



2015 Q2 Results Conference

08/28/2015

Safe Harbor Statement

Statements in this presentation that are not strictly historical, including the statements regarding the market, economy, the Company's e Paper, LCD and other business, the Company's future product launches, the Company's positioning and expectations for 2015 and future periods, and any other statements regarding events or developments that we believe or anticipate will or may occur in the future, may be "forward-looking" statements within the meaning of the securities laws in Taiwan. There are a number of important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements and you should not place undue reliance on any such forward-looking statements. These factors include, among other things, the uncertainty in the economy, contractions or growth rates and cyclicity of markets we serve, competition, our ability to develop and successfully market new products and technologies and expand into new markets, our ability to successfully identify, consummate and integrate appropriate acquisitions, contingent liabilities relating to acquisitions, risks relating to potential impairment of goodwill and other long-lived assets, currency exchange rates, our compliance with applicable laws and regulations and changes in applicable laws and regulations, tax audits and changes in our tax rate and income tax liabilities, litigation and other contingent liabilities including intellectual property and environmental matters, risks relating to product defects and recalls, the impact of our debt obligations on our operations, raw material costs, our ability to adjust purchases and manufacturing capacity to reflect market conditions, legislative reforms and other changes in industry, labor matters, our relationships with and the performance of our customers and partners, risks relating to man-made and natural disasters, our ability to achieve projected cost reductions and growth, and international economic, political, legal and business factors. These forward-looking statements speak only as of the date of this presentation and the Company does not assume any obligation to update or revise any forward-looking statement, whether as a result of new information, future events and developments or otherwise.



Consolidated Income Statement Summary

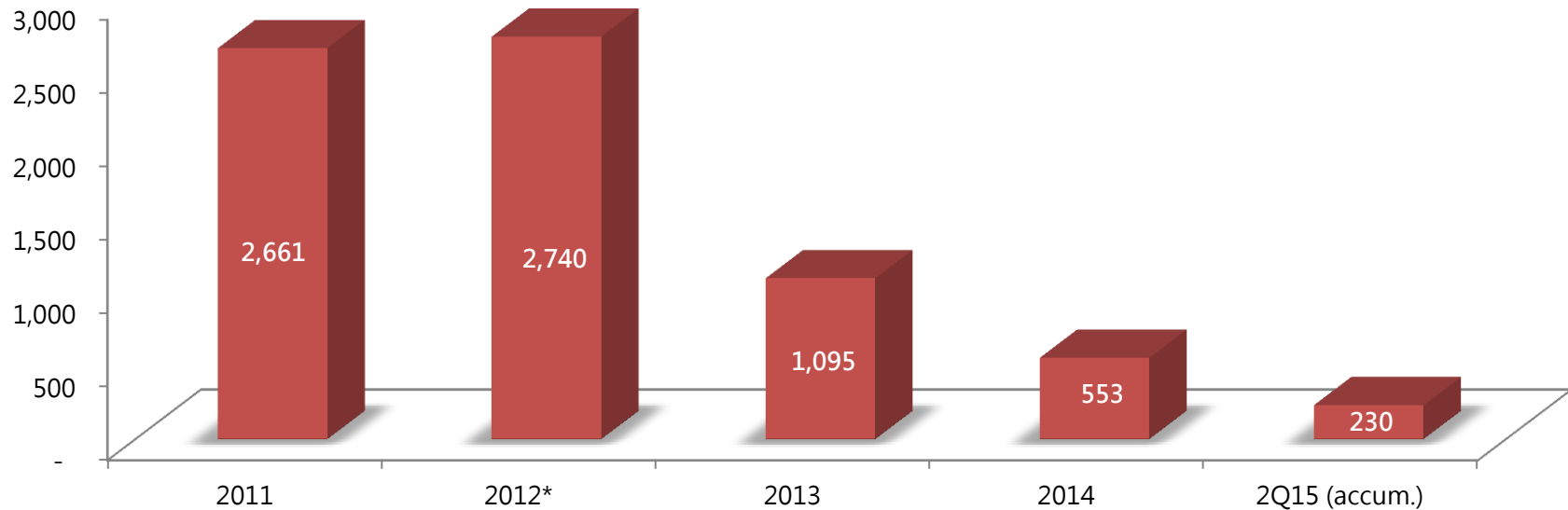
NTD, Million	15Q2	15Q1	QoQ	14Q2	YoY	15 YTD	14 YTD	YTD
Net Sales	3,479	2,709	28.4%	3,514	-1.0%	6,188	6,268	-1.3%
Gross Profit	1,005	633	58.7%	997	0.8%	1,638	1,351	21.3%
Operating Expense	1,142	1,112	2.7%	1,076	6.1%	2,253	2,134	5.6%
R&D Expense	421	364	15.6%	363	15.8%	785	729	7.6%
Operating Loss	(137)	(478)	-	(79)	-	(615)	(784)	-
Non-Op Items	719	412	74.5%	774	-7.2%	1,130	1,093	3.4%
Pre-Tax Income	582	(67)	-	695	-	515	310	66.4%
Tax Expense	73	143	-49.1%	161	-54.7%	216	257	-16.1%
Income from Continuing Operations	509	(209)	-	535	-4.8%	300	52	471.8%
Discontinued Operations	(395)	(962)	-	(441)	-	(1,357)	(939)	-
E Ink Net Income	105	(1,129)	-	85	22.7%	(1,024)	(879)	-
Minority Interest	9	(43)	-	8	15.8%	(33)	(7)	-
EPS (after-tax)*	0.09	(0.99)		0.07		(0.90)	(0.77)	
Continuing Operations	0.42	(0.19)		0.44		0.23	0.01	

*Based on average outstanding shares



Consolidated CAPEX and Long Term Investment Trend

Purchases of Property and Equipment



* 2012 included NTD \$ 1.27B acquisition of Sipix



Consolidated Cash Flow Summary

NTD, Million	15Q2	15Q1	14Q2
Cash Flow from Operations	(167)	(204)	308
Cash Flow from Investing	(72)	249	538
Cash Flow from Financing	(136)	(1,165)	327
Effect of Exchange Rate Change	(131)	(49)	(231)
Net Increase in Cash	(506)	(1,169)	942
Cash at Quarter End	6,449	6,955	6,405
Depreciation & Amortization	432	450	482
Capital Expenditure	99	131	111
Free Cash Flow*	(266)	(335)	197

*Free Cash Flow: Cash Flow from Operations – Capital Expenditure

Selected Items from Balance Sheet

NTD, Million	15Q2	15Q1	14Q2
Selected Asset Items			
Cash	6,449	6,955	6,405
Inventory (Net)	2,108	2,168	3,049
Fixed Assets	8,217	8,616	9,312
Intangible Assets	9,393	9,542	9,592
Total Assets	35,309	35,854	39,147
Selected Liability Items			
Short-Term Debt	4,966	3,666	5,427
Long-Term Debt	788	2,462	4,031
Total Liabilities	10,349	10,873	14,541
Capital	11,405	11,405	11,405
Total Equity	24,960	24,981	24,607
Net Debt* to Equity	-2.79%	-3.31%	12.41%

*Net Debt = (Short-Term + Long-Term Debts) - Cash



eFlow Interactive Exhibit Featured at SEGD



Value and Performance – Tier 1 eReader Launch



Amazon's latest Kindle Paperwhite packs text that's twice as sharp

by Jon Fingas | @jonfingas | June 17th 2015 At 9:19am



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E Ink Spectra – Offering New Eye-Catching Yellow



YELLOW

PRIMARY COLOR

PERSONALITY/EMOTIONS

- Increases cheerfulness, warmth
- Causes fatigue and strain on the eyes.
- Makes babies cry
- Stimulates mental processes
- Stimulates nervous system
- Encourages communication

MARKETING

- Represents optimism, youthfulness
- Used to grab attention of window shoppers
- Shows clarity

CHAKRA

Solar Plexus chakra

- Located in upper abdomen between navel and sternum
- Related to personal power, will, self esteem

POLITICS

- Represents Liberalism

Source: http://f.fastcompany.net/multisite_files/fastcompany/imagecache/inline-large/inline/2014/03/3028378-inline-i-3-what-your-logos-color-may-say-about-your-company-infographic.png

E Ink World's First Installation GIZMODO

Sydney Has Rolled Out E Ink Traffic Signs



Traditional Parking Signs



<http://blog.newscom.com/wp-content/uploads/2014/08/Culver-City-Street-Signs.jpg>

“E Ink displays are an attractive way of displaying information that doesn't change by the second”

- Jamie Condliffe, Gizmodo

E Ink Wirelessly Powered Display Won 2015 Best Technology Award



Key Features:

- Without power and data transmission cords
- Support mainstream wireless communication protocols, NFC 13.56 MHz & UHF 915 MHz

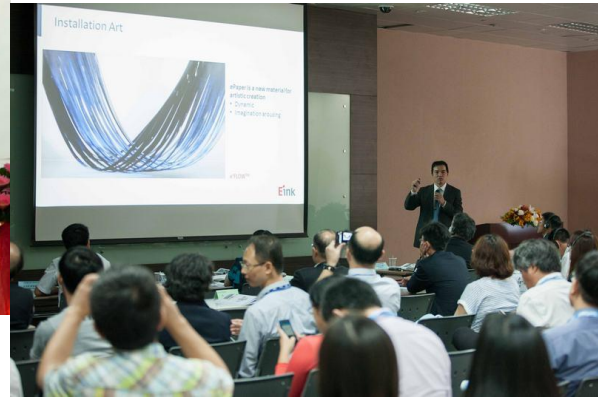
Applications:

- Short Range: ePurse, eBadge, eReader, and Smartwatch
- Long Range: ETC & Automatic Parking System (Traffic) , ESL (Retail), eLuggage Tag (Logistics), Smart Home, eSignage.

E Ink at *Touch Taiwan!*



Dr. Frank Ko (right) received the 2015 Best Technology Award trophy



Keynote speech by Dr. Frank Ko on "Innovation and Application on ePaper Displays"



Visitors at E Ink Booth

Q&A



E INK IS THE ORIGINATOR,
PIONEER, AND
COMMERCIAL LEADER IN
ePAPER DISPLAYS.



E Ink

Thank you

www.eink.com