

Excel Your Idea to Silicon

Faraday 2006-Q3 Results

2006-10-26



2006-Q3 Operating Results Summary



Unit: Million NTD

	2006-Q3	2006-Q2	2005-Q3
Net Operating Revenues	1,559	1,474	1,517
Net Income	385	372	406
EPS (NTD)	1.24	1.20	1.43
Cash & Cash Equivalents	1,407	2,117	1,987
Total Assets	7,151	7,413	6,131
Total Liabilities	1,577	2,672	1,710
Stockholders' Equity	5,574	4,741	4,421



2006-Q3 Income Statement - QoQ

Unit: Million NTD

	2006-Q3	%	2006-Q2	%	Change %
Net Operating Revenues	1,559	100.0	1,474	100.0	5.8
Gross Margin	682	43.8	664	45.0	2.7
Operating Expenses	(306)	(19.7)	(293)	(19.9)	4.4
- Selling Expenses	(28)	(1.8)	(27)	(1.8)	3.7
- Administrative Expenses	(40)	(2.6)	(40)	(2.7)	0.0
- R&D Expenses	(238)	(15.3)	(226)	(15.4)	5.3
Operating Income	376	24.1	371	25.1	1.3
Net Non-Operating Income (Loss)	9	0.6	1	0.2	
- Interest Income	4	0.3	4	0.3	
- Investment Gain (Loss)	18	1.1	(3)	(0.2)	
- Foreign Exchange Gain (Loss)	1	0.1	(2)	(0.1)	
- Inventory Obsolescence	(4)	(0.3)	(1)	(0.1)	
- Others	(10)	(0.6)	3	0.3	
Income Tax Benefit (Expense)	0	0.0	0	0.0	
Net Income	385	24.7	372	25.3	3.5
EPS (NTD)	1.24		1.20		



Income Statement – YoY: 9-Months

Unit: Million NTD

	2006 Jan.-Sep.	%	2005 Jan.-Sep.	%	Change %
Net Operating Revenues	4,314	100.0	4,355	100.0	(0.9)
Gross Margin	1,931	44.8	1,891	43.4	2.1
Operating Expenses	(874)	(20.3)	(807)	(18.5)	8.3
- Selling Expenses	(82)	(1.9)	(80)	(1.8)	2.5
- Administrative Expenses	(116)	(2.7)	(104)	(2.4)	11.5
- R&D Expenses	(676)	(15.7)	(623)	(14.3)	8.5
Operating Income	1,057	24.5	1,084	24.9	(2.5)
Net Non-Operating Income (Loss)	44	1.0	(2)	(0.1)	
- Interest Income	12	0.3	18	0.4	
- Investment Gain (Loss)	(2)	(0.0)	(3)	(0.1)	
- Foreign Exchange Gain (Loss)	(2)	(0.1)	(1)	(0.0)	
- Inventory Obsolescence	(8)	(0.2)	(13)	(0.3)	
- Others	44	1.0	(3)	(0.1)	
Income Tax Benefit (Expense)	0	0.0	21	0.5	
Net Income	1,101	25.5	1,103	25.3	(0.2)
EPS (NTD)	3.54		3.89		



Balance Sheet Highlight

September 30, 2006



Unit: Million NTD

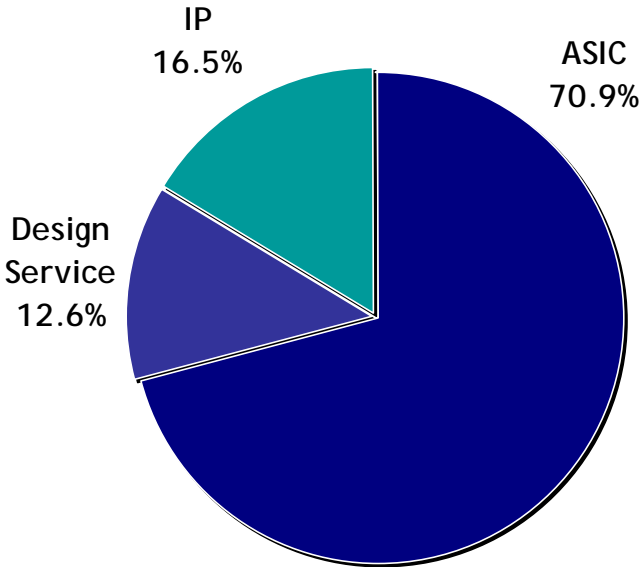
Cash and Cash Equivalents	1,407
Funds and Investments	2,506
Fixed Assets	987
Total Assets	7,151
Current Liabilities	1,550
Stockholders' Equity	5,574



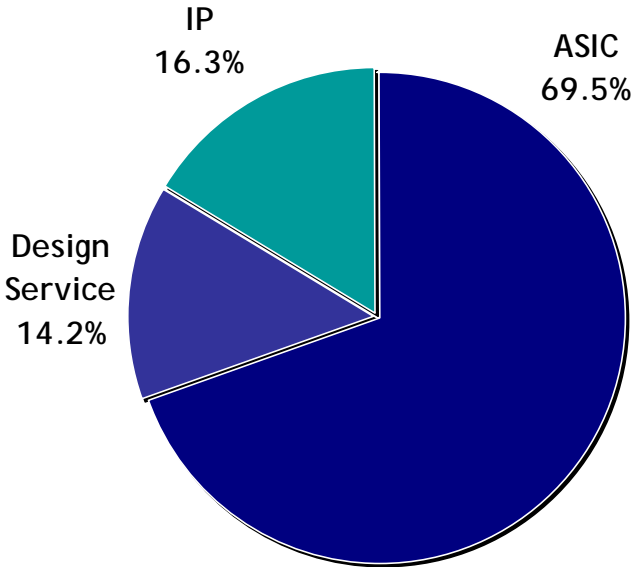
Sales Breakdown By Billing Methods - QoQ



2006-Q3



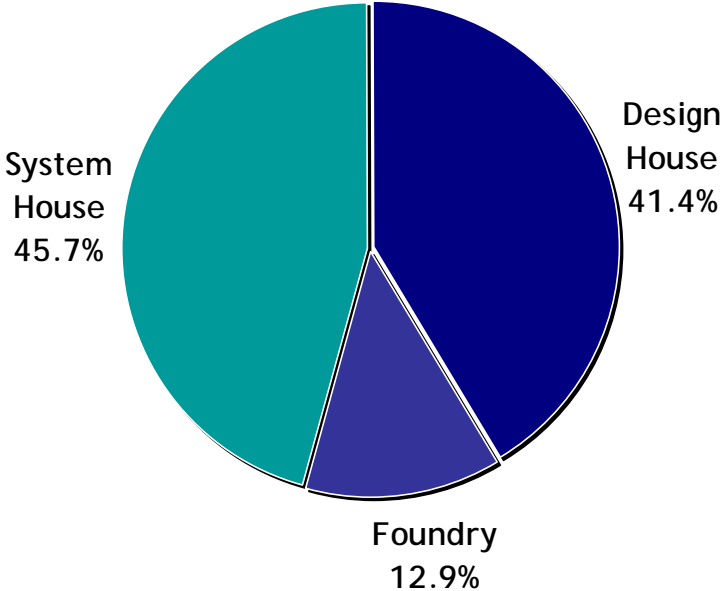
2006-Q2



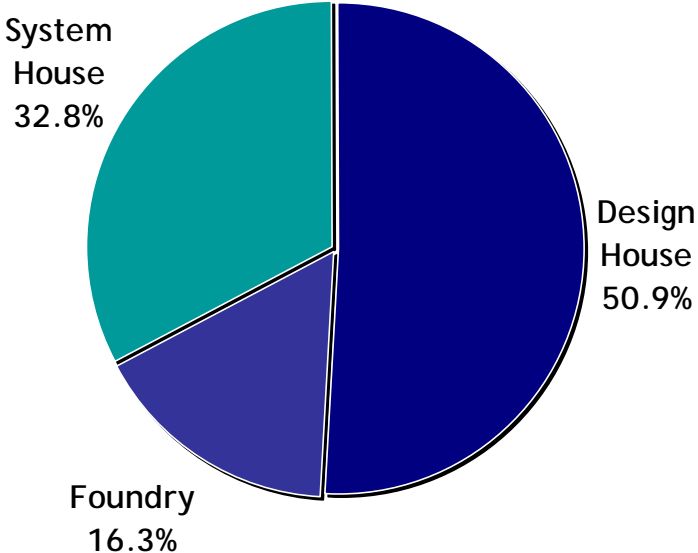
Sales Breakdown By Customer Type - QoQ



2006-Q3



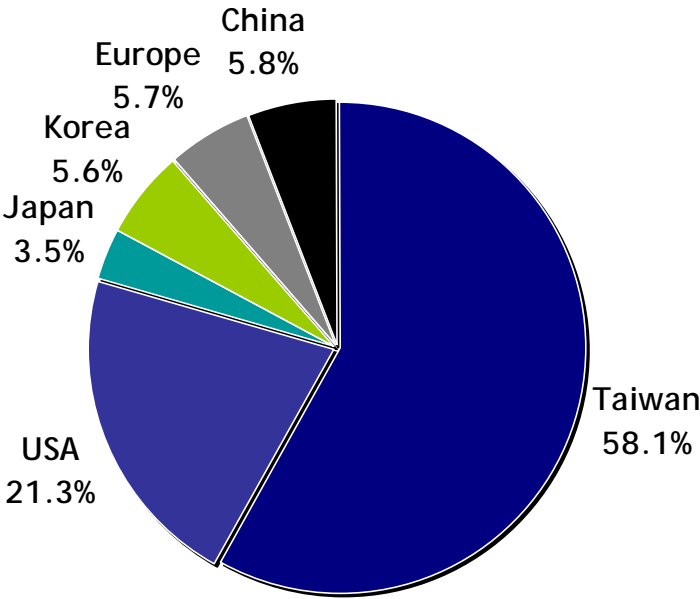
2006-Q2



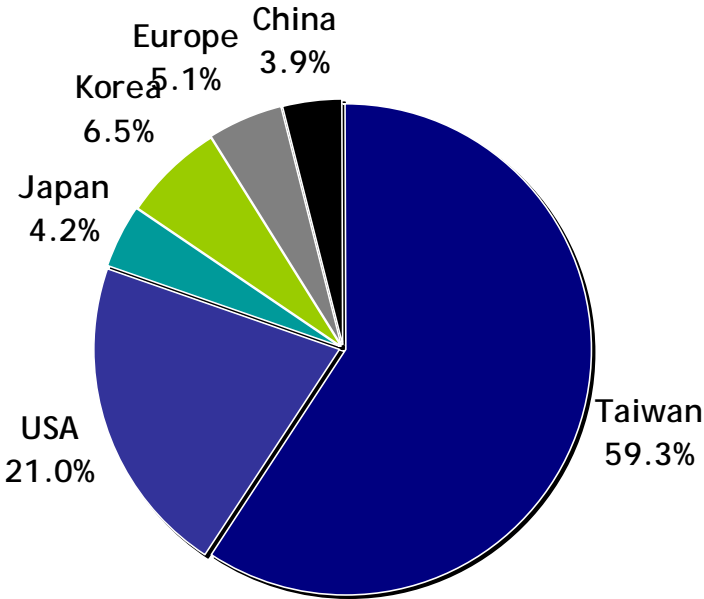
Sales Breakdown By Geography - QoQ



2006-Q3



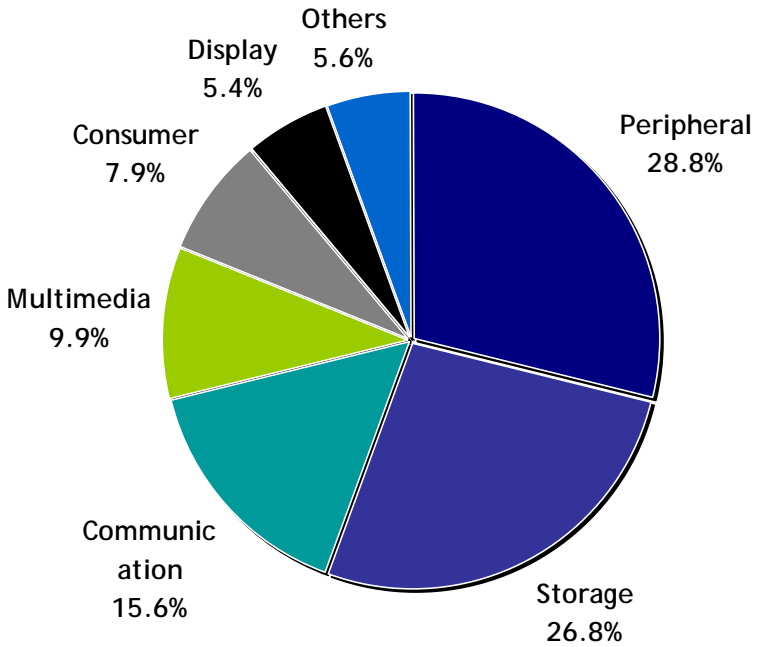
2006-Q2



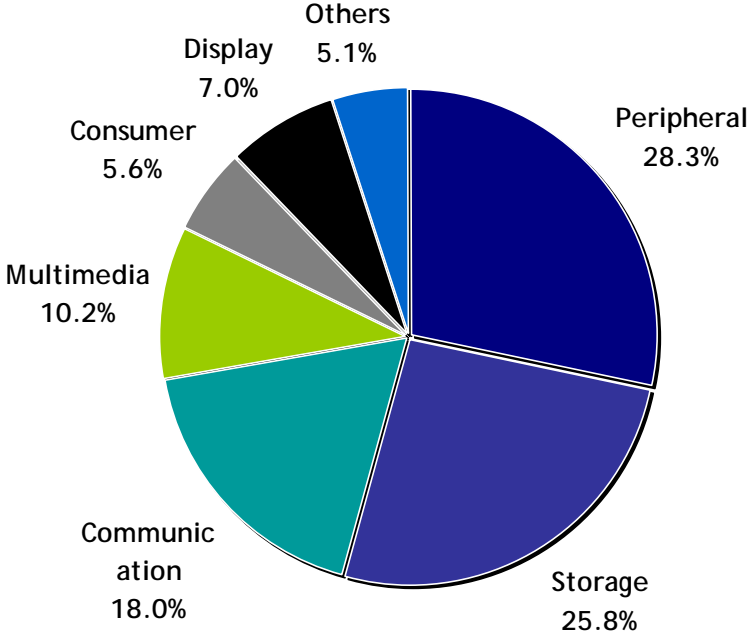
Sales Breakdown By Application - QoQ



2006-Q3



2006-Q2

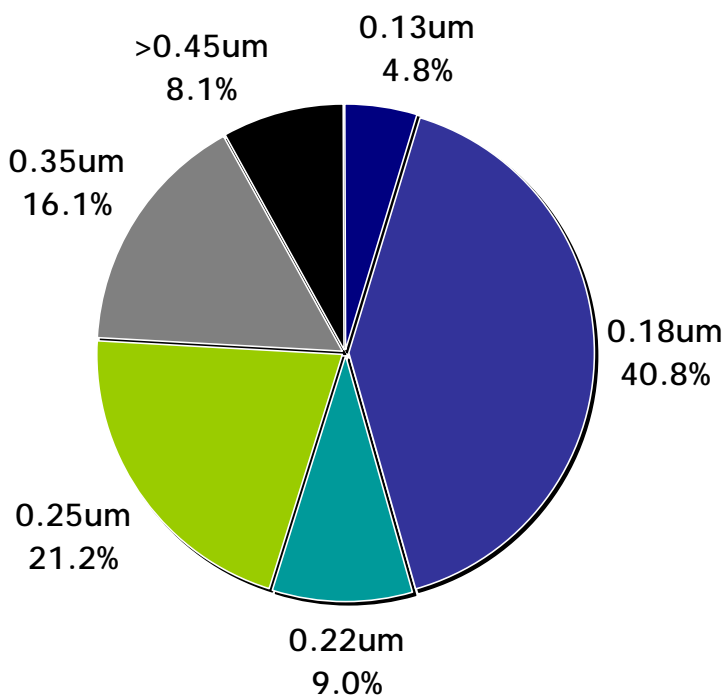
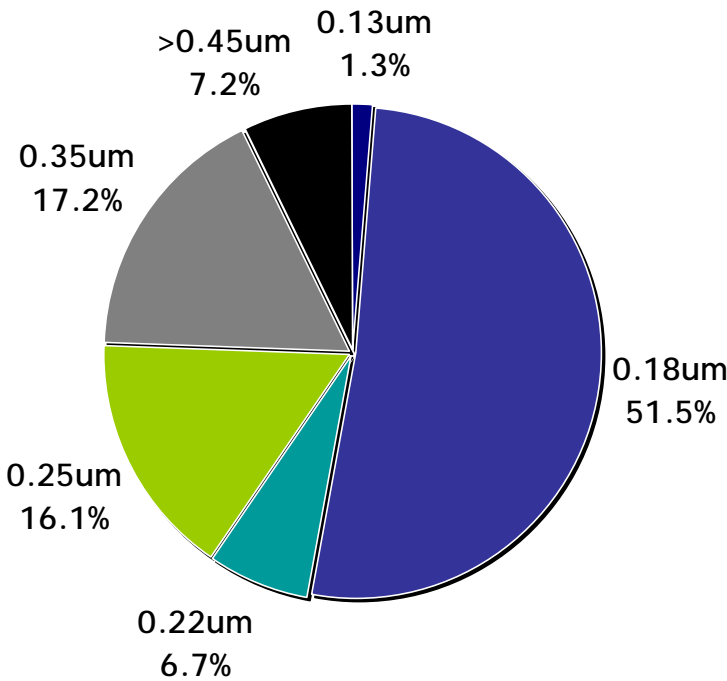


Sales Breakdown By Technology - QoQ



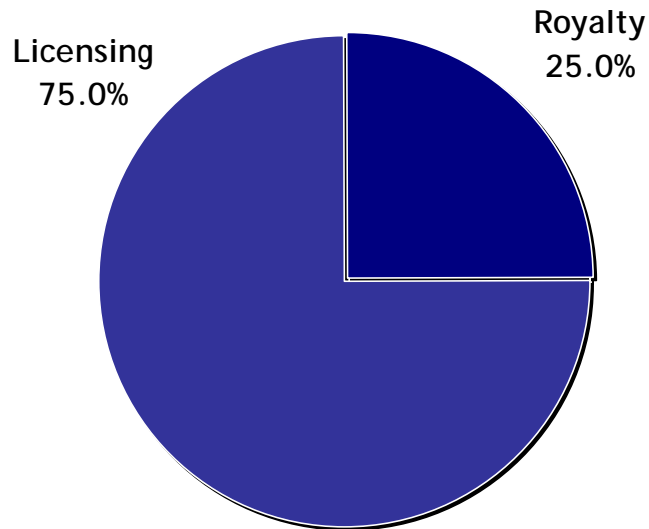
2006-Q3

2006-Q2



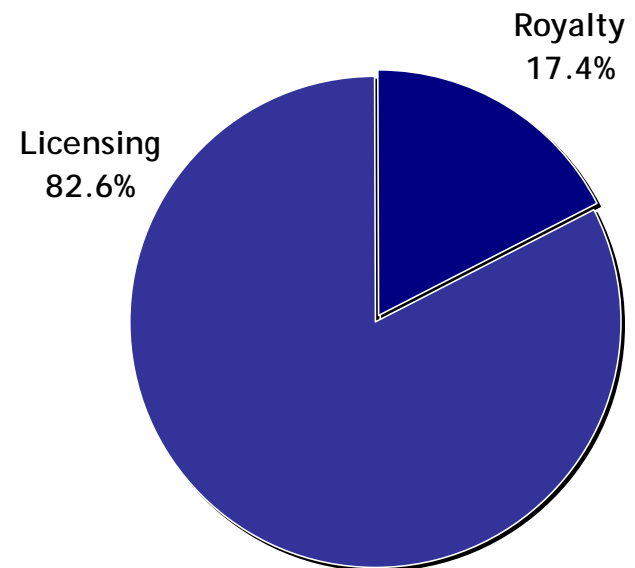
IP Royalty vs. IP Revenue

2006 Jan.~Sep.



Total IP Revenue: \$727 million NTD

2005 Jan.~Sep.



Total IP Revenue: \$563 million NTD

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