

# 1H08 Results Investor Conference

August 14, 2008

**YOUNG**Optics



# Disclaimer

- Except for historical information contained herein, the matters set forth in this presentation are forward-looking statements that are subject to significant risks and uncertainties and actual results may differ materially from those contained in any forward-looking statements.
- The forward-looking statements in this release reflect the current belief of Young Optics as of the date of this release and Young Optics undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.



# 1H08 Result Highlight

(consolidated)

NTD : Millions	1H08 Amount	2H07 Amount	1H07 Amount
Net sales	3,280	3,542	3,723
Gross Margin(%)	26.23	16.37	18.73
Net income(parent)	318	102	234
EPS (NT\$)(parent)	3.18	1.02	2.34
Cash and cash equivalents	1,363	841	609
Interest-bearing Debt	537	49	163
Shareholders' equity	1,892	1,889	1,761
EBITDA*	497	236	370
ROE(%)	23	22	32

\*EBITDA = Net income + interest + tax + depreciation & amortization expenses

NTD/Shares : Millions	1H08		2H07		1H07	
	Amount	%	Amount	%	Amount	%
<b>Net sales</b>	<b>3,280</b>	<b>100</b>	<b>3,542</b>	<b>100</b>	<b>3,723</b>	<b>100</b>
<b>Gross profits</b>	<b>860</b>	<b>26.2</b>	<b>580</b>	<b>16.4</b>	<b>697</b>	<b>18.7</b>
Operating expenses	449	13.7	435	12.3	434	11.7
<b>Operating income</b>	<b>411</b>	<b>12.5</b>	<b>145</b>	<b>4.1</b>	<b>263</b>	<b>7.1</b>
Non-operating item	(28)	(0.9)	0	0.0	5	0.2
<b>Income before income taxes</b>	<b>383</b>	<b>11.7</b>	<b>145</b>	<b>4.1</b>	<b>268</b>	<b>7.2</b>
Income tax expenses	73	2.2	43	1.2	34	0.9
<b>Net income</b>	<b>310</b>	<b>9.5</b>	<b>102</b>	<b>2.9</b>	<b>234</b>	<b>6.3</b>
<b>Attributable to:</b>						
Shareholders of the parent	318		102		234	
Minority interests(before acquired)	(8)					
<b>EPS after taxes(NT\$)</b>	<b>3.10</b>		<b>1.02</b>		<b>2.34</b>	

Note:EPS is based on 1H08 weighted average outstanding 99,883,334 shares.



# 2Q08 P&L

(Consolidated)

NTD/Shares : Millions	2Q08		1Q08		4Q07	
	Amount	%	Amount	%	Amount	%
<b>Net sales</b>	<b>1,964</b>	<b>100</b>	<b>1,316</b>	<b>100</b>	<b>1,194</b>	<b>100</b>
<b>Gross Profit</b>	<b>494</b>	<b>25.2</b>	<b>366</b>	<b>27.8</b>	<b>273</b>	<b>22.9</b>
Operating expenses	244	12.4	205	15.6	206	17.3
<b>Operating income</b>	<b>250</b>	<b>12.7</b>	<b>161</b>	<b>12.2</b>	<b>67</b>	<b>5.6</b>
Non-operating item	(5)	(0.3)	(23)	(1.7)	(5)	(0.4)
<b>Income before income taxes</b>	<b>245</b>	<b>12.5</b>	<b>138</b>	<b>10.5</b>	<b>62</b>	<b>5.2</b>
Income tax expenses	53	2.7	20	1.5	21	1.7
<b>Net income</b>	<b>192</b>	<b>9.8</b>	<b>118</b>	<b>9.0</b>	<b>41</b>	<b>3.4</b>
<b>Attributable to:</b>						
Shareholders of the parent	192		126		41	
Minority interests(before acquired)			(8)			
<b>EPS after taxes(NT\$)</b>	<b>1.92</b>		<b>1.18</b>		<b>0.41</b>	

Note:EPS is based on 1H08 weighted average outstanding 99,883,334 shares.



# 1 H08 Balance Sheet

(Consolidated)

NTD : Millions	2008.06.30		2007.12.31		2007.06.30	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	1,363	32.0	841	28.1	609	17.5
Accounts receivable-net	1,311	30.8	892	29.9	1,175	33.7
<b>Total current assets</b>	<b>3,249</b>	<b>76.3</b>	<b>2,228</b>	<b>74.6</b>	<b>2,673</b>	<b>76.7</b>
<b>Fixed assets</b>	<b>823</b>	<b>19.3</b>	<b>635</b>	<b>21.3</b>	<b>670</b>	<b>19.2</b>
<b>Other assets</b>	<b>184</b>	<b>4.3</b>	<b>125</b>	<b>4.2</b>	<b>144</b>	<b>4.2</b>
<b>Total assets</b>	<b>4,256</b>	<b>100</b>	<b>2,987</b>	<b>100</b>	<b>3,487</b>	<b>100</b>
Short-term loans	537	12.6	49	1.6	163	4.7
Accounts payables	796	18.7	471	15.8	796	22.8
Accrued expenses & other payable	677	15.9	322	10.8	555	15.9
<b>Total current liabilities</b>	<b>2,193</b>	<b>51.5</b>	<b>944</b>	<b>31.6</b>	<b>1,613</b>	<b>46.3</b>
<b>Other liabilities</b>	<b>171</b>	<b>4.0</b>	<b>154</b>	<b>5.2</b>	<b>113</b>	<b>3.3</b>
<b>Shareholders' equity</b>	<b>1,892</b>	<b>44.5</b>	<b>1,889</b>	<b>63.2</b>	<b>1,761</b>	<b>50.5</b>



# 1H08 Key Financial Ratio

*(Consolidated)*

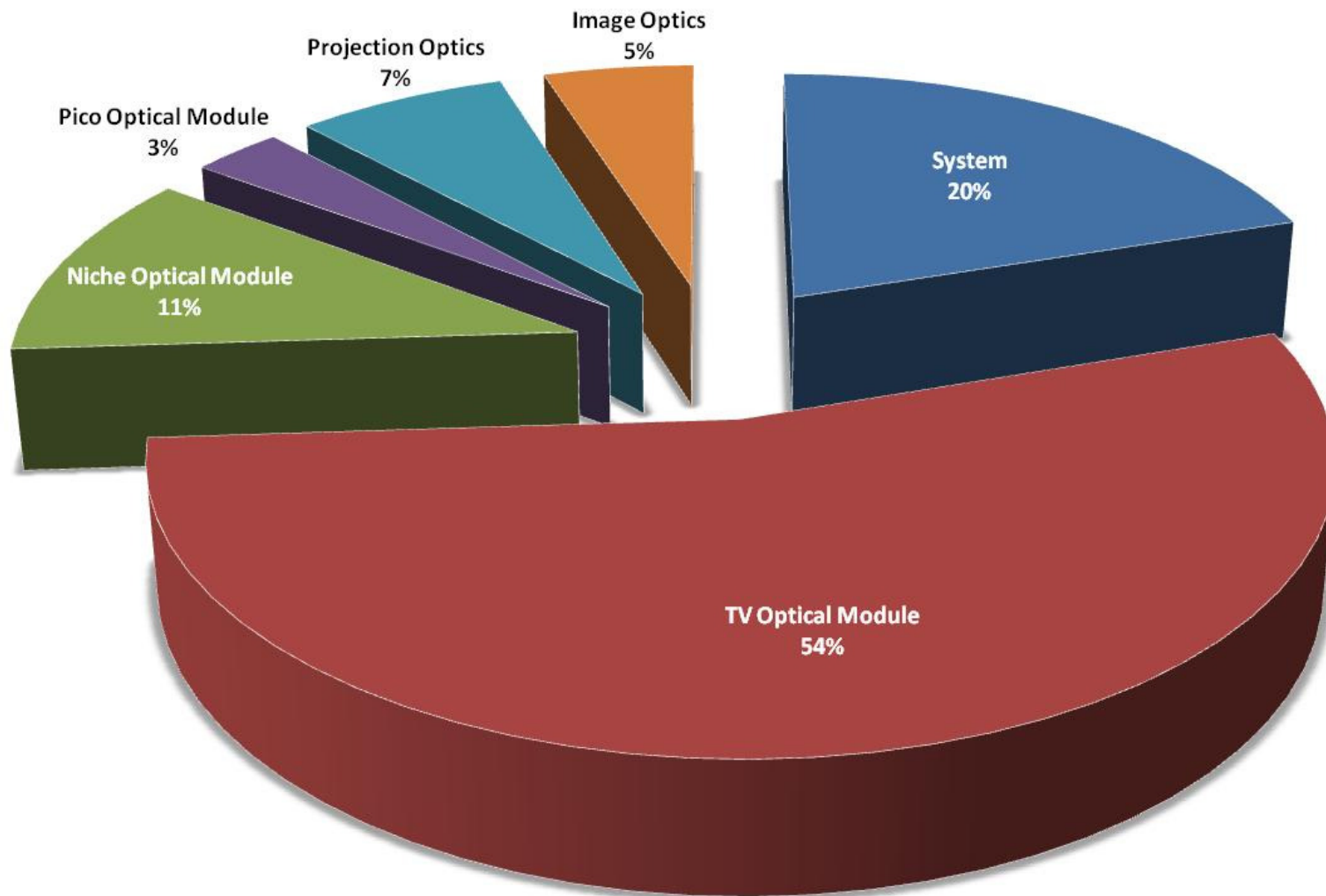
	<u>1H08</u>	<u>2H07</u>	<u>1H07</u>
<b>Current Ratio(%)</b>	<b>148</b>	<b>236</b>	<b>154</b>
<b>AR Turnover Days</b>	<b>67</b>	<b>51</b>	<b>50</b>
<b>Inventory Turnover Days</b>	<b>44</b>	<b>36</b>	<b>42</b>
<b>Total Liab./ Total Assets(%)</b>	<b>56</b>	<b>38</b>	<b>56</b>
<b>Returns On Assets(%)</b>	<b>11</b>	<b>11</b>	<b>14</b>
<b>Returns On Equity(%)</b>	<b>23</b>	<b>22</b>	<b>32</b>

Note : the ratios are of trailing 12-month basis



# 08 Expected Sales Build by Product Group

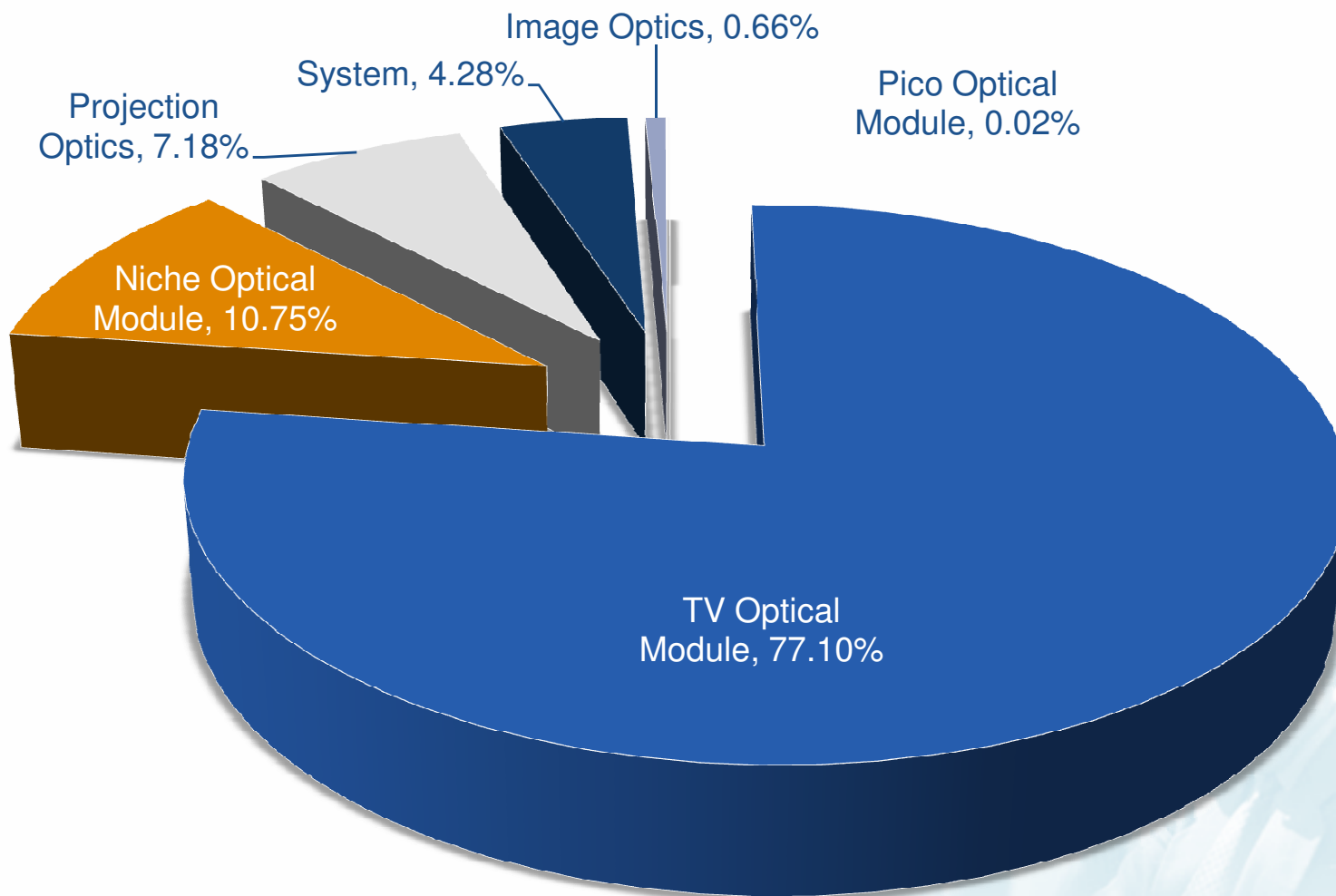
08 Expected Sales Build by Product Group





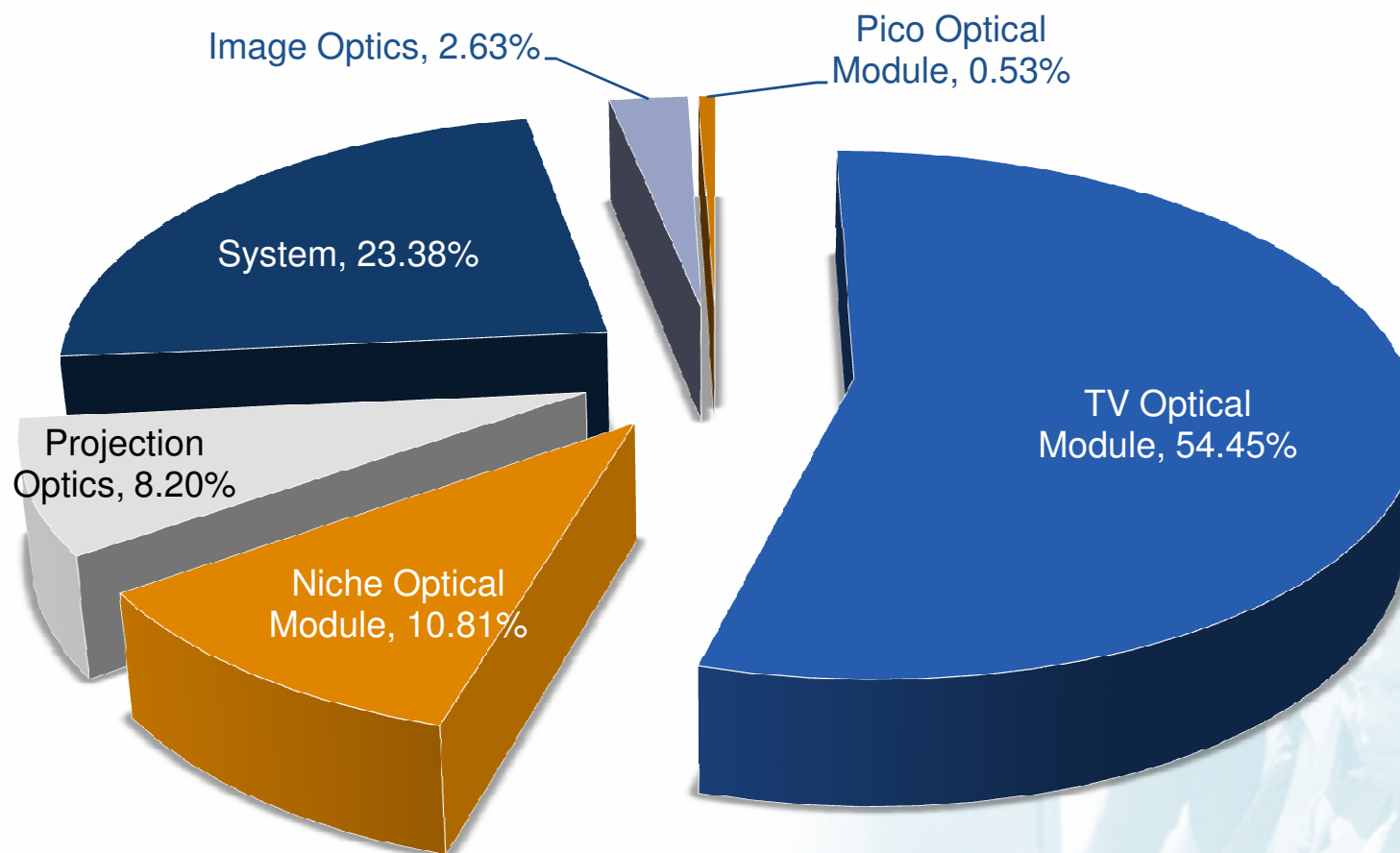


# 1H08 Sales Build by Product Group





# 2H08 Expected Sales Build by Product Group





# Questions & Answers

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