

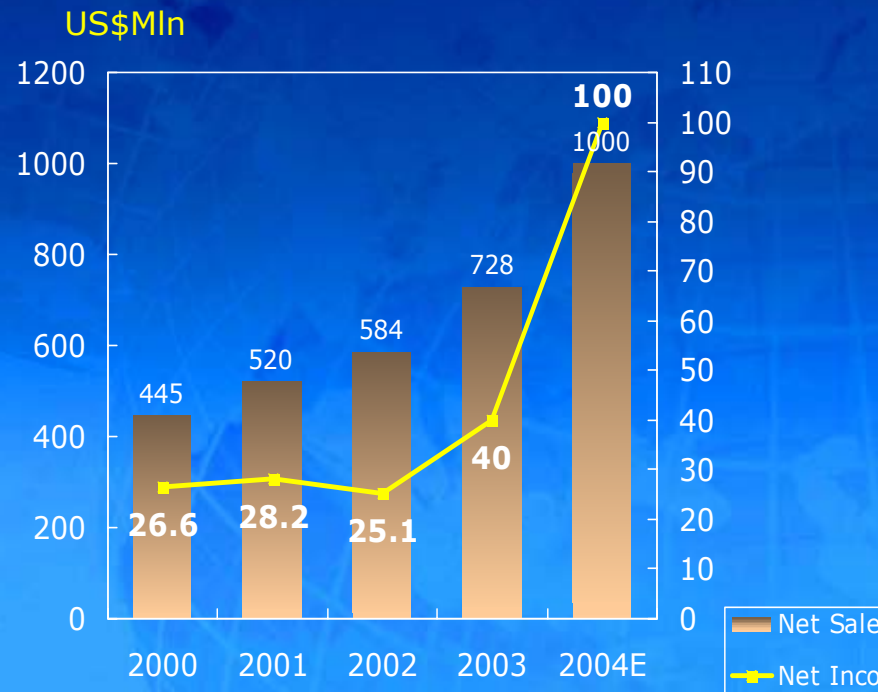
D-Link®



Safe Harbor Statement

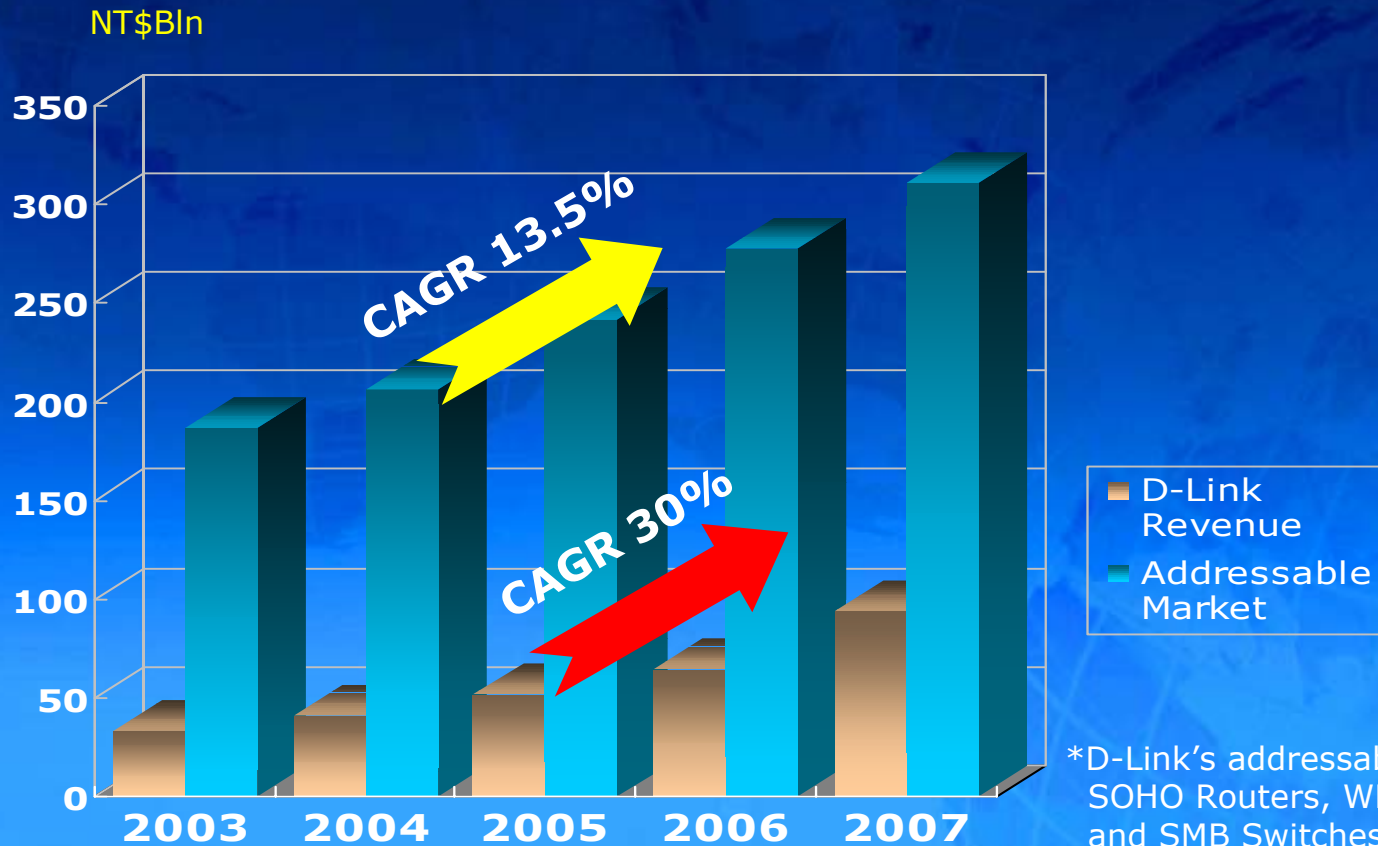
Except for statements in respect of historical matters, the statements contained in this release are "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements involve known 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.

- Asia's largest data networking brand player, focusing on SMB and Home.
- Market Cap US\$675 million (507M shares).
- Extensive global sales networks – 87 offices in more than 100 countries.
- Leading market positions in WLAN, Switches, and Broadband CPEs.
- Versatile Channels :
 - Retailers : Best Buy, CompUSA, Office Depot...
 - Distys : Ingram Micro, Tech Data...
 - SIs : Local top-tier SIs and VARs



D-Link Strategic Focus

- Number 1 in SOHO, Home and SMB

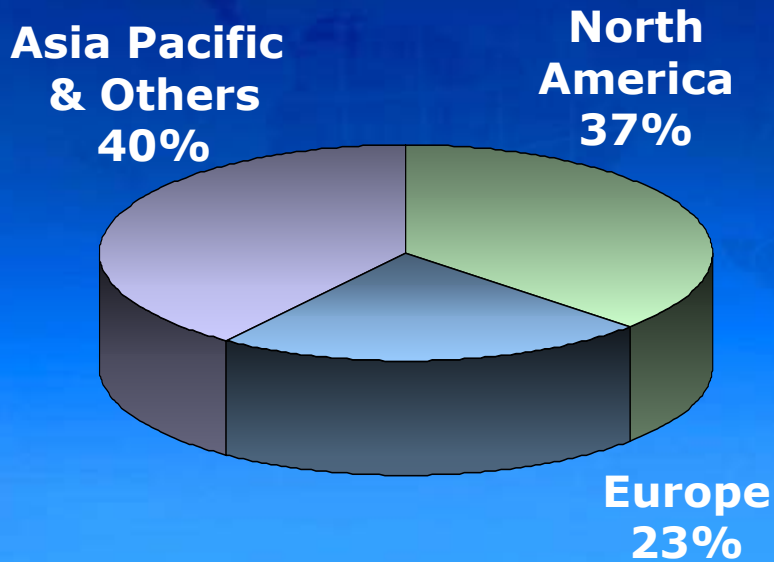


*D-Link's addressable market includes SOHO Routers, WLAN, Broadband CP and SMB Switches.

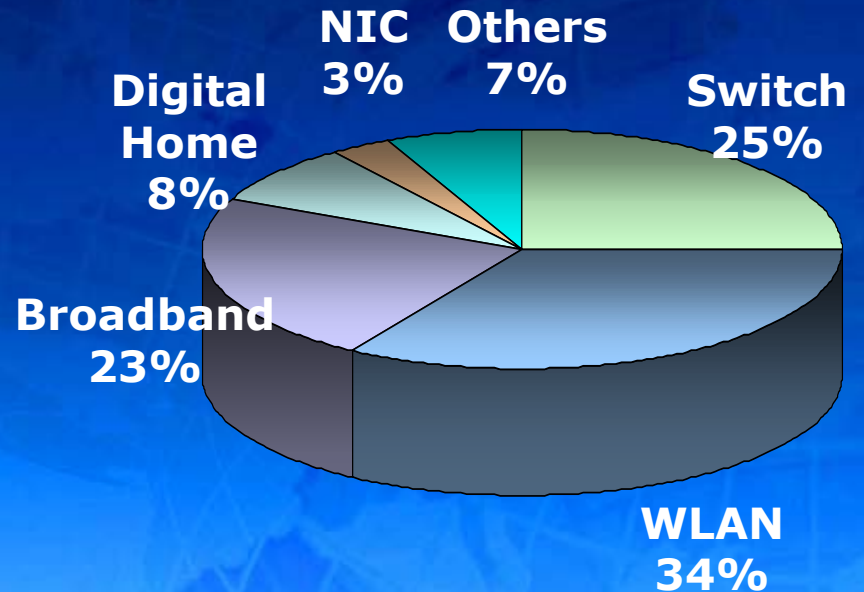
- **Revenue** Up 11% QoQ, or 38% YoY.
- **Gross Margin** Up to 31%.
- **Operating Margin** Up to 8.5%.
- **Days A/R** Stable at 62 days.
- **Adjusted D/E** Down to 61%.

1Q/04 Revenue Matrix

Sales* By Regions



Sales* By Products



*All sales consolidated

Recap of Recent Events

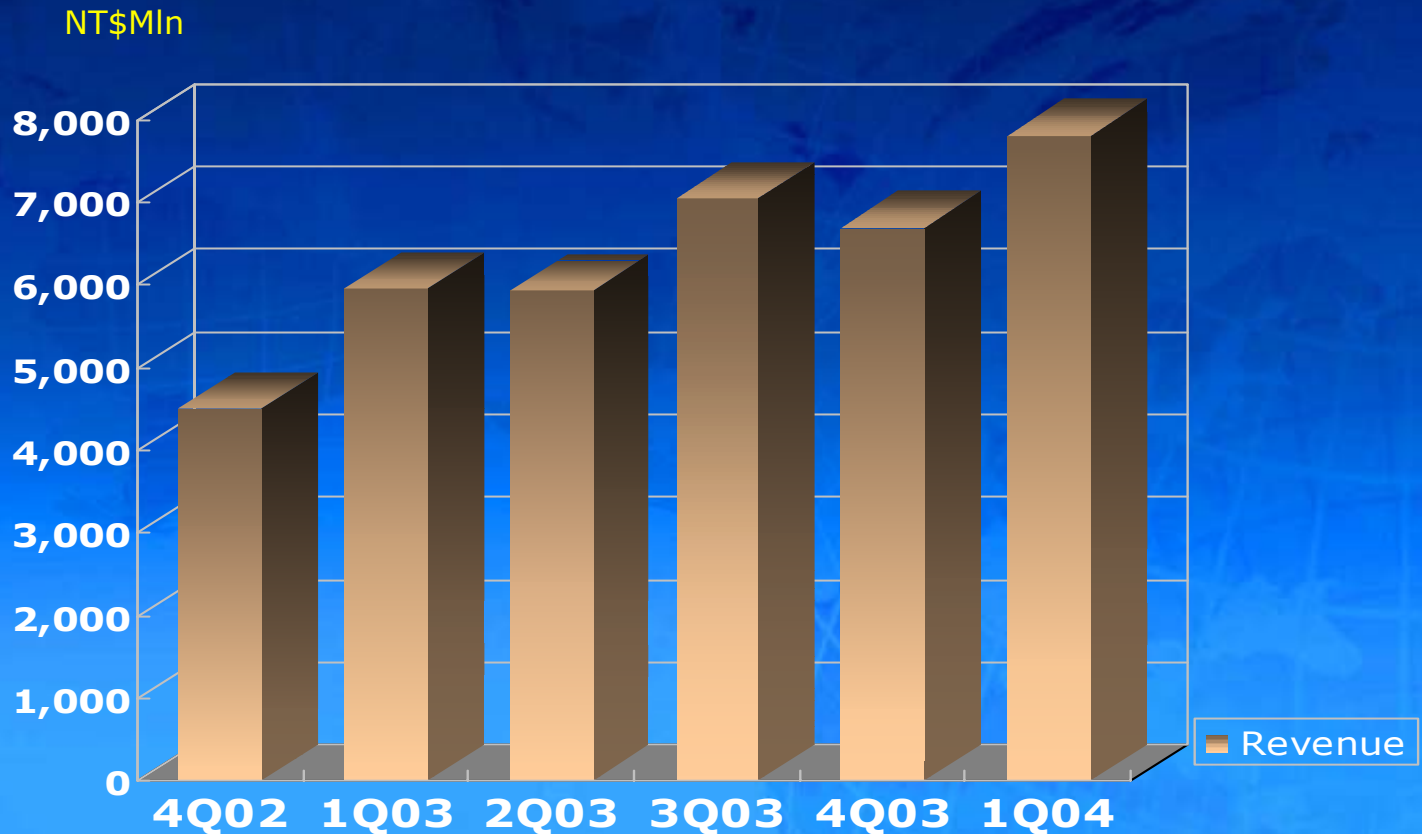
- Introduced 802.11G Wireless presentation Gateway (DPG-2000W), which enables the delivery of presentation via high-speed wireless to multimedia projectors, LCD panels, monitors or other VGA compatible devices.
- Won the primary supplier status with Telecom Italia's ADSL modems contract.
- Ranked No. 1 in China 2003 WLAN equipment market by IDC, followed by Huawei and Cisco.
- Alpha Networks announced world's first IPv6 licensed ADSL wireless IAD.
- Co-branded with Foundry Networks to enter India's High-end Enterprise Segment, offering a single vendor solution.



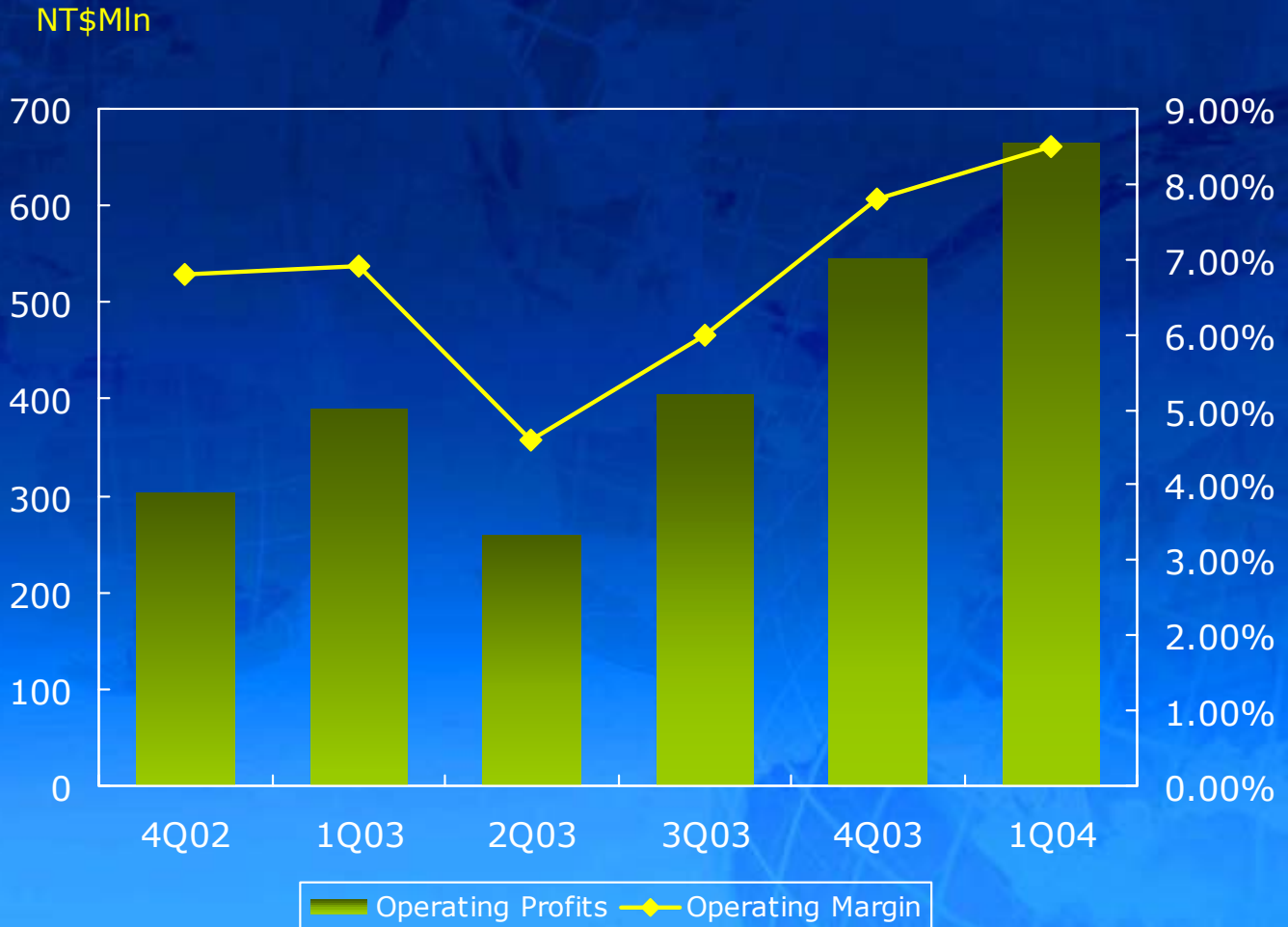
- DGS-3324SR Managed L3 Gigabit Switch awarded Best by *Natverk & Kommunikation* in Sweden, beating Nortel, HP, 3Com and Dell.
- DCS-5300 Internet Camera wins the Editor's Choice Award and scores 96% in an Outstanding *NextGen Electronic Review* in the US.
- DI-624, 108Mbps Router, wins the Best of the Tests 2003 by *NetworkWorld Fusion* and "Fastest Wireless Router" available on the market by *Maximum PC* in the US, Product of the Year 2003 by *PC World* in China, and Best in Show for Wireless Solutions at *Canada's WI-Fi Power 2004*.
- DSM-602H/604H, Digital Home Storage Drivers, earn an Editor's Choice Award in the *Great DailyGame.net Review* in the US.
- D-Link wins "2003 IT Customers' Most Satisfied Brand" from *CCW Research* in China.



- 30% YoY growth in 2004
- Matching 1Q performance in 2Q/04



Quarterly Operating Profits



Annual Pro Forma Net Income

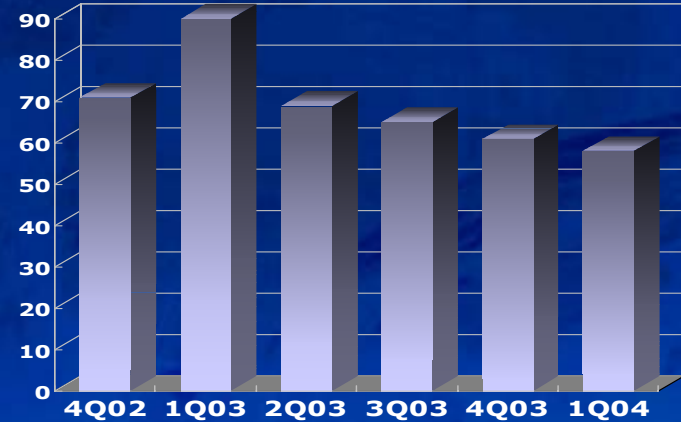
NT\$Mln



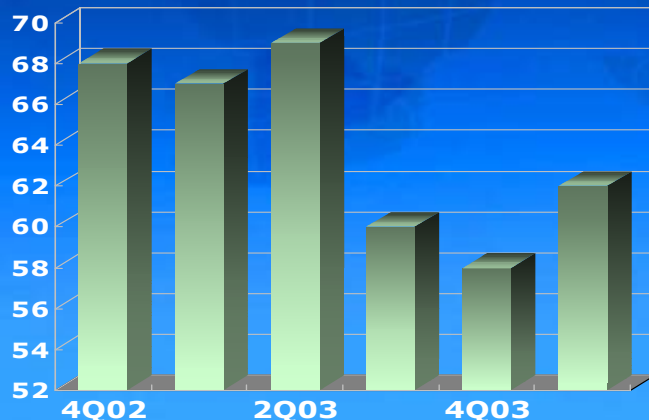
Asset Velocity

- Global Day Sales continue to improve.
- Inventory turnover at 4 times due to better business.
- Shortened cash cycle due to longer Days Payable.

Days



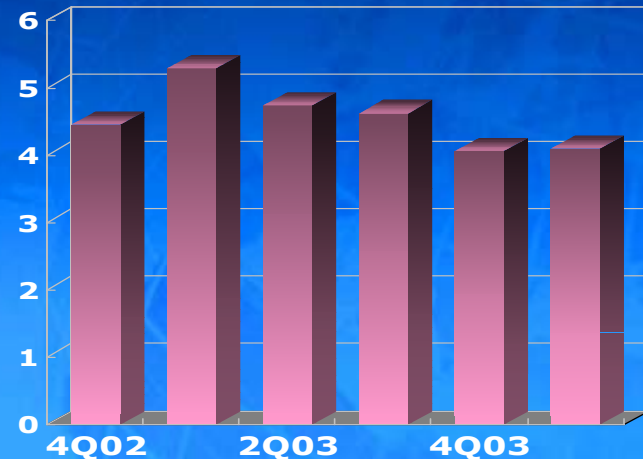
Days



Days Sales

Times

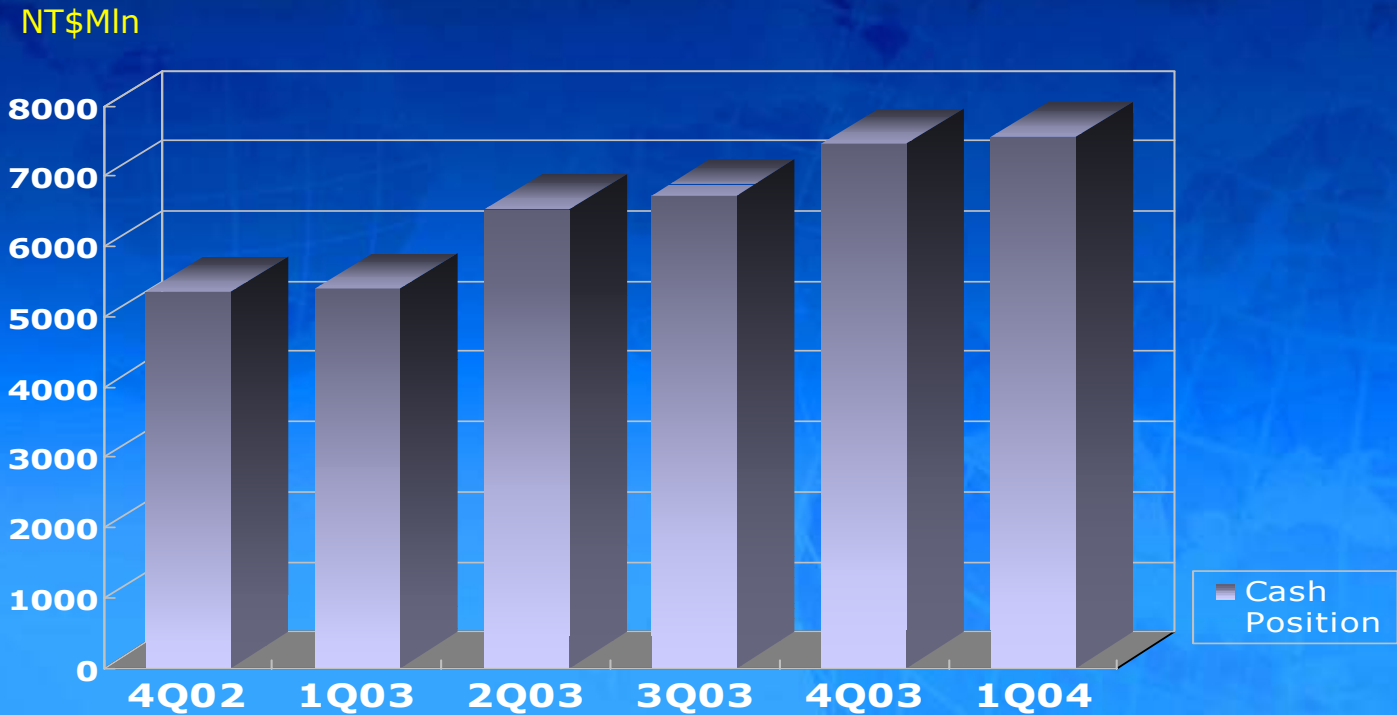
Cash Cycle



Inventory Turnover

Cash Generating Capability

- Strong cash generation from core operations
 - Continued divesting non-core investments
 - Shortened cash cycle due to better vendor management
 - High cash dividend payout
- ...to improve ROE.



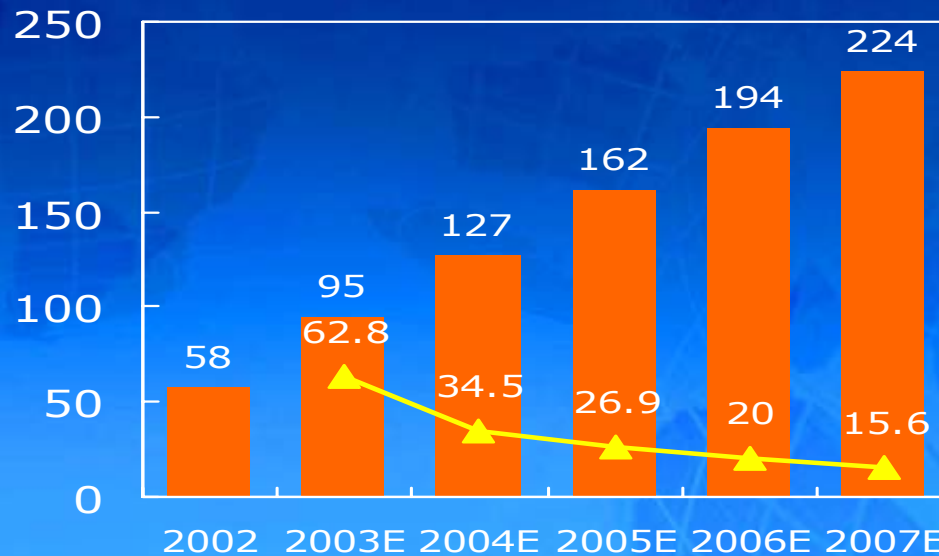
Longer Term Business Model

	<u>FY03</u>	<u>FY04</u>	<u>Model</u>
Sales (NT\$Bln)	25	33	30%+ growth p.a.
Gross Margin	31%	33%	35%
Operating Margin	6%	7%	8%
Tax	1%	1%	2%
ROE	14%	20%+	20%

- Worldwide broadband service market still expands 30%+ in 2004 per IDC: VoIP equipment will take the lead by 40% + YoY growth for years ahead, Western Europe and China will be the strongest regions for DSL deployment.

Broadband Subscriber Market

mln lines

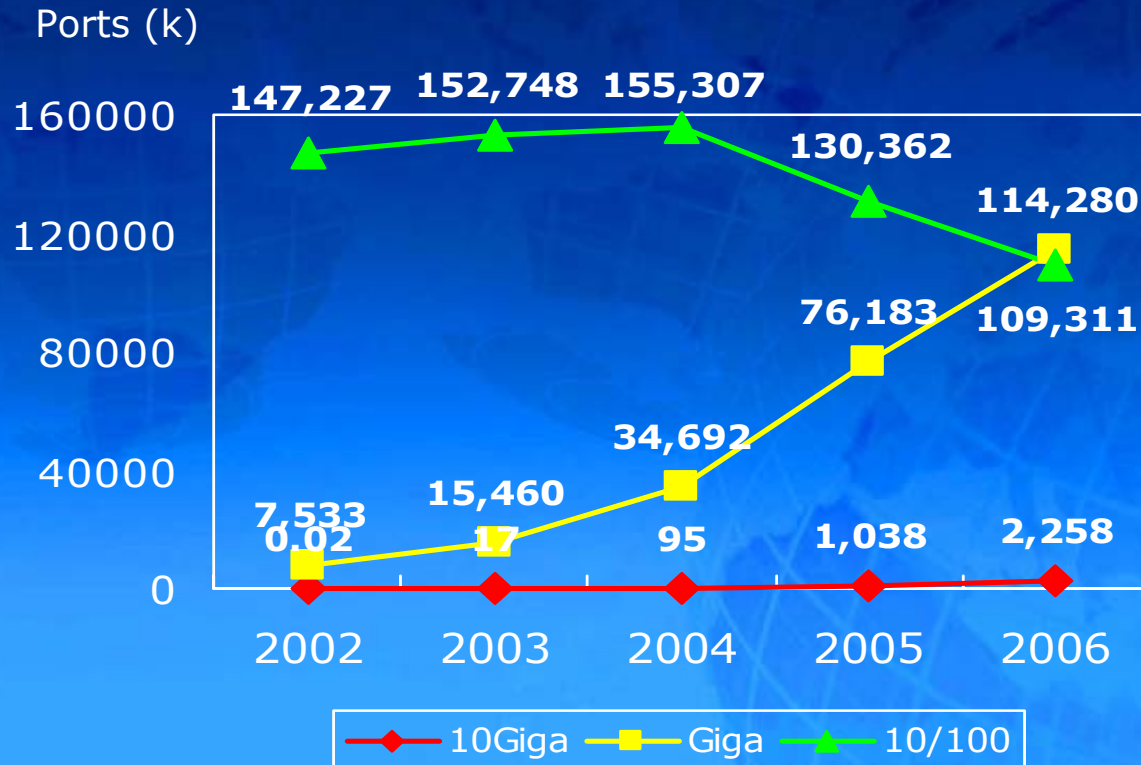


Source:IDC

▲ YoY growth

- D-Link ranked No. 2 in total Ethernet switch, Gigabit and L3 port shipments, per Gartner and In-Stat. Total market will grow 13%+, where GigE will grow 50%+.

Switch Market Demand



Source:IEK

- D-Link commanded 11% of worldwide total (devices and embedded) WLAN shipment in 2003 as number 2 per In-Stat. Overall WLAN market is expected to grow 40%+ in revenue in 2004.

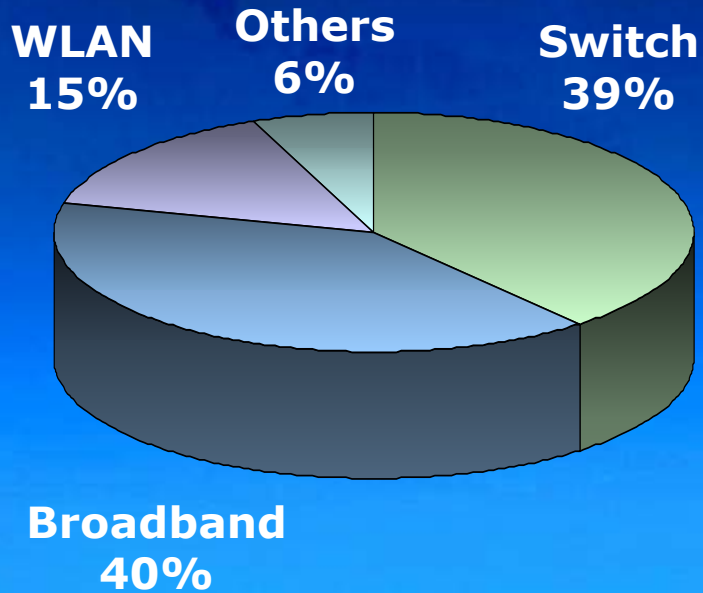


ALPHA

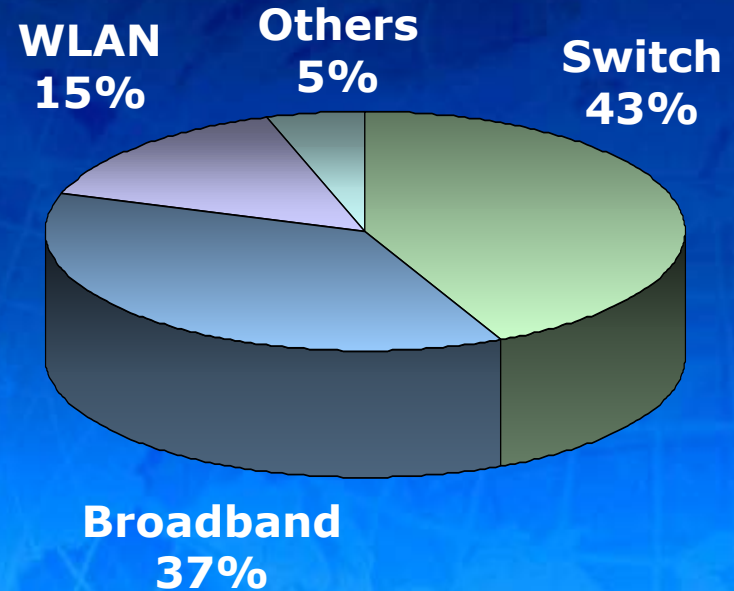
Alpha Updates

- **IPO filing date** May 7th
- **Estimated approval** mid-July
- **Listing** end- August
- **D-Link Shareholding** 66% (as of March 31, 2004)

FY2003

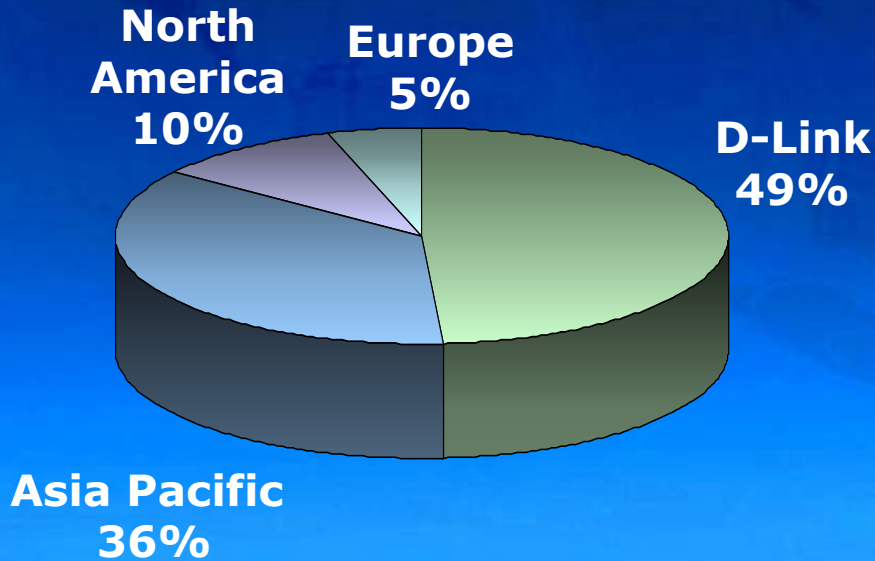


FY2004(E)

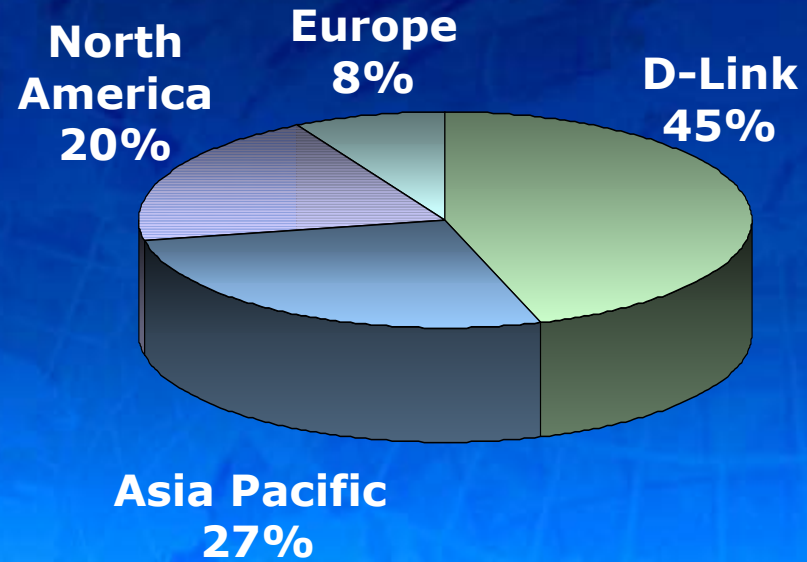


Sales By Regions

FY2003



FY2004(E)



FY2004 Forecast vs. FY2003 Pro Forma

Amount: NT\$ million

	2004(F)		FY2003 Pro Forma		YoY % Change
Net Sales	14,315	100%	9,587	100%	49%
Cost of Goods Sold	11,922	83%	7,653	80%	56%
Gross Profit	2,393	17%	1,934	20%	24%
Operating Expenses	1,544	11%	1,428	15%	8%
Operating Income	849	6%	506	5%	68%
Total Non-Op. Inc. (Loss)	(106)	(1)%	(92)	(1)%	15%
Investment Income (Loss)	-	-	-	-	-
Income Before Tax	743	5%	414	4%	79%
Income Tax Expense	(71)	-	(36)	-	97%
Net Income	672	5%	378	4%	78%
Earnings Per Share (NT\$)	2.73		1.89		45%

Amount: NT\$ million

	1Q/04	%
Net Sales	3,193	100%
Cost of Goods Sold	2,586	82%
Gross Profit	553	18%
Operating Expenses	(337)	(11)%
Operating Income	216	7%
Total Non-Op. Inc. (Loss)	(31)	(1)%
Investment Income (Loss)	3	-
Income Before Tax	185	6%
Income Tax Expense	17	(1)%
Net Income	168	5%
Earnings Per Share (NT\$)	0.72	

FY2004 Forecast vs. FY2003 Pro Forma

	12/31/04		12/31/03		YoY %
Amount: NT\$ million	Forecast		Pro Forma		Change
Cash	582	8%	912	13%	(36)%
S-T Investment	714	10%	905	13%	(21)%
Account Receivable	2,350	34%	2,038	29%	15%
Inventory	1,788	26%	1,600	23%	12%
Long-term Investments	205	3%	113	2%	81%
Total Assets	7,011	100%	6,993	100%	-
Accounts Payable	2,136	30%	2,791	40%	(23)%
Current Liabilities	2,982	43%	3,034	43%	(2)%
Long-term Liabilities	-	-	-	-	-
Common Stock	2,500	36%	2,000	29%	25%
Stockholders' Equity	3,969	57%	3,712	53%	7%

ALPHA 03/31/2004 Balance Sheet & Cash Flow QoQ Comparison

Amount: NT\$ million	03/31/04		12/31/03		QoQ %
	Actual		Actual		Change
Cash	65	1%	912	26%	(93)%
S-T Investment	1,441	21%	905	25%	59%
Account Receivable	1,535	23%	217	6%	607%
Inventory	2,102	31%	-	-	-
Long-term Investments	50	1%	55	2%	(9)%
Total Assets	6,759	100%	3,566	100%	90%
Accounts Payable	2,376	35%	-	-	-
Current Liabilities	3,268	48%	19	1%	17100%
Long-term Liabilities	-	-	-	-	-
Common Stock	2,500	37%	2,000	56%	25%
Stockholders' Equity	3,470	51%	3,301	93%	5%



Q & A

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

Thank You!



**Building Networks
for People**