



SpringSoft

*Taiwan, Technology & Beyond
—Merrill Lynch*

<http://www.springsoft.com>

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Agenda

◆ Company Profile

◆ Market Environment

◆ Products Update

◆ Financial Update

Company Profile

◆ Profile – the only listed EDA company in Asia

- Incorporated: Feb. 2nd, 1996 in HSP
- IPO at TASDAQ in 1999, to TSE in 2001
- Paid-in Capital: NTD 2.06 bn (USD 65 m)
- Market Capital: NTD 6.9 bn (USD 227 m)
- Main Business: Develop and sell EDA (electronic design automation) software
- Patents: over 35 patents filed In ROC & US
- Employee: TWN 273 (PH.D & Master: 77%+)
- 2 Independent Directors and 2 Supervisors

◆ Major Products

- Verdi series – A SoC Debug System
- Laker series – A Custom Layout System
- Laker ADP-Analog Develop Platform

◆ Our Mission

- Improve SoC Designers' Productivity
- Play a Key Role in EDA Industry

◆ 07 Financials (per audit)

- Revenue: NTD1,348M (-2.7%)
- EBT: NTD777M (-7.0%)
- EPS(after-tax): NTD3.18

Dividend Policy

Fiscal Year	Cash Dividend	%	Stock Dividend	%	Total Dividend	EPS	Cash Payout	Ex-dividend date	AGM Date
2006	2.5	89%	0.3	11%	\$2.8	3.75	67%	8/02'07	Jun. '07
2005	3.1692	86%	0.51116	14%	\$3.6804	4.81	64%	8/31'06	Jun. '06
2004	3.00	75%	1.0061	25%	\$4.0061	5.06	60%	8/4 '05	Jun. '05
2003	2.45	62%	1.51	38%	\$3.96	4.64	53%	7/15 '04	Jun. '04
2002	1.40	35%	2.60	65%	\$4.00	5.18	27%	7/10 '03	Jun. 03
2001	1.20	29%	3.00	71%	\$4.20	4.79	28%	7/10 '02	May '02

* 2 million share buyback was completed on 5/28, 04

** 4 million share buyback was completed on 8/11, 06

Employee Bonus Policy

Fiscal Year	Shares Bonus (K)	O/S Dilution %	Mkt Value to Earnings %
2006	3,000	1.51%	20.7%
2005	3,800	1.90%	23.6%
2004	4,000	2.16%	32.3%
2003	4,800	2.91%	70.6%
2002	4,000	3.17%	71.7%
2001	4,000	5.13%	165.7%

Worldwide Operations

WORLDWIDE BUSINESS OPERATIONS



Novas USA
San Jose, CA
Dallas, TX
Austin, TX
Boston, MA
Portland, OR

Silicon Canvas
San Jose, CA
ForteLink Inc.
San Jose, CA

Novas Limited
Henley, UK

CMR Design
Bangalore, India

Waiz Pte Ltd.
Singapore

Springsoft
(Shanghai), China

Springsoft
(Xiamen), China

Springsoft Inc.
Hsinchu, Taipei
Headquarter
R&D Center

Novaflow Inc.
Yokohama,
Japan
KiTec Design
Seoul, Korea

● Sales & Marketing

● R&D

● Distributor

● Agent

Agenda

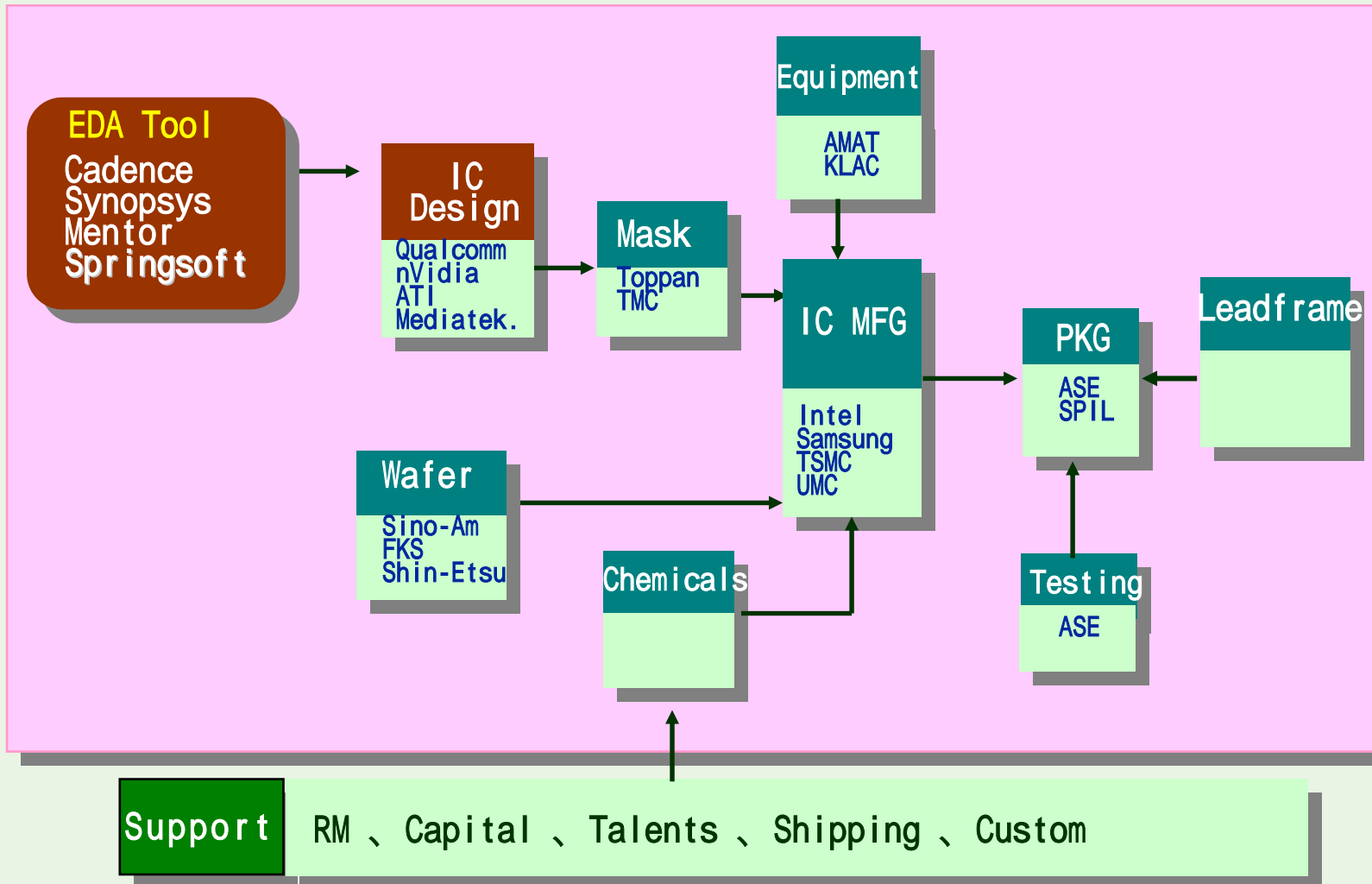
- ◆ Company Profile

- ◆ Market Environment

- ◆ Products Update

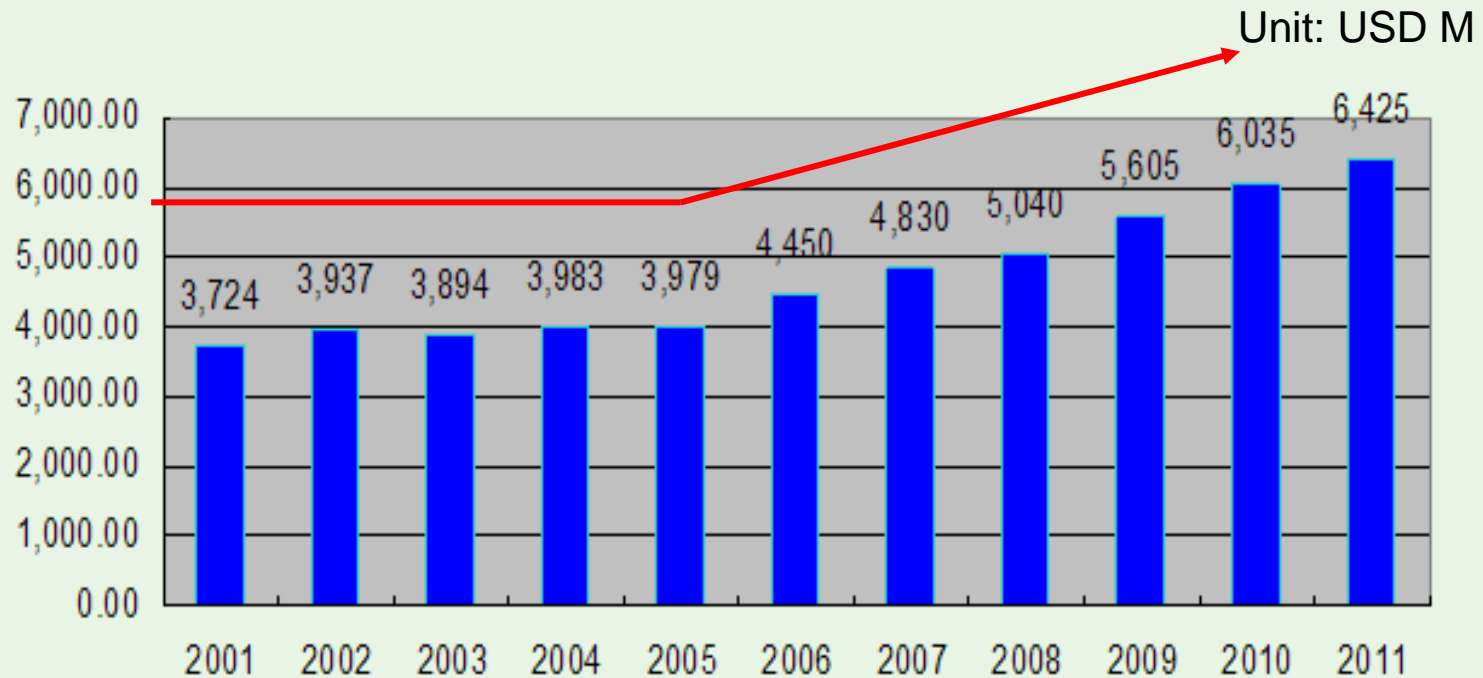
- ◆ Financial Update

IC Industry Structure



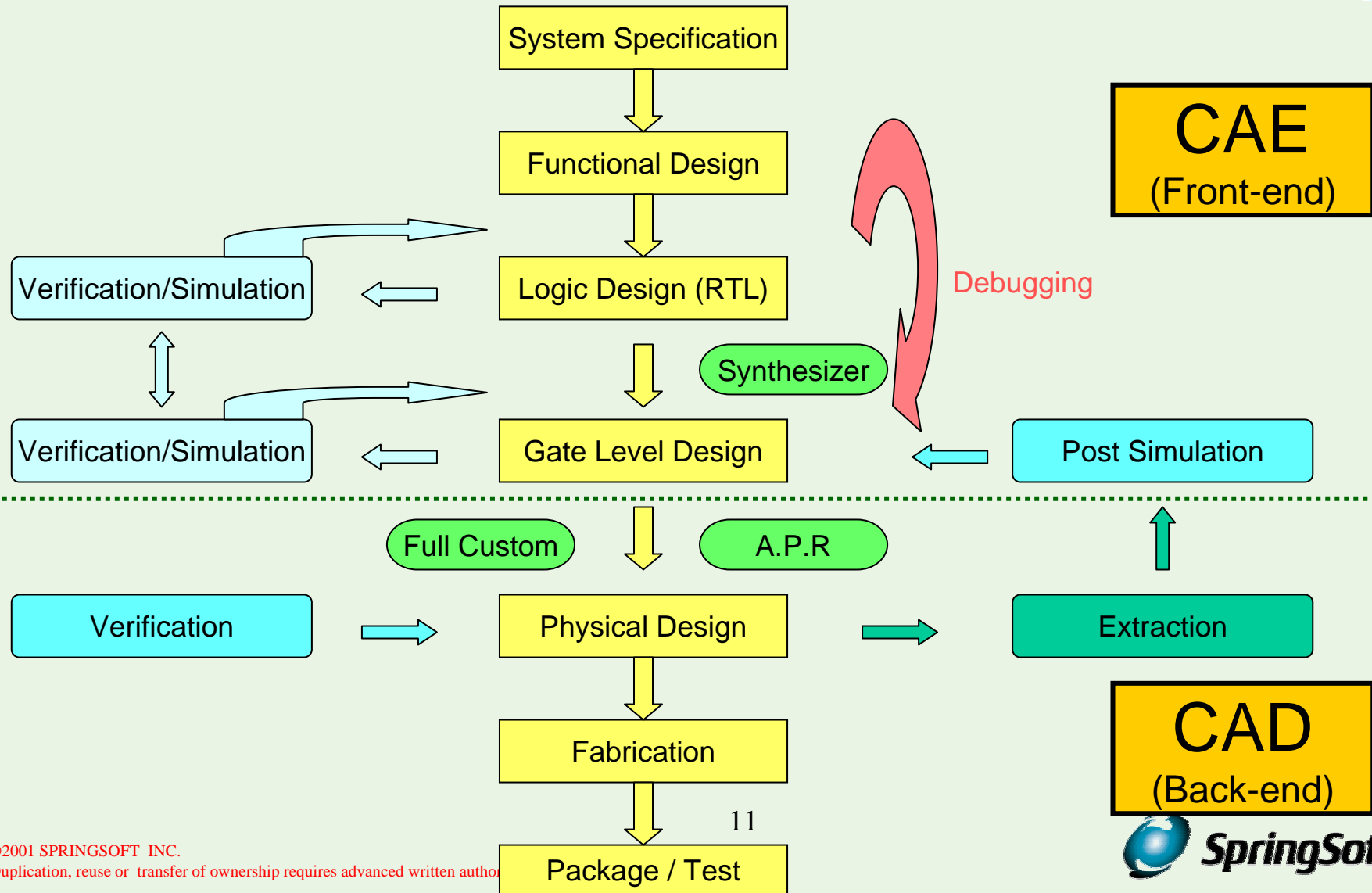
Global EDA Market

2006– 2011 CAGR: 10%



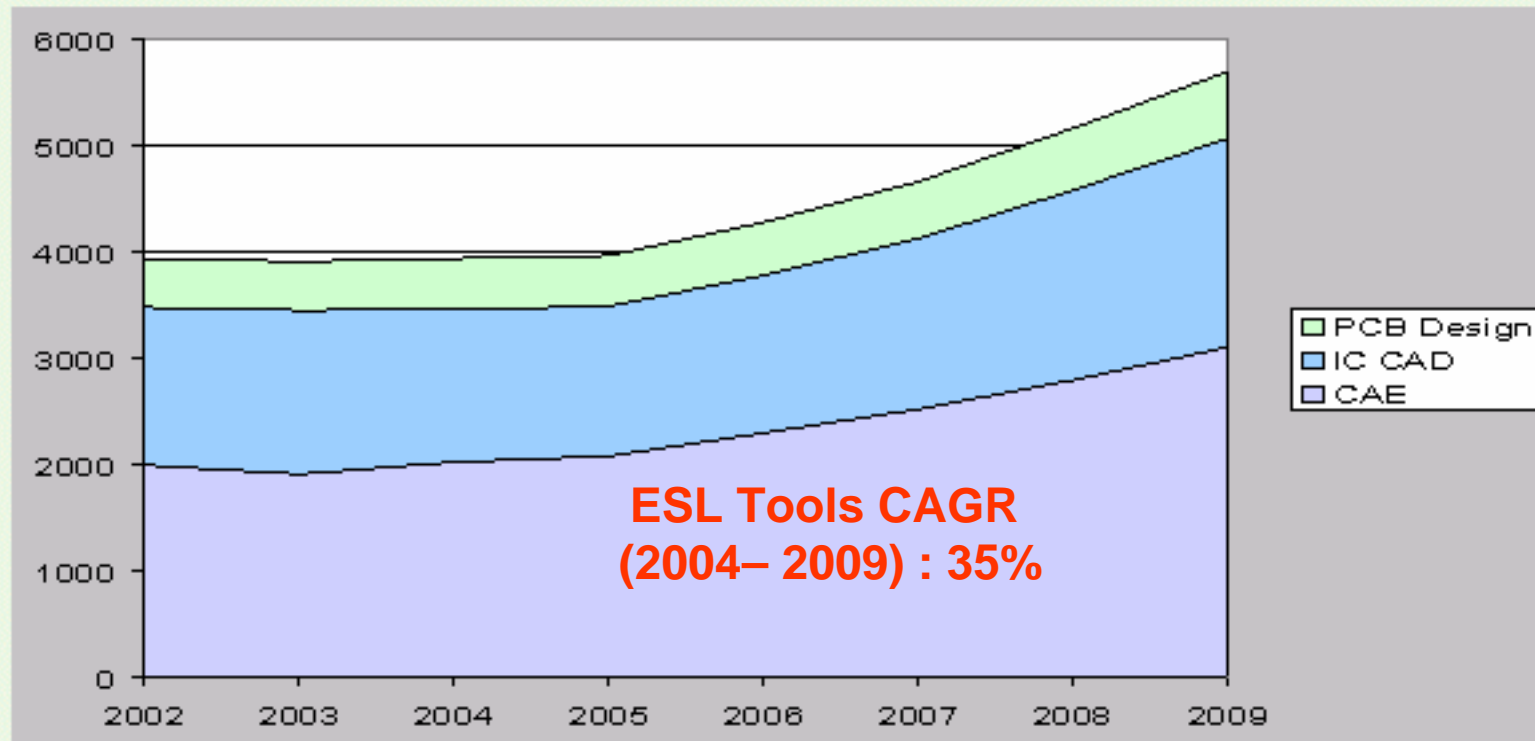
Source : Mar.' 07, Gary Smith EDA

Design Flow Overview



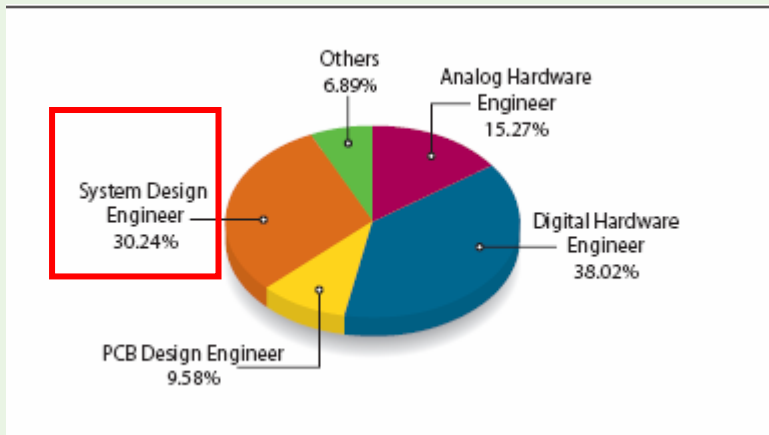
Global EDA Market-Breakdown

Unit: USD M

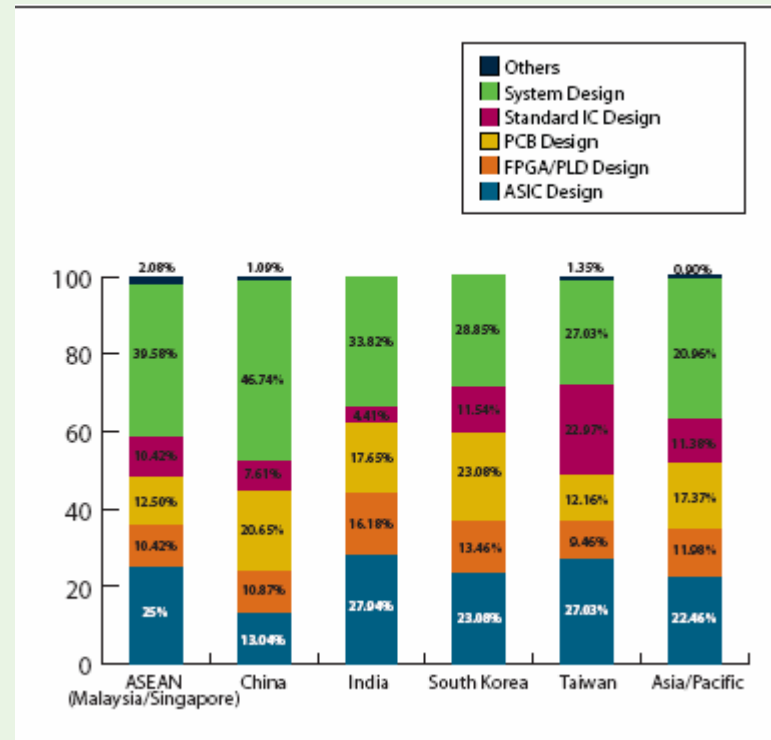


Source : Dec.' 05, Gartner Dataquest

Design Types in Pacific Asia

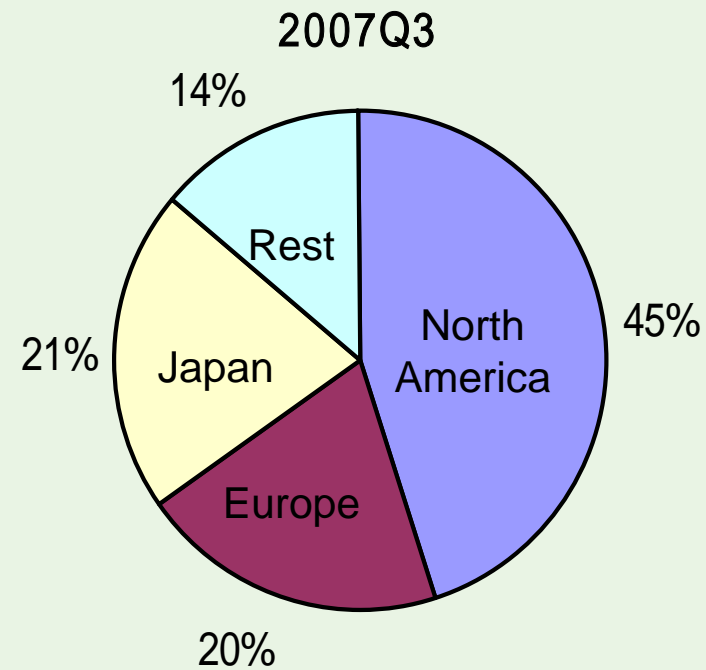
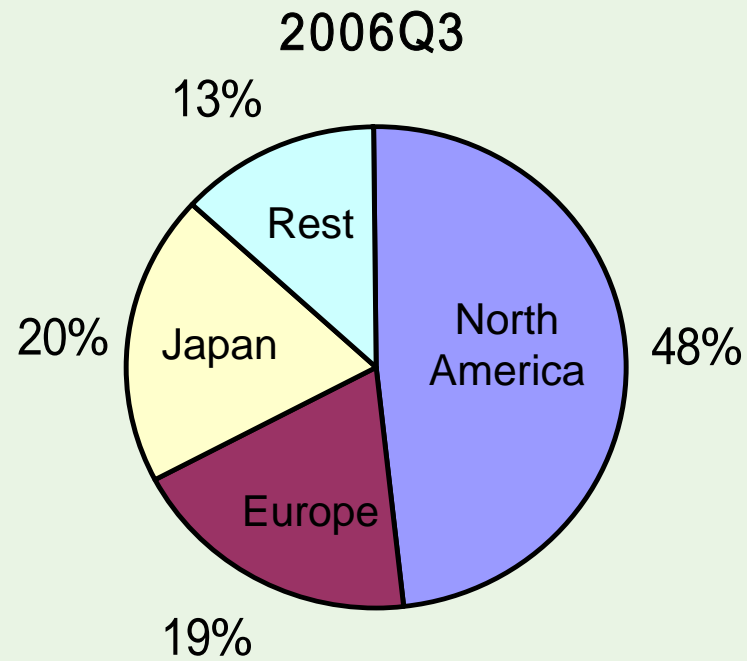


By job function



By types of design

Global EDA Geography-Breakdown



Characteristics of EDA Market

◆ High Entry Barrier

- Intelligence & experience intensive industry
- Long developing period of one new product

◆ Long Product Life Cycle

- With new version introduced/upgraded to catch up the design trend
- Directly access end users to provide technical support and receive direction guidance
- Time Base v.s. Perpetual

◆ Value Selling with Product Differentiation

◆ Immunity to Economic Fluctuations

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Front-End Product – “Debussy series”, “Verdi series”



Cut debug time in half!!

Back-End Product – “Laker series”



Dalussu®
Laker

Enjoy 10 Times Productivity Gain with Handcrafted Quality

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Income Statement – YoY: 12 Months

Unit: NT M

	2007	2006	Change %
Net Sales	1348.1	1385.5	-2.7
Operating Expenses	469.5	490.4	-4.3
Operating Income	797.9	808.6	-1.3
Net Non-operating Income	-20.5	27.8	-173.7
Income Tax Expense	137.0	109.0	25.7
Net Income	640.4	727.4	-12.0

Q&A

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