



***Lehman Brothers 6th
Annual Worldwide
Wireless and
Wireline Conference***

New York, June 1, 2005

Agenda

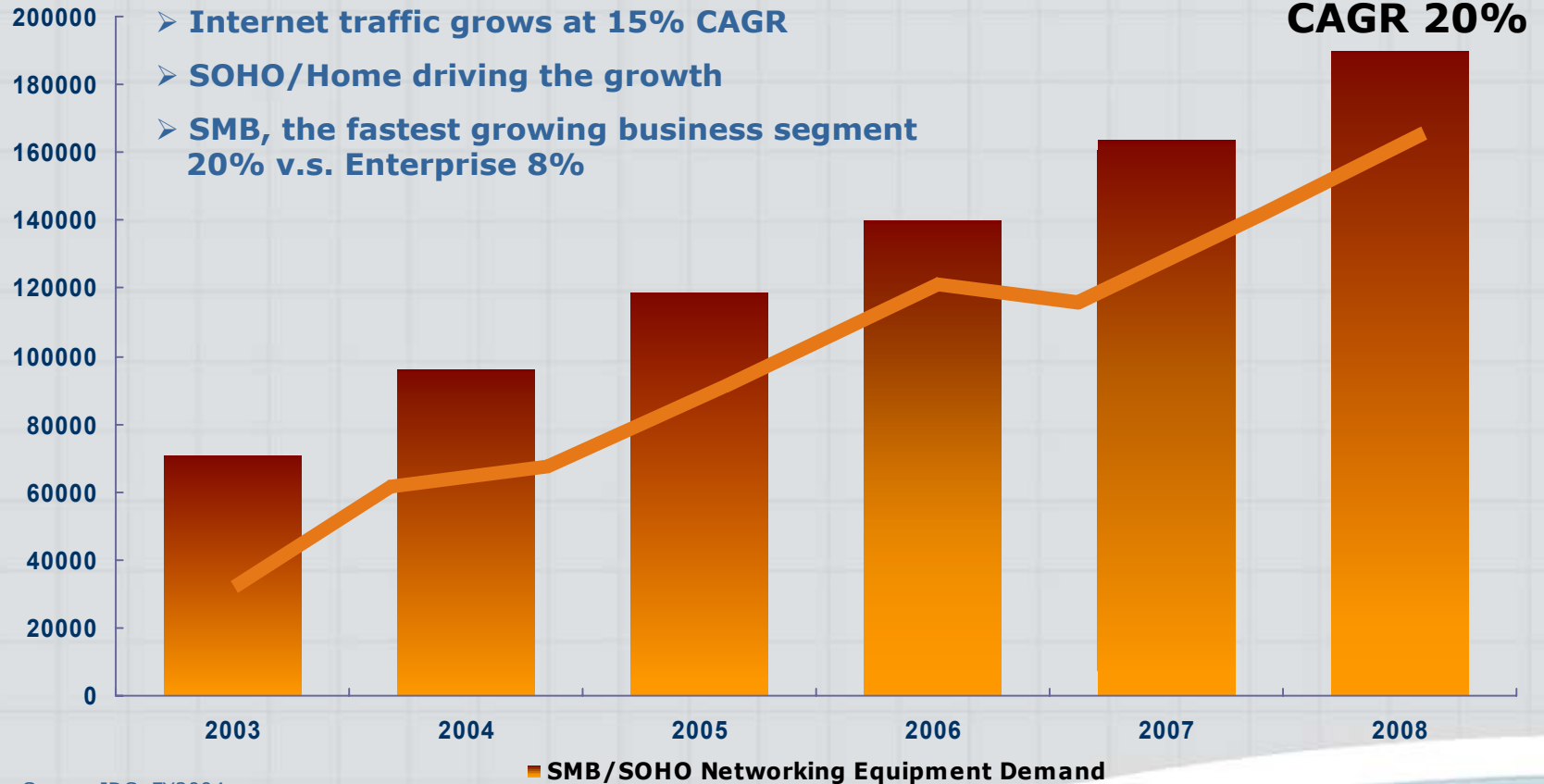
- **SMB/Home Networking Industry Landscape**
- **D-Link's Unique Proposition**
- **Financials**

All numbers consolidated. FY05 are pro forma

- **SMB/SOHO Networking Industry Landscape**
- **D-Link's Unique Proposition**
- **Financials**

WW SMB and SOHO Networking Market

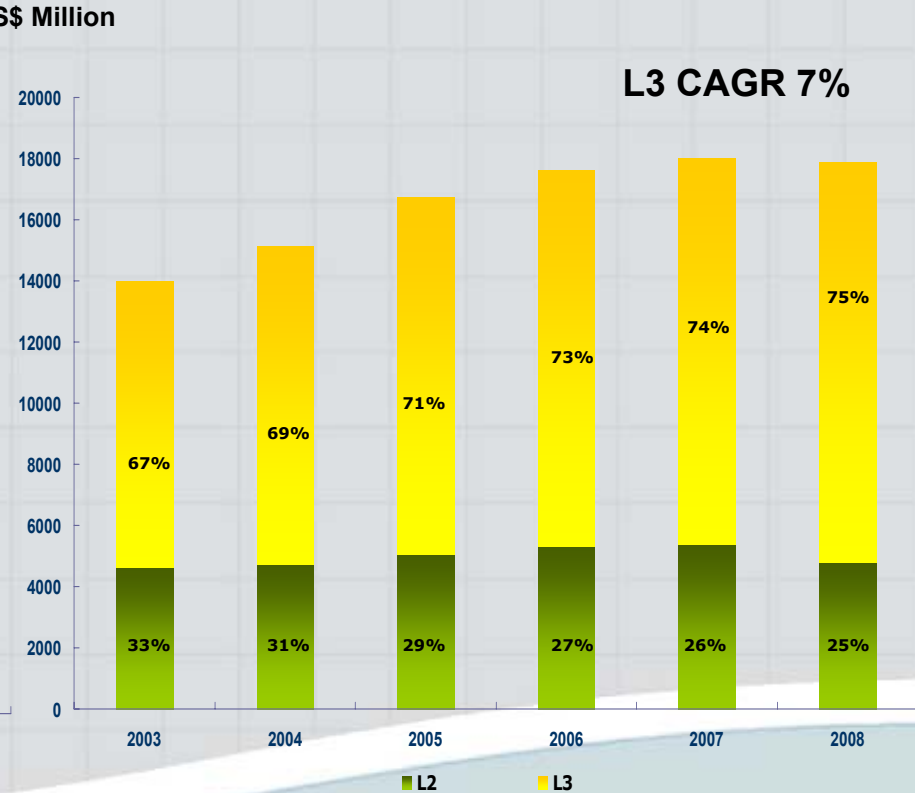
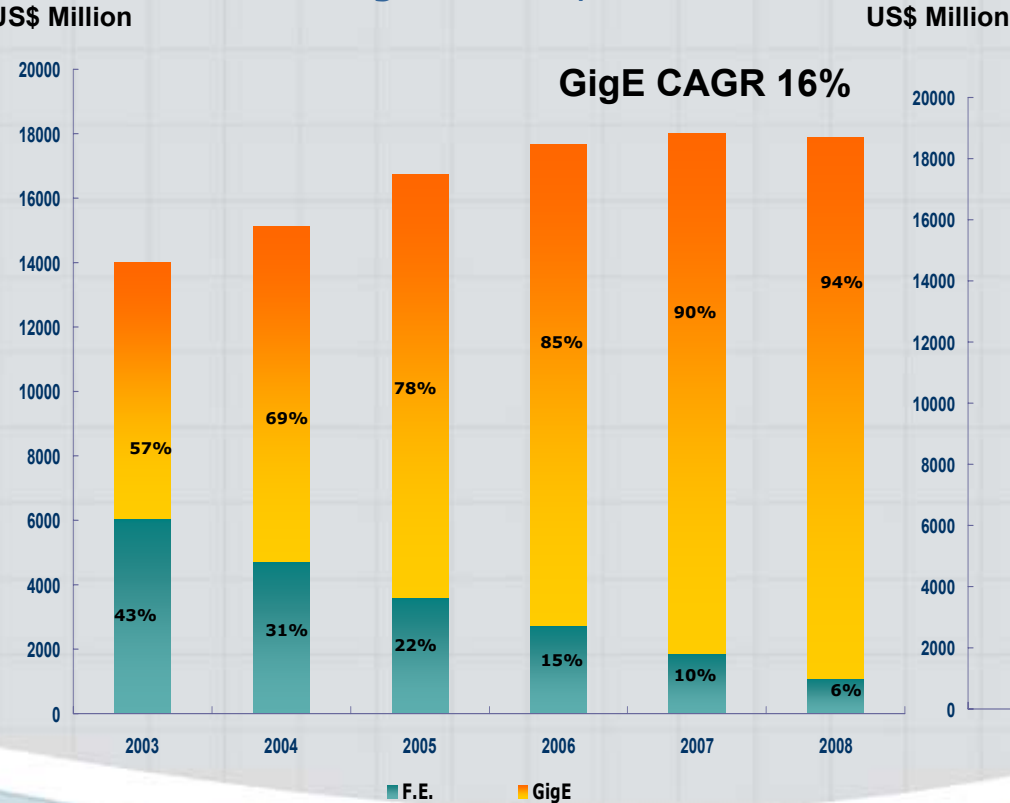
US\$ Million



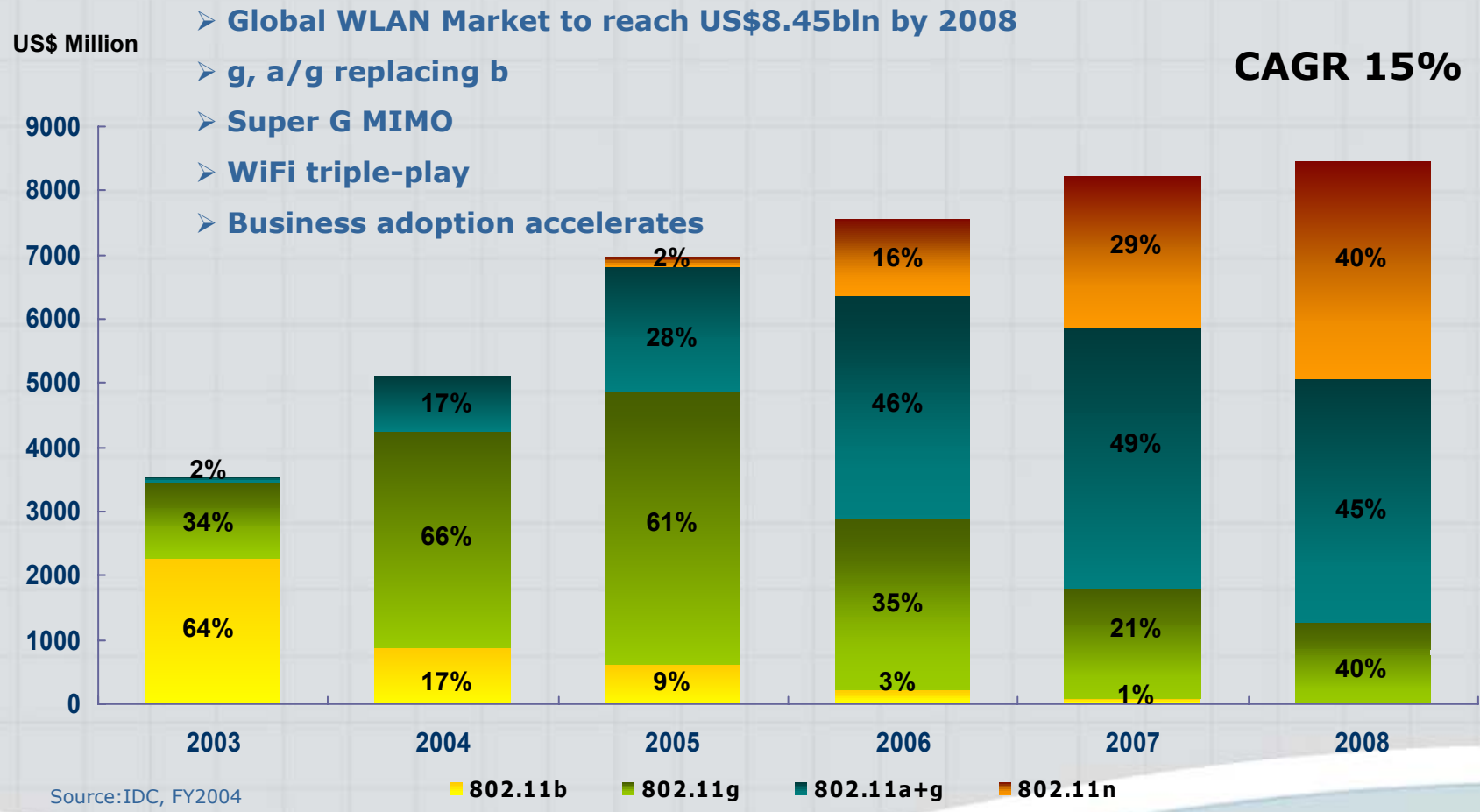
Source: IDC, FY2004

Switching

- GigE replacing FE, L3 outgrows L2
- Data traffic growth continued at 38%+ p.a.
- Pull-through for VoIP, Securities
- Upgrade and replacement cycle
- More powerful commercial chips

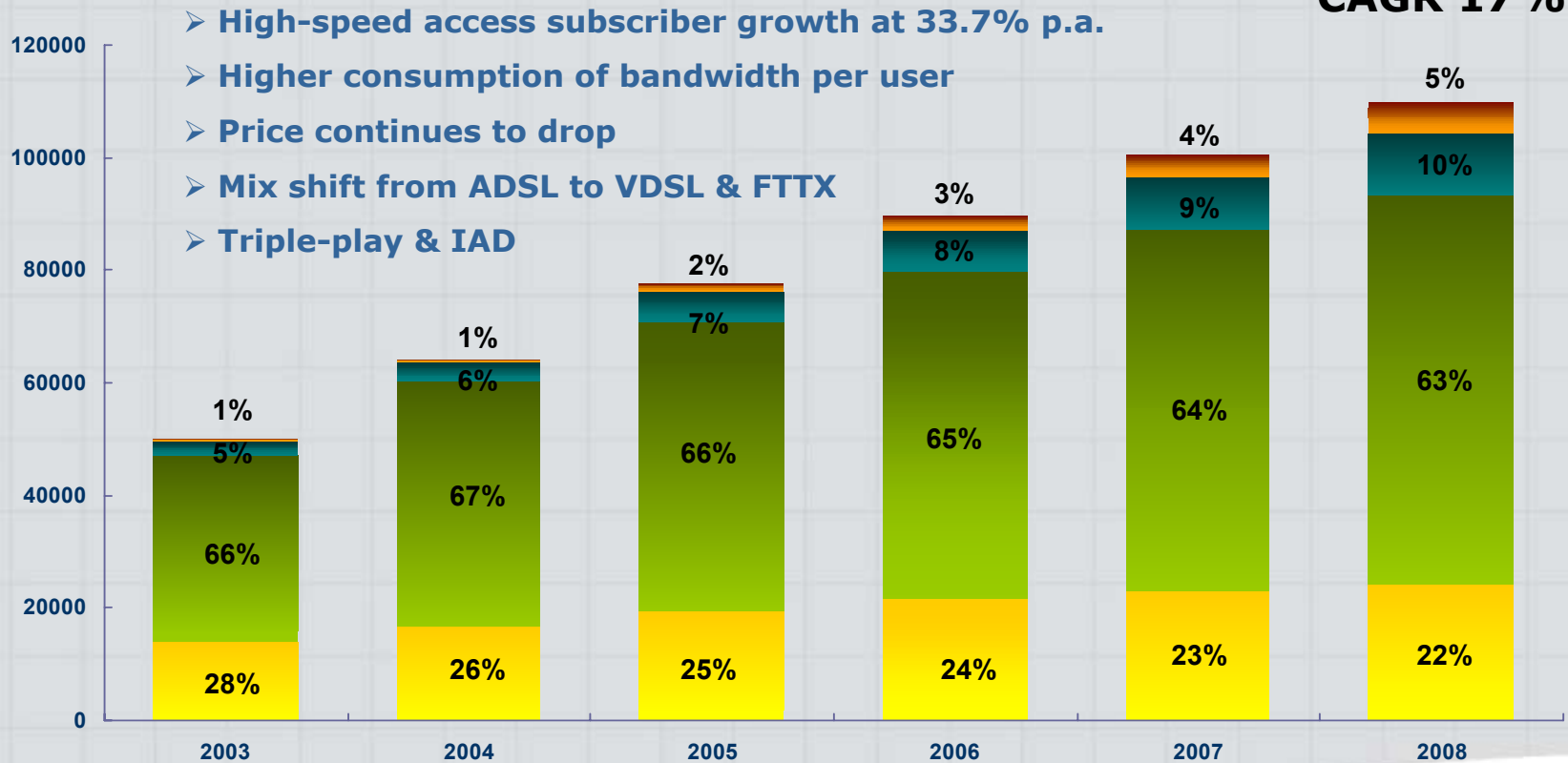


WLAN



Broadband

US\$ Million



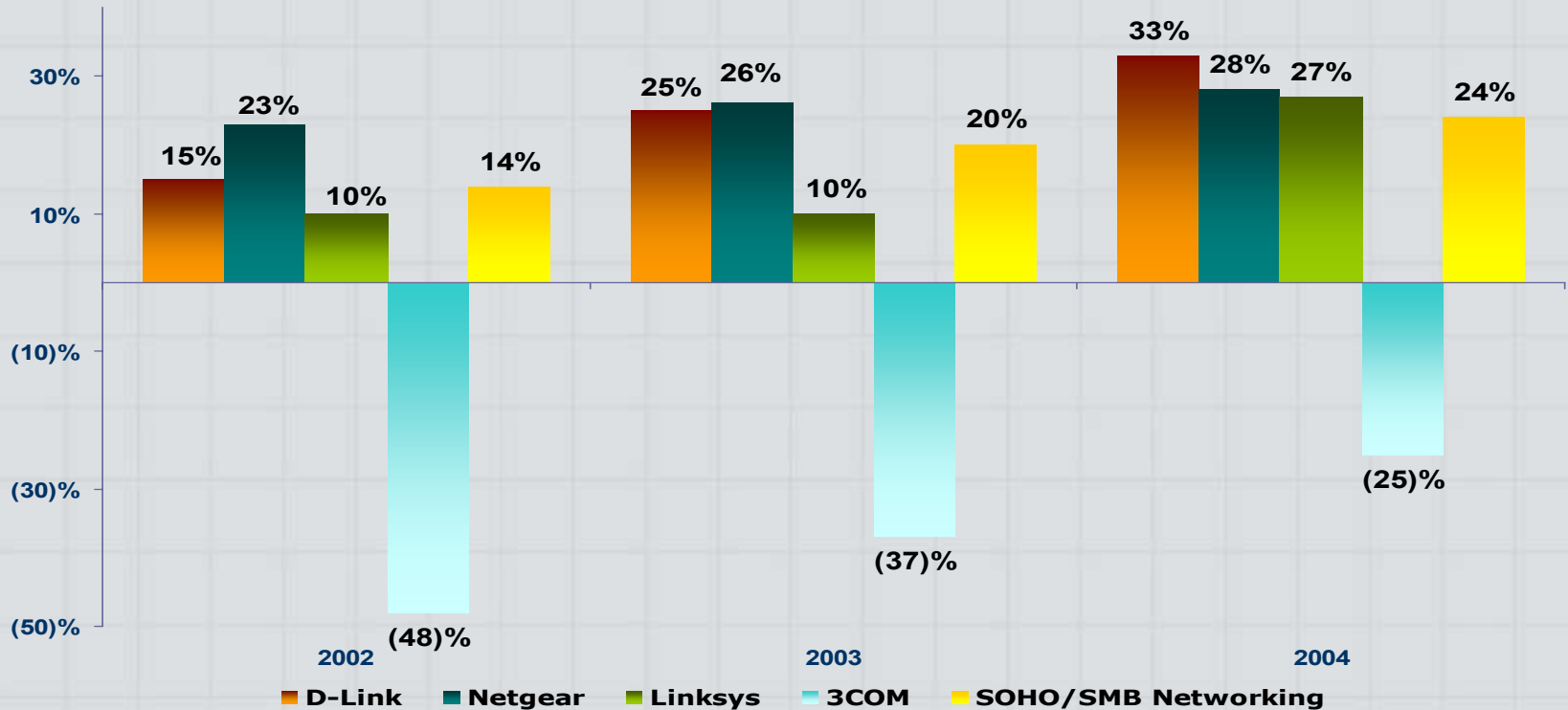
Source: IDC, FY2004

■ Cable Modem
 ■ ADSL
 ■ FTTX
 ■ Advanced Technology

Consistent Outperformance

Exceeding Industry and Peers Growth

Revenue Growth Rate



1. All growth measured in US\$ terms.
2. The % growth of Linksys for FY2002 is estimated.

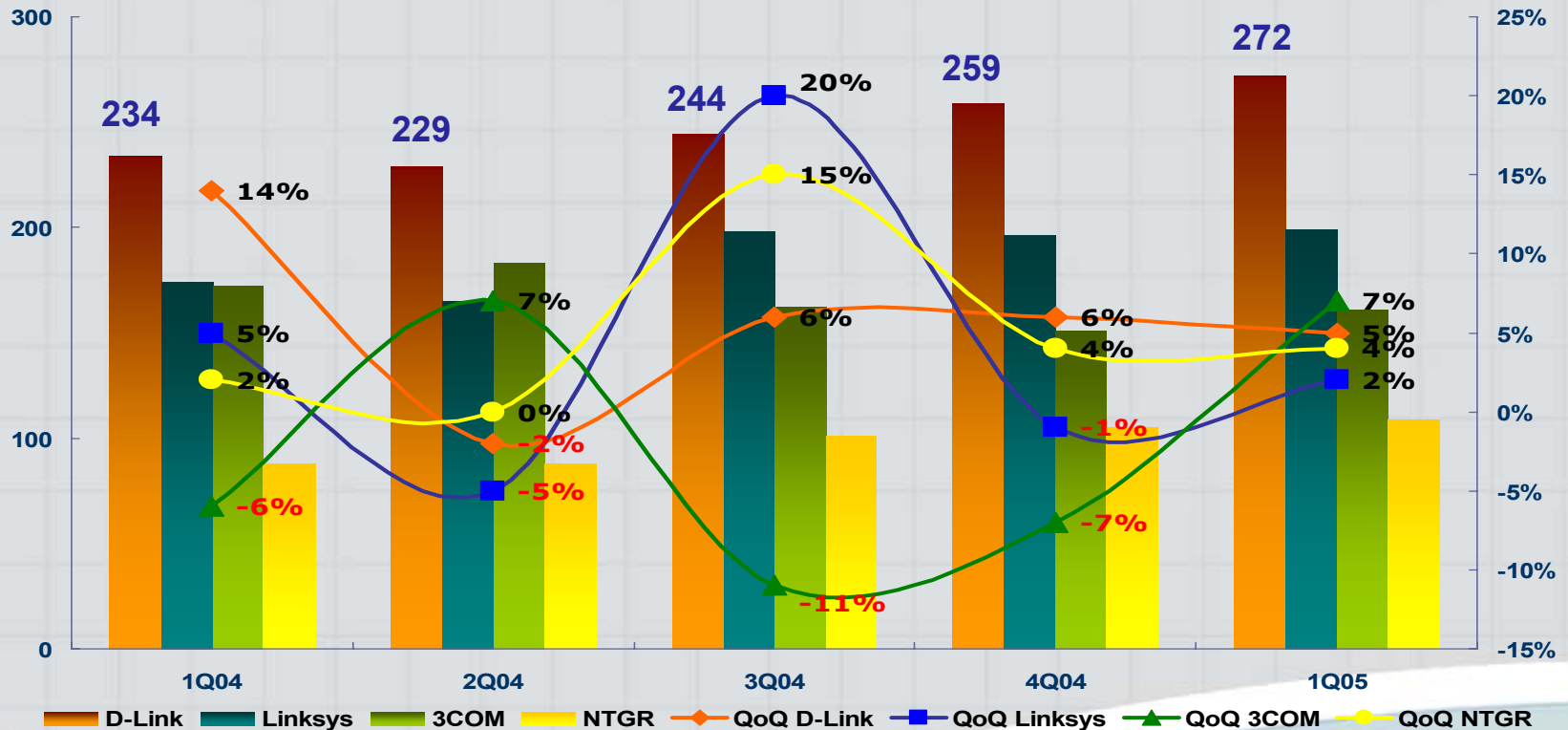
- **SMB/SOHO Networking Industry Landscape**
- **D-Link's Unique Proposition**
- **Financials**

1 in Global Revenue

- D-Link tops the industry in terms of global revenue
- D-Link led the growth in Q1/04, Q4/04
- D-Link grew at much more stable pace after Q3/04 compared to all peers

US\$ Million

QoQ Growth

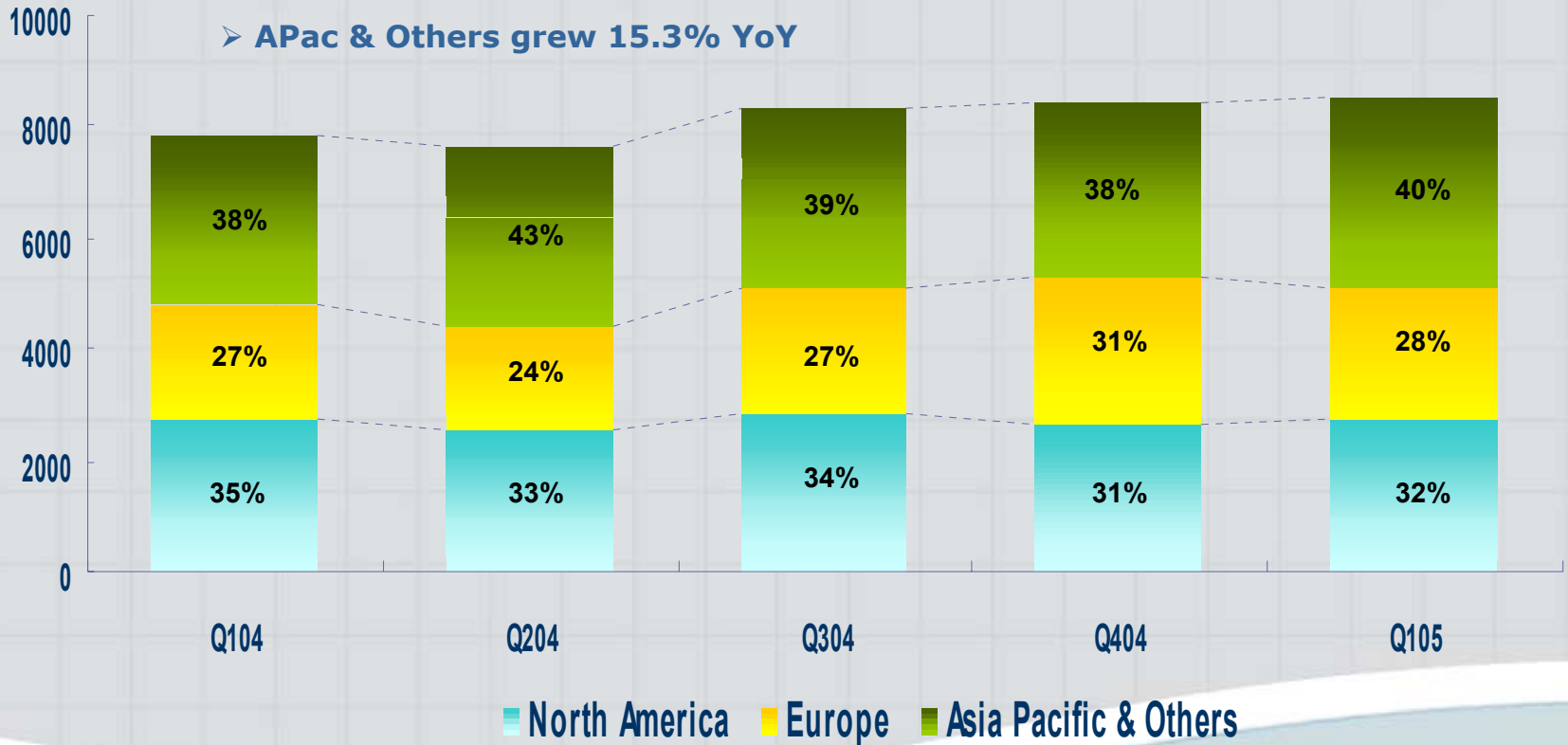


Revenue by Regions

For Q1/05,

- N.A. up 4% QoQ
- Europe grew 13.6% YoY
- APac & Others grew 15.3% YoY

NT\$ Million



Revenue by Products

For Q1/05,

- Digital Home up 51% YoY, and 11% QoQ
- Broadband up 52% YoY, and 8% QoQ
- WLAN up 6% YoY, and 4% QoQ
- Switch down 8% YoY

NT\$ Million

10000

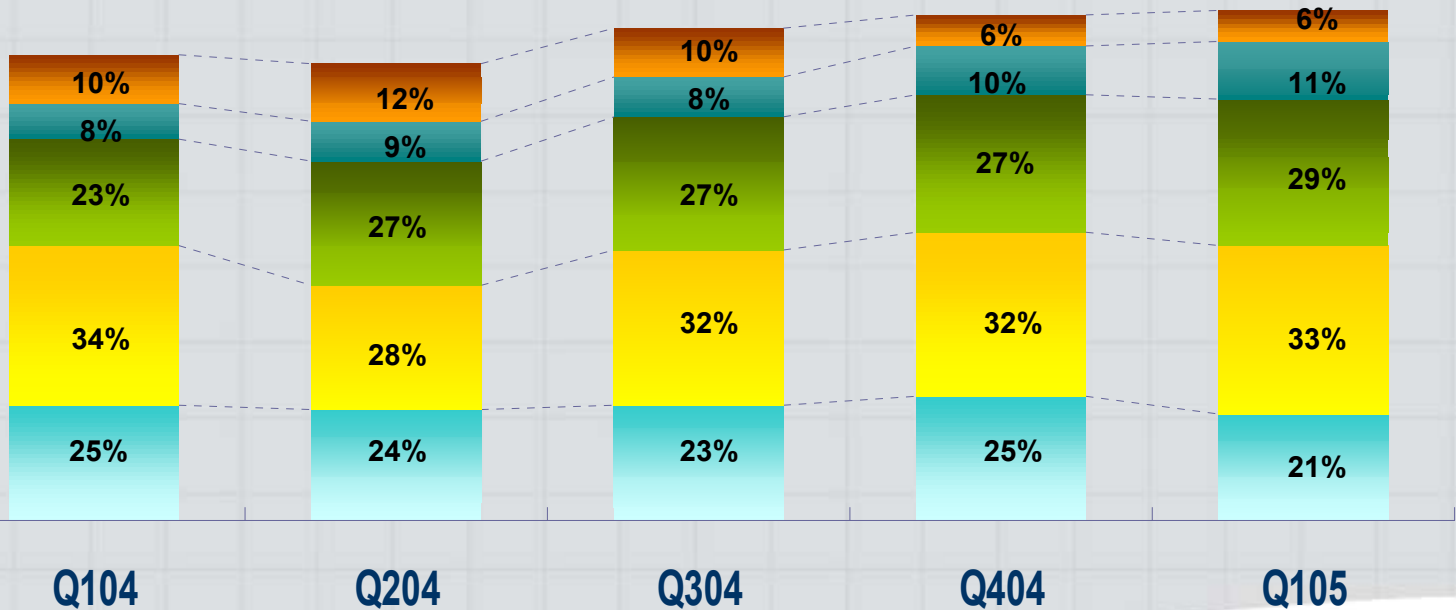
8000

6000

4000

2000

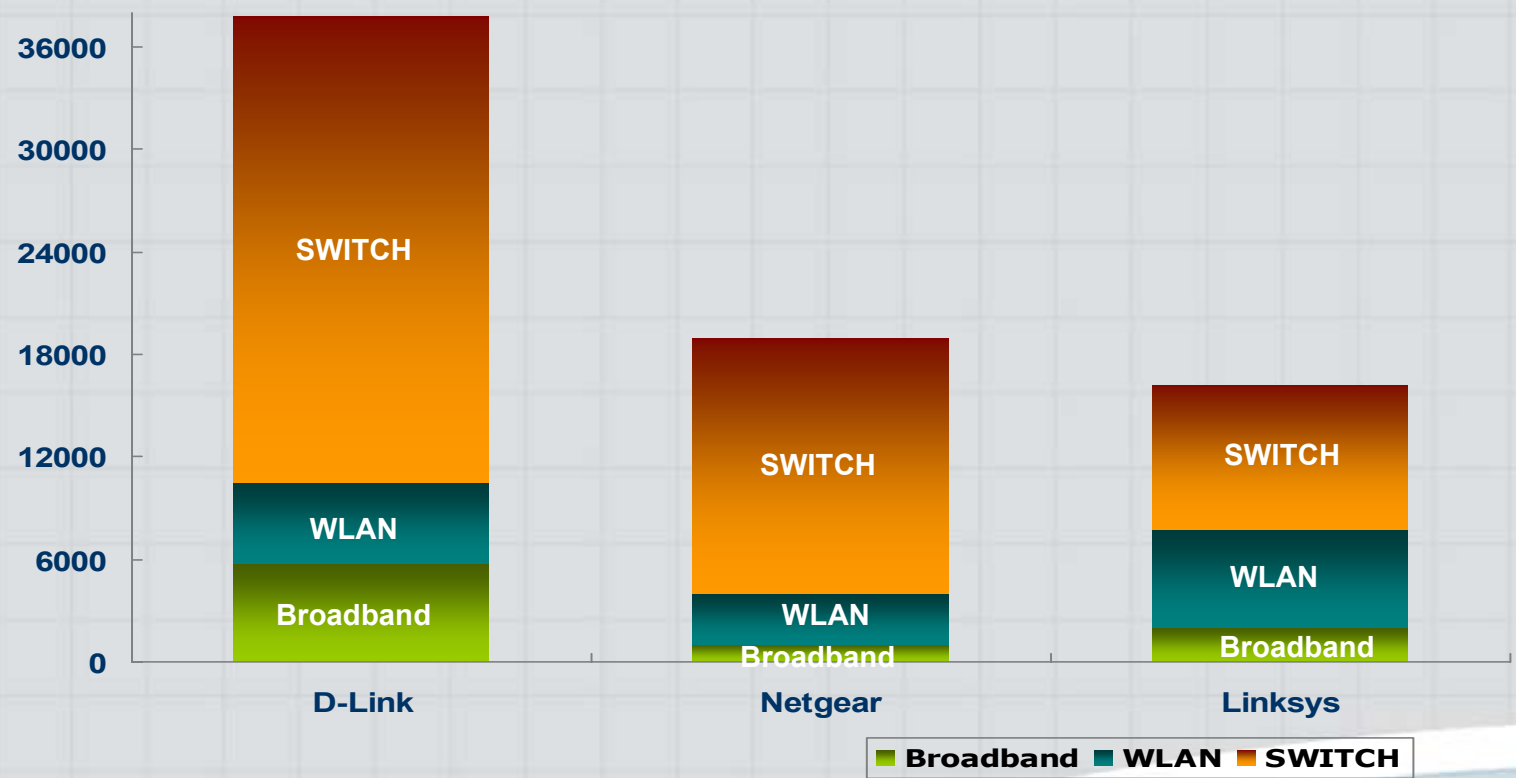
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Switch WLAN Broadband Digital Home NIC & Others

Number 1 in Global Shipment

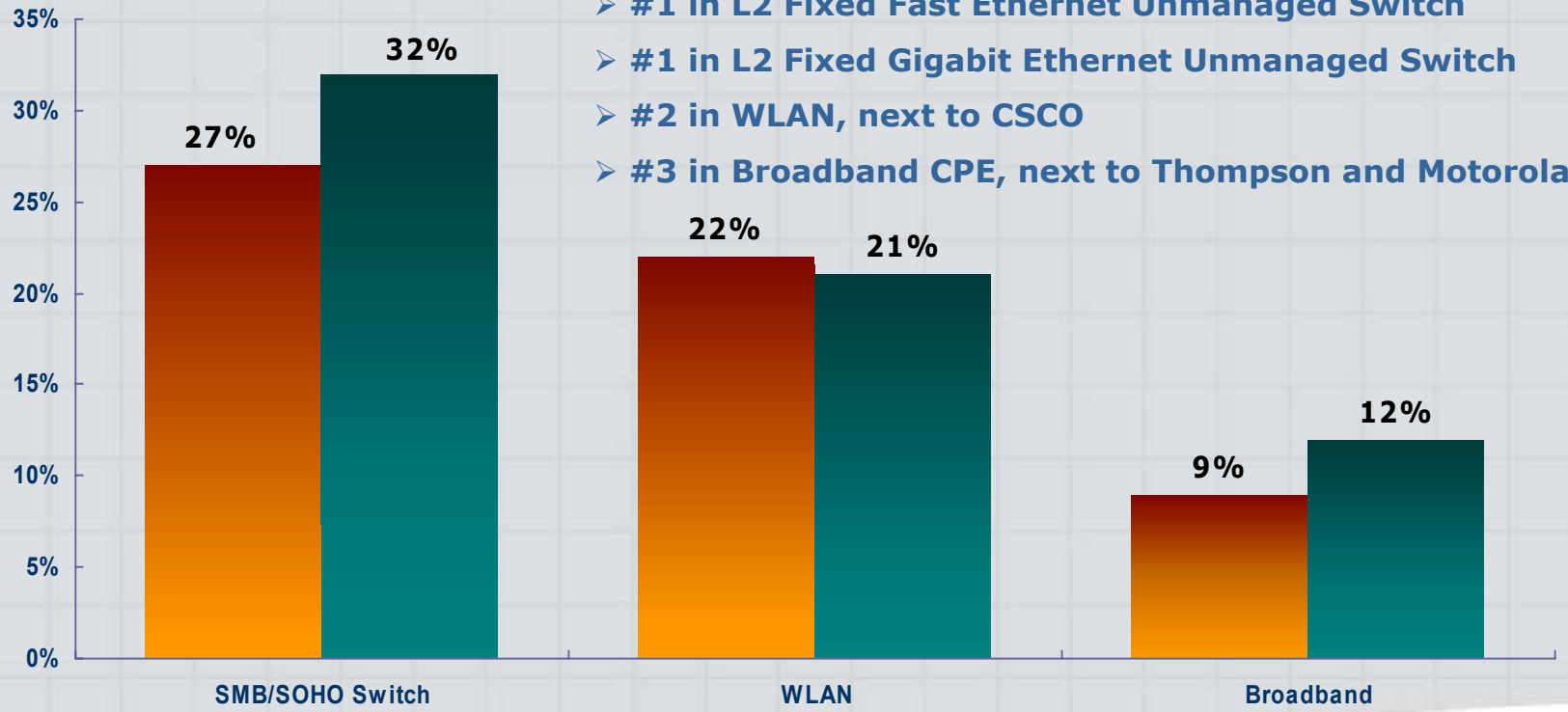
Unit/port shipments, thousands



Source: Synergy Research Group, FY2004

Dominance in all Segments

Market Shares by Products



D-Link is, in unit terms,

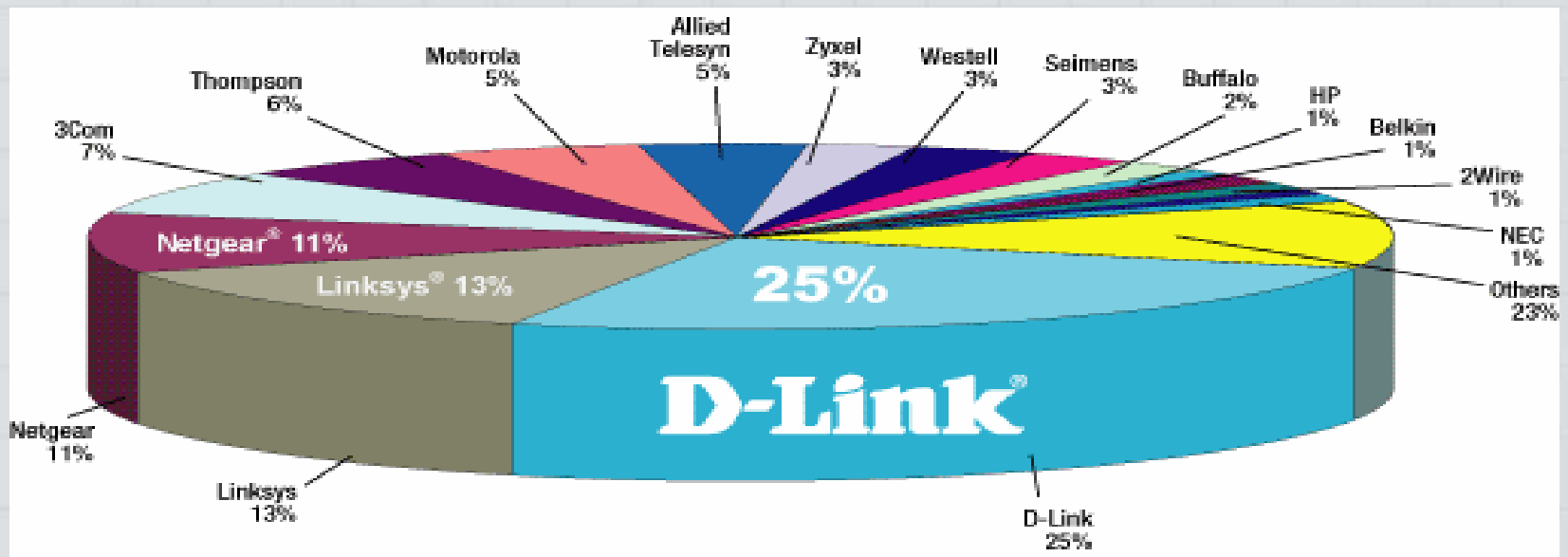
- #1 in L2 Fixed Fast Ethernet Unmanaged Switch
- #1 in L2 Fixed Gigabit Ethernet Unmanaged Switch
- #2 in WLAN, next to CSCO
- #3 in Broadband CPE, next to Thompson and Motorola

Source: Synergy Research Group, FY2004

■ 2003 ■ 2004

WW SMB/Home Market share Leader

Q4/04



SRG Q4 2004 Wireless LAN Equipment Market Shares Report
 SRG Q4 2004 Ethernet LAN Switch Market Shares Report
 SRG Q4 2004 Broadband Equipment Market Shares Report

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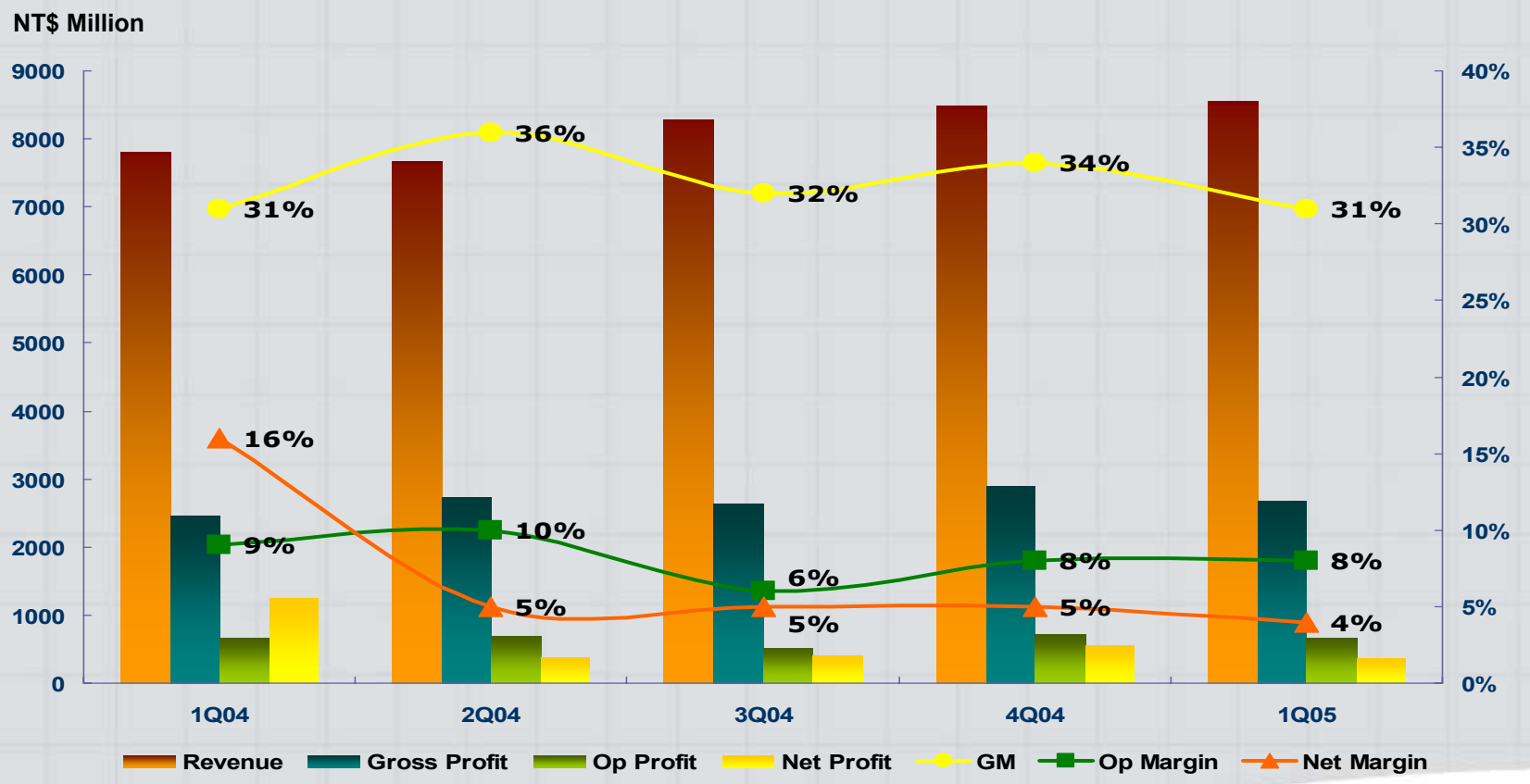
Consolidated Income Statement

FY2004 YoY Comparison

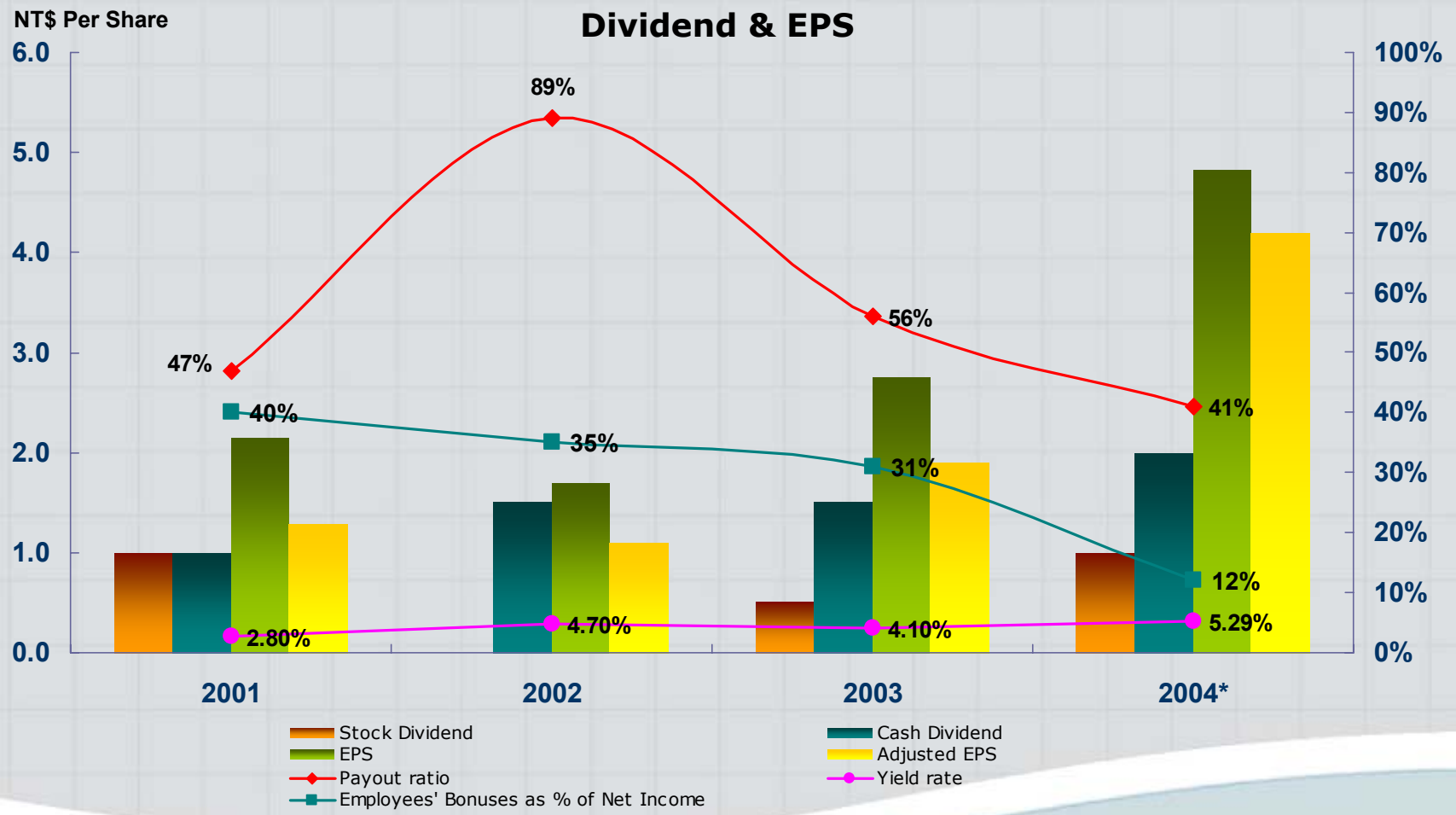
Amount: NT\$ million	FY2004		FY2003		YoY %
					Change
Net Sales	32,245	100%	25,016	100%	29%
Cost of Goods Sold	21,437	66%	17,201	69%	25%
Gross Profit	10,808	34%	7,815	31%	38%
Operating Expenses	8,174	25%	6,212	25%	32%
Operating Income	2,634	8%	1,603	6%	64%
Income Before Tax	3,215	10%	1,555	6%	107%
Income Tax Expense	(399)	(1)%	(173)	(1)%	131%
Net Income	2,816	9%	1,382	6%	104%
Minority	(215)	(1)%	(8)	-	2588%
Consolidate Income	2,601	8%	1,374	5%	89%
Earnings Per Share (NT\$)	4.82*		2.75		75%
EBITDA	3,994		2,274		

*Calculated by FY2004 weighted average of 539.1mln shares.

Strong Earnings



High Dividend Payout



*2004 Dividend Payout subject to approval of Annual General Meeting

Peer Comparison

FY04 Financial Results

(Sales in US\$ million)

	ROE	Gross Margin	Operating margin	Net Margin	EBITDA Margin
D-Link	22%	34%	8%	5%	12%
Netgear	16%	33%	11%	7%	10%

	Leverage Ratio	Cash Cycle	Yield	2004 FY Revenues
D-Link	1.35	67	5%	966
Netgear	0.62	83	0	383

Notes

- (1) ROE is annualized.
- (2) Yield rate calculated as estimated cash dividend of NT\$2 per share divided by stock price of NT\$39 per share.

Longer Term Business Model

	FY03	FY04	FY05E	Model*
Sales Growth(%)	24%	29%	10~15%	20%
Gross Margin (%)	31%	33%	31%	36%
Operating Margin (%)	6%	8%	6%	7%
Tax Exp. (% of PBT)	11%	12%	25%	25%
ROE (%)	14%	22%	12%	15%

*Assuming deconsolidation of Alpha

Safe Harbor Statement

All numbers are consolidated. Except for statements in respect of historical matters, the statements contained in this release are "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of D-Link Corporation to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements.

Thank You!

*For complete financial and
press releases, please visit
<http://ir.dlink.com>*

