

D-Link®

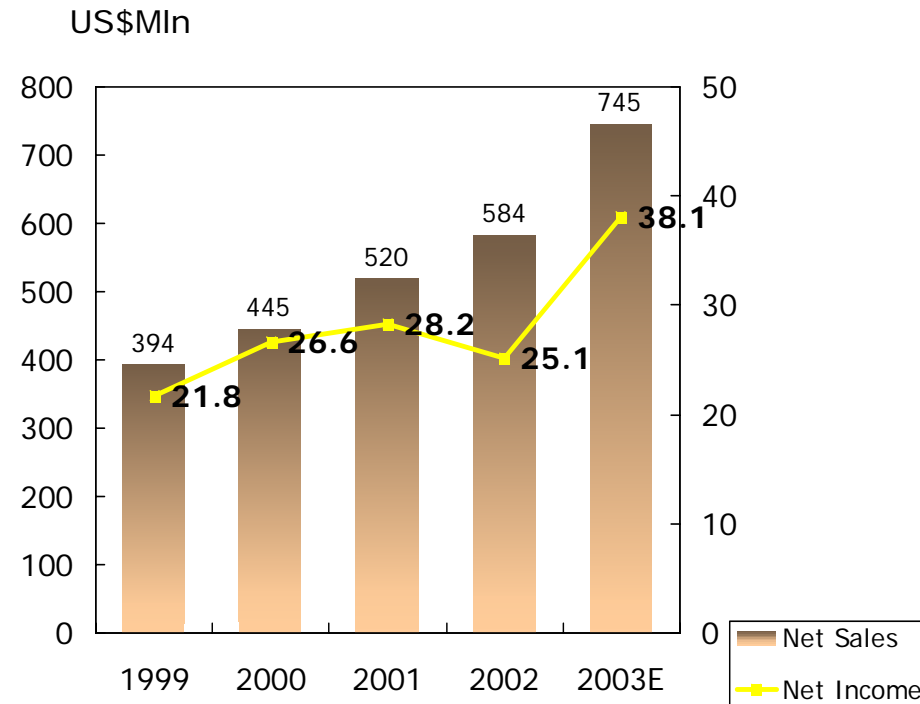




Safe Harbor Statement

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.

- Asia's largest data networking brand player, focusing on SMB and Home.
- Market Cap US\$650 million (513.8M shares).
- Extensive global sales networks – 87 offices in more than 100 countries.
- Leading market positions in WLAN, Switches, and Broadband CPEs.
- Versatile Channels :
 - Retailers : Best Buy, CompUSA, Office Depot...
 - Distys : Ingram Micro, Tech Data...
 - SIs : Local top-tier SIs and VARs



Building Networks For People...



Digital Media Adapter

Internet



PC



Internet Radio



Set-Top Box



Notebook



Wireless
IP Camera

Anyone, Anywhere, Anytime

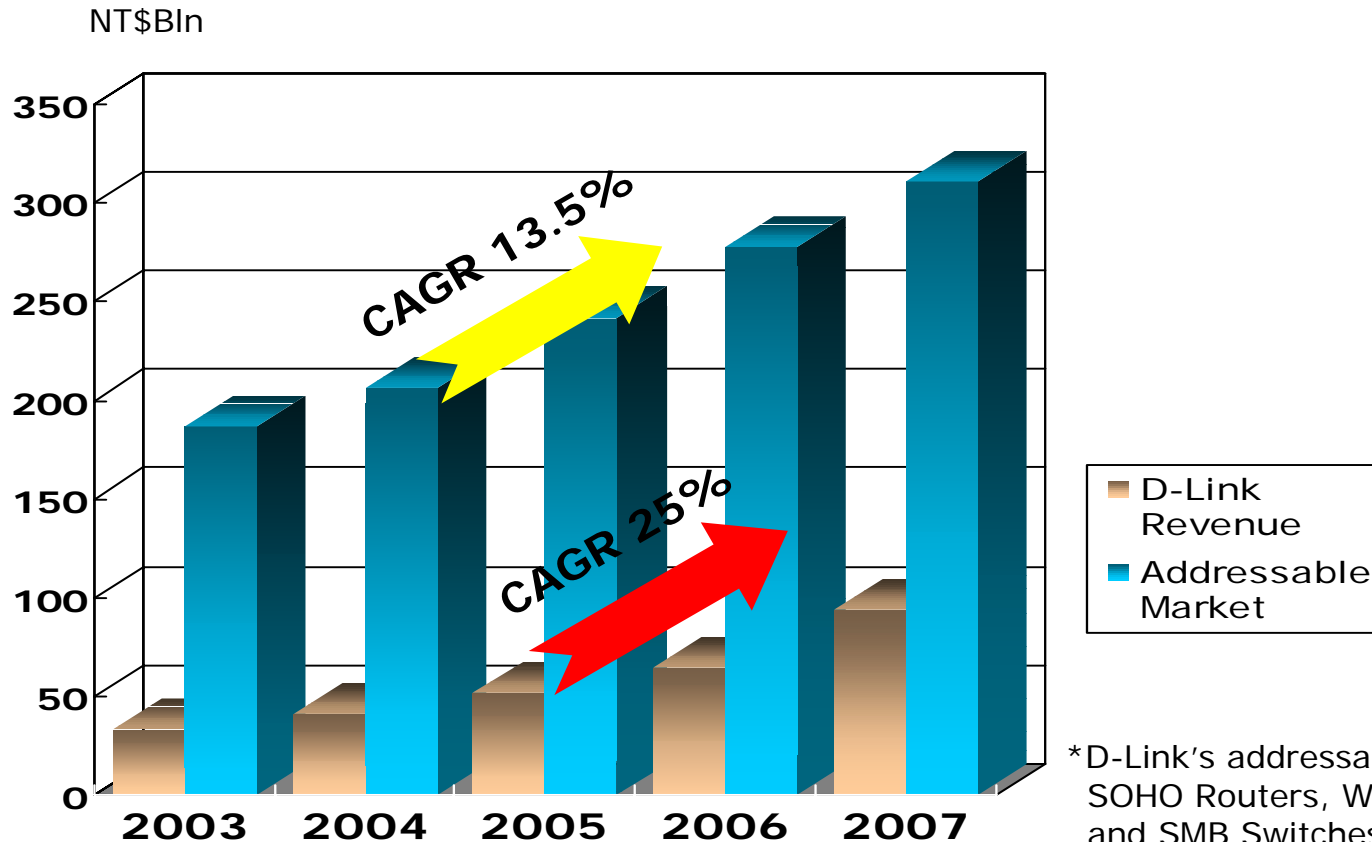
The D-Link Differences

- Expertise in WLAN, broadband and digital home networking.
- Comprehensive product offering.
- Focus on SOHO, Home and SMB.
- Extensive sales force and tech services worldwide.
- Master in low-cost, time to market and high price/performance.



D-Link Strategic Focus

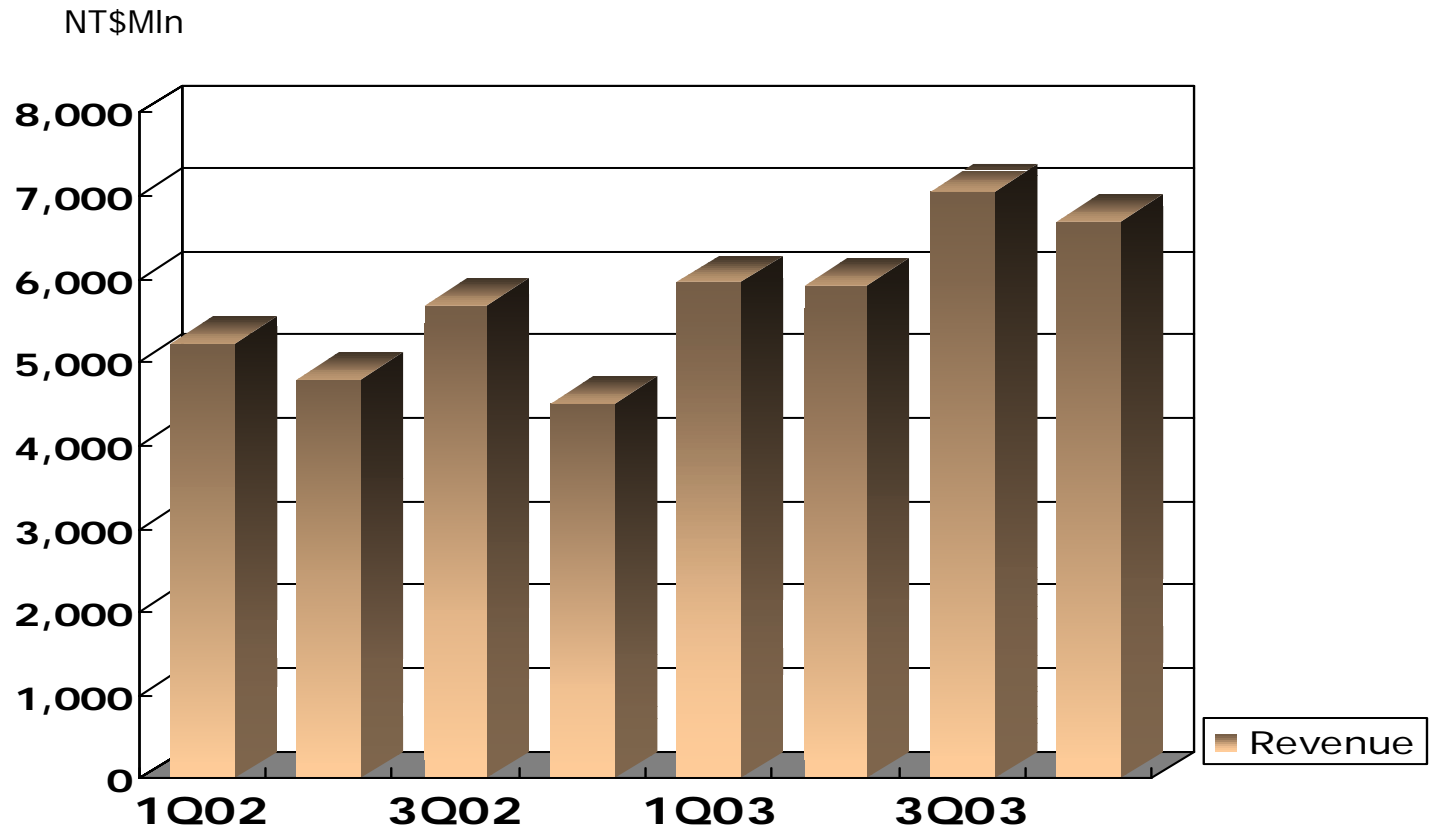
➤ Number 1 in SOHO, Home and SMB



- **Revenue** Up 49% YoY.
- **Gross Margin** Up to 33%.
- **Days Sales** Down to 61 days.
- **Inventory Turns** Down to 4 times.
- **Cash Cycle** Down by 30 days in 2003.

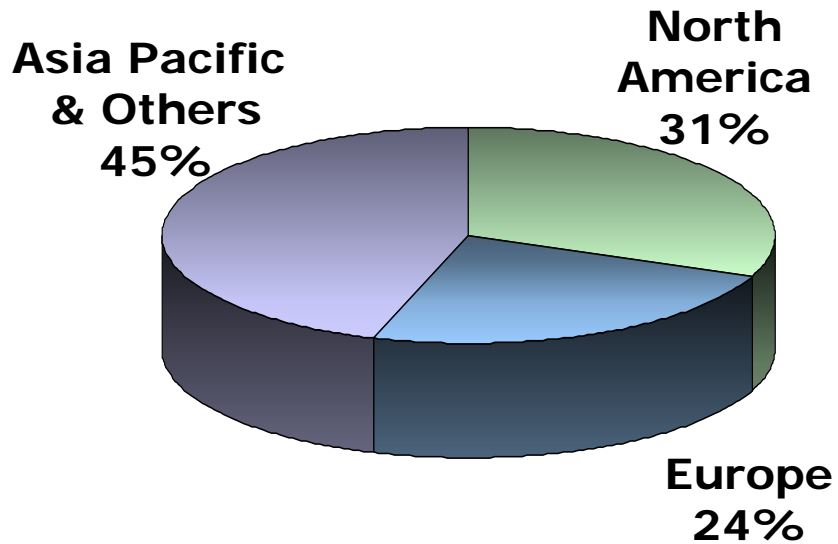
Revenue Growth

- 27% YoY growth in 2003
- Sequentially up 5% for 1Q/04



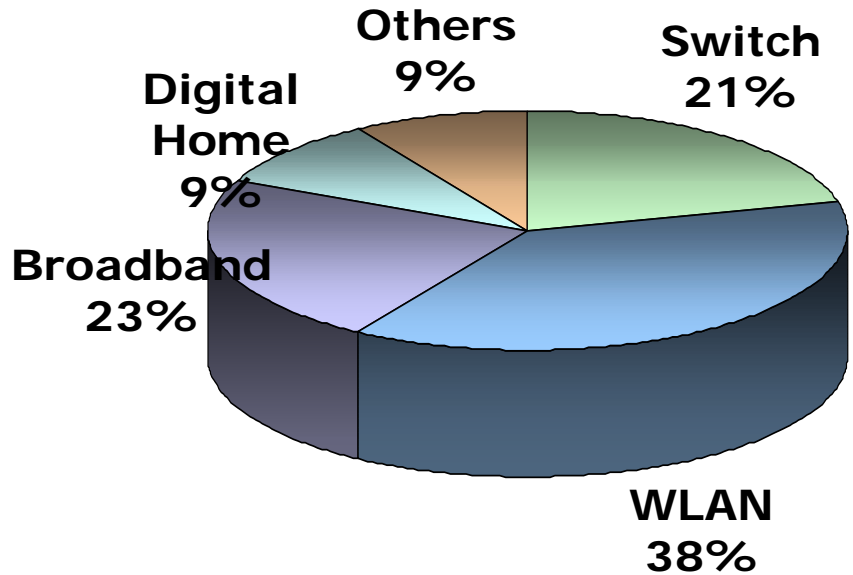
Revenue Matrix

FY2003 By Regions



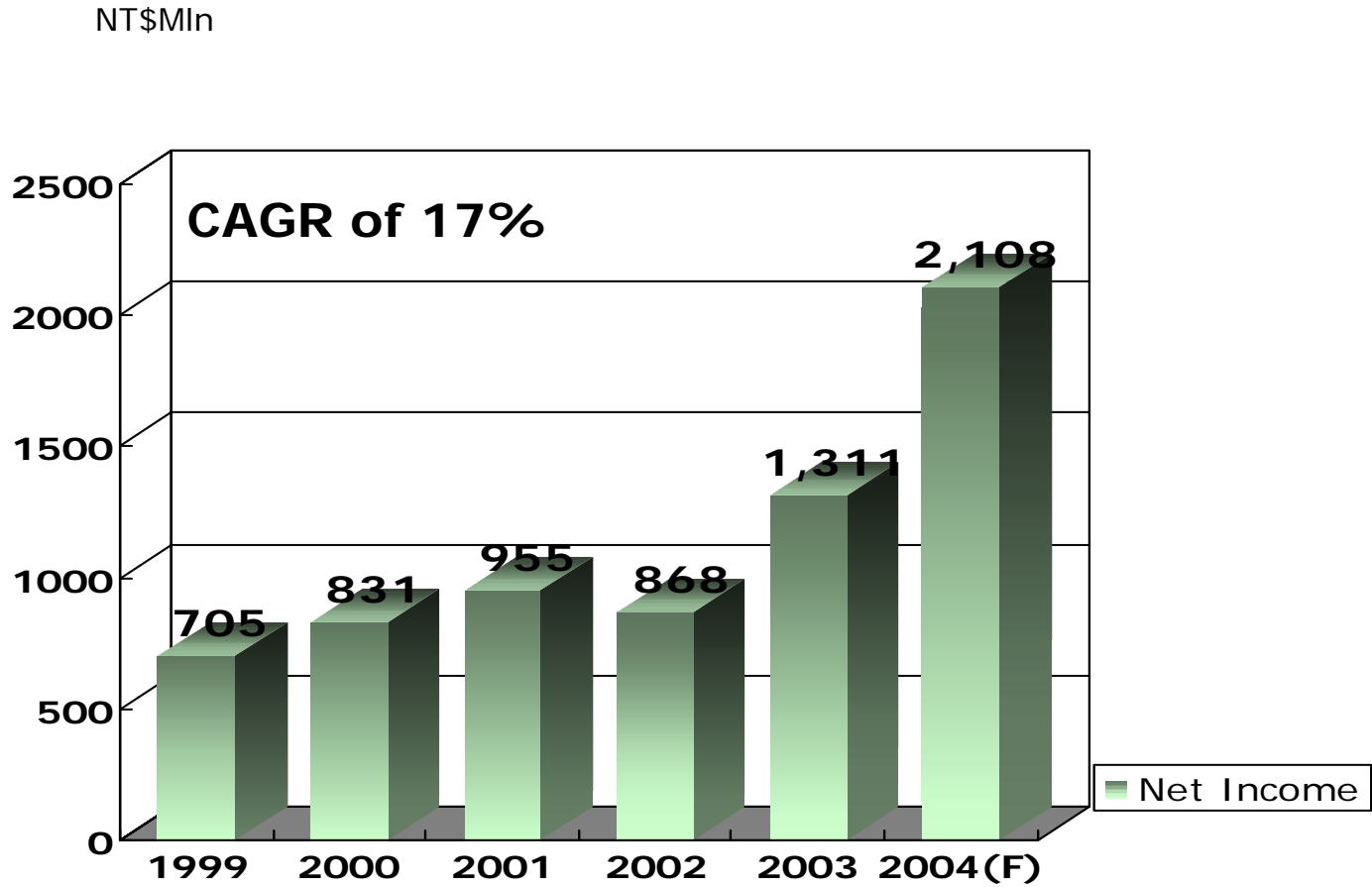
NT\$25,645 Million

FY2003 By Products

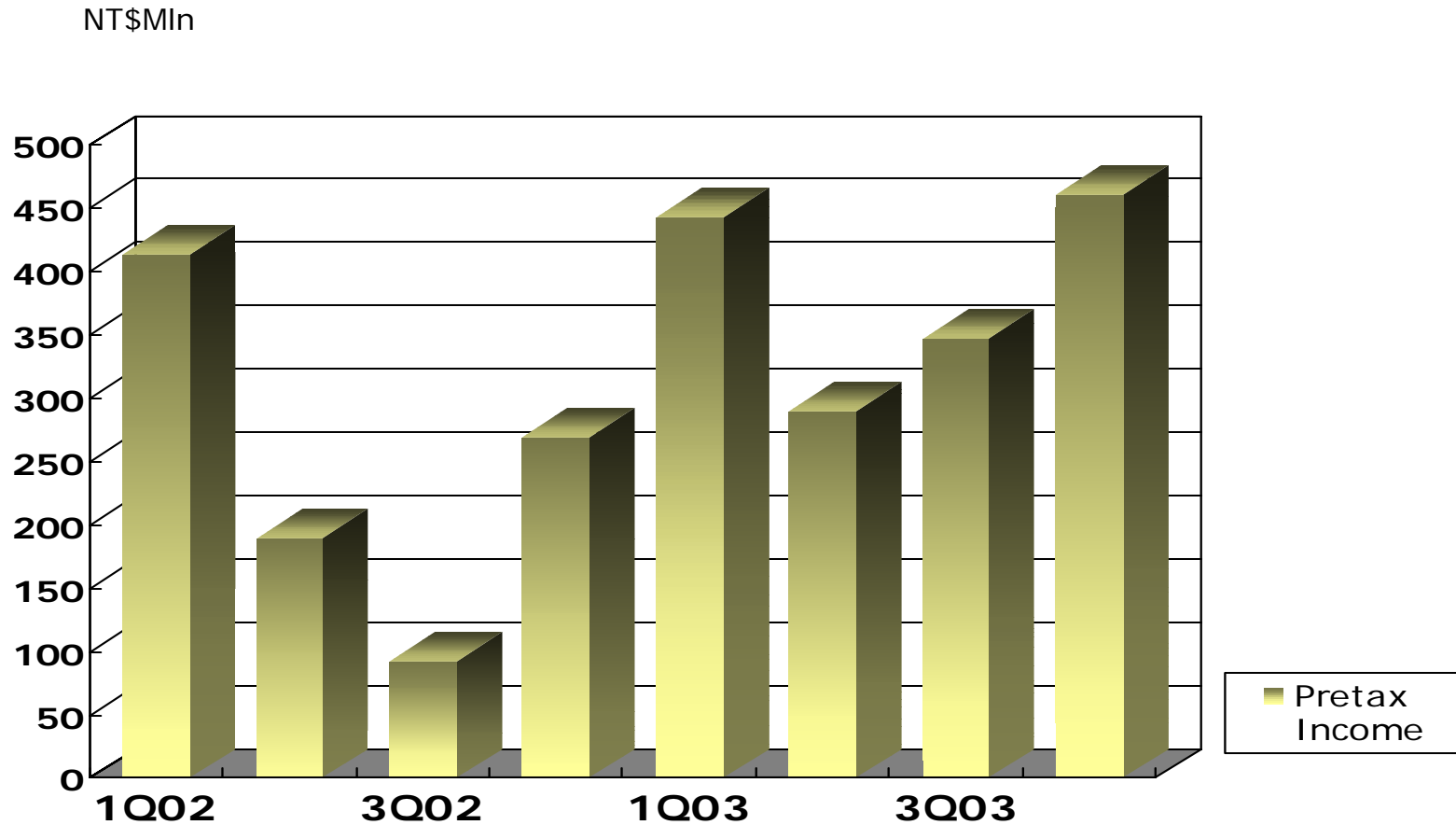


NT\$25,645 Million

Annual Pro Forma Net Income



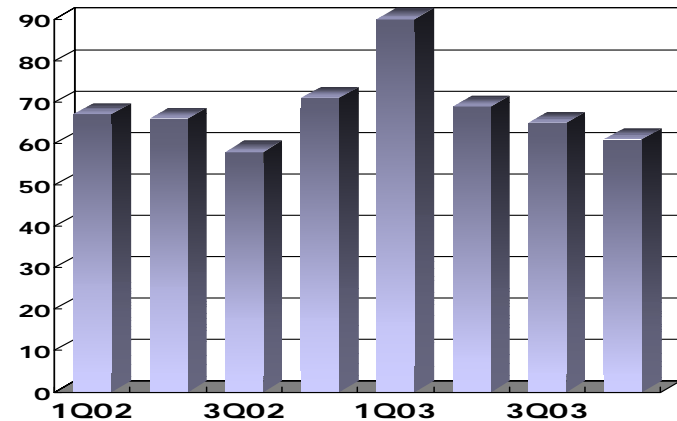
Quarterly Pretax Income



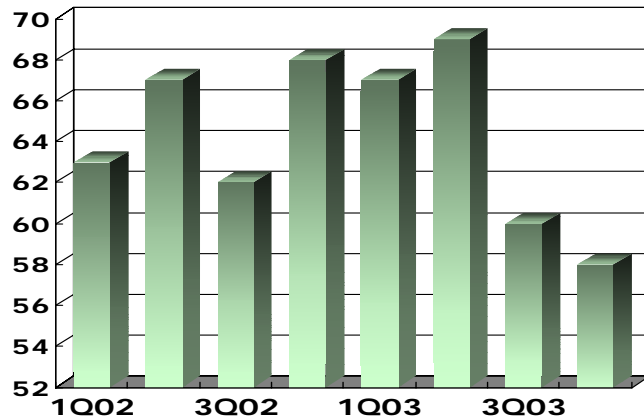
Asset Velocity

- Global Day Sales continue to improve.
- Inventory turnover at 4 times due to better business.
- Shortened cash cycle due to longer Days Payable.

Days



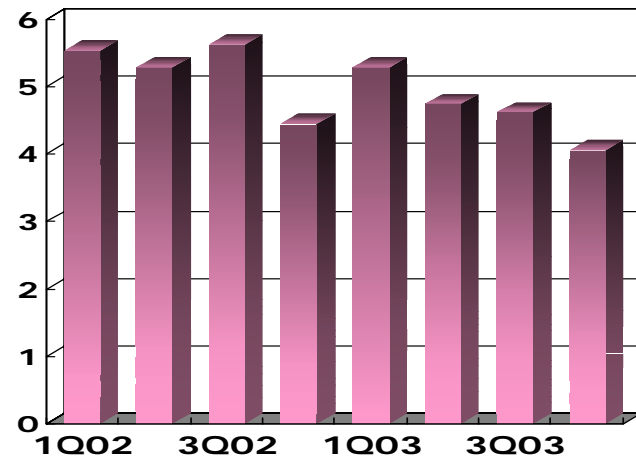
Days



Days Sales

Times

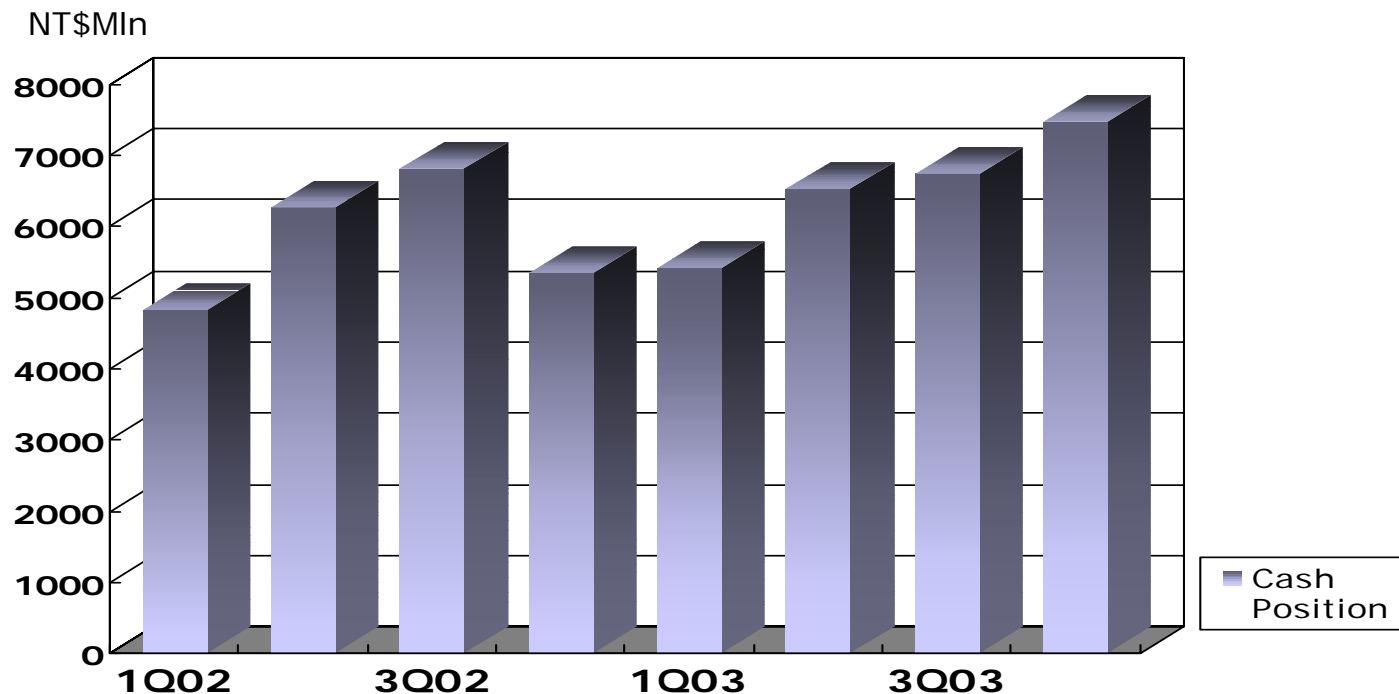
Cash Cycle



Inventory Turnover

Cash Generating Capability

- Strong cash generation from core operations.
- Continued divesting non-core investments.
- Shortened cash cycle due to better vendor management.
- High cash dividend policy and share buy-back for improved ROE.





Longer Term Business Model

	<u>FY03</u>	<u>FY04</u>	<u>Model</u>
Sales (NT\$Bln)	25,645	33,000	30%+ growth p.a.
Gross Margin	31%	33%	35%
Operating Margin	6%	6%	8%
Tax	2%	2%	2%
ROE	13%	15%	20%

- Clear Strategic Focus
- Key Markets & Core Strengths
- Healthy End Market Demand
- Aggressive Market Share Gains
- Improved Asset Velocity
- Strong Cash Generating Capability

Thank You!



**Building Networks
for People**