

D-Link®



Safe Harbor Statement

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

Expertise in Switch, WLAN, and Broadband

Dominance in global consumer connectivity

Low cost operating model

Strong brand equity and well-established channels

Strong balance sheet and high dividend payout

A True Global Player



A True Global Brand Player

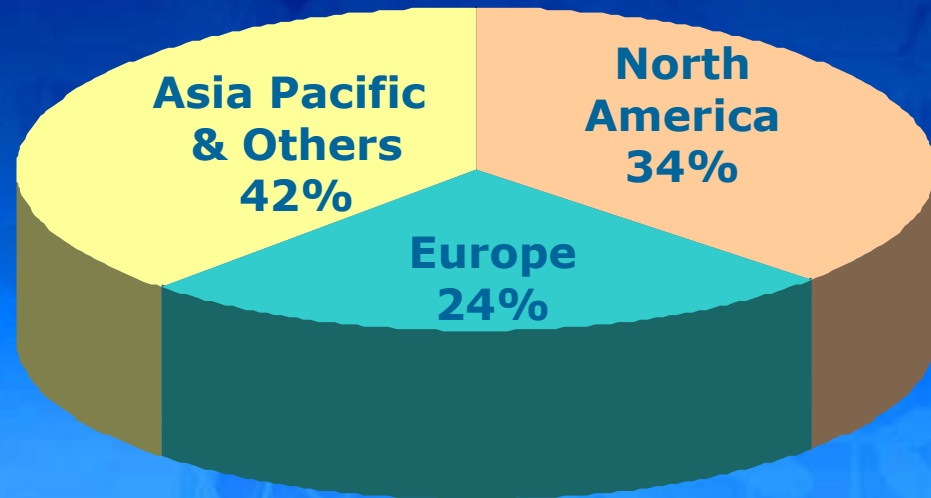
Evenly derives sales from 3 main territories

In-country operations with 1,200 employees WW.

Product developments in US, Taiwan, and India.

Sales from AsiaPac has been explosive since Q4 2003.

1H/04 Sales by Region

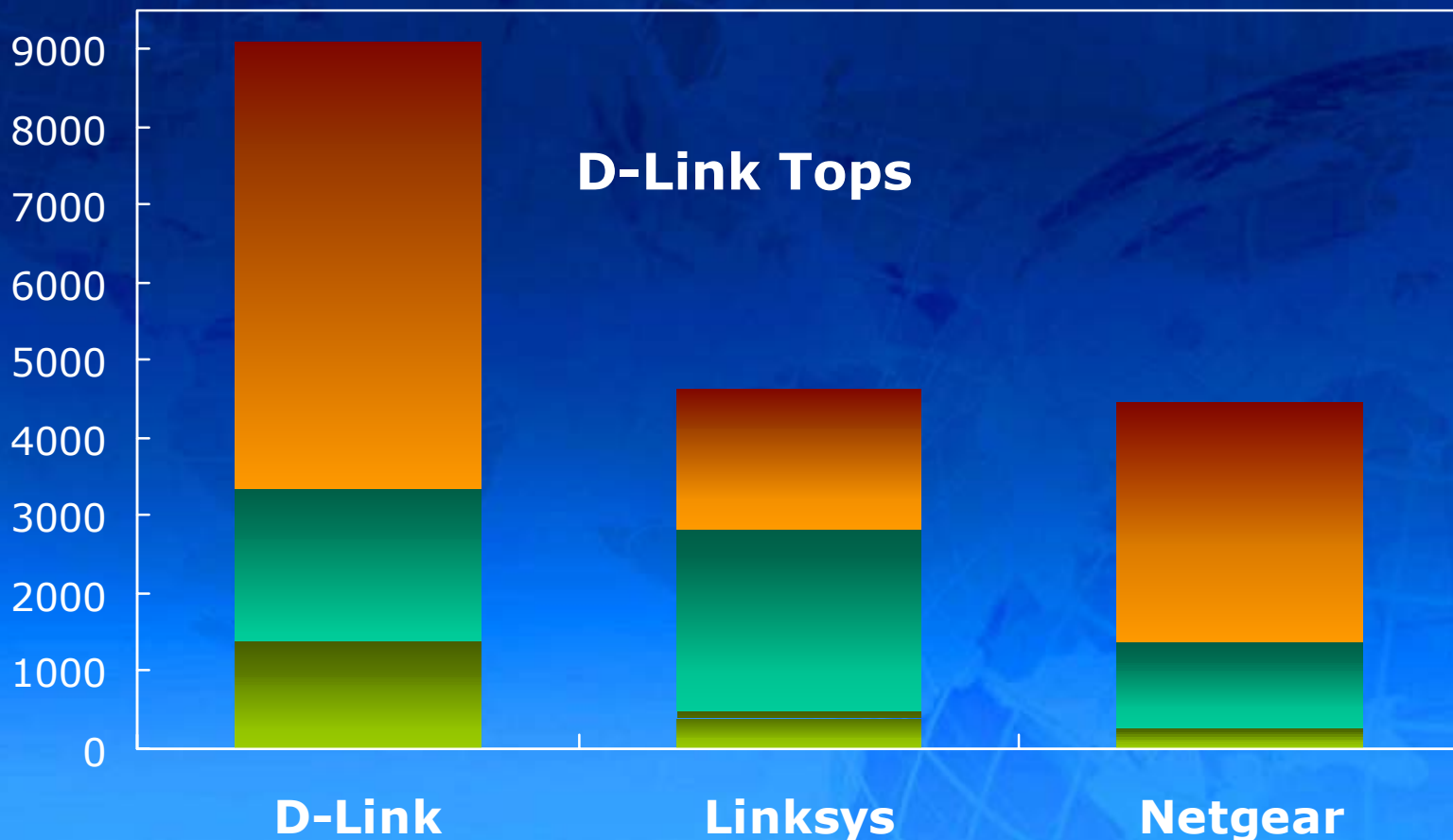


**Expertise in Switches ,
WLAN and Broadband**



Leading Positions in All 3 Categories

Unit/port shipments, thousands

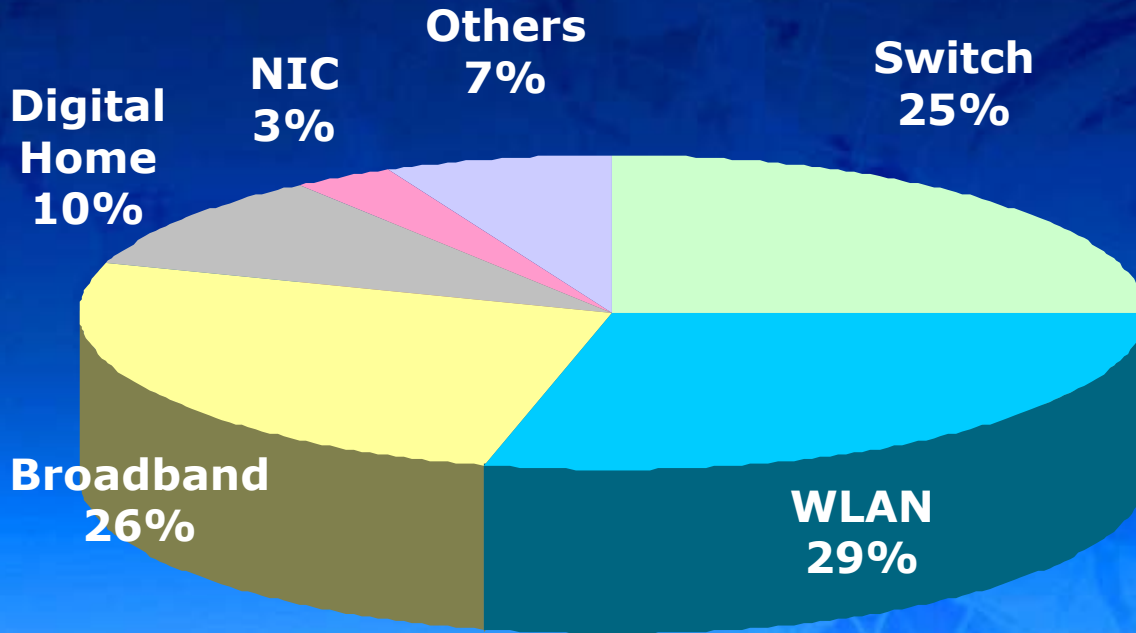


Source: Synergy Research Group, Q2 2004



Sales by Products

1H/FY04



***All sales consolidated**

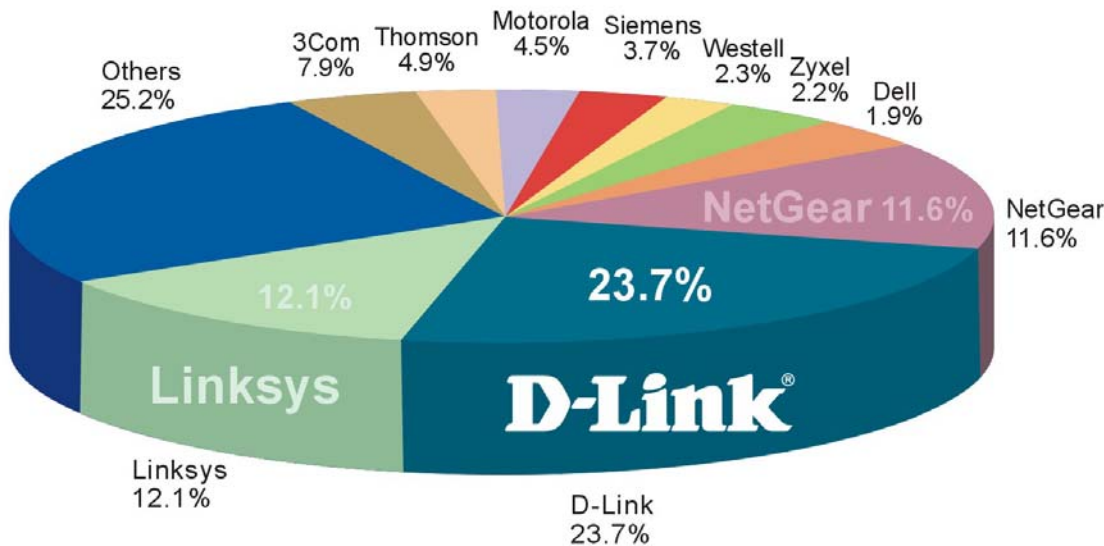
**Dominance in Global
Consumer Connectivity and
SME Networking**



#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."

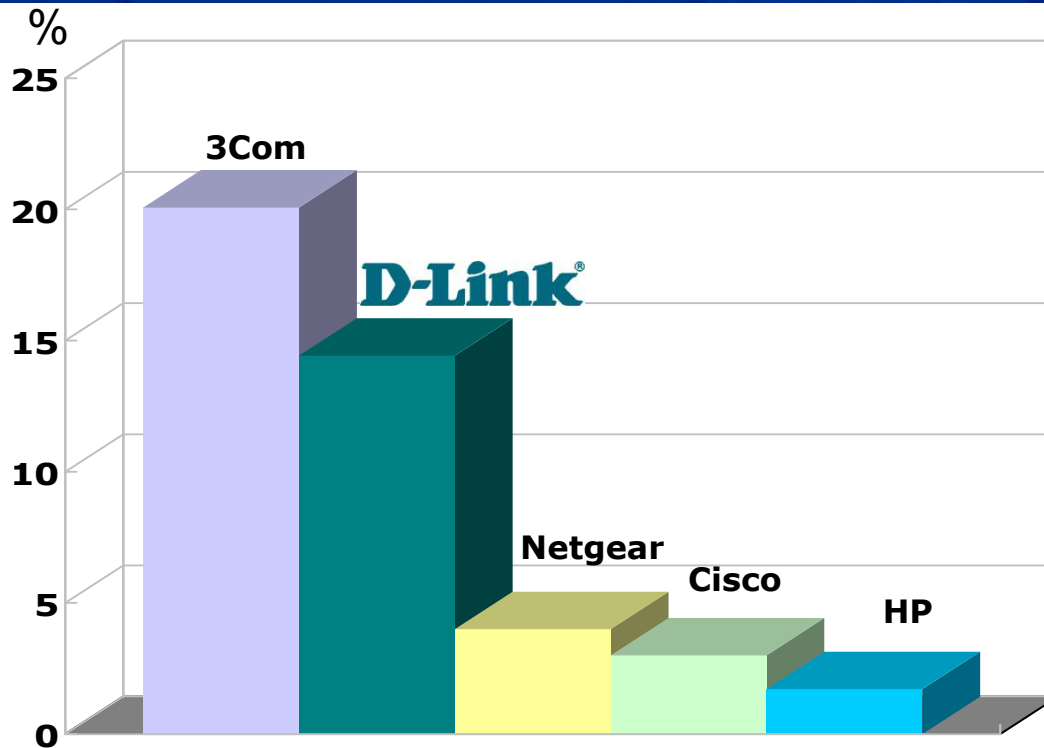
Aaron Vance, Industry Analyst, Synergy Research Group.



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

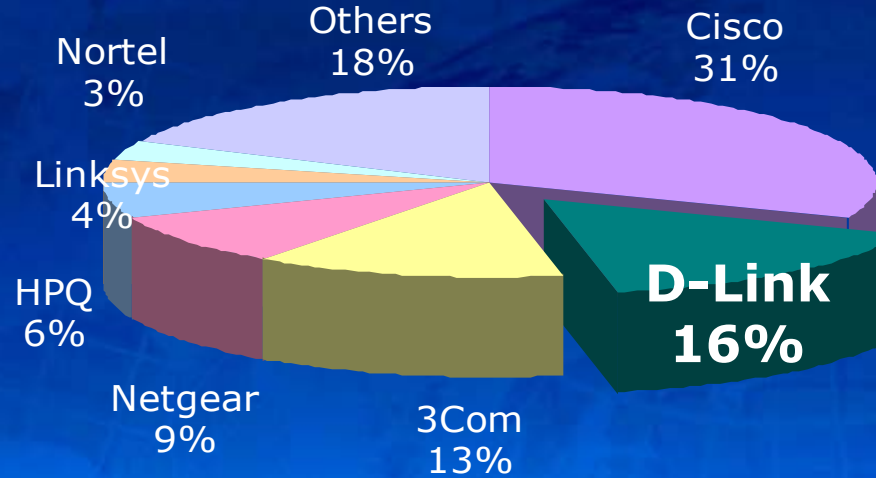
Leading Growth in SME

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.

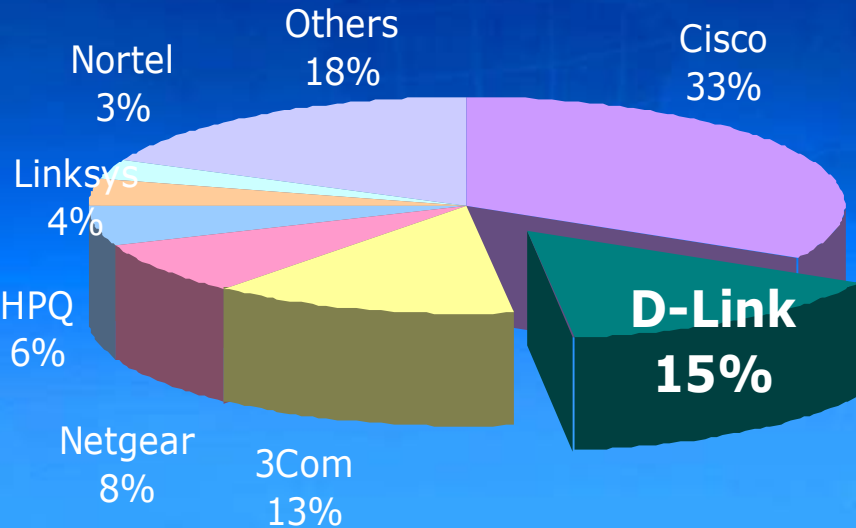


SME/SOHO Switch

2Q/04



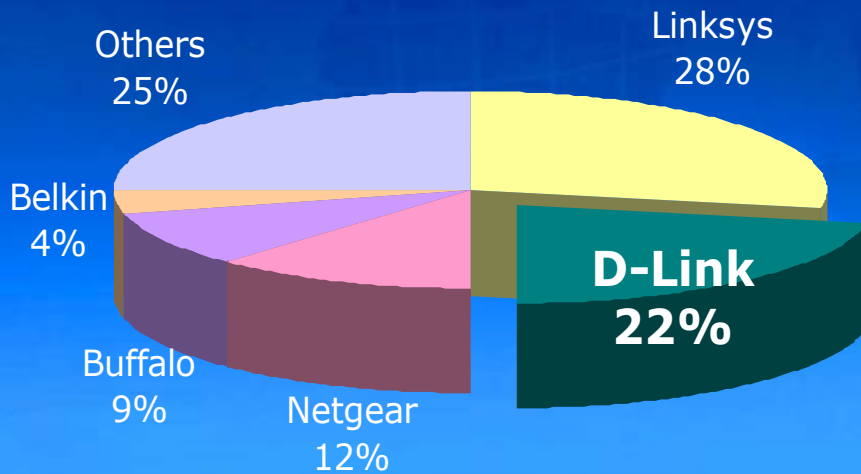
1Q/04



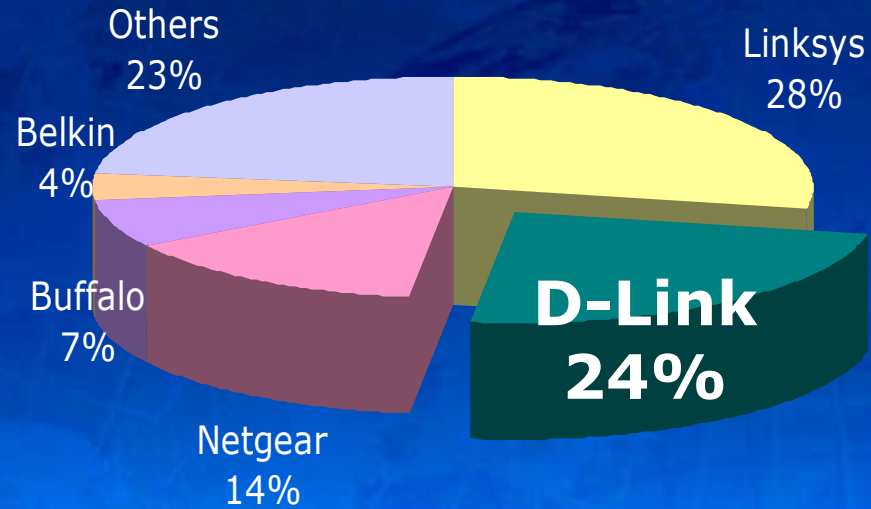
WW ports shipment

Source: Synergy Research Group, Q2 2004

1Q/04



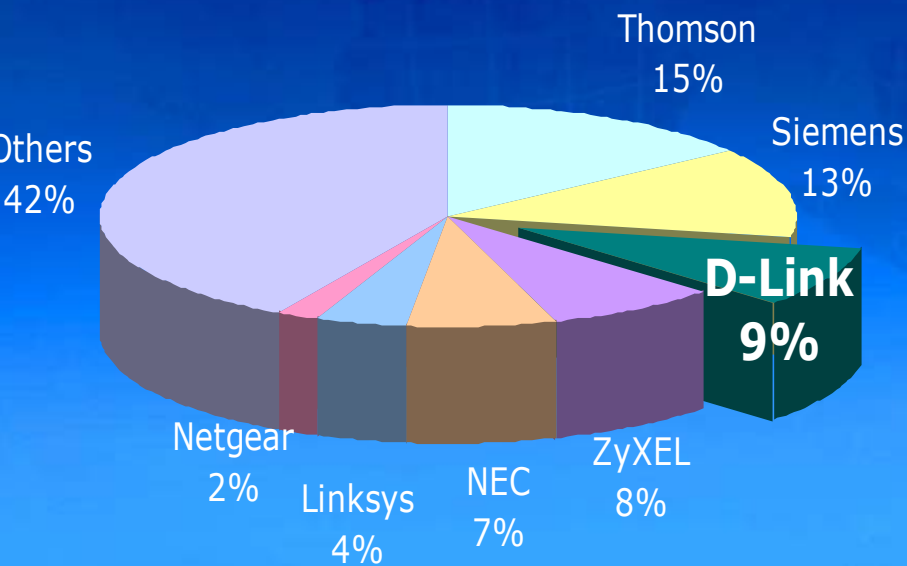
2Q/04



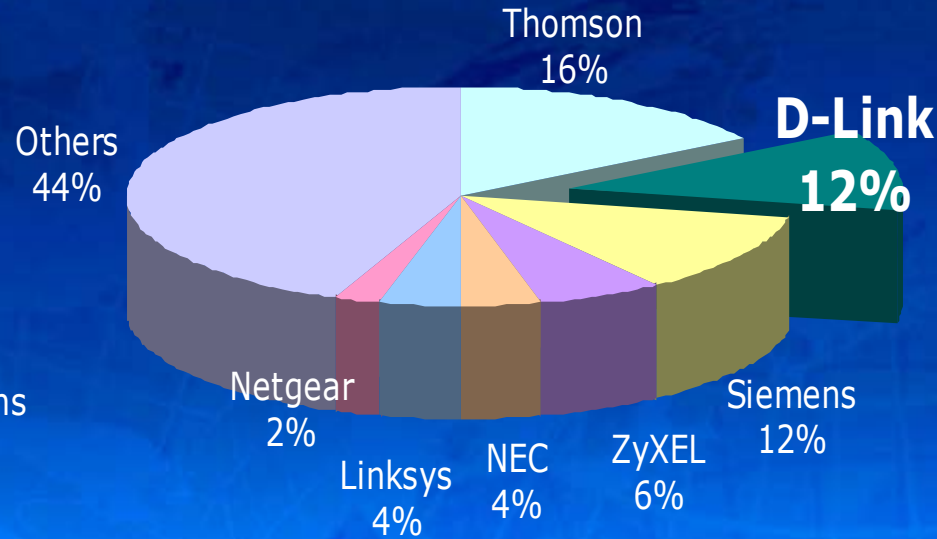
WW units shipment

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%

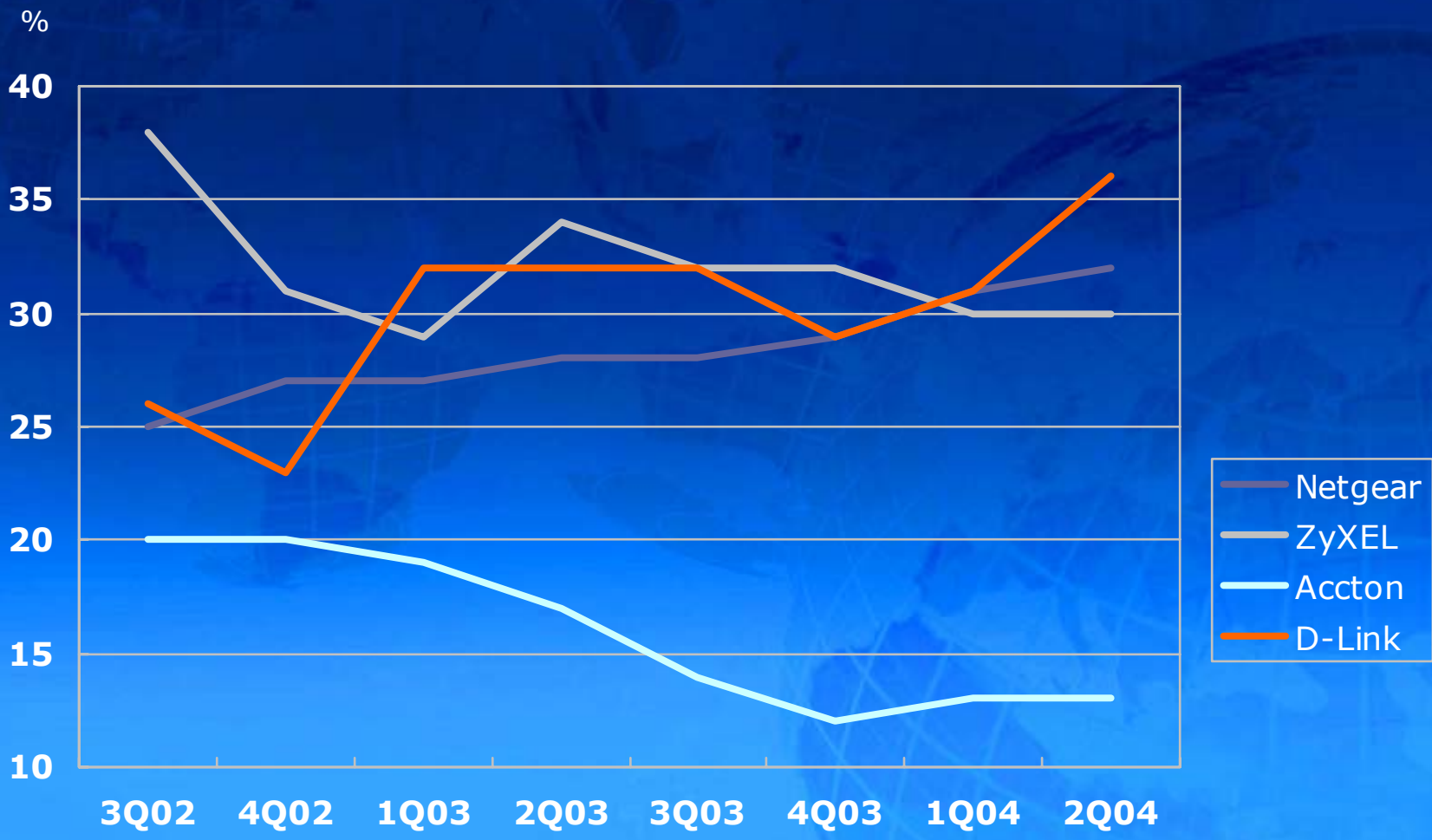
Wi-Fi home to reach 23%, or 50mln, in '07

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

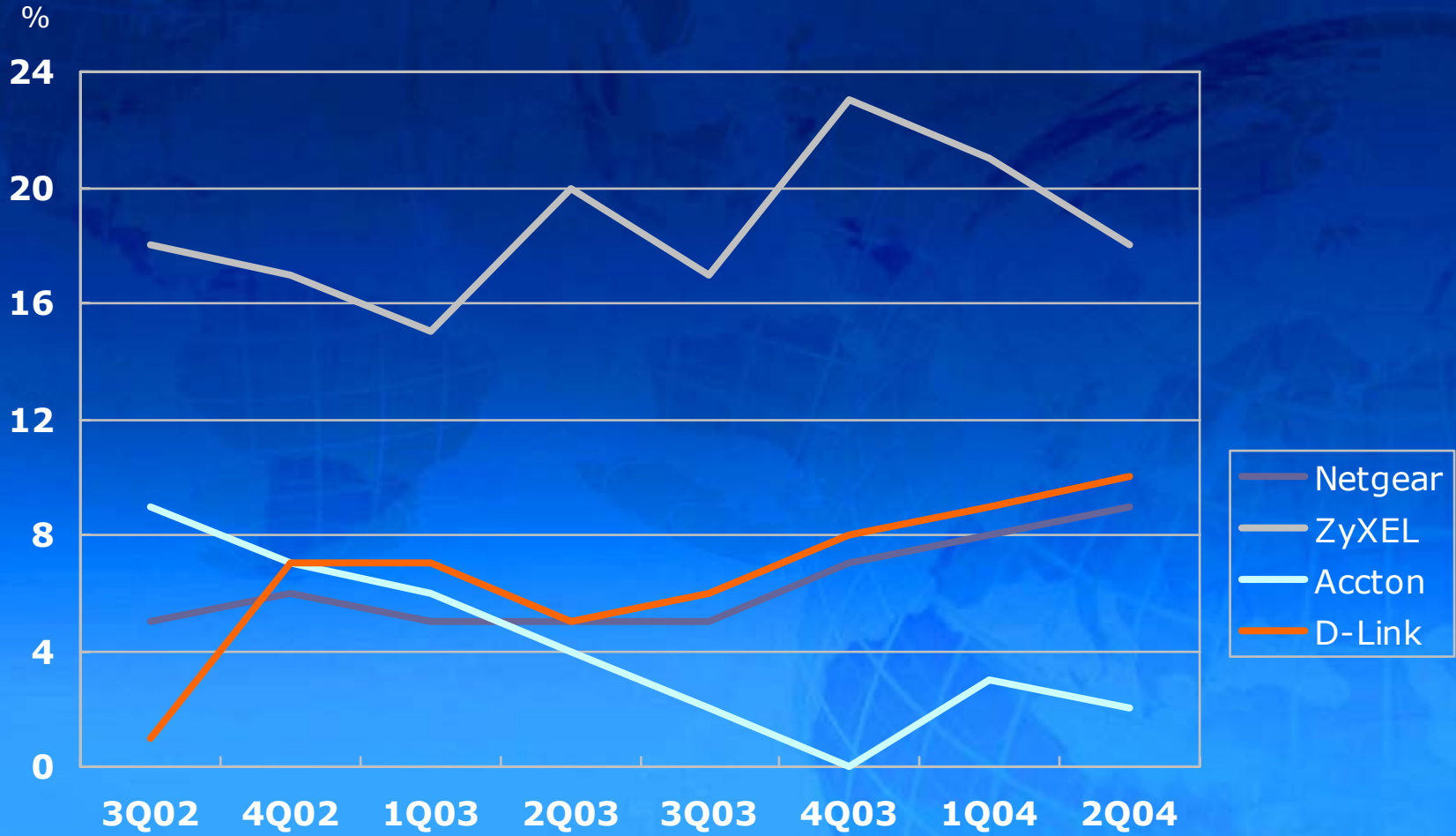
Low Cost Operating Model



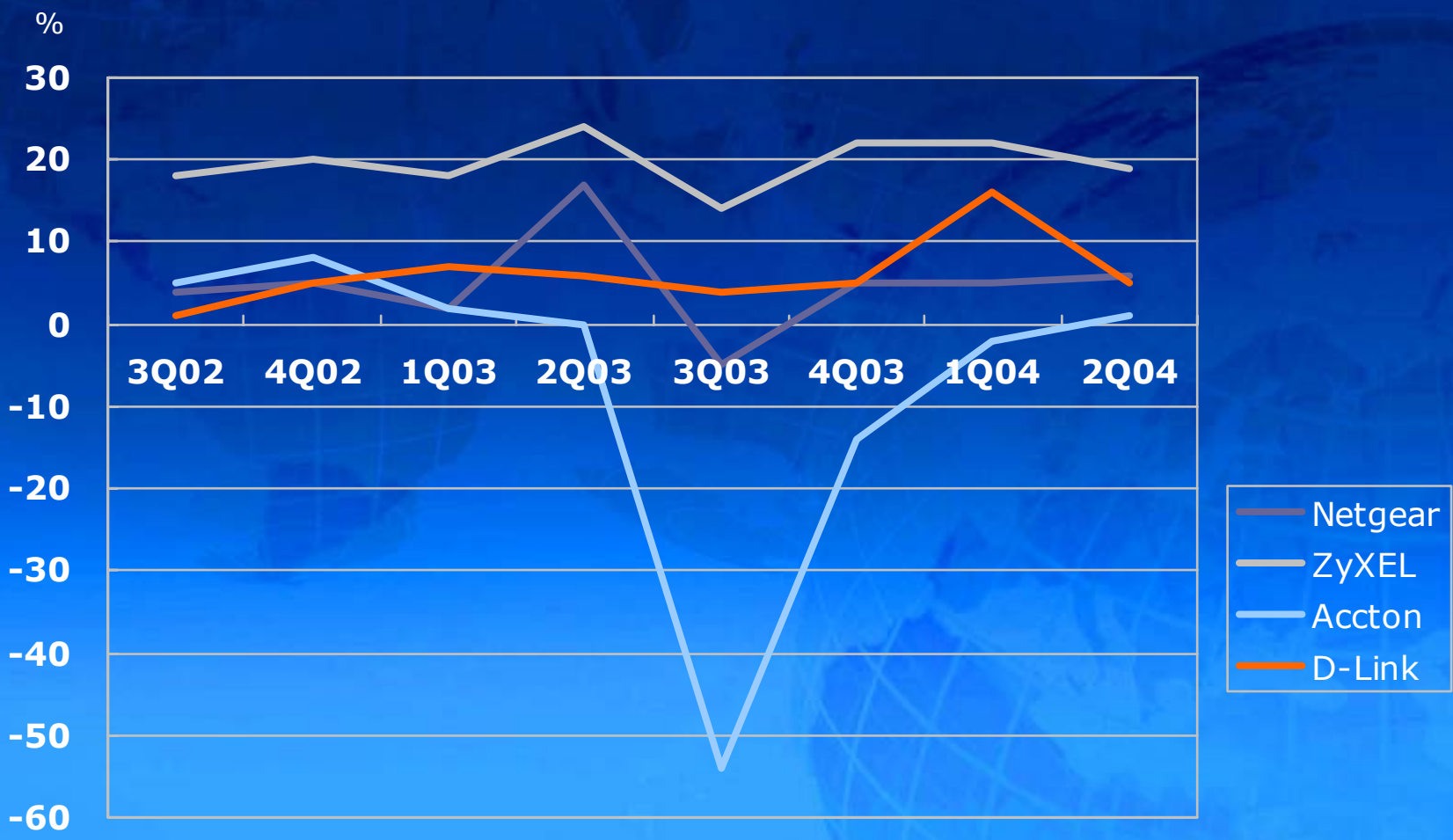
Gross Margin



Operating Margin



Net Margin



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

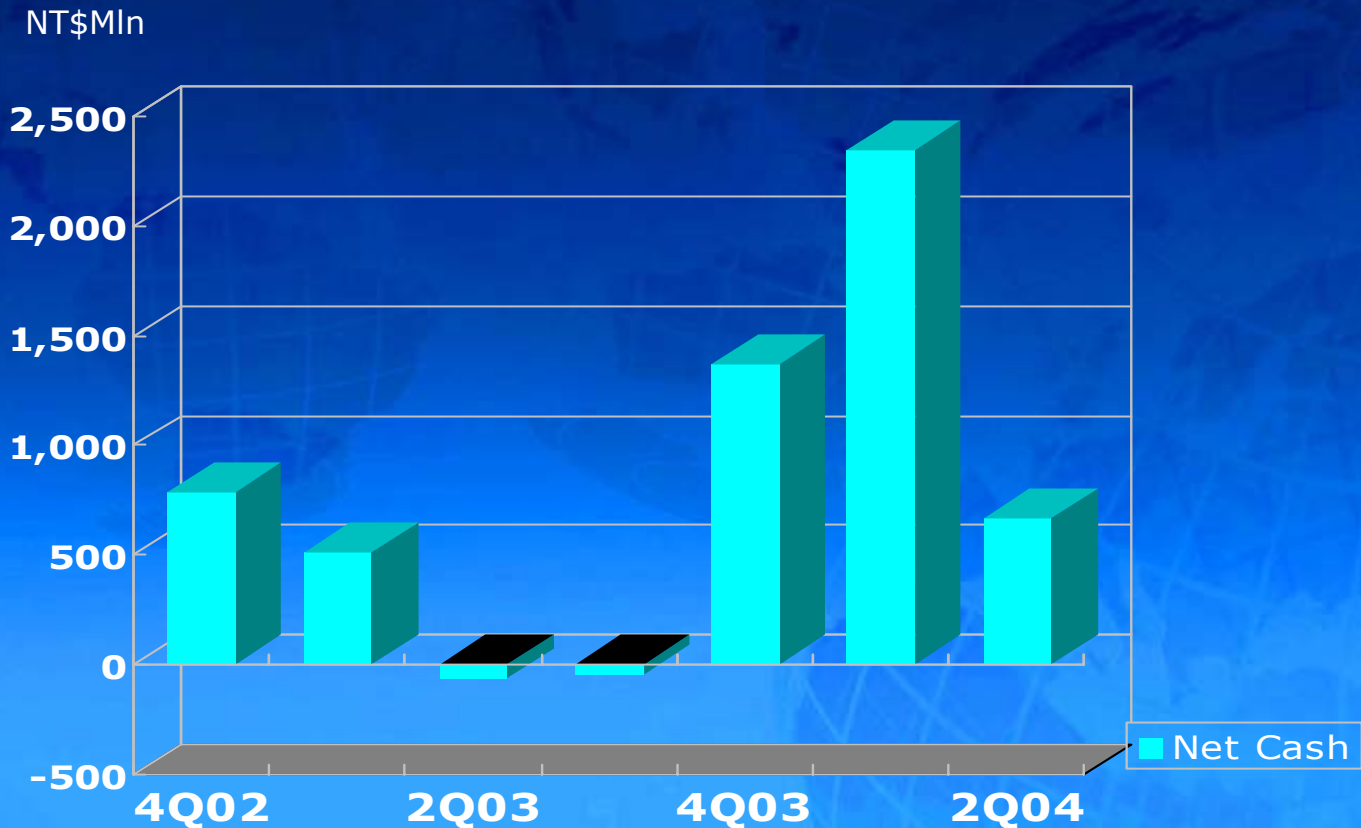




Strong Balance Sheet and High Dividend Payout



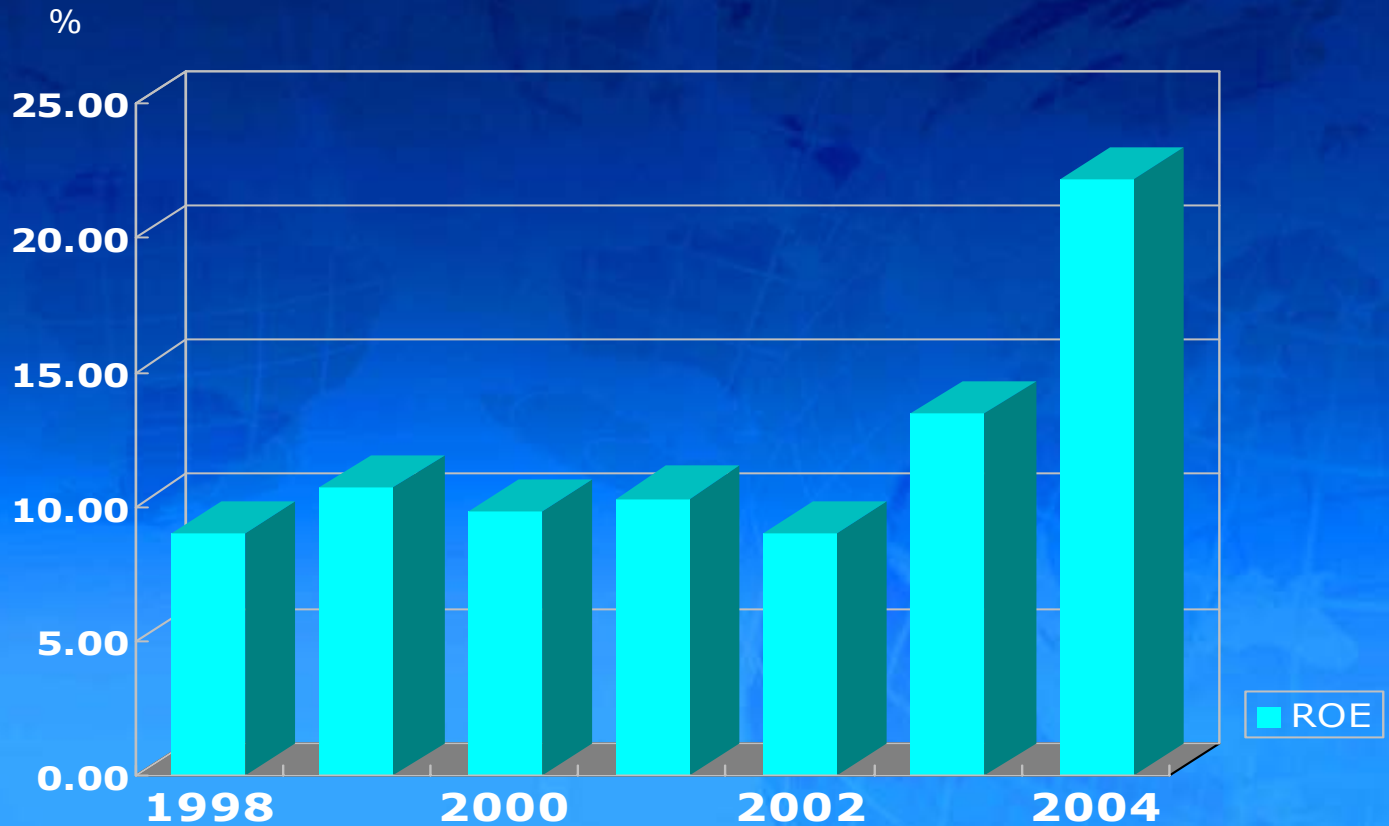
3rd consecutive quarter generating positive net cash



Return on Equity

Continued divesting non-core investments

High cash dividend payout



Longer Term Business Model

	FY03	FY04	Model
Sales (US\$Mln)	728	1,000	30%
Gross Margin	31%	33%	35%
Operating Margin	6%	8%	8%
Tax Exp. (% of PBT)	11%	12%	15%
ROE	14%	20%+	20%

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

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Thank You!



**Building Networks
for People**