

**Bank of America ML  
& TSE  
Taiwan, Technology  
& Beyond**



March 16, 2010 Taipei

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# 4Q09 Unaudited Financial Review

## 4Q09 Income Statement & QoQ Comparison

Unit: NT\$ million	4Q09		3Q09		QoQ % Change
	AMT	%	AMT	%	
Net Sales	8,852	100.0	8,334	100.0	6.2
Cost of Goods Sold - Product	5,902	66.7	5,782	69.4	2.1
Gross Profit 1	2,950	33.3	2,552	30.6	15.6
Inventory Related Gain/Loss	64	0.7	21	0.3	204.8
Gross Profit 2	3,014	34.0	2,573	30.9	17.1
Operating Expenses	2,511	28.3	2,382	28.6	5.4
Operating Income	503	5.7	191	2.3	163.4
Total Non-Op. Inc. (Loss)	(43)	(0.5)	161	1.9	NA
Income Before Tax	460	5.2	352	4.2	30.7
Tax (Exp.) / Income	(83)	(0.9)	(85)	(1.0)	(2.4)
Net Income	377	4.3	267	3.2	41.2
Minority Interest	(19)	(0.3)	(7)	(0.1)	171.4
Consolidated Income	358	4.0	260	3.1	37.7
EPS (NT\$)-Per Fully Diluted Capital of NT\$6,476M	0.55		0.40		37.7

\* The numbers are unaudited.

## 4Q09 Non-op Income/Loss & QoQ Comparison

Unit : NT\$ mln

	4Q09	3Q09	QoQ % Change
<b>Investment Income</b>	0	71	(100.0)
<b>Sub./Aff.</b>	0	71	(100.0)
<b>Capital Gain</b>	0	0	0.0
<b>FX Gain/(Loss)</b>	(45)	57	NA
<b>Fin. Income/(Exp.) &amp; Oth.</b>	2	33	(93.9)
<b>Total</b>	(43)	161	NA

## 4Q09 Income Statement & YoY Comparison

Unit: NT\$ million	4Q09		4Q08		YoY % Change
	AMT	%	AMT	%	
Net Sales	8,852	100.0	7,364	100.0	20.2
Cost of Goods Sold - Product	5,902	66.7	5,192	70.5	13.7
Gross Profit 1	2,950	33.3	2,172	29.5	35.8
Inventory Related Gain/Loss	64	0.7	(105)	(1.4)	NA
Gross Profit 2	3,014	34.0	2,067	28.1	45.8
Operating Expenses	2,511	28.3	2,295	31.2	9.4
Operating Income	503	5.7	(228)	(3.1)	NA
Total Non-Op. Inc. (Loss)	(43)	(0.5)	194	2.6	NA
Income Before Tax	460	5.2	(34)	(0.5)	NA
Tax (Exp.) / Income	(83)	(0.9)	60	0.8	NA
Net Income	377	4.3	26	0.3	1350.0
Minority Interest	(19)	(0.3)	0	0.0	NA
Consolidated Income	358	4.0	26	0.3	1276.9
EPS (NT\$) -Per Fully Diluted Capital of NT\$6,476M	0.55		0.04		1276.9

\* The numbers are unaudited.

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## 2009 Income Statement & YoY Comparison

Unit: NT\$ million	2009		2008		YoY % Change
	AMT	%	AMT	%	
Net Sales	31,016	100.0	32,992	100.0	(6.0)
Cost of Goods Sold - Product	21,597	69.6	22,284	67.5	(3.0)
Gross Profit 1	9,419	30.4	10,708	32.5	(12.0)
Inventory Related Gain/Loss	198	0.6	(425)	(1.3)	NA
Gross Profit 2	9,617	31.0	10,283	31.2	(6.5)
Operating Expenses	9,222	29.7	9,459	28.7	(2.5)
Operating Income	395	1.3	824	2.5	(52.1)
Total Non-Op. Inc. (Loss)	340	1.1	586	1.8	(42.0)
Income Before Tax	735	2.4	1,410	4.3	(47.9)
Tax (Exp.) / Income	(204)	(0.7)	(216)	(0.7)	(5.6)
Net Income	531	1.7	1,194	3.6	(55.5)
Minority Interest	(19)	(0.1)	0	0	NA
Consolidated Income	512	1.6	1,194	3.6	(57.1)
EPS (NT\$) -Per Fully Diluted Capital of NT\$6,476M	0.79		1.85		(57.1)

\* The numbers are unaudited.

## 12/31/2009 Balance Sheet & QoQ Comparison

Unit: NT\$ mln

	12/31/09 AMT	%	09/30/09 AMT	%	QoQ % Change
Cash	5,558	22	3,975	16	39.8
S-T Investment	0	0	98	0	(100.0)
Account Receivable	6,297	25	6,410	26	(1.8)
Inventory	4,690	19	5,288	22	(11.3)
Long-term Investments	5,481	22	5,185	21	5.7
Total Assets	25,372	100	24,218	100	4.8
Accounts Payable	5,836	23	5,614	23	4.0
Current Liabilities	9,430	37	8,961	37	5.2
Common Stock	6,476	26	6,476	27	0.0
Stockholders' Equity	15,002	59	14,336	59	4.6

# Key Financial Ratios

Unit: % , days	12/31/09	09/30/09	06/30/09	03/31/09	12/31/08
Days A/R	72 <sup>*</sup>	77 <sup>*</sup>	78 <sup>*</sup>	80 <sup>*</sup>	74 <sup>*</sup>
Days Inventory	104 <sup>*</sup>	112 <sup>*</sup>	121 <sup>*</sup>	115 <sup>*</sup>	131 <sup>*</sup>
Days A/P	99 <sup>*</sup>	100 <sup>*</sup>	101 <sup>*</sup>	81 <sup>*</sup>	101 <sup>*</sup>
Cash Cycle	77	89	99	114	104
Current Ratio	1.90	1.89	1.84	2.02	1.91
Debt/Equity Ratio	0.70	0.70	0.71	0.62	0.79
Net Debt/Equity Ratio	0.31 <sup>**</sup>	0.39 <sup>**</sup>	0.47 <sup>**</sup>	0.45 <sup>**</sup>	0.57 <sup>**</sup>
ROE	10 <sup>*</sup>	7 <sup>*</sup>	6 <sup>*</sup>	(10) <sup>*</sup>	9 <sup>*</sup>

\* Annualized

\*\* Adjust for Cash & S-T investment



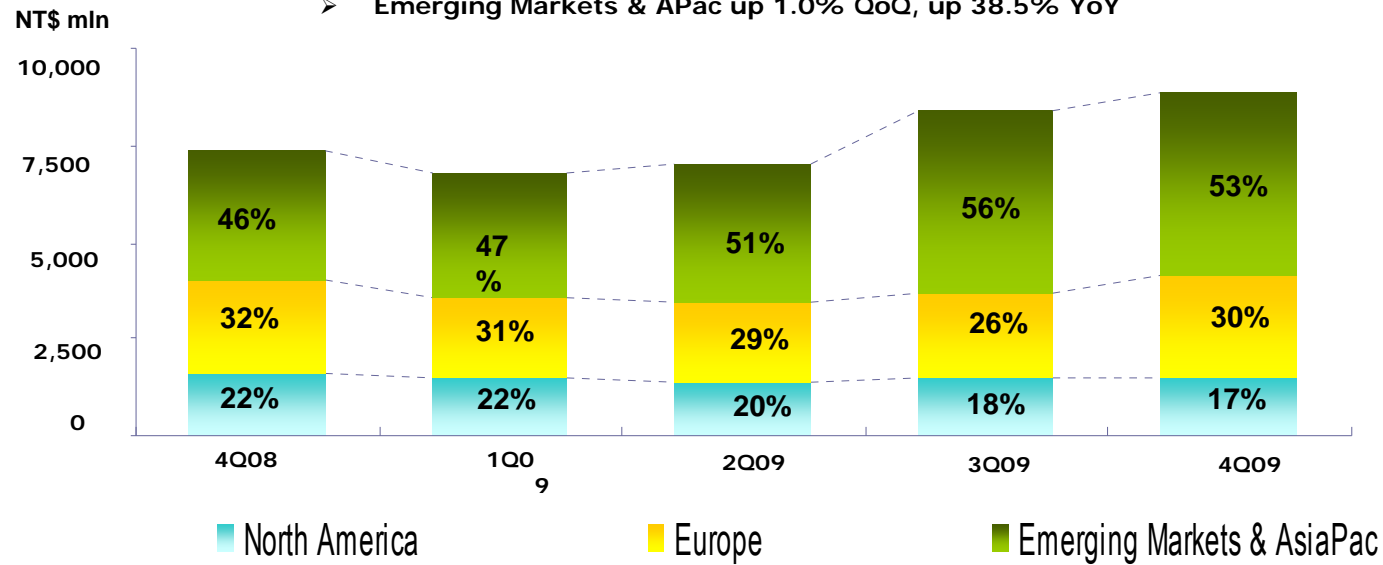
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# Business Updates & Outlooks

# Quarterly Revenue by Regions

4Q09 revenue up 6.2% QoQ, up 20.2% YoY

- N.A. down 2.4% QoQ, down 10.7% YoY
- Europe up 23.4% QoQ, up 15.5% YoY
- Emerging Markets & APac up 1.0% QoQ, up 38.5% YoY



# Quarterly Revenue by Products

## 4Q09 revenue comparison:

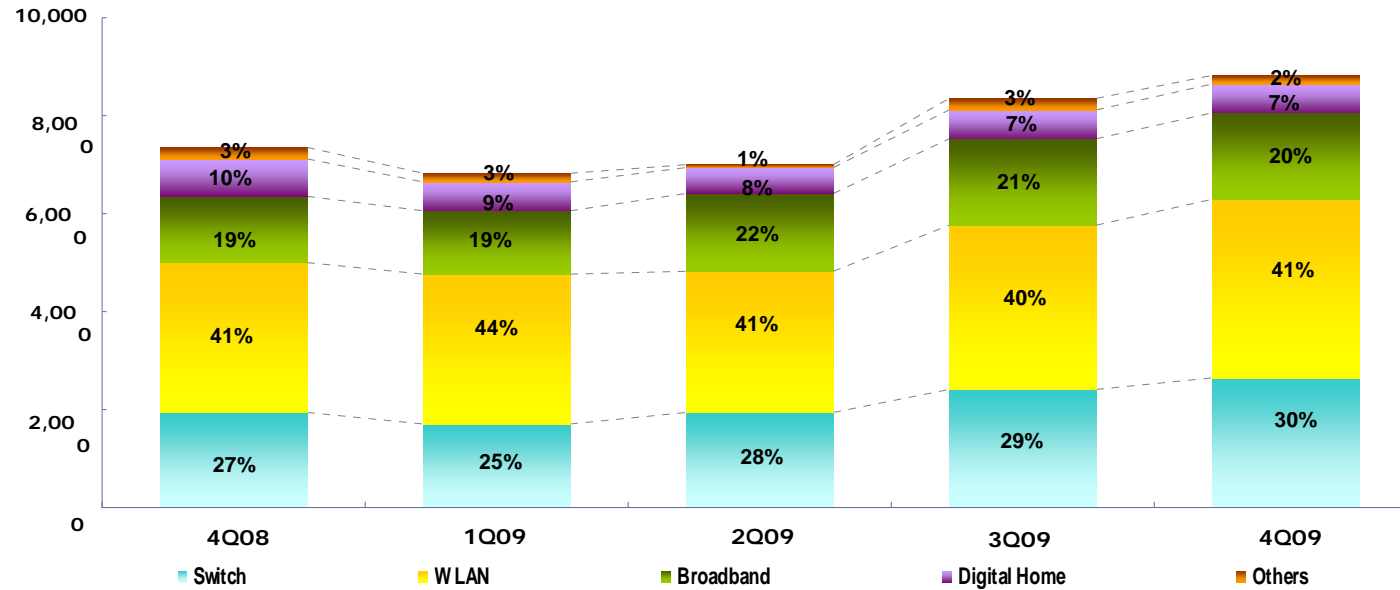
➤ Switch up 9.1% QoQ, up 36.2% YoY

➤ B.B. up 2.6% QoQ, up 29.1% YoY

➤ WLAN up 8.2% QoQ, up 19.4% YoY

➤ D.H. down 1.3% QoQ, down 20.6% YoY

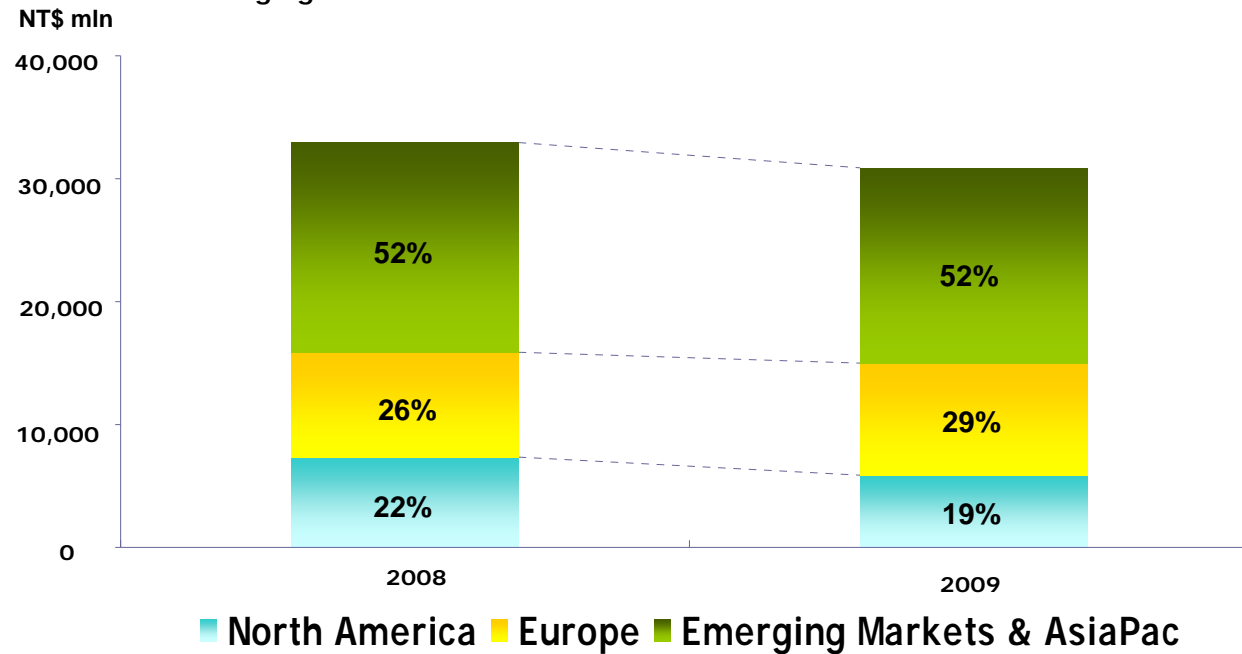
NT\$ mln



# 2009 Revenue by Regions

## 09 revenue YoY comparison:

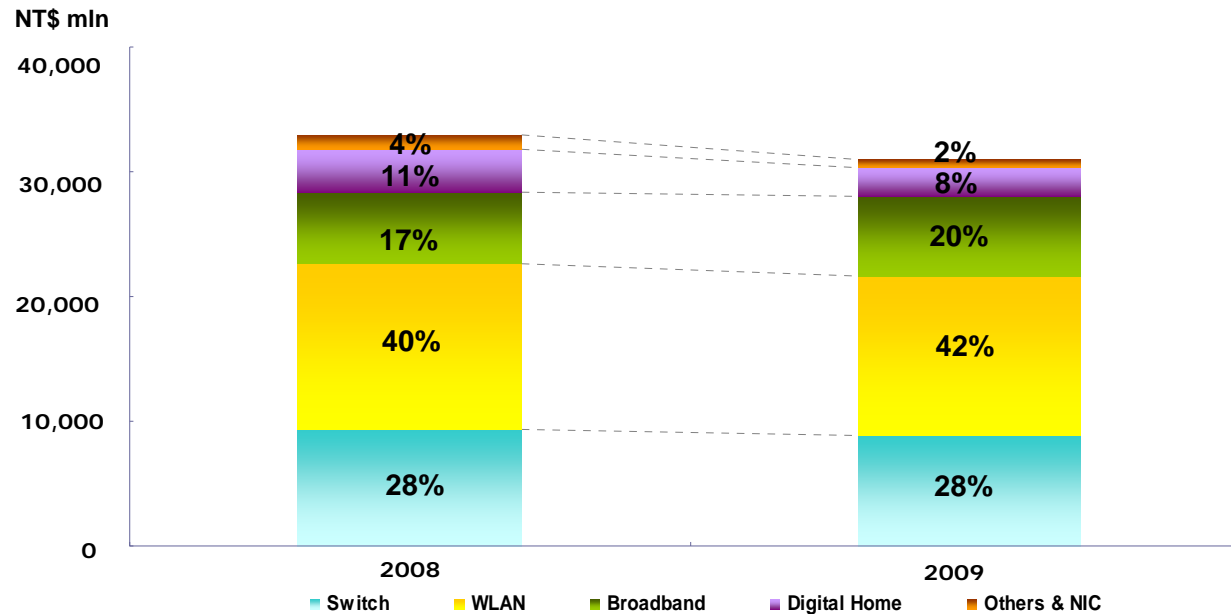
- WW 09 revenue down 6.0%
- Emerging markets & AsiaPac down 6.2%
- Europe up 7.2%
- N.A. down 20.6%



# 2009 Revenue by Products

## 09 revenue YoY comparison:

- Switch down 5.3%
- WLAN down 3.0%
- Broadband up 10.3%
- Digital Home down 31.8%



# Ethernet Switches Market Share

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**#1 of Ethernet Switches: Small Enterprise Market. Port Shipments Worldwide. 1Q-3Q 2009**

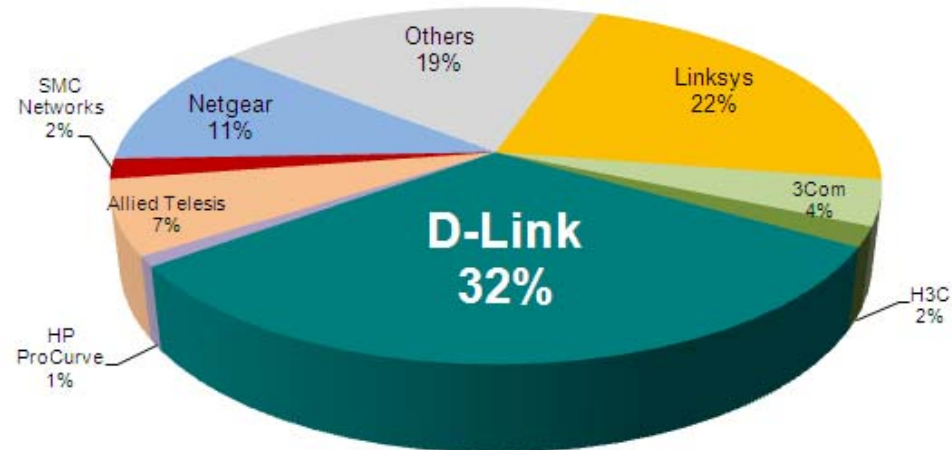


Chart created by D-Link Corporation based on Gartner Data  
Source: Gartner, Market Share; Enterprise Ethernet Switches, Worldwide, 1Q09, June 2009  
Market Share: Enterprise Ethernet Switches, Worldwide, 2Q09, September 2009  
Market Share: Enterprise Ethernet Switches, Worldwide, 3Q09, December 2009

# Wireless Stand-Alone AP Market Share

# 1 of Wireless LAN Stand-Alone Access Points, Small-Enterprise Market, Unit Shipments, Worldwide, 1Q-3Q 2009

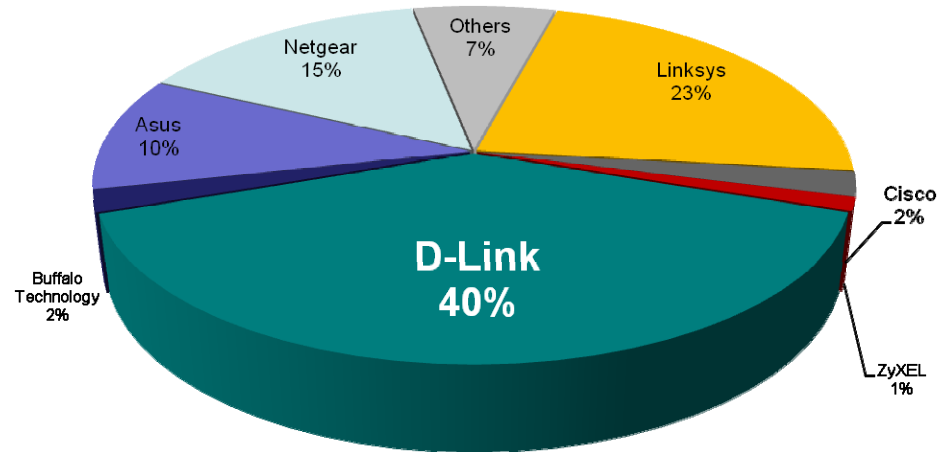


Chart created by D-Link Corporation based on Gartner data  
Source: Gartner, Market Share: Enterprise Wireless LAN Equipment, Worldwide, 1Q09, May 2009  
Market Share: Enterprise Wireless LAN Equipment, Worldwide, 2Q09, September 2009  
Market Share: Enterprise Wireless LAN Equipment, Worldwide, 3Q09, December 2009

# 2010 Business Outlooks

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## Consumer

- Multimedia demands resuming
- Home automation initiation
- Cloud applications emerging

## Business

- Focus on SMB/SME
- Cross-sell opportunity with IP surveillance solution
- Expanding SI channel network for integrated 5S solution

## Telcos/ISPs

- IAD & 3G prevailing
- Alliance partnership to reach more end points
- Addition of applications onto devices



# 2010 Regional Outlooks

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## Emerging Mkts

- Confirmed recovery/Projects resuming
- IAD & WiFi 11n & GE-PON penetrating

## Europe

- Southern Europe projects on going
- Operation efficiency being enhanced
- Recovery still some way to go

## North America

- Continuous project wins from the verticals
- SMB Channels i.e. SI/VARs engaging
- Consumer purchase power coming back

# 2010 Guidance

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- **From YoY perspective**
  - **Annual revenue to grow better than norm**
  - **Margin to improve to norm**
  - **Net Profit to escalate substantially**

# Safe Harbor Statement

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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.

# Q & A

*For complete financial and  
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**D-Link**<sup>®</sup>  
Building Networks for People

美國銀行暨美林證券  
及台灣證交所  
投資人會議

99年3月16日 台北



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## 2009年第四季財務與營收概況

## 2009第四季損益表—與第三季比較

Unit: NT\$ million	4Q09		3Q09		QoQ % Change
	AMT	%	AMT	%	
營業收入	8,852	100.0	8,334	100.0	6.2
銷貨成本	5,902	66.7	5,782	69.4	2.1
營業毛利 1	2,950	33.3	2,552	30.6	15.6
備抵存貨跌價損失	64	0.7	21	0.3	204.8
營業毛利 2	3,014	34.0	2,573	30.9	17.1
營業費用	2,511	28.3	2,382	28.6	5.4
營業利益	503	5.7	191	2.3	163.4
營業外收益/費用	(43)	(0.5)	161	1.9	NA
稅前淨利	460	5.2	352	4.2	30.7
所得稅費用	(83)	(0.9)	(85)	(1.0)	(2.4)
淨利	377	4.3	267	3.2	41.2
少數股權	(19)	(0.3)	(7)	(0.1)	171.4
稅後純益	358	4.0	260	3.1	37.7
每股稅後純益 (NT\$)-股本 NT\$6,476M	0.55		0.40		37.7

\* The numbers are unaudited.

## 2009年第四季營業外收益及損失—與第三季比較

Unit : NT\$ mln	4Q09	3Q09	QoQ % Change
投資收入	0	71	(100.0)
採權益法認列之投資收益淨額	0	71	(100.0)
處分投資利益淨額	0	0	0.0
兌換利益淨額	(45)	57	NA
利息收入/費用	2	33	(93.9)
總共	(43)	161	NA



## 2009第四季損益表—與2008年第四季比較

Unit: NT\$ million	4Q09		4Q08		YoY % Change
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營業毛利 1	9,419	30.4	10,708	32.5	(12.0)
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營業利益	395	1.3	824	2.5	(52.1)
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稅前淨利	735	2.4	1,410	4.3	(47.9)
所得稅費用	(204)	(0.7)	(216)	(0.7)	(5.6)
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少數股權	(19)	(0.1)	0	0	NA
稅用純益	512	1.6	1,194	3.6	(57.1)
每股稅後純益 (NT\$)-股本 NT\$6,476M	0.79		1.85		(57.1)

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## 2009年第四季合併資產負債表—與第三季比較

Unit: NT\$ mln	12/31/09 AMT	%	09/30/09 AMT	%	QoQ % Change
現金	5,558	22	3,975	16	39.8
短期投資	0	0	98	0	(100.0)
應收帳款	6,297	25	6,410	26	(1.8)
存貨	4,690	19	5,288	22	(11.3)
長期投資	5,481	22	5,185	21	5.7
資產總計	25,372	100	24,218	100	4.8
應付帳款	5,836	23	5,614	23	4.0
流動負債	9,430	37	8,961	37	5.2
普通股	6,476	26	6,476	27	0.0
股東權益	15,002	59	14,336	59	4.6

## 財務比例概況

Unit: % , days	12/31/09	09/30/09	06/30/09	03/31/09	12/31/08
應收帳款(天)	72 <sup>*</sup>	77 <sup>*</sup>	78 <sup>*</sup>	80 <sup>*</sup>	74 <sup>*</sup>
庫存(天)	104 <sup>*</sup>	112 <sup>*</sup>	121 <sup>*</sup>	115 <sup>*</sup>	131 <sup>*</sup>
應付帳款(天)	99 <sup>*</sup>	100 <sup>*</sup>	101 <sup>*</sup>	81 <sup>*</sup>	101 <sup>*</sup>
周轉天數	77	89	99	114	104
流動比率	1.90	1.89	1.84	2.02	1.91
負債/資產比率	0.70	0.70	0.71	0.62	0.79
調整後負債/資產比率	0.31 <sup>**</sup>	0.39 <sup>**</sup>	0.47 <sup>**</sup>	0.45 <sup>**</sup>	0.57 <sup>**</sup>
股東權益報酬率	10 <sup>*</sup>	7 <sup>*</sup>	6 <sup>*</sup>	(10) <sup>*</sup>	9 <sup>*</sup>

\* Annualized

\*\* Adjust for Cash & S-T investment

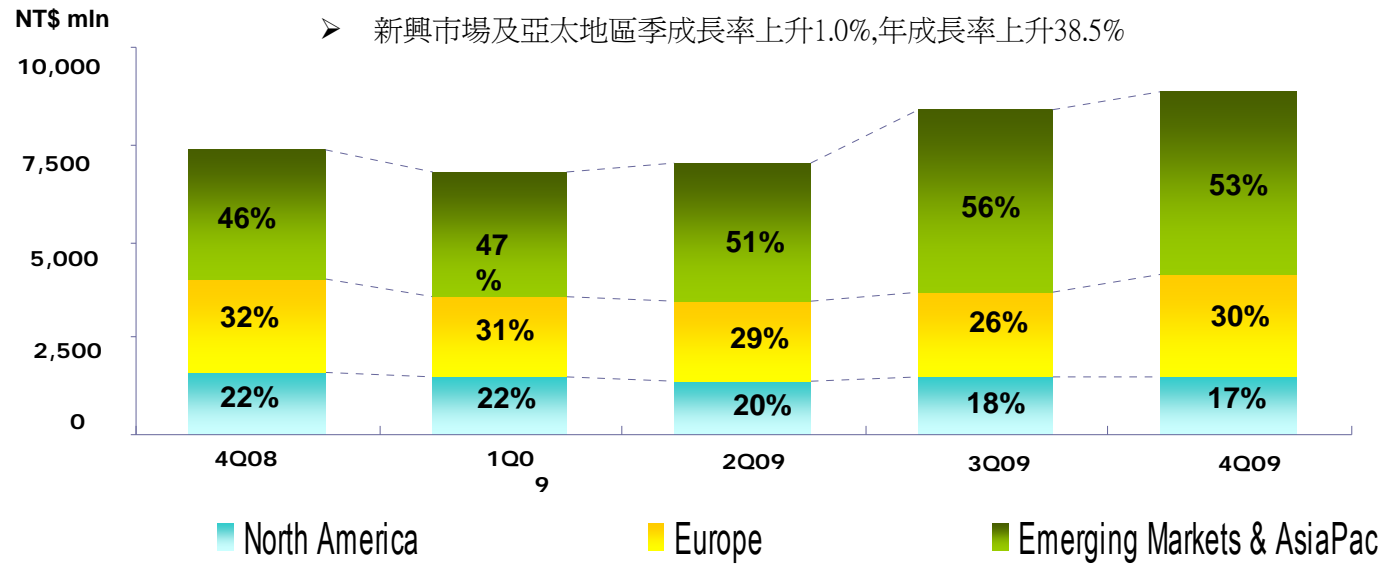
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## 營運績效及業務展望

## 各區域全球營收季成長概況

2009年第四季營收季成長率上升 6.2%，年成長率上升20.2%

- 北美地區季成長率下降 2.4%，年成長率下降 10.7%
- 歐洲地區季成長率上升 23.4%，年成長率上升15.5%
- 新興市場及亞太地區季成長率上升1.0%，年成長率上升38.5%



## 各產品全球營收季成長概況

### 2009年第四季全球營收各產品比較:

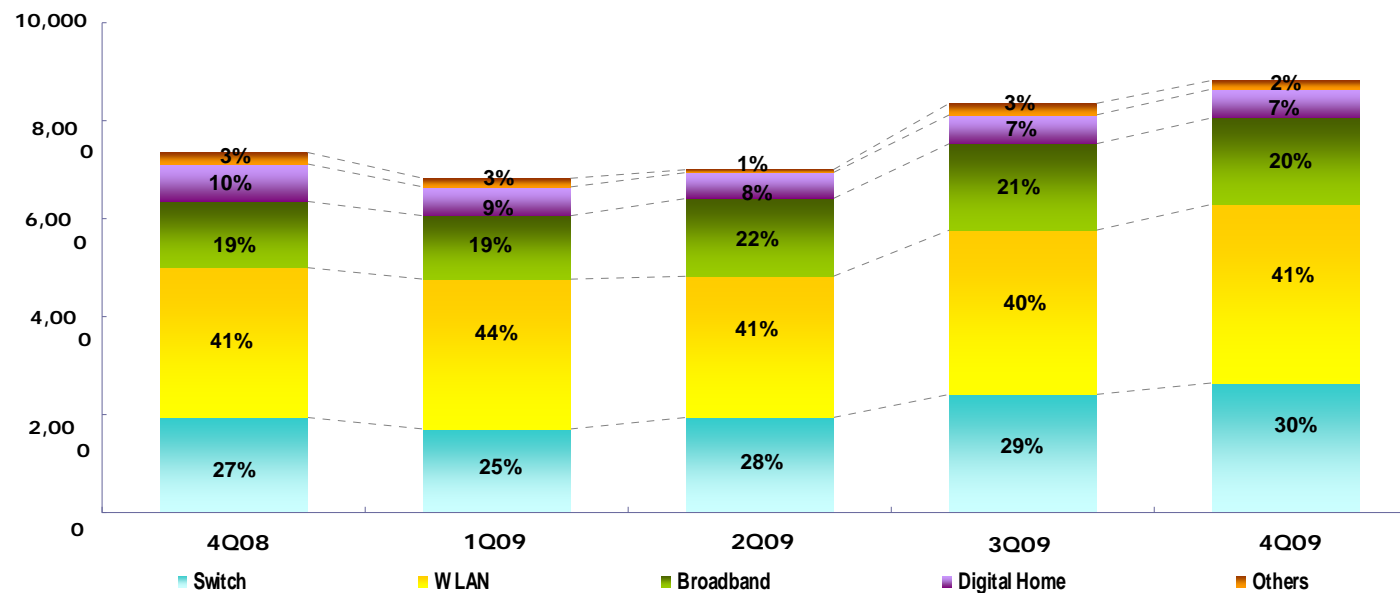
➢ 交換機季成長率上升9.1%,年成長率上升36.2%

➢ 無線網路季成長率上升8.2%,年成長率上升19.4%

➢ 寬頻網路季成長率上升2.6%,年成長率上升29.1%

➢ 數位家庭季成長率下降 1.3%,年成長率下降 20.6%

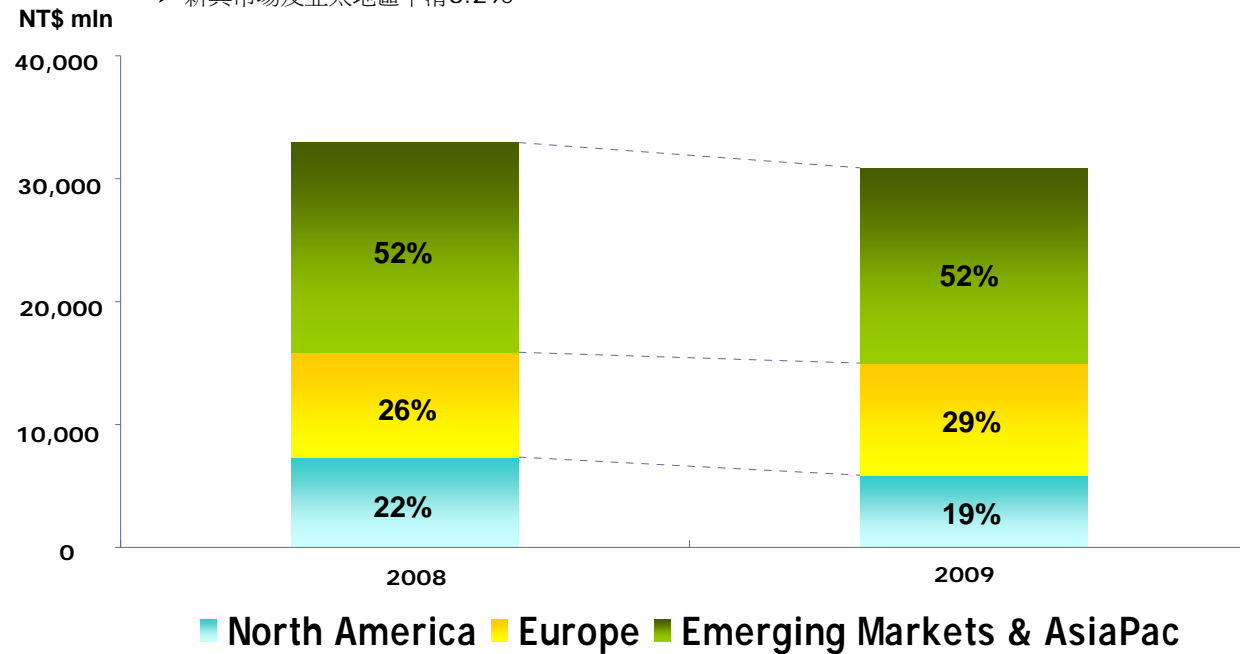
NT\$ mln



## 各區域全球營收年成長概況

### 2009年全球營收各區域比較:

- 2009年全球營收下滑6.0%
- 新興市場及亞太地區下滑6.2%
- 歐洲地區成長7.2%
- 北美地區下滑20.6%

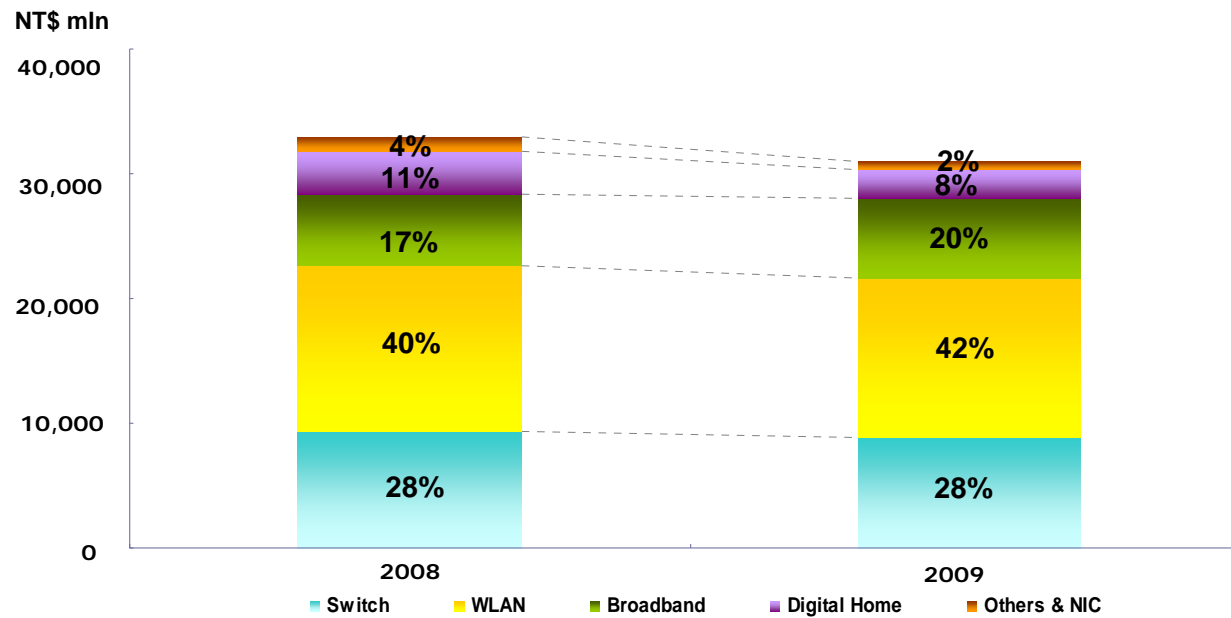




## 各產品全球營收年成長概況

### 2009年全球營收各產品比較:

- 交換機下滑5.3%
- 無線網路下滑3.0%
- 寬頻網路成長10.3%
- 數位家庭下滑31.8%



## 乙太網路交換機 全球市佔率

乙太網路交換機第一名: 小型企業市場. 以全球埠數出貨量計. 2009年第一季~第三季

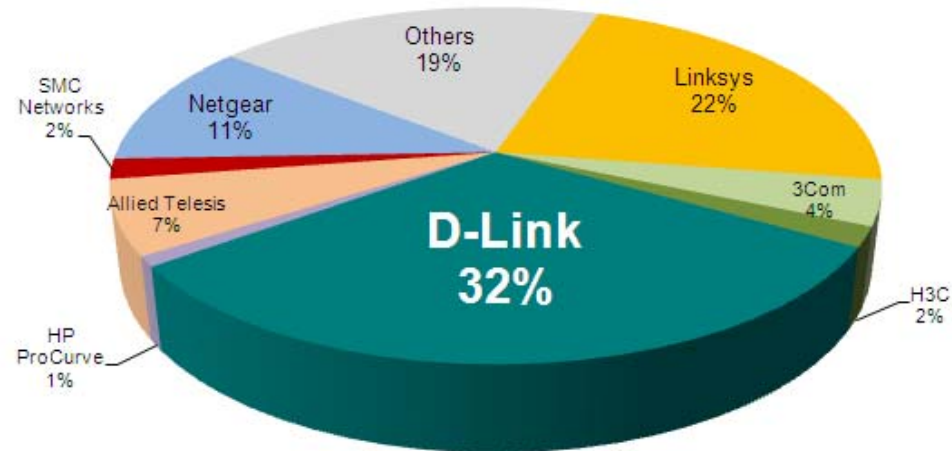


Chart created by D-Link Corporation based on Gartner Data  
Source: Gartner, Market Share; Enterprise Ethernet Switches, Worldwide, 1Q09, June 2009  
Market Share: Enterprise Ethernet Switches, Worldwide, 2Q09, September 2009  
Market Share: Enterprise Ethernet Switches, Worldwide, 3Q09, December 2009

## 無線網路 單機接入點 全球市佔率

無線網路單機接入點第一名: 小型企業市場.以全球單位數出貨量計.2009年第一季~第三季

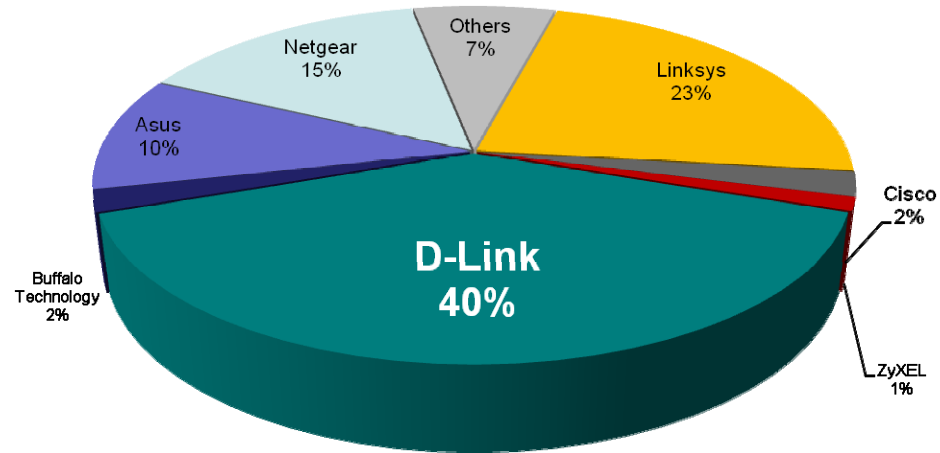


Chart created by D-Link Corporation based on Gartner data  
Source: Gartner, Market Share: Enterprise Wireless LAN Equipment, Worldwide, 1Q09, May 2009  
Market Share: Enterprise Wireless LAN Equipment, Worldwide, 2Q09, September 2009  
Market Share: Enterprise Wireless LAN Equipment, Worldwide, 3Q09, December 2009

# 2010年 企業展望

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## Consumer

- 多媒體產品之需求恢復
- 數位家庭之自動化啟動
- 雲端概念之應用

## Business

- 以中小型企業為主
- 提供解決方案及服務之交叉銷售以增加市佔率 ie. IP監控系統
- 拓展 SI 通路以提供整合性 5S方案

## Telcos/ISPs

- IAD & 3G 之應用普及
- 藉由策略聯盟可以接觸到更多客戶
- 附加雲端及four screen之應用於終端設備

## 2010年 區域市場展望

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### Emerging Mkts

- 金融風暴後,經濟慢慢復甦下,專案開始恢復
- IAD & WiFi 11n & GE-PON 慢慢普及

### Europe

- 在南歐發生債務危機時,仍有專案正在運行
- 營運效率增強
- 經濟復甦仍需要一些時間

### North America

- 贏得更多市佔率的中小型企業之專案
- 結合優秀的系統整合商及經銷商以打通更多中小型企業之通路
- 消費者購買率回昇

## 2010年 營運展望

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- 由年成長率觀點而視：
  - 年營收成長率相較過去平均年成長率高
  - 毛利率與營利率將改善至過去平均水位
  - 淨利將大幅增加

# Safe Harbor Statement

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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.

# Q & A

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<http://ir.dlink.com>*



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