

D-Link Annual Report 2002



D-Link[®]
annual report
2002



About the Cover

Our Global presence provides investment protection as the Company delivered solid growth in various markets with a wide array of products and technology during a challenging year of adversity. Taking advantage of a sophisticated strategy of diversification, business unit expansion, technology expansion and aggressively winning the business that is available from our competitors in the various markets provided growth for 2002 and beyond.



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Financial Highlights 2002

(U.S. Dollars in Thousands)	2002	2001	2000
Net Sales	\$583,560	\$510,291	\$445,302
Operating Income	\$18,745	\$15,256	\$13,016
Income Before Tax	\$28,749	\$30,044	\$26,500
Net Income	\$25,075	\$28,196	\$26,563

*Amounts are expressed in U.S. Dollars solely for the reader's convenience, at the rate of:

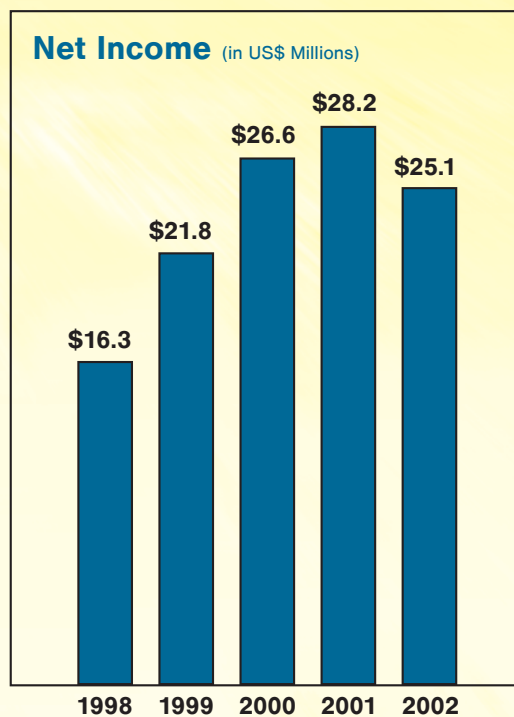
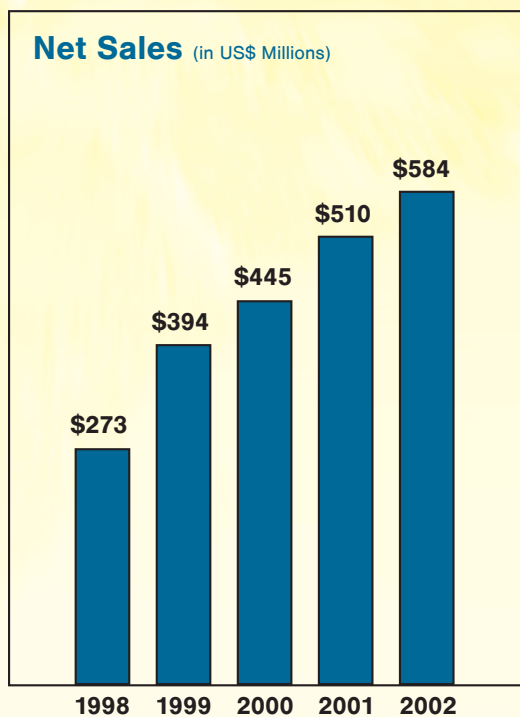
NT\$34.62=US\$1, the average annual exchange rate for 2002
 NT\$33.87=US\$1, the average annual exchange rate for 2001
 NT\$31.29=US\$1, the average annual exchange rate for 2000

(U.S. Dollars in Thousands)	2002	2001	2000
Cash & Cash Equivalents	\$57,762	\$90,394	\$75,337
Total Assets	\$541,990	\$503,998	\$447,990
Working Capital	\$215,405	\$179,903	\$125,117
Long-Term Loans	\$86,632	\$85,160	\$28,966
Shareholders' Equity	\$276,619	\$264,801	\$256,237
Shares Outstanding**	494,378	445,944	378,847

*Amounts are expressed in U.S. Dollars solely for the reader's convenience, at the rate of:

NT\$34.73=US\$1, the prevailing rate on December 31, 2002
 NT\$35.04=US\$1, the prevailing rate on December 31, 2001
 NT\$31.29=US\$1, the prevailing rate on December 31, 2000

**In Thousands



Letter to Shareholders



Ken Kao
Chairman and CEO
D-Link Group

Dear D-Link Shareholders,

2002 was probably the most challenging year in recent memory for the data networking industry. In addition to the continuing weakness in the global communication markets, most of us had to pause and reflect on the way we conducted business in order to ensure that we served our customers with the highest level of satisfaction and added value.

We are proud to say that we acted decisively to evolve from being a pure Local Area Network equipment vendor to become an integrated next generation communication solution provider in the global small and medium enterprise (SME) and home markets. Today, the Company is stronger than we were a year ago. As we move forward, we will continue to look for ways to further improve our business scope and competitive edge to ensure that our strategies pay off well and work towards the best of all shareholders' interests.

Solid Financial Results

In sharp contrast to the difficulties of 2002 was our solid financial performance. The challenge we faced was to manage through a time of extremely rapid change while ensuring we had a smooth transition to the new business model which integrated broadband, wireless, and home networking into the legacy LAN business. Through it all, we delivered record results and generated the type of growth that will help to sustain our leading position in the future.

Thanks to the hard work of our 3,200 employees worldwide - the unique, core asset of the Company - D-Link generated a record globally consolidated sales of US\$583 million (NT\$20,203 million) and a net earnings of US\$25 million (NT\$868 million) despite increases in overseas subsidiary expenses and a special write-off for the WLAN and cable modem affiliates. Our revenue grew 17% while gross margin grew 20%. We are one of the few data networking companies that actually generated net operational cash in 2002, enabling us to enter 2003 in a much better competitive position than most others in the industry.

Few companies in the global communication industry would be capable of registering this type of performance against the backdrop of a troubled world economy and a drastic change in demand, not to mention technology overhang. D-Link, however, is at a distinct advantage in times like these. Our diversity of products and geographies, combined with recurring and predictable revenue streams, enabled us to absorb shocks and weather downturn and, better yet, to thrive during times of adversity.

Growth in All Areas

In 2002, despite the slowdown in the global economy, the sluggish communications market, the war on terrorism, and a series of corporate scandals, not only did our business generate outstanding results, but six of our ten key product categories also posted record sales.

Most noteworthy is that our DSL business sales increased by 208% and strengthened the leadership position in the broadband CPE markets. Market share improved significantly in countries like Japan and Australia with steady growth continued in Canada and Nordic Europe. In Japan in particular, we offered a complete line of high-speed DSL routers, VoDSL and Integrated Access Devices (IAD) to our ODM customers.

Our wireless LAN business grew 112% compared to 2001. We were the first in the world to launch 22 Mbps 802.11b+ products with the debut of the *AirPlus* series in North America. The success was soon copied in Europe where it faced warm welcome at all home channels. This transition in speed successfully differentiated D-Link from the rest of the competition in the sizzling hot WLAN market. Market share quickly added up and we sat tight and firm on the number two

markets of the global SME and home networking sectors. We have the most diverse and innovative product platform in the industry, with the largest distribution capacity. We are the most globalized SME and home networking solution provider in the world, our products can be found in more than 100 countries, and our services are second to none.

We are happy to see the increasing importance of the Asia Pacific market contributing to the growing revenues and profitabilities, which have greatly mitigated the downfall of economy in US and Europe. This applied to both the Brand and OEM businesses.

Geographically, we continued to penetrate all major markets. In the US, D-Link was recognized as the number two wireless LAN and home networking player, up from number four in

As we move forward, we will continue to look for ways to further improve our business scope and competitive edge to ensure that our strategies pay off well and work towards the best of all shareholders' interests

seat of the world's SOHO/Home market at end of the year. Although outsourcing orders from our major switching OEM clients virtually drained when they faced an anemic end demand in 2002, we continued to outperform our competitors in a very difficult environment. Switching sales were up 2% during the year where we shipped more higher-end L2/L3 switches. For 2002, managed switches accounted for 37% of all switching sales compared to 20% in 2001. This product mix change has contributed positively to the corporate gross margin as it maintained a healthy 26%, and was up a stunning 20% to US\$153 million (NT\$5,295 million) in absolute terms compared to 2001.

The Horizon Expands

Since 2001, our global network of sales offices went from 50 to 86 offices worldwide. We are doing business in 36 countries, up from 23 at the beginning of 2001. Today, we hold the leading position in the most sophisticated and highest-growth

2001. D-Link Systems, our sales arm in the US, continued to be the inspiration of our worldwide sales network and drove the innovative gear of the Company. US continent sales were up an astronomical 52%. D-Link's wireless and home networking products won numerous awards and recognition from highly acclaimed professional media and market influencers. We were more active than ever at all major trade shows and exhibitions.

China was the place we called "home" where we completed a strategic channel restructuring and formed the 100% owned D-Link China with new distributor partnerships and 10 sales platforms nationwide. Sales to China grew 37% in 2002 as we continued to be the primary enterprise switching gear provider in the market. The success in China can be attributed to a rolling list of new contract wins from major vertical accounts including provincial governments, schools, financial institutions, and service providers.

Japan is the market where we saw the most massive deployment of DSL, riding the wave of the e-Japan project. We are the top 3 broadband CPE supplier in Japan where we serve our blue-chip ODM customers with high-speed DSL modems, routers and IADs. Sales to Japan grew 22% over the year.

Europe debuted 802.11b+ products in the fourth quarter and soon clinched the number two spot in a very competitive landscape. Following a reorganization on the back of an especially difficult business environment, our sales to Europe still managed to post a 15% gain thanks to a streamlined product strategy.

Elsewhere in the world, D-Link continued to triumph in the emerging markets by grabbing more market share while registering higher top line and earnings growth. Down under, we dominated the Australian broadband CPE market by being the number one DSL provider with more than 90% of market share with virtually no competition. Sales to Australia were up an amazing 102%. In Canada, D-Link rolled on with even more contract wins in DSL CPEs.

This worldwide achievement has enabled us to be nominated by BusinessWeek as the world's 84th Best Information Technology Company of 2002. We will work constantly to be worthy of this title, among others, by living up to our values.

Key Initiatives in 2003

To further strengthen our business, we will implement a series of new strategic initiatives during 2003:

- We will reorganize the Company along brand vs. ODM business with a regional overlay, dividing into two separate operations in order to sharpen our focus on different products, channels and customers for better resource allocation and higher operational efficiency.
- We will focus on L3, Gigabit Ethernet, 802.11g, IAD, network security, and SAN as key technology drivers of D-Link.
- We will streamline product offerings into six major categories, i.e. Switch, Wireless LAN, Broadband, NIC, Home, and others (including Security and SAN...etc.).

- We will focus on China, the world's largest addressable networking market with the highest growth potential, by leveraging our home court advantage.
- We will continue to cultivate the global SME market to bring more contract wins from regional governments, educational verticals, financial institutions, and service providers.
- We will seek strategic alliance opportunities that can either complement or blend with our integration strategy, designing capability, product expertise, technology innovation, and manufacturing scales.
- We will prioritize improvement of earnings from all business units and continue to exercise share buy-backs as deemed appropriate in order to maximize Return on Equity.

Through these initiatives, I firmly believe we will be able to sustain our growth in the years ahead, as we are better focused on customer needs, more flexible and efficient when conducting business, and free of redundant overheads and channel conflicts under the new structure.

A Word of Thanks

I would like to close with a few words to those people who enabled us to succeed despite the challenges we faced.

First of all, the management team is the most talented group of senior executives in the industry. I also want to thank our Board of Directors for their leadership and support to help D-Link transform into a brand new franchise. Last, but not the least, I want to thank the employees of D-Link Group worldwide, who not only contributed priceless time and effort with absolute dedication and profound industry knowledge, but also remained true believers in the Brand and the group's mission. I especially appreciated your support during the difficult days of 2002. I'm proud to be working with each one of you.



Ken Kao
Chairman and CEO, D-Link Group

D-Link... A Global Presence

D-Link is among a select few companies that are truly global. The Company has established a global presence through a strong network of business units in key markets throughout the world.

Since a D-Link business unit from within a country or region serves each market, it becomes easier to identify and choose technologies and feature sets that properly align with the needs of specific geographic areas.

Each business unit then works with various key product development groups to help define the future of the Company. As a result, D-Link can provide real solutions through in-market assessments, feature identification and supply. The saturation and expansion of worldwide markets by serving them from within allows D-Link to better serve each specific market according to its own needs.

Building a business network capable of serving the world's marketplace takes vast amounts of capital, hard work and time. D-Link began to transform itself into a global enterprise in the late 1980's. For more than 16 years, we have been developing business relationships and investing in a system that opens access to more than 100 countries through 86 offices worldwide.



In its November 25, 2002 issue, BusinessWeek published its "Top 100 Information Companies," where D-Link jumped the ranks to become the world's 84th ranked information technology company.

The tremendous growth in Asia and the Pacific Rim, a steady unified European market and a driven North American market continue to open up significant opportunities for connectivity solutions.

D-Link is already in place and staged to demonstrate market leadership through the delivery of cutting edge products that suit the specific needs of growing markets.



Connectivity is rapidly changing the world by providing access to the Internet, information, and devices like printers to empower individuals as well as corporations everyday.

Global Channel Growth

D-Link has demonstrated a strong ability to grow and flourish in any culture or economy. We have the production facilities, distribution systems, resources and people to develop networking and connectivity products on a worldwide scale.

For decades we worked to build a global network of strong channel partners. We have reached out and extended into virtually every market.

We are striving to ensure that each of our channel partners has both a commitment to serving its customers and the in-country market impact with financial resources to fulfill that commitment.

China continues to emerge as the largest potential market for networking.

Asia, Australia and Pacific Rim

And our customers are changing. Around the world, they are growing larger, consolidating and crossing national borders with increasing frequency, particularly within the fast-growing Asian region. Growth for our customers means growth for us.

We strengthened our business position in the huge emerging markets of China and other Asian countries. As China continued to grow and compete in the data communications and enterprise market segments, Japan and Australia made major inroads to Broadband deployment of Customer Premises Equipment (CPE) and wireless technology.

China, a place we call home, continued to grow at leaps and bounds. As the fastest growing market, the D-Link China business unit significantly increased sales and marketing strategies and extended relationships deep into the infrastructure.

In China, the Company also restructured the manufacturing plants, expanded production capability and increased engineering personnel.

With D-Link business units in each of the major markets, we are steady and showing solid, successful growth during these challenging times. While others extol the promise and potential of expansion to the global marketplace, we are already reaping its rewards.



Successful Growth Worldwide



D-Link successfully expanded its retail channels and launched exciting new Internet connectivity products that are well suited for the emerging Broadband market segment.



D-Link North America

With the combination of successful product research, product marketing, product development, and choosing the right emerging technologies and products at the right time, the North America region significantly impacted the Company, grew revenues and delivered the standard for D-Link worldwide.

The US business unit contributed significant development and coordinated efforts with corresponding D-Link worldwide production facilities and global business units to provide leadership in the introduction of the next generation of Wireless Local Area Networking (WLAN) technology. As the technology became available, the US business units created a global impact with extensive product launches and the opening of new market areas.

The US business units also unveiled significant design and development strategies for the digital home with digital electronic and voice and data communications devices.



Selling on-line through the Internet or "e-tailing" has become a very popular extension of the channel in North America.

D-Link US doubled its wireless networking revenue with over 100% gain, while expanding in every meaningful product and channel segment area in 2002. Canada made significant inroads to Customer Premises Equipment market segments expanding D-Link's wireless and broadband technology to customers throughout the country.

By creating a need for High-speed connectivity, the Internet continues to be the most significant driving factor for growth opportunities for D-link North America. Broadband access and availability to SMB and SOHO drives initial connectivity. Higher performance, compatibility and greater range inspire upgrades and consumer decision making. Long term growth will be driven by the combination of Broadband Internet access and networked entertainment applications and devices.

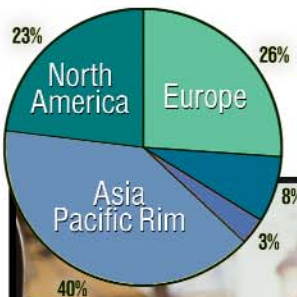
D-Link European Market

D-Link Europe Ltd. operates in 17 European countries and together make up the European region of D-Link business units. In 2002, the European region successfully threaded new consumer-based products to their established retail and e-tail channels, while delivering advanced high-end gear and equipment through their deeply entrenched, well established distribution and reseller channels.

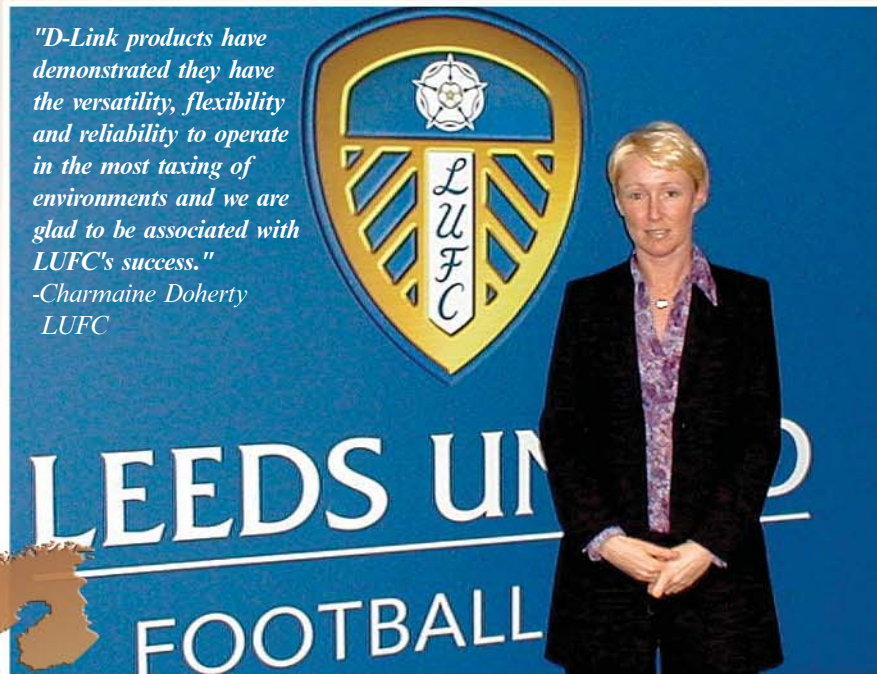
In Europe, strategically targeting standard-based emerging Internet connectivity growth market segments for both business-to-business, business-to-consumer and mass markets, has allowed the European business units to leverage a stratification strategy for D-Link products right where the need exists, thereby providing a relationship-based solutions approach to the European region.

Europe is currently the second largest market segment for DSL Broadband

Worldwide Broadband Lines at Q4 2002 (DSL) source: Point Topic



In Europe today, mobile networking is rapidly changing the wireless connectivity market segment from an emerging technology to the mainstream



D-Link Europe Building Networking Solutions and Infrastructure for Sports Team

D-Link UK business unit provided a fully integrated high performance infrastructure for a professional football team. Leeds United Football Club (LUFC) is a prominent club in the English football Premiership, which has enjoyed significant success both in England and Europe over recent years whilst playing to record crowds. But as with any club, record sales and an ever-expanding range of services and corporate offerings have put extra demand on the supporting infrastructure of LUFC's IT framework. D-Link to the rescue.

Charmaine Doherty, IT Manager of Leeds United Football Club, worked with D-Link to plan and implement an IT Strategy for voice, data, and computing requirements at LUFC.

"Now D-Link solutions form the fundamental backbone to our information technology infrastructure and manage not only the sheer volume of traffic, but also the wide variance of traffic load," said Doherty. "The performance of the D-Link products, particularly their robustness and reliability have been crucial to our business success. The network is now stable and easy to use and support."

D-Link Empowers Mobile Users

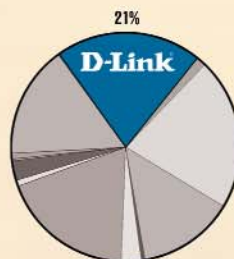
Wireless Networking

D-Link wireless networking untethers computing and empowers mobile users. The Company offers a full range of standard-based wireless solutions that deliver award-winning performance and quality that meet the needs of consumers, Small Office Home Office (SOHO), Small to Medium Business (SMB), and Enterprise businesses.

The wireless networking movement is changing the way users compute. D-Link products contribute to the cause and can be easily installed in a notebook or workstation computer to deliver the standards-based wireless network capability necessary to connect users in their home or small office enabling them to share a Broadband connection, such as a cable or Digital Subscriber Line (DSL) modem.

D-Link allows users to wirelessly share a Broadband resource by connecting to an access point or base station. Users can access the Internet from a computer at their desk, in the backyard, TV room, or anywhere within their office or house. Wireless networking provides mobility and freedom from wires,

while giving users a high-speed connection to wireless 802.11/Wi-Fi networks in airports, cafes and at work.



D-Link Captures the Fastest Growing Market share in Worldwide Consumer Home Wireless Networking

SOHO/Home WLAN Market Shares Q4 2002

source: Synergy Research Group, Inc.

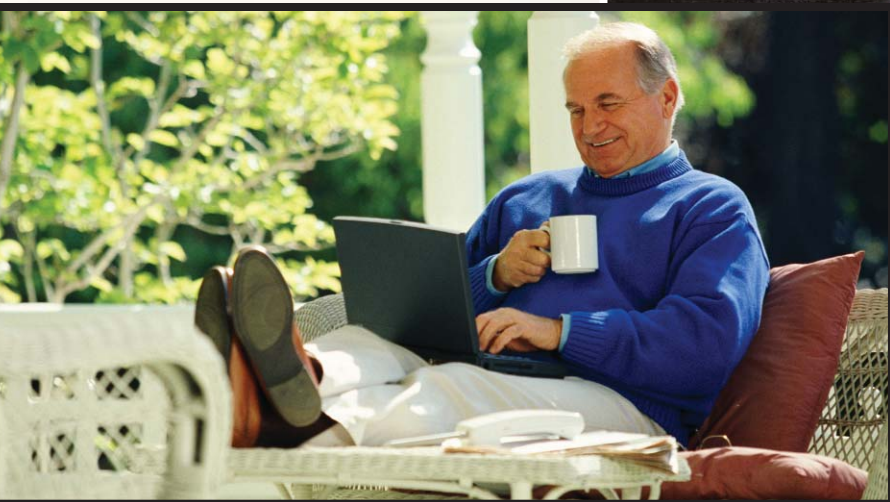
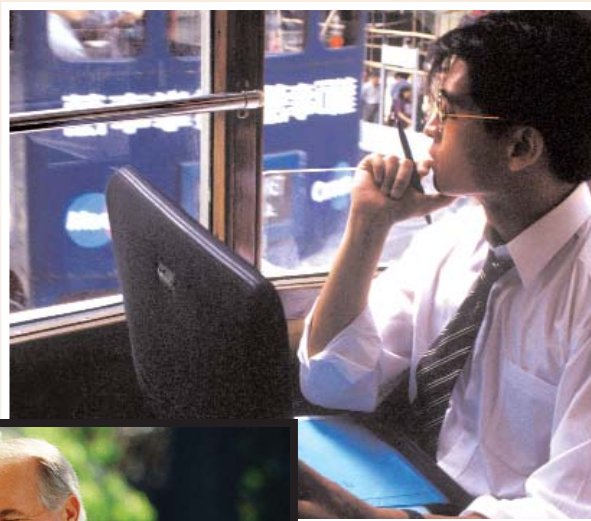
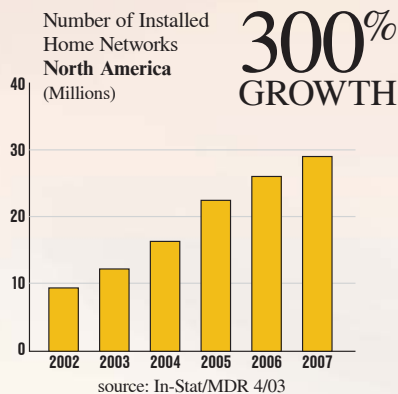
At home, users can play games from multiple computers or game consoles on the Internet and/or within one's own network.

In 2002, D-Link launched a series of high-performance wireless networks with our D-Link *AirPlus*, pre-draft standard *AirPlus Xtreme G*, *AirPro* and *AirPremier* lines of Wireless Local Area Networking products.

Together these wireless networking products represent a major force in the industry, covering virtually all types and styles of

business and consumer solutions offered today.

Our latest development is the D-Link *AirPlus Xtreme G* line of pre-draft standard 802.11g series of products.



According to In-Stat, the wireless market will grow from \$1.8 billion in 2002 to \$5.3 billion in 2007. North America, led by the US, will continue to lead in overall home networks through 2007. The total number of installed home networks will grow from 9.2 million in both US and Canada in 2002 to over 28 million by the end of 2007, said Mike Wolfe of In-Stat Research.

D-Link's *AirPlus Xtreme G* products provide 54Megabits per second bandwidth in the 2.4GHz frequency environment, making the D-Link wireless solution faster, fully scalable, and more flexible than ever before. It delivers an industry leading combination of speed and range. The D-Link *AirPlus Xtreme G* product line includes the D-Link *AirPlus Xtreme G* DI-624 Wireless Router with 4-Port Switch and the *AirPlus Xtreme G* DWL-G650 Wireless CardBus Adapter.



Wireless Cafe, Untethered Connectivity and A Cup of Java

In February of 2002, D-Link connectivity solutions powered "Wired for Coffee" - the popular cyber café - Orange

County, California's first free wired and wireless Internet access hotspot. "Hotspots" are Internet access areas that deploy wireless technology known as 802.11 or Wi-Fi and are becoming popular in public places such as coffee shops, airports and hotels.



The emergence of the Internet in daily life and its ability to deliver a wide range of services, entertainment, information and e-mail for business and home users have created a need for faster and easier access.

"With an ideal location right in the midst of Orange County's technology powerhouses, Wired for Coffee caters to high tech cyber surfers," said Henry Golden, owner, Wired For Coffee. "D-Link deliver awesome Internet connectivity, enabling us to offer a special Net cafe atmosphere that allows our customers a chance to take a break while exploring a complete range of connectivity options."



Customers become frequent visitors to coffee houses offering free wireless Internet access

Shaping the Future of Connectivity...

The Company is a leader in the quality and innovation of networking and communications technology. D-Link continues to fund the Research and Development of a wide range of connectivity solutions, creating new technologies while improving upon existing ones.

D-Link Product Development is built upon a fundamental core competency founded in the concepts of communications. A strong background is coupled with its expertise in Ethernet-based technology enabling the Company to continually expand its scope and develop the latest in cutting-edge Broadband, Gigabit, Multimedia, IP Telephony and Wireless communications solutions in both voice and data.

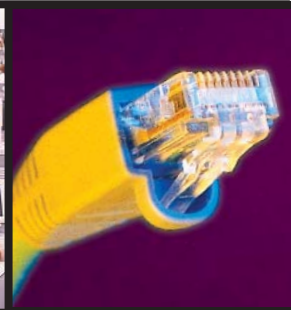
Ethernet is the heart of D-Link's core competency. Its sophisticated, efficient packet structure along with its high-bandwidth linking rules and methods are used as the interface for most standard connectivity and communications equipment. Ethernet's powerful scalability and flexibility combined with the ever-growing popularity of the Internet and the end user's need



D-Link Ethernet technical excellence is recognized by industry experts for delivering high-performance, reliability, and quality. D-Link products are the brand of choice for Network connectivity

for faster performance has placed D-Link in a dominant market position. The Company has engineered a connectivity initiative to expand its existing Ethernet core competency and to leverage its design to data and voice communications.

During the year, D-Link has launched groundbreaking communication technologies such as the D-Link *AirPlus* series of Wireless networking products, Gigabit switches and adapters, Broadband routers, Cable and Digital Subscriber Line (DSL) modems, Home Phoneline Network Alliance (PNA) and Internet Protocol (IP) Telephony gateways and telephone solutions, all of which have a foundation in Ethernet. In addition, the Company has introduced a full line of multimedia digital electronic products.



Wired Ethernet has proven to be the most efficient, powerful and cost effective solution for connecting small to medium business, education, government and large enterprise networks.

As one of the leading manufacturers of networking and communications technology, D-Link enterprise connectivity solutions, like rackmount switches, deliver advanced infrastructure with a great value proposition for IT-based decision makers.



Future Proof your House



with D-Link

D-Link gives you awesome network performance today and excellent flexibility tomorrow

Choosing to build your network right from the start is smart. It's important to plan for the future, and D-Link gives you the best connectivity solution available today.

After you've chosen D-Link, you can be sure you've chosen the best connectivity solution for your home or office.

That's because D-Link Ethernet switches are actively compatible with today's standard ports of choice, so you can be sure both right in — and it's ready for the future.

Planning ahead to use with D-Link networking. Call your local D-Link distributor today.

D-Link
Building Networks for People
www.dlink.com

D-Link Ethernet networking products are deployed in a wide range of connectivity solutions. Home builders can completely wire housing projects during the construction phase to provide scalable, high performance access for new home owners and future proof their investment.



D-Link offers an array of Broadband solutions by integrating combinations of connectivity features with our routers that include switch ports, access points and digital modems to give users a completely integrated access device.

Broadband

Broadband provides high-speed access to the Internet. D-Link offers a wide range of Broadband products for both cable-based and Telephony-based solutions.

D-Link cable modem products receive and transmit a shared high-speed connection which leverages the cable TV lines, and

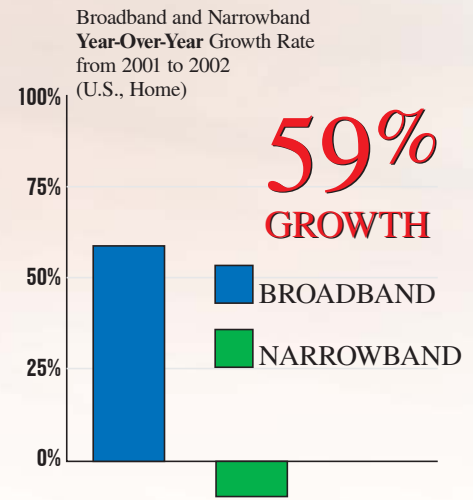
is available primarily in residential areas. D-Link Cable modems provide speeds up to 38Mbps downstream, 10Mbps upstream - though this will vary depending on the number of people in the area using the cable network. Cable-based users have “shared” connections that inherently makes it less secure, easily remedied by adding a D-Link gateway/router or D-Link firewall to their connection to protect personal data from intruders and stop attackers in their tracks.

IP Telephony

The D-Link Voice over Internet Protocol (VoIP) -Based phone handsets and residential gateways integrate voice and data communications on IP-based networks. The new line of products are a robust, inexpensive Voice Services solution that simplifies Small to Medium Business and Enterprise networks alike, greatly reducing phone toll costs and lowering overall network overhead costs.

D-Link Digital Subscriber Line (DSL) products provide high-speed Internet access over ordinary copper telephone lines. Though DSL uses an existing phone line wiring, it doesn't tie it up - the Internet can be accessed while using the same line for voice communications and/or faxing.

D-Link IP Phone handsets look and perform as standard telephones while transmitting information over the IP network. D-Link residential gateways connect standard telephone handsets to the IP network through multiple ports.



source: Nielsen/NetRatings 12/02



China Telecom needed a powerful backbone platform that would make an immediate impact and provide the flexibility and scalability needed to respond quickly and cost-effectively to changing business needs.

After evaluating proposals from other suppliers, China Telecom decided to rebuild its communication infrastructure using D-Link networking technology and Gigabit Ethernet switches provided by a local D-Link Business Unit.

Mr. Wangjinpeng, Manager of Business Customer Division, China Telecom, is impressed with network performance to date: "The D-Link infrastructure has more than lived up to our performance expectations."



Delivering the Next Generation of Security for Business and the Digital Home

The Internet and Broadband access have opened up a new frontier in the world of computing. True technology convergence combining digital and analog technology is now possible at economic levels which allow D-Link to deliver real and practical products like remote camera security devices, and video conferencing and IP videophones for business and consumers.

D-Link has embraced the emerging convergence of these technologies and introduced a series of next generation digital data and video processing products that provide a range of security and communications solutions.

D-Link Internet Cameras

In 2002, D-Link launched updated Ethernet Internet Cameras that drove advanced second-generation technology in a security camera based on the 2001 D-Link DCS-1000W.

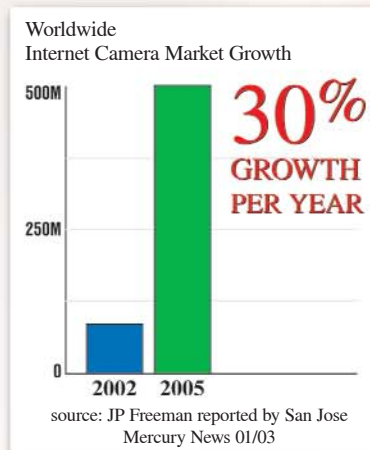
The D-Link DCS-2000 is a standalone or network-enabled camera with VGA resolution at 30 frames per second (fps). D-Link's new web-based network camera is a powerful network camera that allows both business and home users to easily add a professional grade surveillance system at a very affordable price.

With the ability to stream video to virtually any PC in the world, users can keep an eye on their property from anywhere at anytime by simply accessing the camera from a web browser, in the same manner as accessing a web site.

The D-Link DCS-2000 provides digital video streams over standard Ethernet cabling, through its single standard Ethernet RJ-45 port. Users can view these video streams through any Java enabled web browser, such as Microsoft



In 2003, D-Link launched updated Ethernet Internet Cameras that drive advanced second generation technology in a security camera, which is based on 2001's D-Link DCS-1000W - "the Best of CES" 2002 finalist.



The Internet provides the access, D-Link next generation technology advancements deliver the capability, and the D-Link breakthrough affordable price points give consumers the chance for greater security and protection.

Internet Explorer® or Netscape Navigator®. The Network camera has a robust yet simple-to-use web-based interface that can show up to 16 cameras at once.

The new DCS-2000 builds upon the award-winning D-Link DCS-1000W camera adding more features, including the ability to stream audio as well as video anywhere over the Internet with a built-in microphone. With integrated motion detection sensors, the DCS-2000 is an excellent surveillance device that delivers streamed images from homes, day care centers, businesses or anywhere else surveillance is needed to standard web browsers.

Get Face Time Anytime

with i2eye VideoPhone



Video Conferencing

The i2eye Broadband TV Videophone has changed the landscape of the digital home and small to medium business, thrusting the consumer and the technology into a Jetson-age future.

In the year 2002, D-Link further advanced connectivity technology with the introduction of the next-generation of video conferencing devices with the i2eye Broadband Videophone, raising the bar on a rapidly growing industry and setting new standards of excellence, performance and price point affordability.



The new D-Link i2eye Broadband Videophone is an affordable Videophone for small to medium business video conferencing, streaming local and long distance video calls to the TV.

The D-Link i2eye DVC-1000 Broadband Videophone provides users with the ability to "videospeak" or video conference with family, friends and business associates locally and long distance over any Broadband con-

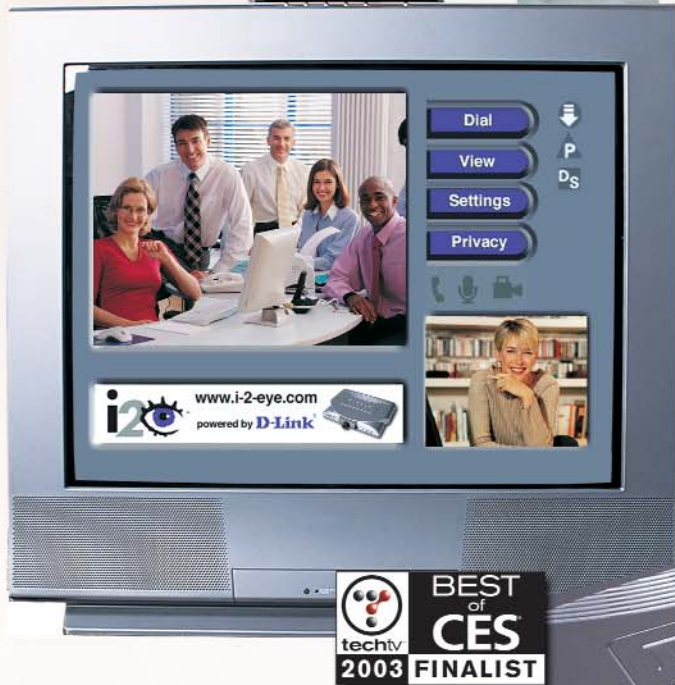
*Innovative Product of the Year
from the American Electronics
Association*



"The i2eye is an easy-to-use videoconferencing appliance at a very affordable price."

-Craig Ellison, PC Magazine 

nection. It delivers sound and images directly to the television screen with comparable quality and features to videophones used by large corporations costing thousands of dollars. The D-Link i2eye Broadband Videophone is easy to use and affordable for individuals and small businesses.

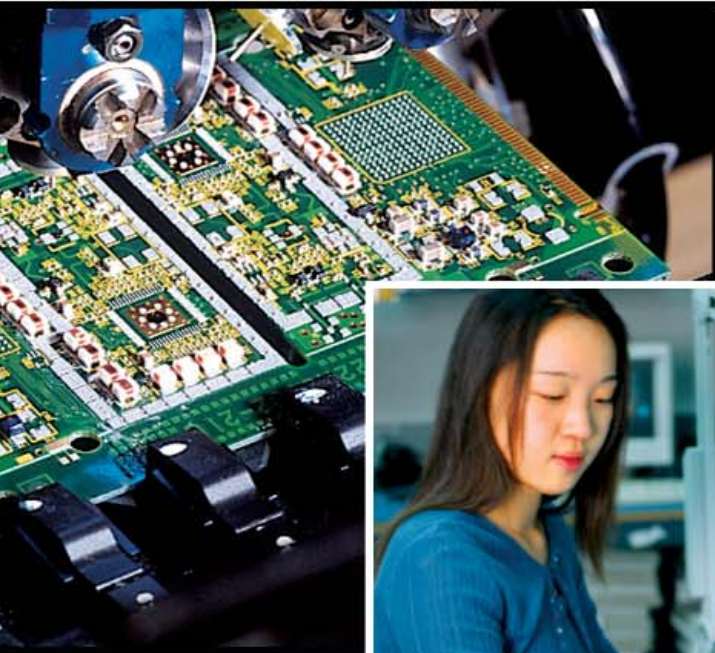


Working with key development partners, D-Link USA spearheaded the design and delivered the industry's first affordable Videophone.

Out of 10,000 entries, D-Link i2eye Videophone technology earned a "Best of CES Finalist" choice from the Consumer Electronics Show judges. CES is the leading industry showcase for consumer technology.

Quality Processes Make Great Products

D-Link continues to be a global dominant force in the design, development and manufacturing of technology. A total commitment to quality, combined with the knowledge, skill, imagination and the right equipment is D-Link's formula for success and a requirement for the art of delivering product excellence.



World-class precision manufacturing processes and excellent quality control ensure superior products for consumers.

ISO 9001, 9002, ISO 14001 Certifications and National Technical Excellence awards for Research and Development (R&D), efficient process engineering and world-class manufacturing are the driving elements that allow D-Link to deliver superior product excellence, quality, reliability, compatibility, and high-performance within standards.

Teams of engineers are assigned to product technology areas and work to shape feature innovations within industry stan-

dard-based technologies, which helps drive the evolution of the technology.



D-Link is one of the most trusted brand names in the world, continually winning awards for manufacturing excellence such as Taiwan's "Symbol of Excellence Winner" award, an award D-Link has won every year since its inception.

Each year, profits are earmarked to improve capabilities in creating products. D-Link has continually reinvested profits back into the key areas of the company such as sophisticated test equipment. This investment fundamentally increases the core equity and future capability of the company. The Company's commitment to manufacturing allows D-Link to control the quality, reliability and compatibility of the products.

Quality People Make Quality Products

A highly skilled and knowledgeable workforce create the key differentiator for the Company. D-Link people are the difference. From our industry recognized design engineers through test technicians, process engineers and production associates, D-Link people provide quality across the board.

As the 3,200 D-Link people that innovate, create solutions and deliver the finest networking and communications gear in the industry, we take on the initiative individually to contribute to one solution: Quality.

D-Link is the first network equipment manufacturer in Taiwan to earn the International Standards Organizations' (ISO) certification for quality assurance in design/development, production, installation and servicing.



Manufacturing Excellence

D-Link is one of the most trusted brand names in the World, continually winning awards for excellence.

D-Link is an engineering-driven company with a strong commitment to design, development and manufacturing. From inception, one of the fundamental strategic touchstones in the Company has been a total commitment toward making high-quality technology products and achieving manufacturing excellence.



D-Link has increased its world-class production capacity to more than 1,000,000 square feet of manufacturing space with facilities in Taiwan, China, and India.



D-Link invests time and money on process engineering as an extension of research and development. Excellence in the process or the “how” the Company makes products combined with increased efficiency from advanced tools and machinery strongly contributes in manufacturing and assures quality results.

D-Link’s high quality products are recognized by industry experts and influencers, continually winning awards for product excellence. Sizable orders for Original Equipment Manufacturing (OEM) and Original Design Manufacturing (ODM) underscores the industry recognition for the high quality of a D-Link product.

With advanced research, design and development facilities in four countries - United States, Taiwan, China and India - D-Link produces its award-winning products in its ten worldwide plants.

The Company has increased its world-class production capacity to more than 1,000,000 square feet of manufacturing space in ten state of the art facilities.

With ISO certifications and technical excellence awards for production and manufacturing, D-Link continues to be the leading networking manufacturer worldwide.

Employing sophisticated Surface Mount Technology (SMT) provides an important advantage to D-Link and its OEM/ODM customers. The production efficiency and resulting quality is virtually certain. These advanced processes also allow D-Link



The D-Link Corporate Headquarters are in the Science-based

Industrial Park in Hsin-chu, Taiwan. The facility is an extremely efficient manufacturing plant with seven Surface Mount Technology (SMT) lines, four through-hole (manual insertion) lines, six final assembly lines and an automated warehouse system, running multiple shifts per day.

to deliver higher volume of products more quickly than other competing high-tech manufacturers.

D-Link has established an unsurpassed comprehensive Quality Assurance Center to monitor and control product quality in strict adherence with international standards.

D-LINK



A Global Presence

D-Link has established significant global multi-layered in-country business units in a wide range of geographically diverse markets. The Company has opened more overseas subsidiaries, branch offices and warehousing facilities to increase the level of local support. With a well-established global distribution network, 86 offices in 36 countries, D-Link is currently doing business in more than 100 countries.

ink®



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