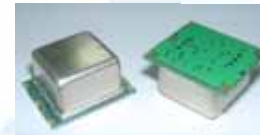
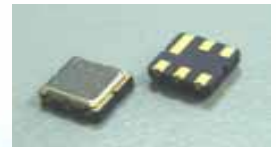




TXC Corporation

Investor Conference

May 23, 2008





- *Financial Results*
- *Sales & Marketing*
- *Technology and Product*
- *Highlights*
- *Q & A*



2007 Consolidated IS-Audited



Unit: NT\$ in Million

	1Q'07	2Q'07	3Q'07	4Q'07	2007	2006	YoY
Net Sales	1,322	1,383	1,709	1,836	6,250	5,206	20.1%
Cost of Sales	913	976	1,185	1,283	4,357	3,704	17.6%
Gross Profit	409	407	524	553	1,893	1,502	26.0%
Gross Margin (%)	30.9%	29.4%	30.7%	30.1%	30.3%	28.9%	
Operating Expenses	146	154	182	167	649	506	28.3%
Operating Income	263	253	342	386	1,244	996	24.9%
Net Non Income(Expense)	1	4	(21)	(22)	(38)	(36)	5.6%
Pre-tax Income(Loss)	264	257	321	364	1,206	960	25.6%
Net Income(Loss)	244	219	297	380	1,140	842	35.4%
Net Profit (%)	18.5%	15.8%	17.4%	20.7%	18.2%	16.2%	
EPS (NT\$)	1.01	0.91	1.23	1.57	4.72	4.09	15.3%

(2007/12/E Capital stock : 2.42Bn)

2008Q1 Consolidated IS-Audited



Unit: NT\$ in Million

	1Q'08	1Q'08*	4Q'07	1Q'07	QoQ	YoY
Net Sales	1,614	1,614	1,836	1,322	-12.1%	22.1%
Cost of Sales	1,190	1,181	1,283	913	-8.0%	29.4%
Gross Profit	424	433	553	409	-21.7%	5.9%
Gross Margin (%)	26.3%	26.8%	30.1%	30.9%		
Operating Expenses	208	185	167	146	10.8%	26.7%
Operating Income	216	248	386	263	-35.8%	-5.7%
Net Non Income(Expense)	1	1	(22)	1	-104.5%	0.0%
Pre-tax Income(Loss)	217	249	364	264	-31.6%	-5.7%
Net Income(Loss)	206	233	380	244	-38.7%	-4.5%
Net Profit (%)	12.8%	14.4%	20.7%	18.5%		
EPS (NT\$)	0.85	0.96	1.57	1.01	-38.7%	-4.5%

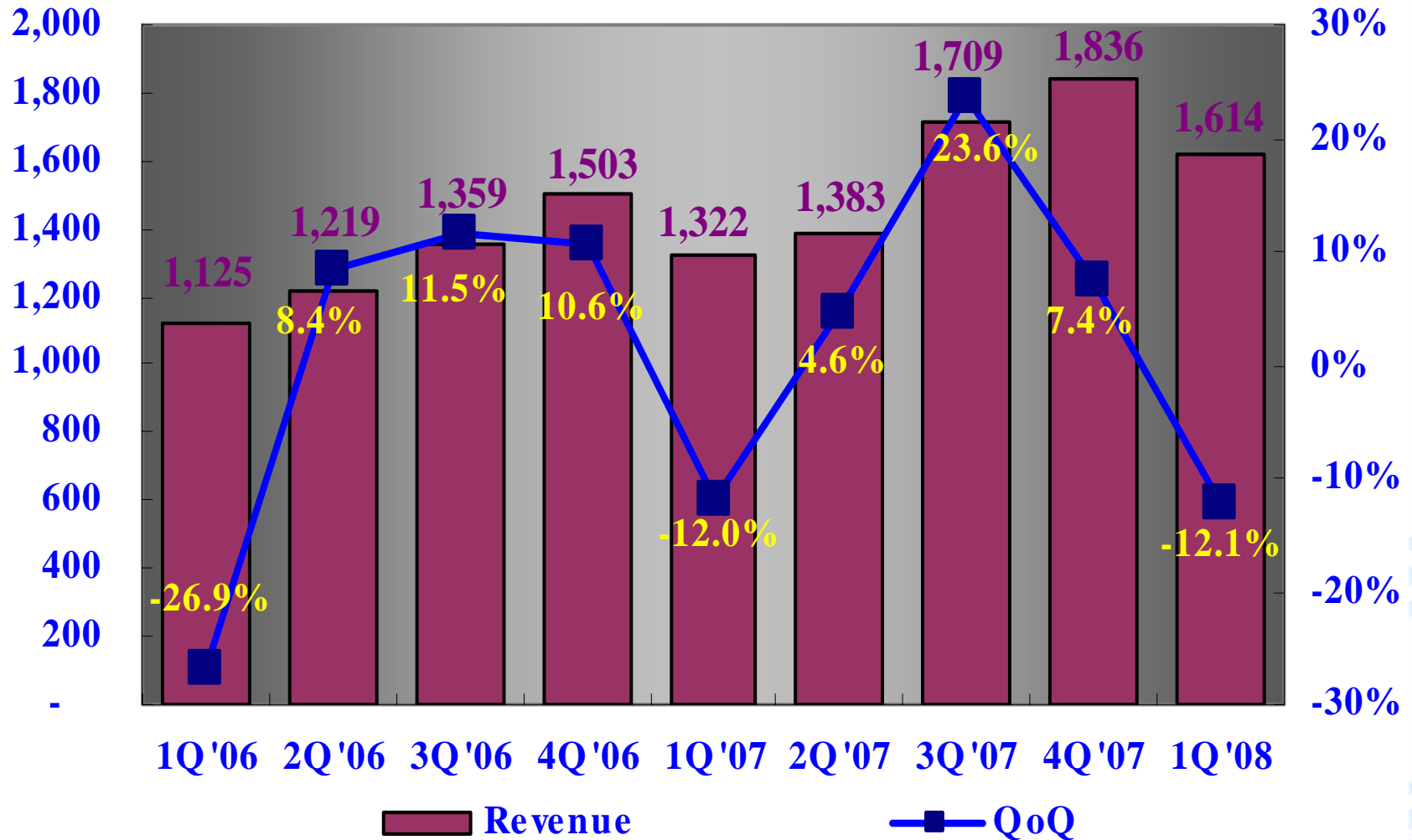
(2008/03/E Capital stock : 2.42Bn)

*1Q'08 results do not include expenses of employee bonus and rewards for Board of Directors.



Revenue Trend

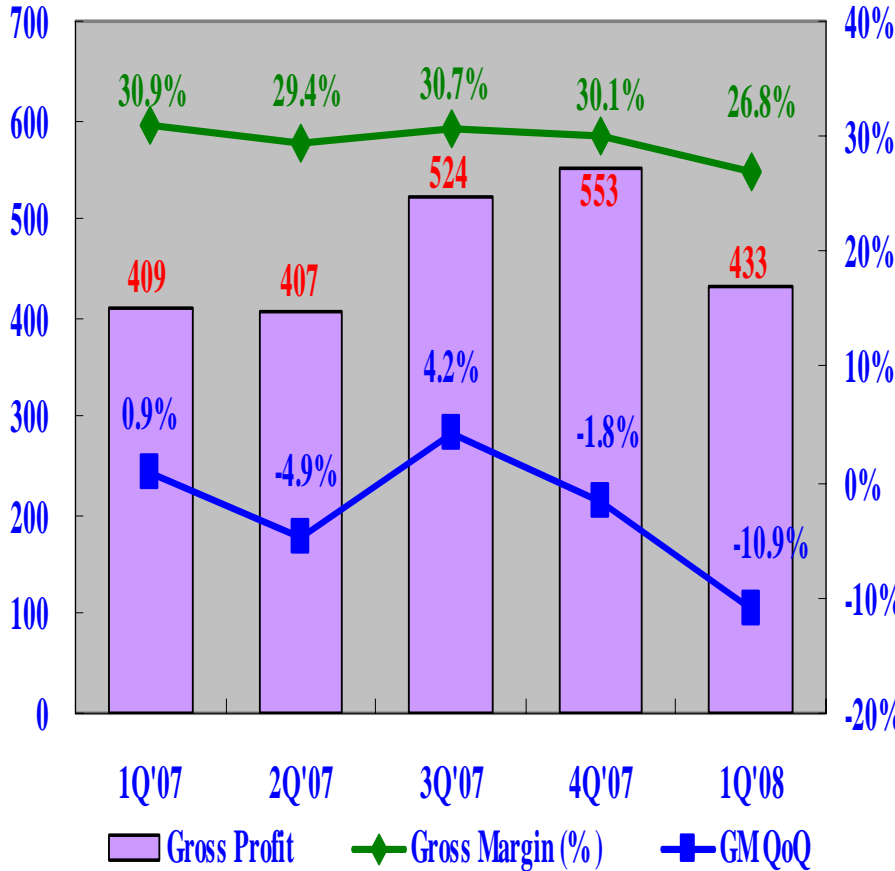
Unit: NT\$ in Million



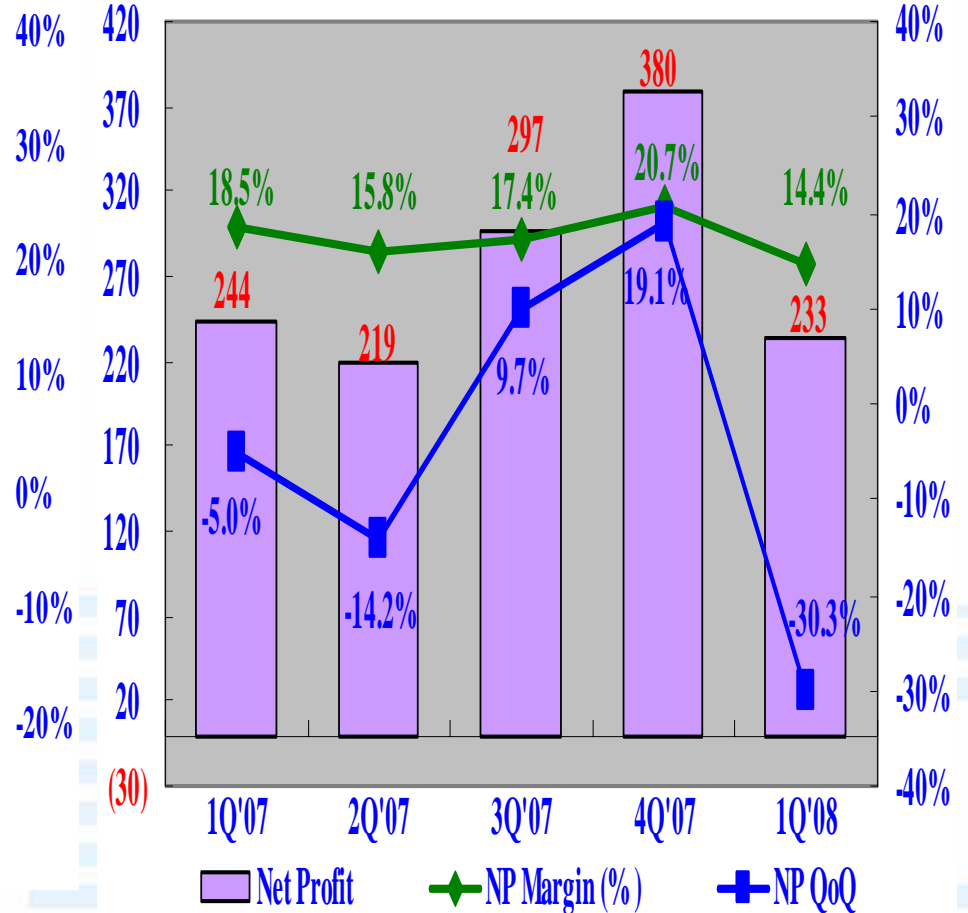
Profit Trend

Unit: NT\$ in Million

Gross Profit



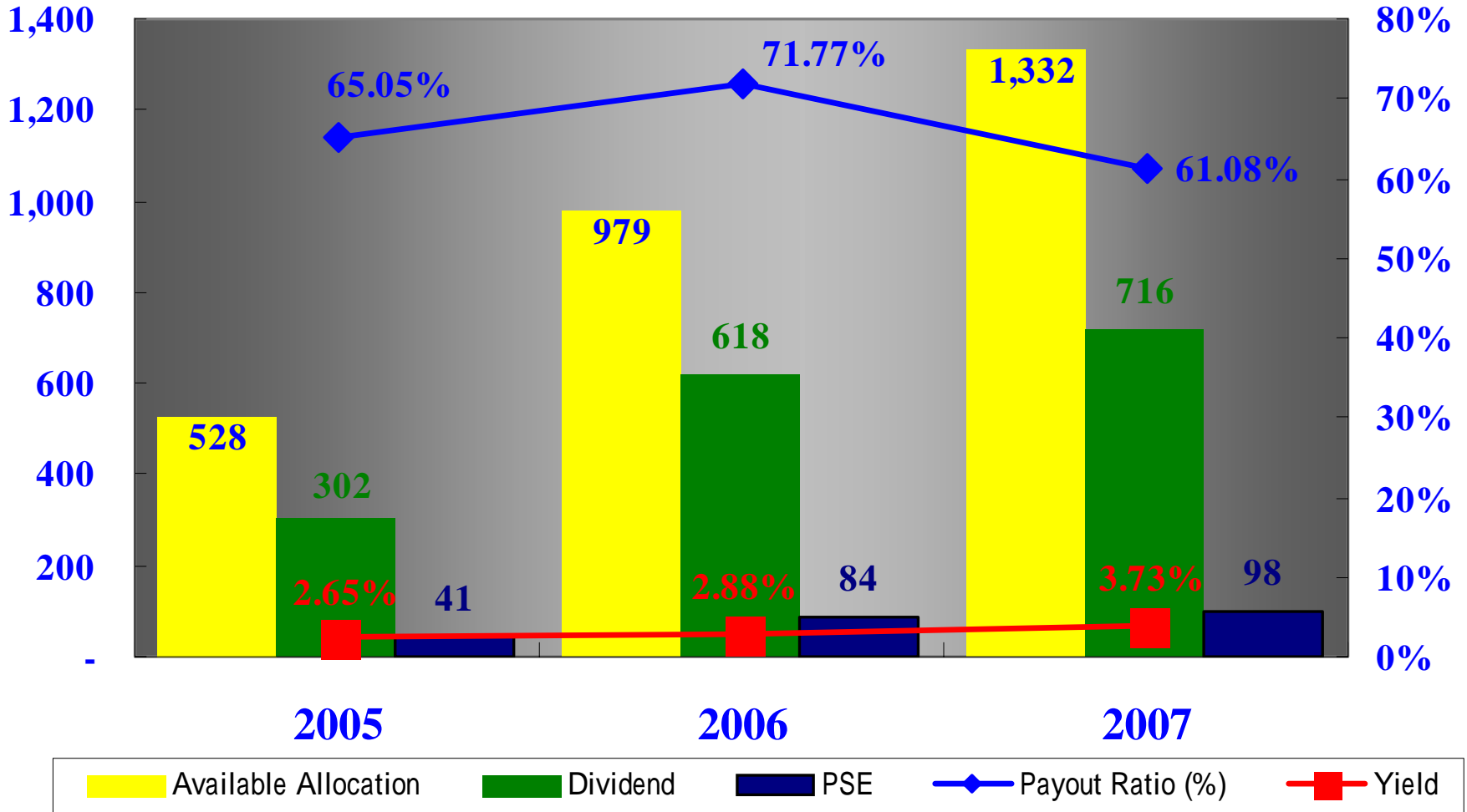
Net Profit



*1Q'08 Net Profit do not include expenses of employee bonus and rewards for Board of Directors and Supervisors .

Dividend Distribution

Unit: NT\$ in Million

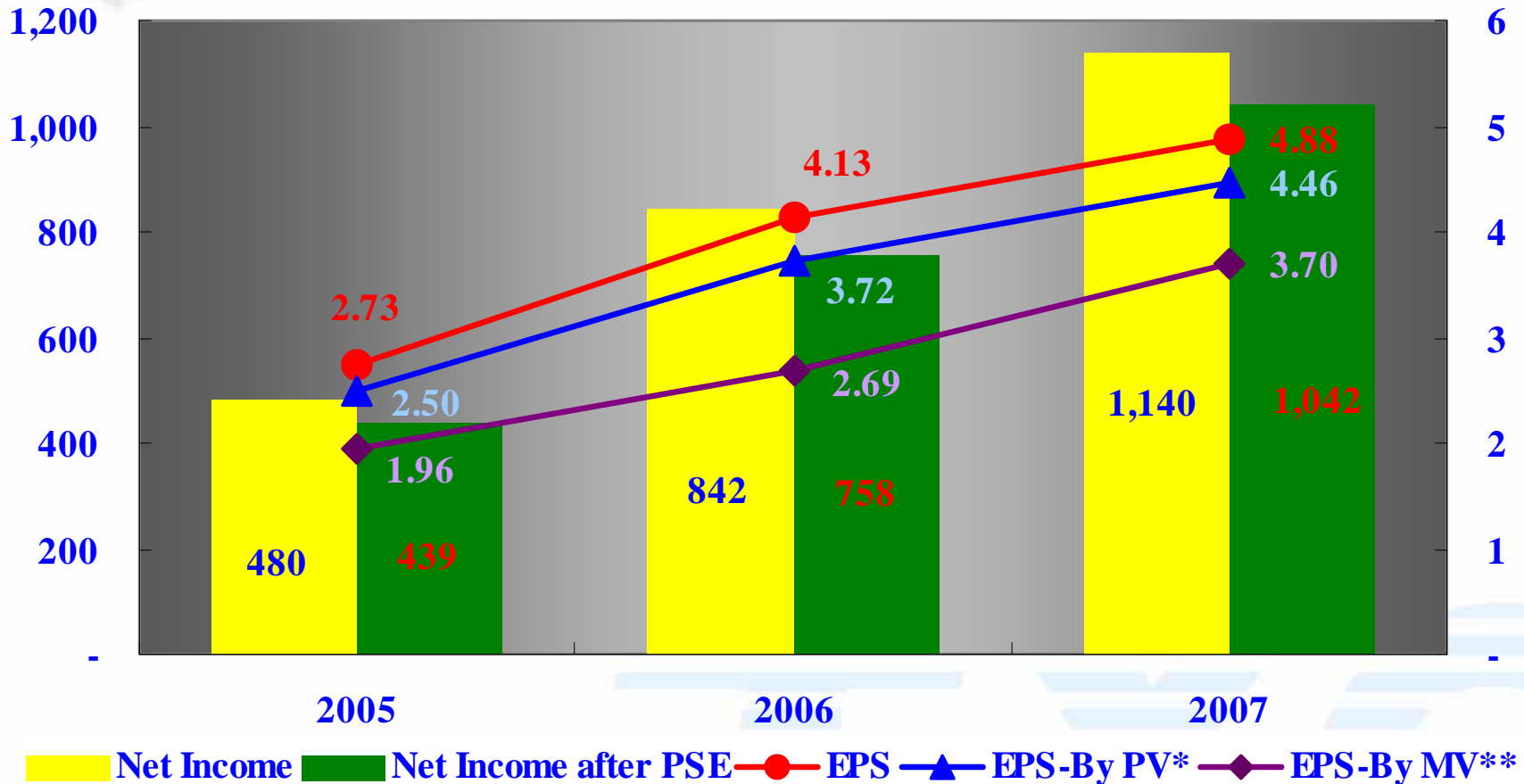


* PSE includes Employee Profit sharing expensing and rewards for Board of Directors and Supervisors.

** 2005 & 2006 Yield according to the closing share price on the Shareholders meeting date, 2007 on the Board of Directors date.

Impact of PSE per Share

Unit: NT\$ in Million



*EPS after Employee Profit sharing expensing (PSE) according to the Par value.

** 2005 & 2006 EPS after PSE according to the closing share price on the Shareholders meeting date, 2007 on the Board of Directors date.

Balance Sheets & Key Indices



Unit: NT\$ in Million

Cash & Marketable Securities

Accounts Receivable

Inventory

Current Assets

Long-Term Investments

Fixed Assets

Total Assets

Accounts Payable

Short-Term Debt

Current Liabilities

Long-Term Debt

Total Liabilities

Total Equity

Key Incices

A/R Turnover Days

Inventory Turnover Days

Current Ratio

Total Assets turnover Rate

1Q'08

4Q'07

1,008 13.0%

1,981 25.5%

968 12.5%

4,139 53.4%

3 0.0%

3,478 44.8%

7,757 100.0%

1,416 18.3%

668 8.6%

2,384 30.7%

199 2.6%

2,592 33.4%

5,165 66.6%

121

57

207%

0.81

1,244 16.0%

2,214 28.5%

747 9.6%

4,342 56.0%

3 0.0%

3,221 41.5%

7,694 100.0%

1,386 17.9%

692 8.9%

2,126 27.4%

441 5.7%

2,577 33.5%

5,117 66.5%

119

54

222%

0.81

Cash Flows

Unit: NT\$ in Million

	Q1'08	4Q'07
-Net Income	206	1,140
-Depreciation & Amortization	165	528
-Others	(38)	(23)
From Operating Activities	333	1,645
-Capital Expenditure	(492)	(1,111)
-Marketable Financial Instruments	30	62
-Others	(23)	(87)
From Investing Activities	(485)	(1,136)
-Increase(Decrease) in Loans	34	99
-Share buybacks & Stock option	(123)	7
-Cash Dividends (Common Stock)	0	(412)
-Others	(1)	(43)
From Financing Activities	(90)	(349)
Effect of changes in exchange rates	(18)	84
Net Cash Position Change	(260)	244
Ending Cash Balance	884	1,144

Capital Expenditures

2008

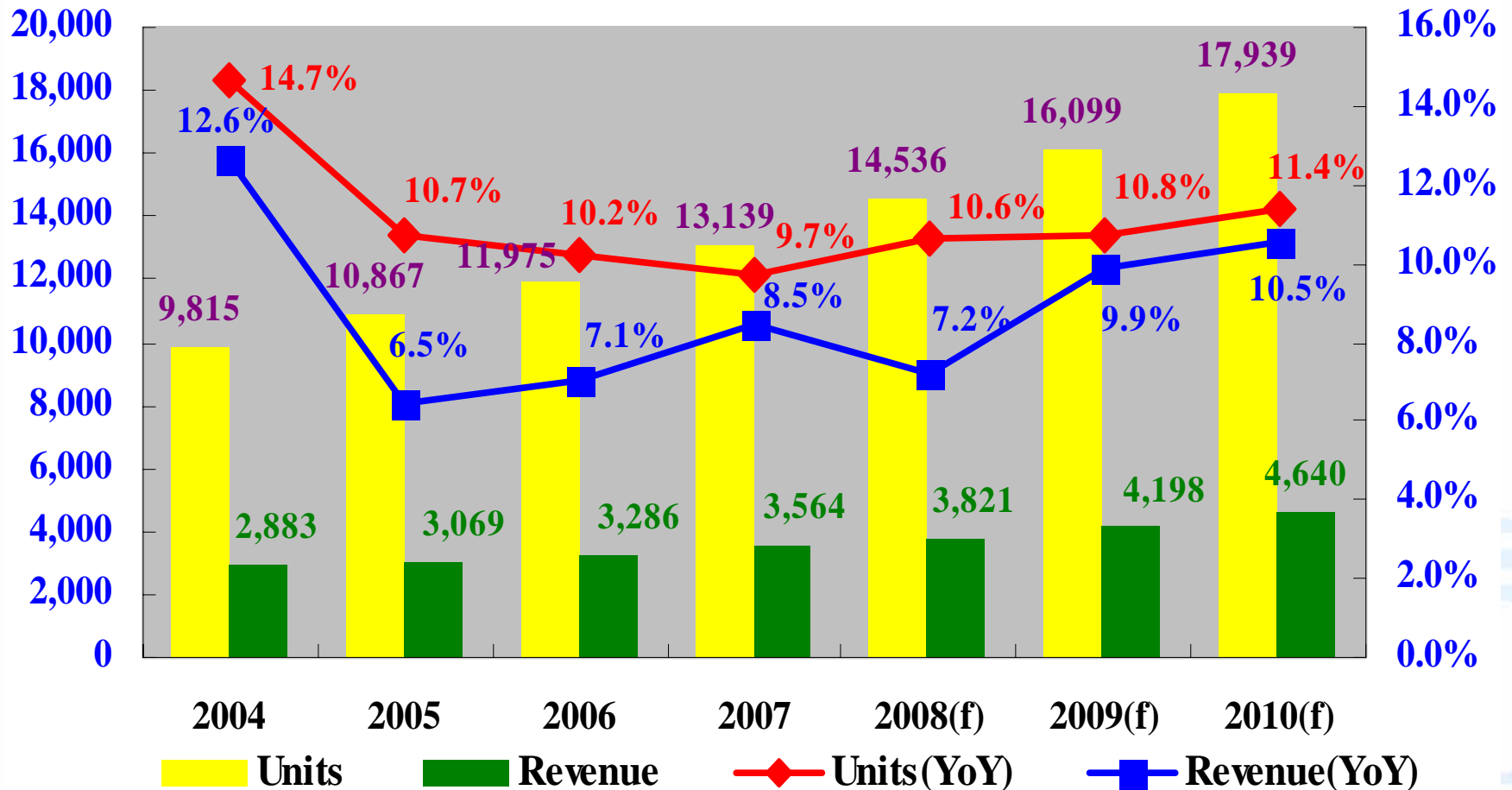
Unit:NT\$ Million

<i>CapEx</i>	<i>Line</i>	<i>Amount\$</i>	<i>Date (F)</i>	<i>Capacity/M</i>	<i>Revenue/M (F)</i>
<i>Ping-Cheng factory expansion plant (2)</i>		<i>400</i>			
<i>SMD Seam X'tal (TWN) 3225 / 2520 / 2016</i>	<i>4</i>	<i>240</i>	<i>1Q</i>	<i>4.0M</i>	<i>40</i>
<i>SMD CXO (TWN) 5032 / 3225 / 2520</i>	<i>2</i>	<i>140</i>	<i>1Q.3Q</i>	<i>2.0M</i>	<i>16</i>
<i>SMD TCXO (TWN) 3225 / 2520</i>	<i>1</i>	<i>100</i>	<i>3Q</i>	<i>0.5M</i>	<i>12</i>
<i>NGB factory expansion plant</i>		<i>220</i>			
<i>SMD Glass X'tal (NGB) 5032 / 3225</i>	<i>2</i>	<i>100</i>	<i>2Q</i>	<i>2M</i>	<i>10</i>
<i>SMD Seam X'tal (NGB) 5032 / 3225</i>	<i>4</i>	<i>220</i>	<i>2Q.3Q</i>	<i>4M</i>	<i>24</i>
<i>Total</i>	<i>13</i>	<i>1,420</i>		<i>12.5M</i>	<i>102</i>



X'TAL & Oscillator growth trend :

Units: M Pcs ; Revenue: US\$ Million



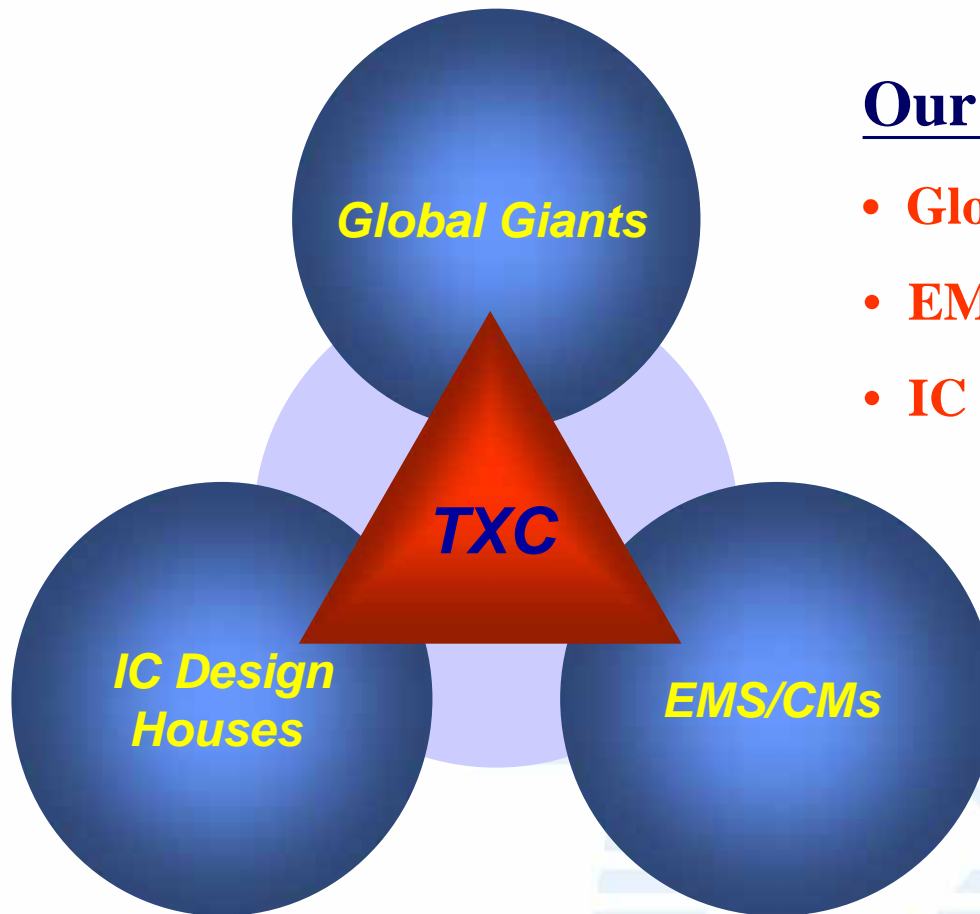
Source : TIC

Worldwide Revenue of the Top Crystal and Oscillator Suppliers

(Millions of Dollars)

2006 Rank	2007 Rank	Company Name	2005 Revenue	2006 Revenue	2007 Revenue	% Change (05-06)	% Change (06-07)	2007 Market Share
1	1	Epson Toyocom	589	645	656	9.5%	1.7%	18.4%
2	2	NDK	515	626	649	21.6%	3.7%	18.2%
3	3	Kyocera Kinseki	338	372	380	10.1%	2.2%	10.7%
4	4	KDS	253	290	293	14.6%	1.0%	8.2%
5	5	Vectron	188	211	206	12.2%	-2.4%	5.8%
6	6	TXC	117	161	192	37.6%	19.3%	5.4%
9	7	Rakon	53	59	109	11.3%	84.7%	3.1%
7	8	TEW	83	88	88	6.0%	0.0%	2.5%
8	9	Micro Crystal	56	60	62	7.1%	3.3%	1.7%
10	10	River	63	59	60	-6.3%	1.7%	1.7%
11	11	Pericom	45	49	57	8.9%	16.3%	1.6%
12	12	Fox	39	48	51	23.1%	6.3%	1.4%
		Other Companies	730	618	761	-15.3%	23.1%	21.3%
		Total Revenue	3,069	3,286	3,564	7.1%	8.5%	100.0%

* Data Courtesy of CS & A

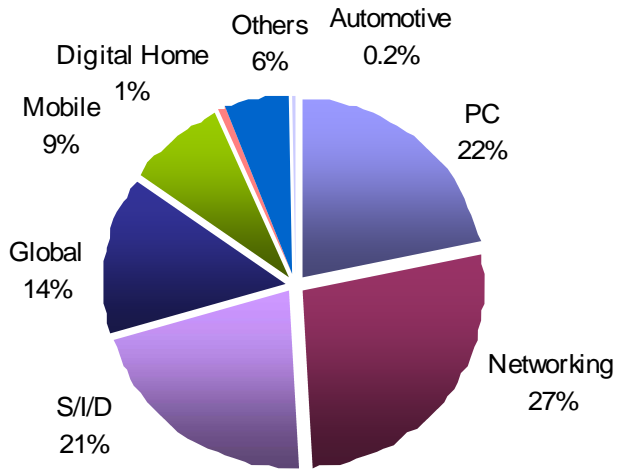


Our Target Customers

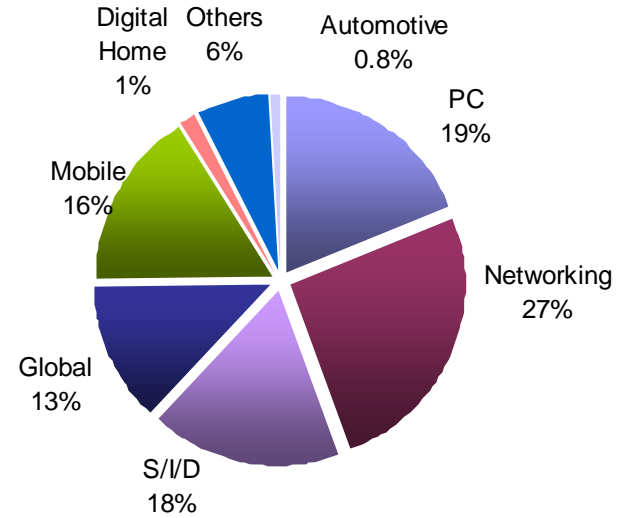
- **Global Giants**
- **EMS/CMs**
- **IC Design Houses**

Sales by Industry

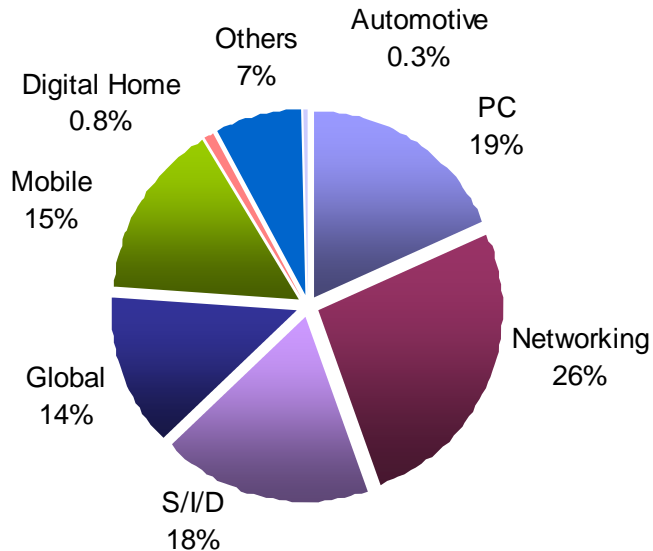
2007



2008 forecast



2008 Q1

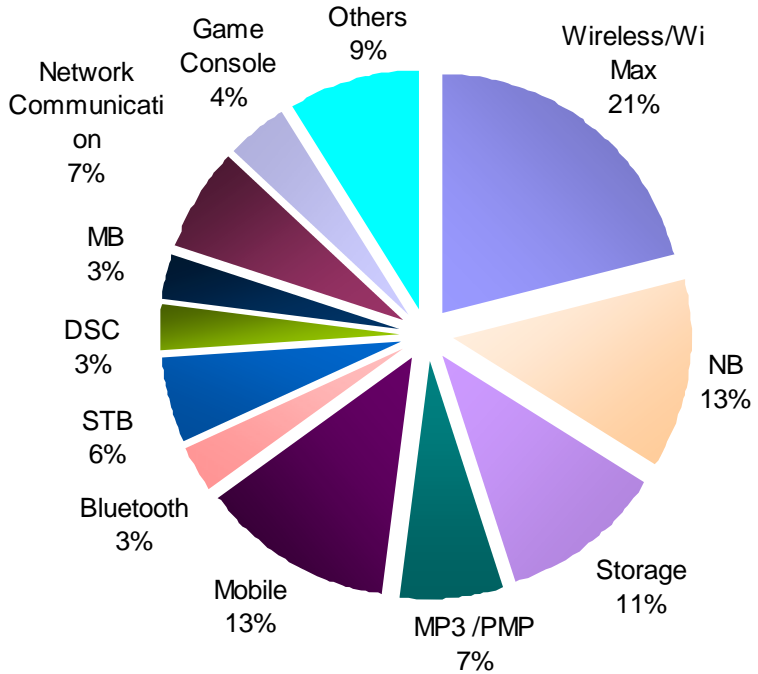
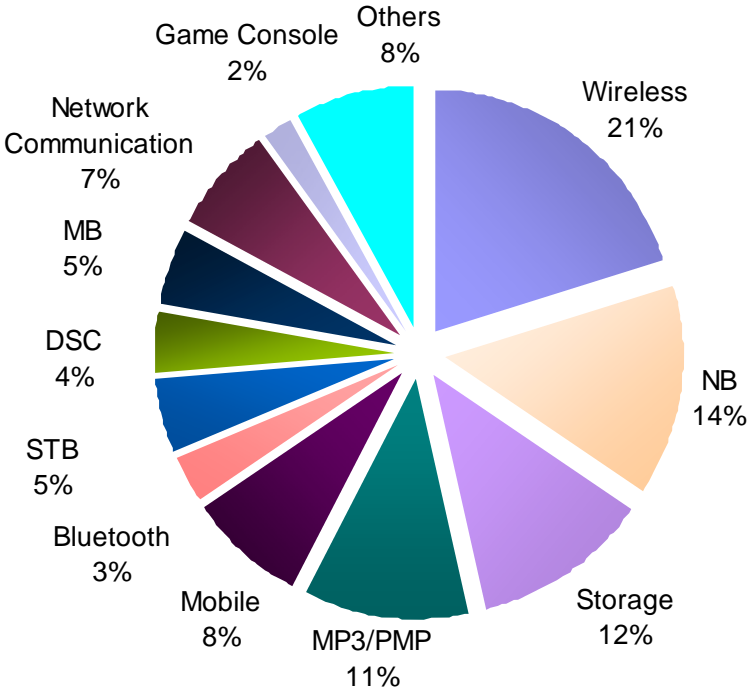


Sales by Application



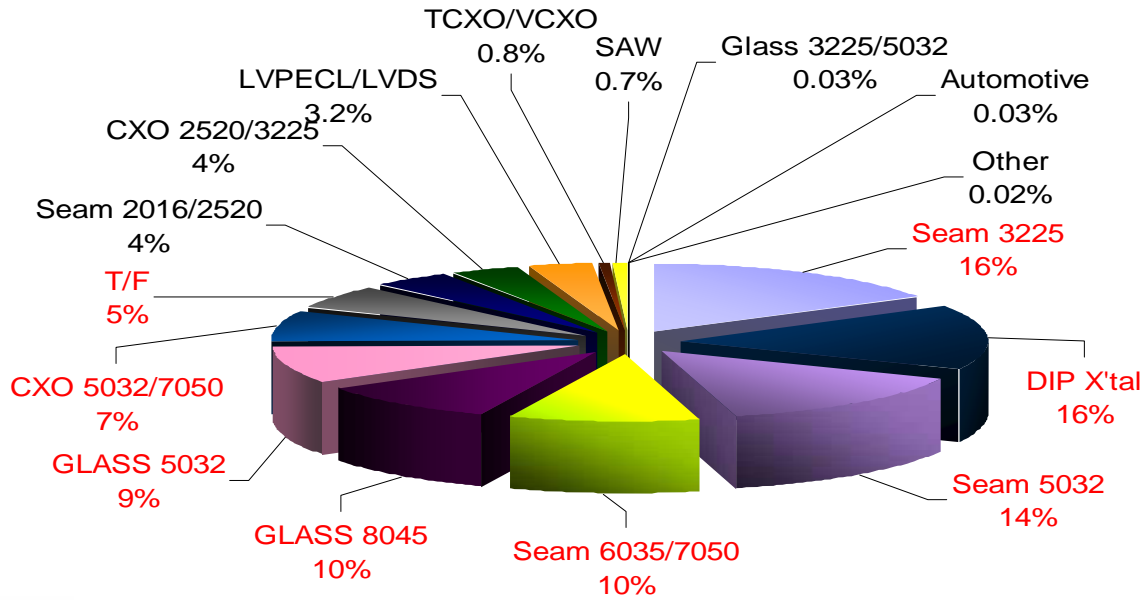
2007

2008 forecast

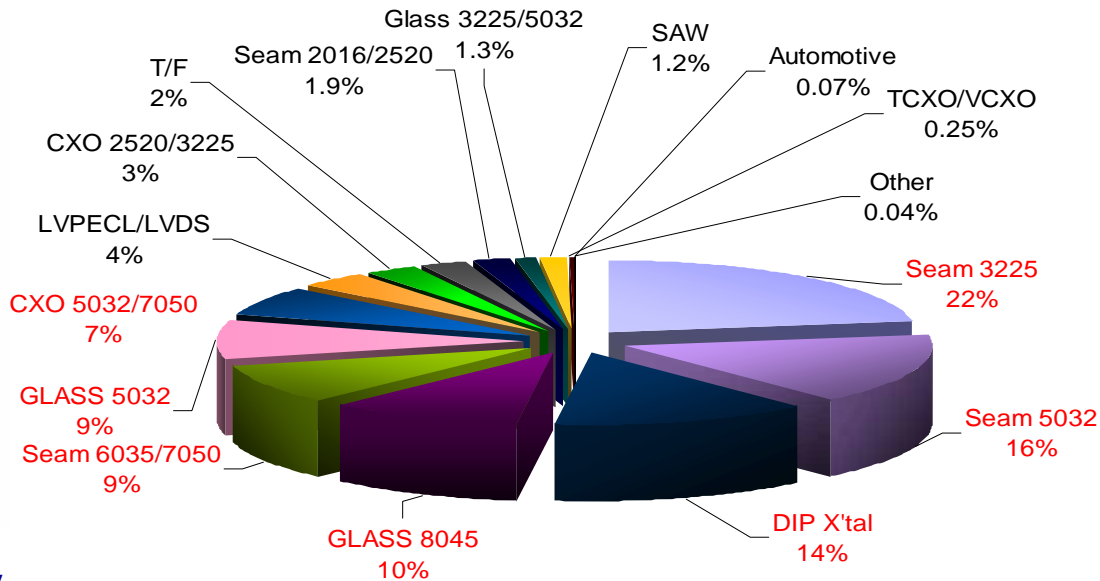


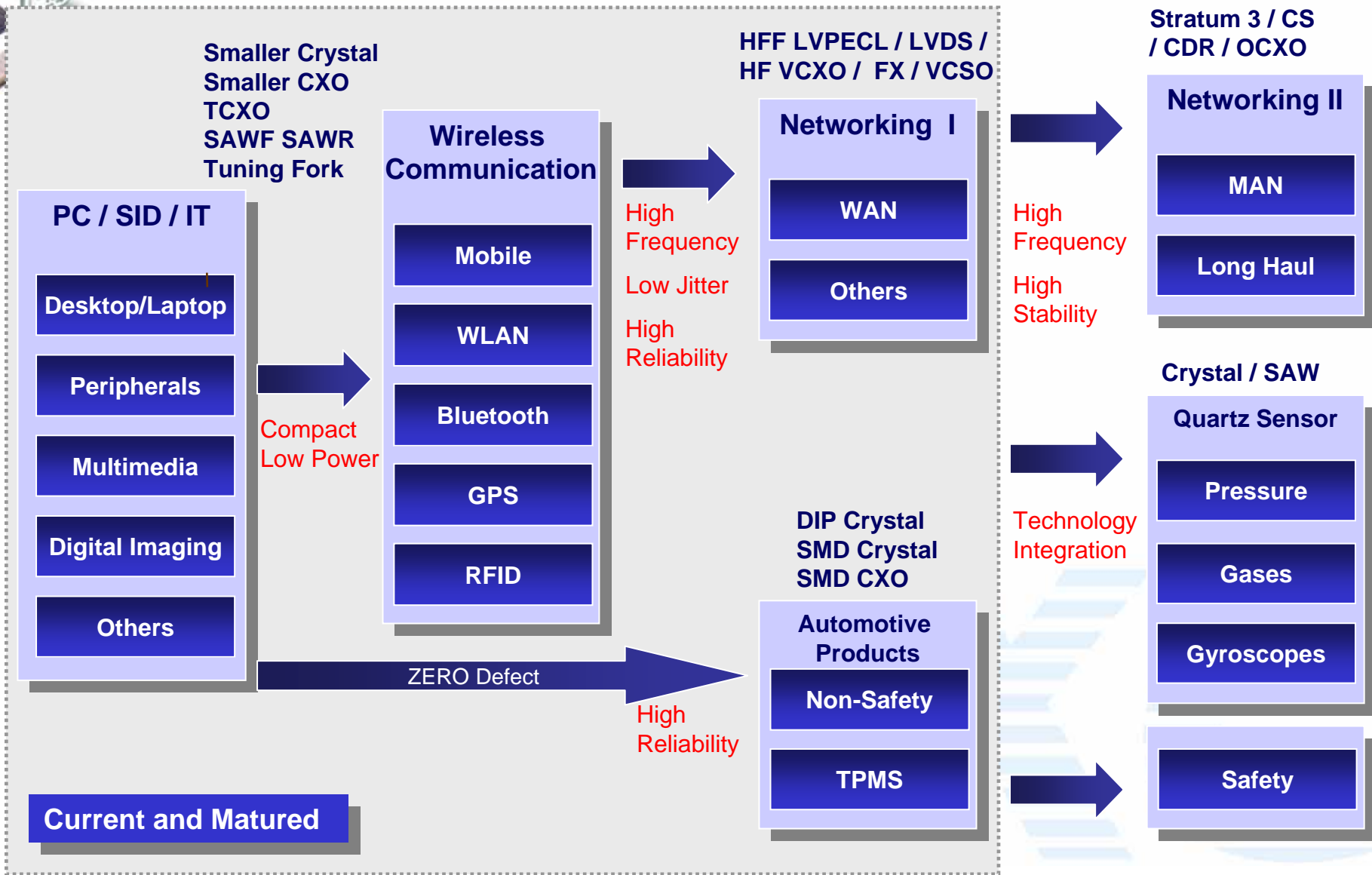
Sales by Product Category

2007



2008Q1





Technologies Roadmap

2006

2007

2008

2009

2010

- SMD Crystals
- 5032(8~100MHz)
- 3225(12~54MHz)
- 2520(16~40MHz)
- Industrial App.
- Automotive App.
- Mass producing



- PCXO
- 5032(2~200MHz)
- 3225(1~200MHz)
- Programmable
- Mass producing



- VCXO-LVPECL/LVDS
- 1409(up to 800MHz)
- 7050(50~625MHz)
- Inverted MESA Blank
- Mass producing





- CMOS Oscillators
- 7050(1~156MHz)
- 5032(1.5~127MHz)
- 3225(1~75MHz)
- 2520(4~54MHz)
- Mass producing

- Clock CXO
- 5032(TF/AT base)
- 32.768 KHz
- Low consumption ($\leq 0.5\mu A$)
- Trial Run



- TCXO($\leq 0.5\text{ppm}$)
- 3225 and 2520
- From 13 to 50MHz
- For GPS Modules

- Tiny Crystals & CXO
- 2016(16~36MHz)
- 1612(20~36MHz)
- Tiny CXO
- 2016(16~36MHz)
- Low Power Consumption
- Tiny Package

- VCXO/VCSO
- Crystal base(>100MHz)
- SAW based(~622MHz)
- Low Phase Jitter
- high stability

- Frequency Translator(FX)
- Output 77.76MHz

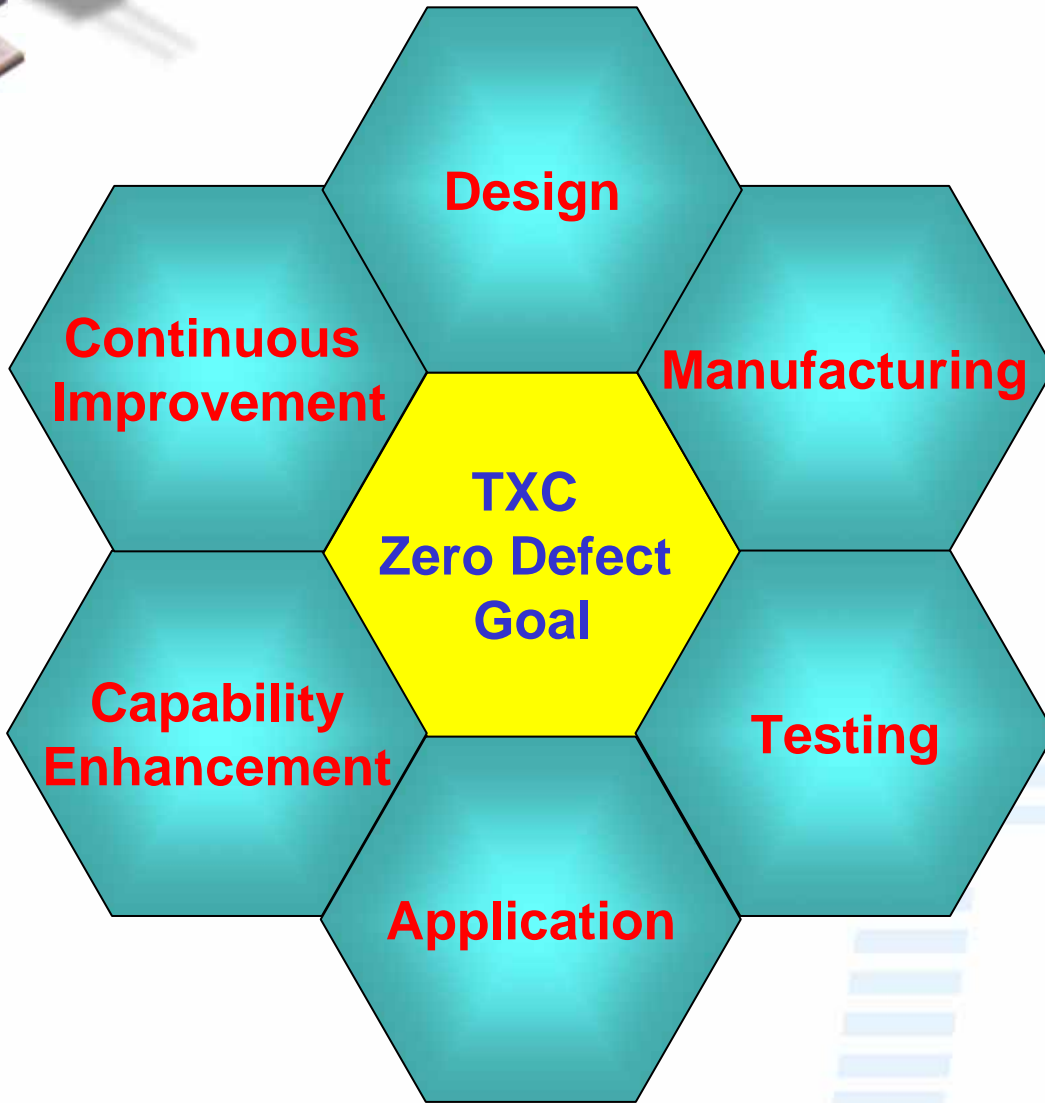
- Quartz MEMs
- MEMs Oscillators



- Optical Device
- OLPF
- UVF

- Quartz Sensor


- QCM Sensor
- Gyros Sensor
- Bio Sensor
- Thickness sensor



**TXC is striving for Zero
Defect and Manufacturing
Excellence!**



- **Q208 Revenue is expected 8-10% growth than Q108 (YoY 25%).**
- **Gross margin should be maintained between 26% and 28%.**
- **Operating income ratio should be maintained between 13% and 15%.**
- **Sales contributed from Telecom application (i.e., wireless network and mobile devices) is expected to increase from 39% ('07) to 46% ('08) and will become the major driving force of sales growth .**

- 
- **Getting the certification from top automotive companies, TXC expects to enjoy 200% sales growth in 2008 compared with year before.**
 - **Growth rate of high frequency/stability devices (i.e., LVPECL, TCXO, and SAW Filter) is expected to be 6.6% in 2008 other than 3.9% last year. Product applications include Fiber Channels, Gigabit Ethernet, GPS, and CDMA.**
 - **Sales from miniaturized crystal parts (i.e., 3225, 2520, and 2016) goes up from 24% ('07) to 36% ('08) and it is the main source contributed to our profit margin.**



- ***Total production capacity will be increased to 160 million pcs per month (YoY 20%).***
- ***Expect to be listed as one of the Top 5 FCP suppliers in 2008.***
- ***Launch KM . TCRM . e-Learning systems, to share and maintain information efficiently.***
- ***Expect to establish 2~3 new sales offices in Asia.***



Q & A



Thanks!

<http://www.txccorp.com>