



Corporate Profile

September, 2007

AVerMedia

AVerMedia Overview



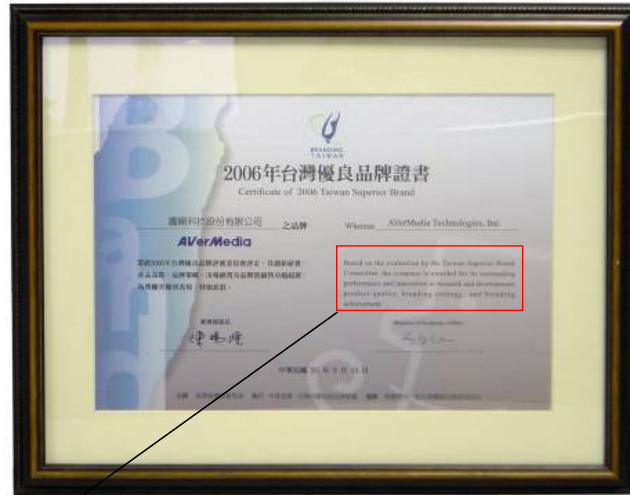
Founded in 1990, Specializing in Designing, Manufacturing and Marketing of Multimedia Entertainment, Presentation and Digital Surveillance Products.

- ❑ Annual Turnover (2006) : **US\$ 104.9 Million**
- ❑ Consecutive profitable years : **16.5 years**
- ❑ Consecutive profitable quarters : **66 quarters**
- ❑ Employees (AVerMedia Group) : **946**
- ❑ Branding / ODM with premium value : **70% / 30%**

Updated on Sep. 2007

2
AVerMedia

2006 Taiwan Superior Brand



Based on the evaluation by the Taiwan Superior Brand Committee, the company is awarded for its outstanding performance and innovation in research and development, product quality, branding strategy, and branding achievement.

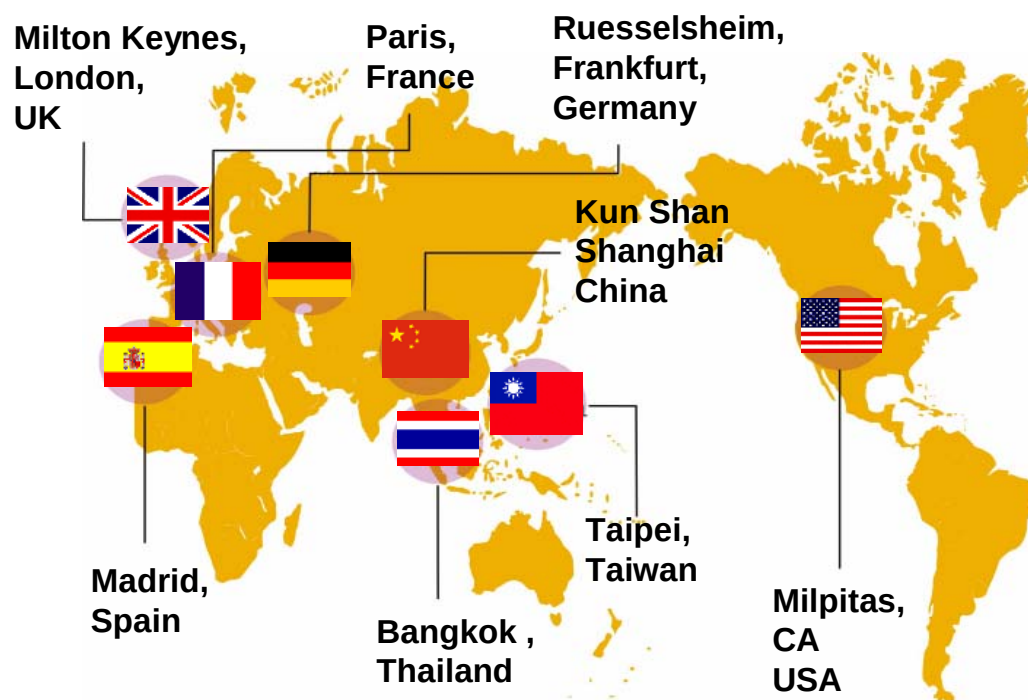
- Based on the evaluation by the 2006 Taiwan Superior Brand committee, the company is awarded for its outstanding performance and innovation in research and development, product quality, branding strategy, and branding achievement.

3

AVerMedia



Global Marketing & Service Network



Subsidiaries and Global Network of Distributors, System Integrators, VARs, and ODMs Over 75 Countries

5

AVerMedia

2007 1st Half Financial Results, YoY

Amount : US\$ k	2007 1st-H		2006 1st-H		YoY %
Net Sales	58,732	100 %	46,503	100 %	26 %
COGS	(32,744)	(56)%	(26,116)	(56)%	25 %
GP	25,988	44 %	20,387	44 %	27 %
Operating Expense	(16,012)	(27)%	(15,366)	(33)%	4 %
Operating Income	9,976	17 %	5,021	11 %	99 %
Net Non-op Items	666	1 %	296	1 %	
Income before Tax	10,642	18 %	5,318	11 %	100 %
Income Tax Exp. (Ben.)	(463)	(1)%	(517)	(1)%	
Net Income	11,105	19 %	5,835	13 %	90 %
Fully Diluted EPS(NT\$)	1.83		1.06		73 %

6

AVerMedia

Balance sheet highlights

Amount : US\$ k	2007 1st H.		2006		2005	
Cash & Equivalent	52,848	39 %	54,601	41 %	61,354	49 %
Accounts Receivable	18,382	13 %	16,920	13 %	14,757	12 %
Inventory	16,185	12 %	13,573	10 %	10,867	9 %
L-T Investment	160	0 %	3,430	3 %	865	1 %
Fixed Assets	27,528	20 %	28,434	21 %	20,695	17 %
Total Assets	137,262	100 %	133,979	100 %	124,705	100 %
Liabilities	37,111	27 %	34,788	26 %	36,765	29 %
Equities	100,151	73 %	99,192	74 %	87,940	71 %

Full consolidated base

7

AVerMedia

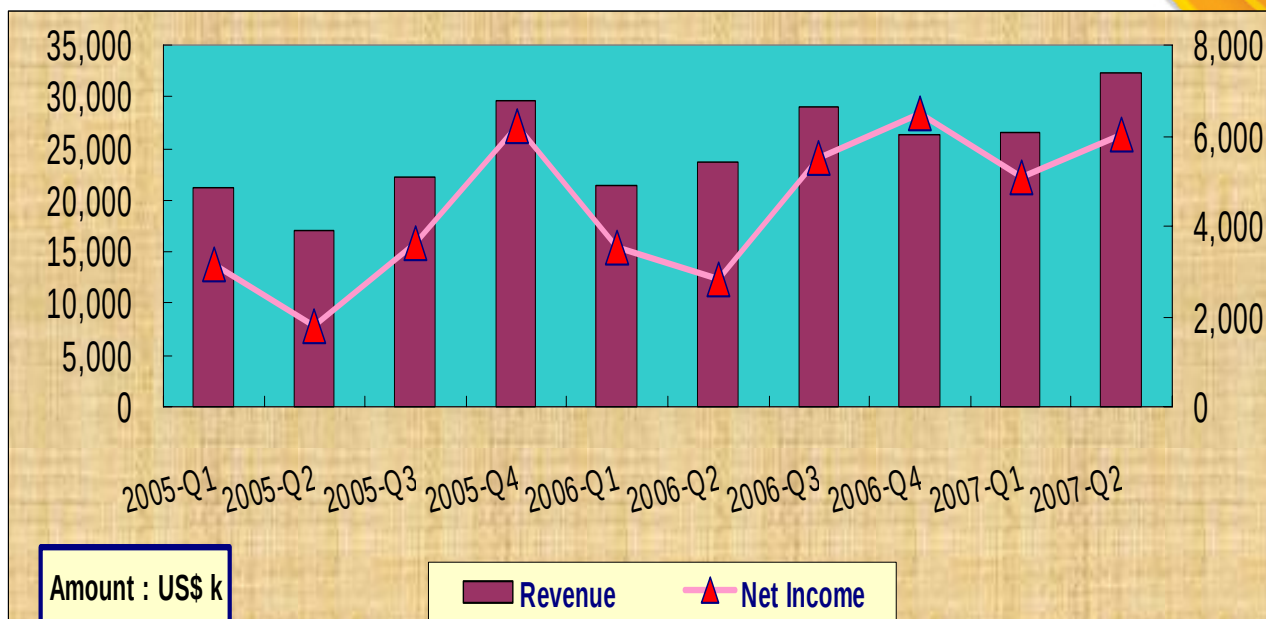
Key Financial indicators

	2007 1st-H.	2006	2005	2004
ROE	22.38 %	17.24 %	16.82 %	22.60 %
ROA	16.33 %	12.93 %	11.86 %	14.65 %
AR Turnover	57 days	57 days	60 days	42 days
Inventory Turnover	89 days	86 days	79 days	74 days
Debt ratio	27.04 %	25.96 %	29.48 %	40.67 %

8

AVerMedia

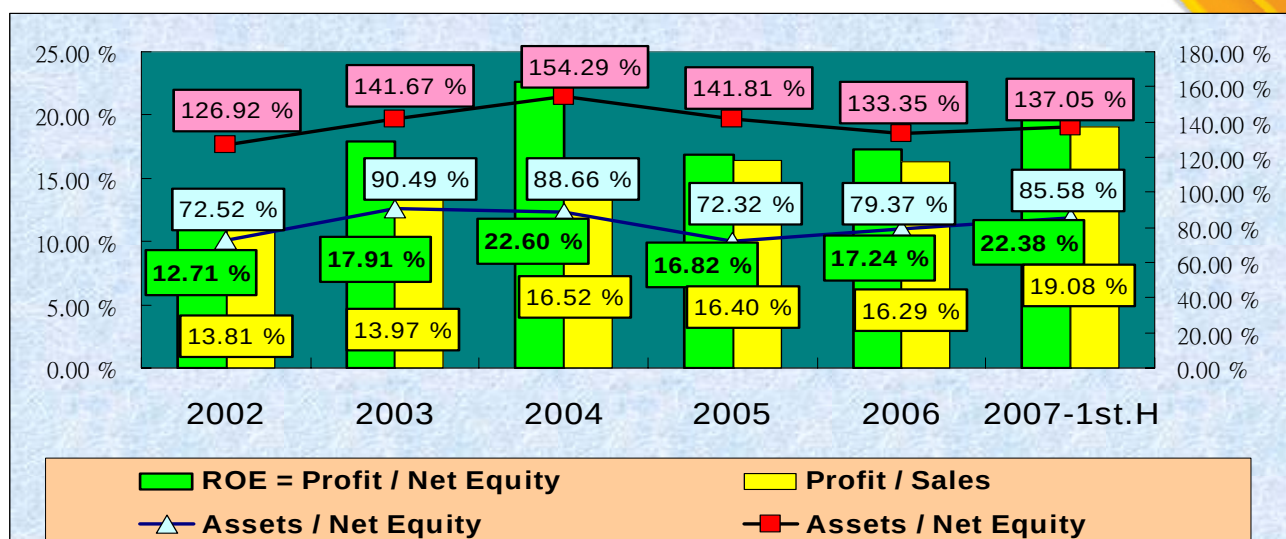
2005~07-2Q Quarterly Revenue/Profit



Amount : US\$ k	2005-Q1	2005-Q2	2005-Q3	2005-Q4	2006-Q1	2006-Q2	2006-Q3	2006-Q4	2007-Q1	2007-Q2
Revenue	21,219	17,146	22,140	29,686	21,444	23,660	29,111	26,355	26,496	32,236
Net Income	3,150	1,780	3,636	6,230	3,546	2,826	5,500	6,516	5,064	6,041

AVerMedia

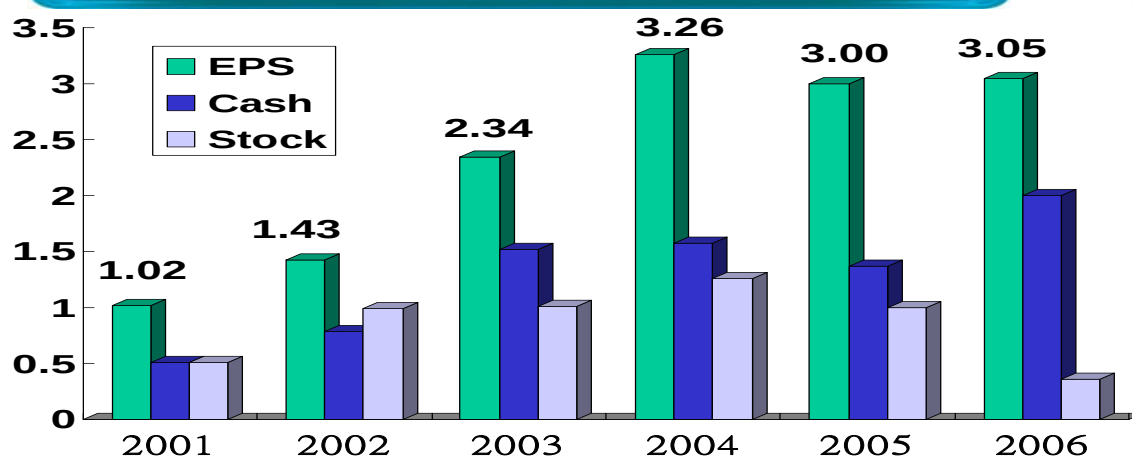
Breakdown of ROE



	2002	2003	2004	2005	2006	2007 1st.H
Profit / Sales	13.81 %	13.97 %	16.52 %	16.40 %	16.29 %	19.08 %
Sales / Assets	72.52 %	90.49 %	88.66 %	72.32 %	79.37 %	85.58 %
Assets / Net Equity	126.92 %	141.67 %	154.29 %	141.81 %	133.35 %	137.05 %
ROE = Profit / Net Equity	12.71 %	17.91 %	22.60 %	16.82 %	17.24 %	22.38 %

AVerMedia

Dividends distribution

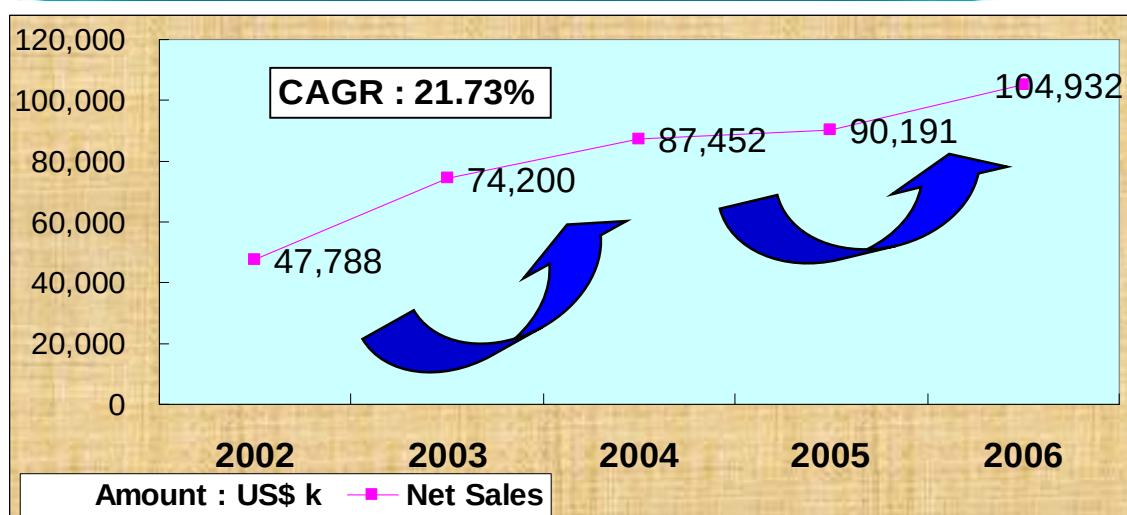


Year	Cash		Stock		Total
2006	2.00	85 %	0.365	15 %	2.365
2005	1.37	58 %	1.00	42 %	2.37
2004	1.57	55 %	1.26	45 %	2.83
2003	1.52	60 %	1.01	40 %	2.53
2002	0.79	44 %	0.99	56 %	1.78
2001	0.51	50 %	0.51	50 %	1.02

11

AVerMedia

Revenue evolution

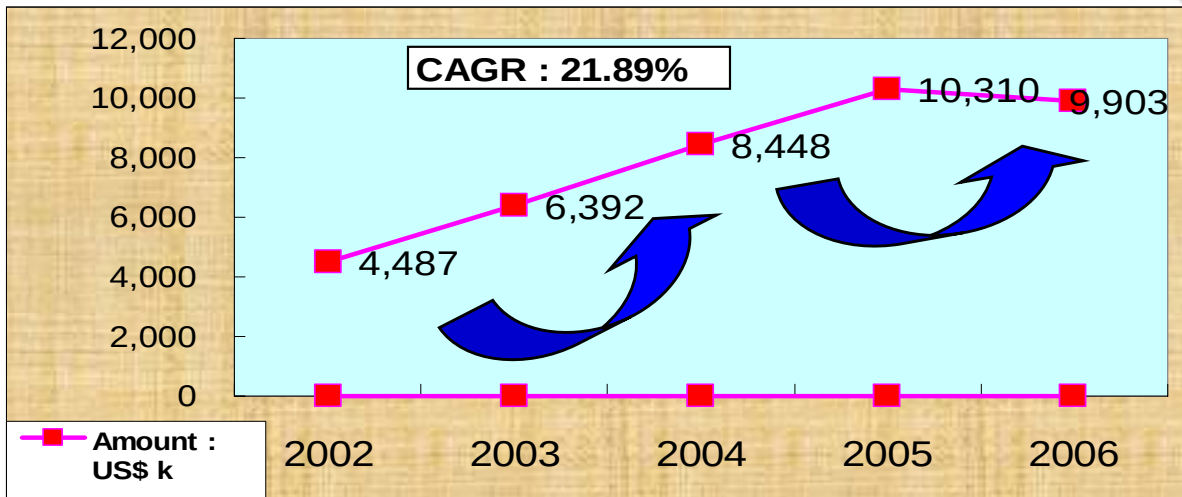


Amount : US\$ k	2002	2003	2004	2005	2006
Net Sales	47,788	74,200	87,452	90,191	104,932
Compound Annual Growth Rate : 21.73 %					

12

AVerMedia

R&D Expenditures



Amount : US\$ k	2002	2003	2004	2005	2006
R&D Expenditures	4,487	6,392	8,448	10,310	9,903
Compound Annual Growth Rate : 21.89%					

13

AVerMedia

Product Portfolio

Multimedia Product

- Watch TV on NB solution
- Analog TV Tuner
- Hybrid TV Tuner
- Digital TV Tuner
- Digital Home Solution (ViiV, MCE & Vista)
- External TV Tuner Box

Presentation Product

- Document Camera

Network Video Product

- Digital Video Surveillance

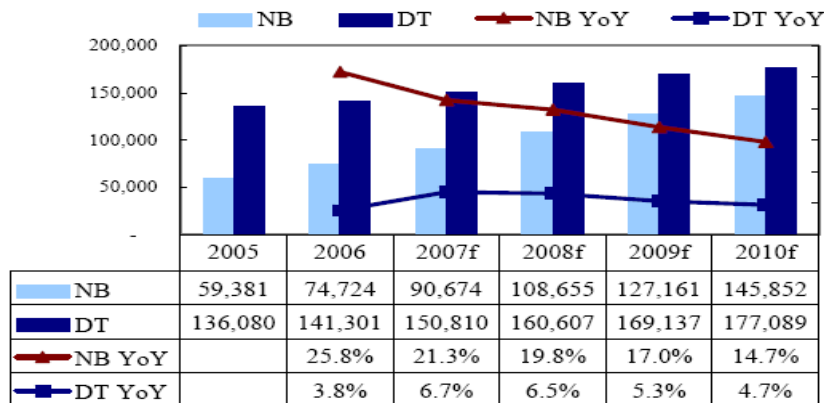
14

AVerMedia

External marketing trend

• Multimedia Products

- Strong demand in Notebook PCs: annual demand of 75 million sets (less than 2% of attachment rate of TV Tuner in Notebook PCs except Japan)

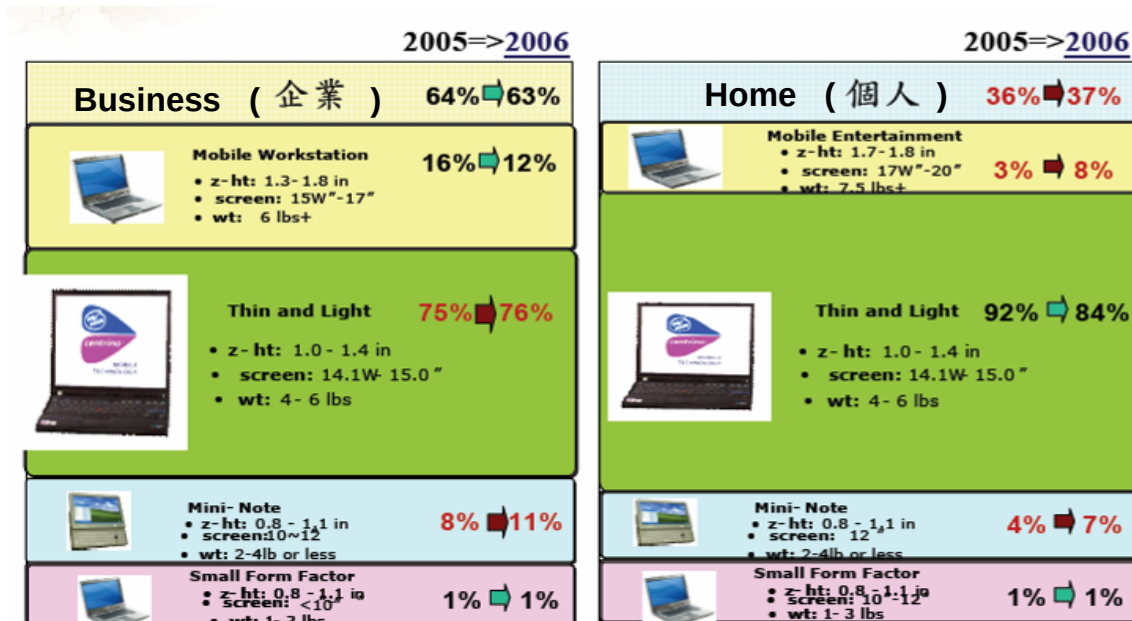


資料來源：IDC，永豐金控研究總處整理，Dec. 2006

15

AVerMedia

Notebook demands



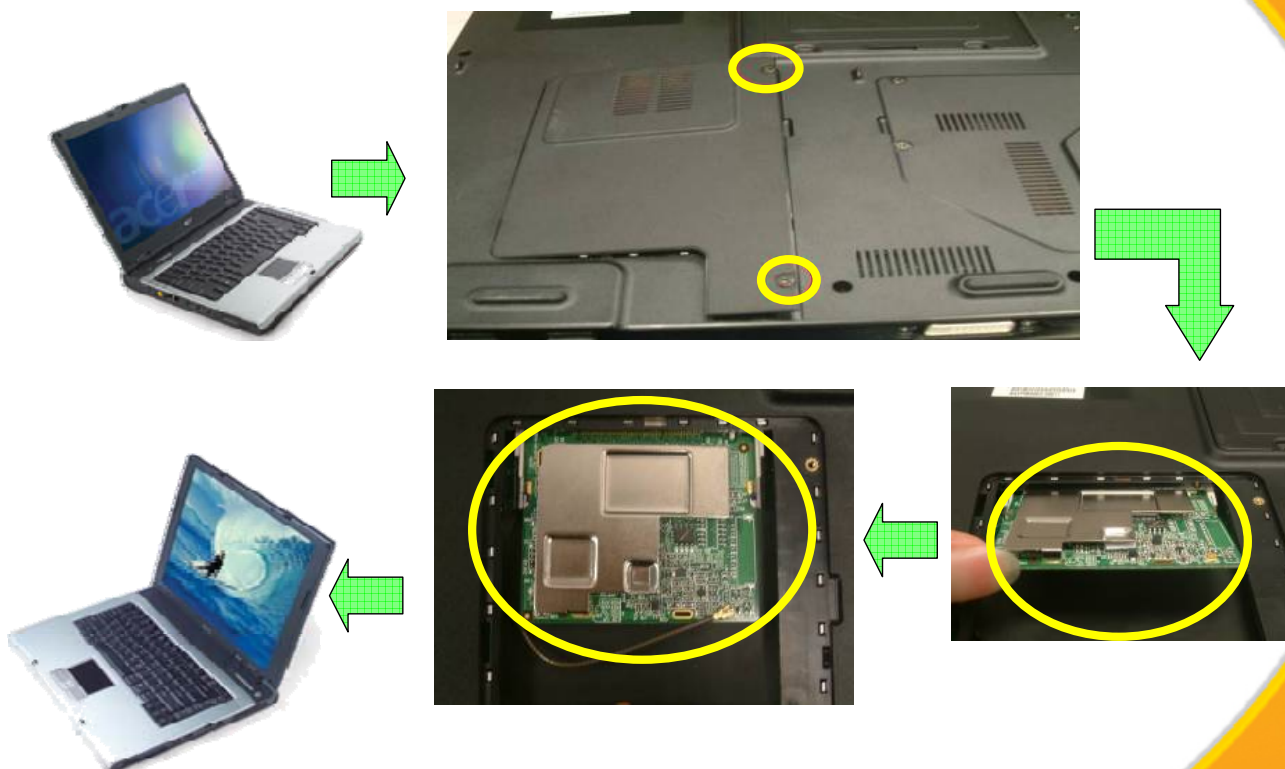
16

AVerMedia

ODM solution



MiniPCI TV Tuner card for NB



ODM main customers



TOSHIBA



19

AVerMedia

Sony Notebook TV inside

United Kingdom

VAIO recommends Windows® XP Media Center Edition.

Products Solutions Support CLUB VAIO

Home / VAIO Laptops / AR Series / VGN-AR21M

VGN-AR21M

Powerful and versatile: the ideal desktop replacement for all your needs

- Overview
- Technical specifications
- View in 3D
- Photo gallery
- Buy at Sony Style

£ 1,199.01 at Sony Style

Similar products > VGN-AR21S

Technical specification summary

CPU Section Microprocessor Full Name		Intel® Core™2 Duo Processor T5600, Supports Enhanced Intel® SpeedStep® Technology
Operating System Operating System		Genuine Windows® Media Center Edition 2005; " Vista

20

AVerMedia

Sony Desktop TV inside



RB Series - Home



LS1 Series - Home



21

AVerMedia

ASUS Mobile TV Notebook Series

TV Set Free

Catch Your Favorite TV Shows on ASUS W1, W2 and A7 Mobile TV Notebook Series

With built-in DVB-T (Digital Video Broadcasting Terrestrial) feature, wireless TV broadcast is possible right out of the notebook. You will never find yourself stranded in a meeting or trapped in the traffic wondering about the score! Tune in whenever and wherever.



<http://event.asus.com/2006/nb/fullline/mobiletv/eng/>

W1J

W2J

A7J

TV-Inside

Watch TV Commercial

ASUS
Rock Solid · Heart Touching
tw.asus.com

acer Aspire TV Inside



Aspire 9520



Aspire 9800/9810



Aspire 5650/5670



Aspire 9120

23

AVerMedia

DELL Desktop

DELL

Buy Online or Call 0870 907 5818

Products

Services

Support

Purchase Help

Dell recommends Windows® XP Professional

You are here: United Kingdom > HOME

1 Build My Dell

2 Choose Accessories

3 Add Software & Services

4 Review & Add to Basket

[View as List](#)

Select: TV TUNERS

[Learn More](#)

TV Tuner & Dell MCE remote control MUST be ordered with Genuine Microsoft Media Center 2005 Edition operating system. MCE = Microsoft® Media Center Edition 2005

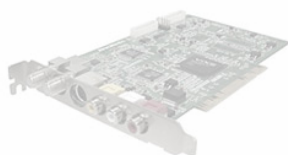
- ☐ Not included [subtract £105.75]
- ☐ Remote control for Genuine Media Center Edition 2005 [subtract £82.25]
- ☒ Integrated Hybrid (Analogue/Digital) TV tuner PCIe x1 card and Dell™ MCE remote control [Included in Price]

XPS 210 (D01X25A)

From £884.74

£734.73 Includes VAT & Shipping

[Check out our Lowstart finance!](#)
[Conditions of Finance*](#)



Sample image only

[Previous Component](#)

[Go to Next Component](#)



Speakers



Keyboard



Mouse



Floppy/Media
Drives



Modems



Web Cams



TV Tuners



Wireless Routers

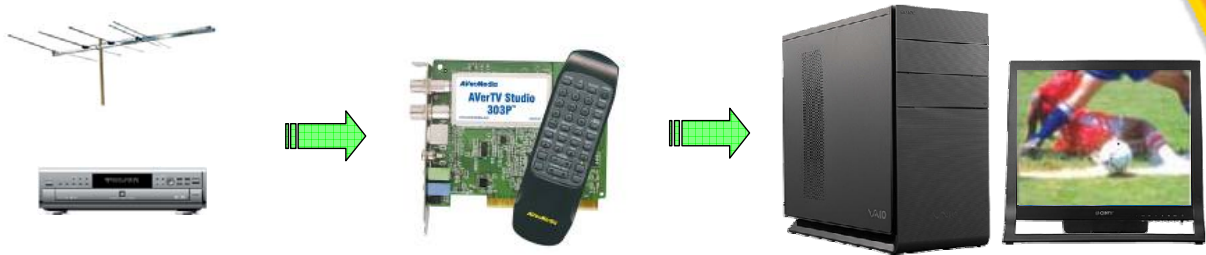


24

AVerMedia

Analog TV Tuner / PVR

- Watch, Record & Enjoy TV / Video on PC



- Desktop PC Solution
- Notebook PC Solution



AVerTV (Studio) 503
High-Quality TV Tuner Card



AVerMedia AVerTV PVR
TV Tuner Card, H/W compression



AVerTV Hybrid Express Slim
Express Tuner Card



AVerTV USB MCE
USB TV Tuner,
H/W compression

25

AVerMedia

Deadline of the digital TV broadcasting

Emerging digital TV broadcasting in the forthcoming years.

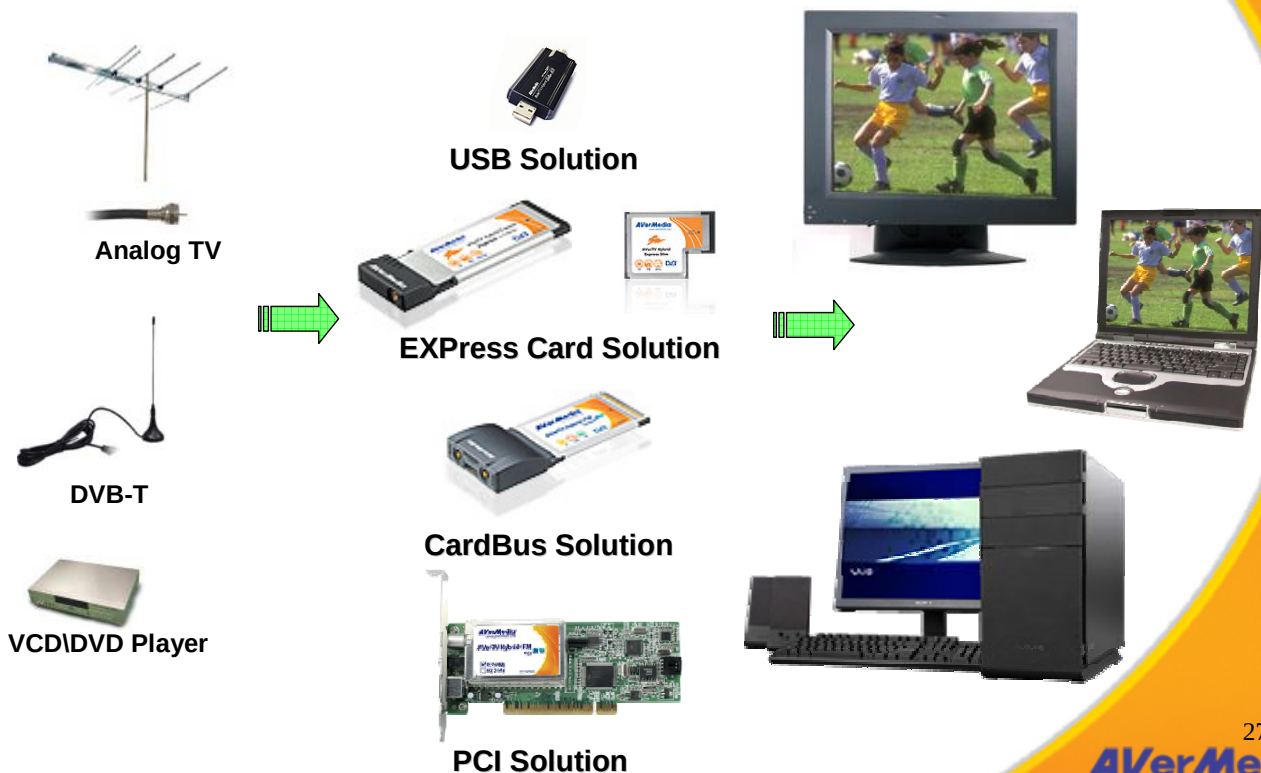
Area	Digital TV Broadcasting Standard			Deadline of Analog TV Terminated
	Terrestrial	Cable	Satellite	
USA	ATSC	Open Cable	DSS, DVB-S	2008
Europe	DVB-T	DVB-C	DVB-S	2010-2015
Japan	ISDB-T	DVB-C	DVB-S	2010
Taiwan	DVB-T	DVB-C	DVB-S	2008

26

AVerMedia

Hybrid TV Tuner Card

- Watch Digital Terrestrial and Analog TV on PC



27

AVerMedia

Viiv & Windows Vista

- Microsoft will launch Windows Vista at the beginning of 2007.
- Most significantly, Windows Vista includes all of the Windows Media Center capabilities for turning your PC into an all-in-one home entertainment center. Windows Media Center in Windows Vista provides new ways for you to enjoy your music, photos, DVD movies. and record and watch your favorite TV shows (even HDTV).



Home > Entertainment > How it works > Get it now >

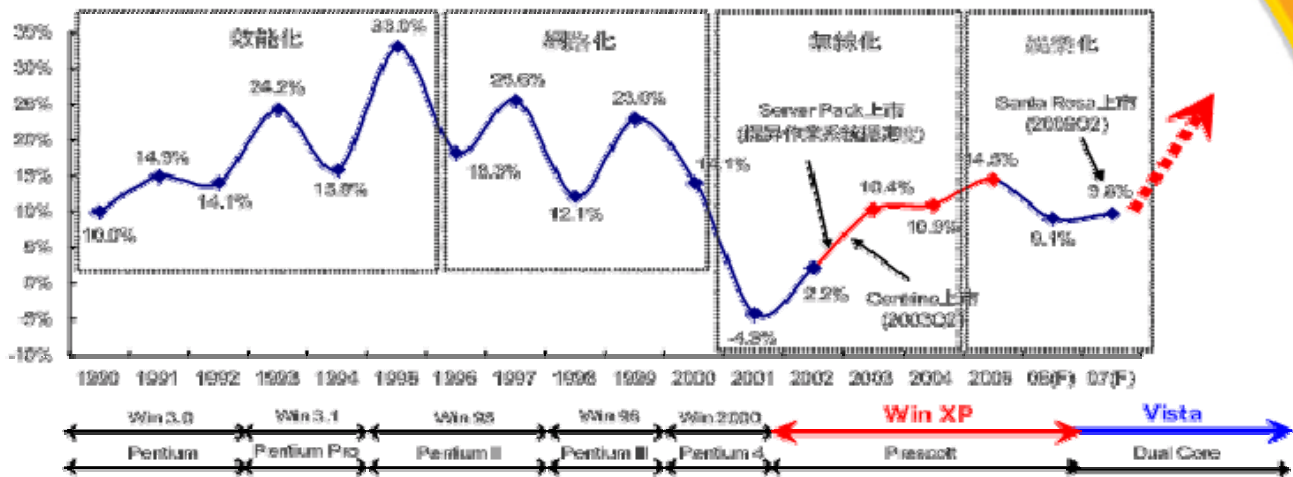


28

AVerMedia

Windows OS vs PC Shipment

微軟作業系統與全球PC出貨量成長率關聯圖



Vista Version	Price	TV Function
Windows Vista Business	\$ 299 (199)	X
Windows Vista Enterprise	not available for retail	X
Windows Vista Home Premium	\$ 239 (159)	V
Windows Vista Home Basic	\$ 199 (99)	X
Windows Vista Ultimate	\$ 399 (259)	V

Santa Rosa

29

AVerMedia

Watch DVB-H TV Solution



AVerMedia DVB-H solutions provide superior receiving ability and allow users to watch DVB-H programs whether they are indoor, outdoor or even on the move.

South of Taiwan starts broadcasting to enter into the trial stage. AVerMedia provides DVB-H platform as part of the solutions.

30

AVerMedia

External TV Tuner BOX

- Watch Digital Terrestrial TV on PC Monitor/TV



- Watch Analog TV / Video on PC Monitor



31

AVerMedia

Portable Document Camera

- Display 3D Objects or Documents on Projector / Monitor / TV



AVerVision130
Gooseneck DocCam

AVerVision300AF
Digital Portable DocCam
High Quality, Fast Auto Focus,
Excl. AVERZOOM™

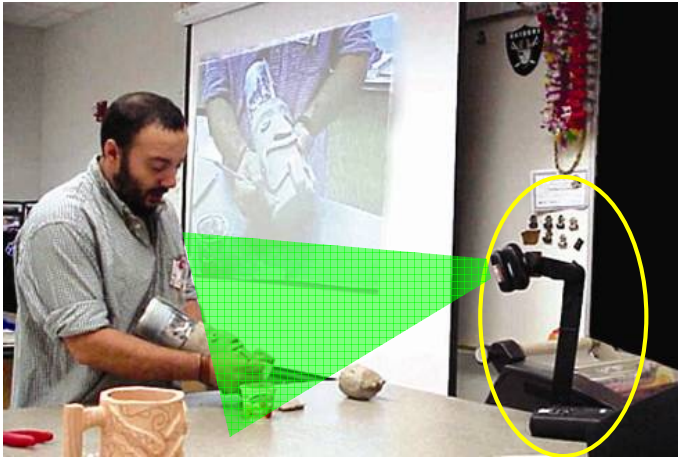
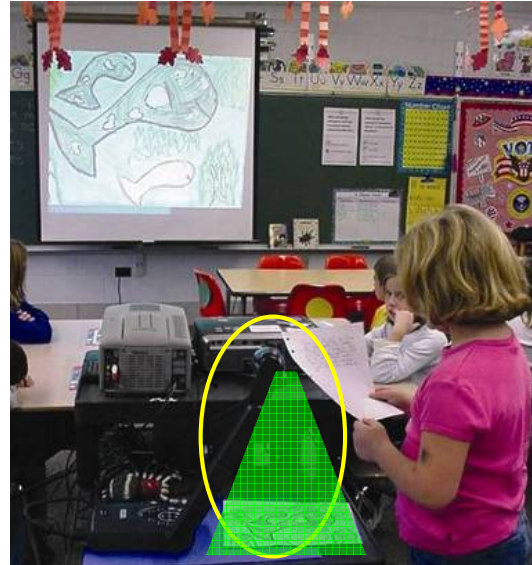
AVerVision330
Digital Portable DocCam
w/Optical Zoom, Smart Focus

AVerVision530
Digital Platform DocCam

32

AVerMedia

DocCam Application



33

AVerMedia

Top 10 wish list as selected by Americans in education field

1. The Multimedia Classroom

LCD projectors, interactive white boards, document cameras, and other display technologies are beginning to change the face of today's classrooms.

Technology & Learning November 2005 | 27



34

AVerMedia

AVerDigi Surveillance



NV Series

AVerDiGi NV7000H

-Single 8 Ch. DVR card,
240fps display/recording,
H/W H264 compression



AVerDiGi NV6480 Express

-Single 16 Ch. DVR PCI Express,
480fps display/recording



AVerDiGi NV5000

-Up to 16 Ch.,120~240fps
display/recording, remote
monitoring via internet or PDA



Windows DVRs



AVerDiGi SA6416

- Hybrid standalone DVR, 16 Ch.
Real Time Digital Video Recorder



AVerDiGi SA6000E Pro

- Advanced 16 Ch. hybrid embedded
DVR with video loop out ports.



Standalone DVRs – PC base

35

AVerMedia

AVerDigi Surveillance

AVerDiGi EB1704Hybrid

- 4 Ch. standalone security
digital video recorder w/
network access



AVerDiGi EB1304NET

- 4CH Multiplex Networking
DVR

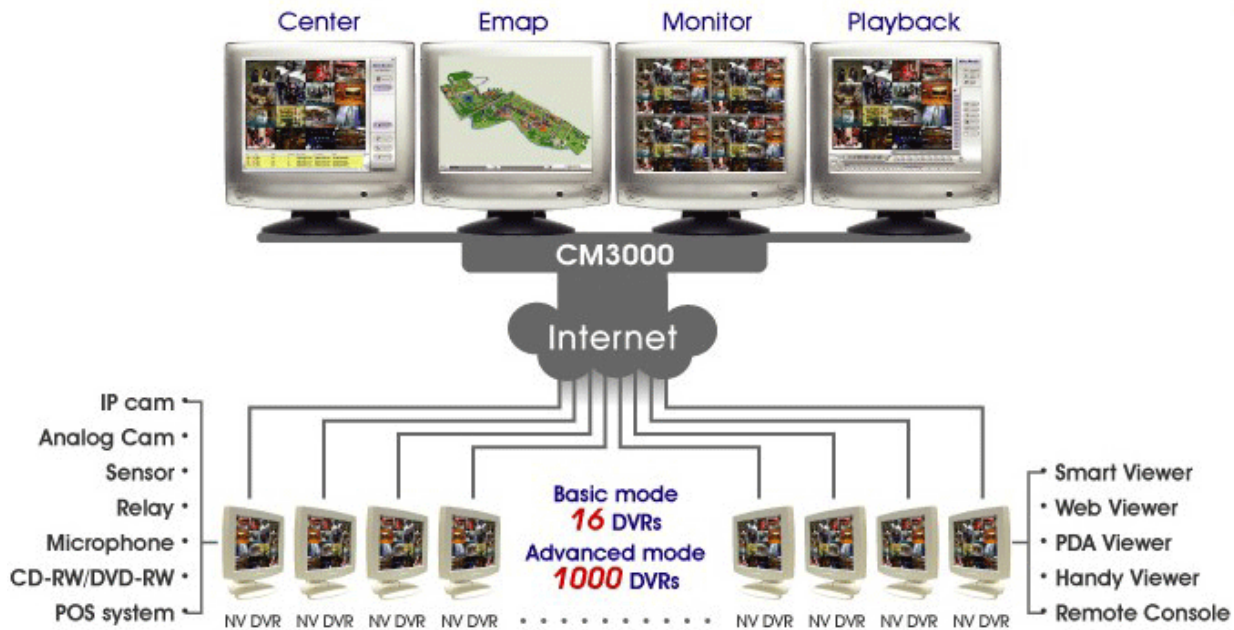


Standalone DVRs

36

AVerMedia

Surveillance Application

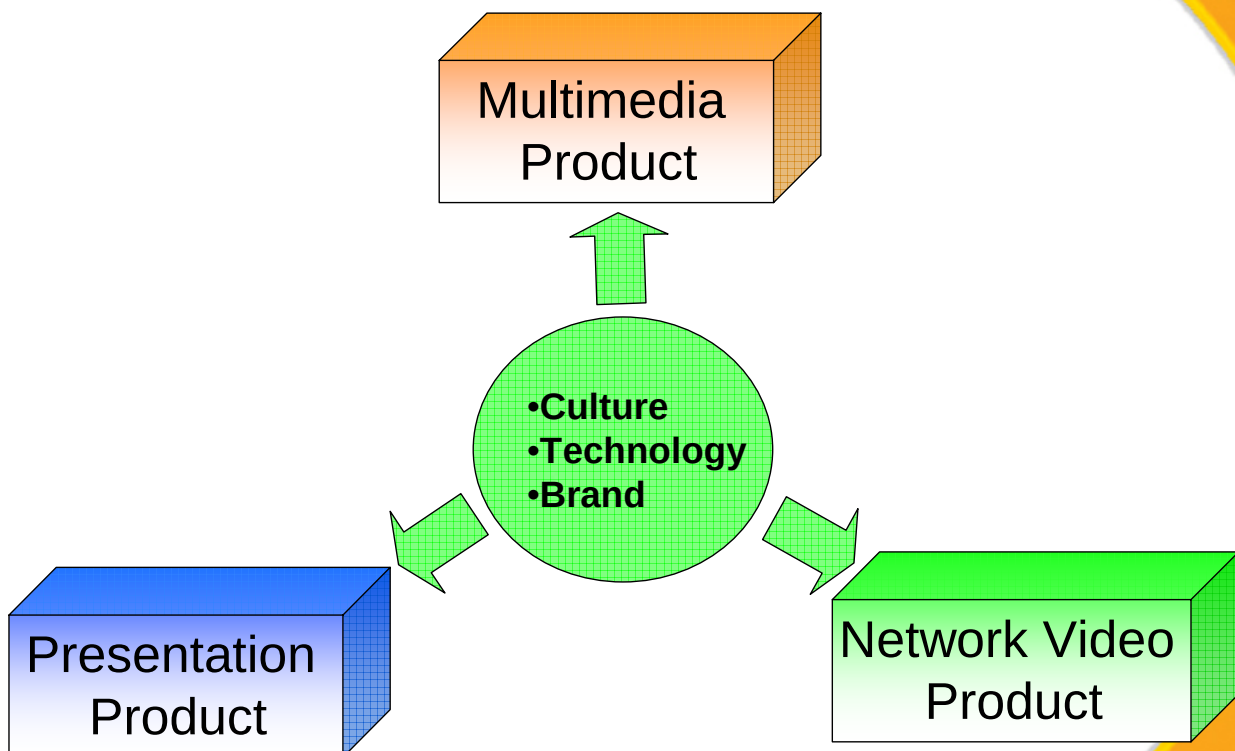


The AVerDiGi Central Monitoring System Software (CM3000) enables users to access and monitor multiple DVRs simultaneously for a wide range of applications. Features include: instant notification on DVR latest status or events, supports remote PTZ and I/O control for alarm events, up to quad monitor outputs, full remote DVR control, etc.

37

AVerMedia

Internal organization capability



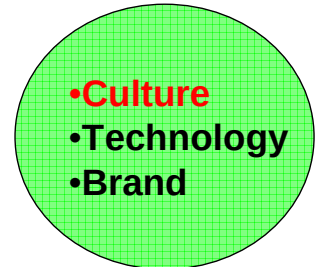
Growth Drivers

38

AVerMedia

Culture

- **Core Value**
 - Down-to-Earth
 - Value Creation
 - Self- Devotion
 - Service to Society
- **Humanity- Self Awareness / Transcendence / Honesty & Integrity**

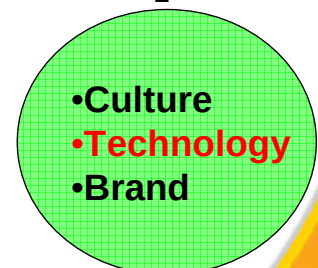


39

AVerMedia

Technology

- Video conversion between analog and digital
- Leading technology for TV tuners in the field of Notebook PCs
- Patents : **93** of patents being granted, **234** of patents application in the process
- Product awards



40

AVerMedia

Brand

- **MultiMedia products:** Brand premium in certain geographical areas, like **Spain**, **Russia** and **East Europe** etc.
- **DoCam:** Distinguished as one of the first movers with strong presence in K-12. Education market in the U.S. with brand recognition inherited from the glamour of previous product lines.



- Culture
- Technology
- Brand

41

AVerMedia

Presentation Products Potential market size

- No statistic data investigating the market size of DocCam.
 - **Number of schools:** the maximum market size can be derived from number of schools. Take USA as an example, there are 90,792 K-12 schools in the US. If we assume each school has 30 to 40 classrooms and each classroom shall install one DocCam, the potential market is 3 M units in total.

42

AVerMedia

Quality & Environment Management

- ❑ ISO 14001 Environment Manage System
 - Lead – Free Process (by the end of 2006)
- ❑ ISO9001: 2000 Version Quality System
- ❑ OHSAS:18001
- ❑ Passed the Quality System Audit by first tier companies.

