



Investor Update

July, 2012
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





Company Overview

Insyde Software (6231.TW)

- Founded in September, 1998 by PCT (6270.TW) CEO Jeremy Wang and SystemSoft EVP 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 06/30/2012: 37.8M shares
- Headquarters: Taipei, Taiwan
 - US operations in Massachusetts and Oregon
 - Other offices in China, Taiwan and Korea
- Worldwide 600+ employees

Growing Worldwide Presence

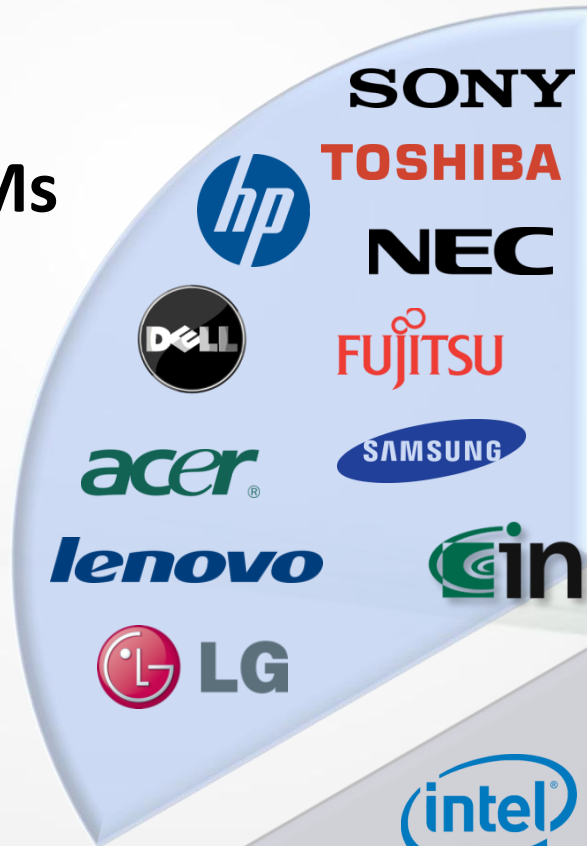
Insyde Software Provides Service to Markets Worldwide



Insyde Relationships

Sample of Customers and Industry Partners

OEMs



ODMs



3rd Parties





Product Portfolio

Product Portfolio

Insyde Software Products Enable Innovation in the Computer Industry

- **InsydeH2O[®]**

- Industry leading UEFI firmware for PCs, Embedded, and Servers
- Tools for efficient development



- **Humanos[®]**

- Humanos for Android
- Humanos for Chromium OS

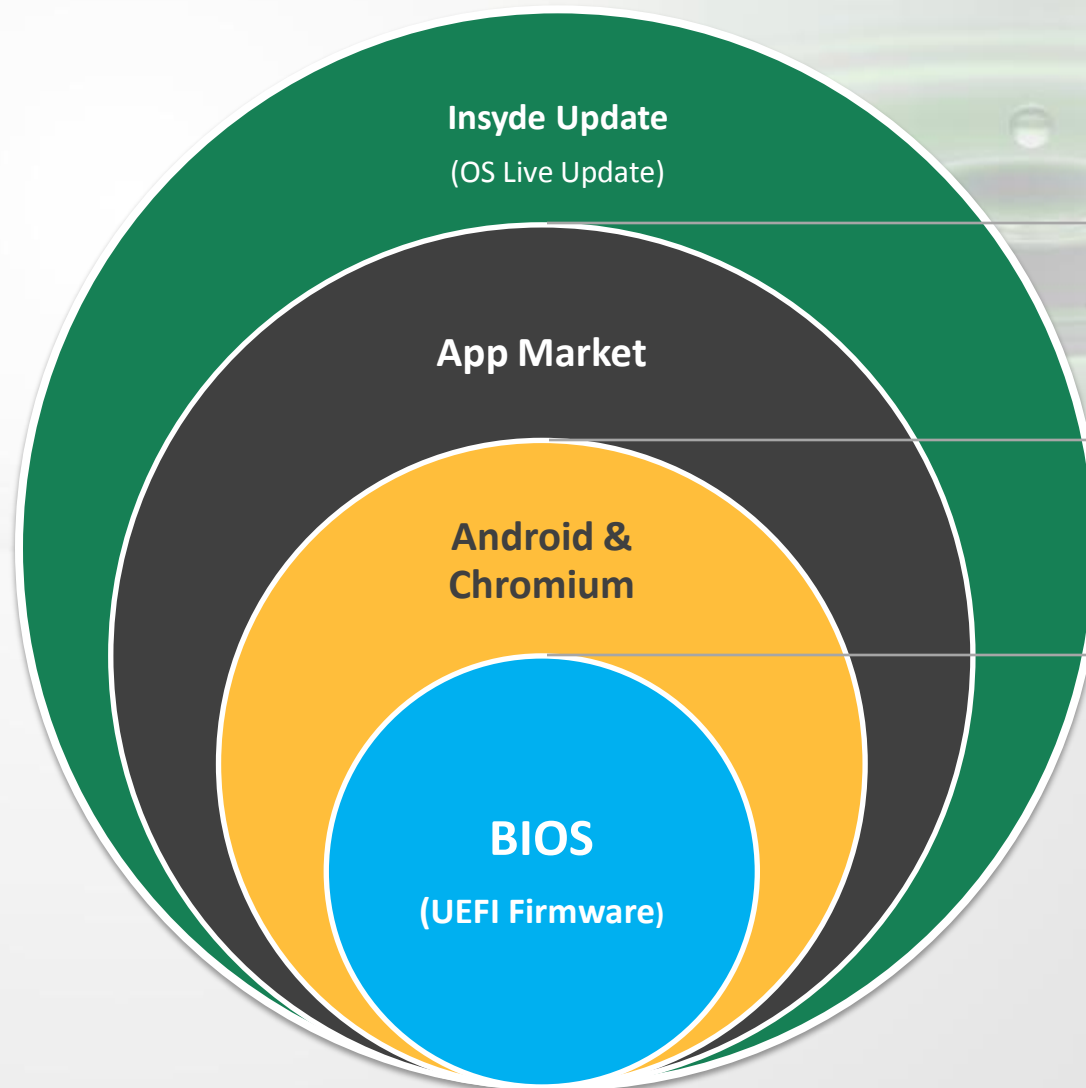


- **Insyde Market[™]**

- Online applications store for Android-based devices



Complete, Customizable Software and Service Solutions, From Firmware to Applications

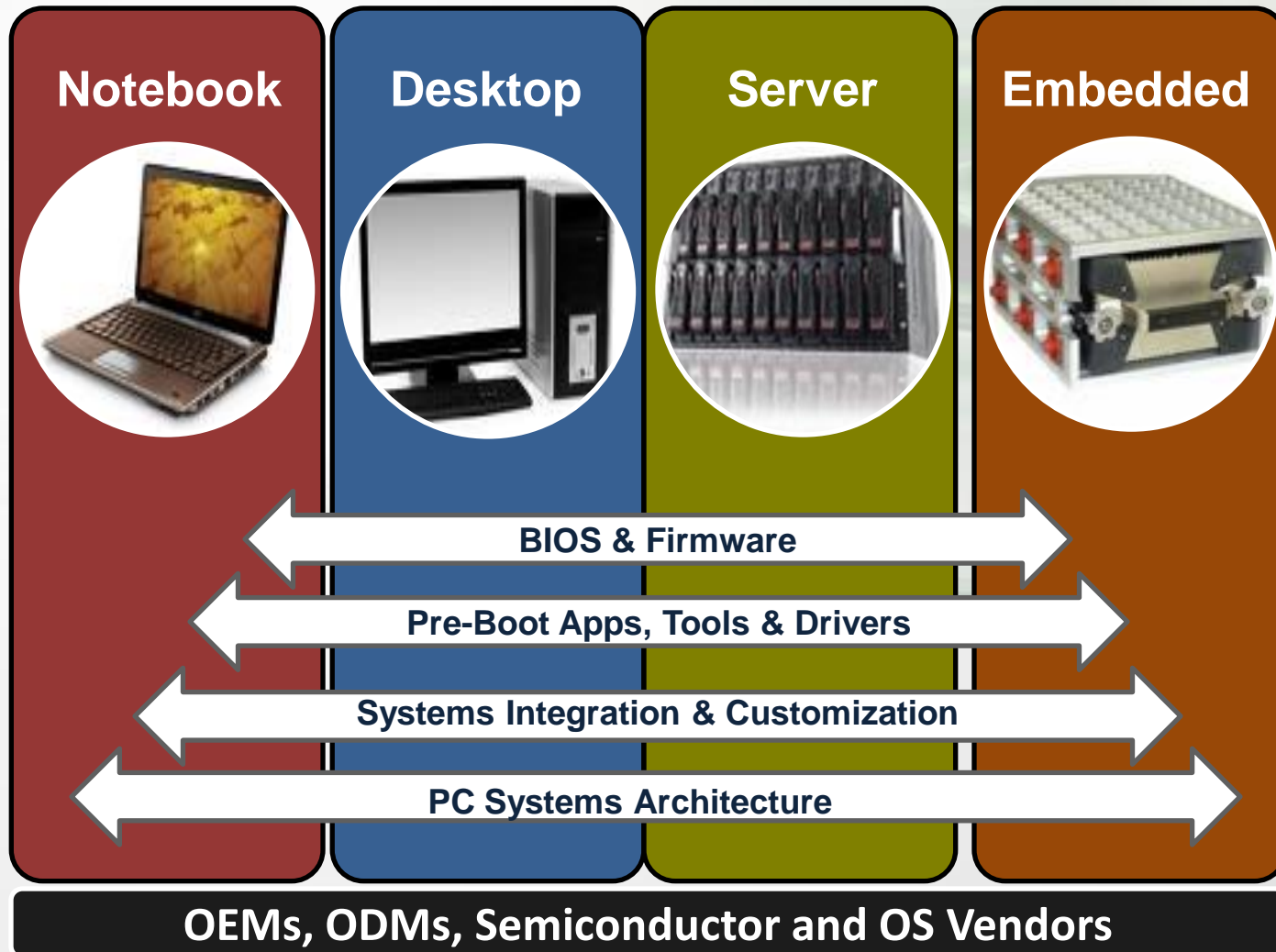


 **insyde**
MARKET

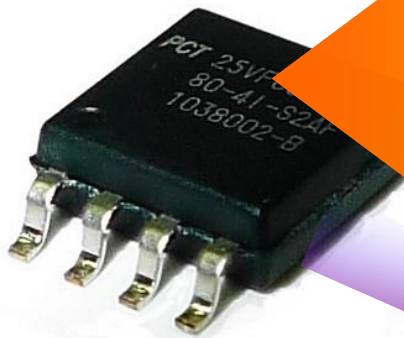
HUMANOS
HUMANOS

insyde
H₂ BIOS

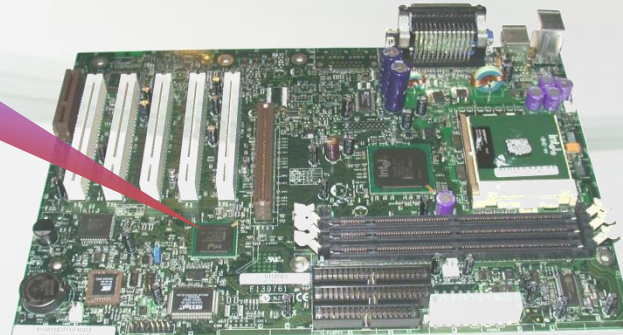
Core Competencies & Markets



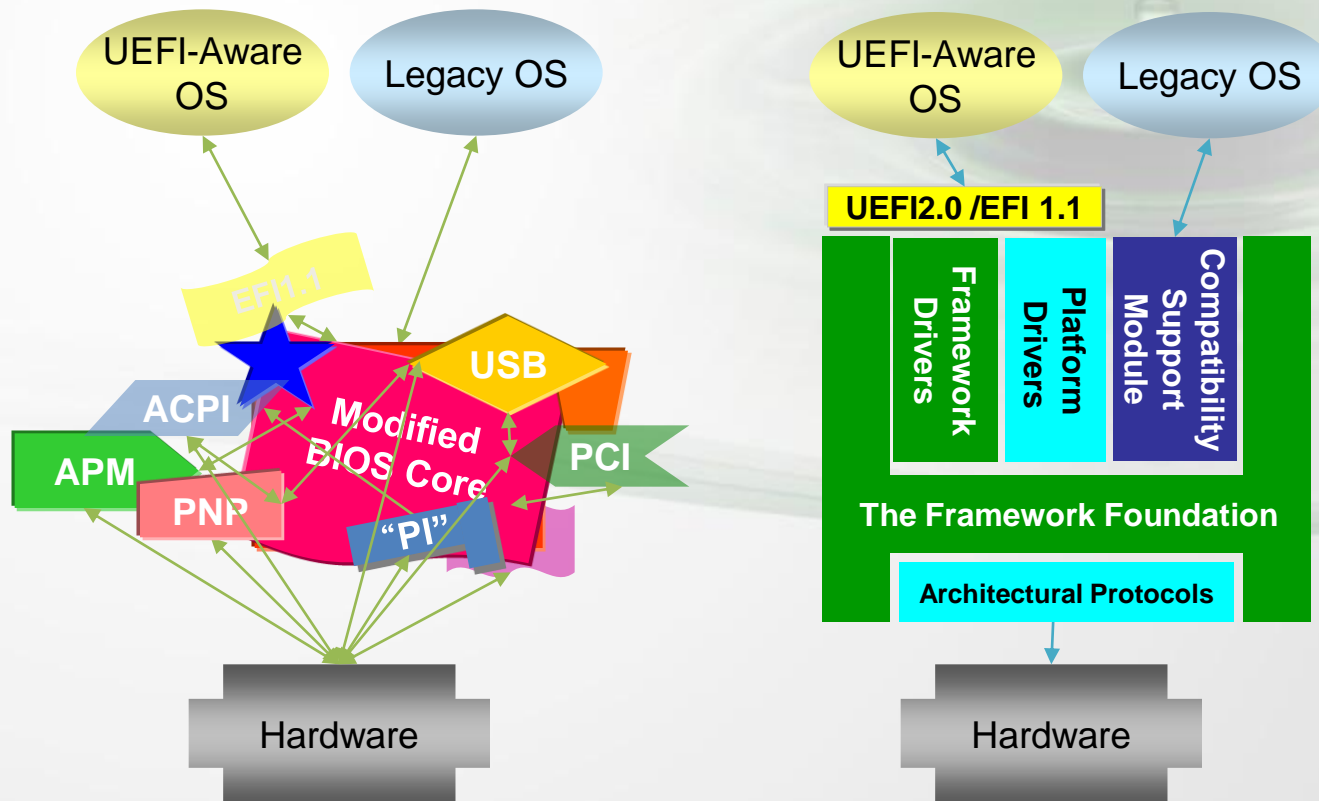
Computer BIOS – “Firmware”



BIOS is stored in NOR Flash

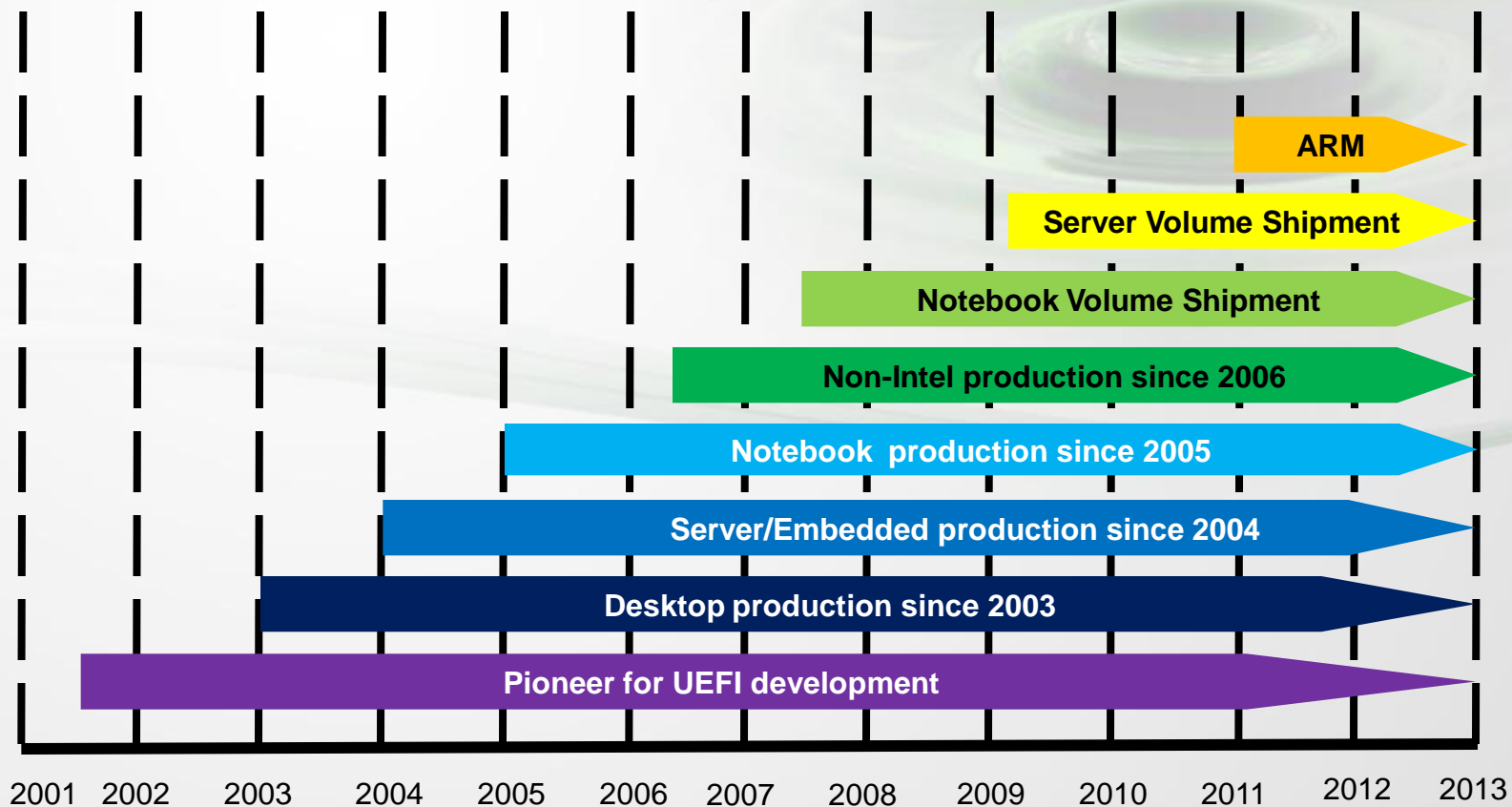


Difference between Legacy BIOS and UEFI Firmware



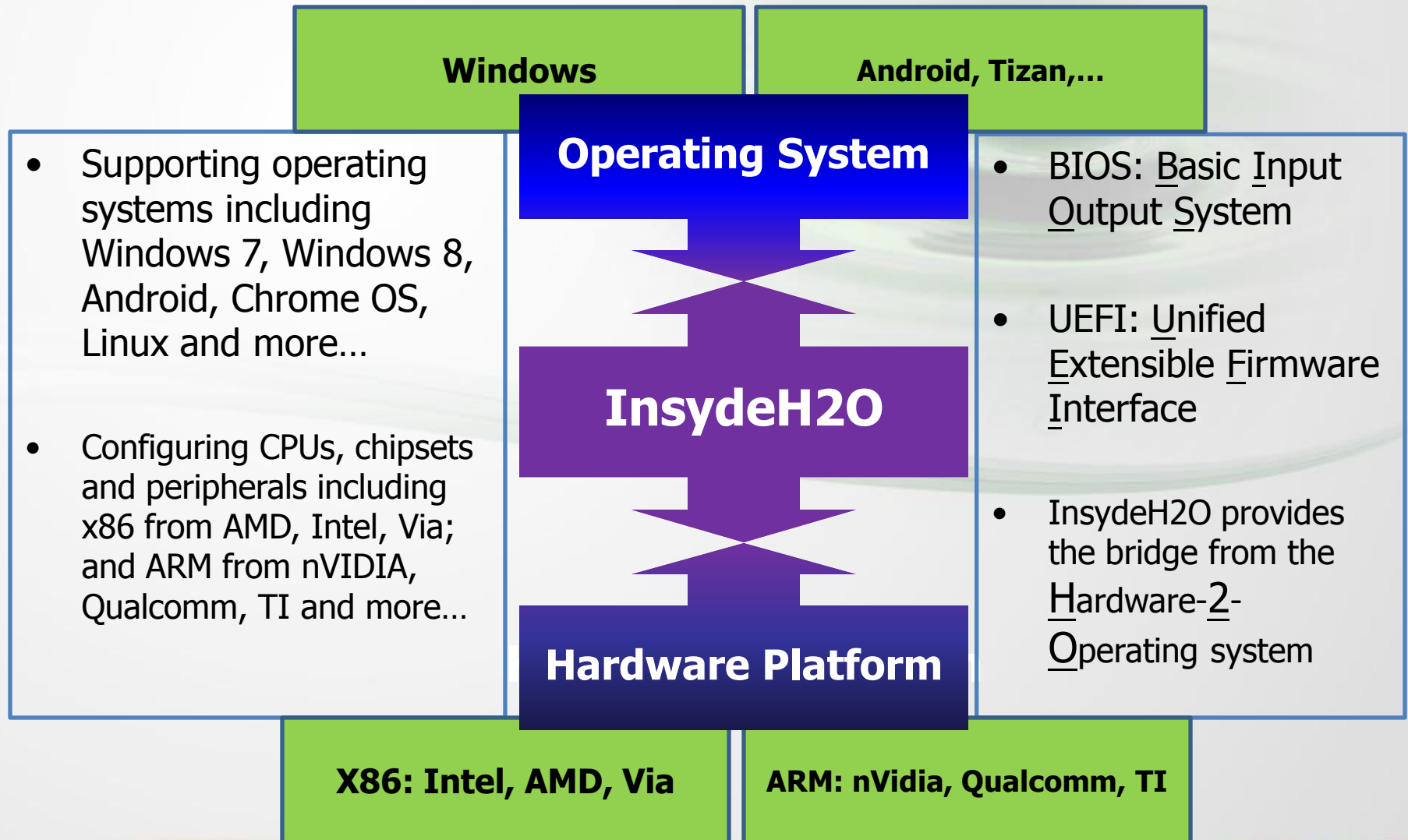
Insyde Has Led the Transition to UEFI

Intel asked Insyde to participate after Intel invested late in 1999



Making Connections in the Era of Platform Variation

Wider Range of Hardware Architectures and Wider Range of Operating Systems



- 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 6 generations production experience for top OEM
- Android BSP development for Intel

Intel Capital Invests NT\$300m

Collaboration on UEFI BIOS and Android for Tablets and Ultrabooks



"The proliferation of mobile devices and applications demands new features and capabilities. Insyde Software is uniquely positioned to provide the software building blocks that will help hardware makers bring these innovative, new products to market."

Keith Larson, vice president and managing director, manufacturing sector and Taiwan and Korea regions, at Intel Capital.

"Intel is pleased to announce our collaboration with Insyde Software to help drive additional software innovation for Intel platforms. Insyde's computing solutions optimized for Intel architecture will bring increased value to our shared customers."

Doug Fisher, corporate vice president and general manager of Intel's Software and Services Group's Systems Software Division.



Drivers of Growth

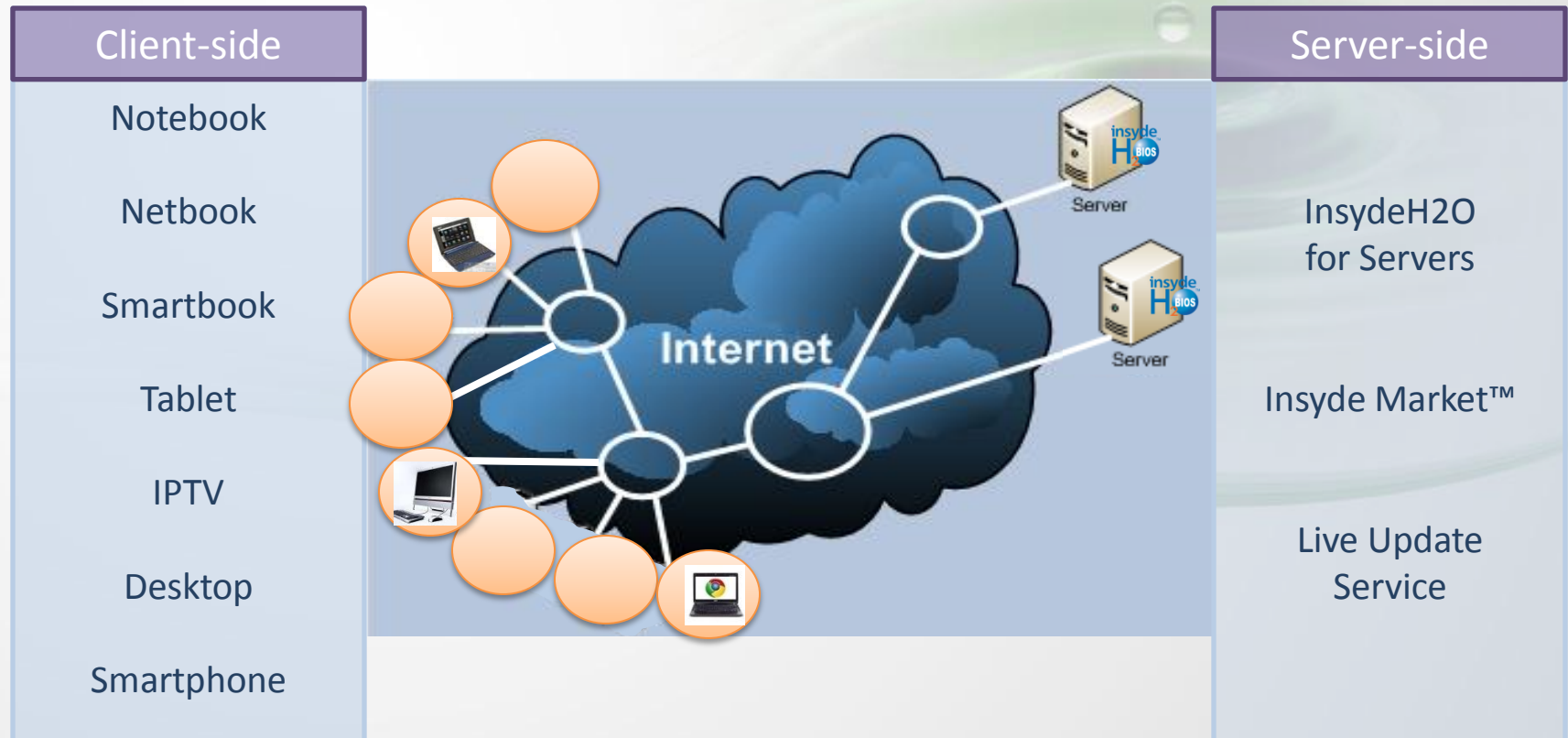
Momentum in Mobile Computing Continues

- 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/Medium-touch/Low-touch working models
- Continued market-share growth in notebooks
 - Leadership across both Intel and AMD mobile platforms
 - Competition getting stronger

Growth Potential in Server Markets

- Dell started using InsydeH2O for certain server models in middle of 2011. More models with InsydeH2O coming into production
- Some of China's largest server makers are Insyde's customers now, including Inspur and Huawei
- In Taiwan, several leading ODMs are using InsydeH2O, but not exclusively
- Insyde's ROI on server investment has started: strong revenue growth in 2011

Leveraging Cloud Computing Growth

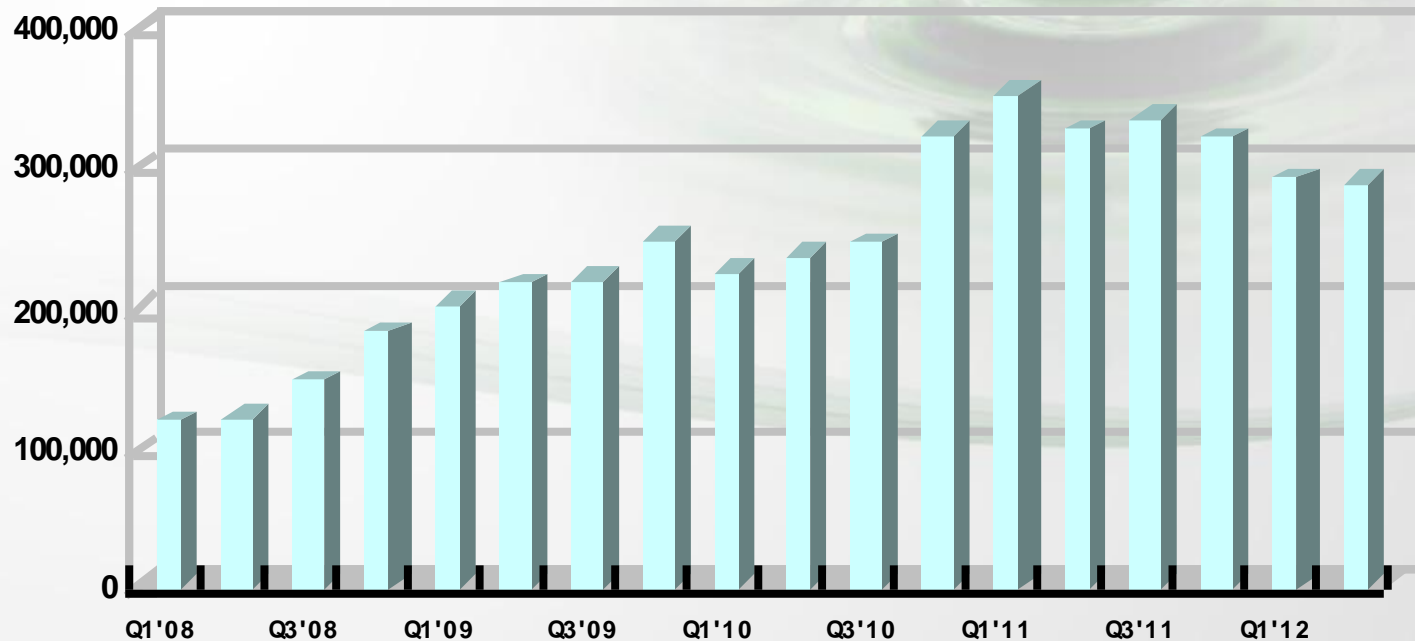




Financial Review & Company Update

Recent Revenue Growth

(In NT\$ thousands)



Consolidated Income Statement Quarterly

| (In NT\$ Thousands) | Q2'12 | Q1'12 | Q2'11 | QoQ % | YoY% |
|--------------------------|---------|---------|---------|-------|------|
| Net Sales | 286,316 | 289,626 | 324,721 | -1% | -12% |
| COGS | | 53,623 | 40,269 | | |
| Gross Profit | | 236,003 | 284,452 | | |
| Gross margin | | 81.49% | 87.60% | | |
| Operating Expense | | 179,356 | 188,785 | | |
| Operating Income | 46,271 | 56,647 | 95,667 | -18% | -52% |
| Operating Margin | 16.16% | 19.56% | 29.46% | | |
| Non-Op Inc/(Exp) | 2,382 | 3,648 | 1,585 | | |
| Income before Tax | 48,653 | 60,295 | 97,252 | -19% | -50% |
| Net Income | | 45,961 | 86,258 | | |
| Net Margin | | 15.87% | 26.56% | | |
| Pre-tax EPS | 1.29 | 1.48 | 2.58 | | |

*Q2'12 Quarterly pre-tax EPS NT\$ 1.29 is un-audited number

Consolidated Balance Sheet Summary

Selected Items from Balance Sheet (NT\$ Millions)

| | Q1'12 | | Q4'11 | | Q1'11 | |
|--------------------------------------|----------------|--------------|---------------|---------------|----------------|--------------|
| | Amount | % | Amount | % | Amount | % |
| Current Assets | 1,594.5 | 97.0% | 1685.8 | 97.1% | 1,281.5 | 95.7% |
| Fixed Assets | 28.0 | 1.7% | 29.4 | 1.7% | 30.3 | 2.3% |
| Net PP&E and other assets | 21.3 | 1.3% | 21.0 | 1.2% | 26.9 | 2.0% |
| <u>Total Assets</u> | <u>1,643.8</u> | <u>100</u> | <u>1736.2</u> | <u>100.0%</u> | <u>1,338.7</u> | <u>100%</u> |
| Current Liabilities | 331.1 | 20.1% | 464.0 | 26.7% | 485.9 | 36.3% |
| Long-Term Liabilities | 354.1 | 21.6% | 359.4 | 20.7% | 3.8 | 0.3% |
| Other Liabilities | 8.2 | 0.5% | 6.9 | 0.4% | 0.0 | 0% |
| <u>Total Liabilities</u> | <u>693.3</u> | <u>42.2%</u> | <u>830.3</u> | <u>47.8%</u> | <u>489.7</u> | <u>36.6%</u> |
| <u>Shareholders' Equity</u> | <u>950.4</u> | <u>57.8%</u> | <u>905.9</u> | <u>52.2%</u> | <u>849.0</u> | <u>63.4%</u> |

Annual Dividend History

| Year/NT\$ | Per 1,000 Shares | | EPS | Payout |
|-----------|------------------|----------------|------|--------|
| | Cash Dividend | Stock Dividend | | |
| 2011 | 7.5 | 0.0 | 9.45 | 79% |
| 2010 | 5.5 | 0.0 | 6.54 | 84% |
| 2009 | 5.0 | 1.0 | 6.85 | 88% |
| 2008 | 2.0 | 0.0 | 3.84 | 52% |

*6.1% dividend yield, compared with stock price of NT\$122 on 2012/07/13

Thank you!

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