



Inventec Appliances Corp.
英華達股份有限公司

Inventec Appliances Corporation

Agenda

Introductions

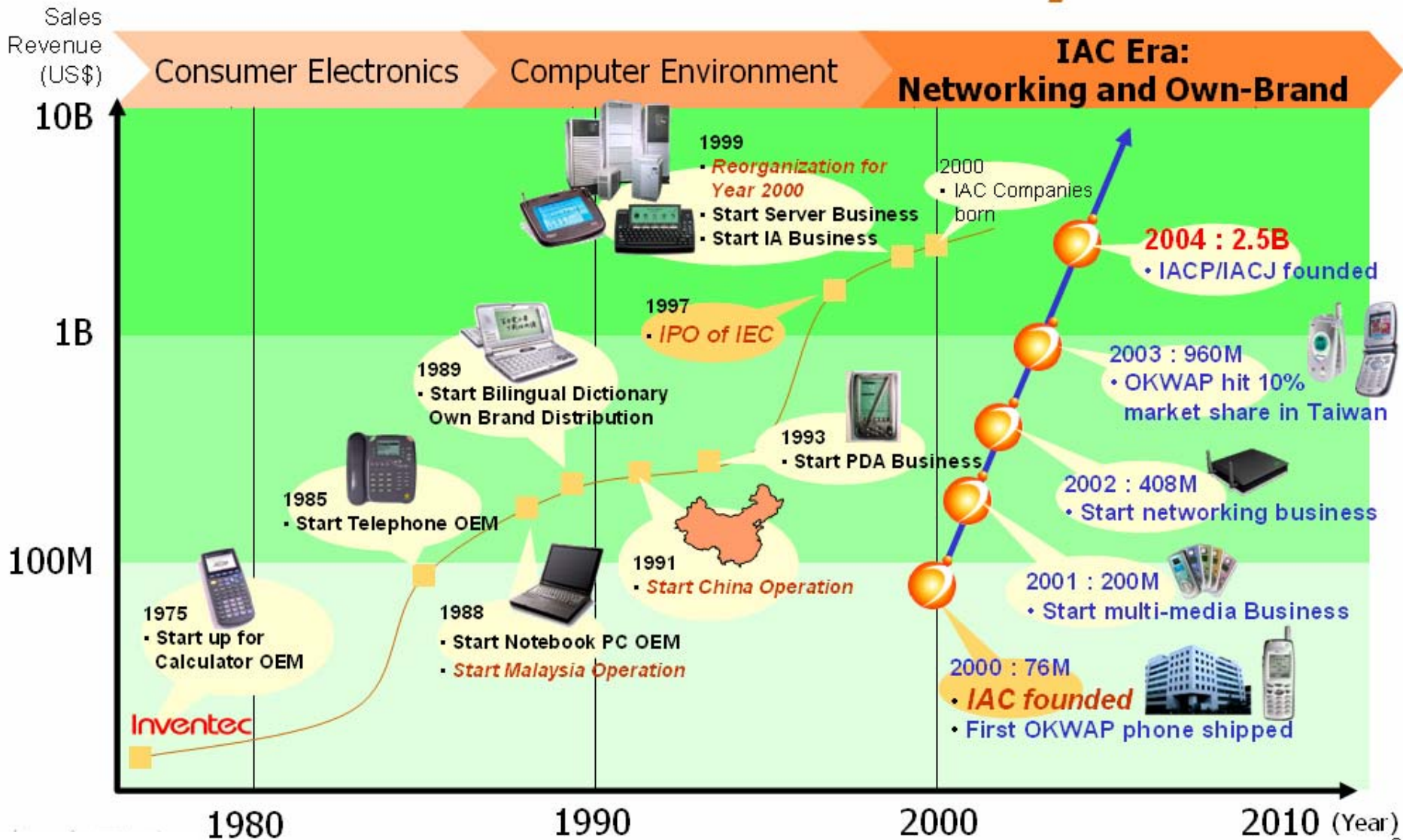
Business Strategies

Product Strategies

Financial Performance

IPO Information

IAC Business History



Global Operations

(7 Cities, 6 Main Facilities, 17,000+ Employees, 1,900+ Engineers)

OKWAP Operations(●)



- Taipei
- Shanghai
- Beijing
- Nanjing
- Guangzhou

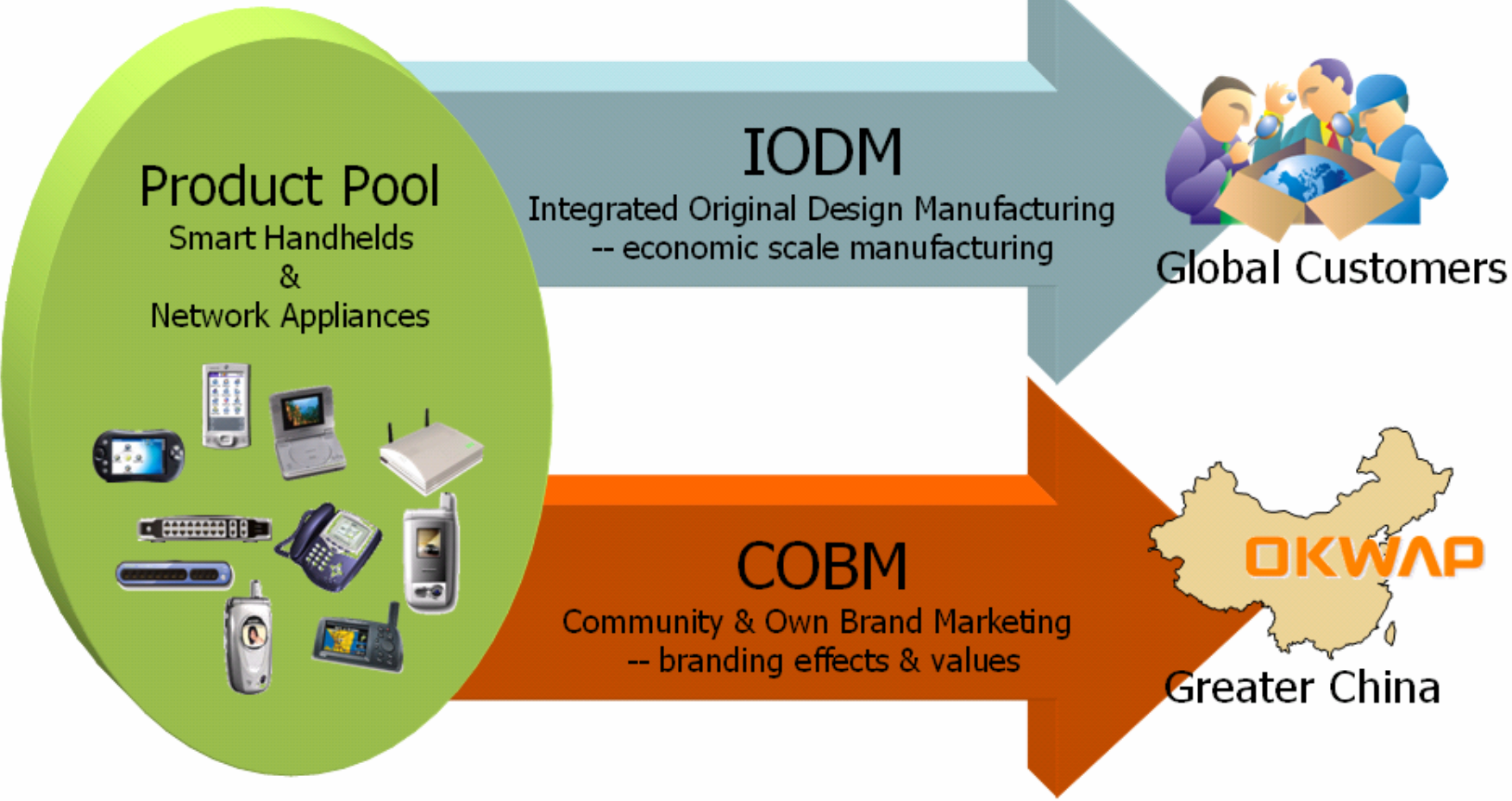
<p>Dallas</p> 	<p>Nanjing</p> 	<p>Shanghai</p> 	<p>Taipei</p> 
Major Facilities			
	 <p>Jiangning</p>	 <p>Pudong</p>	

Employees and Engineering Resources

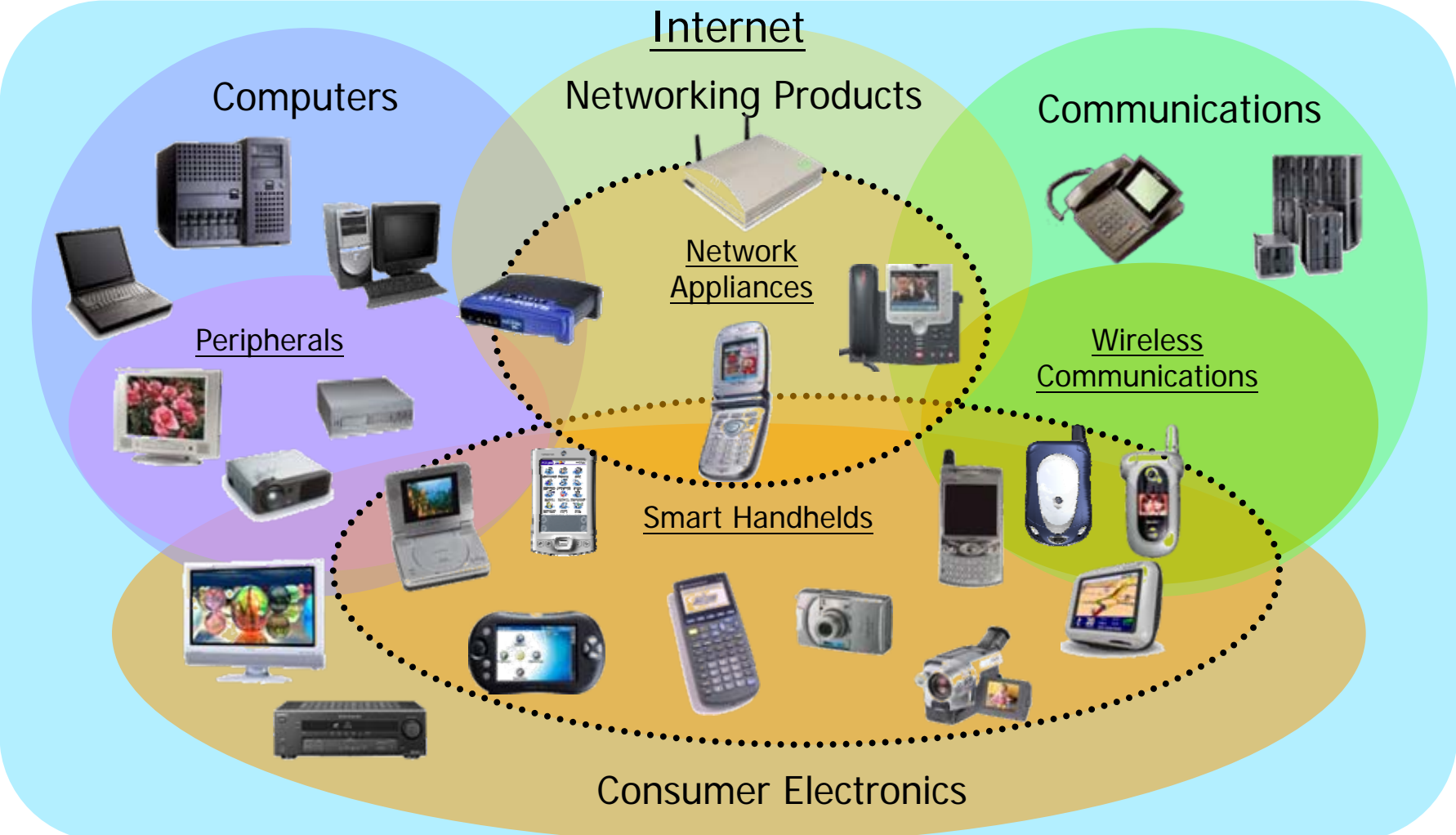
Facilities	IAC Taipei	IAC Shanghai	IAC Pudong	IAC Nanjing & Jiangning	OKWAP China	Overseas	Total
Employee	1,612	7,587	3,372	3,651	1,594	74	17,890

Developing Engineers	Wired Smart Handheld	Wireless Smart Handheld	Internet Appliances	Technology and Support	Number
Electronic Design	69	149	41	10	269
Software Design	88	248	58	12	406
Industrial Design	17	64	10	4	95
Mechanical Design	38	88	19	1	146
Planning, Database, Document	12	31	14	13	70
Quality Assurance	72	191	46	51	360
Others	4	9	0	31	44
Subtotal	300	780	188	122	1390
Manufacturing & MIS Engineers	Number				
Production Engineering	259				
Industrial Engineering	43				
Quality Control	107				
Manufacturing Info. System	102				
Subtotal	511				
Total Engineer Number	1901				

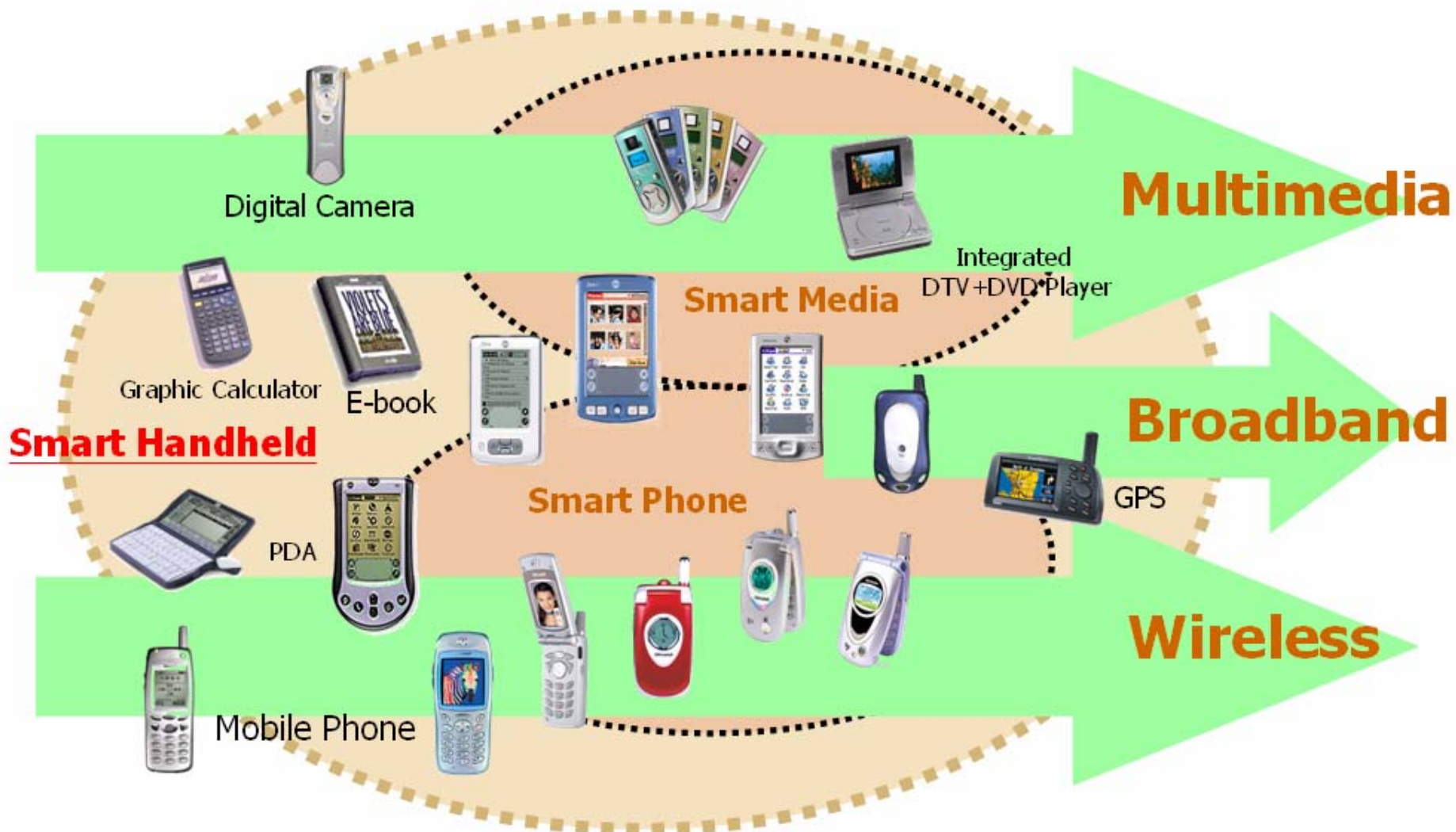
Business Models



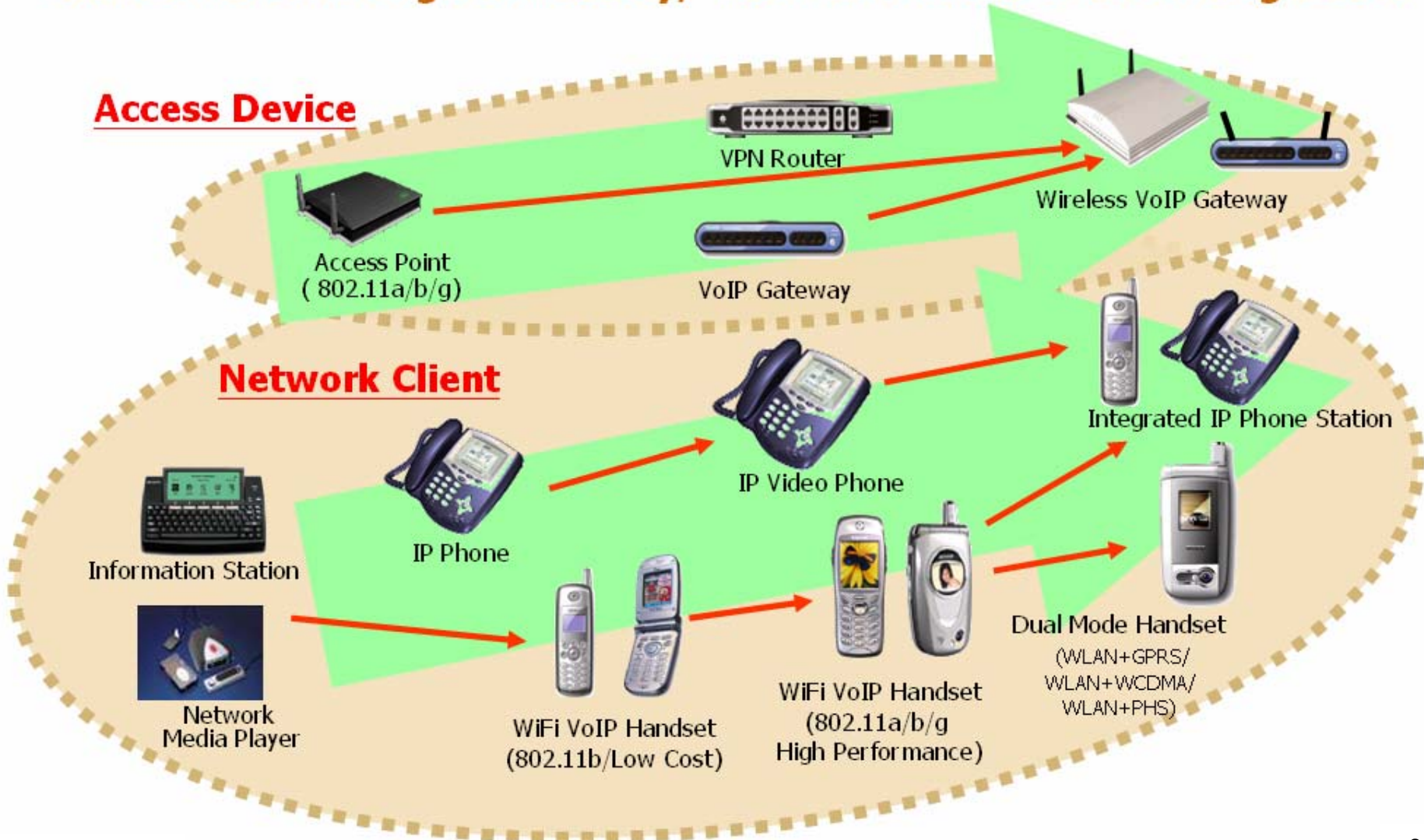
Product Range and Category



Smart Handheld : Wireless, Multimedia and Broadband

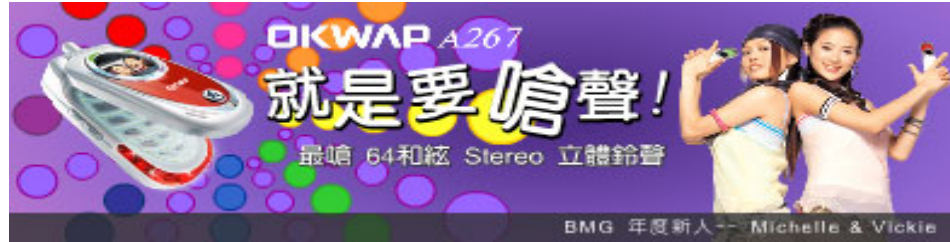


Network Client & Access Device: Low Power and High Efficiency, VoIP and Multi-Mode Integration



OKWAP Smart Phone

A Series
Fashion



i Series
Technology



S Series
System



H Series
Health



OKWAP Sales and Service Network



Summary of Development

Period Items	2001	2005
Employees	Total: 2,034 Engineer: 576	Total: 17,000+ Engineer: 1,900+
Production Facilities	40,000 m ²	83,000 → 183,000 m ²
Major Customers *	T- Bone, Psion, OKWAP Phone, Cidco	T- Bone, Pyramid, May, Trump, Photon, OKWAP (*)
Product Ranges	Graphic Calculator, PDA, GSM Phone, E-mail Terminal	Graphic Calculator, PDA, MP3 Player, GPS Navigator, GSM Phone, PHS Phone
Owned-Brand Business	NT\$ 1 Billion	NT\$ 10 Billion
Consolidated Revenue	NT\$ 7 Billion	NT\$ 52 Billion (1H)

* Customers' code name in IAC



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Financial Performance

Consolidated Financial Performance

Items \ Period	2001*	2002*	2003	2004	2005 1H
Revenue	7	14	31	79	52
Gross Profit	0.60	1.55	4.91	7.43	4.54
Net Income	0.26	0.59	1.92	2.09	1.36
EPS (Retroactive, in NT\$)	2.0	2.6	6.9	7.1	4.4
Total Assets	4	8	16	35	33
Equity	1	4	6	7	7
Outstanding Shares at Period End (in million shares; par value NT\$10 per share)	110	235	235	280	310

* Unit: NT\$ Billion, except for EPS and Outstanding Shares

* 2001 and 2002 are unconsolidated data.

Inventory Management

Items		Period	2003	2004	2005 1H
Consolidated Inventory (NT\$ Billion)	IAC		2.25	5.92	7.99
	High Tech Computer		2.16	4.20	3.95
	Compal Communications		0.73	2.16	2.28
	BenQ		18.73	17.48	17.66
Days to Sell Inventory (days)	IAC		21	21	28
	High Tech Computer		43	44	37
	Compal Communications		17	46	28
	BenQ		55	44	54

Source: Taiwan Stock Exchange (mops.tse.com.tw and mis.tse.com.tw)

A/R Management

Items		Period	2003	2004	2005 1H
Consolidated A/R (NT\$ Billion)	IAC		5.27	16.77	11.52
	High Tech Computer		5.44	8.49	8.08
	Compal Communications		2.24	3.76	4.74
	BenQ		22.07	21.30	17.59
Days to collect AR (days)	IAC		45	51	50
	High Tech Computer		84	70	53
	Compal Communications		46	78	45
	BenQ		54	46	53

Source: Taiwan Stock Exchange (mops.tse.com.tw and mis.tse.com.tw)



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IPO Information

IPO Profile

- ❑ **Use of Proceeds: working capital.**
- ❑ **Shares for the cash capital increase: 23M common shares**
 - ❖ 20M shares for public offering.
 - ❖ 3M shares reserved for subscription by company employees
- ❑ **Public Offering Shares: 22M shares**
 - ❖ 20M new shares for the cash capital increase
 - ❖ 2M issued shares for exercising over-allotment
- ❑ **Offering Method:**
 - ❖ By book building through the underwriter.
- ❑ **Offering Price: NT\$108 per share.**
- ❑ **Payment Period: Oct.17-19, 2005.**
- ❑ **Scheduled Listing Date: Oct.25, 2005.**

Post-IPO Capital

Outstanding Common Shares as of 1/1/2005		280
Add	Capitalization of retained earning and employee bonus	30
	Cash Capital Increase through IPO	23
Total outstanding shares after listing		333

Unit: million shares
(par value NT\$10 per share)



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Thank You