

Acer Inc.

Q1, 2008

Investor Conference

April 23, 2008

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Consolidated Financial Results

Howard Chan

CFO

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Consolidated Income Statement (1st Quarter)

(ROC GAAP-comparison base)

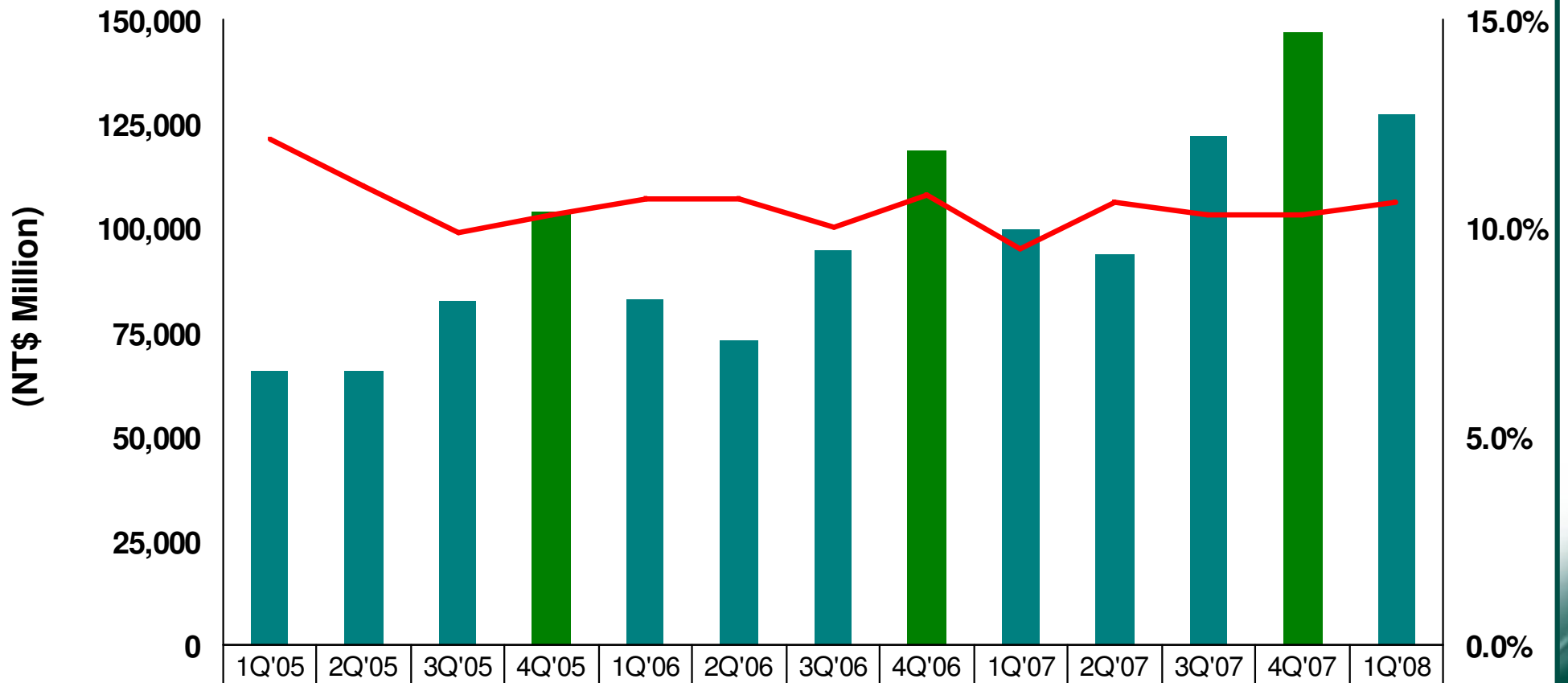
(NT\$ Million)	1Q'08		1Q'07		Change
Revenue	127,376	100%	99,513	100%	+28%
Gross Profit	13,465	10.6%	9,458	9.5%	+42%
Operating Expenses	10,727	8.4%	7,510	7.5%	+43%
Operating Income - GAAP	2,738	2.2%	1,947	2.0%	+41%
Operating Income - w/o bonus and board of director remuneration	3,256	2.6%			+67%
Non-Operating Income	565	0.4%	4,341	4.4%	
PBT	3,303	2.6%	6,289	6.3%	
PAT	2,952	2.3%	5,663	5.7%	
EPS	1.25		2.40		

Note: (a) Figures in 1Q'08 are un-audited and include Gateway

(b) Excluding employee bonus and Board of Director remuneration as the expense in Q1'08, operating income would be NT\$3,256M and PAT would be 3,470M

Consolidated Revenue and Gross Margin

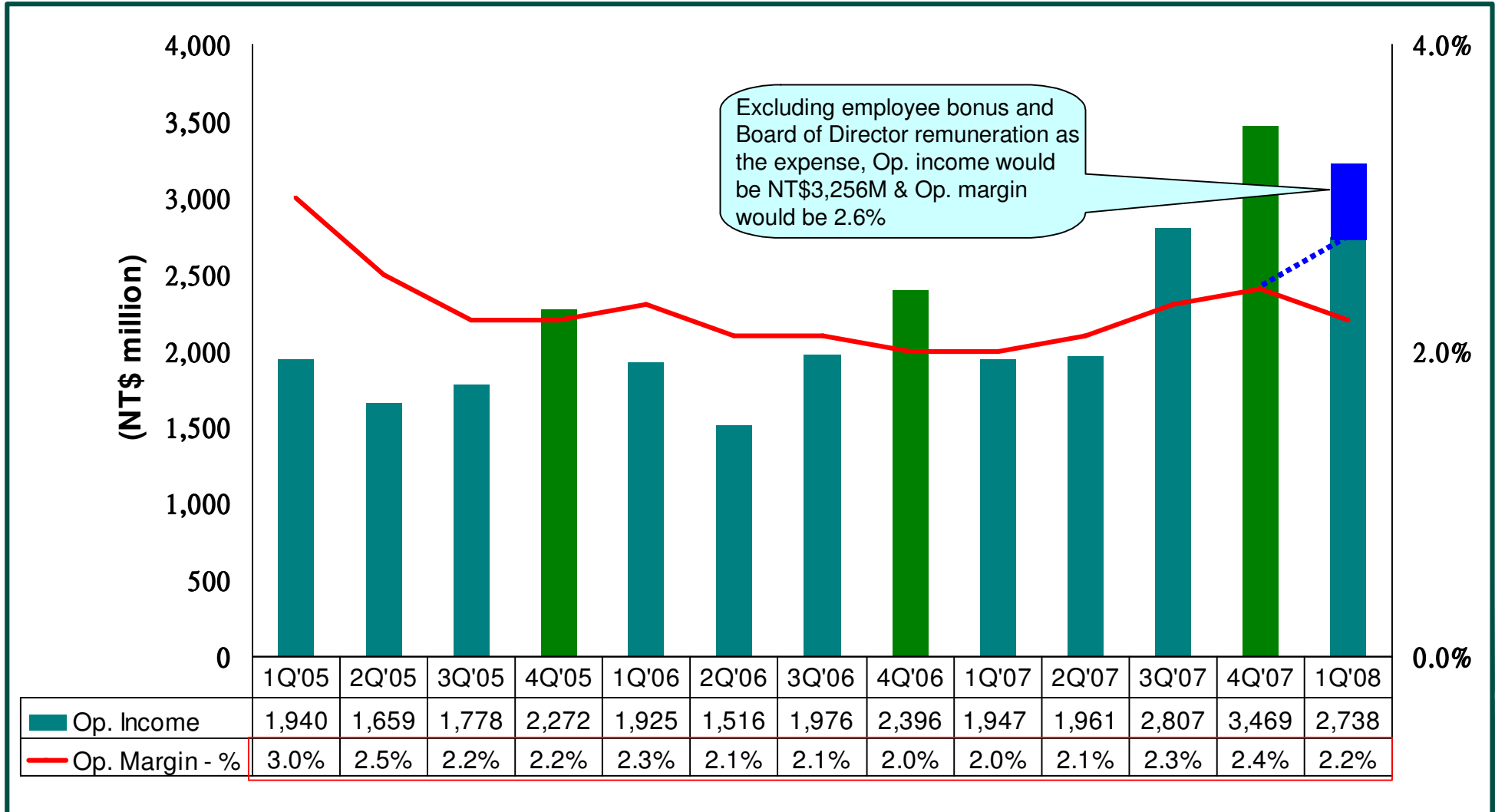
Q1, 2008 Revenue Growth: +28% Y/Y



Revenue	65,710	65,676	82,518	104,184	82,996	72,855	94,726	118,516	99,513	93,520	121,934	147,099	127,376
Gross Margin	12.1%	11.0%	9.9%	10.3%	10.7%	10.7%	10.0%	10.8%	9.5%	10.6%	10.3%	10.3%	10.6%
Revenue Growth	33%	35%	47%	47%	26%	11%	15%	14%	20%	28%	29%	24%	28%

Note: The figures include Gateway since 4Q'07

Consolidated Operating Income



Note: (a) Operating Income in 1Q'05 includes one-time special gains

(b) The figures include Gateway since 4Q'07

Consolidated Balance Sheet

(NT\$ Million)	Mar. 31, 2008		Dec. 31, 2007	
Current Assets				
Cash and cash equivalence	32,988	14%	37,945	16%
Notes & Account receivable	103,230	43%	102,406	42%
Financial Assets-Current	2,152	1%	3,107	1%
Inventory	37,465	16%	33,816	14%
Others	12,258	5%	14,352	6%
Total Current Assets	188,093	79%	191,626	79%
Long-term Investment	10,391	4%	11,203	5%
Property, plant and equipment	11,250	5%	12,442	5%
Intangible asset	25,389	11%	25,926	11%
Others	2,466	1%	2,086	
Total Asset	237,589	100%	243,283	100%
Account payable	80,890	34%	81,453	33%
Other current liabilities	61,607	26%	61,390	25%
Current Liabilities	142,497	60%	142,843	59%
Long-term Debt	12,407	5%	16,791	7%
Total Liabilities	161,198	68%	165,874	68%
Total Shareholders' Equity	76,390	32%	77,409	32%

Holding & Investment Business

	Percentage of Ownership	Market Value (NT\$ M)	Book Value (NT\$ M)	Potential Gain (Apr. 22, 2008)
Major Shareholdings				
Qisda	4.82%	1,977	1,384	593
Wistron	9.13%	7,227	3,000	4,227
Hon Hai	0.01%	171	21	149
CDFH	0.12%	185	140	46
Others*		6,837	4,853	1,984
Total		16,397	9,398	6,999

Note: The above numbers are valued on April 22, 2008

*Others include Venture Capital Business

Dividend & Employee Bonus

◆ Dividend Policy (NT\$ per share)

Year	EPS	Stock	Cash
2003	3.61	0.505	2.525
2004	3.38	0.6	2.3
2005	3.83	0.2	3.0
2006	4.45	0.15	3.85
2007	5.48	0.15	3.60

◆ Employee Bonus (Percentage of 90% PAT plus or minus Special Reserve)

Year	Total	Stock	Cash
2003	8.0%	6.4%	1.6%
2004	8.0%	6.4%	1.6%
2005	8.0%	4.0%	4.0%
2006	8.0%	3.52%	4.48%
2007	7.5%	2.83%	4.67%

* 10% for Legal Reserve



Business Review

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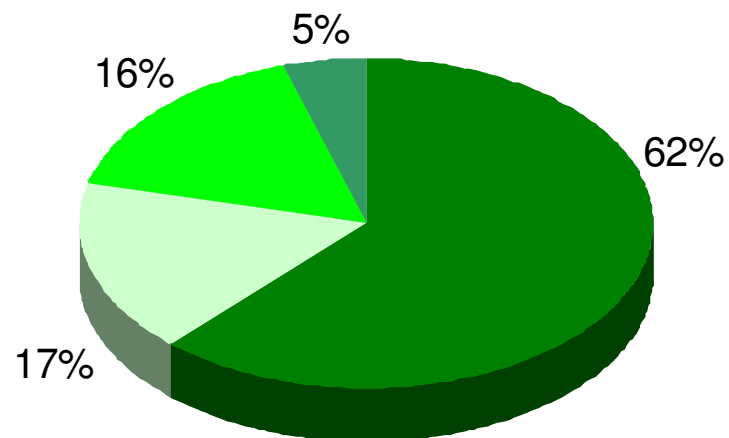
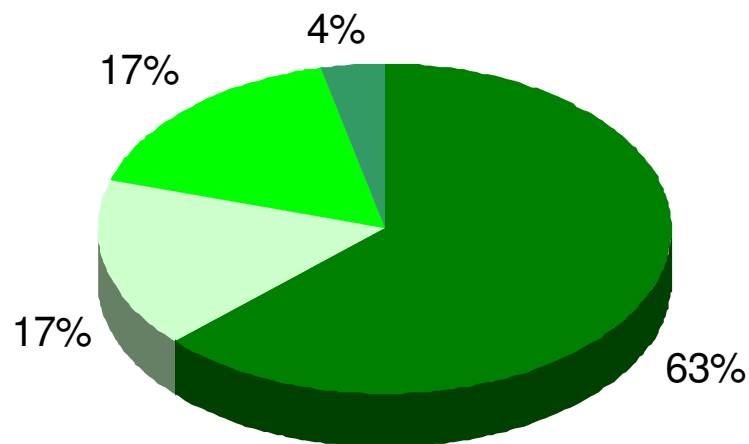
President

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Brand Products Revenue Breakdown

Q1, 2008
US\$3,912M
(NT\$123,245 M)

Q1, 2007
US\$2,791M
(NT\$91,856 M)



■ Notebook ■ Desktop PC
 ■ Display ■ Others

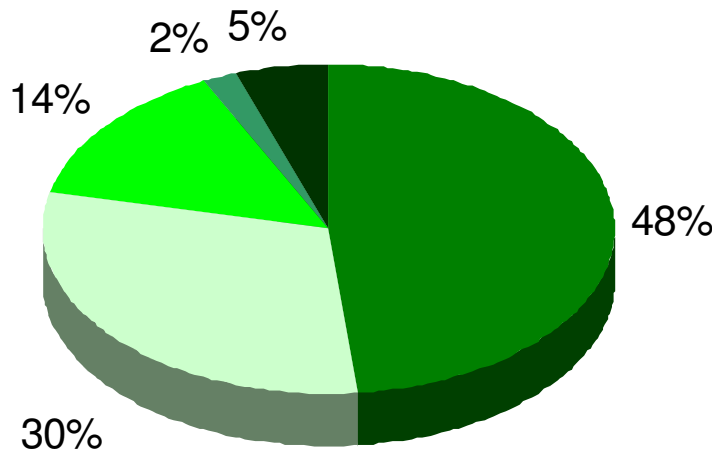
■ Notebook ■ Desktop PC
 ■ Display ■ Others

Note: Others include servers, projector and IA products
 IT Product is included Gateway



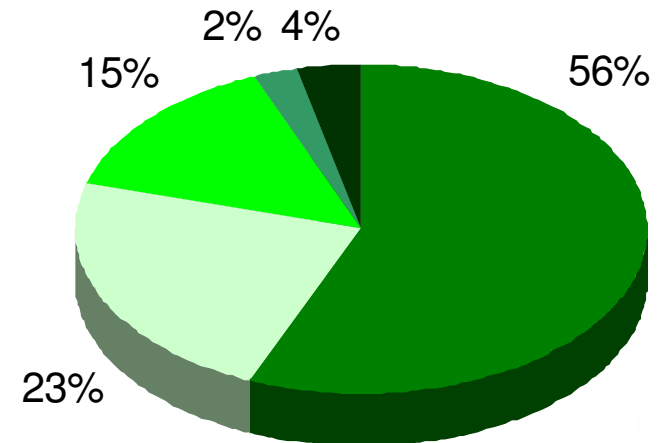
Brand Products Revenue by Geography

Q1, 2008
US\$3,912M
(NT\$123,245 M)



■ EMEA
 ■ Pan America
 ■ Asia Pacific
 ■ Taiwan
 ■ China

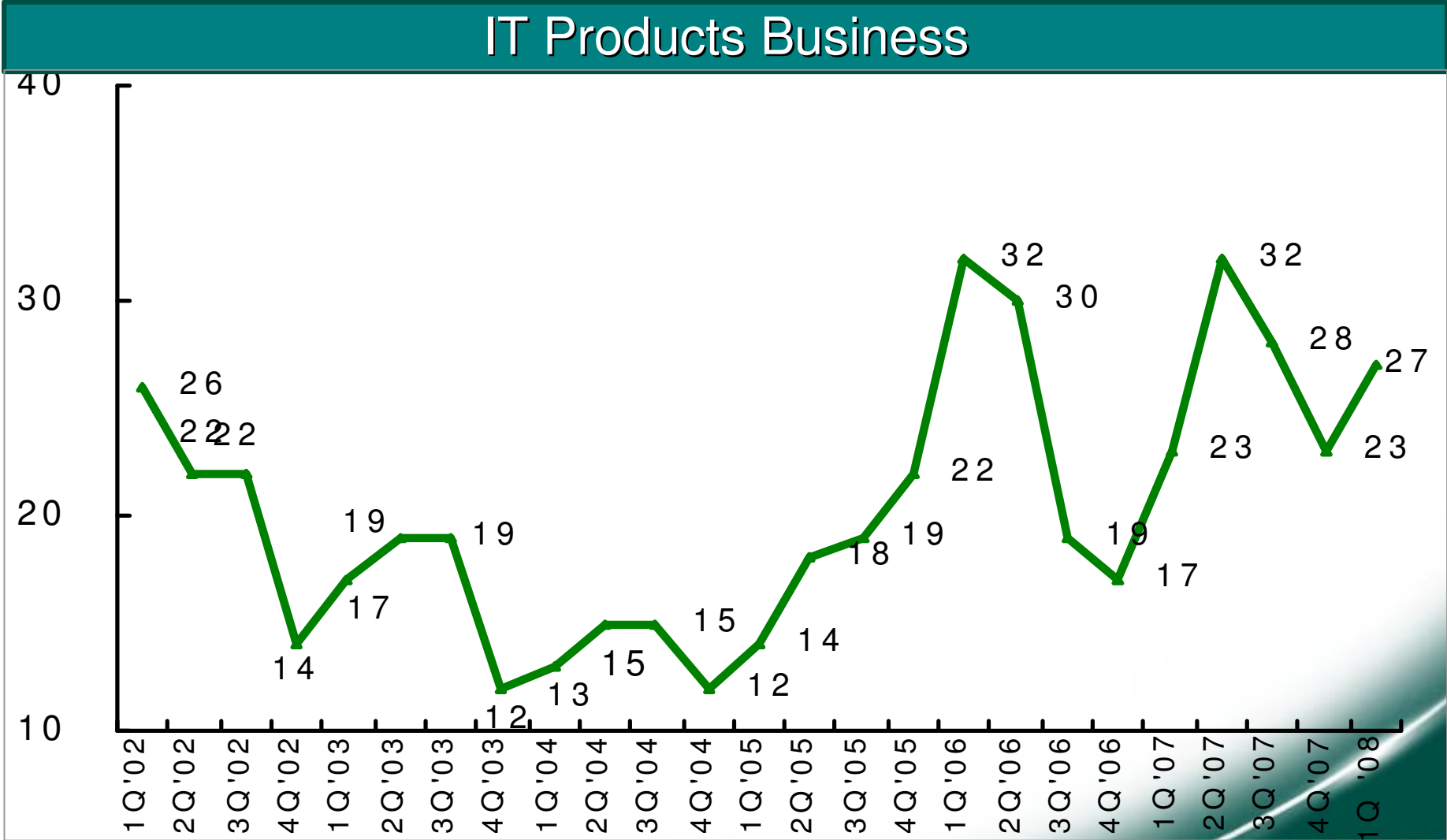
Q1, 2007
US\$2,791M
(NT\$91,856 M)



■ EMEA
 ■ Pan America
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 ■ Taiwan
 ■ China

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Inventory Turnover Days (ADS)




Acer Business Status & Strategy

J.T. Wang

Chairman & CEO

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Q1'08 Top 5 PC Brands Worldwide (Gartner)


Rank		Market Share			Unit Growth
		Q1'08	Q4'07	Q1'07	YOY
1	HP	18.3%	18.7%	17.5%	17.5%
2	Dell	14.9%	14.2%	13.7%	21.8%
3		9.5%	9.5%	8.5%	25.2%
4	Lenovo	6.7%	7.5%	6.3%	20.8%
5	Toshiba	4.3%	3.9%	4.1%	19.3%
Overall Market					12.3%

Source: Gartner Q1'08 preliminary data

Note: Acer data includes Gateway's consumer shipments and Packard Bell's shipments.



Q1'08 Top 5 PC Brands Worldwide (IDC)

Rank		Market Share			Unit Growth
		Q1'08	Q4'07	Q1'07	YOY
1	HP	19.1%	19.1%	18.6%	17.4%
2	Dell	15.7%	14.7%	14.8%	21.6%
3		9.9%	9.4%	8.7%	31.0%
4	Lenovo	6.9%	7.5%	6.6%	21.0%
5	Toshiba	4.4%	3.9%	4.2%	20.6%
Overall Market					14.6%

Source: IDC Q1'08 preliminary data

Note: Acer data includes Gateway's shipments.



Acer Merges E-ten to Enter Mobility Market

1. Merger of E-ten announced on Mar 3, 2008.
2. E-ten has complete competence on smart handheld devices. After merger completion, the synergy gained will be huge – on sales volume and material cost-down. Acer can become a credible alternative vendor for all channels and telecommunication operators in the worldwide market.

3. Notebook PCs and smart handheld devices are going to converge in the coming few years. This M&A will help Acer get ready before the convergence trend gives us pressure. We believe there are a lot of good opportunities for product innovation.
4. The smart handheld device market size is expected to generate more than US\$200B in the foreseeable future. The technology and marketing barriers for this business are considered as high.

Gemstone *Blue* Notebook

Another excellent performance to demonstrate Acer's winning strategy
– Transforming market know-how into mainstream business success.

Gemstone *Blue* Notebook

Key factors of success:

- Acer's innovation has been implemented in a fast and effective way.
- Long-term strategic partnerships with key component suppliers.
- Acer's marketing competence in channel business model works well.

Gemstone *Blue* Notebook

Results:

- Good revenue and profit.
- Gain image as leader of Full HD, 16:9, Blu-ray, 2nd generation Dolby surround sound notebook vendor.
- Acer brand position enhanced.

Expenditure Accrual for Bonus

1. Principle for 2008 accounting accrual

18% of PAT but no more than NT\$500M/quarter.

For example: PAT NT\$2.0B accrual: NT\$360M

PAT NT\$3.5B accrual: NT\$500M

2. We are working on some proposal to further reduce the percentage of PAT by adding stock option program. The support and approval of shareholders will be solicited.