Safe Harbor Notice

The following pages contain projections & estimates of financial information as well as market and product developments for future periods. These projections & estimates are based on information currently available which we believe to be reliable, but they involve risks & uncertainties. Our actual results of operations & financial condition may differ significantly from those contained in the projections & estimates. The projections & estimates should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.
Agenda

- Q1-2012 Financial Results
- Q1-2012 Business Updates
- Updates of Windows 8 Opportunity
- Conclusion
- Q&A

Q1-2012 Financial Results
(Un-audited)
Financial Highlights for Q1-2012

• Revenues
  – NT$907.5M, -15.6% Y/Y and -17% Q/Q
  – Missed slightly the previous guidance for -14% +/- 2% Q/Q due to softer OEM demands in Q1-12

• Earnings
  – Operating income reached NT$232.2M, -11.3% Y/Y and -19.6% Q/Q.
  – Operating margin achieved 25.6%, higher than the previous guidance at 20% +/- 1.5% due to higher margin product mix
  – Income after tax was NT$176.8M, -8.7% Y/Y and -7.9% Q/Q. Net margin was 19.5%.
  – Basic EPS before tax at NT$2.46 or 9.8% Y/Y, and after tax NT$1.87 or 13.3% Y/Y.

• Balance Sheet
  – Cash, cash equivalent & short-term investment at NT$4,146.9M as of end of Q1-2012, accounting for 63.9% of total asset
  – Solid finance and no debt

Quarterly Revenue Trend

In NT$K

<table>
<thead>
<tr>
<th></th>
<th>Q1-09</th>
<th>Q2-09</th>
<th>Q3-09</th>
<th>Q4-09</th>
<th>Q1-10</th>
<th>Q2-10</th>
<th>Q3-10</th>
<th>Q4-10</th>
<th>Q1-11</th>
<th>Q2-11</th>
<th>Q3-11</th>
<th>Q4-11</th>
<th>Q1-12</th>
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<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
</tbody>
</table>
## Consolidated Income Statement Q1-2012 Y/Y

<table>
<thead>
<tr>
<th>In NT$K</th>
<th>Q1-2012</th>
<th>%</th>
<th>Q1-2011</th>
<th>%</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>907,538</td>
<td>100.0%</td>
<td>1,074,731</td>
<td>100.0%</td>
<td>-15.6%</td>
</tr>
<tr>
<td>Cost of goods Sold</td>
<td>(5,100)</td>
<td>0.6%</td>
<td>(4,516)</td>
<td>0.4%</td>
<td>12.9%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>902,438</td>
<td>99.4%</td>
<td>1,070,215</td>
<td>99.6%</td>
<td>-15.7%</td>
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<tr>
<td>Operating Expense</td>
<td>(670,231)</td>
<td>73.9%</td>
<td>(808,414)</td>
<td>75.2%</td>
<td>-17.1%</td>
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<tr>
<td>R&amp;D</td>
<td>(122,673)</td>
<td>13.5%</td>
<td>(159,320)</td>
<td>14.8%</td>
<td>-23.0%</td>
</tr>
<tr>
<td>S&amp;M</td>
<td>(513,214)</td>
<td>56.6%</td>
<td>(614,511)</td>
<td>57.2%</td>
<td>-16.5%</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>(34,344)</td>
<td>3.8%</td>
<td>(34,583)</td>
<td>3.2%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>232,207</td>
<td>25.6%</td>
<td>261,801</td>
<td>24.4%</td>
<td>-11.3%</td>
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<tr>
<td>Non Operating Income</td>
<td>(401)</td>
<td>0.0%</td>
<td>2,165</td>
<td>0.2%</td>
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<tr>
<td>Income before Tax</td>
<td>231,806</td>
<td>25.5%</td>
<td>263,966</td>
<td>24.6%</td>
<td>-12.2%</td>
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<tr>
<td>Income after Tax</td>
<td>176,771</td>
<td>19.5%</td>
<td>193,668</td>
<td>18.0%</td>
<td>-8.7%</td>
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<tr>
<td>Basic EPS before Tax (in NT$)</td>
<td>2.46</td>
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<td>2.24</td>
<td></td>
<td>9.8%</td>
</tr>
<tr>
<td>Basic EPS after Tax (in NT$)</td>
<td>1.87</td>
<td></td>
<td>1.65</td>
<td></td>
<td>13.3%</td>
</tr>
</tbody>
</table>

## Consolidated Income Statement Q1-2012 Q/Q

<table>
<thead>
<tr>
<th>In NT$K</th>
<th>Q1-2012</th>
<th>%</th>
<th>Q4-2011</th>
<th>%</th>
<th>Q/Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>907,538</td>
<td>100.0%</td>
<td>1,093,360</td>
<td>100.0%</td>
<td>-17.0%</td>
</tr>
<tr>
<td>Cost of goods Sold</td>
<td>(5,100)</td>
<td>0.6%</td>
<td>(4,813)</td>
<td>0.4%</td>
<td>6.0%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>902,438</td>
<td>99.4%</td>
<td>1,088,547</td>
<td>99.6%</td>
<td>-17.1%</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>(670,231)</td>
<td>73.9%</td>
<td>(799,606)</td>
<td>73.1%</td>
<td>-16.2%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>(122,673)</td>
<td>13.5%</td>
<td>(145,443)</td>
<td>13.3%</td>
<td>-15.7%</td>
</tr>
<tr>
<td>S&amp;M</td>
<td>(513,214)</td>
<td>56.6%</td>
<td>(609,901)</td>
<td>55.8%</td>
<td>-15.9%</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>(34,344)</td>
<td>3.8%</td>
<td>(44,262)</td>
<td>4.0%</td>
<td>-22.4%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>232,207</td>
<td>25.6%</td>
<td>288,941</td>
<td>26.4%</td>
<td>-19.6%</td>
</tr>
<tr>
<td>Non Operating Income</td>
<td>(401)</td>
<td>0.0%</td>
<td>14,553</td>
<td>1.3%</td>
<td>-102.8%</td>
</tr>
<tr>
<td>Income before Tax</td>
<td>231,806</td>
<td>25.5%</td>
<td>303,494</td>
<td>27.8%</td>
<td>-23.6%</td>
</tr>
<tr>
<td>Income after Tax</td>
<td>176,771</td>
<td>19.5%</td>
<td>191,993</td>
<td>17.6%</td>
<td>-7.9%</td>
</tr>
</tbody>
</table>
Shareholders’ Dividend for 2011 Earnings

- In March 2012, CyberLink’s Board of Directors approved shareholders’ dividend for 2011 earnings at NT$7 per share.
- The payout ratio is 99.3% if using EPS NT$7.05 based on the number of share outstanding as of 2011/12/31.
- The policy of high payout ratio and high cash dividend was carried out persistently.

High Dividend and Payout Ratio to Shareholders

*NT$7.05 was calculated using 2011 net earnings divided by the number of share outstanding as of end of 2011. Due to the 20% capital reduction, 2011 basic EPS audited by CPA was NT$6.11 based on the weighted average number of shares in 2011.
Q2-2012 Outlook

- Consolidated Q2-2012 guidance assuming FX 29.4:
  - Revenue (Q/Q): -8% +/- 2% vs. Q1-2012
  - Gross profit rate: over 99%
  - Operating margin: 20% +/- 1.5%

Q1-2012 Business Update
Increasing B2C Contribution in Net Gross Profit (NGP)

- We continue making good progress to achieve a more balanced B2B/B2C business model.
- Our B2C contribution to total NGP continues to increase and reached 38.2% in Q1-2012, which demonstrates our commitment and good progress in developing B2C business and CyberLink brand.

Net Gross Profit (NGP): An internal performance indicator which is “sales less 3rd party royalties & material costs”

Complete Solution on Video, Photo, & Music for both PC & Devices (iPhone/iPad/Android/Win8 Metro)

- **Universal Player**: BD/3D/DVD/Social/DLNA/File + Sync-to-Mobile + Music Store
  - PowerDVD 12 (similar to iTunes on PC with several unique features)
- **Content Creation**: mainly for professional & prosumer users
  - PowerDirector 10 & PhotoDirector 3
  - (Two more new products in Q4 this year)
- **Burning & Backup**: Power2Go 8 & PowerProducer 5
- **Content Organizer** with Enhance/Create capabilities, & **Webcam**
  - MediaShow 6 & YouCam 5
  - CyberLink Media Suite (All-in-One)
- **Device apps**: iPhone/iPad/Android/Win8 Metro
  - PDVD Remote (iOS/Android), PDVD Mobile (iOS/Android), PDR Android
  - PDVD Metro, YouCam Metro, PDR Metro
New Product Releases since Q1 2012

Launch of PowerDVD 12

- Released in January ‘12
- Universal Player
  - BD/3D/DVD/Social/DLNA/File(M/V/P)
- Content Sync between PC & Devices
  - Android, Blackberry, Symbian
    (representing 76% smartphones in 2011)
- Online Music Store
  - 7Digital
- The most widely bundled BD & DVD player
Launch of PhotoDirector 3

- A powerful yet intuitive photo workflow software empowers photographers to create stunning scenery and perfect portraits.
- First product debut in June 2011
- Version 3 launched in March 2012. Aim to lead its peer products in short time by fast new releases with more powerful features.

Launch of MediaShow 6

- Released in April ‘12
- Organize, Create, Edit, and Share of Videos and Photos (incl. 3D support)
- Has been bundled on NEC PCs
- Will be bundled on two more tier-1 OEMs soon
YouCam Metro Beta Selected in Microsoft Windows 8 Beta Store

- YouCam Metro is an intuitive and touch-optimized camera app designed natively for the Windows 8 Metro interface.
- It was featured in the Microsoft Windows 8 Beta Store on opening day.

Updates of Windows 8 Opportunity
Market Development to CyberLink’s Great Advantage

• Due to the advent of Windows 8, PC OEMs have to open new projects, review software requirements and re-select software vendors.

• Both Windows 8 specs and the competition landscape are to our great advantage:
  -- Windows 8 will not support Dolby and MPEG-2 such that user cannot playback DVD movies or burn DVD movie discs. To provide the same media experience as in Windows 7, PC OEMs have to bundle digital media solutions from software vendors, such as CyberLink.
  -- While our competitors are getting less competitive, we stand a strong chance to win Windows 8 projects.
  -- The high OEM installation base on Windows 8 will be an excellent gateway to more B2C business. We will be able to reach massive OEM users and encourage more up-sale and cross-sale revenues.

CyberLink on Windows 8

• CyberLink products adopted by major OEMs on Windows 8 include:
  -- Metro apps
    • PowerDVD Metro
    • YouCam Metro
    • PowerDirector Metro
  -- Desktop apps
    • PowerDVD: (BD/DVD playback): the most dominant playback solution
    • CyberLink Media Suite (total digital medial solution)
    • Power2Go (data burning)
    • MediaShow (content management)
    • MediaSync (content sync between PC & mobile devices)
    • PowerDirector (video editing)
    • PhotoDirector (photo workflow & editing)
    • and more …
Our Progress

• We are actively engaging with major OEMs for digital media solutions on their Windows 8 platforms.
• In last Investor Conference, we announced the confirmation of Windows 8 projects with 4 major PC vendors.
• Now the number of customers awarding Windows 8 projects to CyberLink has increased to 8 (all major PC vendors).
• We continue to invest resources in R&D to meet market demands.
• We continue to strengthen our up-sale mechanism to fully leverage the huge OEM installation base on PCs.
• We expect financial benefits to appear from Q4 2012 or 2013.

Conclusion

• Q1-2012 revenues was -15.6% YoY and -17.0% Q/Q. Operating margin hit 25.6%. Basic EPS after tax achieved NT$1.87.
• Having the confidence in profitability and cash capability, CyberLink's Board of Directors approved shareholders’ dividend at NT$7/share for 2011 earnings. The policy of high payout ratio and high cash dividend remained.
• Expect Q2-2012 revenue -8% +/-2% compared to Q1-2012 primarily due to seasonality. Operating margin expects at 20% +/- 1.5% primarily due to more R&D investments to fulfill strong market demands.
• For Windows 8, the market development is in great favor of CyberLink and we continue making good progress in business wins.
• Other than strong B2B wins on Windows 8, we continue making good progress in growing B2C revenue and brand recognition.
For more information about CyberLink:
www.CyberLink.com

For IR inquiries, suggestions and comments:
investor@cyberlink.com

Thank You!