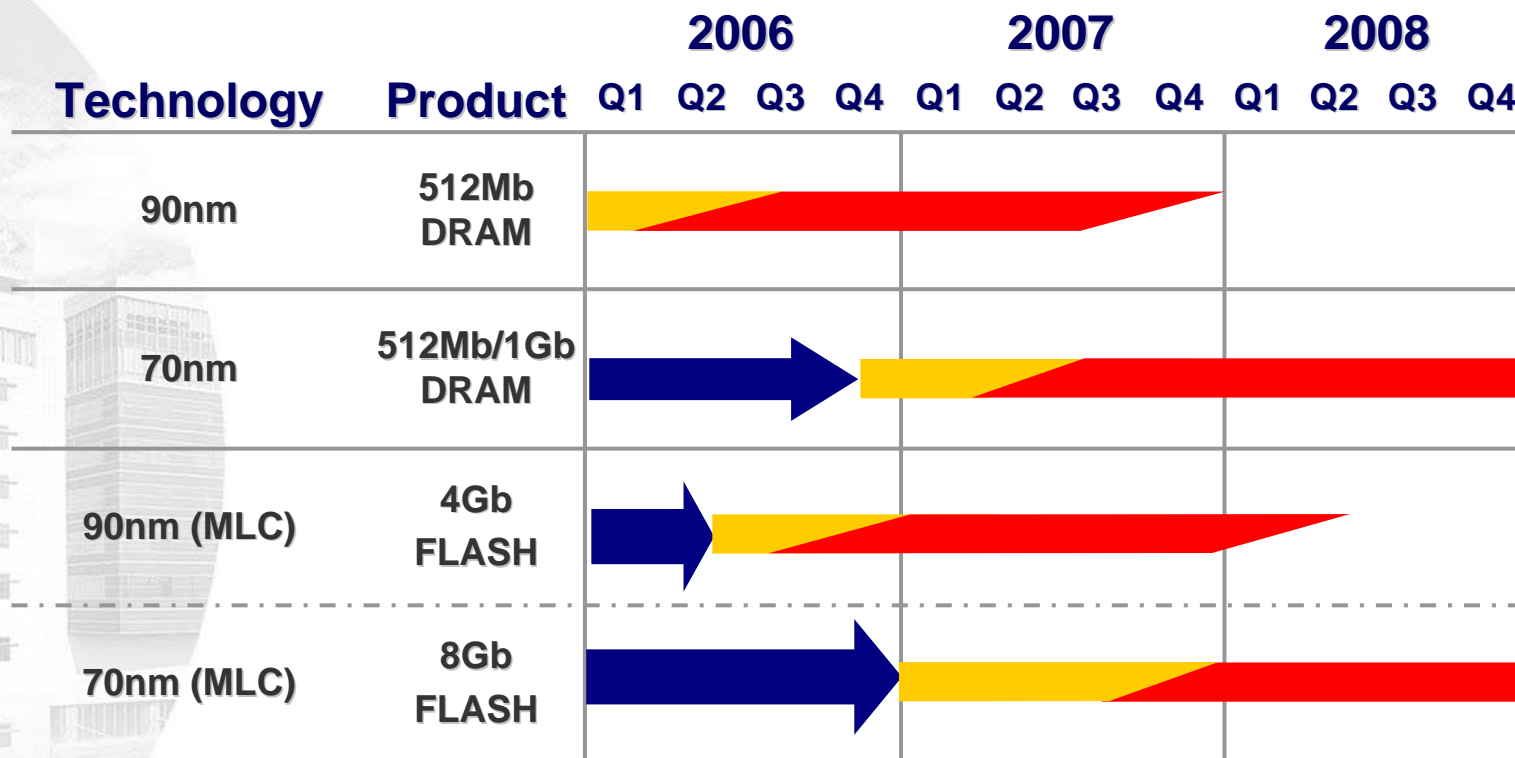
Rexchip Fab R1 / 300 mm FAB

	2007 1Q	2007 2Q
R1	C/R Install	Equipment Move-In



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Technology Roadmap



Development 

Pilot Run 

Mass Production 

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Commodity DRAM Growth

	2007 Q1	2007 Q2
Total Bit Growth (QoQ)	18%	13%

	2006	2007
Total Bit Growth (YoY)	85%	82%*

***including 50% of Rexchip output**

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70nm Transition

- 200mm not able to transition to 70nm
- PSC's 70nm advantage versus 90nm
 - Gross Die to increase $\approx 55\%$
- 70nm to accelerate 1Gb transition to mainstream
- 70nm to result in lower power consumption standard

2007 PSC Operational Focus

Q2

- Fab 12M to 40K
- 70nm 512Mb DRAM mass production
- 70nm 1Gb DRAM pilot run
- 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/300mm² fabs and one 81200mm² 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）產品為主業。1998年以新設廠區與台灣政府上進，2006年力晶半導體三廠12吋和一至四吋廠區，員工達8000人，資本額超過新台幣五百億元。

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，共同發展高品質DRAM、Flash及系統晶片System LSI等國際代工服務和產品。

Powerchip, a Memory Solution Company

