



Asia Technology Conference

Sep. 8, 2010



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Agenda

- **Background**
- **2010 H1 Financial Statement**
- **Products**
- **Marketing Strategies**
- **Growth Strategies**

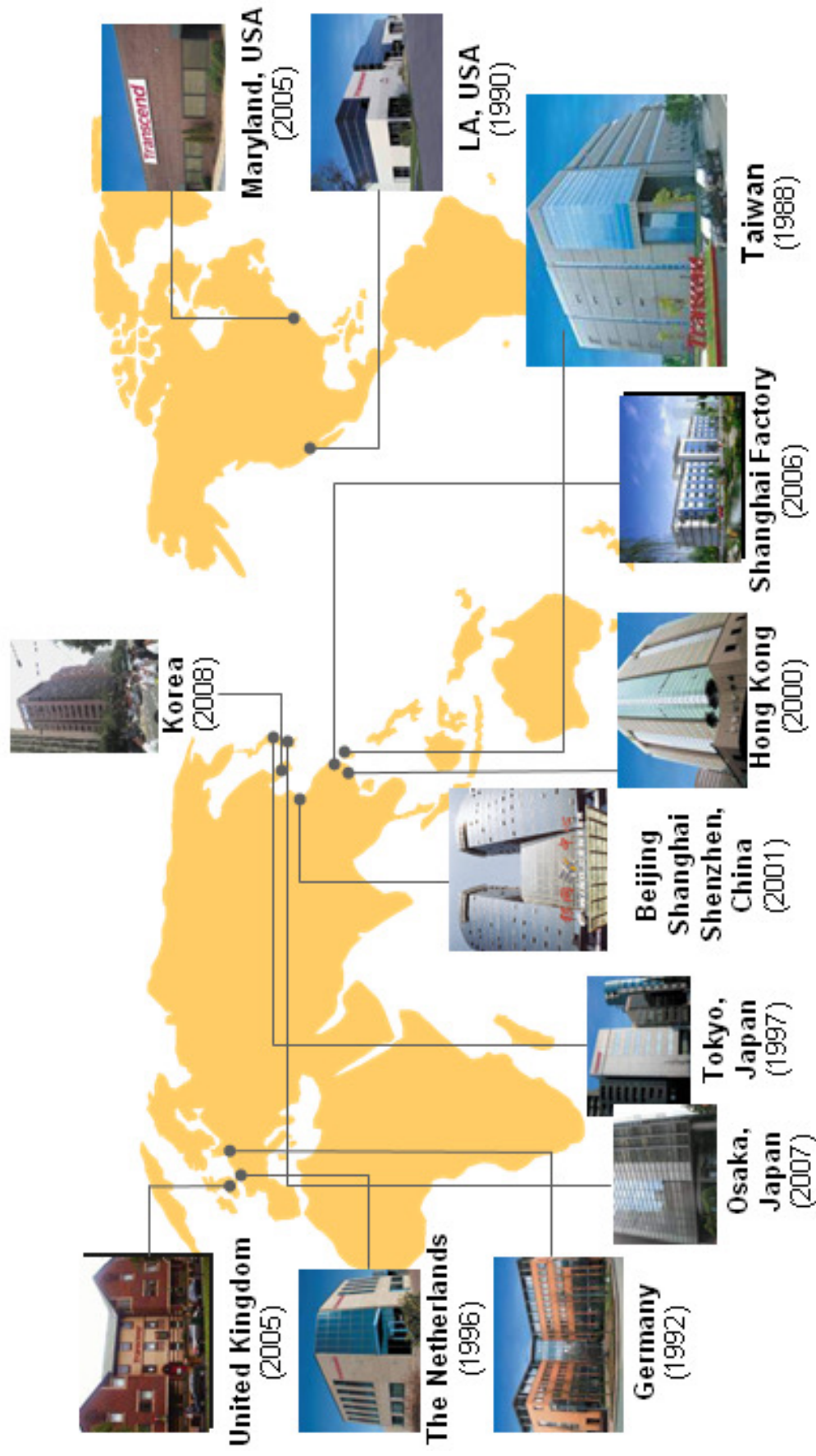
Background



Mr. Peter Shu
Chairman & CEO

- Founded in 1988
- Headquarters in Taipei, Taiwan
- 13 international offices in 8 countries
- Transcend went public in Taiwan in May 2001
- 2,000+ Products
- 7.7 Million units/mo production capacity (China factory)
- 2 Million units/mo production capacity (Taiwan factory)

International Offices



Consolidated Income Statement

Unit: NTD 億元

	2Q10	1Q10	QoQ%	2Q09	YoY%
Sales	67.4	82.9	-18.7%	78.8	-14.5%
Gross Profit	8.79	12.9	-31.9%	16.7	-47.4%
Gross Margin	13.0%	15.6%	-2.52%	21.2%	-8.15%
Operating Expense	3.83	4.00	-4.25%	4.44	-13.7%
Operating Profit	4.96	8.97	-44.7%	12.3	-59.7%
Operating Margin	7.36%	10.8%	-3.46%	15.6%	-8.25%
Non-Operating Income	0.83	-2.49	-133%	0.22	277%
Pre-Tax Profit	5.79	6.48	-10.6%	12.5	-53.7%
Tax Expense	1.80	1.38	30.4%	3.37	-46.6%
Net Income	3.99	5.11	-21.9%	9.10	-56.2%
Net Margin	5.92%	6.16%	-0.24%	11.5%	-5.63%
EPS	0.94	1.21		2.31	

Consolidated Balance Sheet

Unit: NTD 億元

Selected Items from Balance Sheet

Cash & Marketable Securities

Account Receivable

Inventory

Current Asset

Fixed Asset

Total Asset

Account Payable

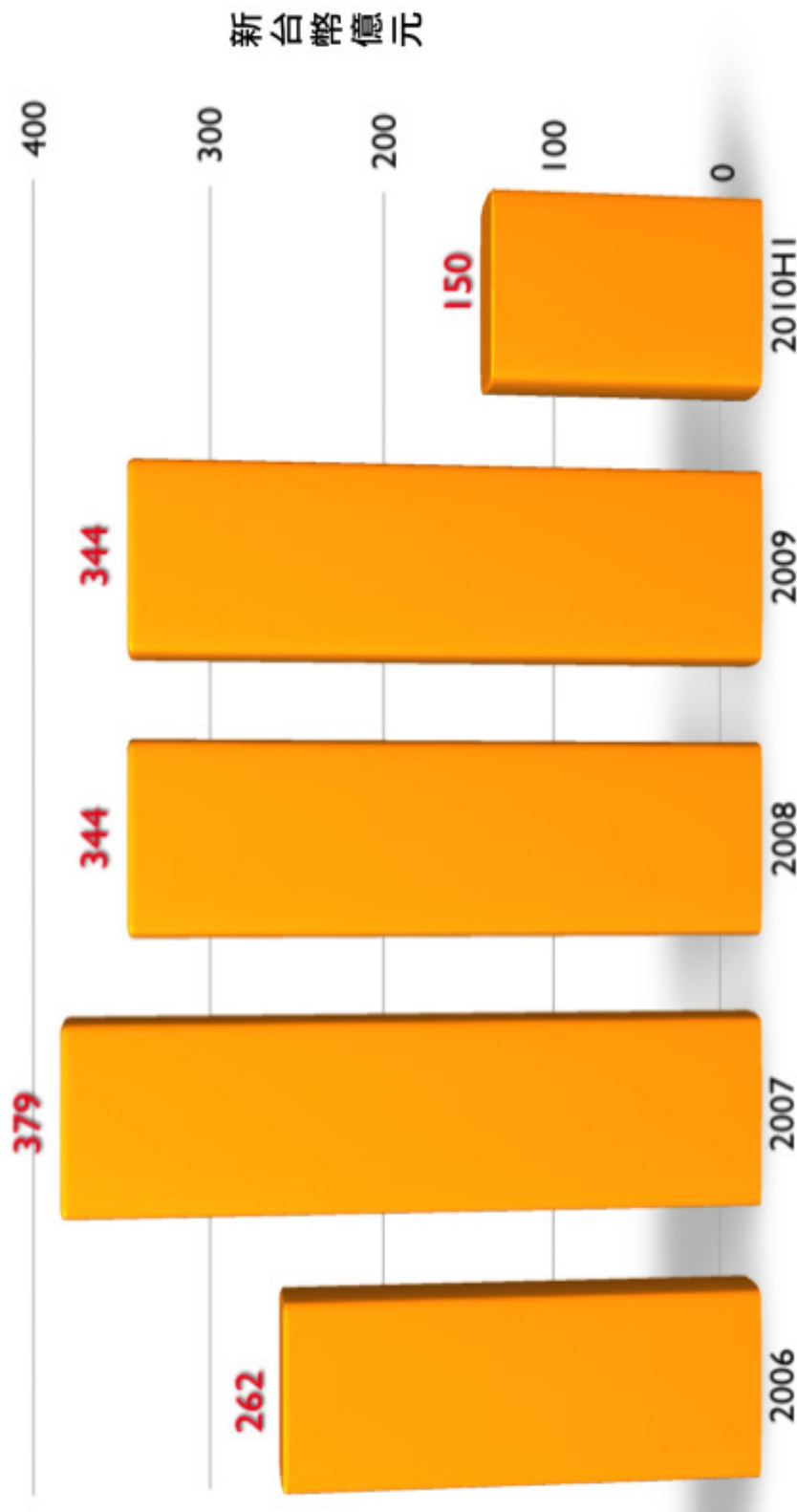
Current Liabilities

Total Liabilities

Total Shareholder's Equity

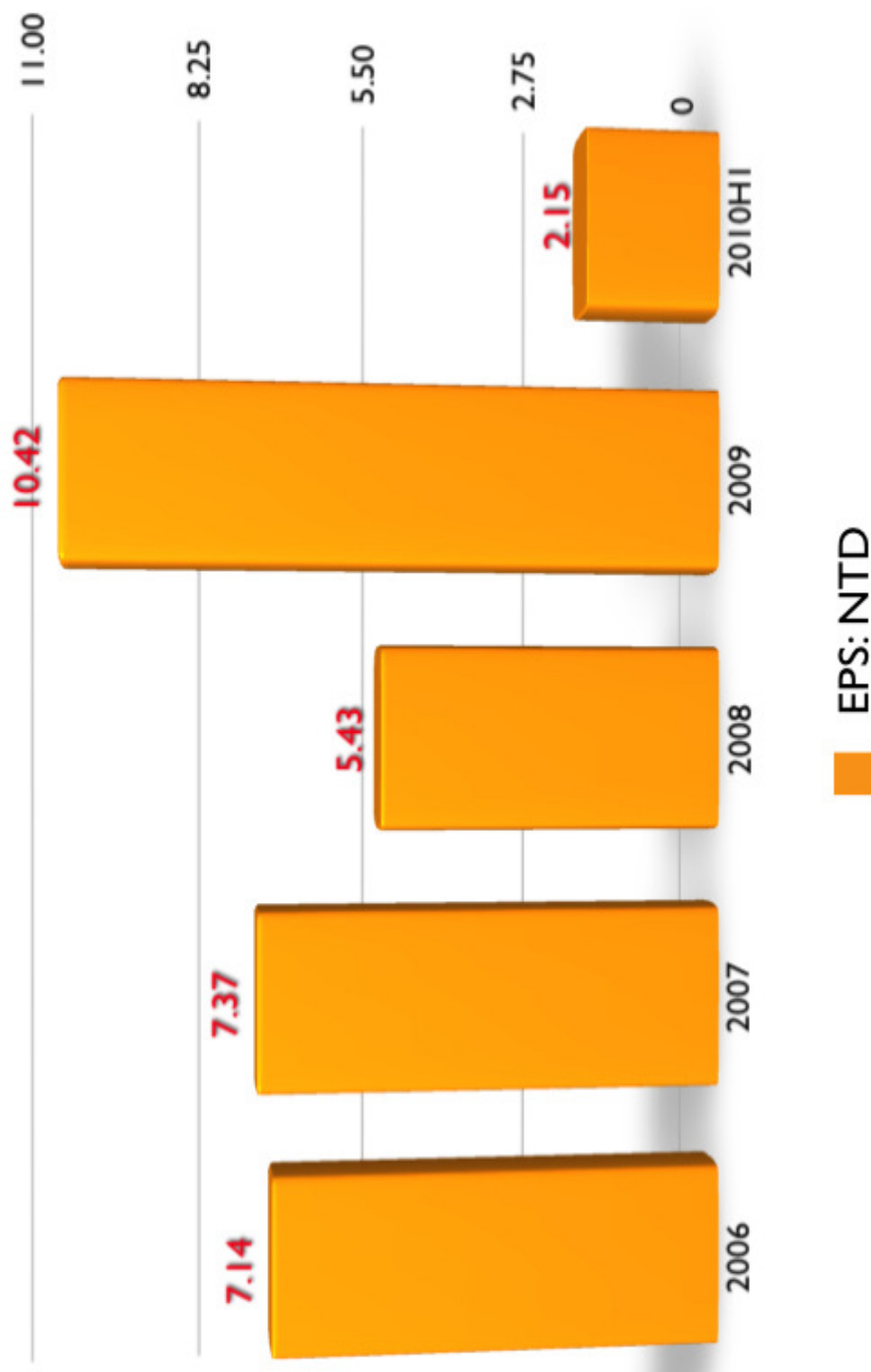
1H 10		2009	
Amount	%	Amount	%
67.4	31.1%	80.2	37.9%
26.7	12.3%	37.6	17.8%
52.2	24.1%	43.1	20.3%
168	77.5%	165	77.9%
37.3	17.2%	35.2	16.6%
217	100%	212	100%
11.8	5.45%	9.19	4.34%
45.2	20.9%	23.9	11.3%
51.4	23.7%	30.5	14.4%
165	76.3%	181	85.6%

Consolidated Sales Achievements

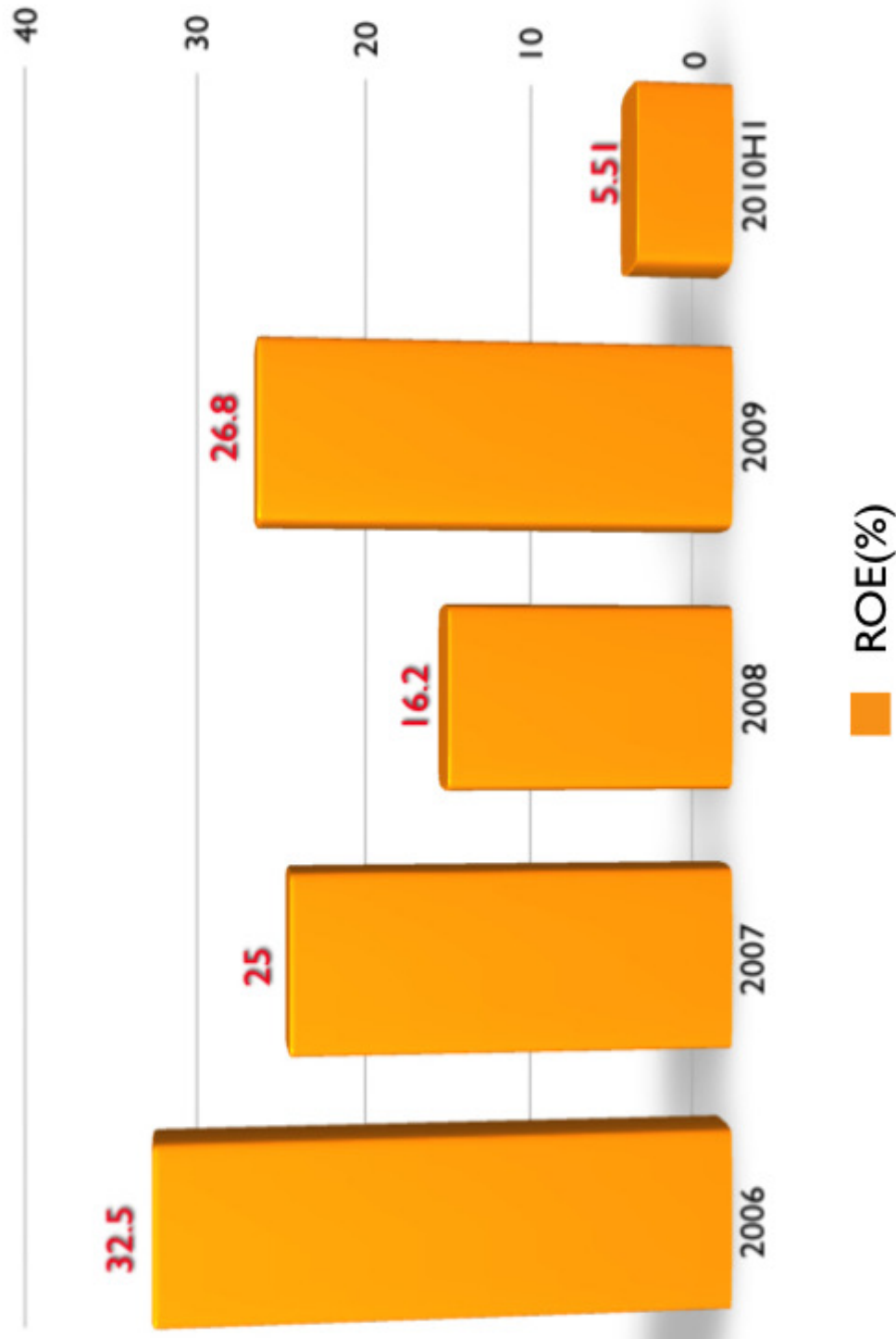


■ Annual Sales Revenue

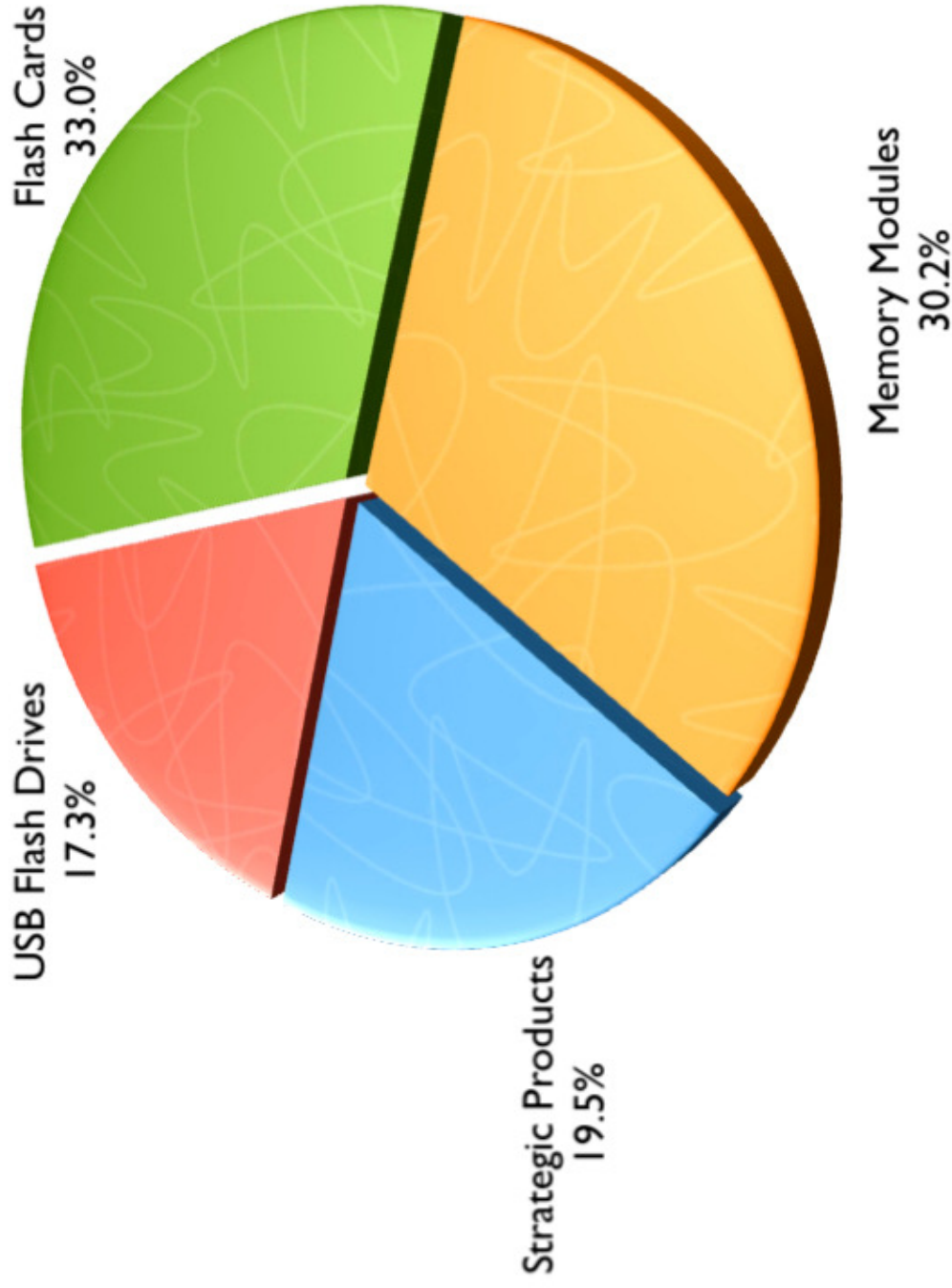
Earning Per Share Achievements



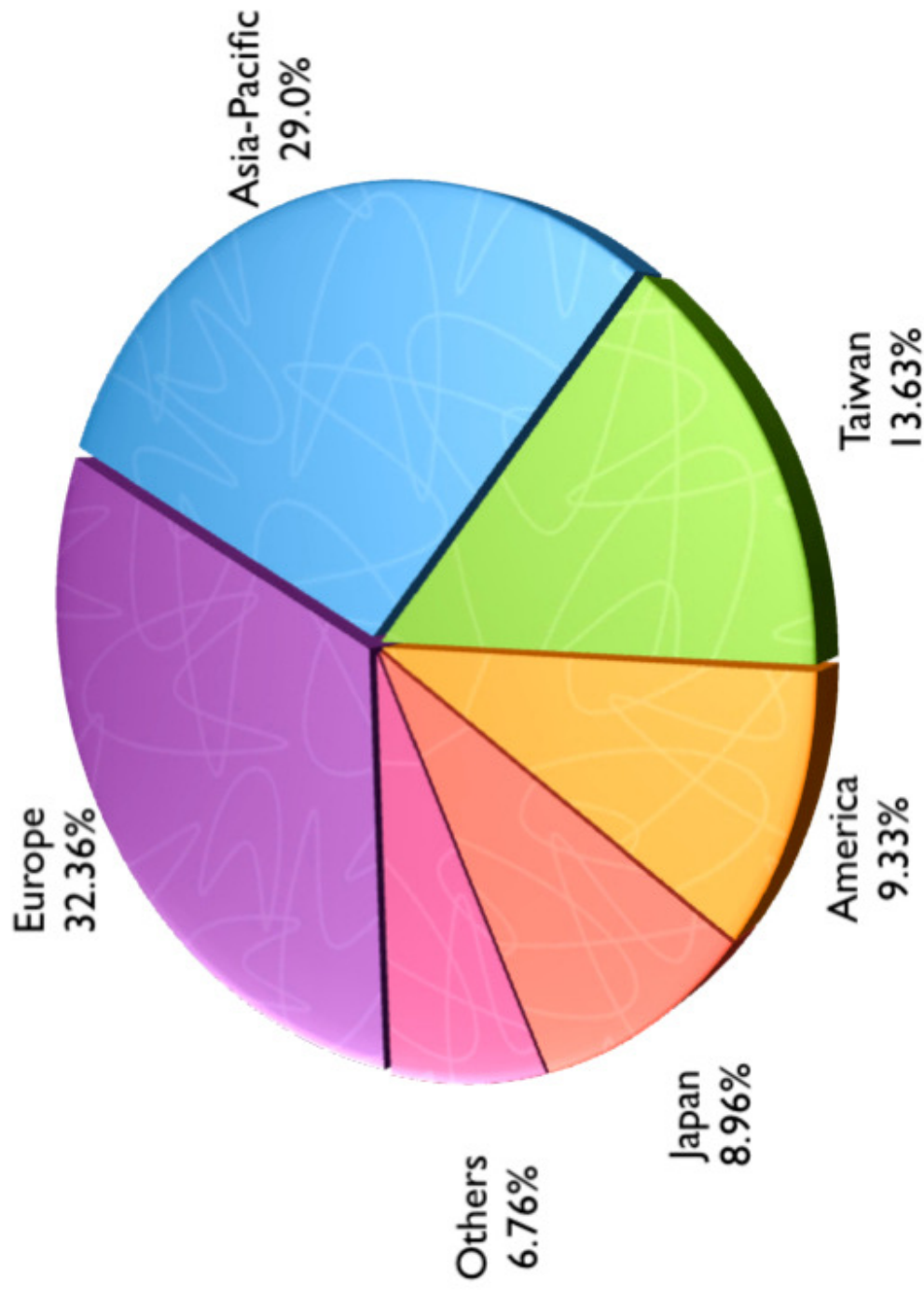
Strong and Stable Operation Performance



2010 H1 Revenue Breakdown by Product



2010 H1 Revenue Breakdown by Region



Common Wealth- Top 1000 Manufacturers in Taiwan

Common Wealth Magazine – Transcend ranked 83rd in the Top 1,000 Manufacturers in Taiwan

1000 製造業 總表 051 ~ 100

75	台灣糖業 Taiwan Sugar Corporation	370.83	0.86	48
76	南亞科技 Nanya Technology Corporation	369.04	-32.14	94
77	國瑞汽車 KUOZUI MOTORS LTD.	363.00	-39.21	96
78	華寶通訊 Compal Communications, Inc.	361.83	-25.69	89
79	台一國際 TAI-I ELECTRIC WIRE & CABLE CO., LTD.	358.53	6.73	35
79	裕隆汽車 Yulon Motor Co., Ltd.	358.53	-12.98	76
81	台灣國際造船 CSBC Corporation, Taiwan	356.53	22.38	15
82	台灣國際造船 CSBC Corporation, Taiwan	351.28	-3.99	58
83	83 創見資訊 Transcend Information, Inc.	344.07	-9.14	68
84	瑞儀光電 Radiant Opto-Electronics Corporation	341.92	3.12	43
85	大連化學 Dairen Chemical Corporation	340.16	8.08	32
86	長興化學 Eternal Chemical Co., Ltd.	339.26	-1.42	53
87	佳能企業 ABILITY ENTERPRISE CO., LTD.	335.54	-1.77	54
88	統寶光電 Toppoly Optoelectronics Corp.	334.98	-7.47	66
89	大成不銹鋼 Ta Chen Stainless Pipe Co., Ltd.	332.82	-10.62	72
90		332.27	7.13	34



2009 Taiwan's Top 20 Global Brands

**Transcend was recognized as one of Taiwan's
Top 20 Global Brands in 2009**

Fifth consecutive year for Transcend



Ranking: 11

Brand Value: US\$ 212 million



Product Lines

Memory Modules

Flash Cards

Flash Drives

Strategic Products

aXeRam™
Proprietary
Standard
JetRam®

Industrial Flash
IDE Flash Modules
USB Flash Modules
SATA Flash Modules

Flash Cards
CompactFlash® Cards
Secure Digital Cards
MultiMediaCard™

High-speed
Fingerprint
Classic/ Deluxe
Anti-shock
Anti-virus
Tiny-size

Solid
State Drives
Digital
Photo Frames
Digital
Music Players
External
Hard Drives
Card Readers

Premium

Valued

aXeRam Overclocking Modules

DDR3 Overclocking Kit: TX2400KLU-4GK

- Specifications:
 - DRAM Source: **PSC D die**
 - Capacity: 4GB (**2 x 2GB**, 16pcs 128x8 DRAM)
 - Speed: DDR3 2400MHz (PC3-19200)
 - Timing: **9-11-9-28**
 - Voltage: **1.65V**
 - Function: Unbuffered Non-ECC
 - Dual channel kit with matched modules



USB 3.0 Series



StoreJet® 25D3
2.5" Portable Hard Drive



StoreJet® 25M3
2.5" Portable Hard Drive



PDU3
USB 3.0 Expansion Card



PNU3
USB 3.9 ExpressCard Adapter

StoreJet® 25D3

NEW



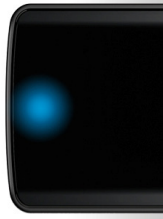
- SuperSpeed USB 3.0 up to 5Gbps
- Anti-Shock Design
(HDD suspend system inside)
- 2.5" hard drive up to 640GB
- LED indicates Power On and Data transfer activity
- Elegant Design



(500GB, 640GB)

USB
2.0

USB
3.0



Multicolor USB 3.0/2.0 status LED



Includes USB 3.0 cable and travel pouch



Internal hard drive suspension system

 Transcend®

StoreJet® 25M3



- 2.5" SATA portable hard drive
- Anti-shock (**meet military grade drop test standard**)
- High-speed USB 2.0 compliant
- One-Touch backup function



Unparalleled data transfer performance
(USB 3.0 mode)

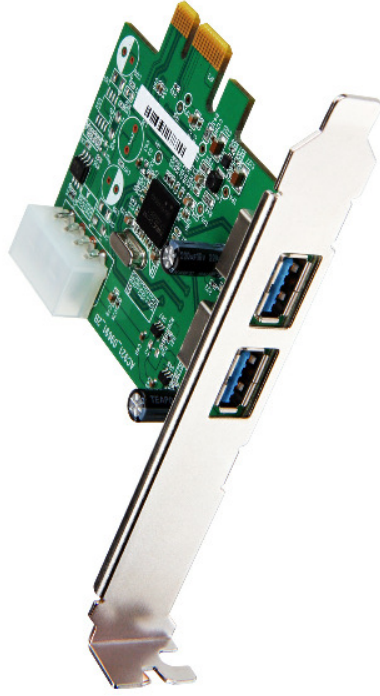


Designed to meet U.S. military drop test standards



Multicolor USB 3.0/2.0 status LED indicator

PDU3



- Ultra-fast PCI Express interface eliminates speed bottlenecks
- Connection bandwidth up to 5Gbits per second (in USB 3.0 mode)
- Installs easily in any PCIe slot
- Backwards compatible with USB 2.0/1.1 devices
- Fully compatible with PCI Express 2.0
- Two external USB 3.0 ports - xHCI compliant



Up to 10X faster than USB 2.0



Works in any PCI Express slot



Simultaneous bi-directional data transfer

PNU3



- Connection bandwidth up to 5Gbits per second (in USB 3.0 mode)
- Backwards compatible with USB 2.0/ 1.1 devices
- Efficient power management to help save battery life
- Unrestricted simultaneous two-way data transfer
- Supports Plug and Play and hot swapping
- Two SuperSpeed USB 3.0 ports
- xHCI compliant



Easy to install in notebook computers



Connection bandwidth up to 5Gb/s
(in USB 3.0 mode)



Unrestricted simultaneous two-way data transfer

Stylish White Collection



MP330

- Digital Music Player
- Built-in full-size USB connector
 - Direct line-in recording
 - Weight: 25g
 - Capacity: 2GB-8GB



JetFlash® 530

USB Flash Drives

- Capless design with a sliding USB connector
- Includes JetFlash[®] data management tools
- Weight: 10g
- Capacity: 2GB-32GB



StoreJet® 25D2

2.5" Portable Hard Drives

- Durable anti-shock rubber inside the case
- Power-saving auto sleep mode
- Three-year warranty
- Capacity: 500GB

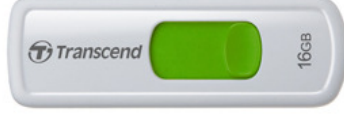


STYLISH
WHITE
COLLECTION

High-speed USB Flash Drives

NEW

JetFlash® 530



- Capless design with a sliding USB connector
- LED power / data transfer activity indicator
- Capacities: 2GB-32GB



Capless design with a sliding USB connector



Sleek gloss-white case with bright lively colors



Plug-and-play convenience

Transcend®

Digital Music Player - MP3330



(2GB/ 4GB / 8GB)



Superb audio playback quality



Built-in full-size USB connector



Voice recorder



Removable sport clip

- Supports MP3, WMA, WMA-DRM10 (subscription music), FLAC and WAV music files
- Superb audio playback quality (over 90dB SNR)
- Built-in microphone with VAD (Voice Activity Detection) technology
- Direct Line-In recording from a CD Player, or external Microphone
- Works like a USB flash drive
- Removable sport clip

Developing Industrial Market

2010 Embedded System Expo (Japan)



Generating End-Users Demand

Festival Komputer Indonesia 2010

**Festival[®]
Komputer
Indonesia 2010**



Transcend[®]

Generating End-Users Demand

2010 TCAS (8/5-8/9)



Transcend®

E-Marketing



19

International fan-pages

E-Marketing

Direct Access to 1.3 Million End-Users

ePapers (sent every month)



Growth Strategies

■ Increase Production Capacity

- With the development of the Shanghai factory, the production capacity will continue to grow

– To build a new factory in Taipei

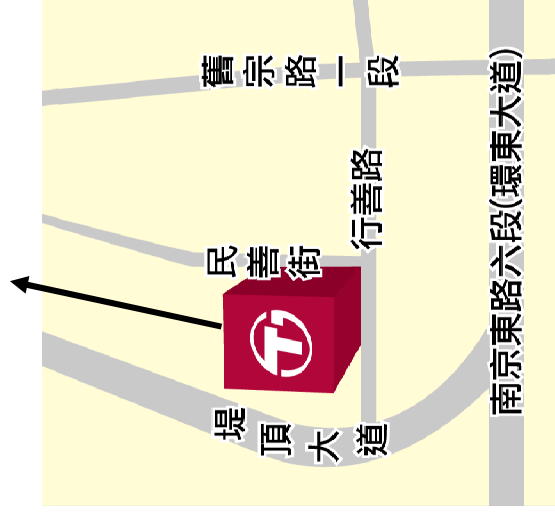
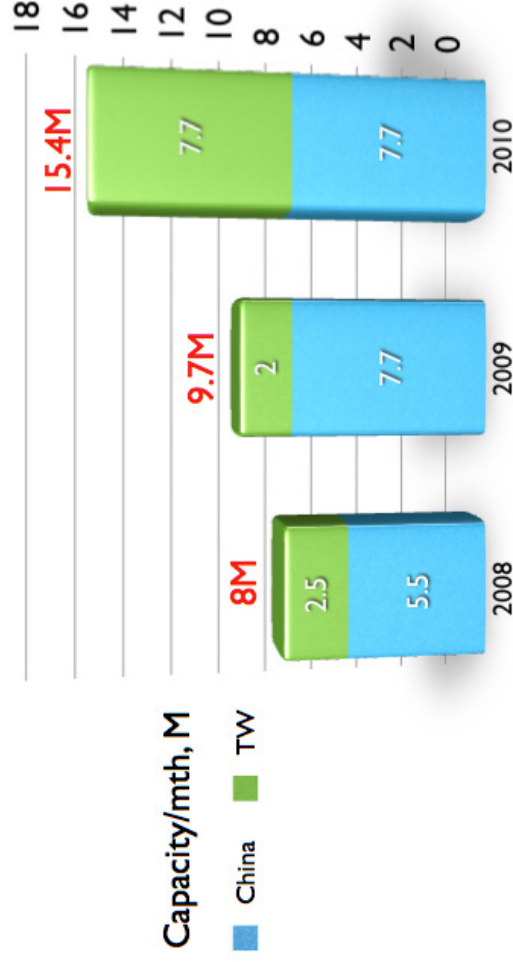
Construction expected to complete in 2010

Site area: 8300 square meters

Total floor area: 35000 square meters

Another 20 SMT lines to be installed afterwards

Over 1,500 Workers



Q & A

