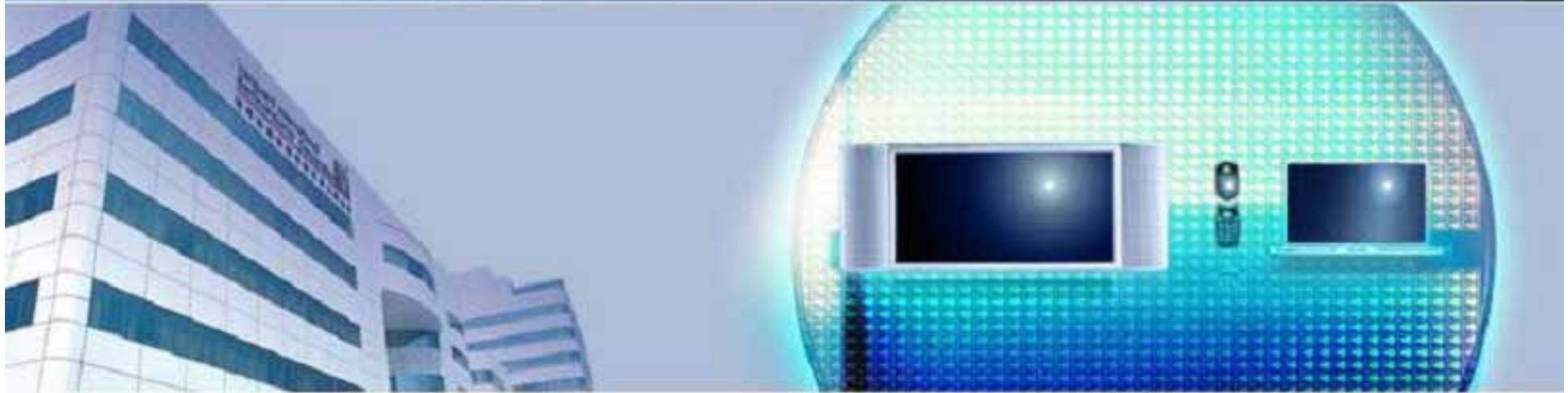




SPECIALTY IC FOUNDRY OF CHOICE



VANGUARD

2009 Fourth Quarter Results

Investor Conference

January 29th, 2010



Agenda

- Welcome
- 4Q09 Consolidated Financial Results
- Remark
- Q & A



Disclaimer

This presentation material contains certain forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.



4Q09 Result Highlights

Amount : NT\$ Million	4Q09	3Q09	4Q08
	Amount	Amount	Amount
Net Sales	3,123	4,343	2,677
Net Income (Loss)	87	684	(526)
EPS (NT\$)	0.05	0.41	(0.30)
Cash and Financial Instruments	7,188	5,470	4,456
Shareholders' Equity	19,997	19,846	20,260
Total Wafers Shipped (Kpcs)	Logic: 175 Memory: 39	Logic: 253 Memory: 31	Logic: 107 Memory: 55



Income Statement

Amount: NT\$Million	4Q09		3Q09		4Q08		QoQ	YoY
	Amount	%	Amount	%	Amount	%	%	%
Net Sales	3,123	100%	4,343	100%	2,677	100%	-28%	17%
COGS	(2,772)	-89%	(3,380)	-78%	(2,933)	-110%	-18%	-5%
Gross Profit (Loss)	352	11%	963	22%	(256)	-10%	-63%	-
Operating Expense	(310)	-10%	(335)	-8%	(317)	-12%	-7%	-2%
Operating Income (Loss)	41	1%	627	14%	(573)	-21%	-93%	-
Investment Income (Loss)	73	2%	26	1%	(38)	-1%	185%	-
Net Other Non-operating (Expense) Income	(24)	-1%	31	1%	(21)	-1%	-	13%
Income (Loss) before Income Tax	91	3%	684	16%	(632)	-24%	-87%	-
Net Income (Loss)	87	3%	684	16%	(526)	-20%	-87%	-
EPS (NT\$)	0.05		0.41		(0.30)		-88%	-



Yearly Operating Results Comparison

Amount : NT\$Million

	2009		2008		YoY
	Amount	%	Amount	%	%
Net Sales	12,588	100%	16,120	100%	-22%
COGS	(11,345)	-90%	(13,516)	-84%	-16%
Gross Profit	1,243	10%	2,604	16%	-52%
Operating Expense	(1,297)	-10%	(1,579)	-10%	-18%
Operating Income	(53)	0%	1,025	6%	-
Investment Gain (Loss)	73	1%	(44)	0%	-
Net Other Non-operating Income	73	1%	157	1%	-54%
Income before Income Tax	92	1%	1,137	7%	-92%
Net Income	89	1%	1,042	6%	-91%
Diluted EPS (NT\$)	0.05		0.60		-91%



Balance Sheet & Key Indices

Amount : NT\$ Million

Selected Items from
Balance Sheet

	Dec. 31, 2009		Sep. 30, 2009		Dec. 31, 2008	
	Amount	%	Amount	%	Amount	%
Total Assets	22,338	100.0%	22,729	100.0%	23,174	100.0%
Cash & Financial Instruments	7,188	32.2%	5,470	24.1%	4,456	19.2%
Accounts Receivable	1,784	8.0%	2,658	11.7%	1,334	5.8%
Inventory	1,134	5.1%	1,422	6.3%	1,811	7.8%
Total Current Assets	10,432	46.7%	9,941	43.7%	7,897	34.1%
Properties	58,810	263.3%	59,065	259.9%	58,824	253.8%
Less: Accum. Depreciation	(48,544)	-217.3%	(47,878)	-210.6%	(45,275)	-195.4%
Net Properties	10,266	46.0%	11,187	49.2%	13,549	58.5%
Accounts Payable and Others	794	3.6%	1,046	4.6%	831	3.6%
Accrued Liabilities	1,043	4.7%	1,337	5.9%	1,569	6.8%
Total Current Liabilities	1,836	8.2%	2,383	10.5%	2,400	10.4%
Total Equity	19,997	89.5%	19,846	87.3%	20,260	87.4%

Key Indices

A/R Turnover Days	45	58	45
Inventory Turnover Days	47	52	45
Debt Ratio	10%	13%	13%
Current Ratio	568%	417%	329%
Net Working Capital	8,596	7,558	5,496



Cash Flows

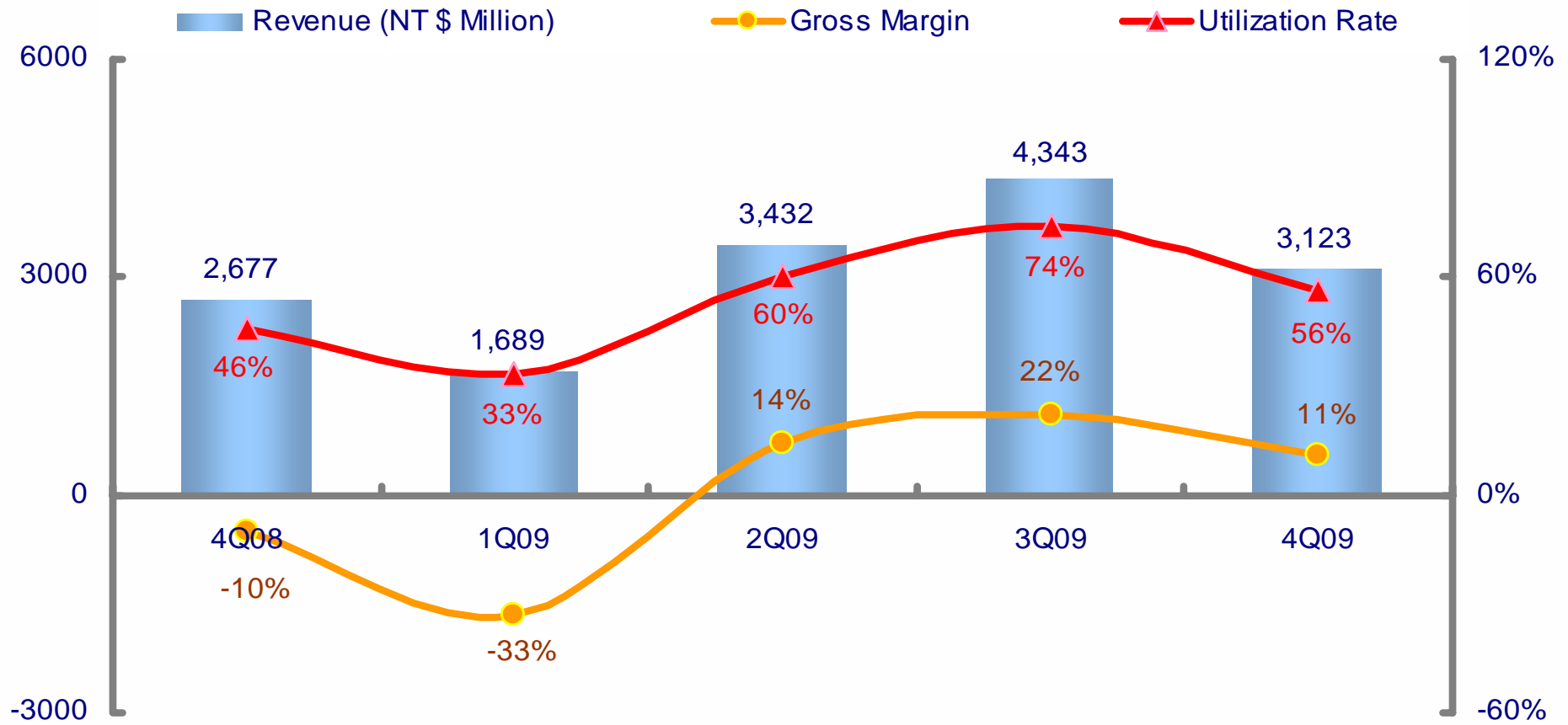
Amount : NT\$ Million	4Q09	3Q09	4Q08
	Amount	Amount	Amount
Cash - Beginning of Period	5,023	4,277	3,571
– Net Income	87	684	(526)
– Depreciation & Amort.	843	883	892
– Gain on Disposal of Financial Assets	(83)	(34)	0
– Changes of Accounts Receivable	874	(268)	1,499
– Changes of Inventory	288	(49)	308
– Changes of Notes and accounts payable	(150)	(44)	(513)
– Changes of Accrued expenses and other current liabilities	(311)	(75)	(135)
From Operation	1,763	1,320	1,263
– Increase in Financial Assets	(32)	0	(348)
– Acquisitions of Properties	(85)	(68)	(367)
– Proceeds from Disposal of Financial Assets	298	150	484
– Proceeds from Disposal of Investment	13	36	0
From Investment	113	105	(245)
– Cash dividends	0	(671)	0
– Proceeds from Exercise of Employee Stock Options	3	2	0
– Guarantee Deposit In	0	(6)	(1)
– Repurchase of Treasury Stock	0	0	(319)
From Financing	3	(675)	(320)
Net Increase in Cash	1,879	750	697
Effect of Exchange Rate Changes	(1)	(3)	5
Cash - End of Period	6,901	5,023	4,273



Remarks

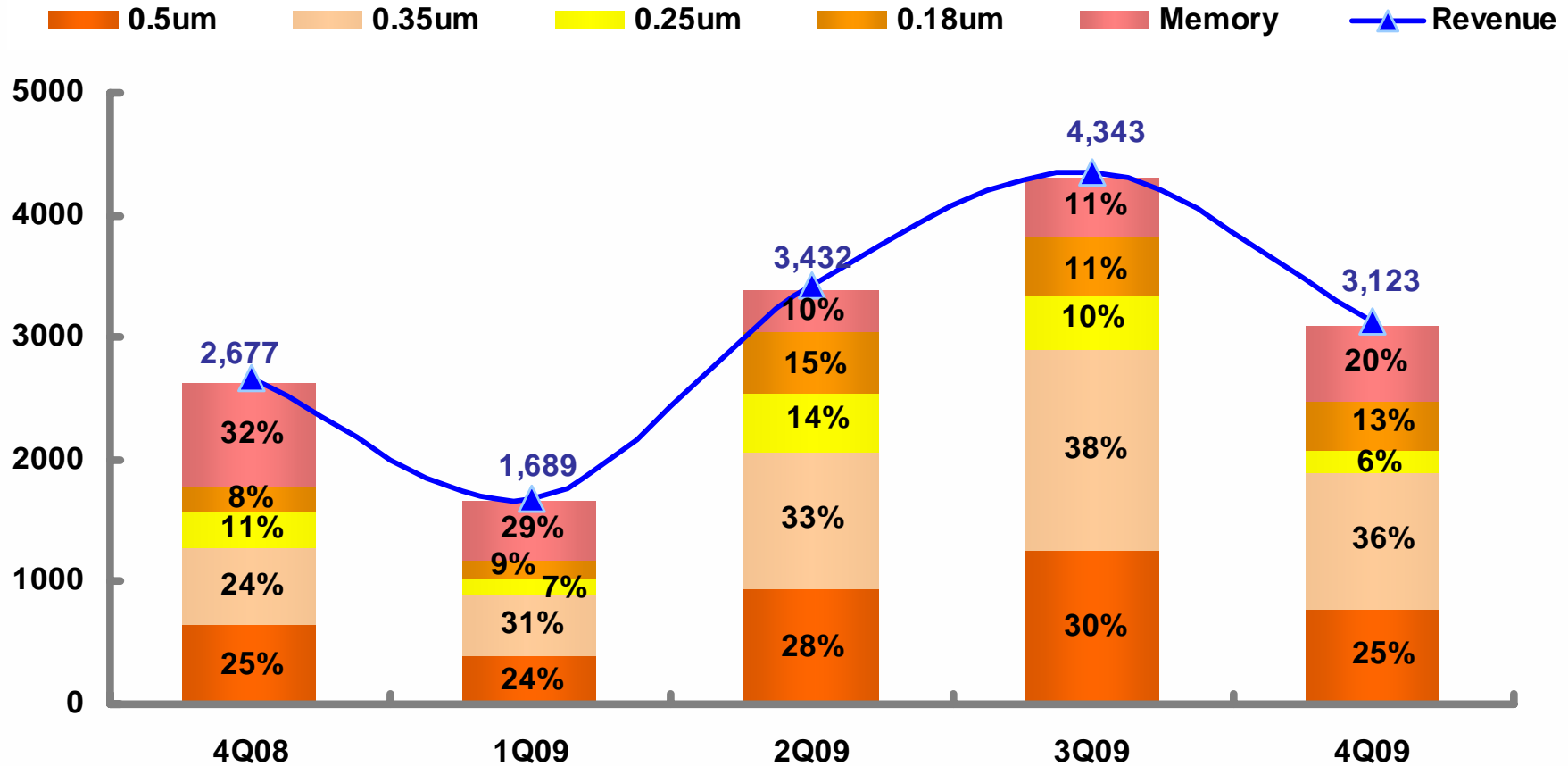


Fab Utilization & Gross Margin



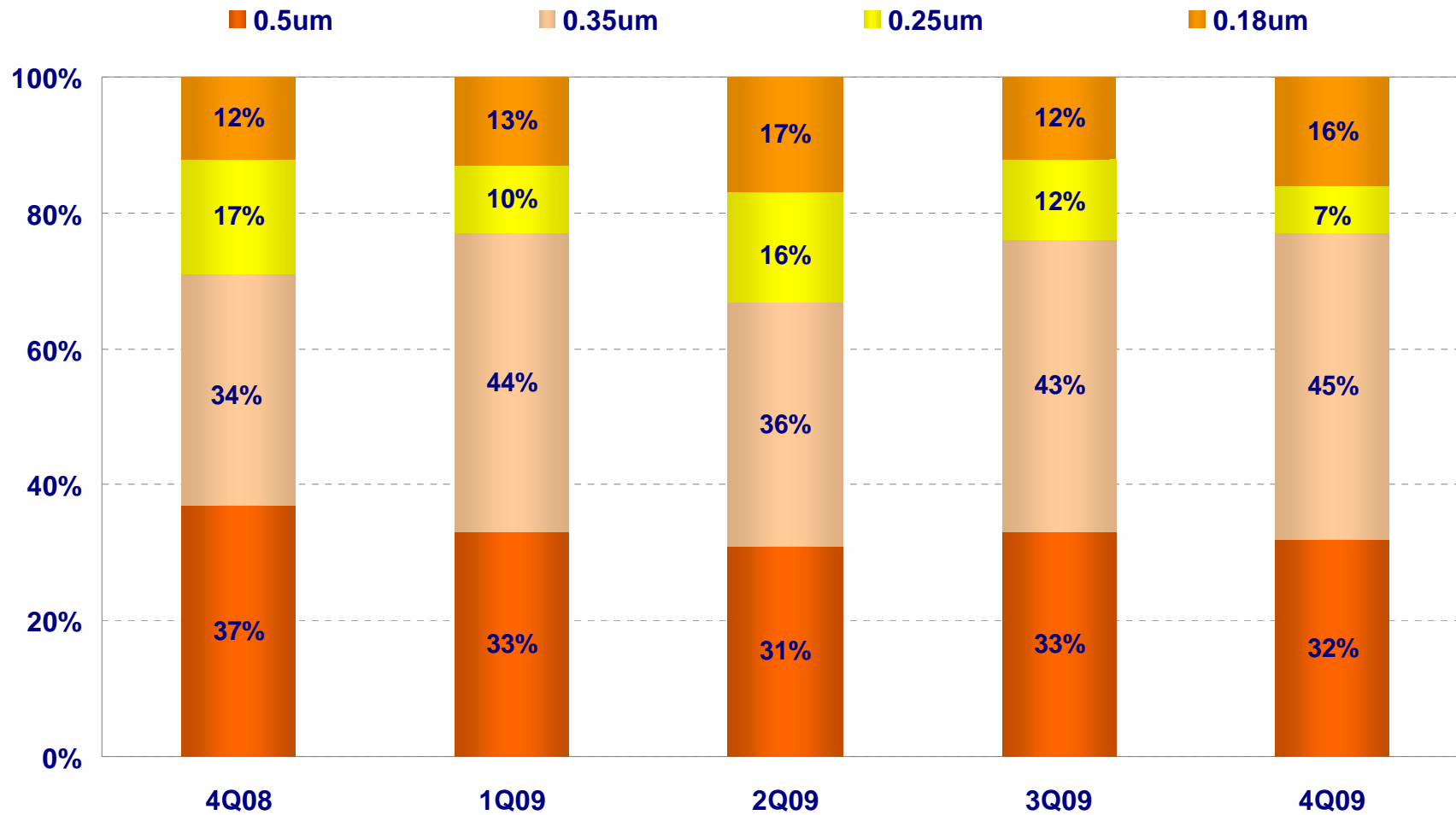


Revenue Breakdown by Technology



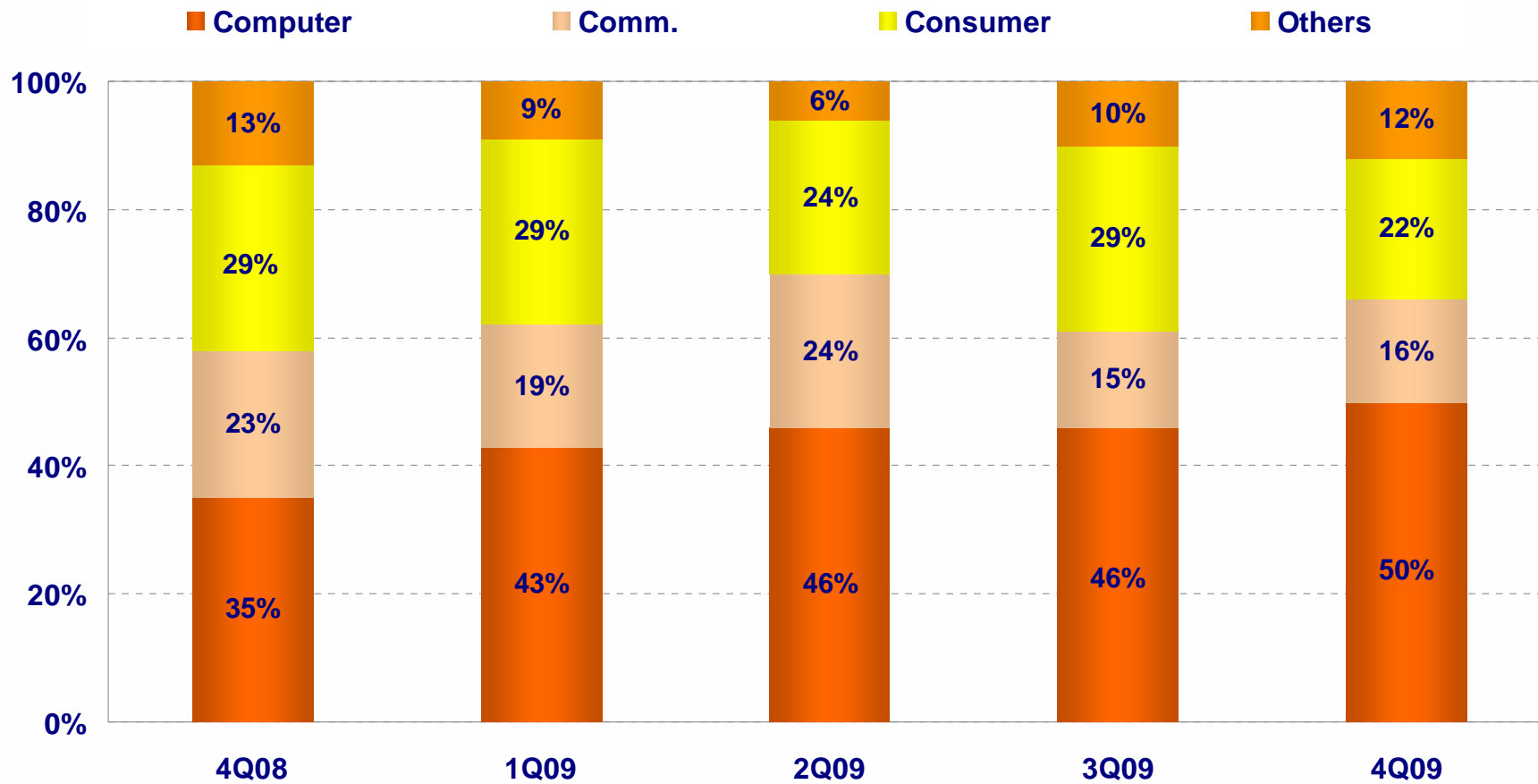


Logic Product Revenue Breakdown by Technology

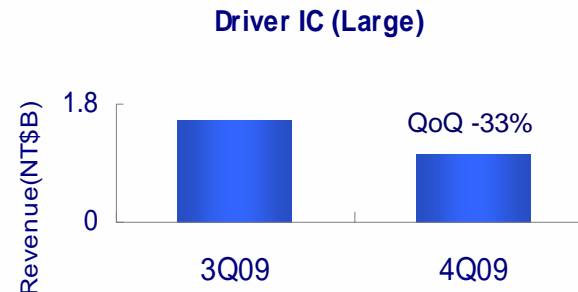
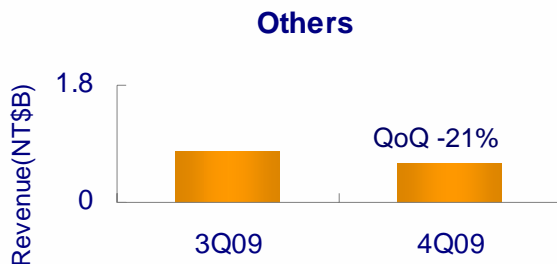
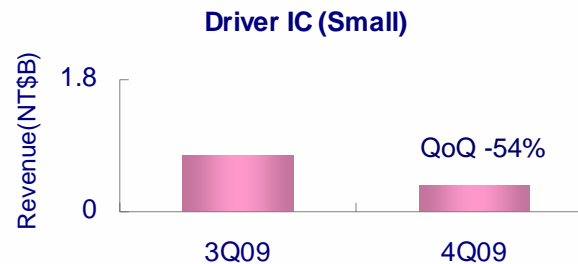
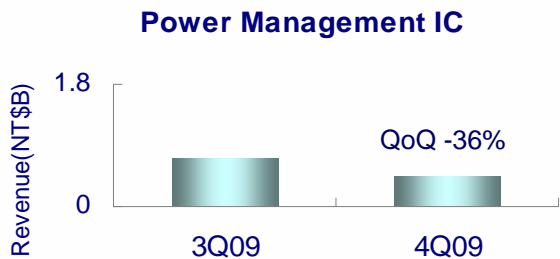
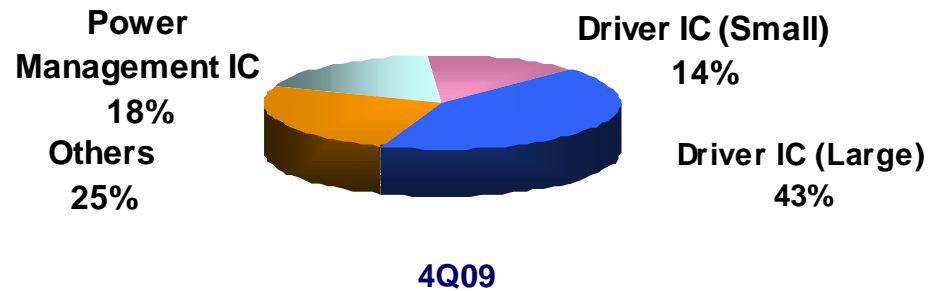
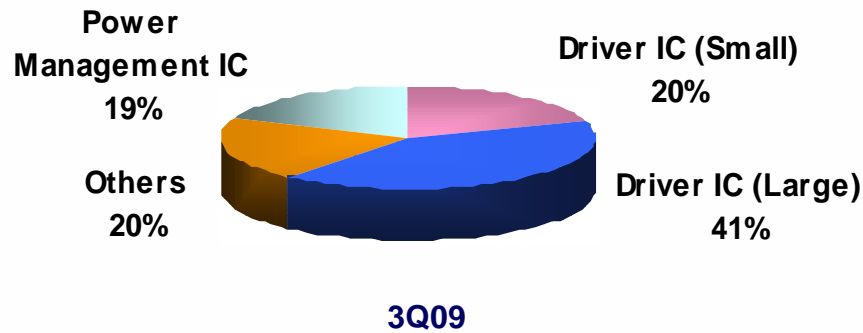




Logic Product Revenue Breakdown by Applications



Logic Product Revenue Breakdown by Platforms



Note : Memory product is excluded.



4Q09 Result Summary & Guidance Comparison

4Q09	Result	Guidance
Wafer Shipments	-25% QoQ	to decrease by around thirty percentage QoQ
Fab Utilization Rate	56%	to be around fifty percentage
Gross Profit Margin	11%	to be high single digit percentage
Blended ASP	-3% QoQ	to decrease by a low single digit percentage QoQ



Q & A



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