

D-Link®



Safe Harbor Statement

All the numbers are consolidated. Except for statements in respect of historical matters, the statements contained in this release are "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of D-Link Corporation to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements.

Differentiation

A true global player

Strong brand equity and well-established channels

Expertise in Switch, WLAN, and Broadband

Leading position in global consumer connectivity

Low cost operating model

Strong balance sheet and high dividend payout

A True Global Player



A True Global Brand Player

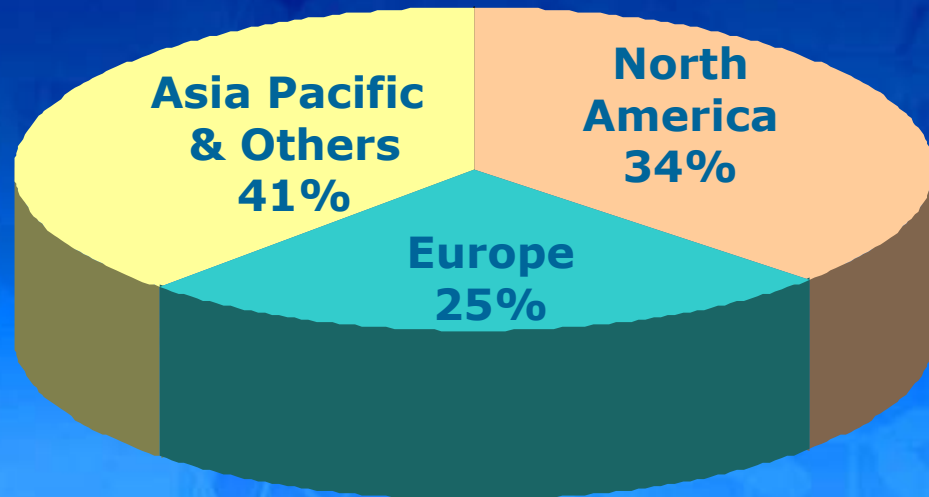
YTSept./04 Sales by Region

Evenly derives sales from 3 main territories

In-country operations with 1,200 employees WW.

Product developments in US, Taiwan, and India.

Sales from AsiaPac has been explosive since Q4 2003.



**Strong Brand Equity and
Well-established Channels**





87 sales offices and 10 regional warehouses in 44 countries

Versatile sales channels including retailers, distys, and SIs

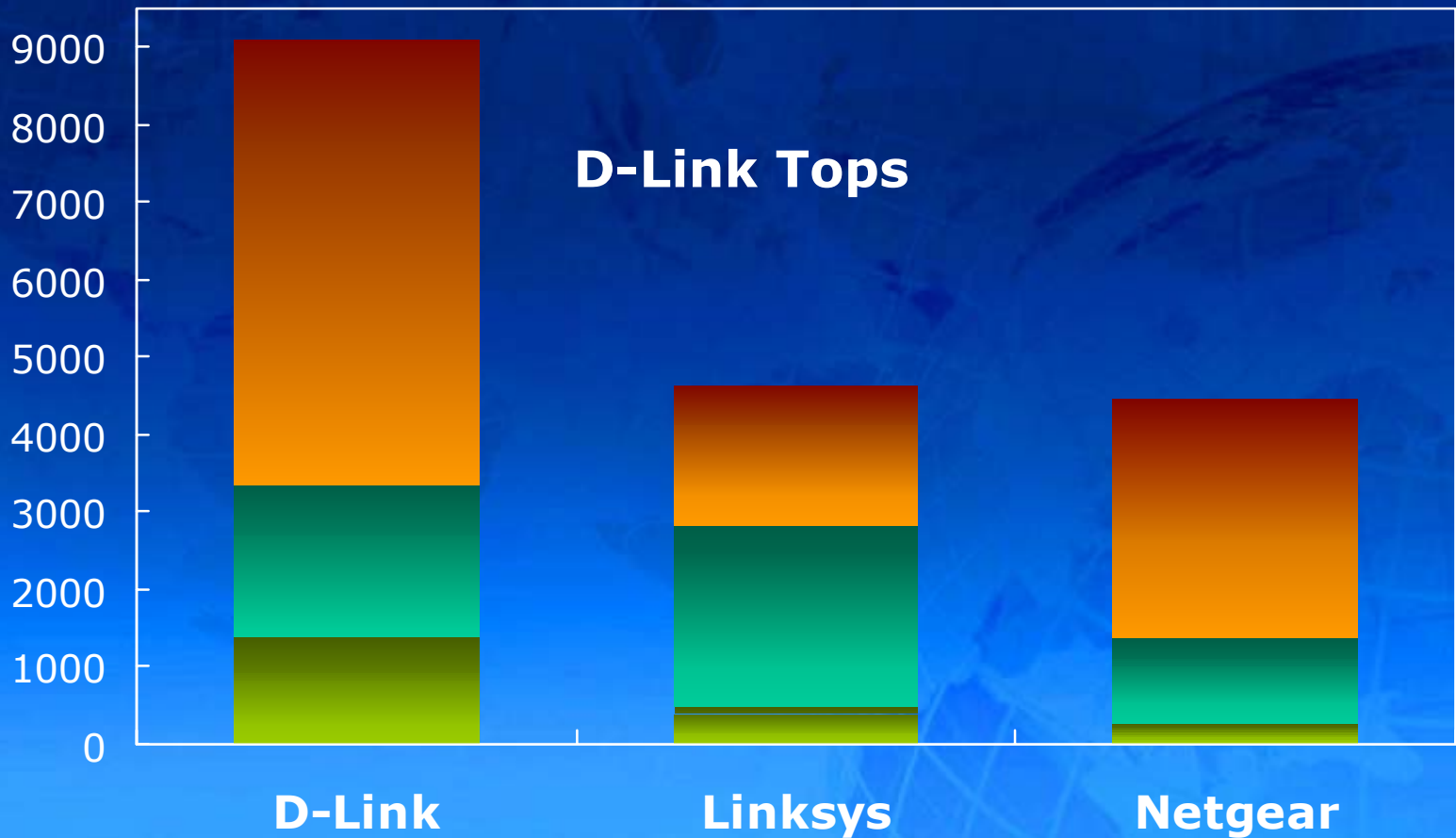
- D-Link Headquarters: Taipei, Taiwan
- D-Link North America: Fountain Valley U.S.A.
- D-Link Europe: London, U.K.
- D-Link International: The Synergy, Singapore

**Expertise in Switches ,
WLAN and Broadband**



Leading Positions in All 3 Categories

Unit/port shipments, thousands

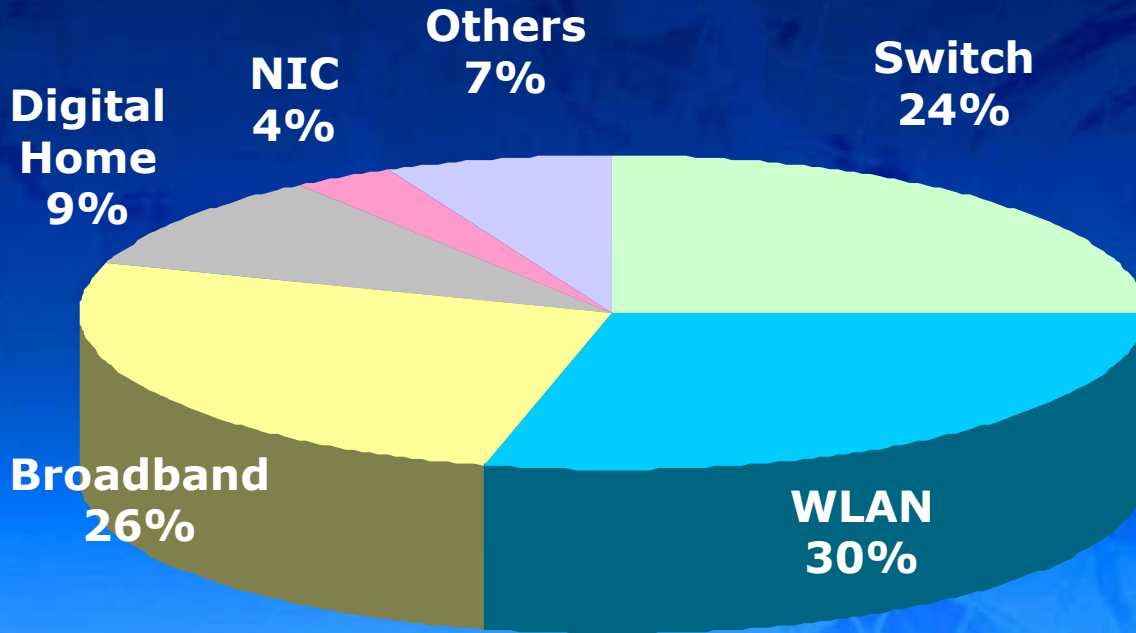


Source: Synergy Research Group, Q2 2004



Sales by Products

YTSept./04



***All sales consolidated**

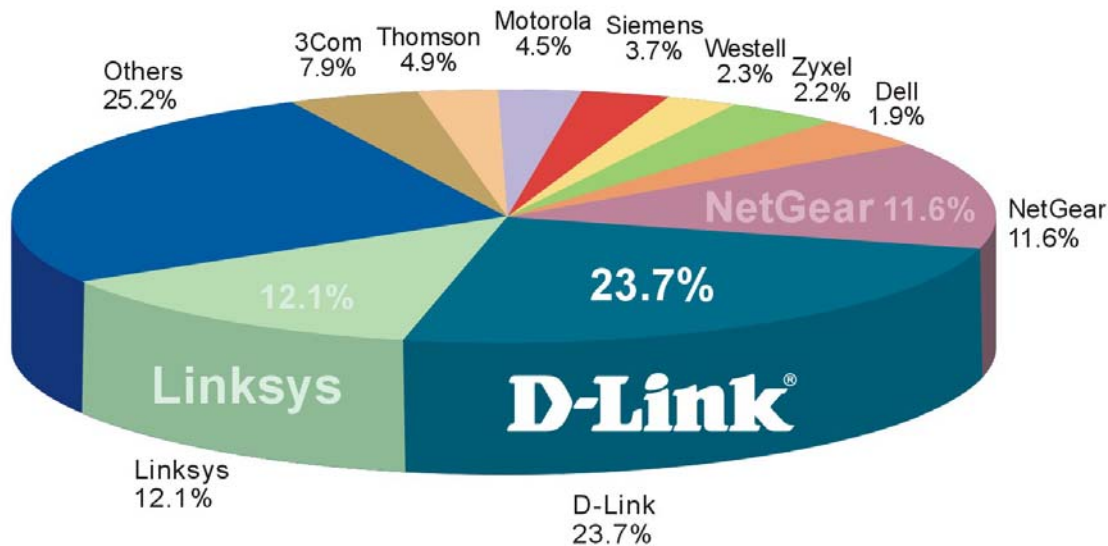
Leading Position in Global Consumer Connectivity and SME Networking



#1 in Consumer Connectivity

"The global market is experiencing record growth and D-Link has helped open the market to new users with their aggressive pricing and the stratification of their Broadband, LAN and WLAN product lines."

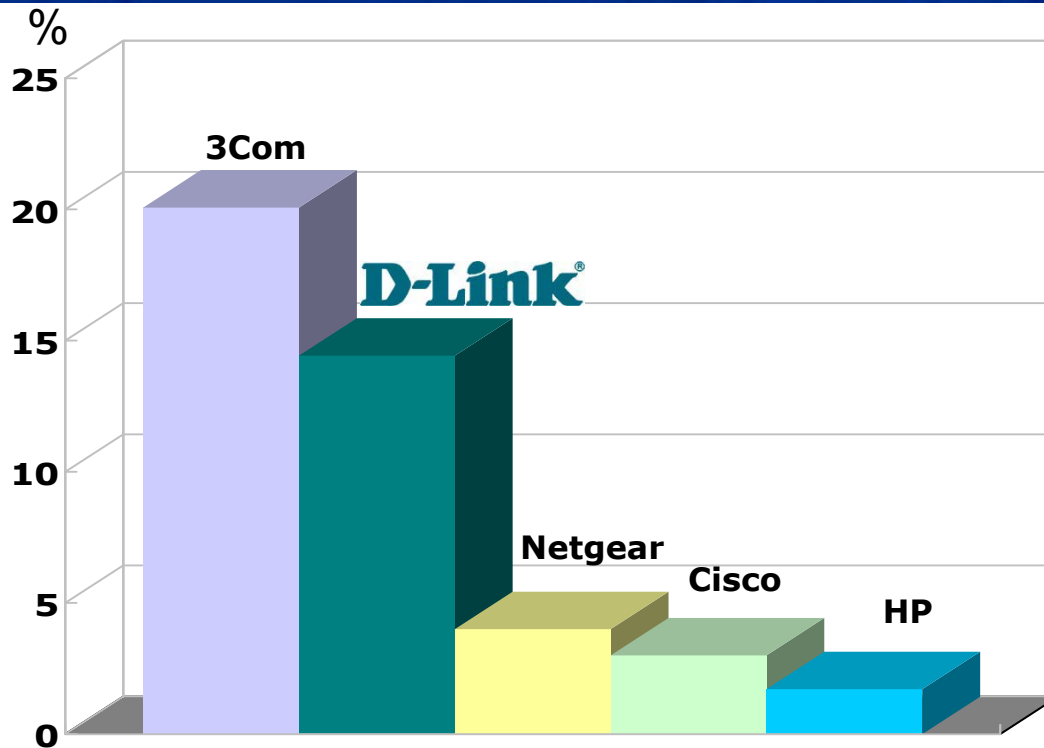
Aaron Vance, Industry Analyst, Synergy Research Group.



SRG Q2 2004 WIRELESS LAN Equipment Market Share Report
SRG Q2 2004 Ethernet LAN Switch Market Share Report
SRG Q2 2004 Broadband Equipment Market Shares Report

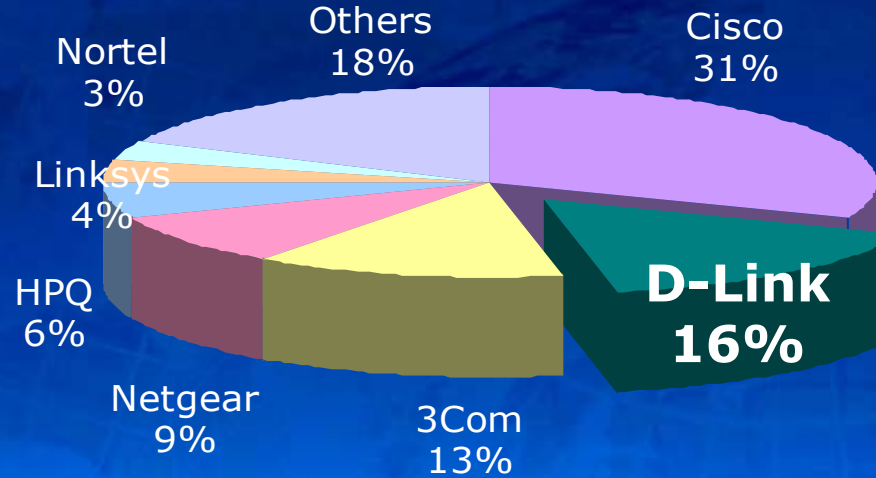
Leading Growth in SME

SMEs' share of the overall IT service market will rise from today's 22 percent to 28 percent over the next five years, according to IDC. In its survey of value-added resellers showed that growth was strongest among SMEs; large corporate sales actually declined by 4.2 percent.

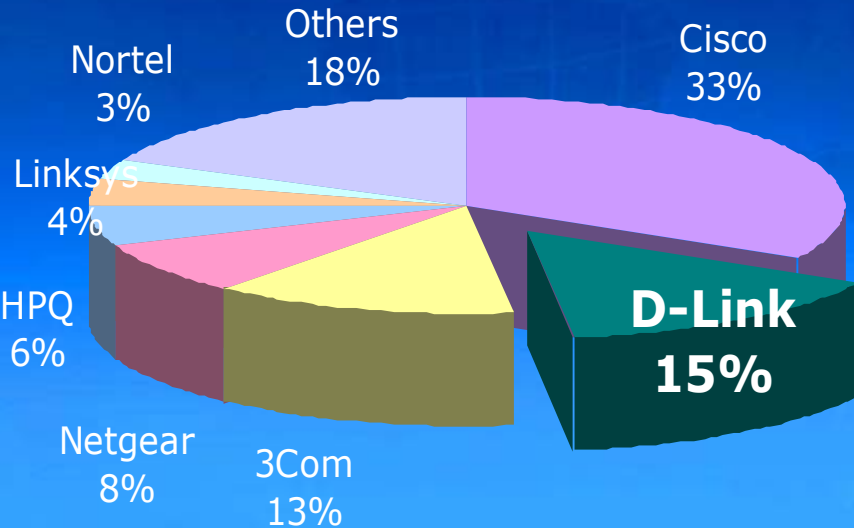


SME/SOHO Switch

2Q/04



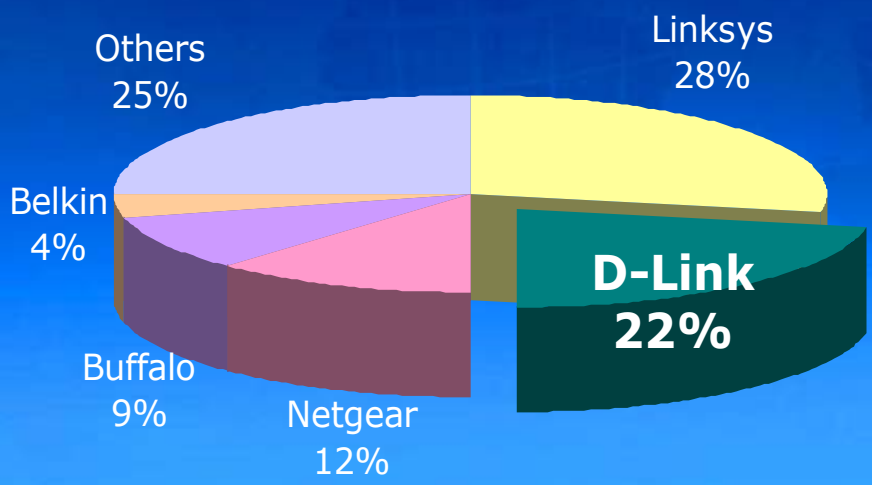
1Q/04



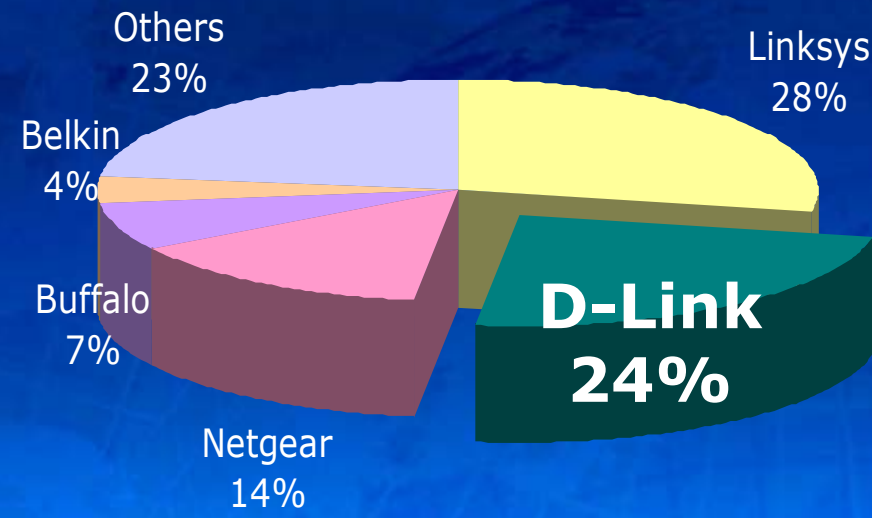
WW ports shipment

Source: Synergy Research Group, Q2 2004

1Q/04

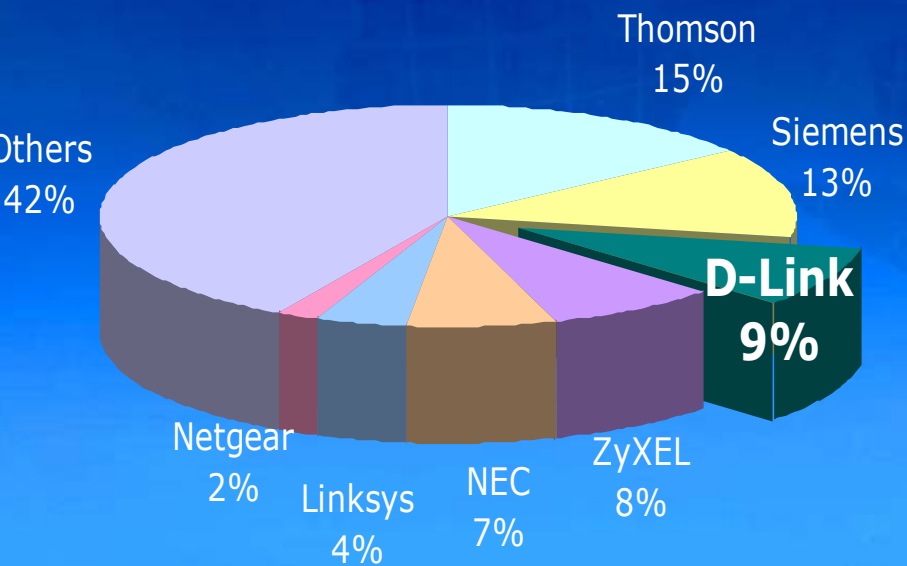


2Q/04

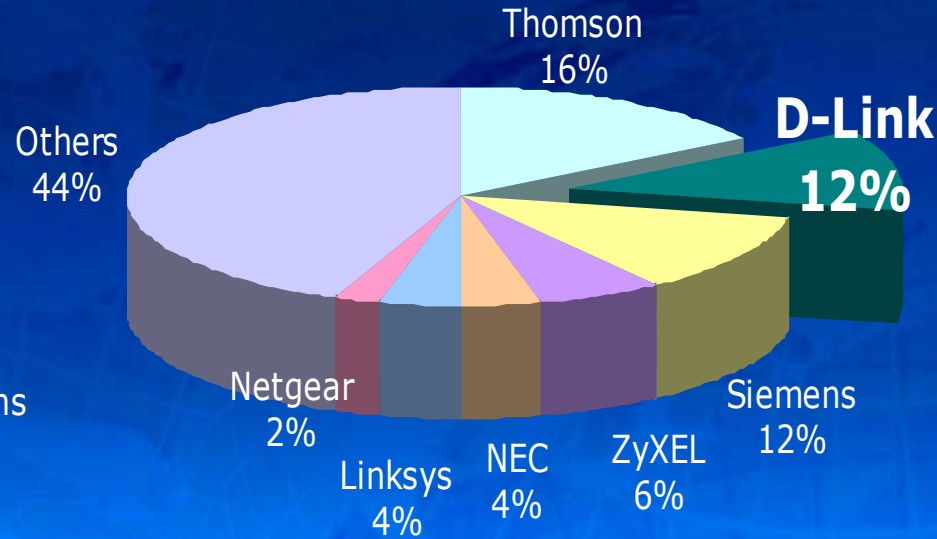


WW units shipment
Source: Synergy Research Group, Q2 2004

1Q/04



2Q/04



WW unit shipment
Source: Synergy Research Group, Q2 2004

of networking home demonstrates a 30% 4-yr CAGR

Current household networking penetration is < 4%

Low BB home penetration: 40% TW, 20% EU, 18% US

of business WLAN users is less than 10%

Wi-Fi home to reach 23%, or 50mln, in '07

Total SW port shipment will grow 30%+ in '04

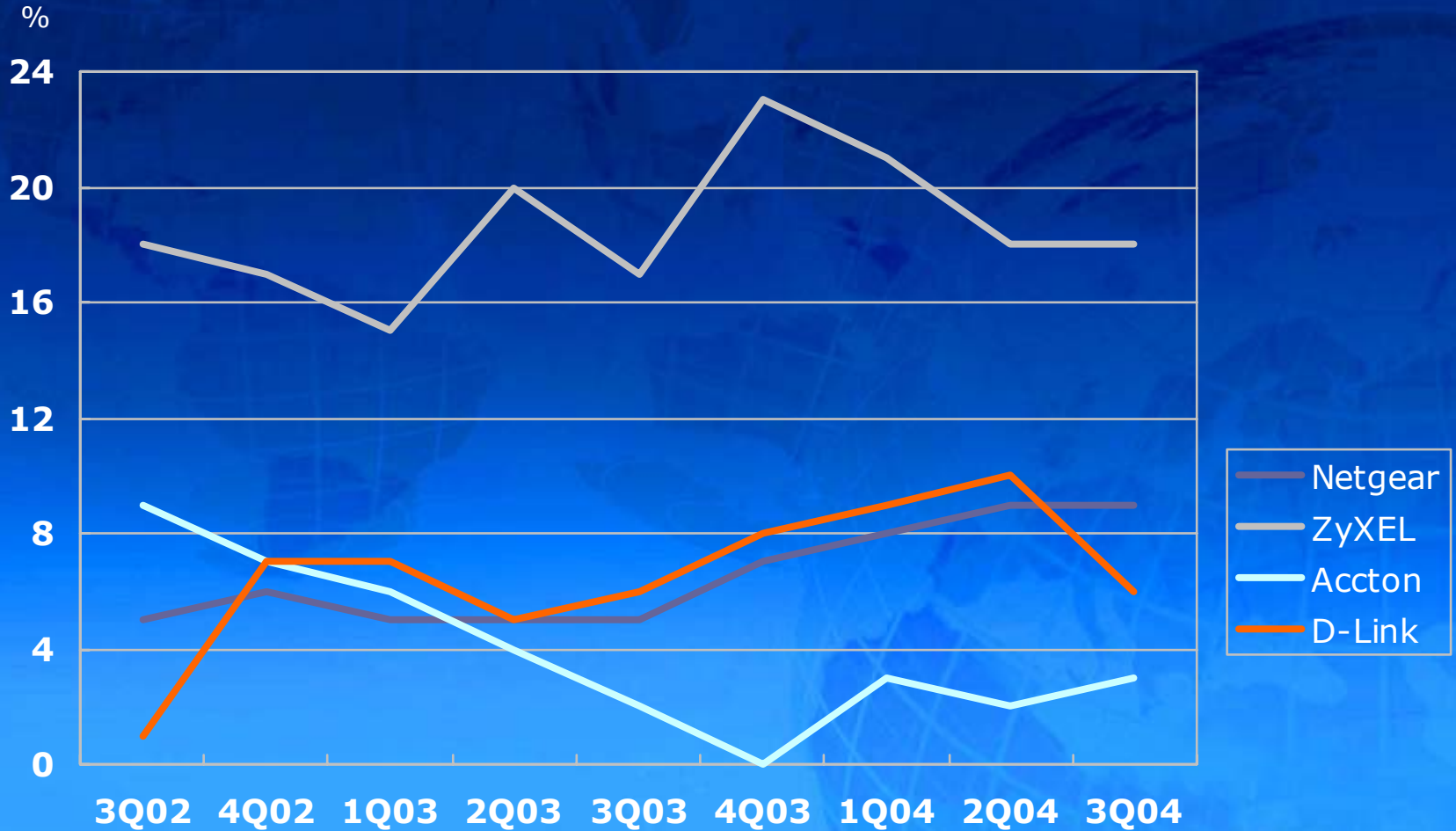
Low Cost Operating Model



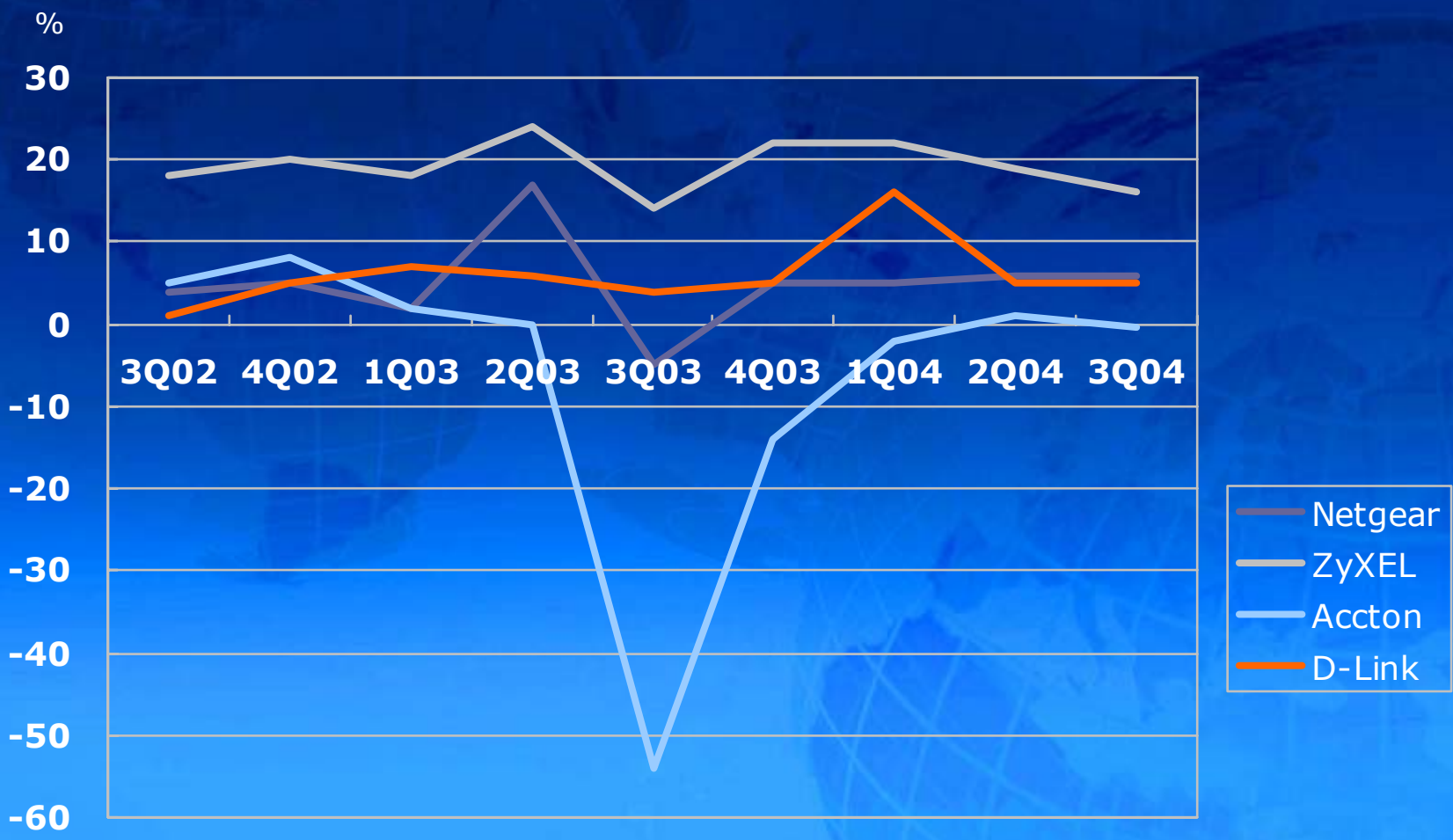
Gross Margin



Operating Margin



Net Margin



Strong Balance Sheet and High Dividend Payout





Consolidated Key Financial Ratios– Liquidity/Leverage

Unit: % , days	3Q/04	2Q/04	1Q/04	FY2003	FY2002	FY2001
Days A/R	60*	60*	62*	61	61	63
Days Inventory	96*	99*	89*	93	82	88
Days A/P	86*	88*	93*	90	71	69
Cash Cycle	70	71	59	64	71	82
Current Ratio	1.43	1.44	1.57	1.46	2.66	2.30
Debt/Equity Ratio	1.33	1.51	1.26	1.34	1.24	0.90
Adjusted Debt/ Equity Ratio	0.90**	0.83**	0.61**	0.69**	0.68**	0.56**

*Annualized
**Adjust for Cash & S-T investment



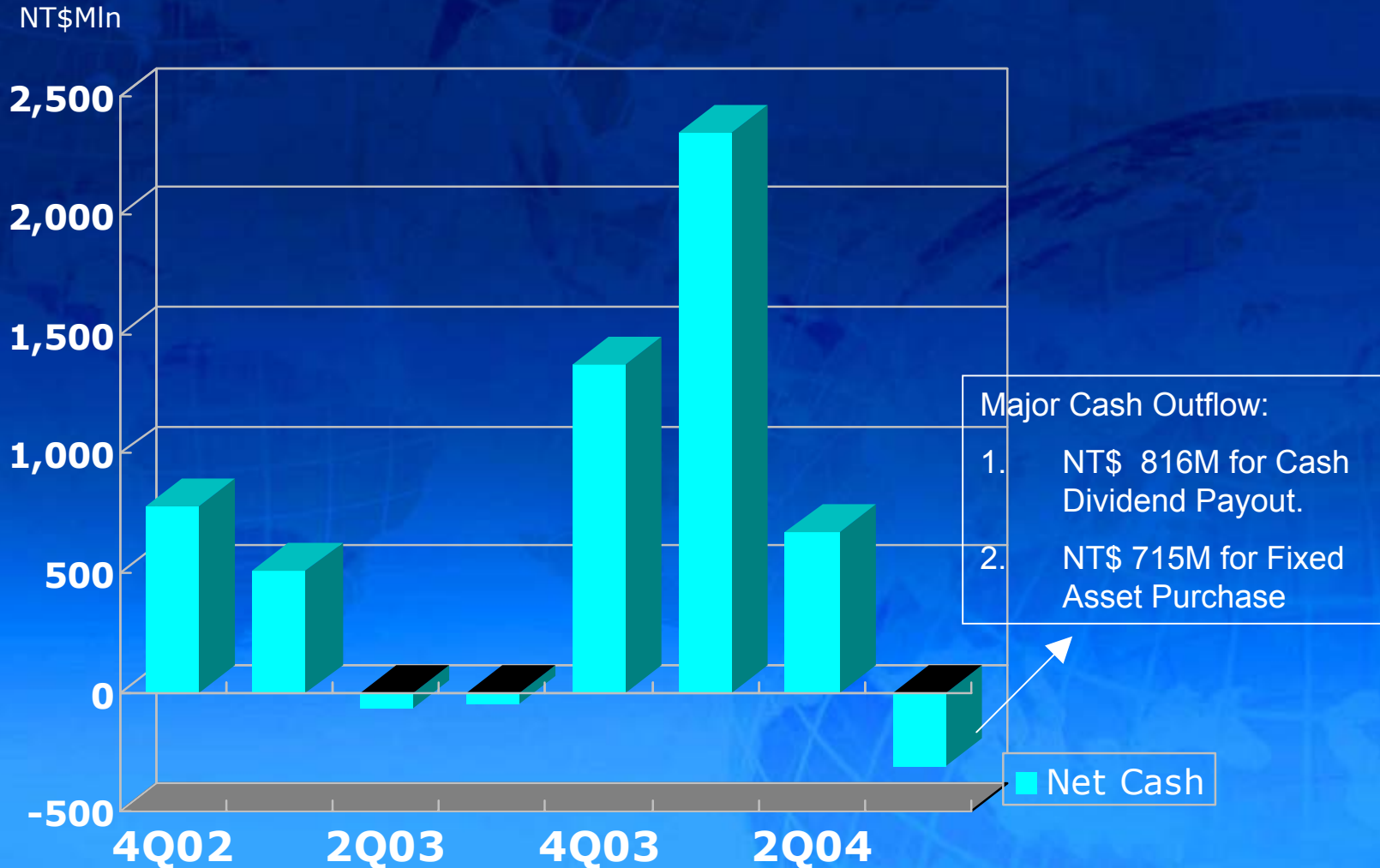
Consolidated Key Financial Ratios – Profitability (%)

Unit: %

	3Q/04	2Q/04	1Q/04	FY2003	FY2002	FY2001
Net Income/Sales	4.95	4.99	15.82	5.49	4.30	5.42
Net Income/Total Assets	1.57	1.39	4.73	5.78	4.61	5.41
Operating Profit/Sales	6.18	9.12	8.43	6.41	3.21	2.94
Return on Equity	4	4	11	14	9	10
EPS (NT\$)*	0.76	0.71	2.30	2.75	1.69	2.15

*Calculated by YTSept. weighted average of 540.2mln shares.

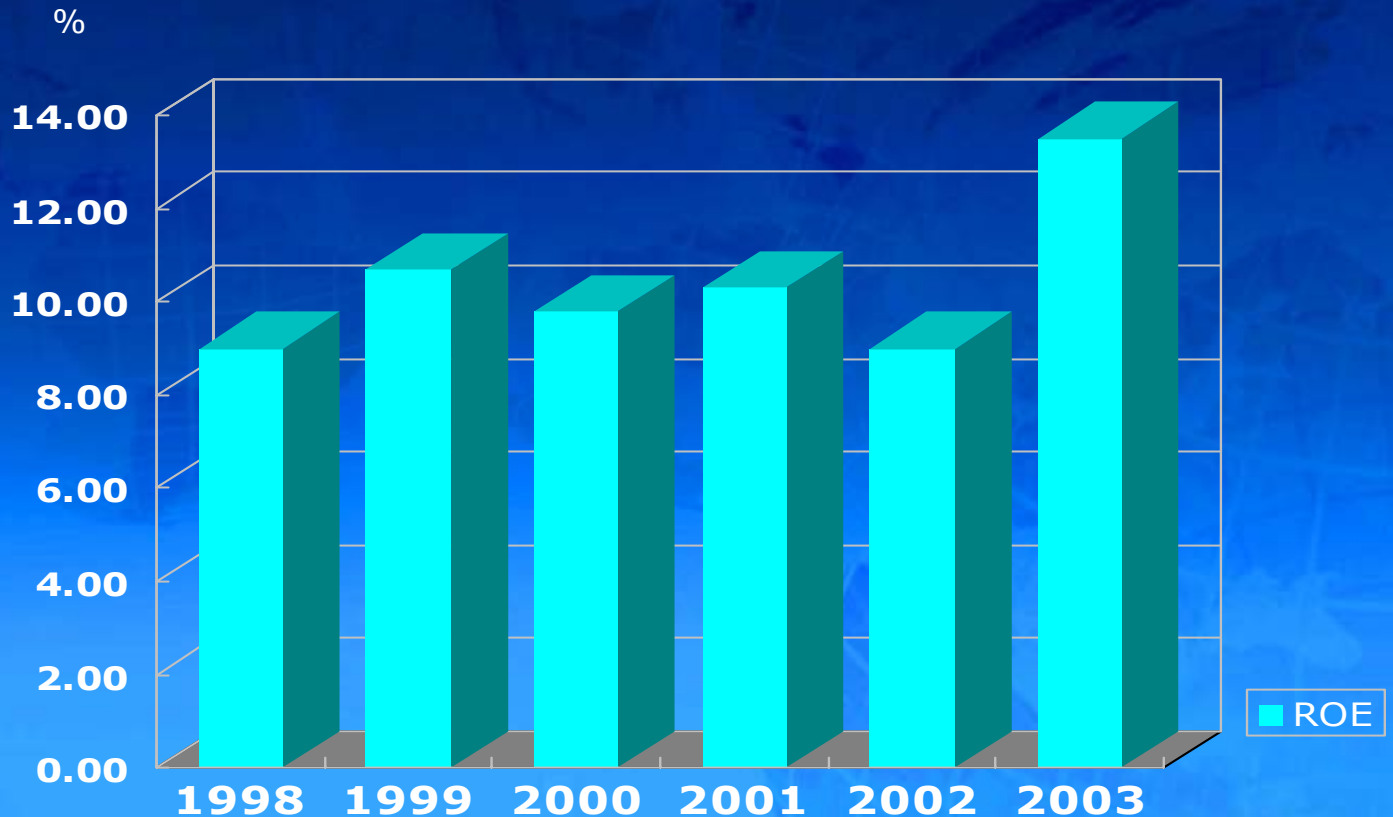
Net Cash Position



Return on Equity

Continued divesting non-core investments

High cash dividend payout



What to Look for

Continued market share gain

Deeper penetration of WLAN and broadband

Ramp up of GigE, network security and VoIP

Strong growth lead by EMEA and EM

Integration, cost down eng, ww service platform

Strong earnings, high cash payout for better ROE



Q & A

***For complete financial and
press releases, please visit
<http://www.dlink.com.tw/ir>***

Thank You!



**Building Networks
for People**