



1Q16 Operating Results

May 2, 2016

Financial Review

1Q16 Income Statement & QoQ/YoY Comparison

Unit: NT\$ million	1Q16		4Q15		QoQ % Change	1Q15		YoY % Change
	AMT	%	AMT	%		AMT	%	
Net Sales	5,939	100.0	6,554	100.0	(9.4)	6,720	100.0	(11.6)
Cost of Goods Sold - Product	4,312	72.6	4,883	74.5	(11.7)	4,940	73.5	(12.7)
Gross Profit 1	1,627	27.4	1,671	25.5	(2.6)	1,780	26.5	(8.6)
Inventory Related Gain/(Loss)	(46)	(0.8)	(458)	(7.0)	(90.0)	(1)	(0.0)	3034.4
Gross Profit 2	1,581	26.6	1,213	18.5	30.3	1,779	26.5	(11.1)
Operating Expenses	1,769	29.8	2,188	33.4	(19.1)	1,926	28.7	(8.1)
Operating Income	(188)	(3.2)	(974)	(14.9)	(80.7)	(148)	(2.2)	27.4
Total Non-Op. Inc. (Loss)	13	0.2	(267)	(4.1)	N.A.	(44)	(0.7)	N.A.
Income Before Tax	(175)	(3.0)	(1,241)	(18.9)	(85.9)	(192)	(2.9)	(8.8)
Tax (Exp.) / Income	(4)	(0.1)	273	4.2	N.A.	(8)	(0.1)	(56.1)
Net Income	(179)	(3.1)	(968)	(14.8)	(81.5)	(200)	(3.0)	(10.5)
Minority Interest	(35)	(0.5)	(10)	(0.2)	250.0	(32)	(0.5)	9.4
Consolidated Income	(214)	(3.6)	(979)	(14.9)	(78.2)	(232)	(3.5)	(8.1)
EPS (NT\$)- Per Weighted-Avg. Capital of NT\$6,328M	(0.34)		(1.52)			(0.37)		

*The numbers are consolidated and the net income is audited/reviewed.

**Weighted-Avg. Capital adjusted for treasury shares.

1Q16 Non-op Income/Loss & QoQ Comparison

Unit : NT\$ million	1Q16	4Q15	QoQ % Change
Investment Income	24	(273)	N.A.
Sub./Aff.	22	(335)	N.A.
Capital Gain	2	62	(96.8)
FX Gain/(Loss)	(37)	(11)	236.4
Fin. Income/(Exp.) & Other	26	17	52.9
Total Non-op Income/Loss	13	(267)	N.A.

* The numbers are consolidated and the net income is audited/reviewed.

3/31/2016 Balance Sheet & QoQ Comparison

Unit: NT\$ million	3/31/16 AMT	%	12/31/15 AMT	%	QoQ % Change
Cash & S-T Investment	2,571	13.1	3,988	18.8	(35.5)
Account Receivable	5,126	26.1	4,974	23.4	3.1
Inventory	4,111	20.9	4,556	21.4	(9.8)
Long-term Investments	3,642	18.5	3,615	17.0	0.7
Total Assets	19,664	100.0	21,263	100.0	(7.5)
Accounts Payable	3,941	20.0	4,535	21.3	(13.1)
Current Liabilities	7,208	36.7	8,618	40.5	(16.4)
Common Stock	6,520	33.2	6,770	31.8	(3.7)
Stockholders' Equity	10,452	53.2	10,633	50.0	(1.7)

*The numbers are consolidated and the net income is audited/reviewed.

**Weighted-Avg. Capital adjusted for treasury shares.

Key Financial Ratios

Unit: % , days	1Q16	4Q15	3Q15	2Q15	1Q15
**Days A/R	77	80	81	74	75
**Days Inventory	93	101	105	108	101
**Days A/P	80	96	93	93	84
Cash Cycle	90	86	93	90	91
Current Ratio	1.78	1.68	1.77	1.86	1.63
Debt/Equity Ratio	0.84	0.96	0.93	0.88	0.82
***Net Debt/Equity Ratio	0.60	0.59	0.68	0.66	0.65
ROE	-8.2	-36.8	-18.5	-4.5	-7.7

The numbers are based on consolidated numbers and the net income is audited.

** Annualized

*** Net of Cash & S-T investment

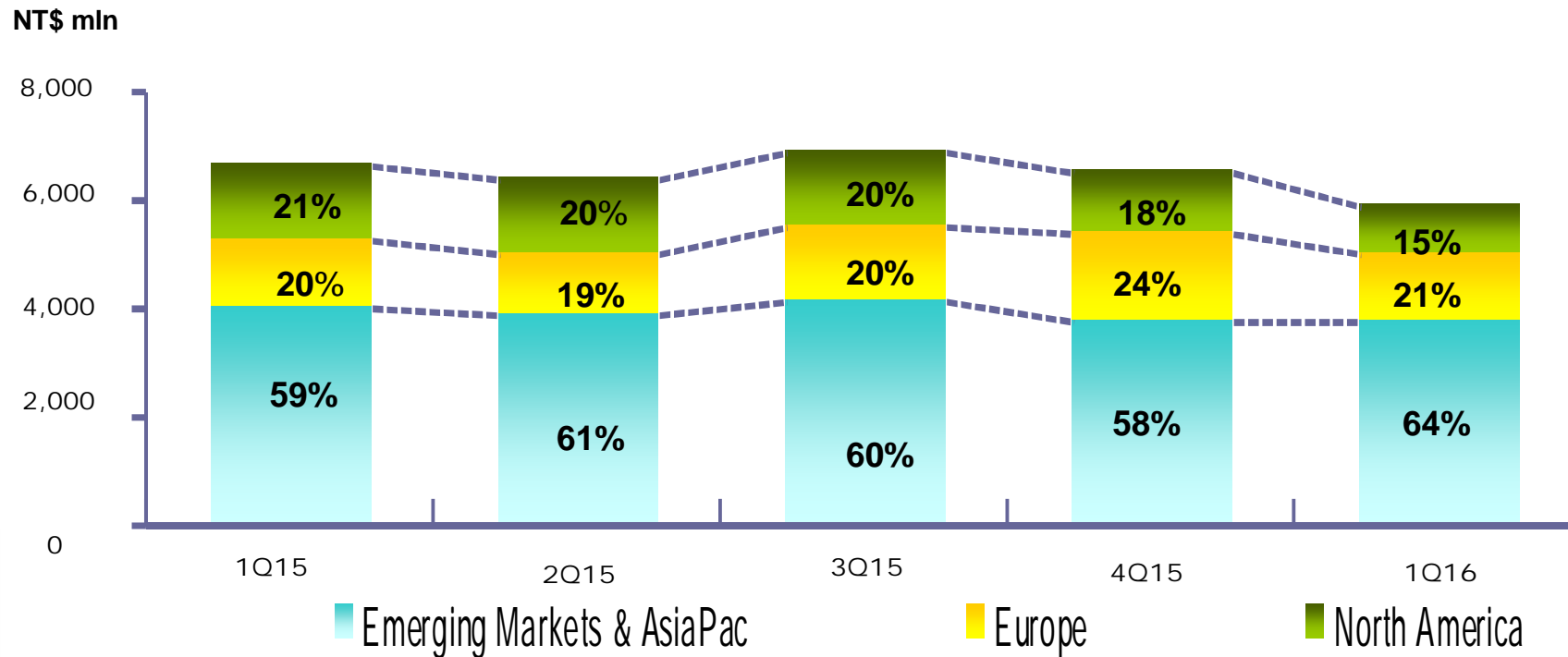
Quarterly Revenue by Region

In NT\$, down 9.4% QoQ, down 11.6% YoY

- N.A. down 22.1% QoQ, down 34.6% YoY
- Europe down 20% QoQ, down 8.6% YoY
- Emerging Mkts & APac down 1.2% QoQ, down 4.7% YoY

In US\$, down 10.7% QoQ, down 16.3% YoY

- N.A. down 22.7% QoQ, down 38% YoY
- Europe down 21.5% QoQ, down 13.3% YoY
- Emerging Mkts & APac down 2.5% QoQ, down 9.7% YoY



Quarterly Revenue by Product

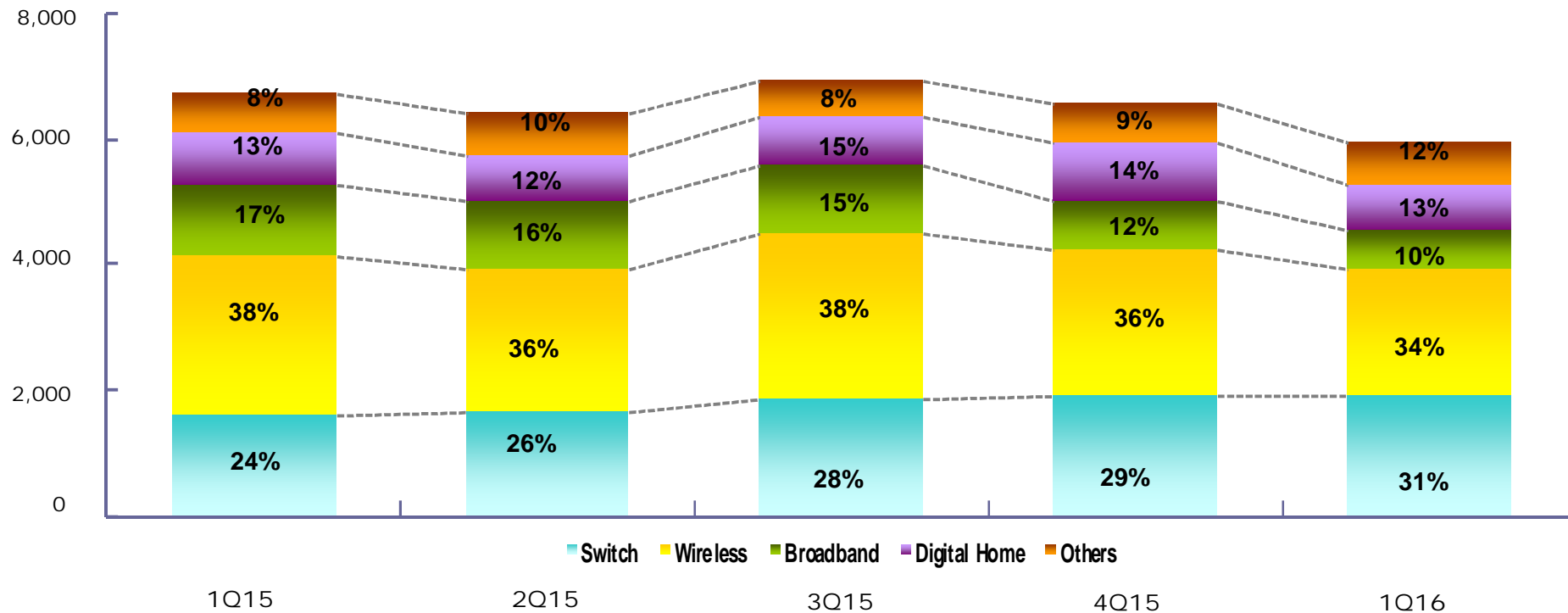
In NT\$ terms:

- Switch down 4.2% QoQ, up 13.2% YoY
- Wireless down 12.9% QoQ, down 19.9% YoY
- B.B. down 24.6% QoQ, down 47% YoY
- D.H. down 20.2% QoQ, down 12.2% YoY

In US\$ terms:

- Switch down 5.6% QoQ, up 7.7% YoY
- Wireless down 14% QoQ, down 24.1% YoY
- B.B. down 25.6% QoQ, down 49.8% YoY
- D.H. down 21.2% QoQ, down 16.8% YoY

NT\$ mln



Safe Harbor Statement

All 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.