

Exhibit E

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IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

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IN RE: TFT-LCD (FLAT PANEL))
ANTITRUST LITIGATION,)

THIS DOCUMENT RELATES TO:)
ALL ACTIONS)

Case No.
M-07-1827-SI

VOLUME I

HIGHLY CONFIDENTIAL TRANSCRIPT

ATTORNEYS' EYES ONLY

VIDEOTAPED DEPOSITION OF PAUL PENG

TUESDAY, JULY 17, 2012

REPORTER: BALINDA DUNLAP, CSR 10710, RPR, CRR, RMR

1 Q. Turn one page earlier to 194. Under the
2 heading "Financial Risks Relating to Financial
3 Instruments," the last sentence of Part 2 says:

4 "In 2009, 2010 and 2011, the company's
02:47 5 five largest customers accounted for
6 37.3, 39.02 and 36.03 percentage
7 respectively of the consolidated net
8 sales."

9 Do you see that?

02:47 10 A. Yes.

11 Q. Do you know any of the companies that make
12 up those five largest customers in any of those
13 years?

14 A. I know Samsung Electronics was one of
02:48 15 them. As to the others in the list, I am not sure.

16 Q. Do you think Dell would be in that group?

17 A. I am not really sure because Dell did
18 not -- does not purchase our TV panels. However,
19 TV is our highest sales and highest revenue
02:49 20 products.

21 Q. When did that start, that TV panels became
22 the highest sales?

23 A. It was in 2008 or 2009.

24 Q. Turn back a few more pages to 159. And am
02:49 25 I reading Note 4 correctly, that as of December

1 31st, 2011, AUO had just over \$3 billion in cash
2 and cash equivalents?

3 A. Yes, this is a consolidated report.

4 Q. Is it your understanding that AUO and AUOA
02:50 5 are going to be sentenced in the U.S. criminal case
6 and may be ordered to pay a fine for violating U.S.
7 criminal laws?

8 A. Yes.

9 Q. Does AUO have some sort of reserve account
02:51 10 set aside for that fund?

11 MR. RUSSONIELLO: Don't answer the
12 question if it involves discussions with attorneys
13 concerning strategies or the defense of the case.

14 THE WITNESS: We have followed the CPA or
02:52 15 accountant's instruction pursuant to U.S. listing
16 and Taiwan listing companies' rules or regulations.
17 We got in this kind of cases what's been required,
18 what kind of reserve. We have followed the
19 accountant's instructions to set aside reserves.

02:53 20 Q. BY MR. GANSKE: Do you know how much that
21 reserve you set aside is?

22 A. I'm not sure about the figure.

23 Q. Excluding conversations with lawyers, have
24 you had any meetings with others at AUO to talk
02:53 25 about how big the fine is going to be?

1 MR. RUSSONIELLO: Again, he's given you an
2 admonition, but limit yourself to discussions that
3 you've had with persons where lawyers were not
4 present as part of those discussions.

02:54 5 THE WITNESS: Our discussions were all
6 related to the discussions with the attorneys.
7 That is our company attorney or attorneys have
8 advised the possible highest amount for the fine.

9 Q. BY MR. GANSKE: Have you had discussions,
02:55 10 except for attorneys, where you've talked about
11 what happens if the fine is more than the reserve
12 you put aside?

13 MR. RUSSONIELLO: Again, if these
14 discussions involved the attorneys participating,
02:56 15 limit any answer to the non-attorney portion of the
16 discussions, if there were any.

17 THE WITNESS: I had discussions with our
18 CFO regarding our cash flow. We did a simulation
19 as to if there's indeed a fine, how we should
02:57 20 manage our cash flow so that it would not affect
21 our company's operation.

22 Q. BY MR. GANSKE: Can you tell me what
23 number you used in your simulation?

24 MR. RUSSONIELLO: If the number you used
02:57 25 in your simulation is the result of your

1 discussions with attorneys, limit your answer to
2 any calculations that were outside discussions with
3 the attorneys.

02:58 4 THE WITNESS: I apologize, but I am unable
5 to provide an exact number.

6 Q. BY MR. GANSKE: Is that because you're not
7 telling me because the instruction of your counsel
8 and it's privileged, or do you just not know the
9 exact number?

02:58 10 A. We've had a few different -- we've had
11 simulations based on several scenarios. However,
12 these numbers are confidential internal numbers.

13 Q. Did you conclude, after running the
14 simulation with the CFO, that AUO will be able to
02:59 15 pay any fine without impacting its operations?

16 MR. RUSSONIELLO: Objection; calls for
17 speculation, and it encroaches on an area of the
18 SEC privacy and confidentiality that requires them
19 to maintain privacy until there's been some public
03:00 20 disclosure to shareholders at a meeting, which
21 happens sometime this month or next month.

22 THE WITNESS: Right. July 25th we would
23 have a presentation to the investors. At that
24 time, we would announce the Q2 financial status.
03:01 25 In addition to our revenues and our profits, we

1 would also reveal our cash flow at the end of -- as
2 of the end of Q2. So right now it's our silent
3 period.

03:02 4 Q. BY MR. GANSKE: And you intend to say at
5 this time on July 25th something about your
6 analysis of the possible criminal fine in the U.S.?

7 A. Unless there would have been a firm result
8 by July 25th, otherwise usually at that kind of
9 meeting we would only tell our investors that the
03:03 10 case is ongoing and there are areas that we are not
11 certain of. We would not reveal the amount of the
12 fine.

13 Q. Is the meeting on the 25th something that
14 is public?

03:04 15 A. Yes.

16 Q. There will be some sort of press release
17 or document summarizing it that AUO will make
18 public?

19 A. Yes. This happens every quarter. This
03:04 20 happens once every quarter.

21 MR. GANSKE: I'd like to take a little
22 break. I may be finished.

23 THE VIDEOGRAPHER: Going off the record.
24 The time is 3:04 p.m.

03:06 25 (Whereupon a recess was taken.)