



Zenitron Corporation

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Investor Conference

# Zenitron Corporation (3028) 2009Q3 Investor Conference

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# Consolidated Income Statement (Q/Q)

(Unaudited)

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Con. Income Statements	2009Q3	% of Sales	2009Q2	% of Sales	2009Q1	% of Sales
Net Sales	6,057,524	100.0%	5,056,151	100.0%	4,353,531	100.0%
Gross Profit	384,794	6.4%	331,064	6.5%	404,168	9.3%
Operating Exp.	211,789	3.5%	211,763	4.2%	203,693	4.7%
Operating Income	173,005	2.9%	119,301	2.4%	200,475	4.6%
Write-off Preparation	-71,625	-1.2%	22,794	0.5%	-113,401	-2.6%
Non-Core P& L	51,634	0.9%	-27,726	-0.5%	17,681	0.4%
Income before Tax	153,014	2.5%	114,369	2.3%	104,755	2.4%
EPS before Tax	0.74		0.55		0.51	
Tax Expense	(45,904)		(20,618)		(47,784)	
Net Income	107,110		93,751		56,971	
EPS	0.52		0.46		0.27	



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# Consolidated Income Statement (Y/Y)

(Unaudited)

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Con. Income Statements	2009Q3	% of Sales	2008Q3	% of Sales
Net Sales	6,057,524	100.0%	5,284,328	100.0%
Gross Profit	384,794	6.4%	463,373	8.5%
Operating Exp.	211,789	3.5%	277,257	5.2%
Operating Income	173,005	2.9%	186,116	3.3%
Write-off Preparation	-71,625	-1.2%	-12,249	
Non-Core P& L	51,634	0.9%	-32,793	-0.6%
Income before Tax	153,014	2.5%	141,074	2.7%
EPS before Tax	0.74		0.67	
Tax Expense	(45,904)		(38,076)	
Net Income	107,110		102,998	
EPS	0.52		0.49	



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# Consolidated Balance Sheet

(Unaudited)

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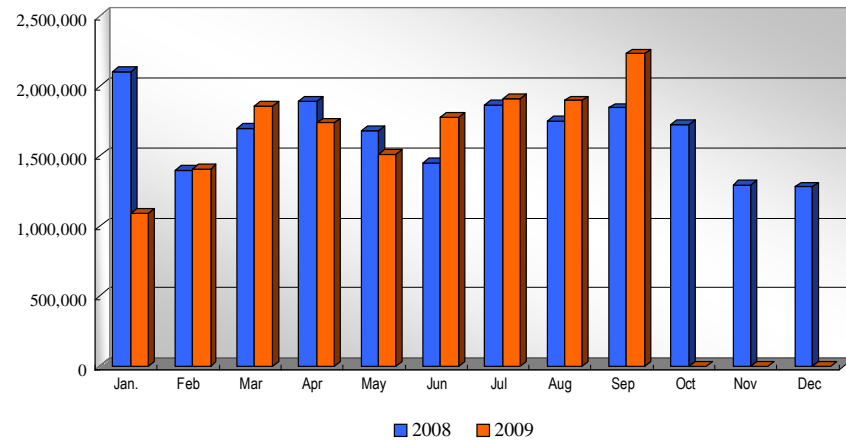
Con. Balance Sheet	2009Q3	2009 Q2	2008Q3
Cash & Equivalents	2,260,929	2,466,707	1,114,665
Short-Term Investments	271,423	201,655	281,488
Account Receivable	4,724,143	4,395,256	5,496,676
Inventory	2,259,391	1,773,285	2,543,926
Other Current Asset	217,169	260,601	201,772
Current Asset	9,733,055	9,097,504	9,638,527
Property, Plant & Equipment	546,178	553,065	577,684
Long-Term Investment	184,718	192,185	217,299
Other Assets	35,121	33,753	59,427
Total Assets	10,499,072	9,876,507	10,492,937
Short-Term Debts	5,922,582	5,828,398	5,812,123
Long-Term Debts	337,106	279,310	902,160
Other Debts	458,531	91,015	97,460
Total liabilities	6,718,219	6,198,723	6,811,743
Total Equity	3,780,853	3,677,784	3,681,194



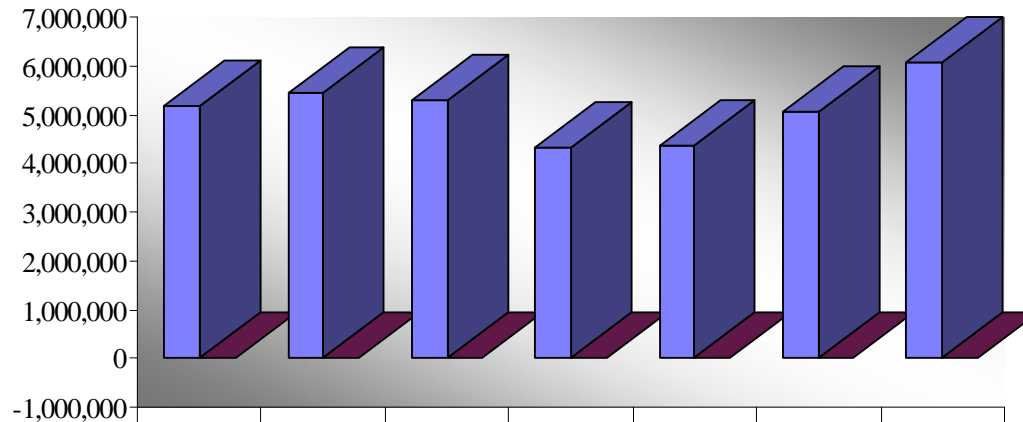
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# Net Sales

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## Quarterly



	2008Q1	2008Q2	2008Q3	2008Q4	2009Q1	2009Q2	2009Q3
Revenue	5,186,955	5,437,403	5,284,328	4,318,380	4,353,531	5,056,151	6,057,524
QoQ Change	-14.4%	4.8%	-2.8%	-18.3%	0.8%	16.1%	19.8%

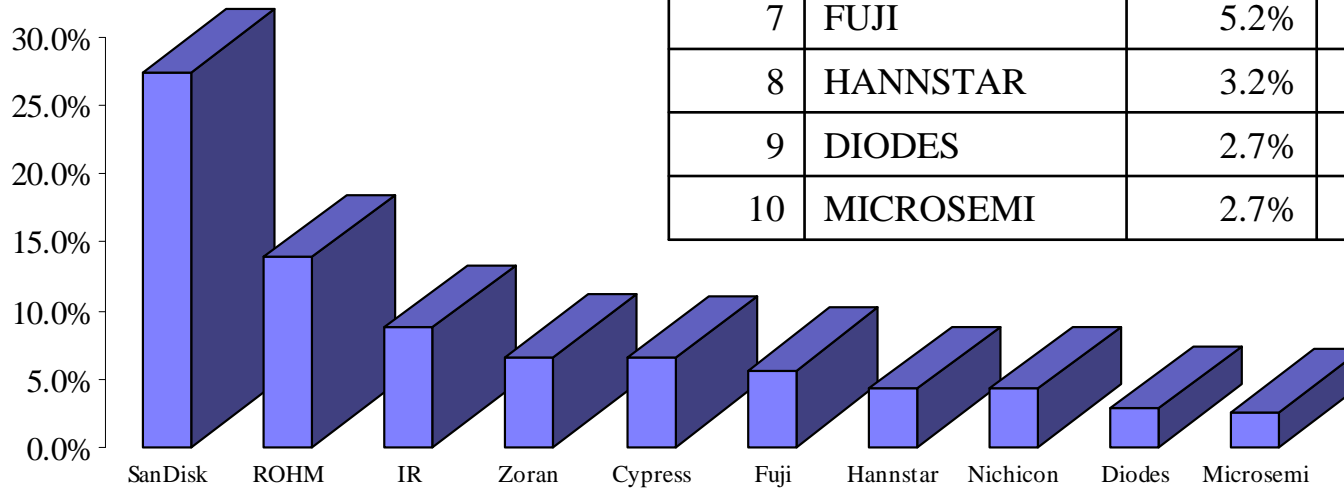


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# Revenue Breakdown by Vendors

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Jan-Sept. Breakdown



	Vendor	Q1	Q2	Q3
1	SanDisk	29.3%	23.8%	29.2%
2	ROHM	12.7%	14.7%	14.2%
3	IR	7.6%	9.3%	9.2%
4	NICHICON	1.9%	2.7%	7.5%
5	ZORAN	7.4%	7.0%	5.7%
6	Cypress	6.1%	7.1%	6.3%
7	FUJI	5.2%	5.9%	5.6%
8	HANNSTAR	3.2%	5.9%	3.7%
9	DIODES	2.7%	3.1%	2.6%
10	MICROSEMI	2.7%	2.5%	2.6%



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# 2009 Q2-Q3 Business Review

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## Conservative Supplies and Backing Demands

- NB
  - Netbook for Q1
  - CULV for Q2
  - Windows 7 for Q3-Q4
- Consumer
  - DSC (Outsourcing from Japanese companies)
  - Panel (Netbook, portable/handheld devices)
  - Memory Cards
- China clone market: net book, mobile phone and DSC
  - China business keep growing. 32% of consolidated revenue now



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# Business Opportunities (I)

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## Current Business

- NB: Windows 7 and Intel Calpella boost production
- DSC: Japanese ODM outsource and earned business from a tier one customer next year
- Memory cards/embedded memories price and quantity both increased due to
  - Growth from 3G/3.5G, smart phone, and multi-media phones
  - iPhone introduced 32G mobile phone which raised the memory standard of smart phones
  - China demand is strong and can continue to Chinese New Year

## New Product Ramping Up

- Realtek:HD multi-media player (AVHDD)



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# Business Opportunities (II)

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- Energy Saving:  
Future of Lighting Ballast
  - Because of the new regulation, “smart” energy saving lamp is required.
  - The simple discrete circuit is no longer satisfying
  - **Driver IC for CFL,CCFL,LED** will replace the discrete and grow with the execution of the regulation
- European Union Commission Regulation No.244/2009: Eco-Design Requirements for Non-Directional Household Lamps
  - Lamp Efficiency Requirements
  - Lamp Functionality Requirements
  - Lamp Survival Factor at 6000 hours
  - Lumen Maintenance
  - Number of Switching Cycles before Failure
  - Starting Time/Warm-up Time
  - Lamp Power Factor



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# Business Opportunities (III)

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## Touch Panel

### • Mobile Phone

- Market research says, in 2009 Q2, 21.2% of handset shipments is equipped touch panel in Western Europe.  
43.4% of touch panel is capacitive
- Y/Y growth for Q2 is more than 600%
- The trend will keep going
- China market still have big room to grow for capacitive touch panel

### • DSC & PND

Great China		1Q09	2Q09	3Q09 (E)	4Q09 (F)
% of Touch	Capacitive	1.40%	1.60%	2%	2%
	Resistive	98.60%	98.40%	98%	98%
% of Handsets	All Touchscreen	14.90%	16.10%	18%	20%
Q/Q	Capacitive	20%	22%	51%	23%
	Resistive	4%	2%	22%	23%
	All Touchscreen	5%	2%	23%	23%
Y/Y	Capacitive	155%	277%	51%	173%
	Resistive	1%	5%	20%	61%
	All Touchscreen	2%	6%	20%	63%



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# Business Opportunities (IV)

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## USB 3.0

- Speed: USB 2.0 480Mbps; USB 3.0 5000Mbps  
(Example: HD movie takes time: USB2.0~13.9 min/USB3.0~70 sec.)
- Host: (NEC/**Fresco**)
  - PC totaled more than 250 million shipments a year (2008)
  - TV (totaled more than 120 million a year) can plug HD and play movie directly.
  - PC and TV still have good prospect in year 2010
- Device: (**Fujitsu**)
- 2008 USB Enabled device shipments are more than 3 billion in 2008 and expected to be over 4 billion in 2012 (In-Stat report, June 2009)



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Thank You

Q&A