

Acer Inc.

Q1, 2010

Investor Conference

April 29, 2010

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Consolidated Financial Results

Che-Min Tu

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Consolidated Income Statement (1st Quarter)

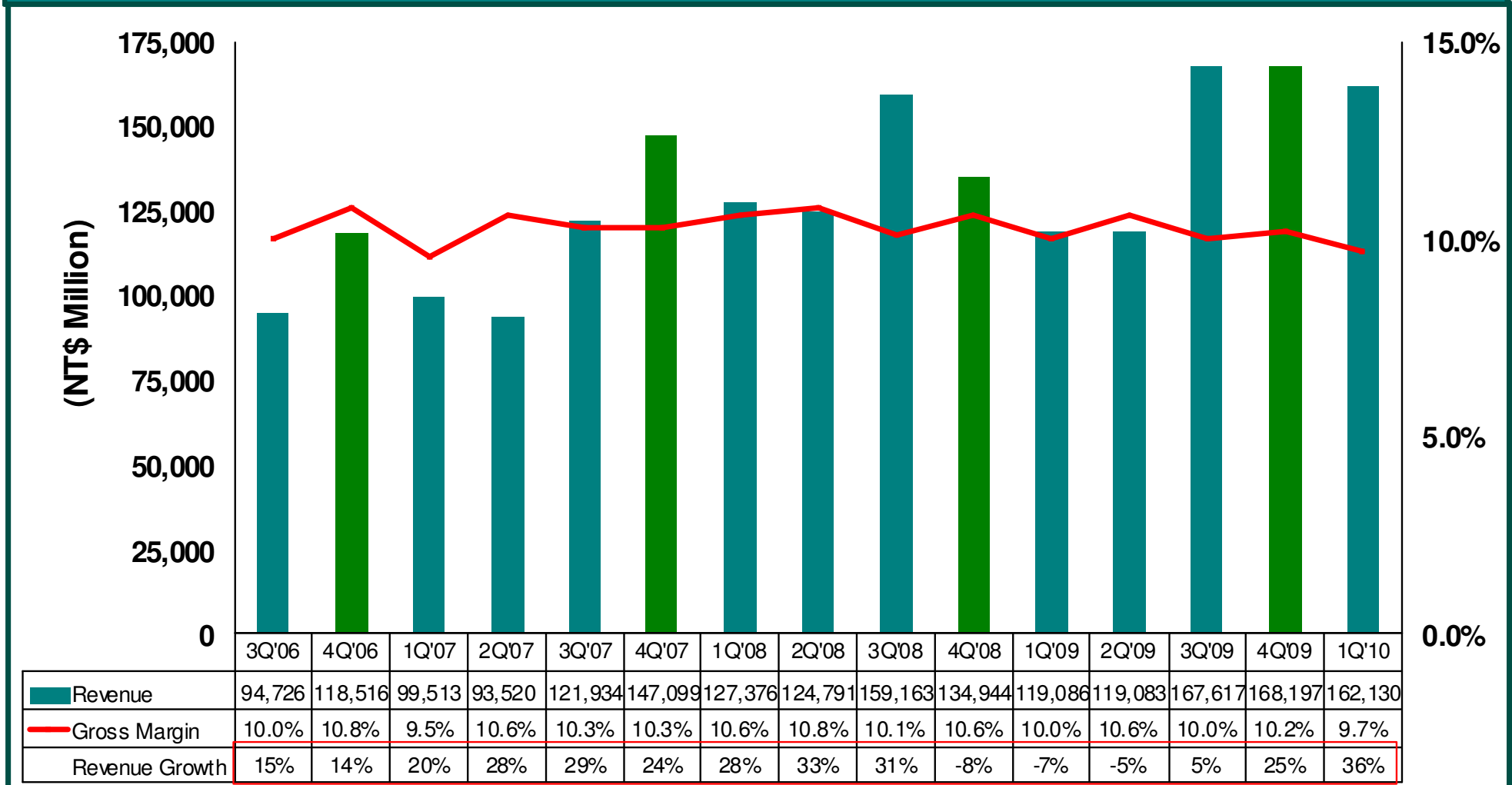
| (NT\$ Million) | 1Q,2010 | | 1Q,2009 | | Change |
|--------------------------------|---------------------|-------------|---------------------|-------------|-------------|
| Revenue | 162,130 | 100% | 119,086 | 100% | +36% |
| Gross Profit | 15,714 | 9.7% | 11,918 | 10.0% | +32% |
| Operating Expenses | 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><u>3,294</u></u> | 2.0% | <u><u>2,026</u></u> | 1.7% | +63% |
| EPS | 1.25 | | 0.78 | | |

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



Consolidated Revenue and Gross Margin

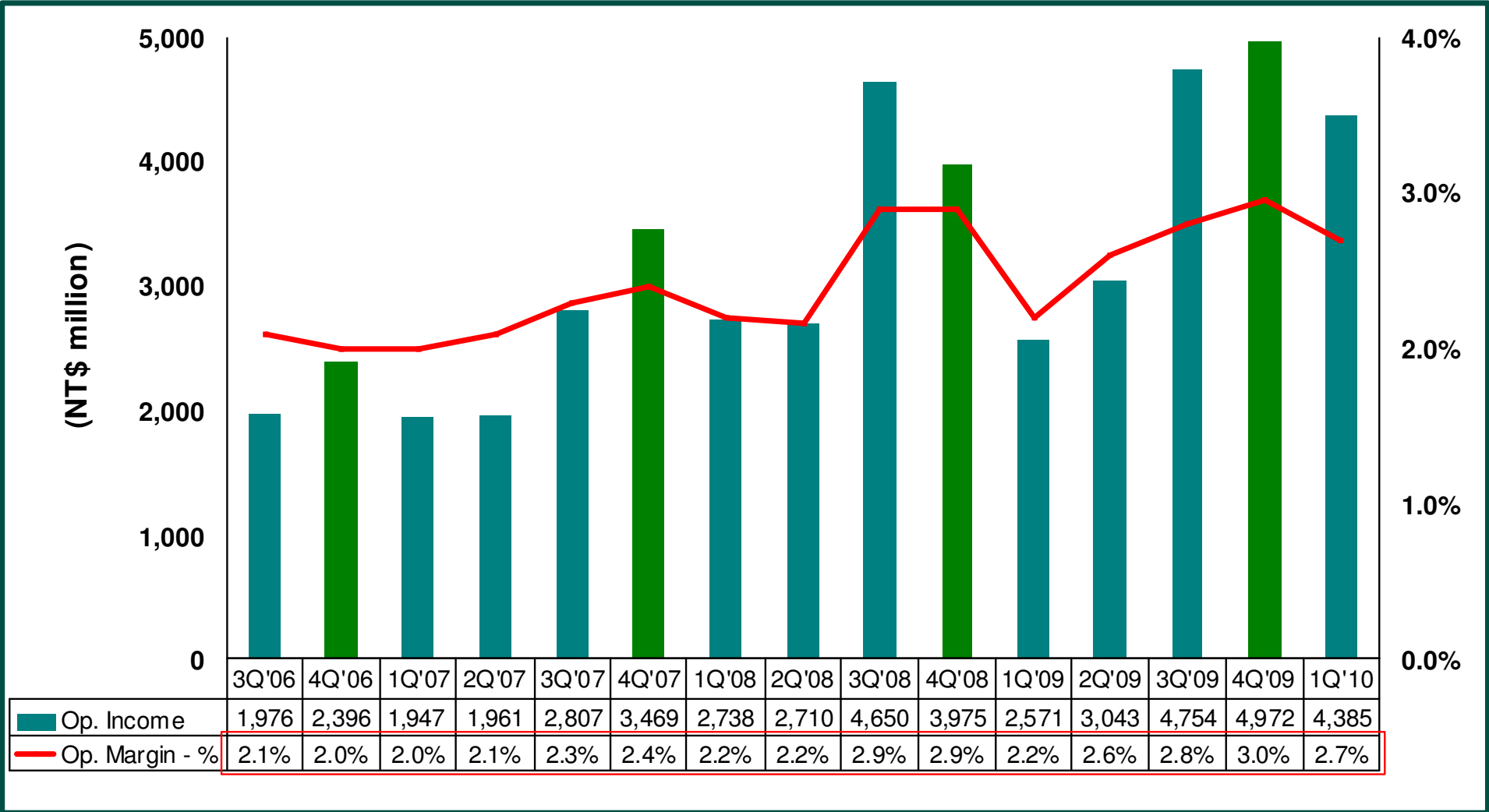
1Q, 2010 Revenue Growth: +36% Y/Y



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

Gianfranco Lanci

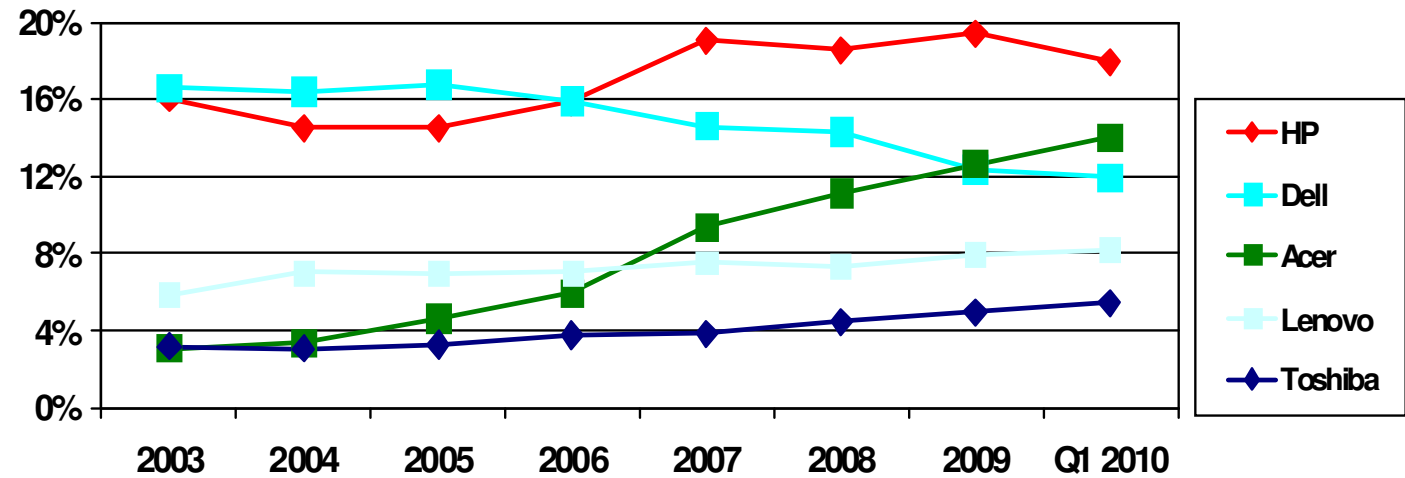
Acer Inc. CEO & President

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Market Share

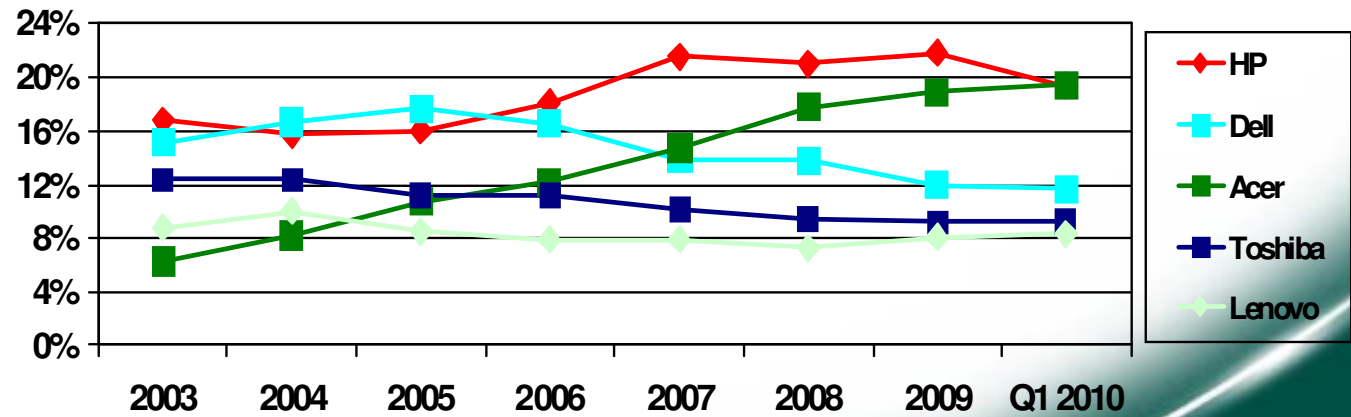
WW TOTAL PC MARKET: TOP VENDORS

#2
14.1% Market Share



WW NOTEBOOK MARKET: TOP VENDORS

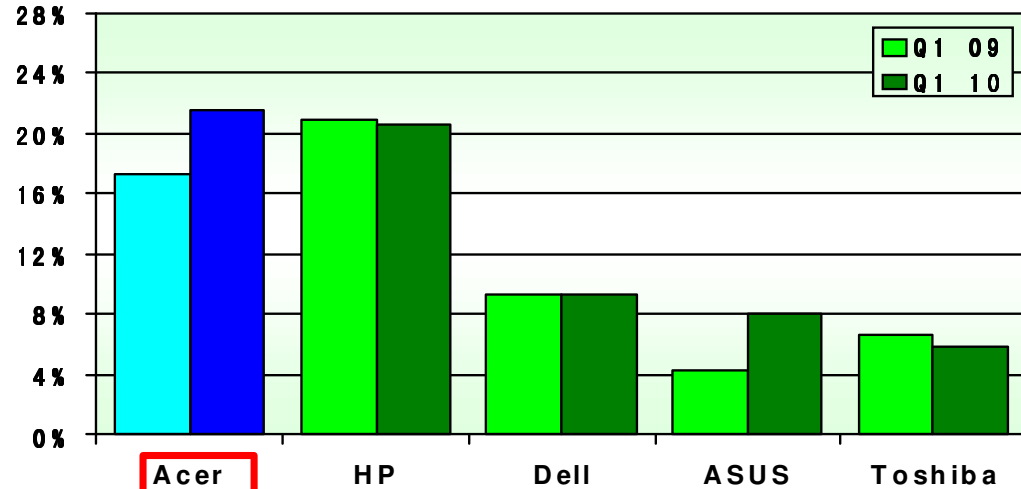
#1
19.6% Market Share



Gartner Q1 '10 Preliminary

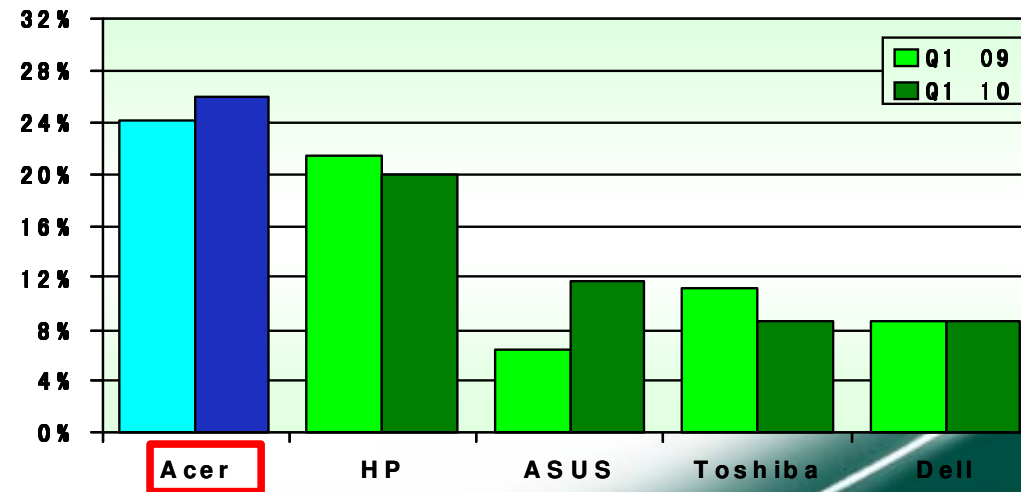
EMEA PC MARKET: TOP VENDORS

#1
21.5 % Market Share



EMEA NOTEBOOK MARKET: TOP VENDORS

#1
26.0 % Market Share

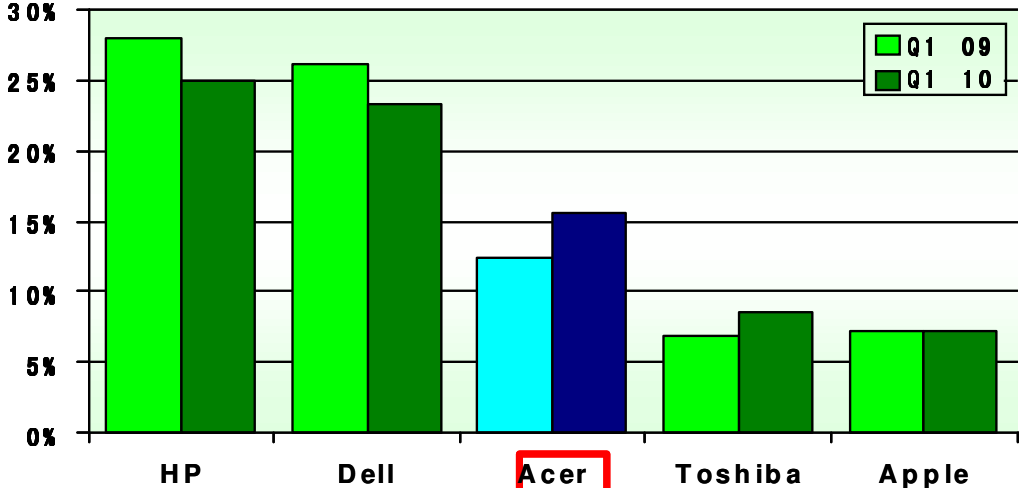


Gartner Q1 '10 Preliminary



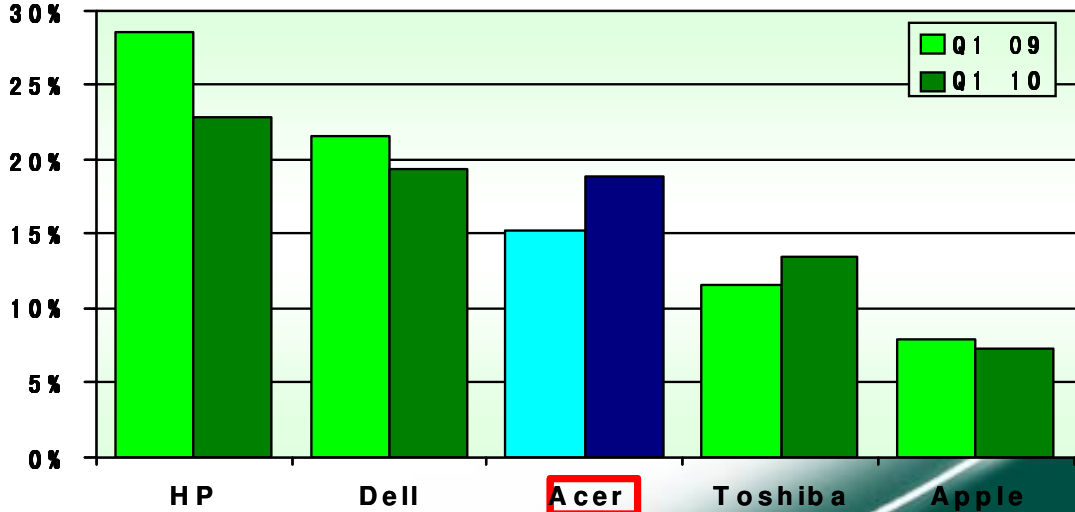
US PC MARKET: TOP VENDORS

#3
15.6% Market Share



US NOTEBOOK MARKET: TOP VENDORS

#3
18.9% Market Share

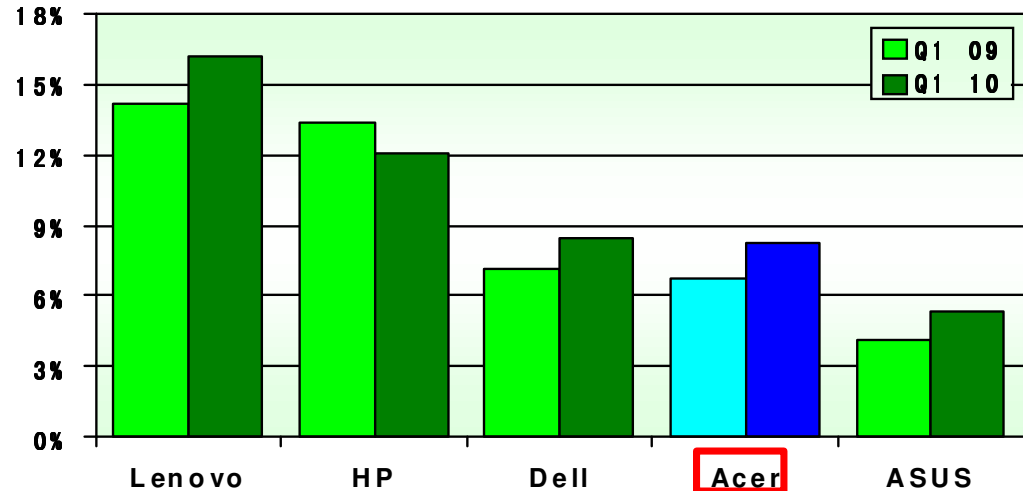


Gartner Q1 '10 Preliminary



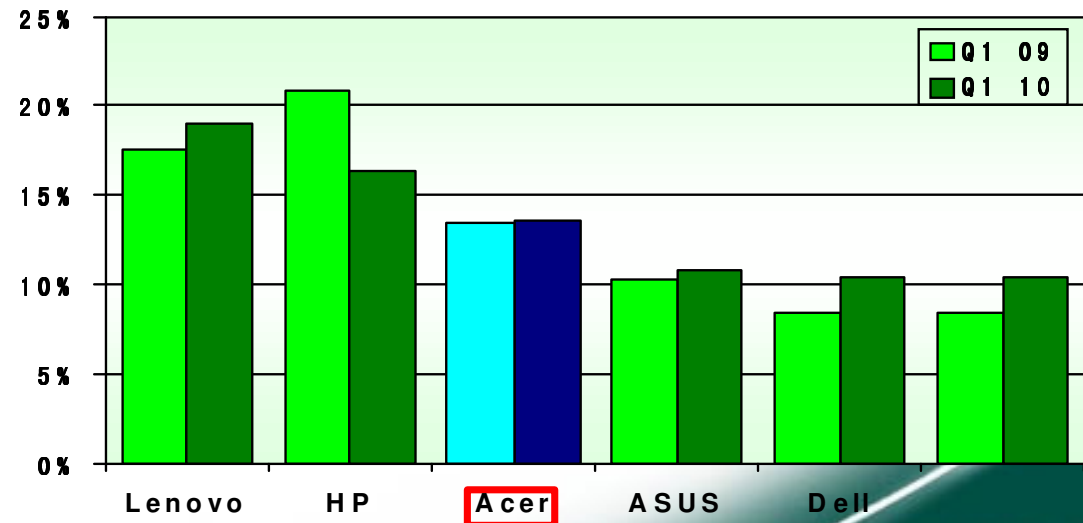
APAC PC MARKET: TOP VENDORS

#3
8.3 % Market Share



APAC NOTEBOOK MARKET: TOP VENDORS

#3
13.6 % Market Share

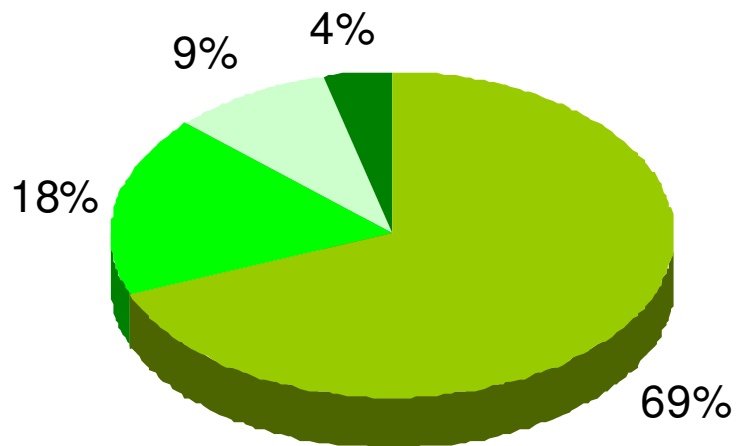


Gartner Q1 '10 Preliminary



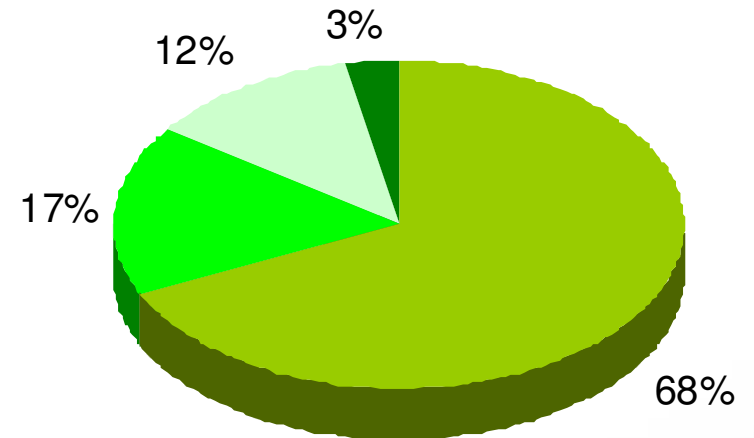
Revenue by Product

Q1, 2010
US\$4,948M



- Notebook+Netbook
- Desktop PC
- Display
- Others

Q1, 2009
US\$3,400M

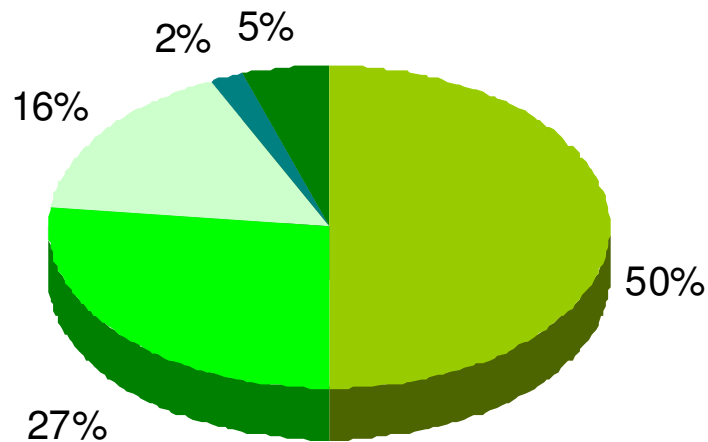


- Notebook+Netbook
- Desktop PC
- Display
- Others

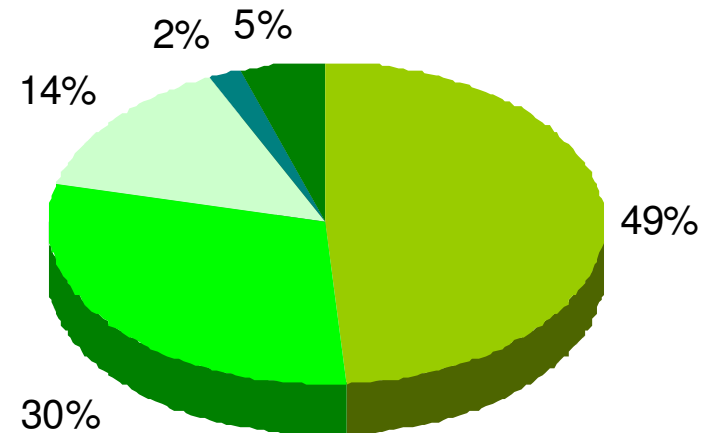
Note: Others include servers, projector and IA products

Revenue by Region

Q1, 2010
US\$4,948M



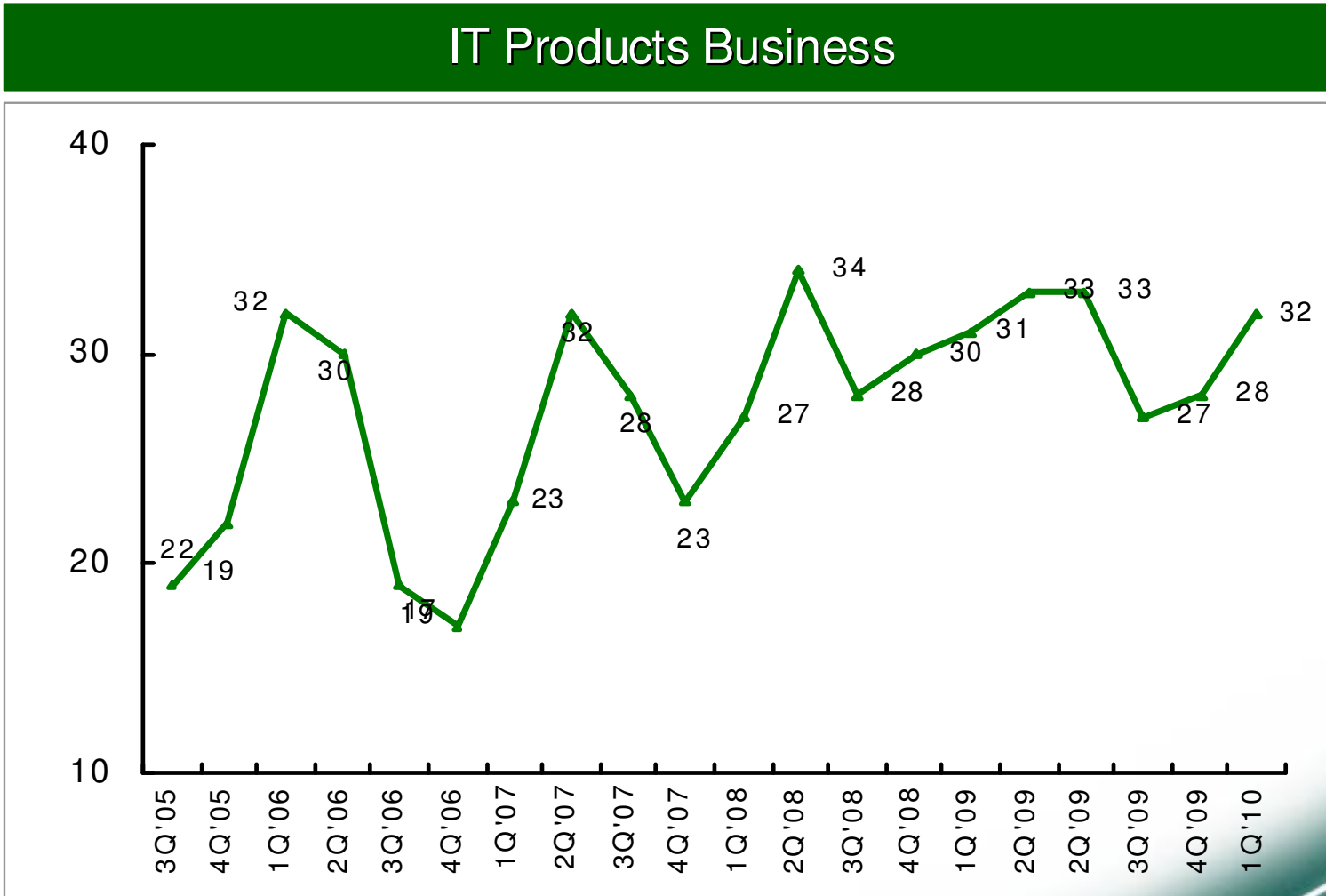
Q1, 2009
US\$3,400M



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



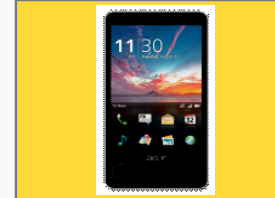
Notebook



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 white, lowercase, sans-serif font, set against a dark green background that features a diagonal gradient and a white swoosh.

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.