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Investor Update

September, 2011

Jeremy Wang, Chairman & CEO

Ready for the Next™

Safe Harbor Notice

We may make forward-looking statements in this presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans or business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.

We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking information may not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

Agenda

- Company Overview

- Product Portfolio

- Drivers of Growth

- Financial Review & Company Updates

- Q&A

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Company Overview

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Insyde Software (6231.TW)

- Founded in September, 1998 by PCT (6270.TW) Chairman Jeremy Wang and Jonathan Joseph

- Business started via acquisition of SystemSoft's BIOS Division

- Early investors included Intel Corp. & China Development Industrial Bank in September 1999

- Shares Outstanding as of 07/31/2011: 37.8M shares

- Headquarters: Taipei, Taiwan
  - US operations in Massachusetts and Oregon
  - Other offices in China, Taiwan and Korea

- Worldwide 500+ employees

Growing WW Presence

Insyde Software Provides Service to Customers Worldwide

Portland, USA

Boston, USA

Europe

Shanghai, China

Beijing, China

Seoul, Korea

Kunshan, China

Austin, USA

Tokyo Japan

Shenzhen, China

Taipei, Taiwan

Taichung, Taiwan

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Financial Stability

- Publicly traded stock since January 2003
- Very strong cash position
- Profitable each quarter since Q3 2006
- Healthy revenue growth
- Engineering hiring continues
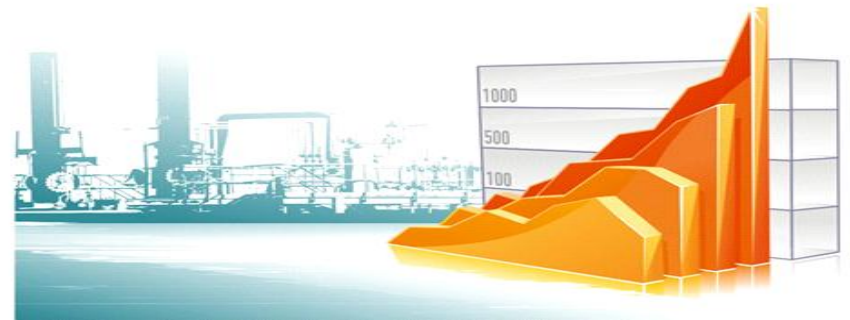
Insyde Software's OEM Customers

Our Customers are Industry Leaders

Insyde's ODM Customers & Partners

Product Portfolio

![insyde logo]

Product Portfolio

Insyde Software Enables Innovation in the Computer Industry

- **InsydeH2O™**
  - Industry leading UEFI firmware for PCs, Embedded, and Servers

- **Humanos™**
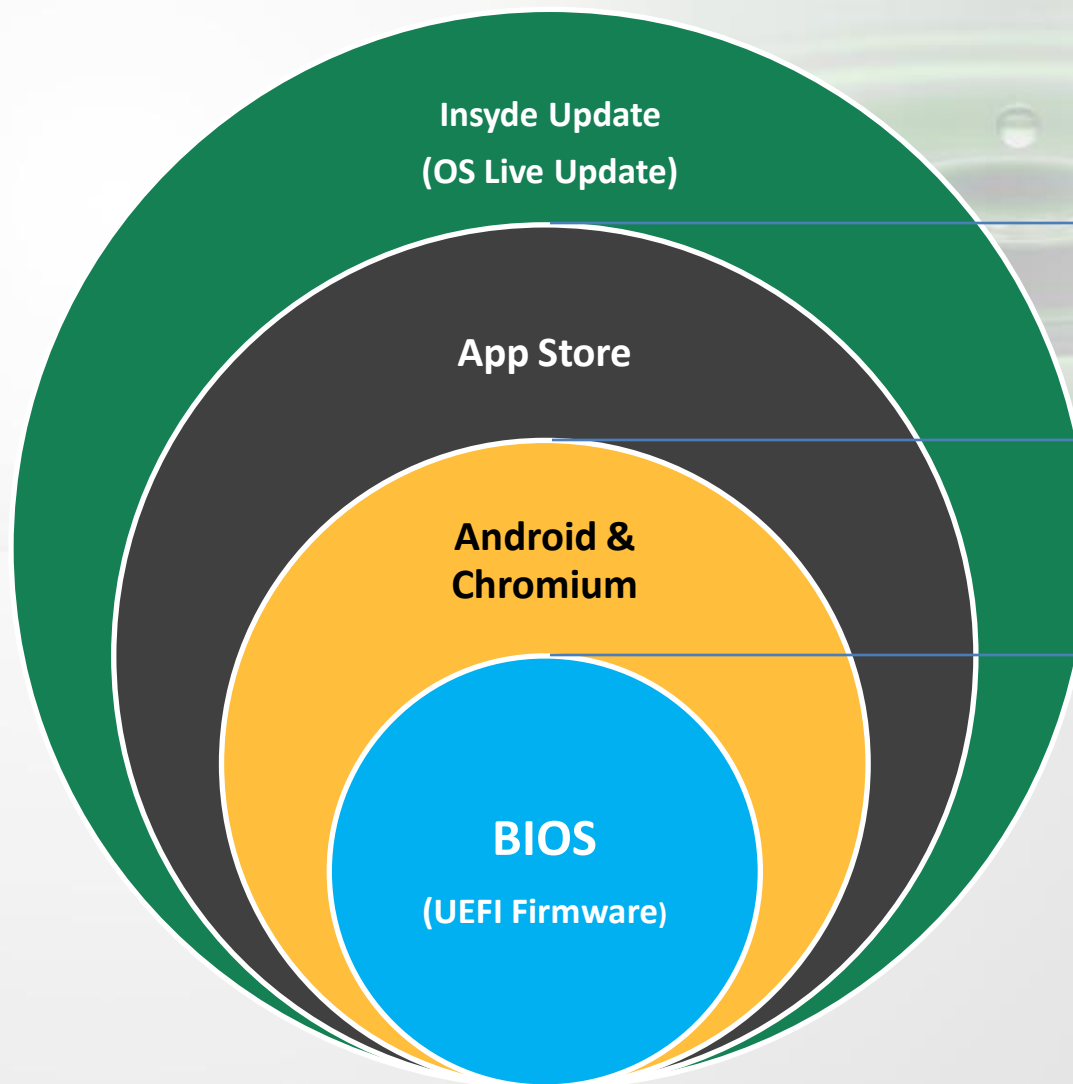 - Leading implementations of Android and Chromium OS

- **Insyde Market™**
  - Online applications store for Android-based devices

Product Portfolio and Solution
Complete, Customizable Software and Service Solution

- Insyde Update (OS Live Update)
- App Store
- Android & Chromium
- BIOS (UEFI Firmware)

Core Competencies & Markets

Notebook	Desktop	Server	Embedded

BIOS & Firmware

Pre-Boot Apps, Tools & Drivers

Systems Integration & Customization

PC Systems Architecture

OEMs, ODMs, Semiconductor and OS Vendors
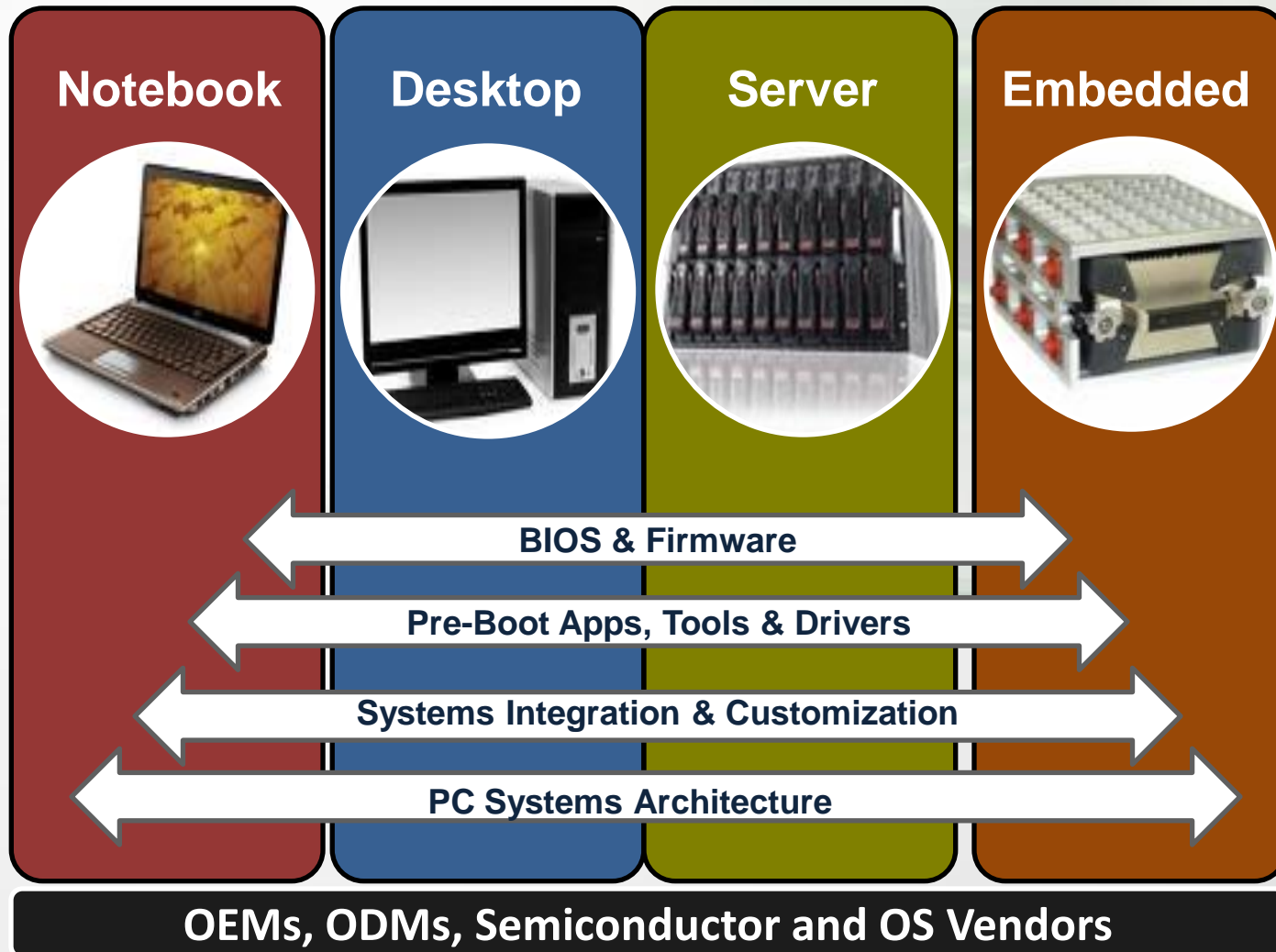
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Computer BIOS – "Firmware"
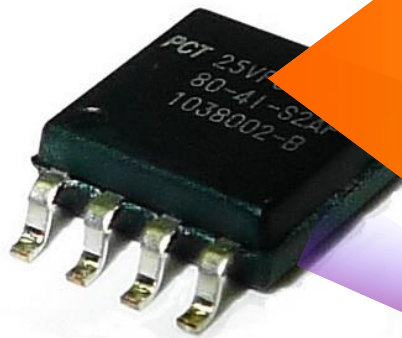
BIOS is stored in NOR Flash

Difference between Legacy BIOS and UEFI Firmware

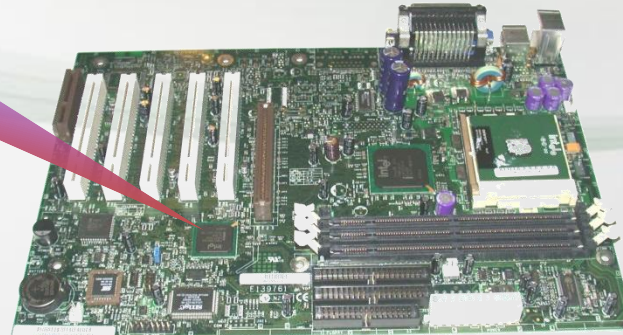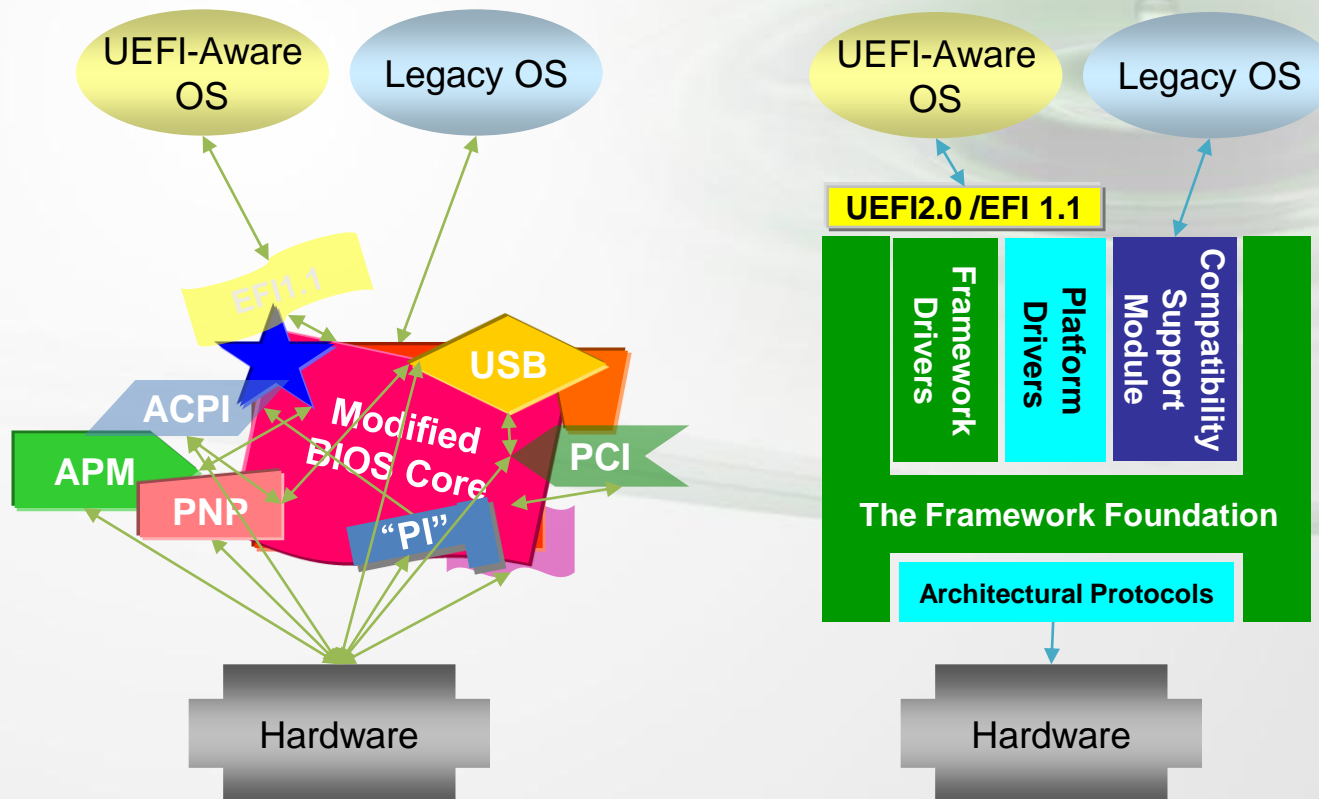# Insyde Has Led the Transition to UEFI

Intel is asking Insyde's EFI participation after Intel invested Insyde at 2000

UEFI development with Intel since 2001

Shipping UEFI products on Desktop since 2003

H2O shipping with Server and Embedded since 2004

Shipping UEFI products on notebooks since 2005

Non-Intel chipsets in production since Q1'06

Customers shipping multiple UEFI products since 2008

Major transition of server BIOS to UEFI begins

Server

Volume Shipment

Non-Intel versions ship

Notebook mass production since 2005

Server/Embedded

Desktop mass production since 2003

Pioneer for UEFI development

2001   2002   2003   2004   2005   2006   2007   2008   2009   2010   2011
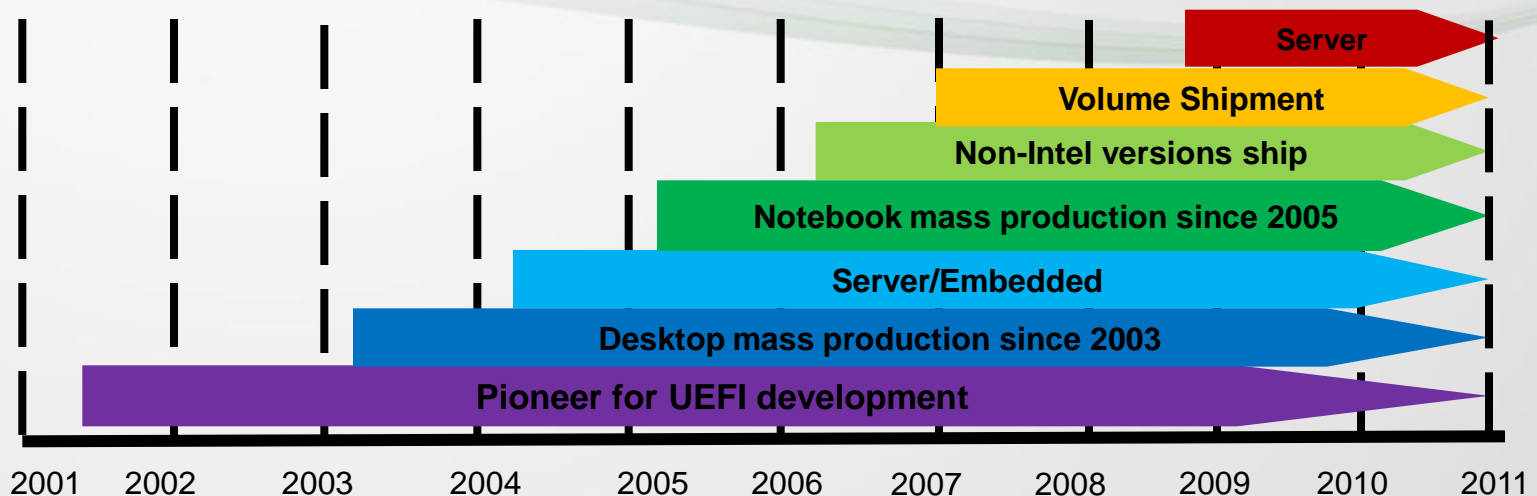
Making Connections in the Era of Platform Variation

Wider Range of Hardware Architectures and Wider Range of Operating Systems

Window

Android, WebOS, Pada,…

Operating System

InsydeH2O

Hardware Platform

X86: Intel, AMD, Via

ARM: nVidia, Qualcomm, TI

- Supporting operating systems including Windows 7, Windows 8, Android, Chrome OS, Linux and more…

- Configuring CPUs, chipsets and peripherals including x86 from AMD, Intel, Via; and ARM from nVIDIA, Qualcomm, TI and more…

- BIOS: Basic Input Output System

- UEFI: Unified Extensible Firmware Interface

- InsydeH2O provides the bridge from the Hardware-2-Operating system

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Humanos™ for Chromium OS

- An Instant-On web browsing solution using Insyde's Quick Boot technology as start, plus

- Insyde's integration of Google's open source Chromium OS. Target is notebooks and netbooks

- Potential to leverage Google's (and others') Cloud-based applications

- Co-exists with Windows for PC platform initially

Humanos™ for Android

- An Instant-on widget-based OS solution using Insyde's Quick Boot technology as the start, plus

  - Insyde's integration of Google Android.

  - Insyde Market: Android Apps market

  - Full Chromium Brower: combines advantages of Android and Chrome OS

  - Superior IME (40+ languages)

  - Multi-touch with gesture support and handwriting

  - Utilities and tools for installation, testing and mass production

- Target Market is tablets, notebooks and netbooks

- 1st Android for netbooks – available October 2009

- More than 5 generations production experience for top OEM.

Drivers of Growth

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Insyde UEFI and Windows 8 at Computex

At Computex, **Michael Angiulo**, Corporate Vice President of the Planning, Hardware and PC Ecosystem team at Microsoft Corporation, briefly talked about the role of UEFI with Microsoft's next-gen OS.

Watch the clip on Youtube

Quote:

"UEFI is another important area to talk about. It's a major shift--a very important direction for all PCs.

It's required here on ARM and it's going to be required on any PC that addresses a drive that's bigger than 2.2 terabytes, but it's got some real benefits as well. A more secure boot, and a boot sequence that doesn't have a lot of screens that flash.

Insyde, one of our firmware vendors, reports a 40% performance gain on the same hardware running Windows 7 with BIOS and Windows 8 with UEFI. I've seen some of these systems with solid state disks that are fast. They completely cold-boot in 6 or 7 seconds, so our UEFI engagement is another important one."

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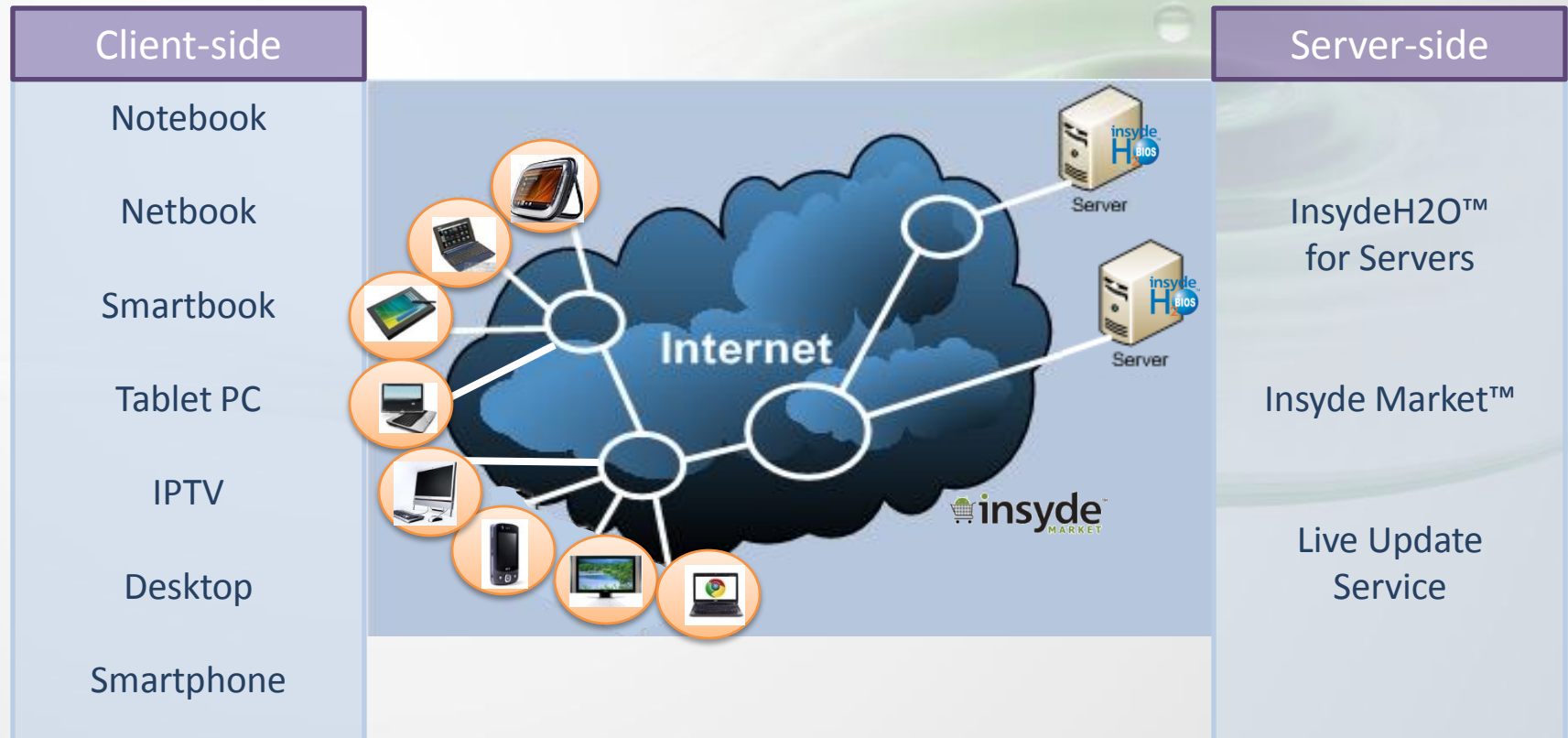
Momentum in Mobile Computing Continues

- InsydeH2O widely used by major ODMs and OEMs

  - OEMs: Acer, Dell, HP, Lenovo, Sony, Toshiba and others

  - ODMs: Compal, Inventec, Pegatron, Quanta, Wistron and others

    - High-touch/Mid-touch/Low-touch working models

- Continuous market-share growth in notebooks

  - Leadership across both Intel and AMD mobile platforms

  - Competition getting stronger

Growth Potential in Server Markets

- Worldwide, Server vendors including HP, Dell, IBM and Sun combine for over 70% market-share in server shipments

- In Taiwan, ODMs including Quanta, Mitac, Inventec, Foxconn, Wistron and Flextronics are the lead server makers

- In China, OEMs including Dawning, Huawei, Inspur and Lenovo are the country's largest server makers

- Insyde's ROI on server investment will start in late 2011

  - Dell using InsydeH2O for recent servers
  - Taiwan's major server ODMs are Insyde current customers
  - Top-tier China server makers starting to use InsydeH2O
  - Insyde is gaining design wins and engaging server manufacturers

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Leveraging Cloud Computing Growth

Client-side		Server-side
Notebook		
Netbook		InsydeH2O™ for Servers
Smartbook		
Tablet PC		Insyde Market™
IPTV		
Desktop		Live Update Service
Smartphone		

Financial Review & Company Updates

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Recent Revenue Growth

Recent Revenue Growth bar chart (In NT$ thousands) showing quarterly revenue from Q1'08 to Q2'11, with values rising from roughly 120,000 to a peak near 360,000 at Q1'11.
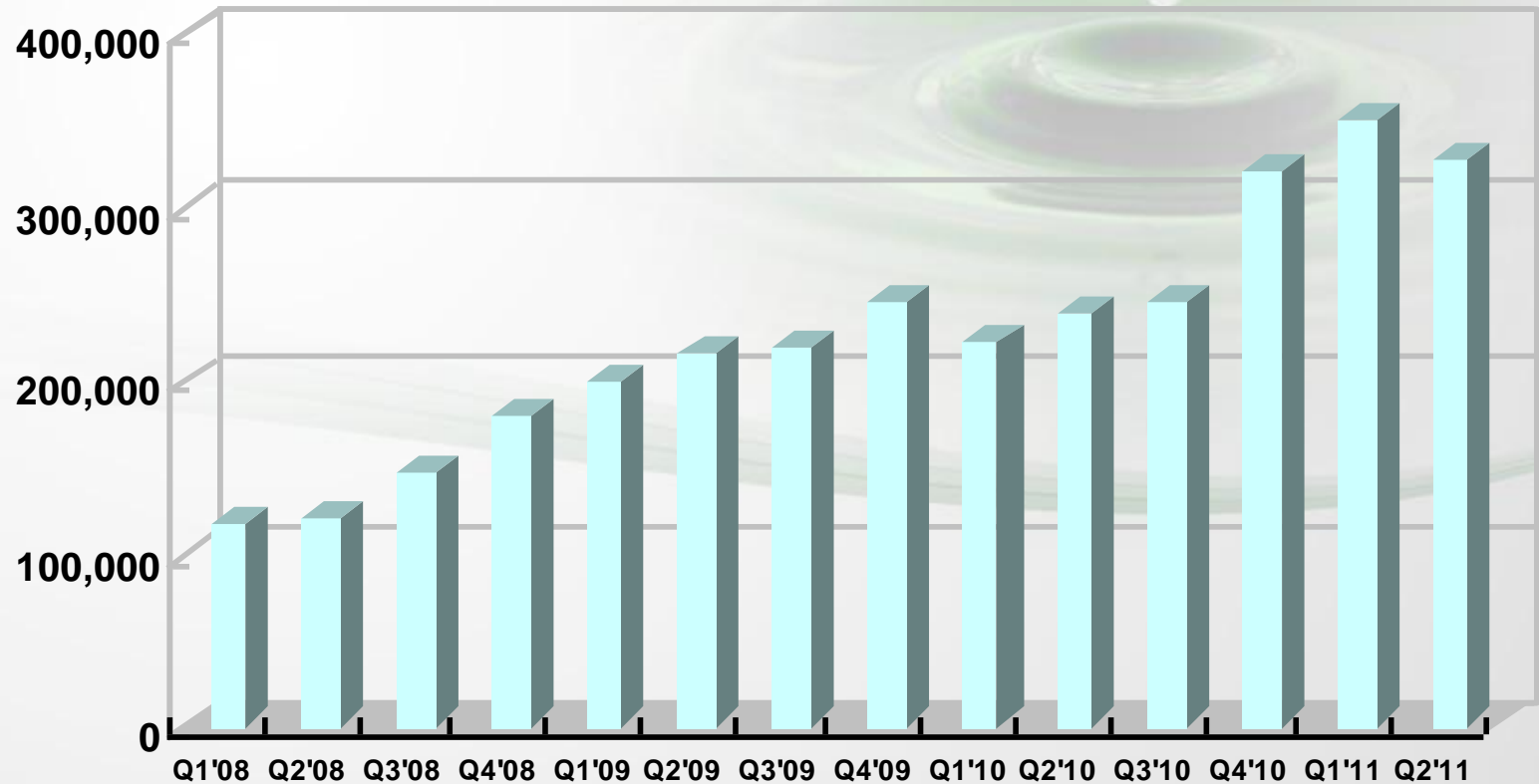
Consolidated Income Statement Quarterly

(In NT$ Thousands)	Q2'11	Q1'11	Q2'10	QoQ %	YoY%
Net Sales	324,721	350,231	236,333	-7%	37%
COGS	40,269	40,918	30,715	-2%	31%
Gross Profit	284,452	309,313	205,618	-8%	38%
Gross margin	87.60%	88.32%	87.00%		
Operating Expense	188,785	190,980	148,031	-1%	28%
Operating Income	95,667	118,333	57,587	-19%	66%
Operating Margin	29.46%	33.79%	24.37%		
Non-Op Inc/(Exp)	1,585	11,159	(2,619)		
Income before Tax	97,252	129,492	60,206	-25%	62%
Net Income	86,258	104,589	61,963	-18%	39%
Net Margin	26.56%	29.86%	26.22%		
EPS (NT$)	2.28	2.77	1.63		

*1H'11 EPS is 5.05

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Consolidated Balance Sheet Summary

Selected Items from Balance Sheet (NT$ Millions)	Q2'11		Q1'11		Q2'10	
	Amount	%	Amount	%	Amount	%
Current Assets	1,389.87	96.3%	1,281.49	95.7%	1,094.32	95.12%
Fixed Assets	29.23	2.0%	30.27	2.3%	33.95	2.95%
Net PP&E and other assets	24.54	1.7%	26.90	2.0%	22.15	1.93%
Total Assets	1,443.64	100.0%	1,338.66	100.0%	1,150.42	100.0%
Current Liabilities	713.57	49.4%	485.88	36.3%	570.04	49.56%
Long-Term Liabilities	2.76	0.2%	3.78	0.3%	0	0%
Other Liabilities	0	0%	0	0%	0	0%
Total Liabilities	716.33	49.6%	489.66	36.6%	570.04	49.56%
Shareholders' Equity	727.31	50.4%	849.0	63.4%	580.38	50.44%

Thanks!

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