



Displaying your vision

Chunghwa Picture Tubes, Ltd.

2Q09 Investor Conference

中華

Safe Harbor Statement



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The statements included in this presentation that are not historical in nature are forward-looking statements. These forward-looking statements which may include statements regarding CPT's future results of operations, financial condition, and investment plan are subject to significant risks and uncertainties and are based on CPT current expectations.

Actual results may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including, among other things: the cyclical fluctuation and our gross margin affected by downward price pressures; our dependence on growth in the demand for our products; dependence on access to raw materials and components; general economic and political conditions, including those related to the TFT-LCD industry; possible disruptions in commercial activities caused by natural and human-induced disasters; and fluctuations in foreign currency exchange.

Additional information as to these and other factors that may cause actual results to differ materially from CPT forward-looking statements can be found in CPT annual report on Market Observe Post System in Security and Future Commission website.



Agenda



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- **Opening**
- **CPT Financials**
- **Market & CPT**
- **Q&A**



Session 1



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✓ **Opening**

Mr. Kay Chiu
President

■ **CPT Financials**

■ **Market & CPT**

■ **Q&A**



Session 2



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■ Opening

✓ CPT Financials

Mr. James Wu

CFO

■ Market & CPT

■ Q&A

Session 3



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■ Opening

■ CPT Financials

✓ Market & CPT

Mr. Marvin Wang
Director
Display BU, TFT

Mr. Ryan Chung
Chief Director
NB BU, TFT

Mr. S.C Lin
V.P.
Small-Medium BU, TFT

■ Q&A

2Q09 Sales Results



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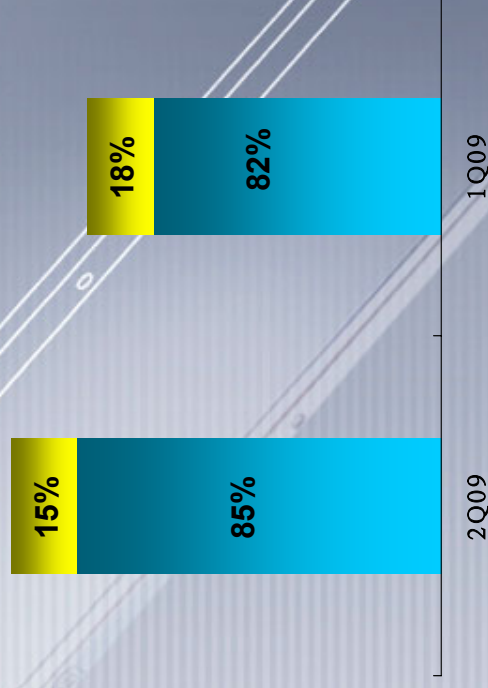
Unit: NT\$ M.

Revenue	2Q09	1Q09	QoQ %
Group	11,889	9,797	21.4%
TFT-LCD	10,118	8,001	26.5%
(L)	7,309	6,543	11.7%
(S&M)	2,809	1,458	92.7%
CRT & Others	1,771	1,796	(1.4%)

Revenue	2Q09	2Q08	YoY %
Group	11,889	35,152	(66.2%)
TFT-LCD	10,118	31,040	(67.4%)
(L)	7,309	27,205	(73.1%)
(S&M)	2,809	3,503	(19.8%)
CRT & Others	1,771	4,112	(56.9%)

QoQ Revenue Breakdown

■ TFT-LCD ■ CRT & Others



Source: Unaudited company data

2Q09 Consolidated Income Statement



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	2Q09	1Q09	QoQ Chg (%)	2Q08	YoY Chg (%)
Unit: NT\$ M.					
Net Sales	11,889	9,797	21.4	35,152	(66.2)
Gross Profit	(6,535)	(7,708)	15.2	5,480	(219.3)
Operating Income	(8,669)	(9,595)	9.7	2,336	(471.1)
Pre-tax Income	(9,803)	(11,208)	12.5	1,184	(928.0)
Net Income	(9,855)	(11,195)	12.0	1,071	(1,020.2)
Adjusted EBITDA ¹	(2,102)	(3,000)	29.9	9,221	(122.8)
EPS	(1.04)	(1.19)		0.11	
Margins (%)					
	2Q09	1Q09		2Q08	
Gross Margin	(55.0)	(78.7)		15.6	
Operating Margin	(72.9)	(97.9)		6.6	
EBITDA Margin	(17.7)	(30.6)		26.2	

Source: Unaudited company data

Note 1: Adjusted EBITDA is defined as operating income, plus depreciation and amortization.



1H09 Consolidated Income Statement

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Unit: NT\$ M.	1H09	1H08	YoY Chg(%)
Net Sales	21,686	75,394	(71.2)
Gross Profit	(14,243)	12,837	(211.0)
Operating Income	(18,264)	6,093	(400.0)
Pre-tax Income	(21,011)	6,396	(428.5)
Net Income	(21,050)	6,189	(440.1)
Adjusted EBITDA	(5,102)	19,883	(125.7)
EPS	(2.23)	0.65	(443.1)
Margins (%)	1H09	1H08	
Gross Margin	(65.7)	17.0	
Operating Margin	(84.2)	8.1	
EBITDA Margin	(23.5)	26.4	

Source: Unaudited company data

2Q09 Consolidated Balance Sheet



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Unit: NT\$ M.	2Q09	1Q09	QoQ Chg (%)	2Q08	YoY Chg (%)
Cash & ST Investment	16,046	18,077	(11.2)	32,798	(51.1)
Inventory	8,445	10,479	(19.4)	17,048	(50.5)
Short term Debt	30,845	45,599	(32.4)	28,843	6.9
Long term Debt	32,975	23,247	41.8	42,402	(22.2)
Stockholders' Equity	60,717	71,593	(15.2)	103,043	(41.1)
Book Value per Share	6.72	7.92		11.40	
Ratios(%)	2Q09	1Q09		2Q08	
Debt / Equity	105	96		69	
Net Debt / Equity	79	71		37	
Inventory Turnover (days) ²	43	47		47	

Source: Unaudited company data

Note 2: Average period of the designated period divided by annualized and multiplied by 365 days

2Q09 TFT BU Income Statement



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Unit: NT\$ M.	2Q09	1Q09	QoQ Chg (%)	2Q08	YoY Chg (%)
Net Sales	10,118	8,001	26.5	31,040	(67.4)
Gross Profit	(6,156)	(7,166)	14.1	5,870	(204.9)
Operating Income	(8,112)	(8,896)	8.8	2,431	(433.7)
Pre-tax Income	(8,861)	(10,526)	15.8	1,568	(665.1)
Adjusted EBITDA	(2,003)	(2,787)	28.1	8,846	(122.6)
EBITDA per panel ³	(534)	(908)	41.2	1,295	(141.2)
Margins (%)	2Q09	1Q09		2Q08	
Gross Margin	(60.8)	(89.6)		18.9	
Operating Margin	(80.2)	(111.2)		7.8	
EBITDA Margin	(19.8)	(34.8)		28.5	

Source: Unaudited company data

Note 3: The unit for EBITDA per "large-sized" panel is NT\$.



1H09 TFT BU Income Statement

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	1H09	1H08	YoY Chg(%)
Unit: NT\$ M.			
Net Sales	18,119	67,278	(73.1)
Gross Profit	(13,322)	13,323	(200.0)
Operating Income	(17,008)	6,514	(361.1)
Pre-tax Income	(19,387)	6,919	(380.2)
Adjusted EBITDA	(4,790)	19,355	(124.7)
EBITDA per panel	(1,442)	2,824	(151.1)
Margins (%)	1H09	1H08	
Gross Margin	(73.5)	19.8	
Operating Margin	(93.9)	9.7	
EBITDA Margin	(26.4)	28.8	

Source: Unaudited company data

2Q09 CRT BU Income Statement



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Unit: NT\$ M.	2Q09	1Q09	QoQ Chg (%)	2Q08	YoY Chg (%)
Net Sales	1,770	1,796	(1.4)	4,015	(55.9)
Gross Profit	(385)	(538)	28.4	(233)	(65.2)
Operating Income	(545)	(704)	22.6	(468)	(16.5)
Pre-tax Income	(517)	(689)	25.0	(376)	(37.5)
Adjusted EBITDA	(102)	(232)	56.0	(13)	(684.6)
Margins (%)	2Q09	1Q09		2Q08	
Gross Margin	(21.8)	(30.0)		(5.8)	
Operating Margin	(30.8)	(39.2)		(11.7)	
EBITDA Margin	(5.8)	(12.9)		(0.3)	

Source; Unaudited company data



1H09 CRT BU Income Statement

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Unit: NT\$ M.	1H09	1H08	YoY Chg(%)
Net Sales	3,566	7,956	(55.2)
Gross Profit	(923)	(372)	(148.1)
Operating Income	(1,249)	(827)	(51.0)
Pre-tax Income	(1,206)	(573)	(110.5)
Adjusted EBITDA	(334)	93	(459.1)
Margins (%)	1H09	1H08	
Gross Margin	(25.9)	(4.7)	
Operating Margin	(35.0)	(10.4)	
EBITDA Margin	(9.4)	1.2	

Source: Unaudited company data

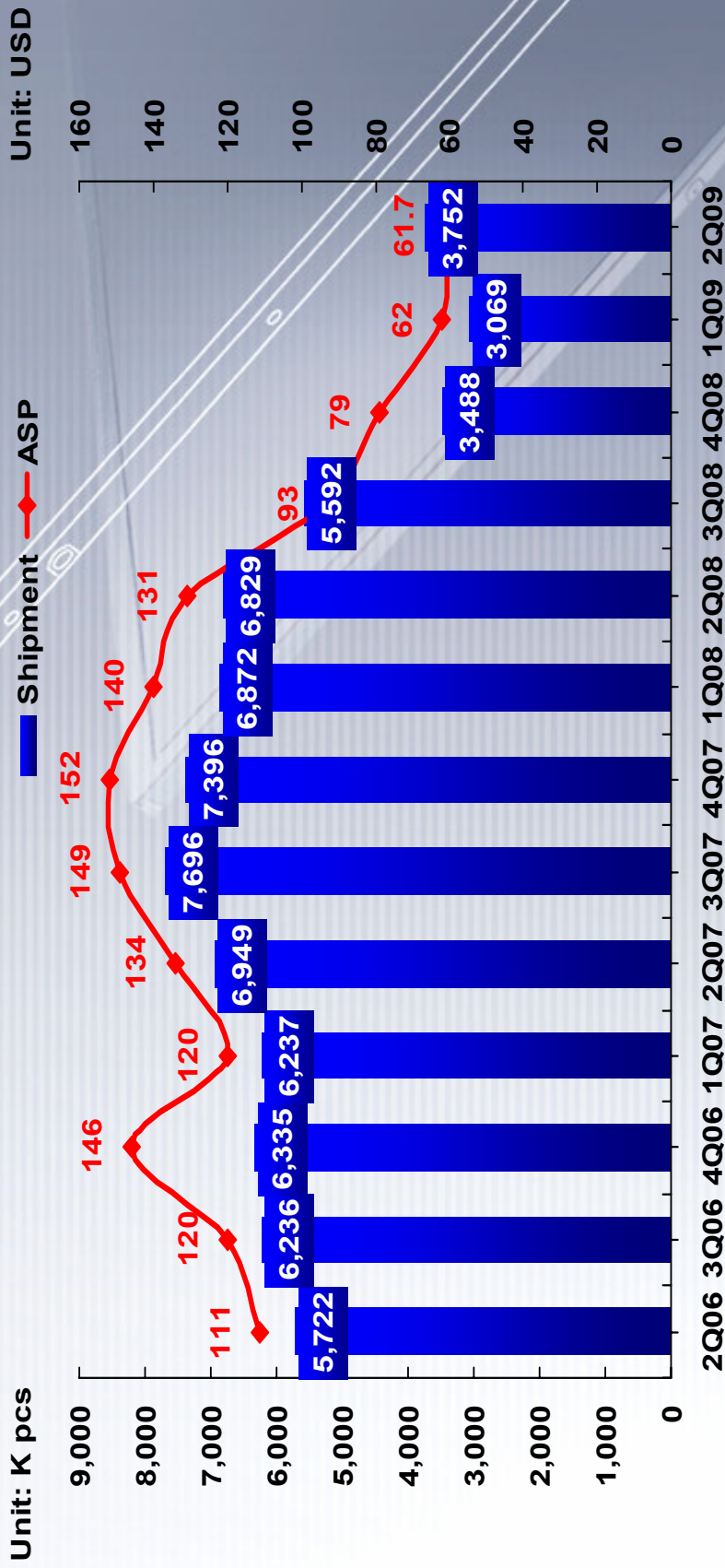
TFT-LCD Panel Shipment - (L)



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- In 2Q09, TFT-LCD large-sized panel shipments were around 3.8M., up 22.3% QoQ.
- In 2Q09, blended ASP approximated US\$61.7, down 0.5% QoQ due to having different product mix .



Source: Unaudited company data

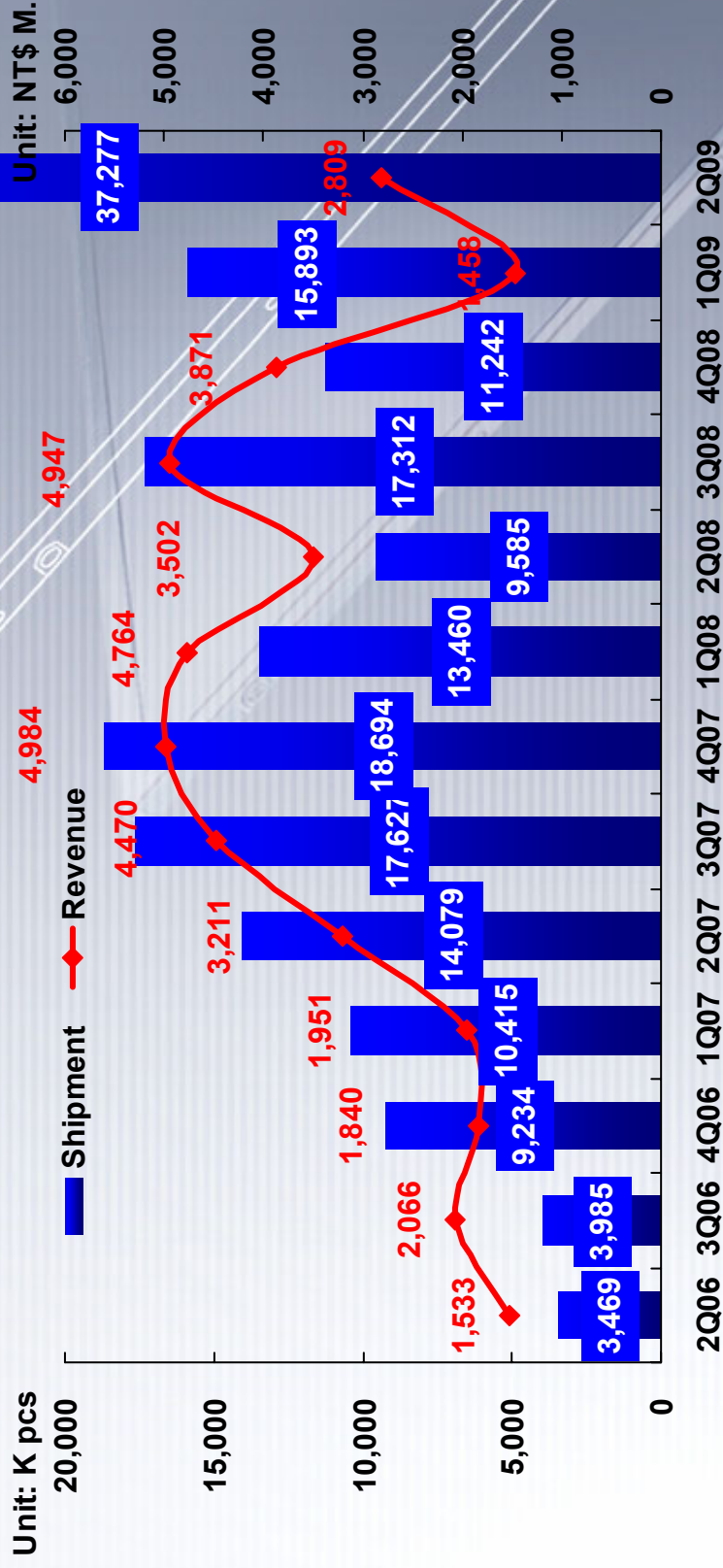
TFT-LCD Panel Shipment - (S&M)



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- In 2Q09, TFT-LCD small- and medium-sized panel shipments were around 37.3M., up 134.5% QoQ.
- In 2Q09, the revenue generated from this sector was NT\$ 2,809M, up 92.7% QoQ.



Source: Unaudited company data

Product Mix by Application-Shipments

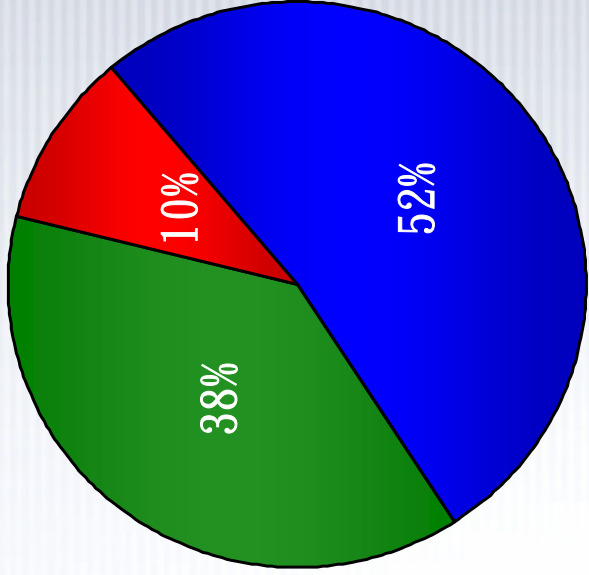


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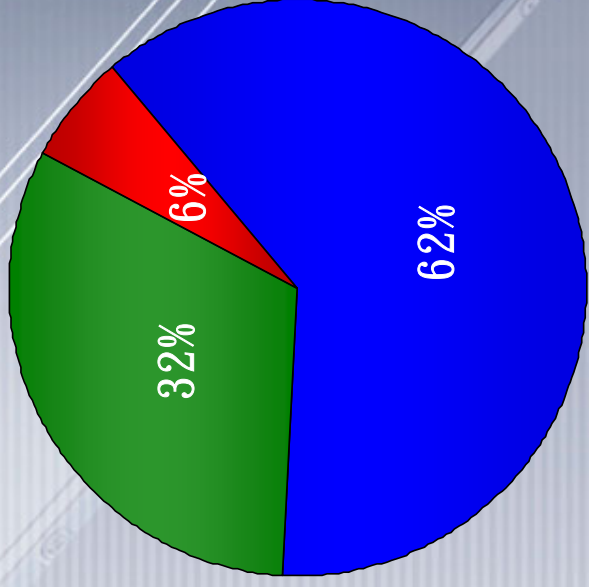


• In 2Q09, NB+NNB shipment portion increased to 38% in TFT-LCD large-sized panel.

2Q09 TFT-LCD Product Mix



1Q09 TFT-LCD Product Mix



Source: Unaudited company data

Shipments Breakdown by Size



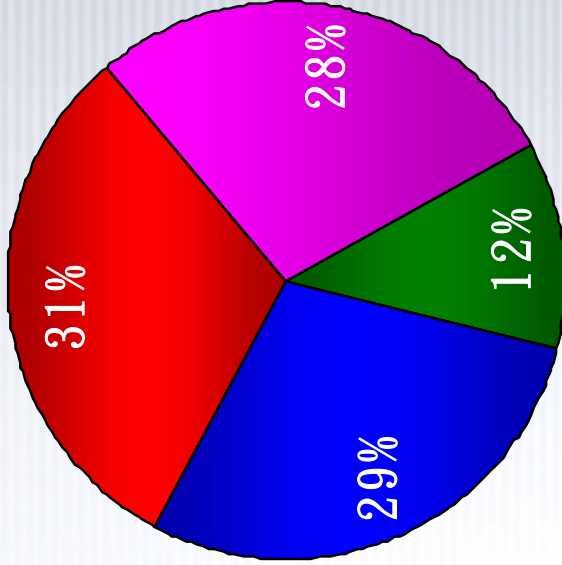
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• In 2Q09, the portion of TFT-LCD large-sized shipments of <15" increased to 28%. (NNB takes 25.1%)

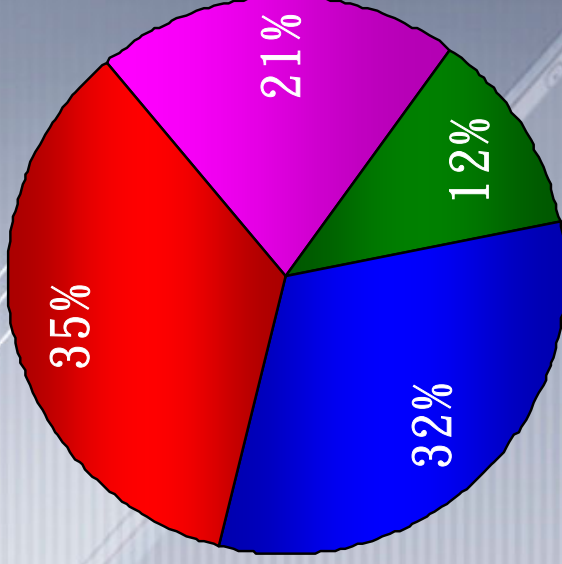
2Q09 TFT-LCD Breakdown by Size

■ <15" ■ 15"~15.6" ■ 17"~20" ■ >=20.1"



1Q09 TFT-LCD Breakdown by Size

■ <15" ■ 15"~15.6" ■ 17"~20" ■ >=20.1"



Source: Unaudited company data

CPT 2Q09 Highlight



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	Substrate Size (mm)	Capacity	2Q09
T2	680*880	72,600	Sales: NT\$ 11.9 B.
L1A	730*920	90,000	Large-sized Panel Shipments: 3.8 M.
L1B	730*920	90,000	Small & Medium-sized Panel Shipments: 37.3 M.
L2	1500*1850	90,000	
Y1 (CF)	730*920	220,000	
Y2 (CF)	1500*1850	40,000	
H1 (CF)	620*750	60,000	
H2 (CF)	680*880 / 730*920	75,000	

Source: Unaudited company data



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Thank you.

Appendix:

2Q09 Unconsolidated Income Statement



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Unit: NT\$ m	2Q09	1Q09	QoQ Chg (%)	2Q08	YoY Chg (%)
Net Sales	9,844	7,899	(24.6)	30,950	(68.2)
Gross Profit	(7,671)	(7,254)	(5.7)	5,379	(242.6)
Operating Income	(9,141)	(8,463)	(8.0)	2,413	(478.8)
Net Income	(9,855)	(11,195)	12.0	1,071	(1,020.2)
Adjusted EBITDA	(3,406)	(2,732)	(24.7)	8,523	(140.0)
EPS	(1.04)	(1.19)		0.11	
Margins(%)	2Q09	1Q09		2Q08	
Gross Margin	(77.9)	(91.8)		17.4	
Operating Margin	(92.9)	(107.1)		7.8	
EBITDA Margin	(34.6)	(34.6)		27.5	

Source: Unaudited company data