



OmniVision Technologies  
Needham Growth Conference  
New York  
January 2011

# Safe harbor statement

- ▶ Except for historical information, the matters discussed in this presentation may contain forward-looking statements that are subject to risks and uncertainties. These risks and uncertainties could cause the forward-looking statements and OmniVision's actual results to differ materially. In evaluating these forward-looking statements, you should specifically consider various factors, including the factors listed in the "Risk Factors" section of the Company's most recent annual report filed on Form 10-K and most recent quarterly reports filed on Form 10-Q. These factors may cause the Company's results to differ materially from any forward-looking statement. Forward-looking statements are only estimates and actual events or results may differ materially.
- ▶ OmniVision disclaims any obligation to update information contained in any forward-looking statement.

# Agenda

- ▶ Market Leadership
- ▶ Technology and Products
- ▶ Global Presence
- ▶ Target Markets
- ▶ Financials
- ▶ Summary

# Market Leadership

# Growing addressable market opportunity

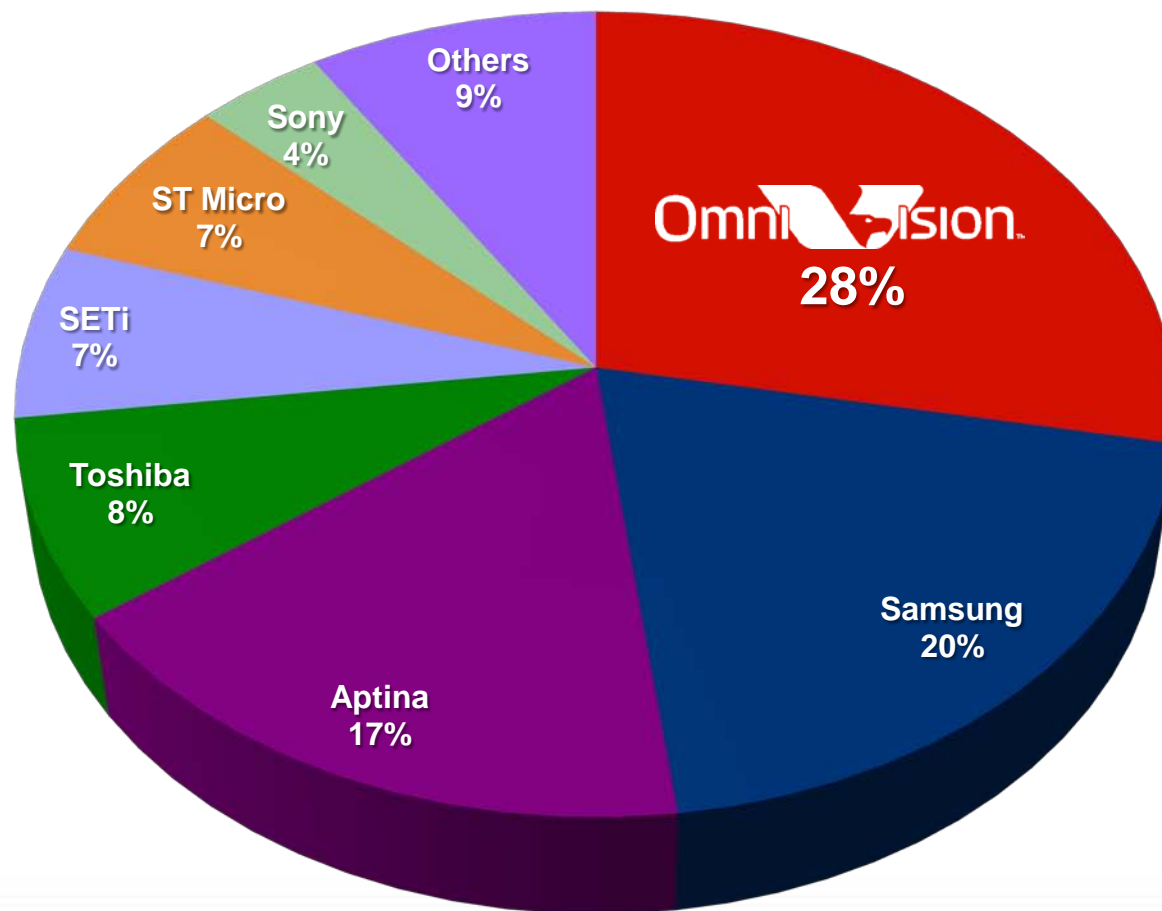
## CMOS sensor shipment forecast – all markets



Source: TSR, CCD/CMOS Report, June 2010

# Market leader in CMOS image sensors

## *CY 2009 CMOS unit shipments*



Source: Yole Développement, March 2010

# Market strategy



- ▶ Complete camera solutions
  - Sensor arrays
  - Optics / camera technology
  - Image Signal Processing (ISP)
- ▶ Agile business model
  - Customized solutions for target markets
- ▶ Complementary technologies with strategic partners
  - Reference designs and development boards speed time-to-market

# Technology and Products

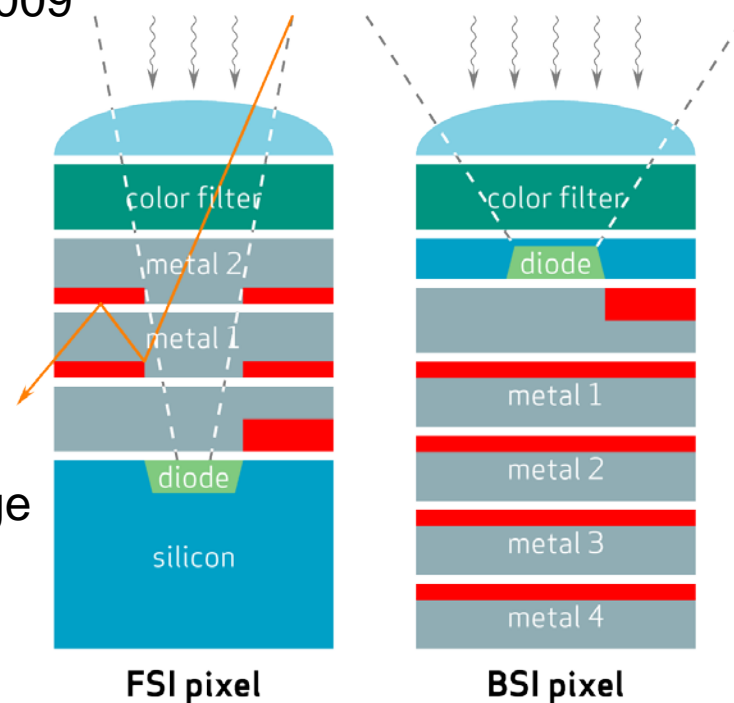
# Technology Focus: OmniPixel3-HS™

- ▶ True-to-life color reproduction
- ▶ High sensitivity
- ▶ Wide resolution range
- ▶ Quality exceeds CCD sensors

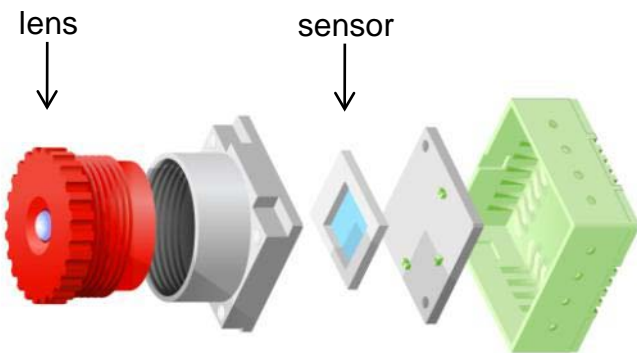
# Technology Focus: OmniBSI™, OmniBSI-2™

## *Generations of BSI pixel technology leadership*

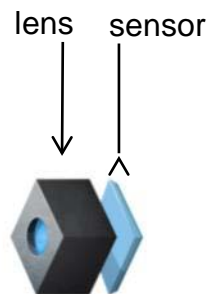
- ▶ OmniVision was first to commercialize backside illumination technology
  - OmniBSI™ in production since mid 2009
  - Millions of units shipped
  
- ▶ OmniBSI-2™ technology introduced February 2010
  - Technology demonstrations now
  
- ▶ Continuous commitment to lead the image sensor industry in BSI technology



# CameraCube™ technology leadership



Complex design of traditional module



Simplified **CameraCube™** design

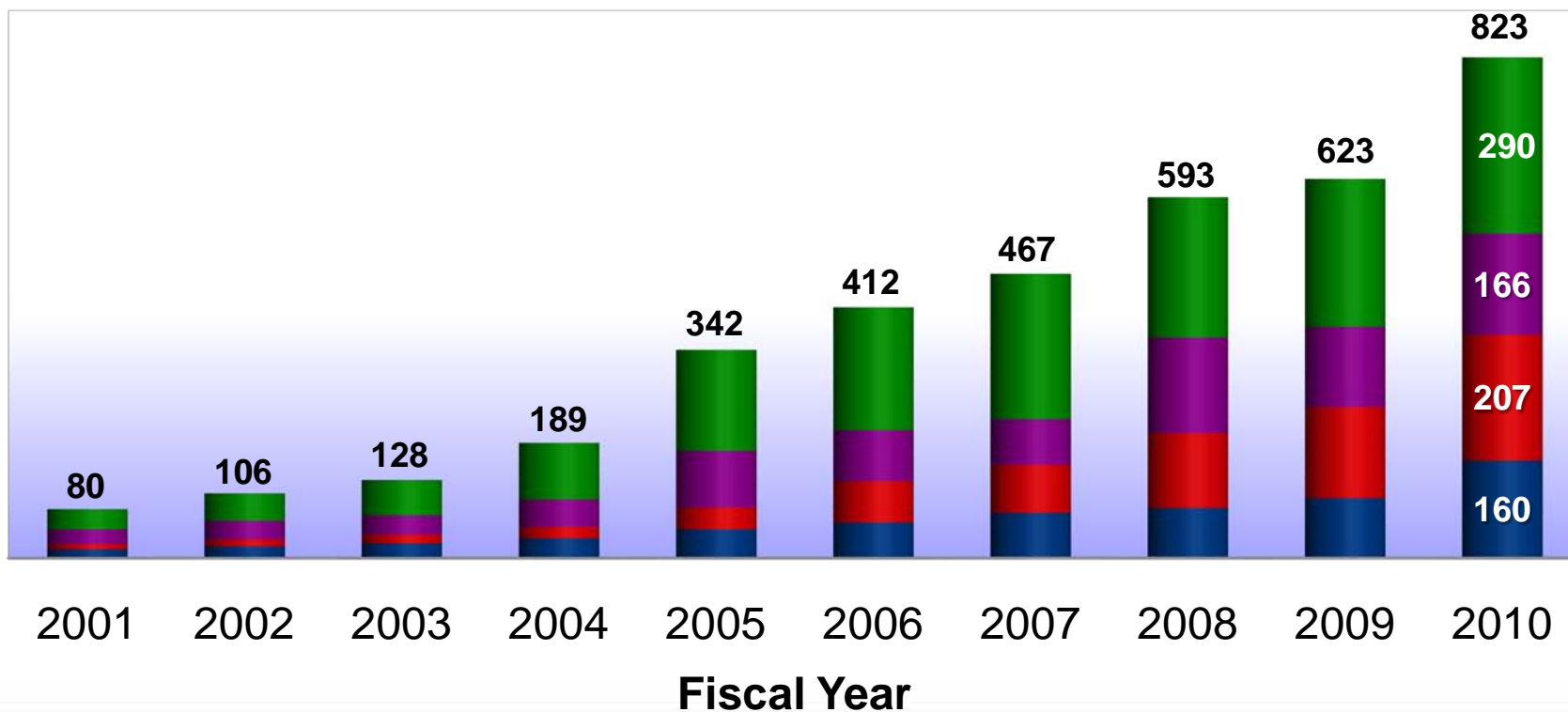
Both items displayed at same scale

- ▶ Industry's smallest total camera solution
  - 2.5 x 3.0 x 2.5 mm
- ▶ Reflowable, no socket or insertion required
- ▶ Reduced cost through elimination of BOM components
- ▶ Simplified supply chain speeds time-to-market
- ▶ Volume production direct from OmniVision

# IP portfolio

*Majority of IP is internally developed*

- U.S. Patents
- Foreign Patents
- U.S. Applications
- Foreign Applications



FY10 ending April 30, 2010

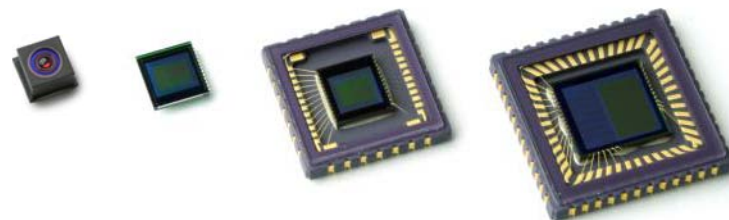
# OmniVision product portfolio

## ▶ Industry's broadest CMOS image sensor portfolio

- Over 100 product variants shipping into 7 markets
- Resolutions from CIF through 14 MP
- Most native and video-optimized HD sensors
- System-on-chip (SoC) and Raw sensors
- CameraCube™ – complete camera solutions

## ▶ Market optimized sensors

- Low-light sensitivity
- High dynamic range
- High frame rates
- Market specific features and interfaces



# Global Presence

# Worldwide service and support



1,400 employees worldwide

# Scalable supply chain

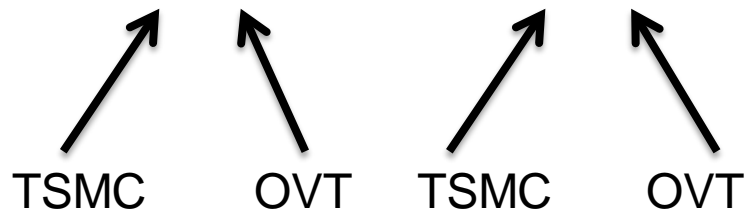


**TSMC**

**VisEra**

**XinTec**

**OSC**



# Target Markets

# Target markets



**Mobile phones**



**Security & surveillance**



**Notebook & webcam**



**Automotive imaging**



**Digital still & video cameras**



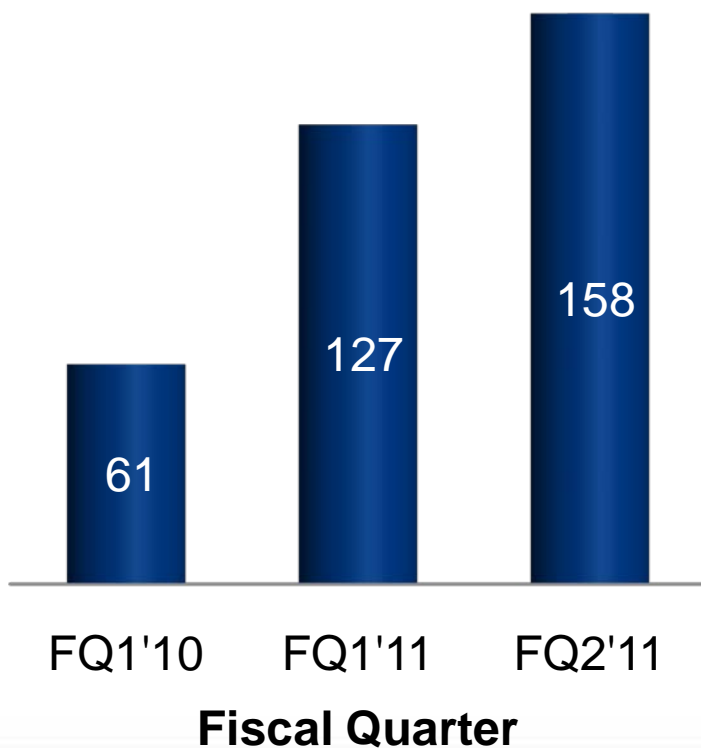
**Medical imaging**



**Entertainment**

# OmniVision in mobile phones

## Mobile Phone Revenue (\$M)



- ▶ Smart phones – driving growth
  - Strong 5MP, 8MP revenue growth
  - Approaching 50% market share
- ▶ Industry's best image quality
  - OmniBSI™ architectures
  - TrueFocus™ ISP
- ▶ Industry's smallest profile camera solution
  - CameraCube™ technology
- ▶ Wide product range
  - from CIF to 14-megapixel

# OmniVision in notebook & webcam



- ▶ Unit demand expected to grow over 65% by 2013\*
- ▶ Broad customer acceptance of OmniVision product solutions
- ▶ Wide range of HD sensor solutions available
- ▶ Ability to support large number of design opportunities
  - Design wins in place with nine out of ten Tier-1 manufacturers
  - Wide range of designs from VGA to 5-megapixel

\* Source: TSR June 2010

# OmniVision in entertainment

## *Multimedia, games and toys*



- ▶ Unit demand expected to nearly quadruple by 2013\*
- ▶ Industry's broadest selection of price/performance options
- ▶ Advanced technology to enable next-generation entertainment products
  - Interactive games, toys and accessories with 3-D imaging solutions
  - Mobile multimedia device with integrated video applications

\* Source: TSR June 2010

# OmniVision in security & surveillance



- ▶ Massive migration from CCD to CMOS sensors
  - Market size expected to increase 85% by 2013\*
- ▶ OmniVision is at the forefront of innovation, with the largest line-up of security sensors
  - Leading the industry in low-light sensitivity
  - SoC solutions for CCTV's
  - Wide range of megapixel sensors for IP cameras and HDcctv (720p, 1080p, 5MP and 8MP)

\* Source: TSR June 2010

# OmniVision in automotive



- ▶ Leading CMOS image sensor supplier to automotive market
  - CMOS sensors to dominate automotive camera market with 85% share by 2013\*
  
- ▶ Full range of solutions optimized for vision based and signal processing applications
  - 360° birds-eye view, rear-view and lane departure features
  
- ▶ Best low light sensitivity
  
- ▶ World's smallest AEC-Q100 qualified packaging

\* Source: TSR June 2010

# OmniVision in digital still & video cameras



- ▶ CMOS sensors shipments expected to triple by 2013\*
- ▶ 14-megapixel photography with 1080p 60 fps HD video on a single chip
  - Eliminates trade-offs between high quality still photography and high-performance HD video
  - Best-in-class low-light sensitivity and image quality

\* Source: TSR June 2010

# OmniVision in medical



- ▶ World's leading supplier
  - Market expected to more than triple by 2013\*
- ▶ Industry-leading technology
  - Smallest profile for less invasive procedures
  - Low cost for disposable solutions
- ▶ Best-in-class low-light sensitivity

\* Source: TSR June 2010

# Financials

## Non-GAAP operating performance <sup>†</sup>

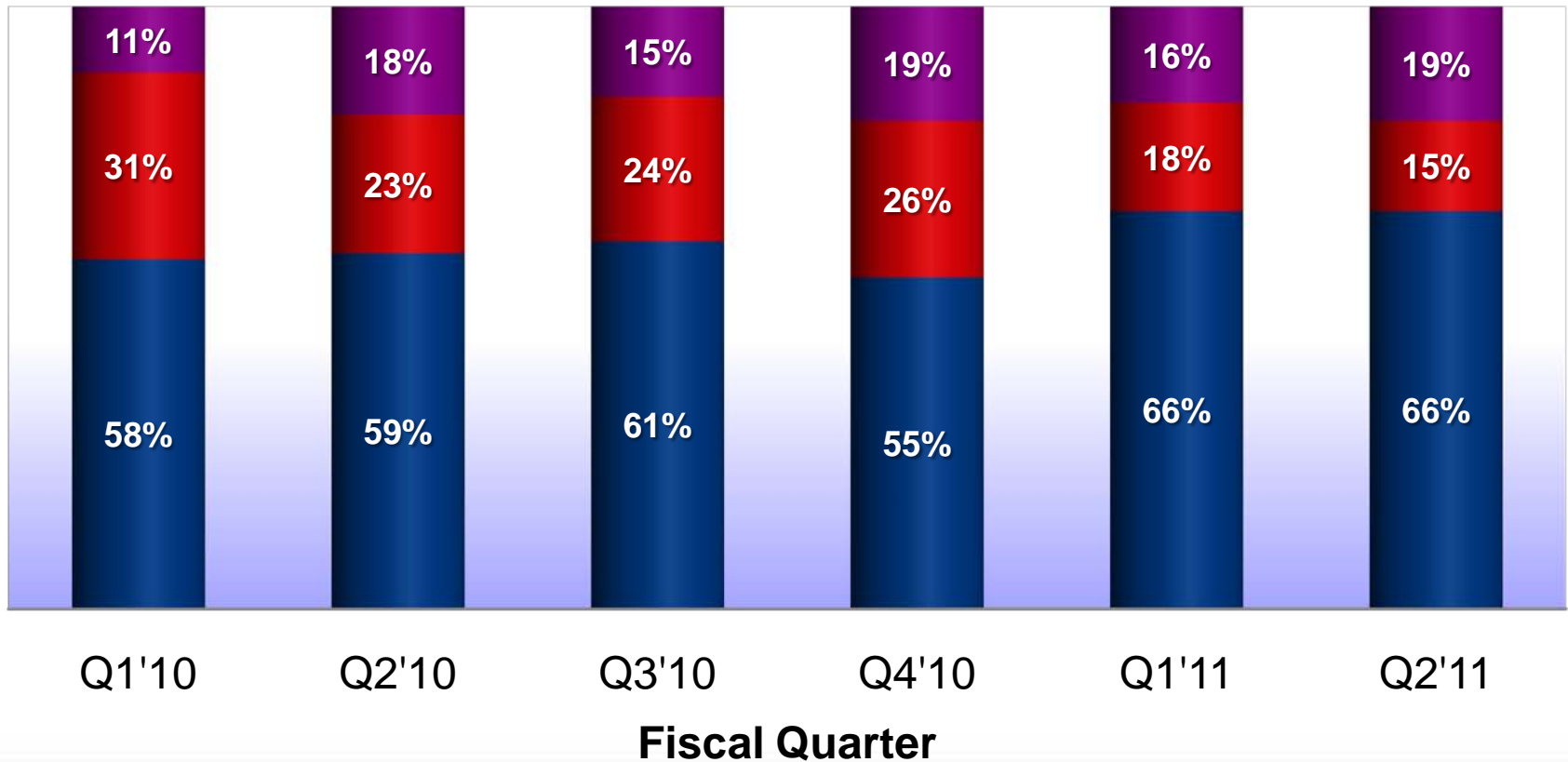
	Fiscal 2010					Fiscal 2011	
(in millions)	Q1	Q2	Q3	Q4	FY10	Q1	Q2
Revenue	\$105.6	\$183.3	\$156.9	\$157.2	\$603.0	\$193.1	\$239.5
GM %	23.2%	24.3%	25.0%	25.3%	24.6%	27.2%	28.4%
OpEx	\$27.3	\$29.6	\$30.7	\$30.5	\$118.1	\$30.0	\$31.0
Net Income	\$(3.9)	\$14.3	\$10.8	\$10.0	\$31.3	\$22.4	\$34.2
EPS	\$(0.08)	\$0.27	\$0.20	\$0.18	\$0.58	\$0.39	\$0.58

<sup>†</sup> *Non-GAAP metrics exclude stock-based compensation expense and related tax effects. GAAP to non-GAAP reconciliations are available on-line at [www.ovt.com](http://www.ovt.com)*

# Revenue breakout by market

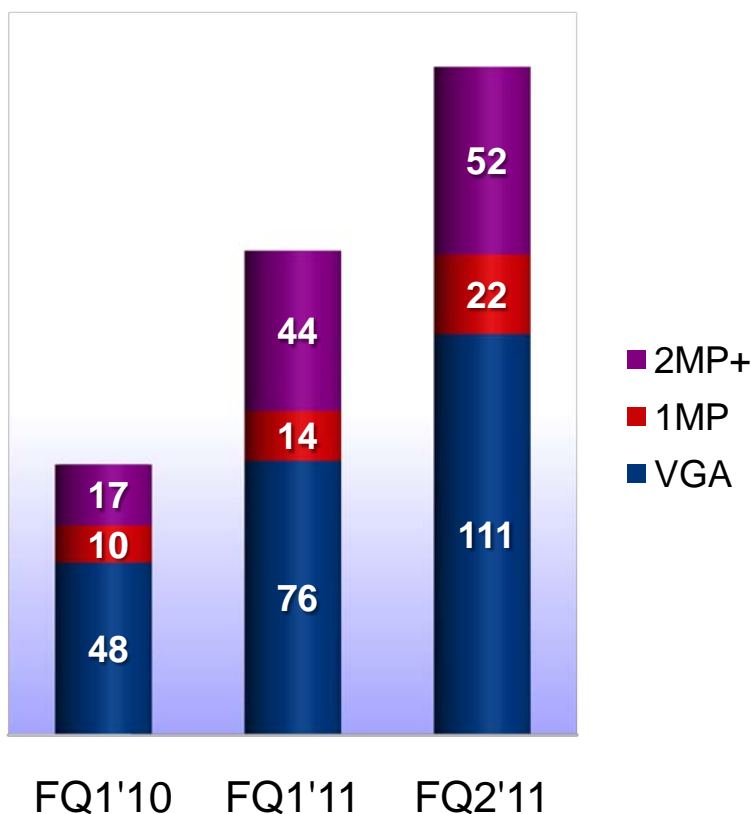
*Smart phone category driving mobile phone growth*

■ Mobile Phone ■ Notebook / Webcam ■ Other



# OmniVision unit shipments

*Millions of units (Mu)*

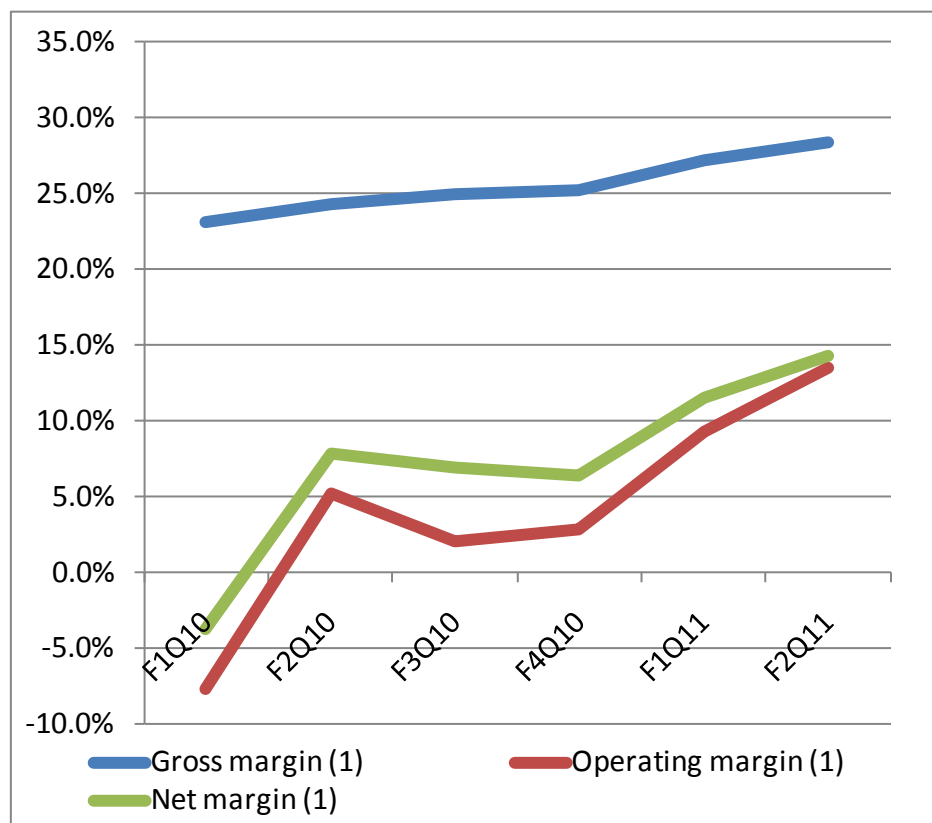


- ▶ Product mix shifting to higher resolution
- ▶ Smart Phone category driving mix
- ▶ BSI enabling shift to higher resolutions
- ▶ 5 meg BSI leading the growth
- ▶ Strong 8 meg BSI, 3 meg and 2 meg

# Financial results

## *Gross margin and profitability*

- ▶ In FY09, we focused on conserving cash to weather the economic downturn
- ▶ In FY10, we focused on expanding gross margin and profitability of the business
- ▶ In FY11, we focus on future growth and profitability



(1) Non-GAAP metrics exclude stock-based compensation expense and related tax effects

# Solid balance sheet

## Fiscal Q2 Key Balance Sheet Metrics

<b>(in millions)</b>	<b>FQ2 2011</b>	<b>FQ4 2010</b>
Cash and Short-Term Investments	<b>\$396.7</b>	<b>\$333.6</b>
Shipments (Mu)	<b>185</b>	<b>125</b>
Accounts Receivable	<b>\$113.1</b>	<b>\$74.3</b>
<i>DSO (days)</i>	<b>43</b>	<b>42</b>
Inventories	<b>\$121.3</b>	<b>\$134.0</b>
<i>Turns</i>	<b>5.6x</b>	<b>3.5x</b>

# In Summary

- ▶ Leading CMOS image solutions provider
- ▶ A camera technology leader
- ▶ Advanced proprietary technology
- ▶ Offering industry's broadest imaging product portfolio
- ▶ Solid balance sheet
- ▶ Focus on driving future growth & profitability