元太科技工業股份有限公司
Prime View International Co., Ltd

Company Presentation

January 2010

Company Overview

PVI is years ahead of competition in the EPD space

- ***World's leading ePaper module maker: #1 position in the market.***
- ***Also specialized in small and medium sized display modules***
- ***With global blue-chip clients***

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**

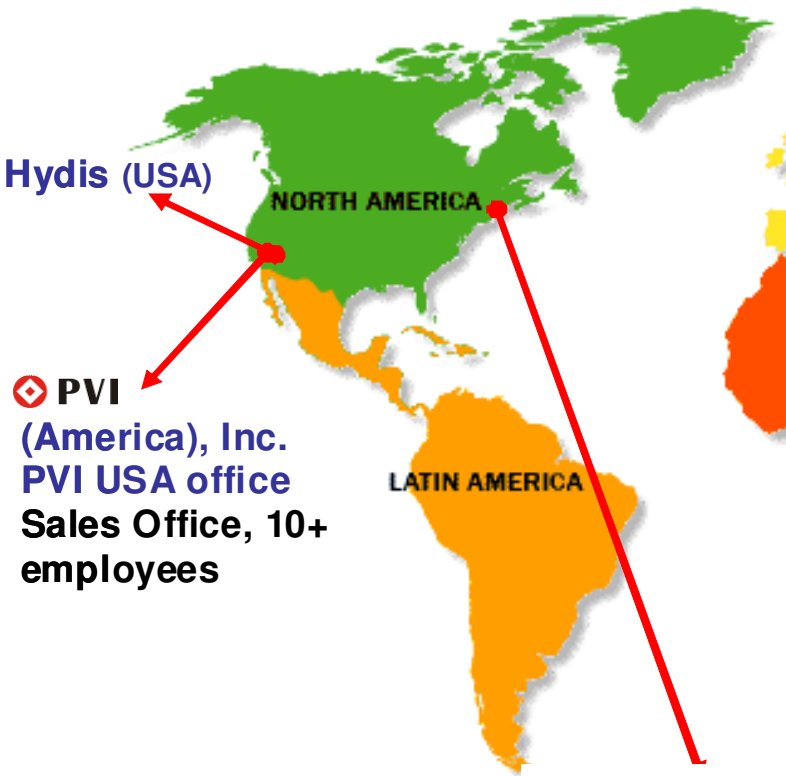
Founded in 1997 based on research started at the MIT Media Lab, E Ink Corporation is the leader in electronic paper display materials and intellectual property. E Ink has a strong patent portfolio and has commercialized many different forms of "Electronic Paper" solutions over the past ten years.

**** EPD = Electronic Paper Display***

Worldwide Locations

Further integration to lower cost and support growth

- **Market Cap: US$2.2 Billion**
- **Revenue: US$347 Million (9M09)**
  US$380 Million (2008)



Hydis (USA)

PVI (America), Inc.
PVI USA office
Sales Office, 10+ employees

E Ink Corporation
(Cambridge, MA, USA)
EPD Material & IP
200 employees

Transcend Optronics (Yang Zhou)
Module Manufacturing
3000 employees

Hydis Technology (South Korea)
TFT Manufacturing
1000 employees

Hydis Japan (Tokyo)
Sales Office

PVI ShenZhen office
Sales office
40+ employees

元太科技工業股份有限公司
PRIME VIEW INTERNATIONAL CO., LTD.

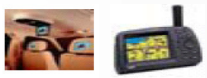
PVI Head Quarter (Hsinchu)
TFT Manufacturing
850 employees

Solution Service Center (Taipei)
System Design
40+ employees

Strong TFT-LCD fundamentals

Stable cash generating business

Premier small-to-medium sized TFT-LCD product mix – Niche products focused

Application	Size	Photo	Niche
Portable DVD players, digital photoframes	2.45” to 10.2”		
Automotive applications, global positioning devices, car navigation / entertainment devices	3.5” to 9.0”		✓
Mobile phone devices	1.3” to 3.0” / 1.5” to 2.8”		
Industrial uses: aviation and marine applications	2.3” to 15.0”		✓
Ultra-mobile PC	4.0” to 4.3”		✓
Avionic products, industrial products	5.0” to 12.1”, 15.0”		✓
Medical products	15.0”		✓
Tablet PC and notebook PCs	10.4” to 14.1”		

Reducing exposure to commodity handset devices

Highly customized niche products

Niche TFT-LCD fundamentals provides a solid platform to grow ePaper business

Leading market position with proven track record

With blue-chip customers and product leadership

Solid relationship with the heavyweights in the e-reader industry

amazon.com
SONY
BARNES&NOBLE
Skiff
SAMSUNG
PLASTIC LOGIC
NEOLUX
IREX TECHNOLOGIES
iriver
Bookeen
汉王 Hanvon
COOLREADERS WE MAKE READING COOL

E Ink technology used in almost all eBooks

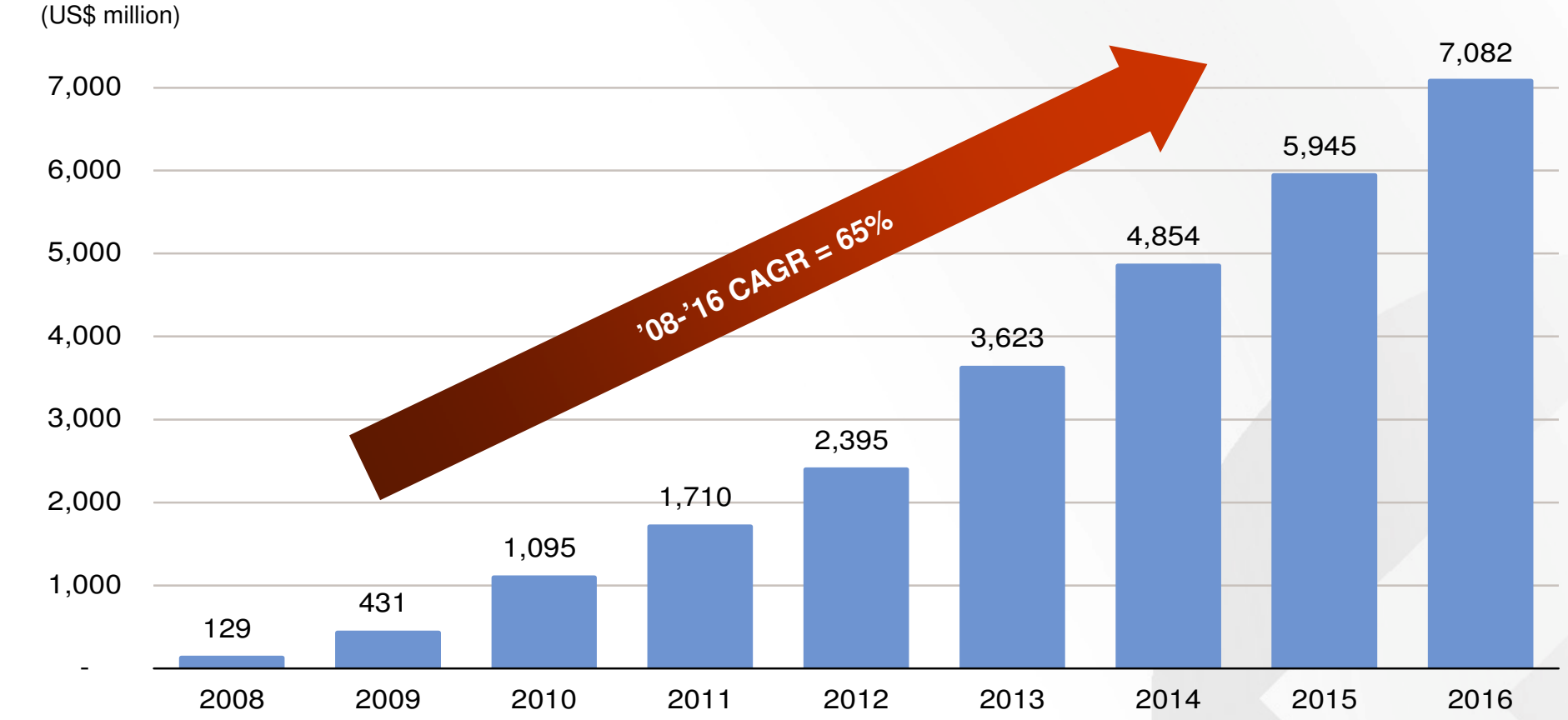
Vendor	Brand	
amazon	 Kindle	✓
BARNES&NOBLE BOOKSELLERS	 Nook	✓
Bookeen	 Cybook Gen 3	✓
COOLREADERS	 Cooler eReader	✓
IREX TECHNOLOGIES	 iLiad	✓
iriver	 iRiver Story	✓
SAMSUNG	 SNE-50K eBook	✓
SONY	 Reader	✓

Strong E Ink Brand Presence in the market

The market opportunity is huge for ePaper

Significant EPD growth and sales increase

ePaper market size forecast (by value)



Source: DisplaySearch 2009

"...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

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)

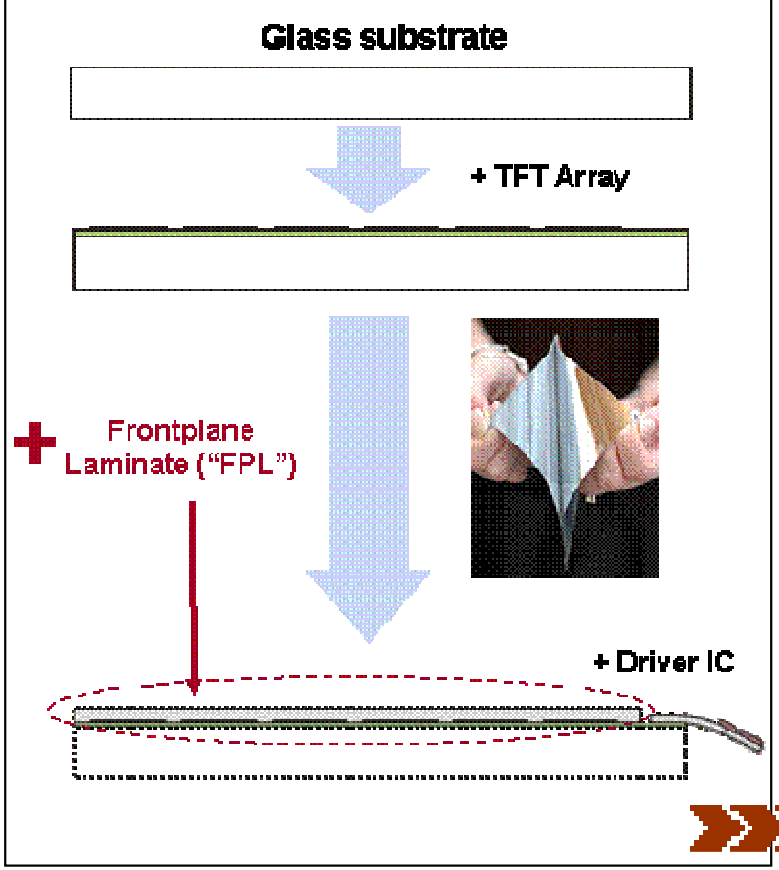
PVI aims to provide the world's best reading experience

E Ink technology overview

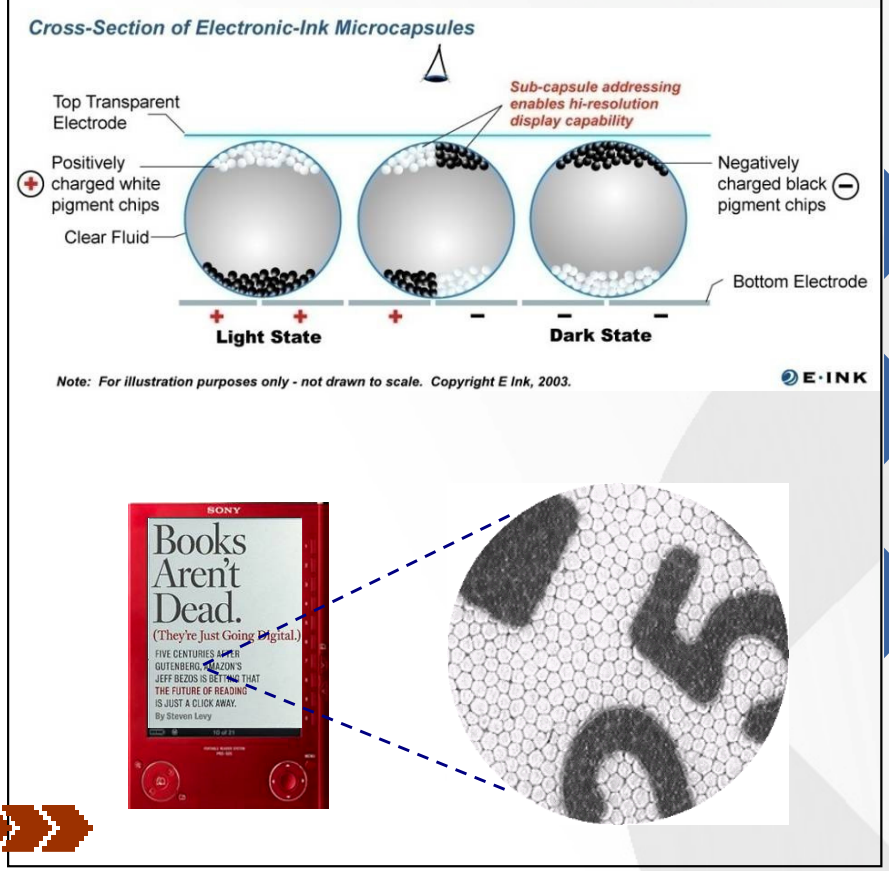
Proprietary technology and know-how

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

EPD Glass process



How it works



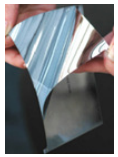
- Paper-like
- Ultra-Low Power
- Thin & Flexible

E Ink is a leading company in electrophoretic technology

Streamlined EPD supply chain

Excellent strategic fit between E Ink and PVI

Integrated ePaper display supply chain



E·INK

Steps	Current capacity status	Capex for future expansion
Electronic ink (Microcapsules)	**Ink production** ▪ Sufficient capacity until end of the next year	**Low**
Coating		
Frontplane Laminate (Plastic Film)	**Coating for FPL** ▪ In house capacity and outsource to Toppan	**Low**
Merchant film supply / *Laminating*		
TFT backplane (TFT array + substrate)	**TFT array** ▪ In house capacity and new outsource agreement ▪ Leverage existing 4/5G capacity from TFT partner	**No capex**
+IC, packaging, etc.		
EPD Module	**Module** ▪ Capacity at PVI's PRC plant ▪ Convert partial LCD module capacity to EPD	**Low**
Device Makers		

PVI

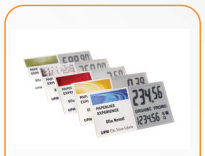
Streamlined EPD supply chain allows growth on limited capex

Technology roadmap

New products rolling out

Flexible Technology Roadmap

Unbreakable → **Flexible**



E-Tag

E-Magazine

E-Signage

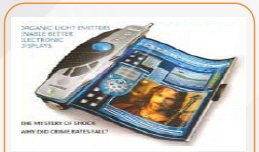
E-Map

Color Technology Roadmap

Grey levels → **Full Color**

E-Textbook

Full color module



E-Magazine

Planning Future/R&D

Future technology roadmap based on two pillars of innovation: flexible and color

Further EPD applications

Application alternatives beyond publishing

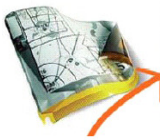
The versatile properties of EPDs allow information to be printed on almost any surface

- 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



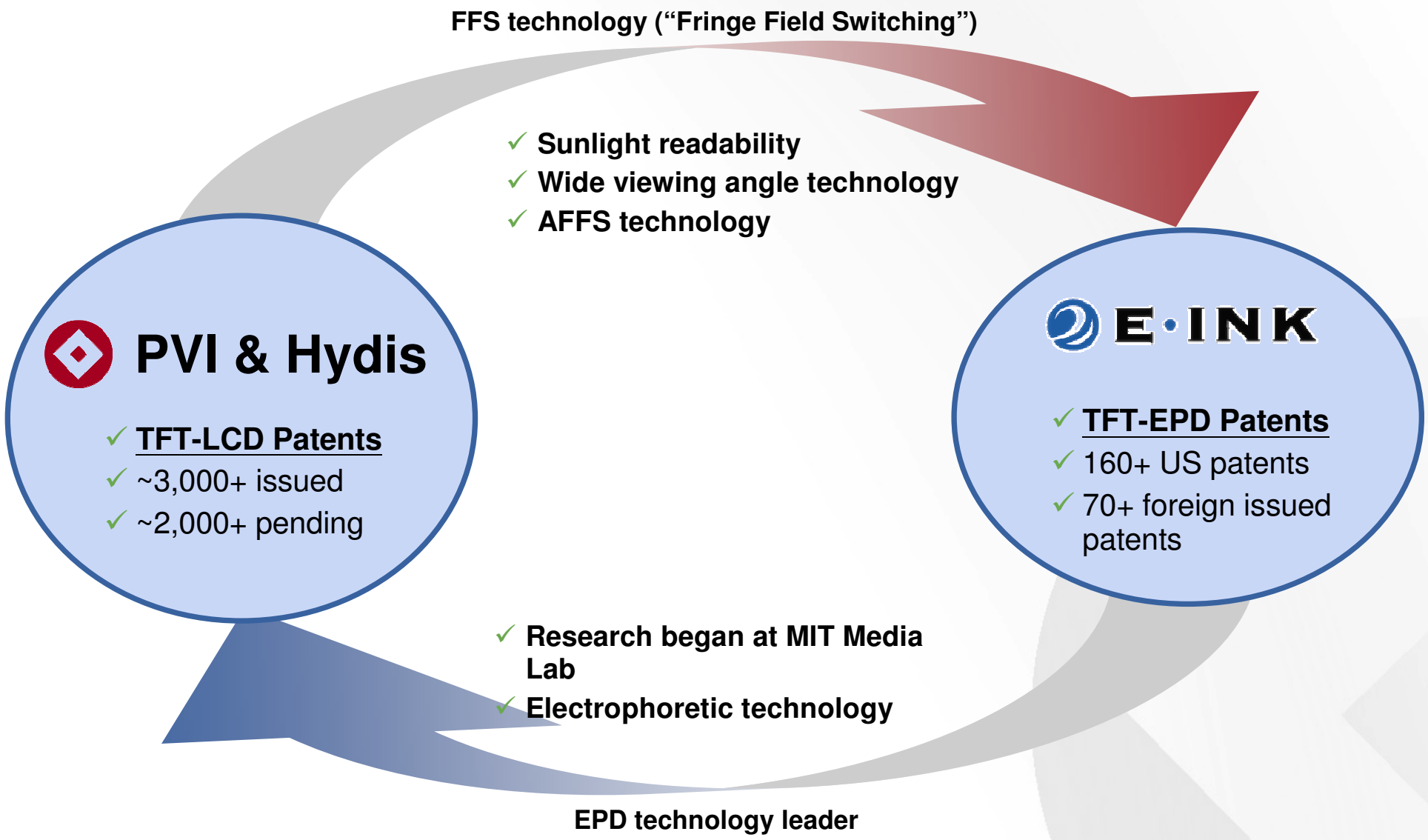
Publishing
- eBooks
- eNewspapers
- eTextbooks

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

Strong R&D capabilities

Rich patent portfolio



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

Compelling Growth Strategy

The concept of Eco-System

- Expand **customer** base
- Develop **new products/applications** for E-paper Displays
- Adjust **product portfolio** to maximize profitability
- Maintain technology leadership through investment in **R&D**
- Strengthen relationships with **Eco-System** partners
  - LG Display, Texas Instrument, MARVELL, Freescale, Wacom, Epson, CMO, etc.
- Leverage competiveness of **Strategic Alliance** partners
  - Utilize **CMO**'s 5G fabs
  - Launch comprehensive cooperation with **LG Display**
    - "Bond" through investment
    - Cross Licensing
    - Capacity sharing

Summary

PVI is…

- ✓ **In the Right Industry**
- ✓ **With the Right Technology**
- ✓ **At the Right Time**

THANK YOU !