



DATA UPDATE

Global Mixed-mode Technology (8081.TWO)

Neutral

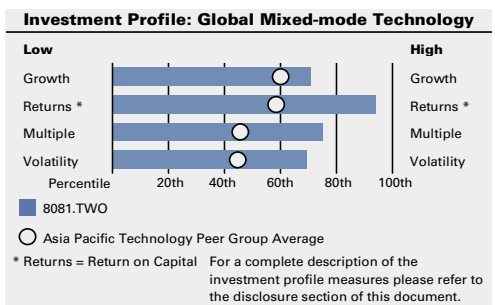
Updating our model post GMT's 3Q results

Changes and Implications

Global Mixed-mode Technology (GMT) announced its audited 3Q results. The top line result was in line with our estimates. GMT's 2008 3Q EPS was NT\$3.54, which was lower than our estimate by 7%. We slightly revise down our 2008E GAAP EPS forecasts by 3% but revise our 2009E GAAP EPS and 2010E GAAP EPS by 1%, respectively. Our new GAAP EPS estimates are NT\$8.82, NT\$9.61 and NT\$11.66 for 2008E, 2009E and 2010E, respectively. We have not changed our investment thesis or Neutral rating.

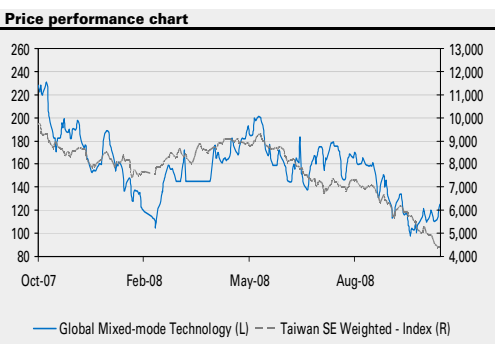
Valuation

GMT is trading at 14X/13X 2008E/2009E GAAP EPS. Our new 12-month target price is NT\$110 (from NT\$108), based on 1X PEG in 2007-2010E. Key risks include intensified competition from analog peers.



Key data	Current
Price (NT\$)	125.00
12 month price target (NT\$)	110.00
Market cap (NT\$ mn / US\$ mn)	9,101.1 / 272.0
Foreign ownership (%)	1.6

	12/07	12/08E	12/09E	12/10E
EPS (NT\$) New	11.04	8.82	9.61	11.66
EPS revision (%)	0.0	(3.0)	0.6	0.7
EPS growth (%)	27.0	(20.1)	8.9	21.3
EPS (dil) (NT\$) New	11.04	8.82	9.61	11.66
P/E (X)	11.3	14.2	13.0	10.7
P/B (X)	3.8	3.1	3.0	2.6
EV/EBITDA (X)	19.3	10.6	10.2	8.1
Dividend yield (%)	3.4	4.6	4.6	6.4
ROE (%)	40.4	24.8	24.6	25.6



Share price performance (%)	3 month	6 month	12 month
Absolute	(27.3)	(26.0)	(48.1)
Rel. to Taiwan SE Weighted Index	15.7	49.3	15.5

Source: Company data, Goldman Sachs Research estimates, FactSet. Price as of 10/29/2008 close.

INVESTMENT LIST MEMBERSHIP

Neutral

Coverage View: Neutral

Taiwan:
Semiconductors

Joey Cheng
+886(2)2730-4186 | joey.cheng@gs.com Goldman Sachs (Asia) L.L.C., Taipei Branch

Jeffrey W. Chen
+886(2)2730-4190 | jeffrey.w.chen@gs.com Goldman Sachs (Asia) L.L.C., Taipei Branch

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The precise calculation of each metric may vary depending on the fiscal year, industry and region but the standard approach is as follows:

Growth is a composite of next year's estimate over current year's estimate, e.g. EPS, EBITDA, Revenue. **Return** is a year one prospective aggregate of various return on capital measures, e.g. CROCI, ROACE, and ROE. **Multiple** is a composite of one-year forward valuation ratios, e.g. P/E, dividend yield, EV/FCF, EV/EBITDA, EV/DACF, Price/Book. **Volatility** is measured as trailing twelve-month volatility adjusted for dividends.

Quantum

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Joey Cheng: Asia Pacific Technology.

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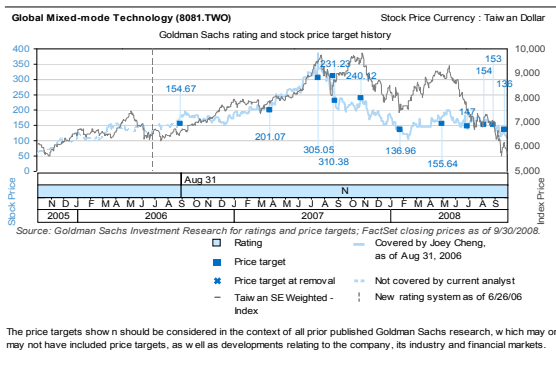
Distribution of ratings/investment banking relationships

Goldman Sachs Investment Research global coverage universe

	Rating Distribution			Investment Banking Relationships		
	Buy	Hold	Sell	Buy	Hold	Sell
Global	26%	57%	17%	52%	47%	37%

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Price target and rating history chart(s)



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