



元太科技工業股份有限公司  
E INK HOLDINGS INC.



# Company Presentation

December 2010



## Safe Harbor Notice

*E Ink Holdings' statement of its current expectations are forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in any forward-looking statements.*



# Milestones

*E Ink Holdings is years ahead of competition in the EPD space*

- 1992**    **Founded by Taiwan's leading paper making and printing group YFY and is the 1st TFT-LCD company in Taiwan**
- 2004**    **Listed on Taiwan OTC**
- 2005**    **Acquired EPD business from Philips**
- 2008**    **Acquired Hydis (Korea) to expand capacity**
- 2009**    **Acquired E Ink Corporation (USA) to integrate the supply chain**

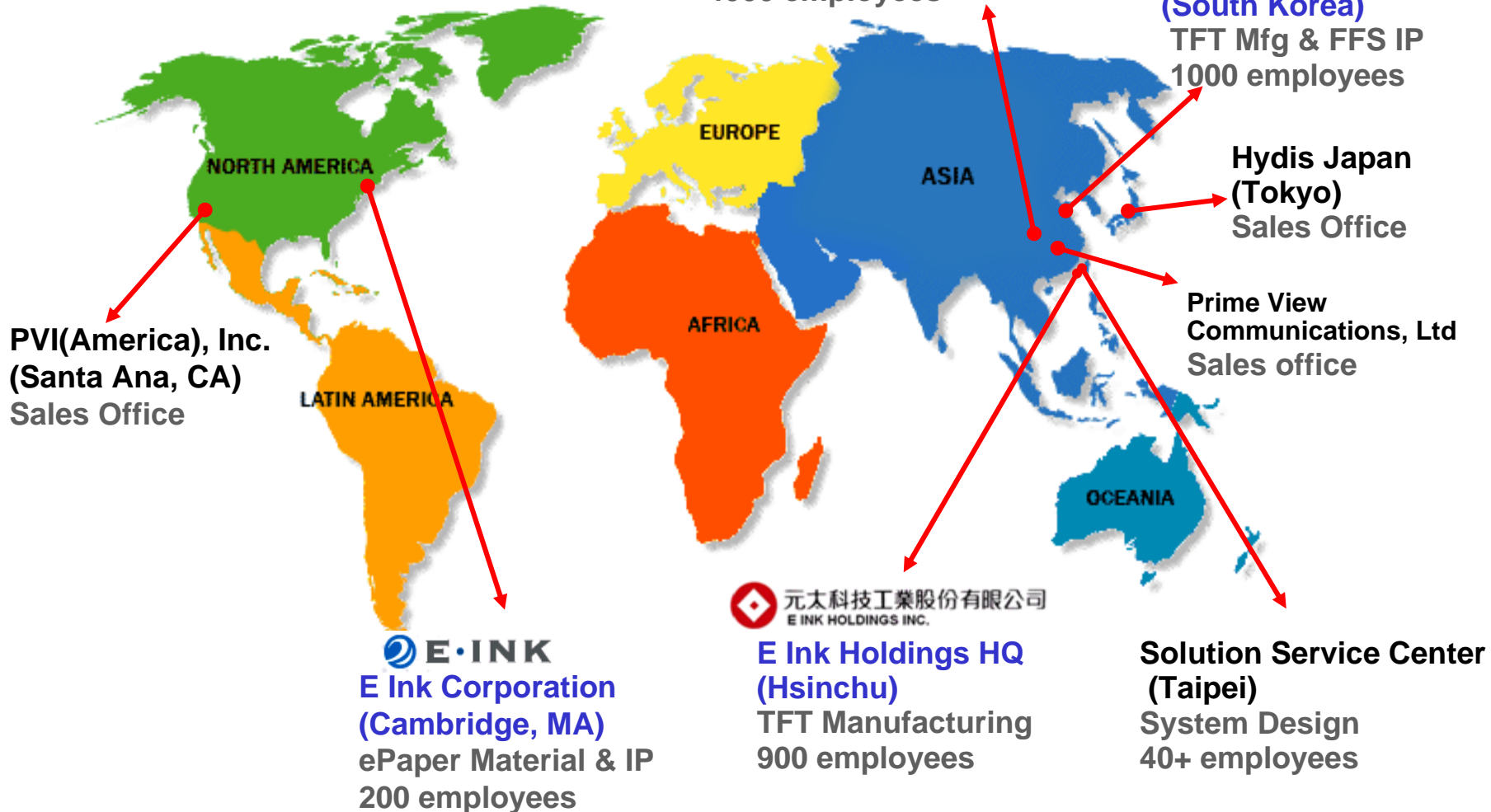
Founded in 1997 based on research started at the MIT Media Lab, E Ink Corporation is the leader in electronic paper display materials and intellectual property. E Ink has a strong patent portfolio and has commercialized many different forms of "Electronic Paper" solutions over the past ten years.



# Worldwide Locations

*Further integration to lower cost and support growth*

- Market Cap: US\$ 1.8 Billion
- Revenue: US\$500 Million (1Q-3Q 2010)





# Key benefits of EPD

*Highly Innovative & Eco Friendly Technology*

## Readability

- Innovative digital reading experience – **Paper-like**
- No eye strain
- Read fast from any angle
- Sunlight readable – no shade required

## Portability

- Thin – so eBooks can be smaller than regular books
- Lightweight – like newspaper, unlike laptop
- Compact – a library in your pocket!

## Power Saving

- **No backlight** – uses natural light, like paper
- **Bi-stable** – leave power cord at home!
- Ultra long battery life

up to 14,800  
page turns  
(about 40  
books)

E Ink Holdings aims to provide the world's best reading experience



# Leading market position

*With blue-chip customers and product leadership*

Solid relationship with the heavyweights in the e-reader industry

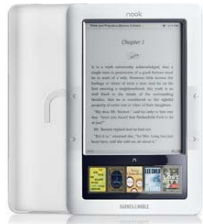
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Bambook 锦书



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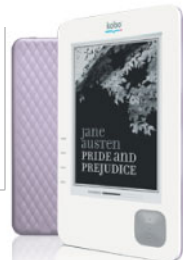
FOUNDER 方正

edo

iriver

enTourage eDGe™

kobo  
EREADER



南開津科  
CREATIVE & WEALTHY



Strong E Ink Brand Presence in the market

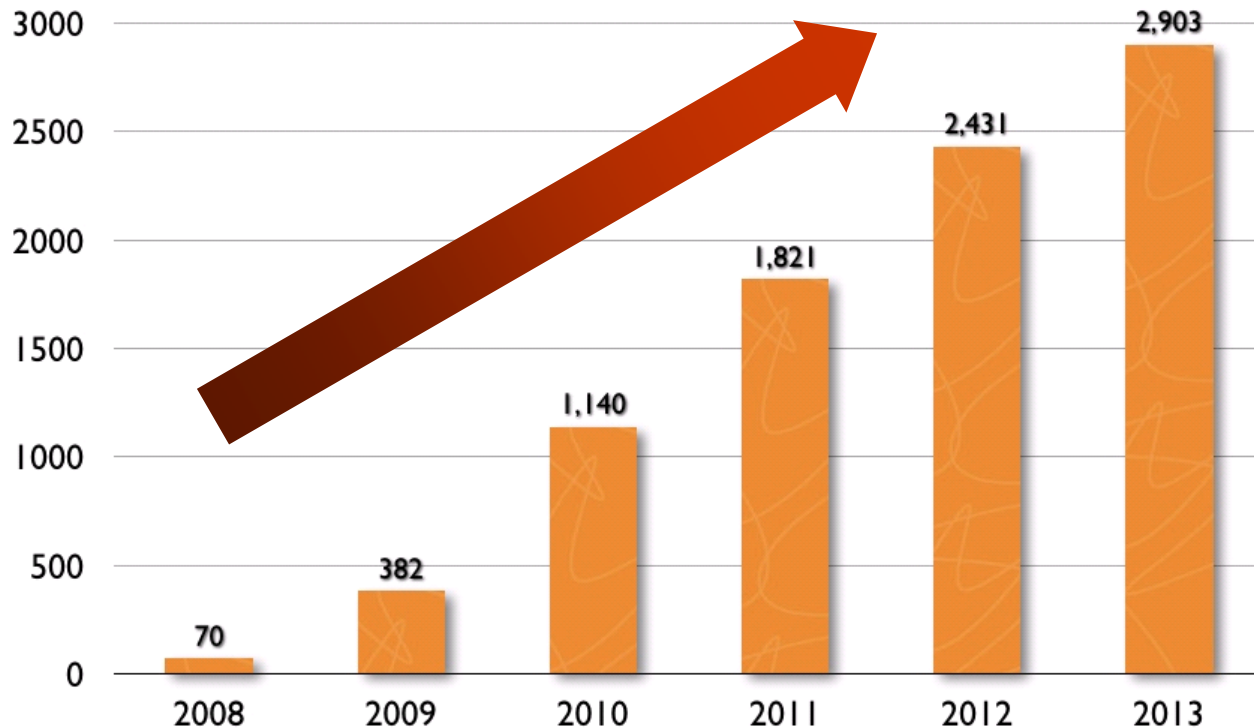


# The market opportunity is huge for ePaper

*Significant EPD growth and sales increase*

## Global Reflective eBook Reader Shipment Estimate

Unit: per 10,000 units



Source: DIGITIMES 2010



"...in 10 years ...there will be no newspapers, no magazines that are delivered in paper form. Everything gets delivered in an electronic form."

- Steve Ballmer, Microsoft CEO



"Our students still learn from instructional materials in formats made possible by Gutenberg's printing press. It's nonsensical — and expensive"

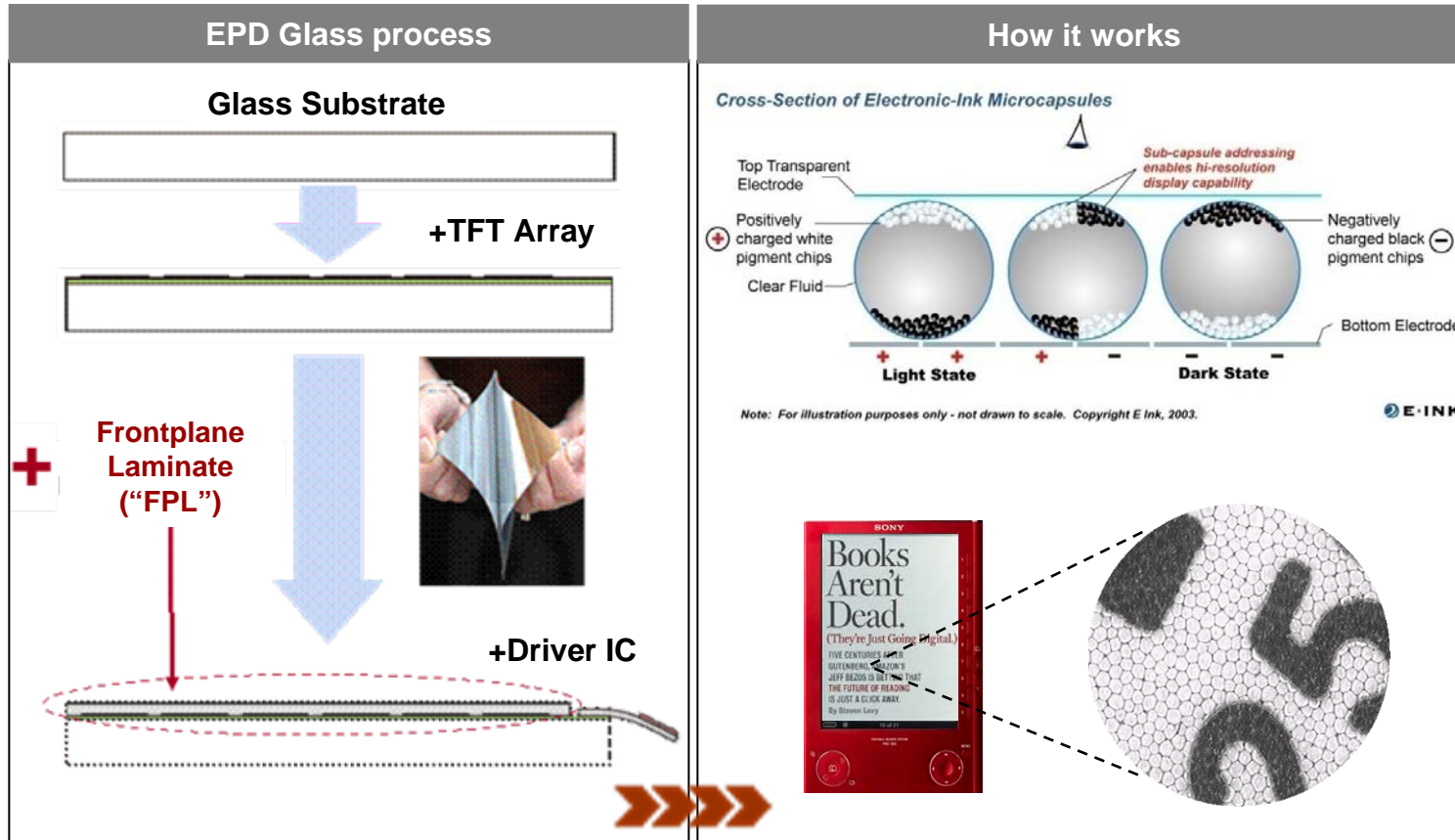
- Gov. Schwarzenegger  
California digital textbook initiative



# E Ink technology overview

Reflective technology with high whiteness and contrast ratio

Technology based on moving black and white particles in microcapsules using electric charges



Paper-like

Ultra-Low Power

Thin & Flexible

E Ink is the leading electrophoretic technology

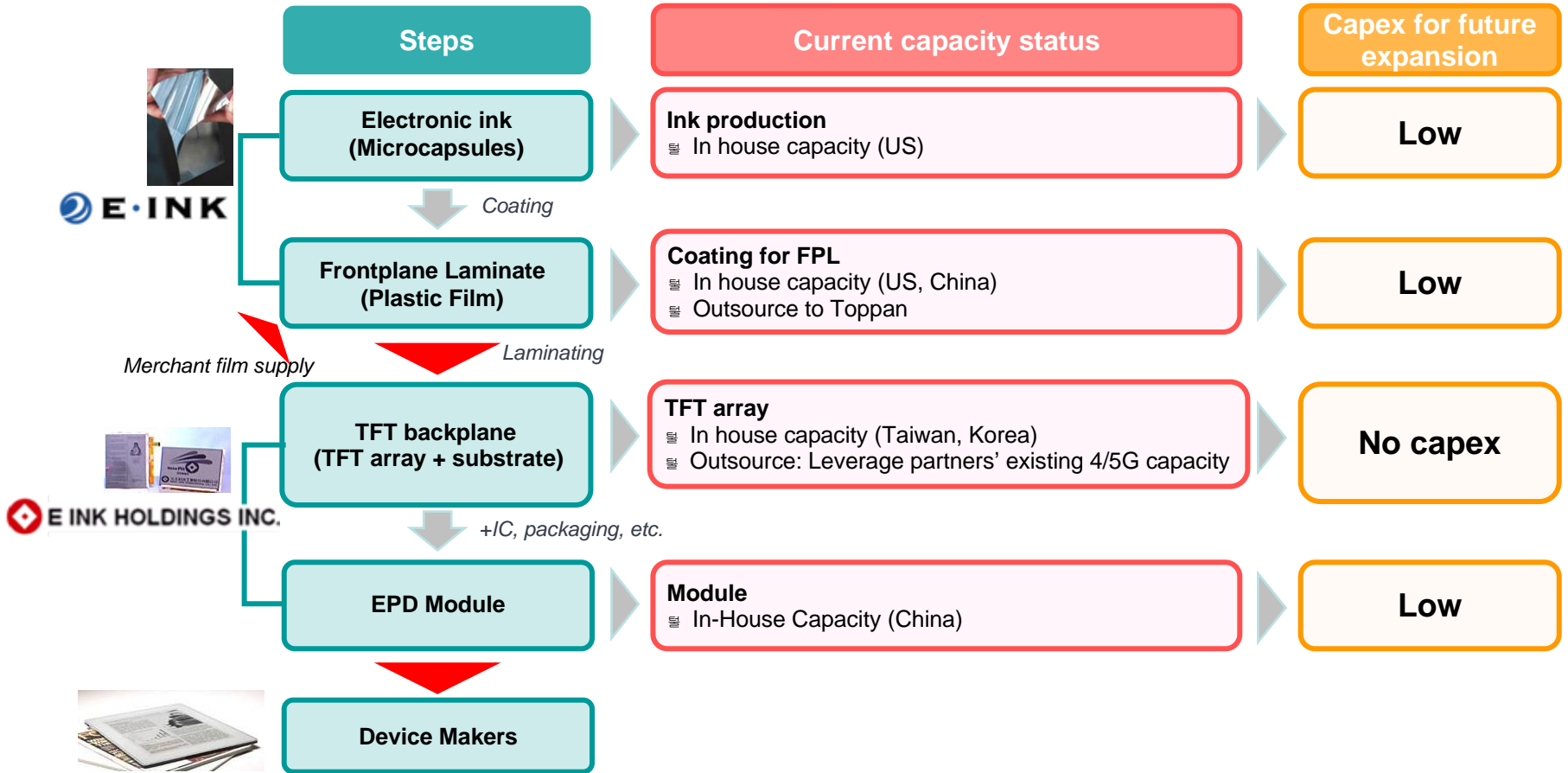




# Streamlined EPD supply chain

*Expedite capacity expansion to meet market demand*

## Integrated ePaper display supply chain



Streamlined EPD supply chain allows growth on limited capex



# Strong R&D capabilities

*Rich R&D pipeline and patent portfolio*

FFS technology (“Fringe Field Switching”)

- ✓ Sunlight readable
- ✓ Wide viewing angle
- ✓ Power saving



**EIH & Hydys**

- ✓ TFT-LCD Patents
- ✓ ~3,000+ issued
- ✓ ~2,000+ pending

**E·INK**

- ✓ TFT-EPD Patents
- ✓ 160+ US patents
- ✓ 70+ foreign issued patents

- ✓ Research began at MIT Media Lab
- ✓ Electrophoretic technology

EPD technology leader

We have a rich patent portfolio to support and protect our leadership position



# Technology roadmap

*New products rolling out*

**Color  
Technology  
Roadmap**

High Contrast Ink

Full Color



E-Textbook



Full color module



E-Magazine

**Touch  
Technology  
Roadmap**

Resistive

Capacitive

Digitizer

**Flexible  
Technology  
Roadmap**

Unbreakable

Flexible



E-Tag



E-Magazine



E-Signage



E-Map

Planning

Future/R&D

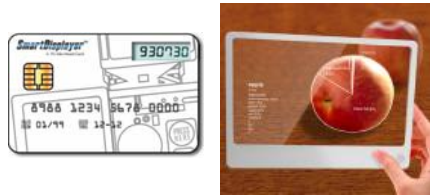
Future technology roadmap based on innovation: Color, Touch, Flexible



# Further EPD applications

## Application alternatives beyond publishing

The versatile properties of EPDs allow information to be printed on almost any surface



- Architectural (Smart Glass)
- Defense / Security
- Rewriteable Films / Printing
- Out-Licensing



### Smart Surface



- Changeable Keypads
- In-Store Signage
- Outdoor Signage
- Indicators
- Smart Labels
- Mobile Device Accessories

### Mobile Information



### Publishing

- eBooks
- eNewspapers
- eTextbooks

### Others

- Mobile Phones
- Mobile Internet Devices
- Handheld Data Collection
- GPS
- Secondary Displays
- Tablet PCs
- eNotepads

EPD can be applied to various applications in addition to publishing



# 3Q10 Consolidated Financial

(NT\$Million)	1Q10		2Q10		3Q10		1Q10~3Q10	
<b>Net Sales</b>	5,012	100.0%	5,169	100.0%	5,273	100.0%	15,454	100.0%
<b>Gross Profit</b>	1,488	29.7%	2,005	38.8%	1,648	31.3%	5,141	33.3%
<b>Operating Expense</b>	843	16.8%	959	18.6%	844	16.0%	2,646	17.1%
<b>R&amp;D Expense</b>	365	7.3%	459	8.9%	312	5.9%	1,136	7.4%
<b>Operating Profit</b>	644	12.8%	1,046	20.2%	804	15.2%	2,494	16.1%
<b>Non-op items</b>	310	6.2%	(25)	-0.5%	188	3.6%	472	3.1%
<b>Pre-tax Income(Loss)</b>	954	19.0%	1,021	19.8%	992	18.8%	2,967	19.2%
<b>Tax</b>	251	5.0%	334	6.5%	328	6.2%	913	5.9%
<b>Net Income</b>	703	14.0%	687	13.3%	664	12.6%	2,054	13.3%
<b>E Ink Net income</b>	<b>704</b>	<b>14.0%</b>	<b>700</b>	<b>13.5%</b>	<b>709</b>	<b>13.4%</b>	<b>2,113</b>	<b>13.7%</b>
<b>Minority Interest</b>	(1)	0.0%	(13)	-0.3%	(45)	-0.9%	(59)	-0.4%
<b>EPS</b>	0.70		0.65		0.66		2.01	



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**Thank You**

**E Ink Holdings (EIH)**