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

- Company Profile
- H1-2013 Financial Results
- Business Update
- Product Update
- Summary
- Q&A
Company Profile
Company Profile

- Founded in 1996, world leader in consumer multimedia software industry
- Headquartered in Taipei, with subsidiaries in US, Japan, and Netherlands, with about 600 employees
- Company went public in Taiwan stock market in 2000 with persistent strong financial performance
- More than 20 products for PC, Apple iPad/iPhone, Android tablet/phone, and Windows 8 Metro tablets.
- Over 135 patents globally in digital media domain
Sustainable Earnings & Consistent High Dividend Policy

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>7.49</td>
<td>8.81</td>
<td>10.03</td>
<td>9.81</td>
<td>7.91</td>
<td>7.08</td>
<td>7.05</td>
<td>6.90</td>
</tr>
<tr>
<td>Dividend Per Share</td>
<td>5.19</td>
<td>6.58</td>
<td>7.59</td>
<td>7.59</td>
<td>6.48</td>
<td>6.99</td>
<td>7.00</td>
<td>7.60</td>
</tr>
<tr>
<td>Payout Ratio</td>
<td>69%</td>
<td>75%</td>
<td>76%</td>
<td>77%</td>
<td>82%</td>
<td>99%</td>
<td>99%</td>
<td>110%</td>
</tr>
</tbody>
</table>

1. 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.

2. NT$7.6 includes a NT$7.0 cash dividend for 2012 earning distribution and a capital increase of $0.6 per share.
Business Model
- Consumer Multimedia Software -

• Bundling with hardware devices (B2B)
  – We dominate this B2B market with majority market share
  – ALL Top 10 PC vendors are our customers

• Direct sales to end users via webstore & retail stores (B2C)
  – Best products (Editor’s Choices) in several categories
Taiwan’s Top 20 Global Brands

- CyberLink is recognized among Taiwan Top 20 Global Brands for 4th consecutive year

<table>
<thead>
<tr>
<th>Rank</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>17</td>
<td>18</td>
<td>15</td>
<td>17</td>
</tr>
</tbody>
</table>

Top Taiwan Global Brands Survey is conducted annually and organized by the Taiwan External Trade Development Council (TAITRA) with help from BusinessNext and Interbrand. 
http://www.brandingtaiwan.org/TopTwenty/en/Index.html
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
  - Director Suite
    (PowerDirector, PhotoDirector, ColorDirector, AudioDirector)
- **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
Solution Across Form Factors and OS’

- **Windows**
  - PowerDVD 12
  - PowerDirector 10
  - PhotoDirector 3
  - Power2Go 8
  - YouCam 5
  - MediaShow 6

- **iOS (iPhone/iPad)**
  - PowerDVD Remote
  - PowerDVD Mobile

- **Android**
  - PowerDVD Remote
  - PowerDVD Mobile
  - PowerDirector

- **Windows 8 (Metro)**
  - PowerDVD Metro
  - PowerDirector Metro
  - YouCam Metro
H1-2013 Financial Results (Un-audited)
Financial Highlights

• **Q2-2103**
  – **Key Item & Growth**
    • Revenue NT$628.1M, -0.9% Q/Q and -25.5% Y/Y.
      – Met previous guidance of -2%~+2% Q/Q
    • Gross margin NT$513.6M, -3.6% Q/Q and **+10.8% Y/Y**
    • Operating income NT$197.3M, -12.1% Q/Q and **+17.7% Y/Y**
    • Net income NT$154.2M, -22.1% Q/Q and **+10.4% Y/Y**
    • Basic EPS after tax NT$1.63, **+10.4% Y/Y**
  – **Margin**
    • Gross margin at 81.8%, met the guidance of 83% +/-1.5%.
    • Operating margin at 31.4%, lower than guidance of 34% +/- 1.5%, due to higher-than-expected expenses in joint promotion, testing equipments, etc.
    • Net margin at 24.6%.

• **H1-2013**
  – Revenue NT$1,262.1M, -27.9% Y/Y. Gross profit NT$1,046.4M, +6.4% Y/Y.
  – Operating income NT$421.9M, +5.4% Y/Y. Margin 33.4%.
  – Net income NT$352.3M, **+11.1% Y/Y**. Margin 27.9%. EPS after tax NT$3.73.

• **Balance Sheet**
  – Cash, cash equivalent & short-term investment at NT$4,337.1M as of end of June 2013, accounting for 65.4% of total asset. No debt.
## Consolidated Income Statement Q2-2013 Y/Y

<table>
<thead>
<tr>
<th>In NT$K</th>
<th>Q2-2013</th>
<th>%</th>
<th>Q2-2012</th>
<th>%</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>628,183</td>
<td>100.0%</td>
<td>843,133</td>
<td>100.0%</td>
<td>-25.5%</td>
</tr>
<tr>
<td>Cost of goods Sold</td>
<td>(114,518)</td>
<td>18.2%</td>
<td>(379,597)</td>
<td>45.0%</td>
<td>-69.8%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>513,665</td>
<td>81.8%</td>
<td>463,536</td>
<td>55.0%</td>
<td>10.8%</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>(316,338)</td>
<td>50.4%</td>
<td>(295,904)</td>
<td>35.1%</td>
<td>6.9%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>(136,573)</td>
<td>21.7%</td>
<td>(130,133)</td>
<td>15.4%</td>
<td>4.9%</td>
</tr>
<tr>
<td>S&amp;M</td>
<td>(137,193)</td>
<td>21.8%</td>
<td>(127,522)</td>
<td>15.1%</td>
<td>7.6%</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>(42,572)</td>
<td>6.8%</td>
<td>(38,249)</td>
<td>4.5%</td>
<td>11.3%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>197,327</td>
<td>31.4%</td>
<td>167,632</td>
<td>19.9%</td>
<td>17.7%</td>
</tr>
<tr>
<td>Non Operating Income</td>
<td>24,450</td>
<td>3.9%</td>
<td>22,878</td>
<td>2.7%</td>
<td>6.9%</td>
</tr>
<tr>
<td>Income before Tax</td>
<td>221,777</td>
<td>35.3%</td>
<td>190,510</td>
<td>22.6%</td>
<td>16.4%</td>
</tr>
<tr>
<td>Income after Tax</td>
<td>154,246</td>
<td>24.6%</td>
<td>139,733</td>
<td>16.6%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Basic EPS before Tax (in NT$)</td>
<td>2.35</td>
<td></td>
<td>2.02</td>
<td></td>
<td>16.4%</td>
</tr>
<tr>
<td>Basic EPS after Tax (in NT$)</td>
<td>1.63</td>
<td></td>
<td>1.48</td>
<td></td>
<td>10.4%</td>
</tr>
</tbody>
</table>
## Consolidated Income Statement Q2-2013 Q/Q

<table>
<thead>
<tr>
<th>In NT$K</th>
<th>Q2-2013</th>
<th>%</th>
<th>Q1-2013</th>
<th>%</th>
<th>Q/Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>628,183</td>
<td>100.0%</td>
<td>633,951</td>
<td>100.0%</td>
<td>-0.9%</td>
</tr>
<tr>
<td>Cost of goods Sold</td>
<td>(114,518)</td>
<td>18.2%</td>
<td>(101,185)</td>
<td>16.0%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>513,665</td>
<td>81.8%</td>
<td>532,766</td>
<td>84.0%</td>
<td>-3.6%</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>(316,338)</td>
<td>50.4%</td>
<td>(308,227)</td>
<td>48.6%</td>
<td>2.6%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>(136,573)</td>
<td>21.7%</td>
<td>(138,358)</td>
<td>21.8%</td>
<td>-1.3%</td>
</tr>
<tr>
<td>S&amp;M</td>
<td>(137,193)</td>
<td>21.8%</td>
<td>(132,280)</td>
<td>20.9%</td>
<td>3.7%</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>(42,572)</td>
<td>6.8%</td>
<td>(37,589)</td>
<td>5.9%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Operating Income</td>
<td>197,327</td>
<td>31.4%</td>
<td>224,539</td>
<td>35.4%</td>
<td>-12.1%</td>
</tr>
<tr>
<td>Non Operating Income</td>
<td>24,450</td>
<td>3.9%</td>
<td>28,539</td>
<td>4.5%</td>
<td>-14.3%</td>
</tr>
<tr>
<td>Income before Tax</td>
<td>221,777</td>
<td>35.3%</td>
<td>253,078</td>
<td>39.9%</td>
<td>-12.4%</td>
</tr>
<tr>
<td>Income after Tax</td>
<td>154,246</td>
<td>24.6%</td>
<td>198,004</td>
<td>31.2%</td>
<td>-22.1%</td>
</tr>
<tr>
<td>Basic EPS before Tax (in NT$)</td>
<td>2.35</td>
<td></td>
<td>2.68</td>
<td></td>
<td>-12.4%</td>
</tr>
<tr>
<td>Basic EPS after Tax (in NT$)</td>
<td>1.63</td>
<td></td>
<td>2.10</td>
<td></td>
<td>-22.1%</td>
</tr>
</tbody>
</table>
## Consolidated Income Statement H1-2013 Y/Y

<table>
<thead>
<tr>
<th>In NT$K</th>
<th>H1-2013</th>
<th>%</th>
<th>H1-2012</th>
<th>%</th>
<th>Y/Y</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td>1,262,134</td>
<td>100.0%</td>
<td>1,750,671</td>
<td>100.0%</td>
<td>-27.9%</td>
</tr>
<tr>
<td><strong>Cost of goods Sold</strong></td>
<td>(215,703)</td>
<td>17.1%</td>
<td>(766,852)</td>
<td>43.8%</td>
<td>-71.9%</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>1,046,431</td>
<td>82.9%</td>
<td>983,819</td>
<td>56.2%</td>
<td>6.4%</td>
</tr>
<tr>
<td><strong>Operating Expense</strong></td>
<td>(624,565)</td>
<td>49.5%</td>
<td>(583,395)</td>
<td>33.3%</td>
<td>7.1%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>(274,931)</td>
<td>21.8%</td>
<td>(252,806)</td>
<td>14.4%</td>
<td>8.8%</td>
</tr>
<tr>
<td>S&amp;M</td>
<td>(269,473)</td>
<td>21.4%</td>
<td>(257,996)</td>
<td>14.7%</td>
<td>4.4%</td>
</tr>
<tr>
<td>G&amp;A</td>
<td>(80,161)</td>
<td>6.4%</td>
<td>(72,593)</td>
<td>4.1%</td>
<td>10.4%</td>
</tr>
<tr>
<td><strong>Operating Income</strong></td>
<td>421,866</td>
<td>33.4%</td>
<td>400,424</td>
<td>22.9%</td>
<td>5.4%</td>
</tr>
<tr>
<td><strong>Non Operating Income</strong></td>
<td>52,989</td>
<td>4.2%</td>
<td>22,477</td>
<td>1.3%</td>
<td>135.7%</td>
</tr>
<tr>
<td><strong>Income before Tax</strong></td>
<td>474,855</td>
<td>37.6%</td>
<td>422,901</td>
<td>24.2%</td>
<td>12.3%</td>
</tr>
<tr>
<td><strong>Income after Tax</strong></td>
<td>352,250</td>
<td>27.9%</td>
<td>316,990</td>
<td>18.1%</td>
<td>11.1%</td>
</tr>
<tr>
<td><strong>Basic EPS before Tax (in NT$)</strong></td>
<td>5.03</td>
<td></td>
<td>4.48</td>
<td></td>
<td>12.3%</td>
</tr>
<tr>
<td><strong>Basic EPS after Tax (in NT$)</strong></td>
<td>3.73</td>
<td></td>
<td>3.36</td>
<td></td>
<td>11.1%</td>
</tr>
</tbody>
</table>
Reminder of Business Practice Change

- Revenues declined Y/Y due primarily to Dolby practice change
  - From Oct. 2012, Dolby starts to collect its royalty from key PC OEMs directly and no longer via CyberLink, therefore our revenues and COGS contain much smaller B2B Dolby royalty subsequent to this change.

- No impact to earnings. Gross profit, operating income and net income all grew positively in H1-2013.
Shareholder Dividend Schedule

• The distribution of NT$7.0 cash and NT$0.6 stock dividend approved in the Annual General Shareholders’ Meeting.

• Schedule
  – Trade date of Ex-right & Ex-Dividend : Aug. 09, 2013
  – Book closure period: Aug. 13~17, 2013
  – Record date : Aug. 17, 2013
Sustainable Earnings & Consistent High Dividend Policy

- Sustainable EPS through out years even in the toughest period of PC industry
- Consistent high payout policy to remain good yield and to increase shareholders’ value

### EPS & Dividend Per Share (in NT$)

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS</th>
<th>Dividend Per Share</th>
<th>Payout Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>7.49</td>
<td>5.19</td>
<td>69%</td>
</tr>
<tr>
<td>2006</td>
<td>8.81</td>
<td>6.58</td>
<td>75%</td>
</tr>
<tr>
<td>2007</td>
<td>10.03</td>
<td>7.59</td>
<td>76%</td>
</tr>
<tr>
<td>2008</td>
<td>9.81</td>
<td>7.59</td>
<td>77%</td>
</tr>
<tr>
<td>2009</td>
<td>7.91</td>
<td>6.48</td>
<td>82%</td>
</tr>
<tr>
<td>2010</td>
<td>7.08</td>
<td>6.99</td>
<td>99%</td>
</tr>
<tr>
<td>2011</td>
<td>7.05</td>
<td>7.00</td>
<td>99%</td>
</tr>
<tr>
<td>2012</td>
<td>6.90</td>
<td>7.60</td>
<td>110%</td>
</tr>
</tbody>
</table>

1. 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.
2. NT$7.6 includes a NT$7.0 cash dividend for 2012 earning distribution and a capital increase of $0.6 per share.
Q3-2013 Outlook

• Consolidated Q3-2013 guidance assuming FX 29.9:
  – Revenue (Q/Q): 3% +/- 2% from Q2-2013
  – Gross profit rate: 82% +/- 1.5%
  – Operating margin: 33% +/- 1.5%
Business Update
Balanced Product Mix in Content Creation and Content Consumption

Gross Profit Breakdown by Product Group

- Media Creation and Misc: creativity, burning, media management and others.
- Digital Entertainment: playback, media server/client, codec pack, etc.

<table>
<thead>
<tr>
<th>Year</th>
<th>Media Creation and Misc</th>
<th>Digital Entertainment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>53%</td>
<td>47%</td>
</tr>
<tr>
<td>2012</td>
<td>51%</td>
<td>49%</td>
</tr>
<tr>
<td>2013H1</td>
<td>52%</td>
<td>48%</td>
</tr>
</tbody>
</table>
Brand Power to Consumers
B2C Continues to Increase

Gross Profit Breakdown by B2B/B2C

- 2010: 25% B2B, 25% B2C
- 2011: 32% B2B, 28% B2C
- 2012: 35% B2B, 35% B2C
- 2013H1: 39% B2B, 31% B2C

• B2C business is not dependant on new PC shipment!
Product Update
PhotoDirector Won PC Advisor Award 2013

PC Advisor Awards 2013: Best Photo/Video Software

We announce the winner of our Best Photo/Video Software award

By Matt Egan | PC Advisor | 06 June 13

Best Photo/Video Software award 2013: runners up

- Adobe Photoshop CS6
- Adobe Premiere Elements 11
- InPaint

http://www.pcadvisor.co.uk/features/software/3451084/best-photo-video-software-2013/
Successful Product Launch in Q2

CyberLink Media Suite 11
- Organize, Play, Edit, Burn, Share
- Include latest versions of PowerDVD, PowerDirector, etc.
- V11 includes new addition for photo editing

Power2Go 9
- Burn All Media to Any Disc
- v9 will allow backup Social Media such as YouTube, Facebook, etc.
- and more ...
Exciting New Releases in Q3

Director Suite 2

- PowerDirector 12
- PhotoDirector 5
- AudioDirector 4
- ColorDirector 2
Development of Next-Generation H.265 (HEVC) Video Codec

• New H.265 standard requires only half the bandwidth of H.264 for the delivery of high-def video
  – Reassure CyberLink as market leader in multimedia technologies
• For CyberLink mobile and HD media solution to reach the next level
• User benefits:
  – Faster & smoother downloading and streaming of better quality video content to PCs and mobile devices
  – More economic storage and burning of high-def video
Summary

- Q2 operating income grew **+17.7% Y/Y**. EPS after tax at NT$1.63, **+10.4% Y/Y**. H1 EPS after tax at **NT$3.73, +11.1% Y/Y**.
- Dividend total at NT$7.6/share approved in Annual Shareholders Meeting. The record date confirmed on Aug. 17.
- Expect Q3-13 revenue growth at 3% +/-2% from Q2-13 and operating margin 33%+/-1.5%.
- Balanced mix in product category and business model
- Flagship “Director Suite 2” to release in Q3
- Development of Next-Generation H.265 (HEVC) Video Codec to reassure market leader position in multimedia technologies
For more information about CyberLink: www.CyberLink.com

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

Thank You!