

Acer Inc.

Q1, 2010

Investor Conference

April 29, 2010

www.acer.com

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Consolidated Financial Results

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Consolidated Income Statement (1st Quarter)

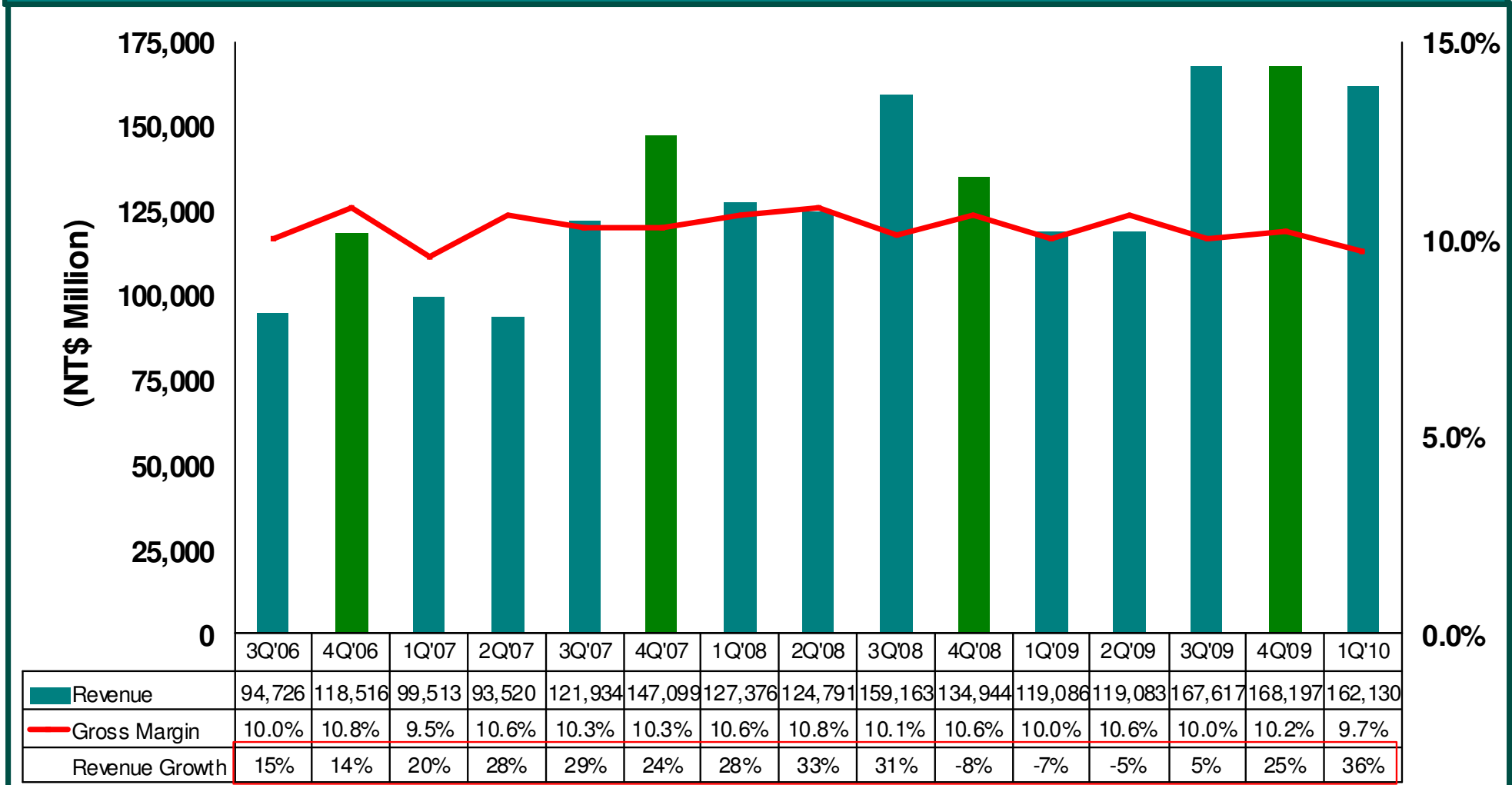
(NT\$ Million)	1Q,2010		1Q,2009		Change
Revenue	162,130	100%	119,086	100%	+36%
Gross Profit	15,714	9.7%	11,918	10.0%	+32%
Operating Expenses	11,328	7.0%	9,348	7.8%	+21%
Operating Income - GAAP	4,385	2.7%	2,571	2.2%	+71%
Non-Operating Income	(227)		185	0.2%	
PBT	<u>4,159</u>	2.6%	<u>2,755</u>	2.4%	+51%
PAT – GAAP	<u>3,294</u>	2.0%	<u>2,026</u>	1.7%	+63%
EPS	1.25		0.78		

Note: Figures in 1Q, 2010 are reviewed by the auditor



Consolidated Revenue and Gross Margin

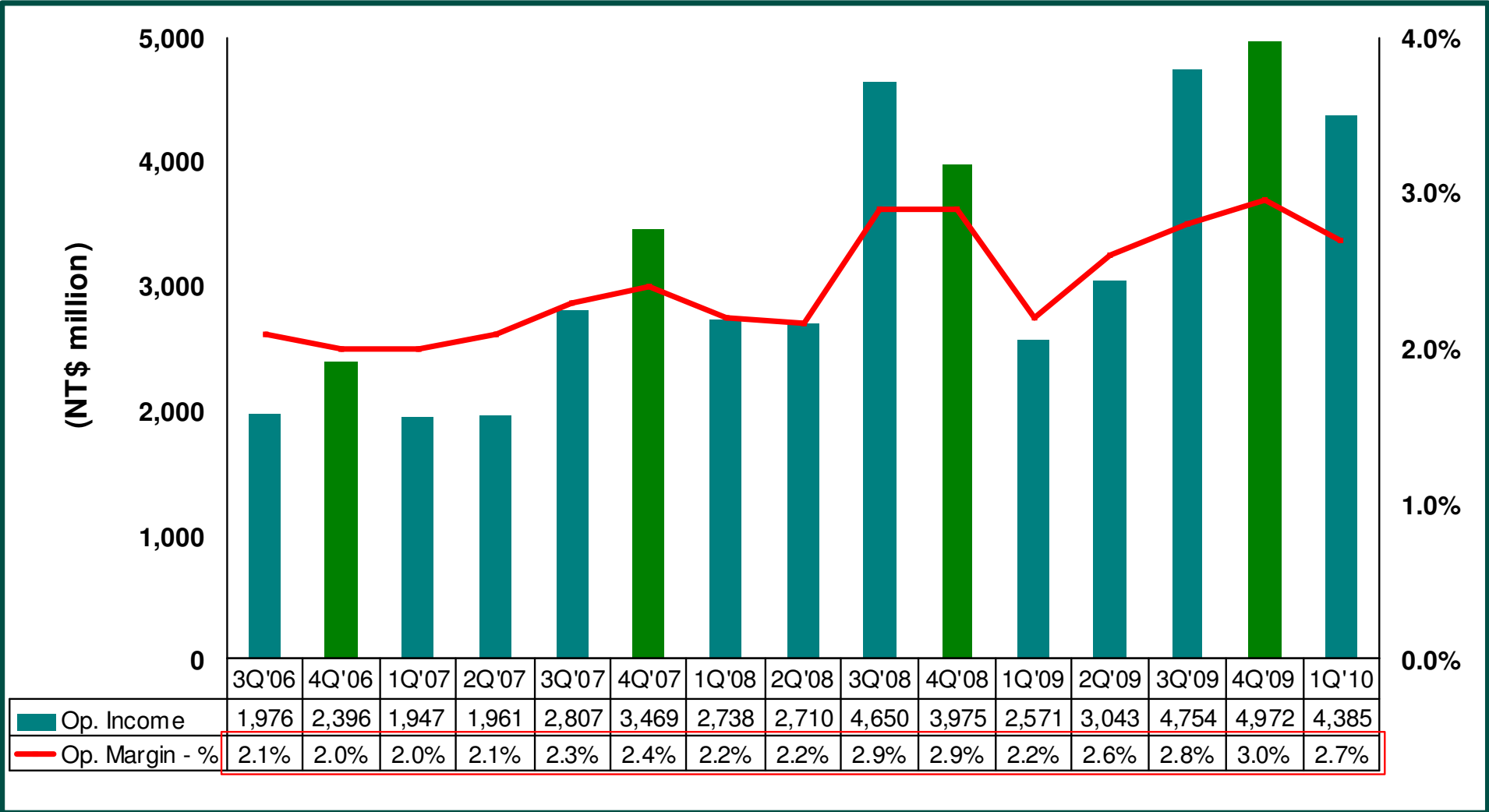
1Q, 2010 Revenue Growth: +36% Y/Y



Note: The figures include Gateway since 4Q'07, Packard Bell since 1Q '08 and E-ten since 3Q'08



Consolidated Operating Income



Note: (a) The figures include Gateway since 4Q'07, Packard Bell since 1Q '08, and E-ten since 3Q'08

(b) The figures have expensed employee bonuses and board of directors' remuneration since 2008.



Consolidated Balance Sheet (Y/Y Comparison)

(NT\$ Million)	Mar. 31, 2010		Mar. 31, 2009	
Current Assets				
Cash and cash equivalence	36,639	13%	53,914	21%
Notes & Account receivable	117,646	42%	98,058	37%
Financial Assets-Current	856	0%	622	0%
Inventory	51,702	18%	33,622	13%
Others	15,574	6%	13,676	5%
Total Current Assets	222,417	79%	199,892	76%
Long-term Investment	8,699	3%	7,446	3%
Property, plant and equipment	11,505	4%	12,252	5%
Intangible asset	34,824	12%	37,656	14%
Others	3,323	1%	3,383	1%
Total Asset	280,768	100%	262,478	100%
Short-term borrowings	1,866	1%	10,331	4%
Account payable	93,928	33%	80,509	31%
Other current liabilities	71,899	26%	71,999	27%
Current Liabilities	167,693	60%	162,839	62%
Long-term Debt	12,364	4%	4,119	2%
Total Liabilities	185,901	66%	174,388	66%
Total Shareholders' Equity	94,867	34%	86,242	33%

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Consolidated Balance Sheet (Q/Q Comparison)

(NT\$ Million)	Mar. 31, 2010		Dec. 31, 2009	
Current Assets				
Cash and cash equivalence	36,639	13%	53,616	18%
Notes & Account receivable	117,646	42%	112,480	39%
Financial Assets-Current	856	0%	1,656	1%
Inventory	51,702	18%	51,185	18%
Others	15,574	6%	13,171	4%
Total Current Assets	222,417	79%	232,108	80%
Long-term Investment	8,699	3%	8,873	3%
Property, plant and equipment	11,505	4%	11,648	4%
Intangible asset	34,824	12%	35,444	12%
Others	3,323	1%	2,952	1%
Total Asset	280,768	100%	291,025	100%
Short-term borrowings	1,866	1%	548	0%
Account payable	93,928	33%	106,156	37%
Other current liabilities	71,899	26%	73,143	25%
Current Liabilities	167,693	60%	179,847	62%
Long-term Debt	12,364	4%	12,374	4%
Total Liabilities	185,901	66%	198,147	68%
Total Shareholders' Equity	94,867	34%	92,878	32%



Dividend Policy (NT\$ per share)

Year	EPS	Stock	Cash
2005	3.83	0.2	3.0
2006	4.45	0.15	3.85
2007	5.48	0.15	3.60
2008	4.72	0.10	2.00
2009	4.31	0.01	3.1

Business Review

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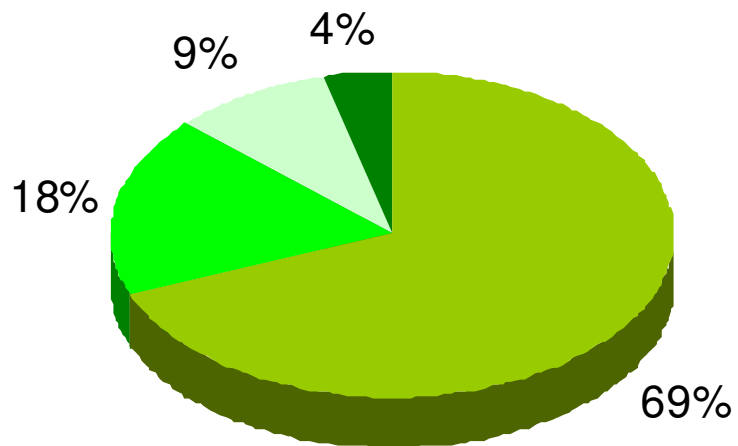
Acer Inc. CEO & President

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Market Share

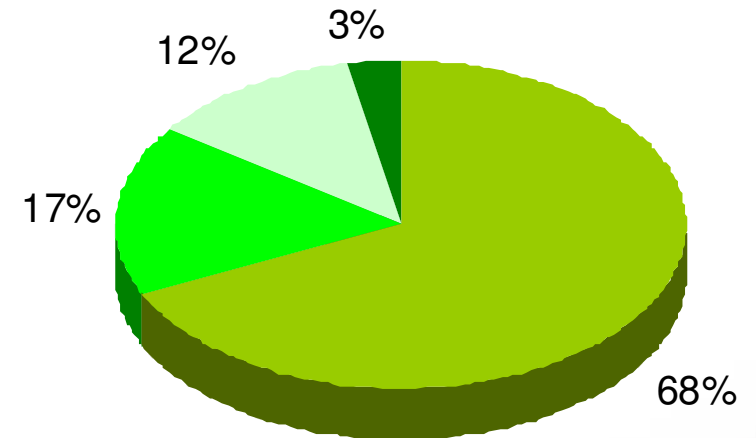
Revenue by Product

Q1, 2010
US\$4,948M



- Notebook+Netbook
- Desktop PC
- Display
- Others

Q1, 2009
US\$3,400M



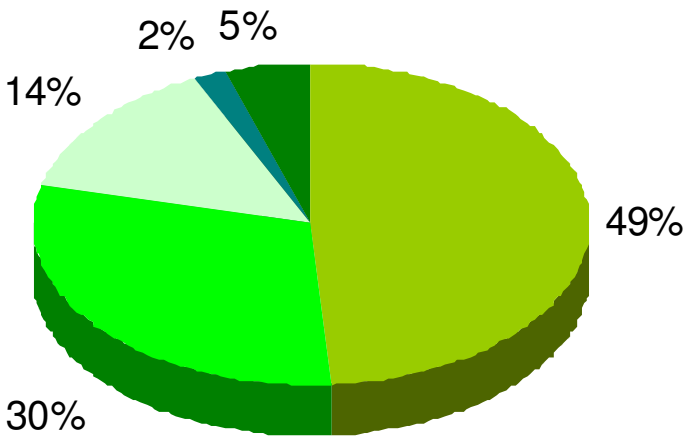
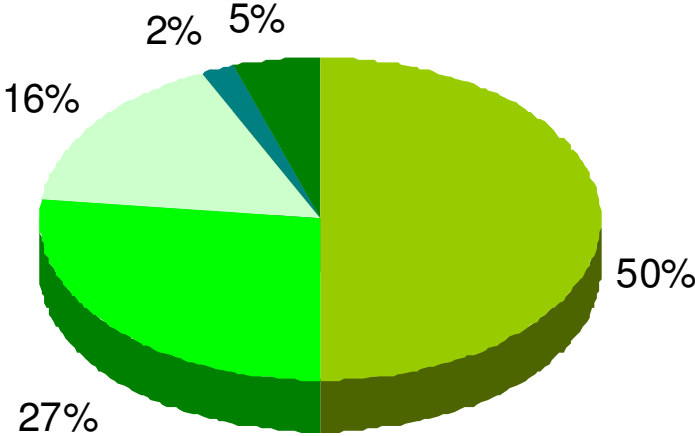
- Notebook+Netbook
- Desktop PC
- Display
- Others

Note: Others include servers, projector and IA products

Revenue by Region

Q1, 2010
US\$4,948M

Q1, 2009
US\$3,400M



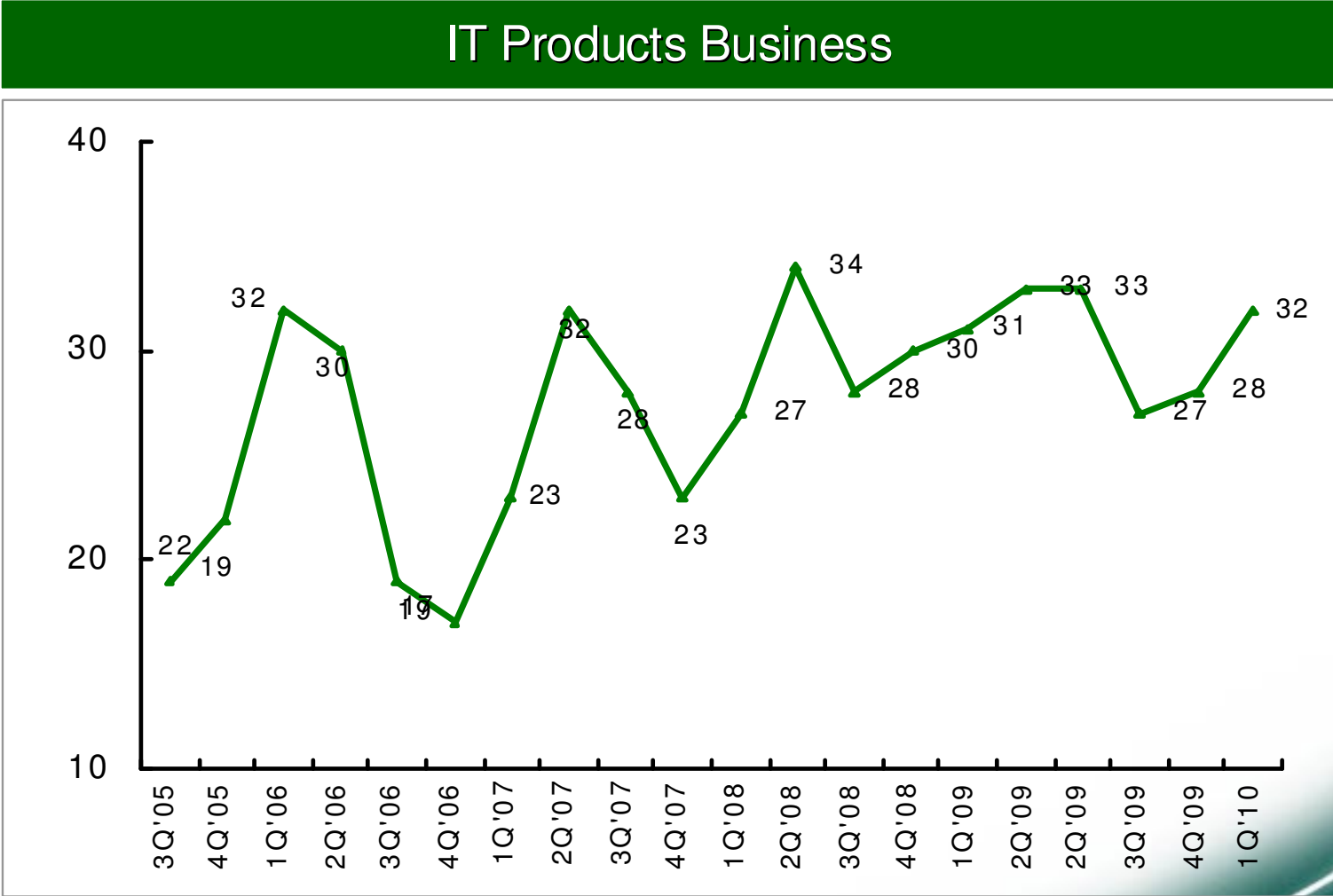
- EMEA
- Pan America
- Asia Pacific
- Taiwan
- China

- EMEA
- Pan America
- Asia Pacific
- Taiwan
- China

Note: (a) Asia Pacific excluding Greater China (Taiwan, HK, and Mainland China)
(b) EMEA stands for Europe, Middle East and Africa



Inventory Turnover Days (ADS)



Key Initiatives Q2/Q3

- **China , Brazil , expansion plan : products, channels , branding**
- **Timeline X launch and mkting plan :**
 - All Day Computing Thin&light
 - > 8 hours battery life with no compromise on CPU performance and base on standard components
- **Commercial product line launch : SERVER / STORAGE / DT / NB**
- **Internet devices introduction:**
 - connectivity, user interface, interactivity, data sharing
- **4 new smartphone models -> Acer user interface**

Digital Convergence

Occasionally
Connected

Mobility

Highly
Connected (3G)

Digital Content
Creation

Digital Content

Digital Content
Consumption

Traditional Notebook



Netbook



MID



Extending the Internet Experience:
variety of always connected devices

Smartphone



Voice Centric
Social networking

Richness of User Experience

Gaming
Multimedia

... and make user experience more consistent across different devices

From different interfaces/OSs in different devices ...



Notebook



eReader



symbian



Smartphone

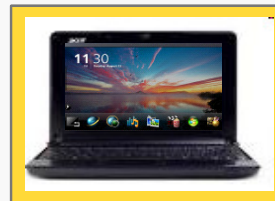


XP netbook

... to consistent and easier user experience across devices



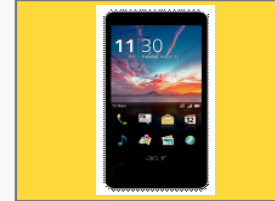
Notebook



Netbook



e-devices



Smartphone

Friendly UI and experience across devices

Acer Business Status & Strategy

J.T. Wang

Chairman & Acer Group CEO

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1. Innovate to Enhance Profitability

2. Breakthrough the Bottleneck in China

1. Innovate to Enhance Profitability

Competitive advantage of new products can help
Acer boost profitability from Q3

New notebook products help improve profit margin

1. Core™i notebook < 1 inch and all-day battery
2. < 2 cm ultra sleek, thinner and lighter

The Acer logo is located in the bottom right corner of the slide. It consists of the word "acer" in a lowercase, italicized, sans-serif font, with a white outline. The logo is set against a dark green background that features a diagonal gradient and a white curved line.

New audio and video technologies of consumer notebook PCs accelerate worldwide business growth

Superior audio and video performance such as:

- 1080P edge-to-edge FHD display
- 5 speakers plus subwoofer for true 5.1 cinema-style surround sound

2. Breakthrough the Bottleneck in China

Management team consensus

— First priority action item

Major efforts in three aspects (P.C.B.)

Product for China

Channel expansion

Brand marketing

What's new

1. Invest in R&D, market research in China.
2. Build-up local sales & marketing talents in senior management team.
3. Effective integrated P.C.B. action plan.