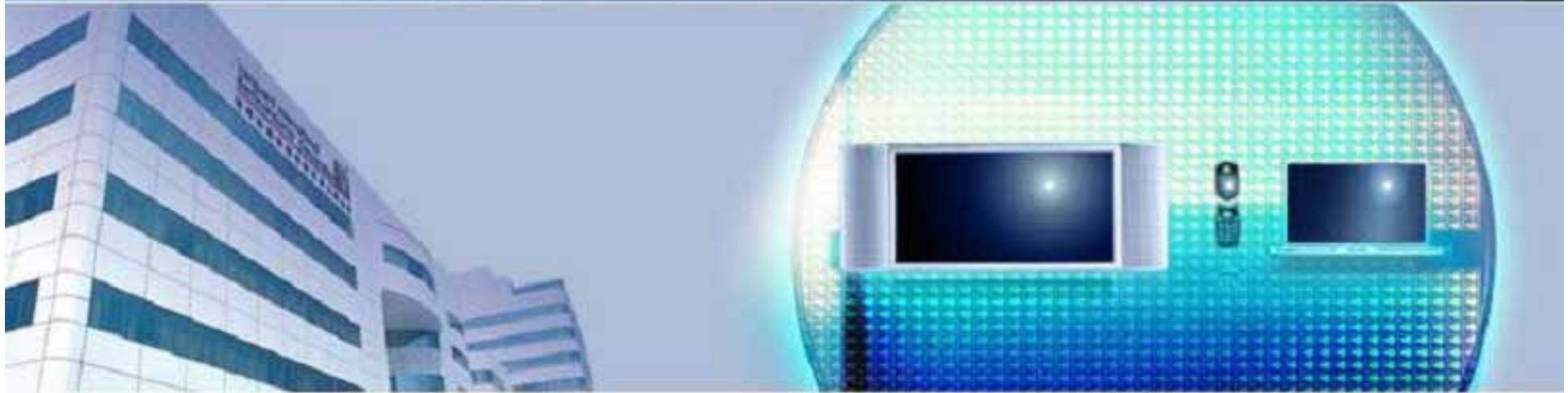




SPECIALTY IC FOUNDRY OF CHOICE



VANGUARD

2012 First Quarter Results

Investor Conference

Apr. 27th, 2012



Agenda

- Welcome
- 1Q12 Consolidated Financial Results
- Remark
- Q & A



Disclaimer

This presentation material contains certain forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.



1Q12 Result Highlights

Amount : NT\$ Million	1Q12	4Q11	1Q11
	Amount	Amount	Amount
Net Sales	3,150	3,308	3,991
Net Income	24	28	397
EPS (NT\$)	0.02	0.02	0.24
Cash and Financial Instruments	8,112	8,211	7,564
Shareholders' Equity	19,480	20,269	21,197
Total Wafers Shipped (Kpcs)	250	249	298



Income Statement

Amount: NT\$Million	1Q12		4Q11		1Q11		QoQ	YoY
	Amount	%	Amount	%	Amount	%	%	%
Net Sales	3,150	100%	3,308	100%	3,991	100%	-5%	-21%
COGS	(2,795)	-89%	(3,007)	-91%	(3,274)	-82%	-7%	-15%
Gross Profit	356	11%	302	9%	717	18%	18%	-50%
Operating Expense	(374)	-12%	(304)	-9%	(358)	-9%	23%	5%
Operating (Loss) Income	(19)	-1%	(2)	0%	360	9%	844%	-
Investment (Loss) Gain	(4)	0%	(8)	0%	13	0%	-48%	-
Net Other Non-operating Income	13	0%	54	2%	13	0%	-76%	-1%
(Loss) Income before Income Tax	(10)	0%	44	1%	386	10%	-	-
Net Income	24	1%	28	1%	397	10%	-13%	-94%
EPS (NT\$)	0.02		0.02		0.24		3%	-92%



Balance Sheet & Key Indices

Amount : NT\$ Million

Selected Items from
Balance Sheet

	Mar. 31, 2012		Dec. 31, 2011		Mar. 31, 2011	
	Amount	%	Amount	%	Amount	%
Total Assets	22,035	100.0%	22,820	100.0%	24,611	100.0%
Cash & Financial Instruments	8,112	36.8%	8,211	36.0%	7,564	30.7%
Accounts Receivable	2,138	9.7%	2,316	10.1%	2,600	10.6%
Inventory	1,408	6.4%	1,231	5.4%	1,623	6.6%
Total Current Assets	12,020	54.5%	12,123	53.1%	12,182	49.5%
Properties	63,837	289.7%	63,666	279.0%	62,782	255.1%
Less: Accum. Depreciation	(55,115)	-250.1%	(54,262)	-237.8%	(51,814)	-210.5%
Net Properties	8,722	39.6%	9,404	41.2%	10,968	44.6%
Accounts Payable and Others	877	4.0%	768	3.4%	1,606	6.5%
Accrued Liabilities	1,183	5.4%	1,290	5.7%	1,309	5.3%
Total Current Liabilities	2,061	9.4%	2,058	9.0%	2,915	11.8%
Total Equity	19,480	88.4%	20,269	88.8%	21,197	86.1%

Key Indices

A/R Turnover Days	65	51	52
Inventory Turnover Days	43	40	45
Debt Ratio	12%	11%	14%
Current Ratio	583%	589%	418%
Net Working Capital	9,959	10,065	9,267



Cash Flows

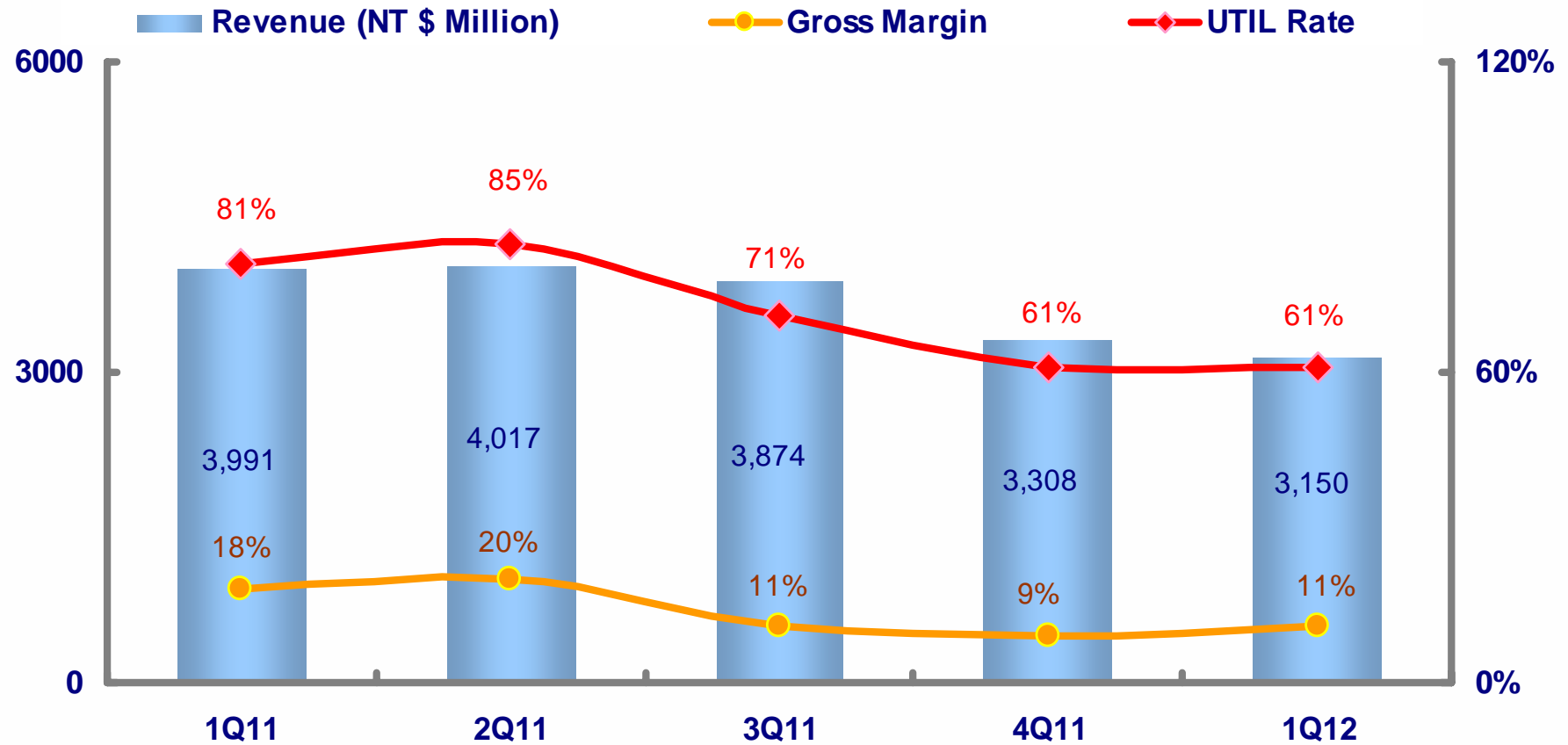
Amount : NT\$ Million	1Q12	4Q11	1Q11
	Amount	Amount	Amount
Cash - Beginning of Period	8,201	7,396	8,322
– Net Income	24	28	397
– Depreciation & Amort.	884	874	779
– Investment Loss Recognized by Equity Method	4	10	7
– Deferred Income Tax	(26)	(24)	(35)
– Changes of Accounts Receivable	177	241	(694)
– Changes of Inventory	(177)	211	(7)
– Changes of Notes and Accounts Payable	248	(6)	6
– Changes of Accrued Expenses and Other Current Liabilities	(214)	50	(196)
From Operation	914	1,243	336
– Increase in Financial Assets	(58)	0	(6)
– Acquisitions of Properties	(210)	(402)	(1,156)
– Return of Capital of Financial Assets Carried at Cost	0	4	0
From Investment	(267)	(398)	(1,150)
– Guarantee Deposit In	2	(0)	(0)
– Proceeds from Exercise of Employee Stock Options	1	0	32
– Repurchase of Treasury Stock	(845)	(38)	0
From Financing	(842)	(38)	32
Net Increase (Decrease) in Cash	(195)	807	(783)
Effect of Exchange Rate Changes	(5)	(2)	(6)
Cash - End of Period	8,000	8,201	7,533



Remarks

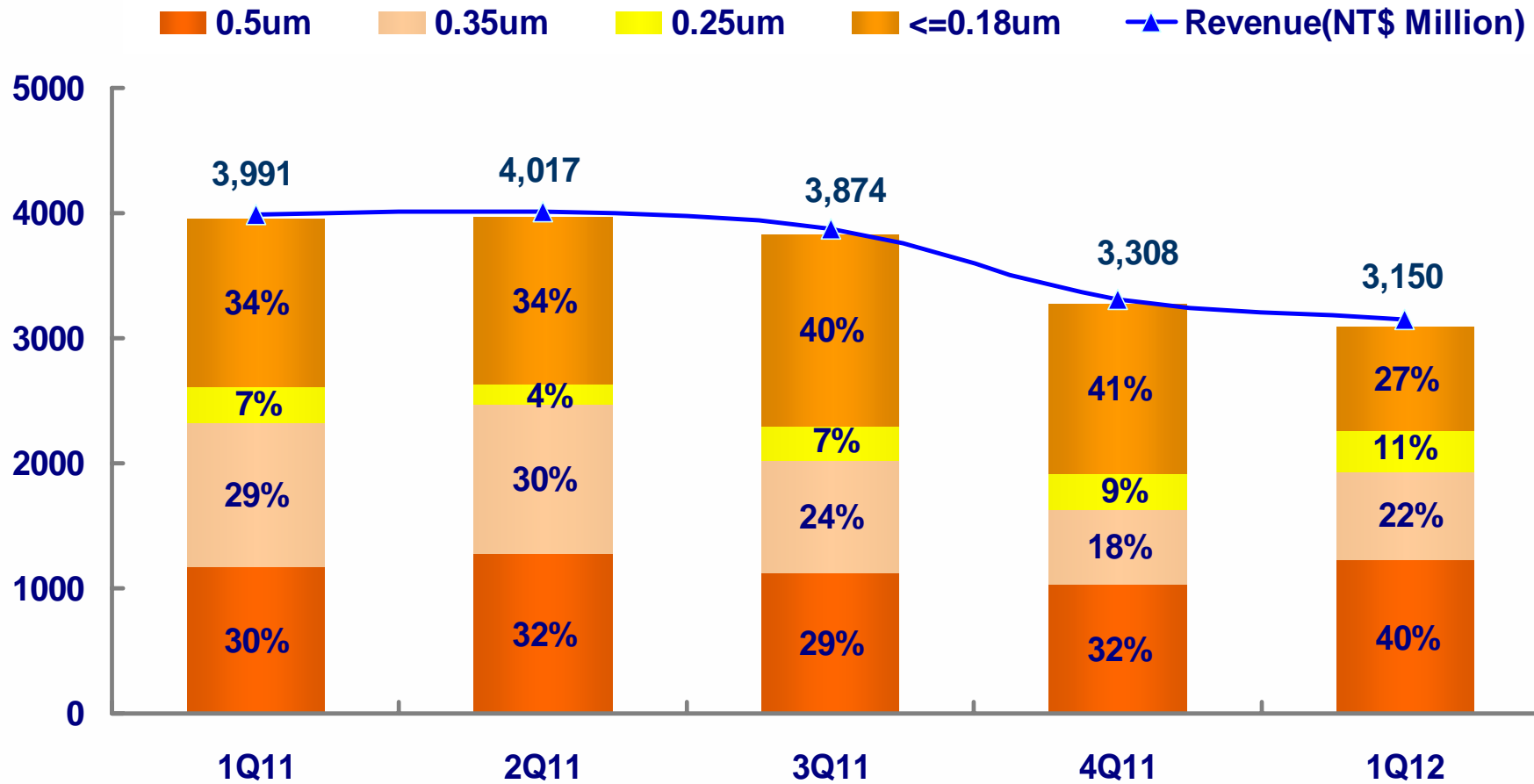


Fab Utilization & Gross Margin



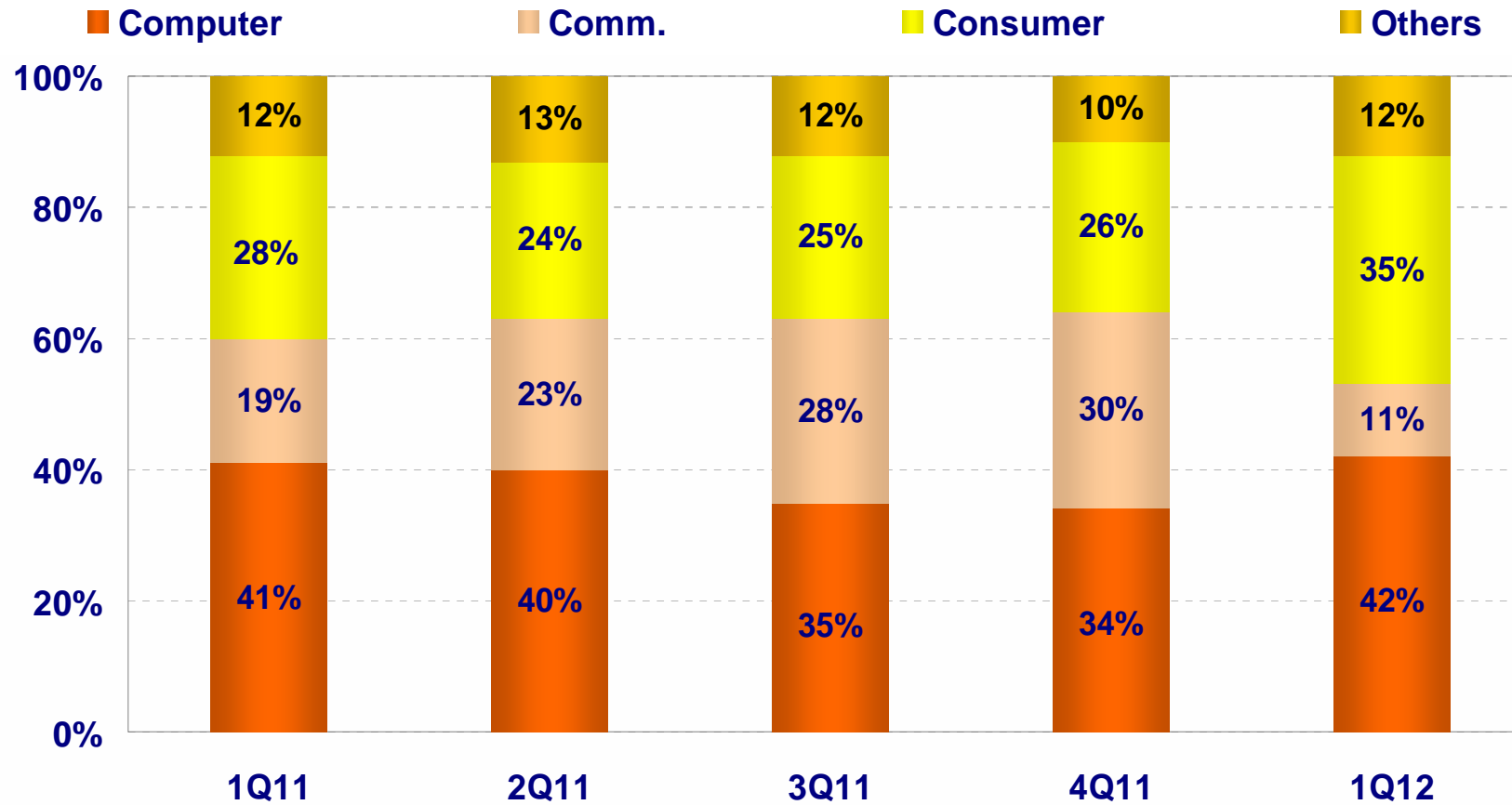


Revenue Breakdown by Technology





Revenue Breakdown by Applications

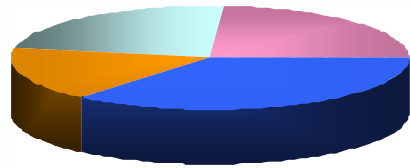




Revenue Breakdown by Platforms

Power Management IC
23%

Others
17%



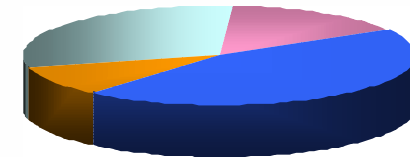
4Q11

Driver IC (Small)
24%

Driver IC (Large)
36%

Power Management IC
30%

Others
10%

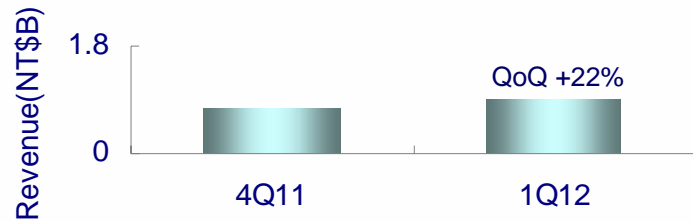


1Q12

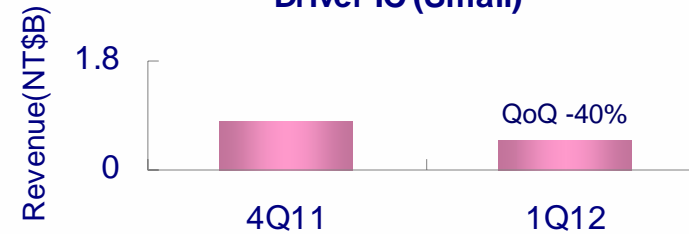
Driver IC (Small)
15%

Driver IC (Large)
45%

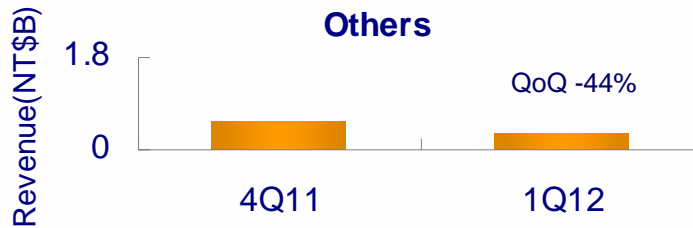
Power Management IC



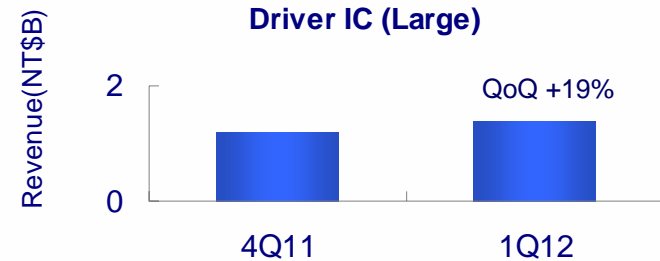
Driver IC (Small)



Others



Driver IC (Large)





1Q12 Result Summary & Guidance Comparison

1Q12	Result	Guidance
Wafer Shipments	flat QoQ	to decrease by a mid single digit percentage QoQ
Fab Utilization Rate	61%	to be around sixty percentage
Gross Profit Margin	11%	to be high single digit percentage
Blended ASP in USD	-4% QoQ	to decrease by a mid single digit percentage QoQ



Q & A



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