

MPI Corporation (6223.TT)
Morgan Stanley

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 Confidential



A a1. Company at a Glance

Address	No. 155, Chung-Ho St., Chu-Pei, Hsinchu, 302 Taiwan, R.O.C.
Founded	July, 25, 1995
Paid-in Capital	NTD\$ 776M (2010.07.31-the latest)
No. of Employees	848 (2010.07.31)
Southern Taiwan Branch	No. 7, Luke 1st Rd., Luzhu Shiang, Kaohsiung, 821 Taiwan, R.O.C.

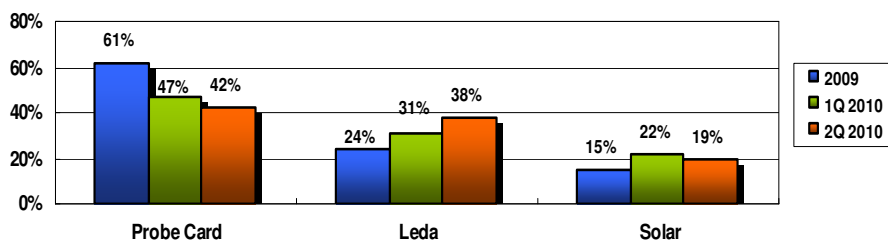


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Milestone

- 1995 Company established
- 1998 Technology transfer from MJC completed
- 2000 Hsinchu New plant operation started
Tainan branch and repair center established
- 2001 Pass ISO9001 certification
- 2003 MPI IPO in OTC Market**
- 2006 ST Branch Luzhu plant operation started
- 2008 Signed MOU with SUSS MicroTech Test System
- 2010 Solar cell B.U signed MOU with GET**

A a2. Business Portfolio : 2009 & 2Q 2010

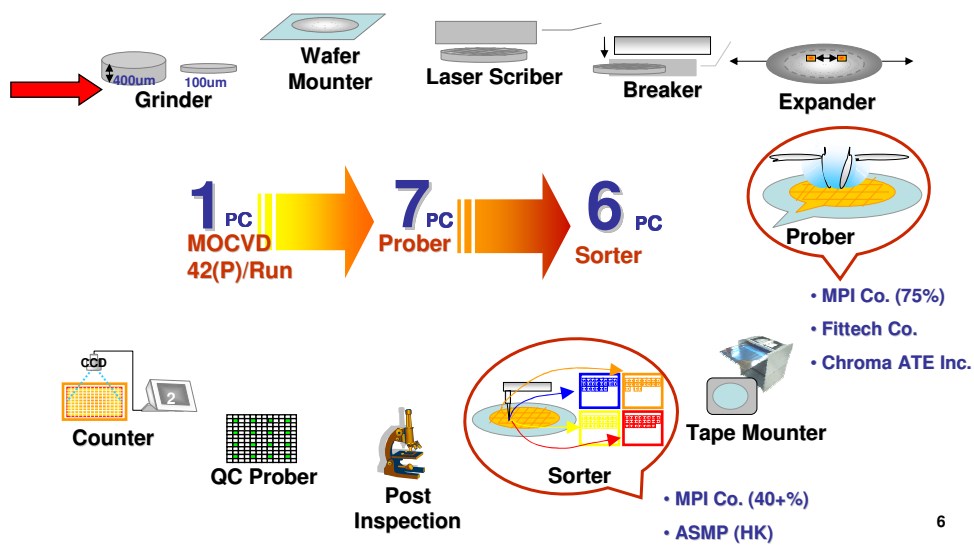




Agenda

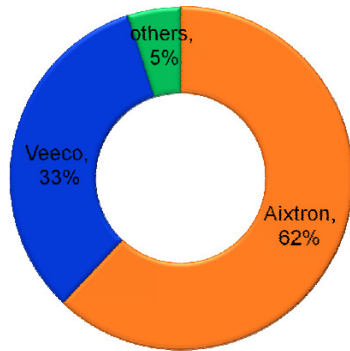
- 1. LED: P. 6 - 17
- 2. Semi-conductor: P.19 - 24
- 3. Solar: P.26 - 27
- 4. Appendix

B1 EPI-Wafer Process

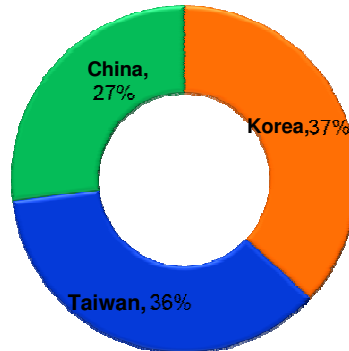


B1 MOVCD Makers 2010

MOVCD Makers' Ratio

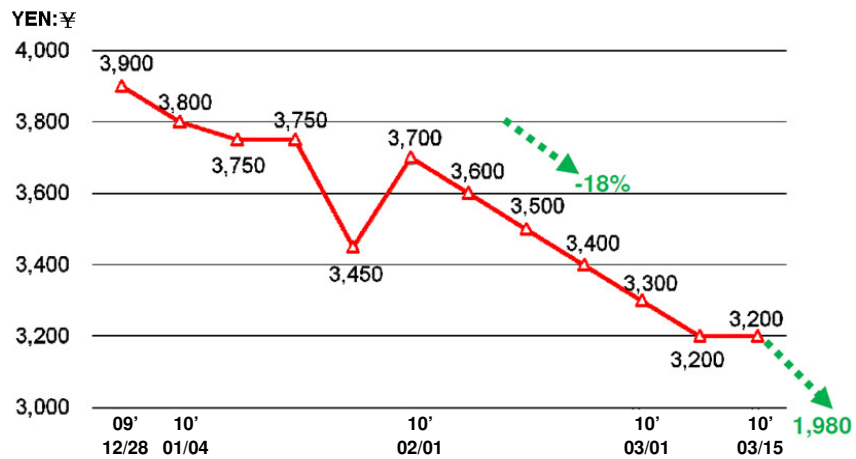


MOVCD Asia Order Ratio



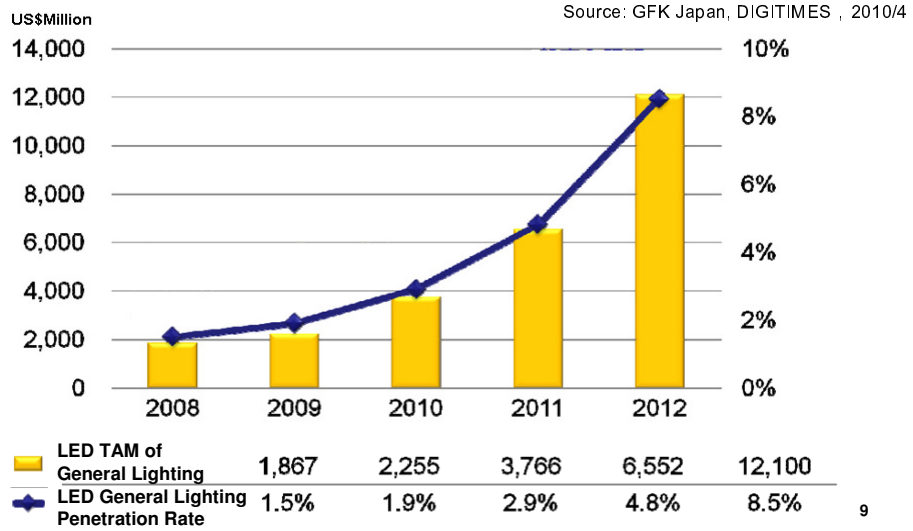
Source: DIGITIMES , 2010/4

B1 G.L ASP Trend

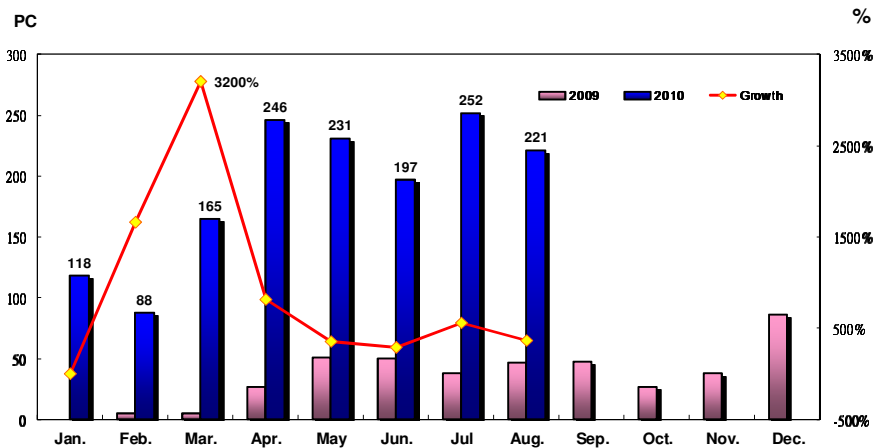


Source: GFK Japan, DIGITIMES , 2010/4

B1 LED General Lightings TAM



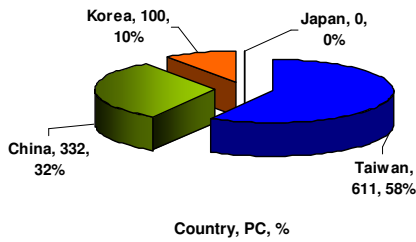
B1 03. Equipment Shipment 2009~2010



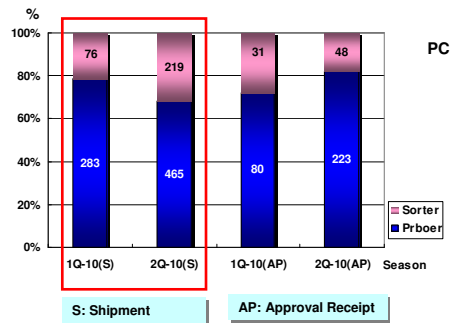
B1 03. Geography & Product Mix

1H' 2010

by Geography



by Product



B1 03. 1H' 2010 Major Customers

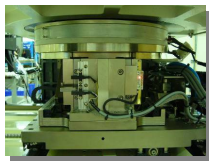
Taiwan

Korea

China

B1 03. Prober

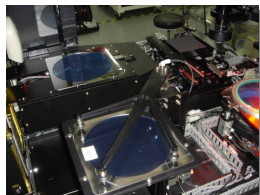
LEDA-PT120 PROBER *Semi-Automatic Probe Station*



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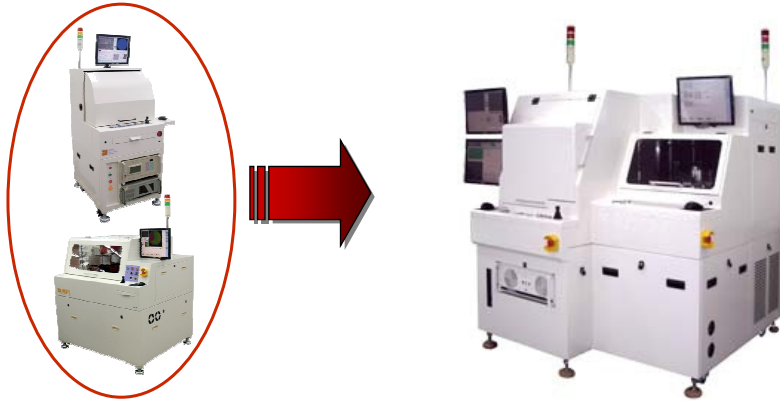
B1 03. Sorter

LEDA-PNP *M7600 Fully-Auto Mapping Sorter*



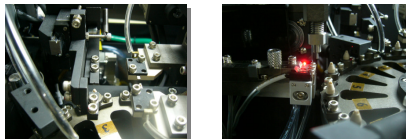
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B1 03. State-of-the-Art 2 in 1 Machine



B1 03. Auto Sorting Machines

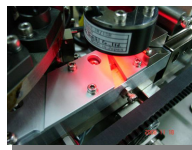
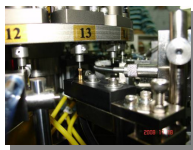
PT-380 SORTING
LED-Auto Sorting Machines



B1 03. Auto Taping Machine

PT-350 TAPING

LED-Auto Taping Machines

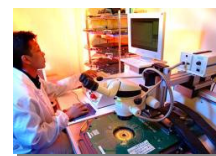


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Agenda

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3. Solar: P.26 - 27
4. Apedix

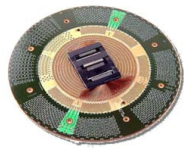


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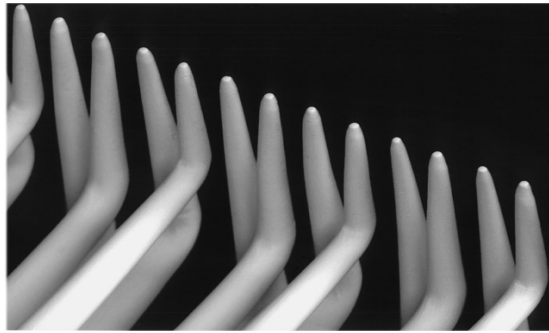
B2 03. Categories of Probe Card



Logic P/C

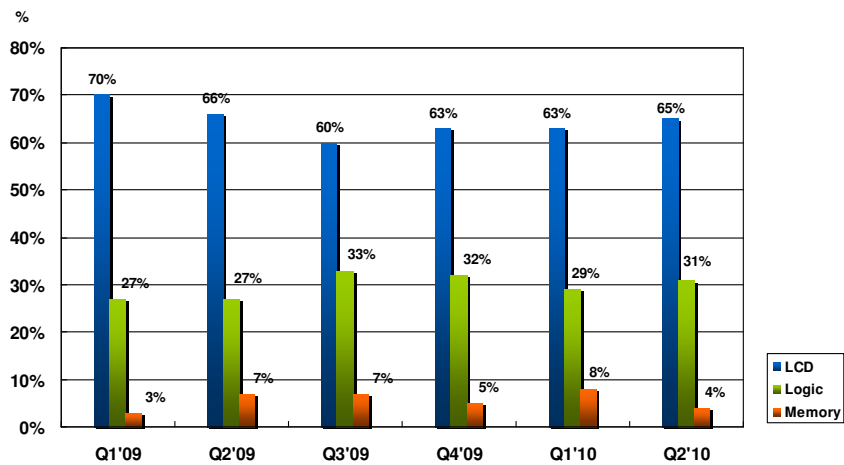


LCD Driver IC

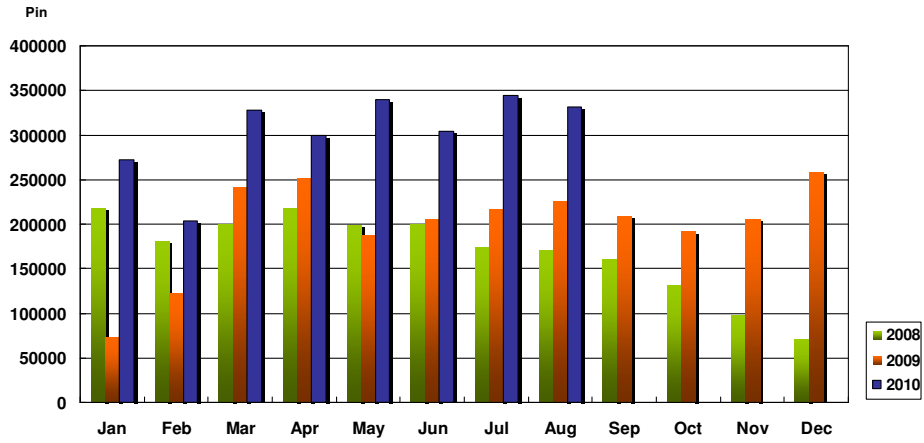


40 μm pitch for LCD Driver IC

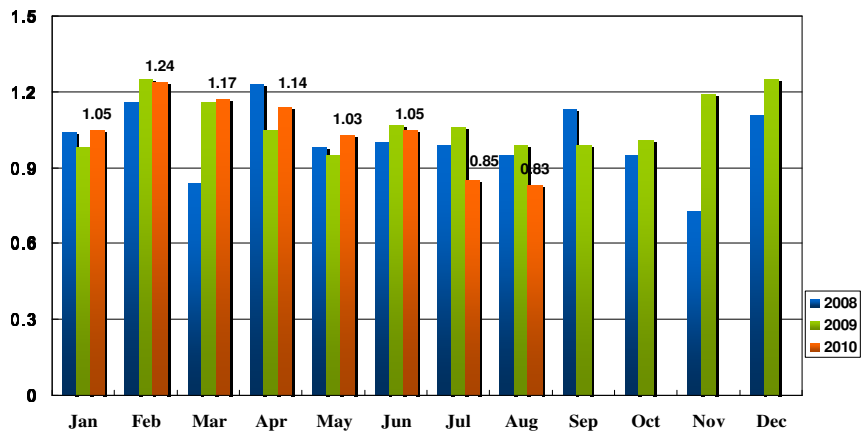
B2 03. Product Mix in 2009 ~2Q 2010



B2 03. Monthly Shipment 2008~2Q 2010



B2 03. B/B Ratio 2008~2Q 2010



B2 03. 2Q 2010 Major Customers

Design Houses



Foundries



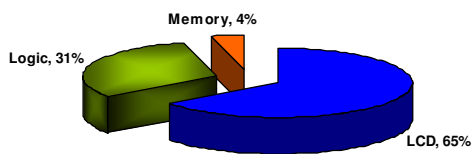
Testing Houses



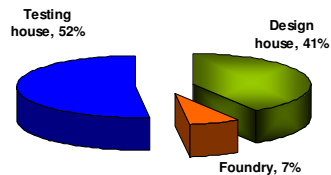
B2 03. Product & Customers Mix (%)

2Q 2010

by Product



by Customer

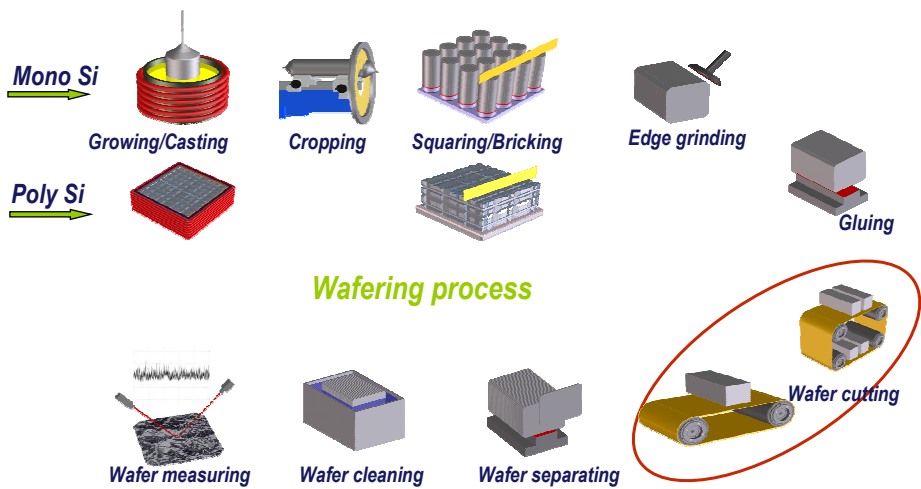




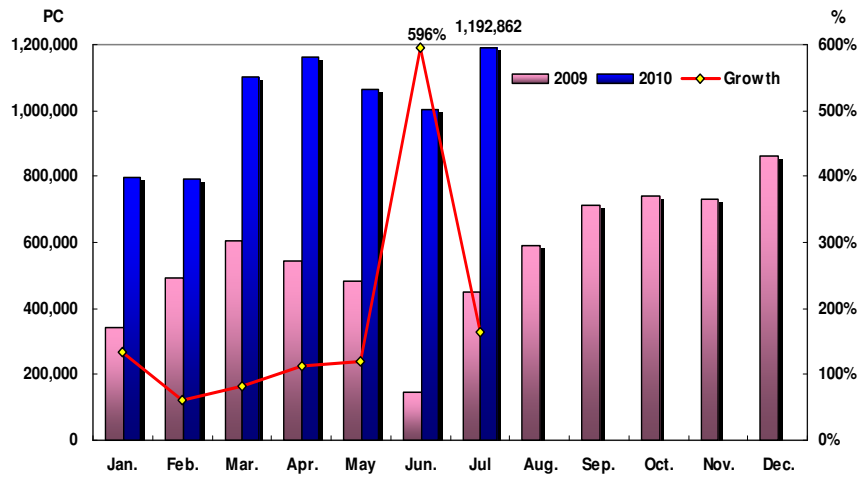
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- 4. Apedix

B3 01. Wafer Process in Solar



B3 02. Shipment 2009 ~ 2010



Appendix

B1 02. LED Trend- Taiwan monthly output

MOCVD reactor count and monthly chip output for Taiwan epitaxy/wafer suppliers

Company	2009		2010E		2009 (m units/month)		2010E (m units/month)	
	AllInGaP MOCVD	InGaN MOCVD	AllInGaP MOCVD	InGaN MOCVD	AllInGaP Chips	InGaN chips	AllInGaP Chips	InGaN chips
Epistar (2448 TT)	90	100	90	130	1,600	1,300	1,600	1,600
Forepi (3081 TT)		40		60		600		1,200
Anima Opto (6289 TT)	25	15	25	15	1,000	250	1,000	250
Genesis Photonics (3383 TT)		28		35		350		550
Tekcore (3339 TT)	4	23	5	32	150	450	150	550
Visual Photonics (2455 TT)	6		6		150		150	
Opto Tech (2340 TT)	0		11		350	300	450	500
Tyntek (2426 TT)		3		20				
Huga Optotech (8199 TT)	10	28	10	60	180	600	180	1,200
Lextek, a subsidiary of AUO	0	15	0	65		200		1,200
Chi-Mei Lighting, a subsidiary of GMD	9	37	6	72	120	480	120	1,000
Other tier-two suppliers	18	30	25	50	400	500	550	900
Total	169	319	180	599	3,950	6,330	4,200	9,200
YoY % change	11.9	38.1	6.6	76.2	16.2	38.4	6.3	72.6
Total MOCVD count	488	739	488	739	9,280	19,400	19,400	44.4
YoY % change	27.7	51.4	28.0	44.4				

Source: Various data, Daiwa forecasts

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2Q 10' Income Statement- QoQ Comparison

Amount: NT\$K	2Q'2010		1Q'2010	
Net Sales	835,319	100%	514,256	100%
Cost of Goods Sold	504,962	60.6%	312,687	60.8%
Gross Profit	330,359	39.4%	201,569	39.2%
Operating Expense	183,380	24.4%	145,407	28.3%
Operating Income	144,650	14.9%	55,898	10.9%
Investment Income & Others	33,851	3.8%	17,104	3.3%
Net Income (before tax)	178,501	18.6%	73,002	14.2%
Income tax	4,116	0.7%	4,718	0.9%
Net Income	174,385	18.0%	68,284	13.3%
Earnings Per Ordinary Shares-Diluted	2.37		0.89	

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2Q 10' Income Statement- YoY Comparison

Amount: NT\$K	1H'2010		1H'2009	
Net Sales	1,349,575	100%	596,573	100%
Cost of Goods Sold	817,647	60.6%	424,424	71.1%
Gross Profit	531,928	39.4%	172,149	28.9%
Operating Expense	328,787	24.4%	218,312	36.6%
Operating Income	200,548	14.9%	46,044	7.7%
Investment Income & Others	50,955	3.8%	2,461	0.4%
Net Income (before tax)	251,503	18.6%	48,505	8.1%
Income tax	8,834	0.7%	56	0%
Net Income	242,669	18.0%	48,448	8.1%
Earnings Per Ordinary Shares-Diluted	3.26		0.67	