

Wistron Corporation

1H'08 & Q2'08

Financial Summary



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Income Statement

Section 1





Consolidated (1H'08)

NT\$ M	Reported		Excluding Bonus Expense	
Net Revenue	178,894		178,894	
Realized gross profit	11,010	6.15%	11,010	6.15%
Operation Expenses	(7,383)	-4.13%	(7,383)	-4.13%
Operating Income	3,627	2.03%	4,187	2.34%
Non-operating Income/(Loss)				
Interest Expense, net	(265)		(265)	
Investment Income/(Loss) under equity method, net	130		130	
Exchange Gain/(Loss), net	(23)		(23)	
Other Income/(Expense), net	400		400	
PBT	3,870		4,429	
Tax	(715)	-18.48%	(715)	-16.14%
Minority Interest	(48)		(48)	
PAT	3,107		3,667	

Note:

- Wistron booked NT\$560 million of employee bonus expense (for both employee bonus and director remuneration) in 1H'08.
- The exchange gain included a swap cost of NT\$120 million to save the company's overall interest expenses.

Consolidated (2008 1H vs. 2007 1H)

NT\$ M	1H'08		1H'07		YoY
Net Revenue	178,894		109,882		62.81%
Realized gross profit	11,010	6.15%	7,346	6.69%	49.88%
Operation Expenses	(7,383)	-4.13%	(4,412)	-4.01%	67.34%
Operating Income - Reported	3,627	2.03%	2,934	2.67%	23.61%
Operating Income - excluding bonus expense	4,187	2.34%			
Non-operating Income/(Loss)					
Interest Expense, net	(265)		(314)		
LT Investment Income/(Loss), net	130		145		
Exchange Gain/(Loss), net	(23)		(9)		
Other Income/(Expense)	400		177		
PBT - Reported	3,870		2,934		31.91%
PBT - excluding bonus expense	4,430				
Tax	(715)	-18.48%	(490)	-16.69%	
PAT - Reported	3,107		2,451		26.76%
PAT - excluding employee bonus expense	3,667				
Outstanding Shares (M)	1,493		1,382		

Consolidated (2008 Q2 vs. 2008 Q1)

NT\$ M	Q2'08		Q1'08		QoQ
Net Revenue	92,084		86,810		6.08%
Realized gross profit	5,777	6.27%	5,233	6.03%	10.40%
Operation Expenses	(3,837)	-4.17%	(3,546)	-4.08%	8.21%
Operating Income - Reported	1,940	2.11%	1,687	1.94%	15.01%
Operating Income - excluding bonus expense	2,187	2.38%	2,000	2.30%	9.38%
Non-operating Income/(Loss)					
Interest Expense, net	(141)		(124)		
LT Investment Income/(Loss), net	55		75		
Exchange Gain/(Loss), net	(244)		221		
Other Income/(Expense)	142		258		
PBT - Reported	1,753		2,117		-17.22%
PBT - excluding bonus expense	2,000		2,430		
Tax	(304)	-17.34%	(411)	-19.41%	-26.04%
PAT - Reported	1,430		1,677		-14.75%
PAT - excluding employee bonus expense	1,677		1,990		-15.74%
Outstanding Shares (M)	1,493		1,382		

- Wistron booked NT\$247.2 million of employee bonus expense (for both employee bonus and director remuneration) in Q2'08, and NT\$312.8 million in Q1'08.

▶ Non-consolidated (2008 1H vs. 2007 1H)

NT\$ M	1H'08		1H'07		YoY
Net Revenue	177,629		106,746		66.40%
Realized gross profit	9,487	5.34%	6,507	6.10%	45.79%
Operation Expenses	(6,425)	-3.62%	(3,709)	-3.47%	73.21%
Operating Income - Reported	3,062	1.72%	2,798	2.62%	9.45%
Operating Income - excluding bonus expense	3,622				
Non-operating Income/(Loss)					
Interest Expense, net	(128)		(128)		
LT Investment Income/(Loss), net	582		227		
Exchange Gain/(Loss), net	(72)		(94)		
Other Income/(Expense)	207		99		
PBT - Reported	3,723		2,902		28.30%
PBT - excluding bonus expense	4,283				
Tax	(617)	-16.56%	(451)	-15.54%	
PAT - Reported	3,107		2,451		26.75%
PAT - excluding employee bonus expense	3,667				
Outstanding Shares (M)	1,493		1,382		

▶ Non-consolidated (2008 Q2 vs. 2008 Q1 & 2007 Q2)

NT\$ M	Q2'08		Q1'08		QoQ	Q2'07		YoY
Net Revenue	92,310		85,319		8.19%	55,150		67.38%
Realized gross profit	5,062	5.48%	4,425	5.19%	14.41%	3,504	6.35%	44.48%
Operation Expenses	(3,366)	-3.65%	(3,058)	-3.58%	10.06%	(1,998)	-3.62%	68.50%
Operating Income - Reported	1,696	1.84%	1,366	1.60%	24.17%	1,506	2.73%	12.62%
Operating Income - excluding bonus expense	1,944		1,679	1.97%	15.76%			
Non-operating Income/(Loss)								
Interest Expense, net	(64)		(64)			(71)		
LT Investment Income/(Loss), net	(45)		627			176		
Exchange Gain/(Loss), net	(12)		(59)			(46)		
Other Income/(Expense)	32		175			48		
PBT - Reported	1,679		2,045		-17.89%	1,613		4.08%
PBT - excluding bonus expense	1,926		2,357					
Tax	(249)	-14.81%	(368)	-18.00%	-32.45%	(258)	-16.02%	-3.78%
PAT - Reported	1,430		1,676		-14.69%	1,355		5.58%
PAT - excluding employee bonus expense	1,677		1,990					
Outstanding Shares (M)	1,493		1,382					

Balance Sheets & Cash Flows

Section 2



Consolidated Balance Sheets

NT\$M	2008/6/30		2008/3/31		2007/6/30	
Cash & ST Investments	11,011	9%	17,406	15%	6,703	8%
A/R	59,320	47%	52,210	44%	32,335	40%
Inventory	28,645	23%	25,188	21%	17,703	22%
Other current Assets	4,014	3%	4,236	4%	5,643	7%
Total Current Assets	102,991	81%	99,040	84%	62,385	77%
LT equity investments	4,006	3%	3,469	3%	3,720	5%
Property, plant and equipment	13,934	11%	13,289	11%	12,812	16%
Other assets	6,082	5%	2,351	2%	2,354	3%
Total Assets	127,012	100%	118,149	100%	81,271	100%
ST Borrowing	7,926	6%	18,263	15%	5,763	7%
A/P	64,640	51%	56,987	48%	36,877	45%
Other current liabilities	12,035	9%	7,134	6%	8,468	10%
Total Current Liabilities	84,601	67%	82,384	70%	51,107	63%
LT Debt	9,106	7%	-	0%	-	0%
Other liabilities	875	1%	914	1%	166	0%
Total Liabilities	94,582	74%	83,298	71%	166	0%
Shareholders' Equity & Minority Interest	32,430	26%	34,851	29%	29,998	37%

▶ Non-consolidated Balance Sheets

NT\$M	2008/6/30		2008/3/31		2007/6/30	
Cash & ST Investments	6,177	6%	11,046	12%	4,650	8%
A/R	63,372	65%	54,223	59%	33,466	56%
Inventory	7,222	7%	6,388	7%	3,691	6%
Other current Assets	2,936	3%	3,616	4%	3,576	6%
Total Current Assets	79,707	82%	75,274	82%	45,383	76%
LT equity investments	12,548	13%	12,173	13%	10,175	17%
Property, plant and equipment	3,390	4%	3,383	4%	3,093	5%
Other assets	1,177	1%	1,010	1%	909	2%
Total Assets	96,822	100%	91,840	100%	59,560	100%
ST Borrowing			10,826	12%		
A/P	45,867	47%	41,180	45%	23,126	39%
Other current liabilities	9,908	10%	5,380	6%	7,065	12%
Total Current Liabilities	55,775	58%	57,386	62%	30,192	51%
LT Debt	9,106	9%	-	0%	-	0%
Other liabilities	699	1%	643	1%	129	0%
Total Liabilities	65,580	68%	58,029	63%	30,321	51%
Shareholders' Equity	31,242	32%	33,811	37%	29,239	49%



Cash Flows

NT\$M	Consolidated		Non-Consolidated	
	1H'08	1H'07	1H'08	1H'07
Cash* (Beginning of period)	7,560	12,722	2,300	10,899
Cash flow from Operation				
Net income	3,155	2,444	3,107	2,451
Depreciation & amortization	1,548	1,314	699	520
(Income)/loss from equity method	(16)	3	(471)	(89)
Changes in A/R	(4,461)	(8,935)	(8,320)	(3,520)
Changes in A/P	9,197	326	7,010	(1,324)
Changes in inventories	(7,111)	(3,249)	(1,678)	(221)
Others	307	1,392	1,268	(2,705)
Cash provided by operating activities	2,617	(6,705)	1,614	(4,888)
Cash flow from Investment				
Capex	(2,396)	(1,909)	(1,133)	(1,096)
Others	(4,171)	(390)	(979)	(1,655)
Cash provided by investing activities	(6,567)	(2,299)	(2,112)	(2,751)
Cash flow from Finance				
Increase (decrease) in ST borrowings & LT debt	7,269	2,427	4,375	
Issuance of common stock	128	11		
Payment on cash dividends				
Employee bonus				
Payment on directors' and supervisors' remuneration				
Others	4	548		726
Cash provided by financing activities	7,401	2,986	4,375	726
Cash (End of period)	11,011	6,703	6,177	3,985

* Cash = Cash + Cash equivalent + ST financial instruments

* Capex = Additions to property, plant and equipments + Increase in long-term equity investments + Increase in advance payments for investment