Acer 3Q13 Results Summary

Nov 5 2013

Legal Disclaimer

- The information is provided for informational purposes only, and is not an offer to buy or sell or a solicitation of an offer to buy or sell any security issued by Acer or other parties.
- Acer's statements that are not historical facts are forward-looking statements that indicate actions or results of actions that may occur in the future, based on current available information and underlying assumptions.
- Acer does not warrant their accuracy, reliability and completeness. There are a number of factors such as economic conditions, firms abilities, industry environment that could cause actual results and developments to differ materially from those expressed or implied by forward looking statements. Investors should not place undue reliance on them.

Consolidated Income Statement (QoQ Comparison)

(IFRS-comparison base)

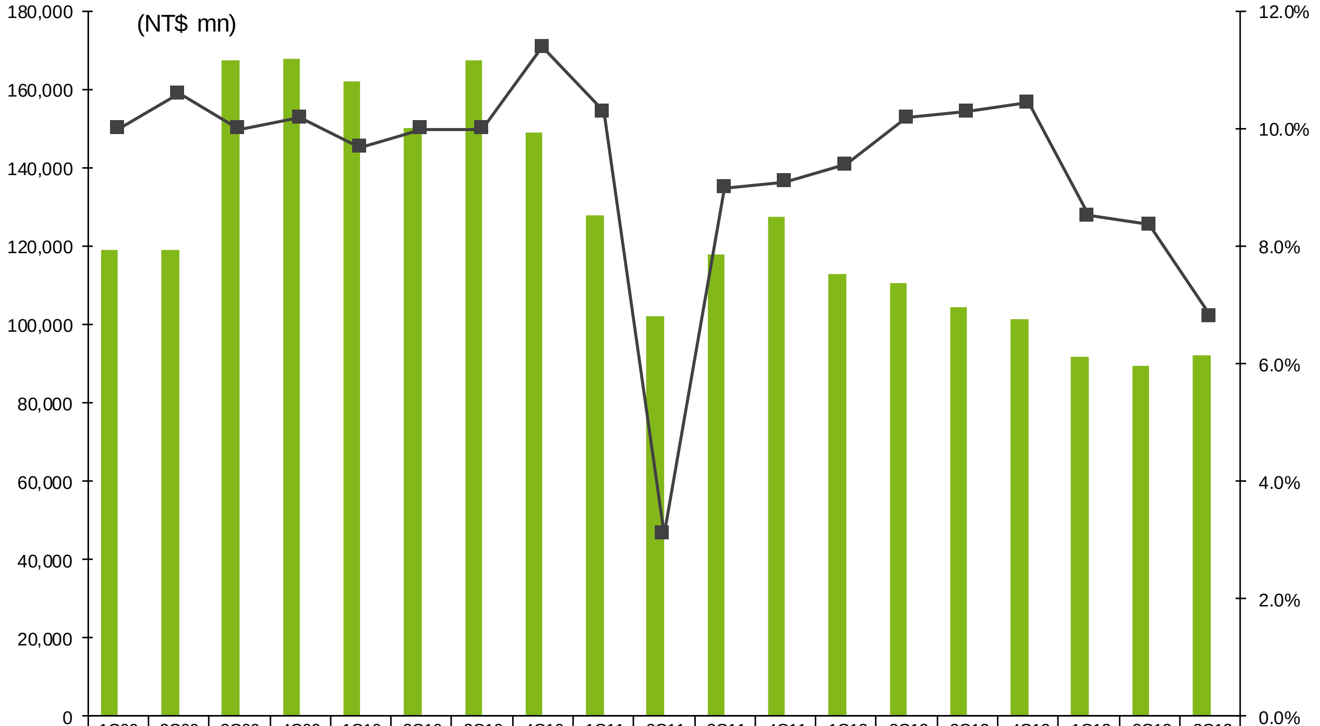
(NT$ mn)	3Q13		2Q13		QoQ Change
Revenue	**92,146**	**100.0%**	**89,378**	**100.0%**	**3.1%**
Gross Profit (IFRS)	**6,273**	**6.8%**	**7,478**	**8.4%**	**-16.1%**
Gross Profit (ROC GAAP)	8,111	8.8%	8,630	9.7%	-6.0%
Operating Expenses	8,889	9.6%	8,132	9.1%	9.3%
Operating Income	**(2,570)**	**-2.8%**	**(613)**	**-0.7%**	**N.A.**
Non-Operating Income	(10,056)	-10.9%	80	0.1%	N.A.
PBT	**(12,625)**	**-13.7%**	**(533)**	**-0.6%**	**N.A.**
PAT	**(13,120)**	**-14.2%**	**(343)**	**-0.4%**	**N.A.**
EPS (NT$)	**(4.82)**		**(0.13)**		**N.A.**

Consolidated Income Statement (YoY Comparison)

(IFRS-comparison base)

(NT$ mn)	3Q13		3Q12		YoY Change
Revenue	**92,146**	**100.0%**	**104,450**	**100.0%**	**-11.8%**
Gross Profit (IFRS)	**6,273**	**6.8%**	**8,628**	**8.3%**	**-27.3%**
Gross Profit (ROC GAAP)	8,111	8.8%	10,751	10.3%	-24.6%
Operating Expenses	8,889	9.6%	8,322	8.0%	6.8%
Operating Income	**(2,570)**	**-2.8%**	**343**	**0.3%**	**N.A.**
Non-Operating Income	(10,056)	-10.9%	(109)	-0.1%	N.A.
PBT	**(12,625)**	**-13.7%**	**234**	**0.2%**	**N.A.**
PAT	**(13,120)**	**-14.2%**	**124**	**0.1%**	**N.A.**
EPS (NT$)	**(4.82)**		**0.05**		**N.A.**

Consolidated Revenue and GM Trend



	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13
Revenue (LHS)	119,086	119,083	167,617	168,197	162,130	150,262	167,552	149,114	127,799	102,091	117,891	127,562	113,039	110,545	104,408	101,519	91,973	89,378	92,146
Revenue Growth YoY	-7%	-5%	5%	25%	36%	26%	0%	-11%	-21%	-32%	-30%	-14%	-12%	8%	-11%	-20%	-19%	-19%	-12%
Gross Margin (RHS)	10.0%	10.6%	10.0%	10.2%	9.7%	10.0%	10.0%	11.4%	10.3%	3.1%	9.0%	9.1%	9.4%	10.2%	10.3%	10.5%	8.5%	8.4%	6.8%

Note: 2009-2012 ROC GAAP; 2013 onward IFRS

Consolidated Operating Income

	1Q09	2Q09	3Q09	4Q09	1Q10	2Q10	3Q10	4Q10	1Q11	2Q11	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13
Op. Income (LHS)	2,571	3,043	4,754	4,972	4,385	4,138	5,291	4,389	1,929	-7,087	-1,320	82	138	433	345	109	29	-613	-2,570
Op. Margin (RHS)	2.2%	2.6%	2.8%	3.0%	2.7%	2.8%	3.2%	2.9%	1.5%	-6.9%	-1.1%	0.1%	0.1%	0.4%	0.3%	0.1%	0.0%	-0.7%	-2.8%

Note: 2009-2012 ROC GAAP; 2013 onward IFRS

Consolidated Balance Sheet (QoQ Comparison)
(IFRS-comparison base)

(NT$ mn)	3Q13		2Q13	
Current Assets				
Cash and cash equivalents	33,949	17.5%	52,046	22.3%
Notes & Accounts receivable	64,802	33.4%	66,505	28.5%
Financial Assets-Current	494	0.3%	1,195	0.5%
Inventories	41,999	21.7%	50,111	21.5%
Other current assets	7,168	3.7%	6,751	2.9%
Total Current Assets	**148,412**	**76.6%**	**176,608**	**75.8%**
Long-term Investment	3,257	1.7%	3,256	1.4%
Property, plant and equipment, net	6,403	3.3%	6,478	2.8%
Intangible asset	28,759	14.8%	39,465	16.9%
Others	7,039	3.6%	7,309	3.1%
Total Assets	**193,870**	**100.0%**	**233,116**	**100.0%**
Short-term loan	65	0.0%	5,089	2.2%
Notes & Accounts payable	52,456	27.1%	69,631	29.9%
Other current liabilities	55,436	28.6%	57,196	24.5%
Total Current Liabilities	**107,957**	**55.7%**	**131,916**	**56.6%**
Total non-current liabilities	23,043	11.9%	24,468	10.5%
Total Liabilities	**131,000**	**67.6%**	**156,384**	**67.1%**
Total Shareholders' Equity	**62,870**	**32.4%**	**76,732**	**32.9%**

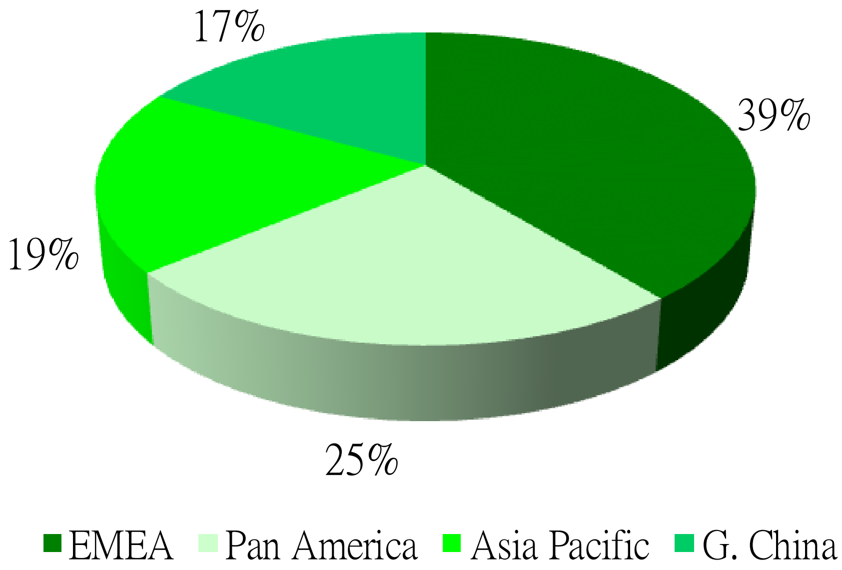
Consolidated Balance Sheet (YoY Comparison)

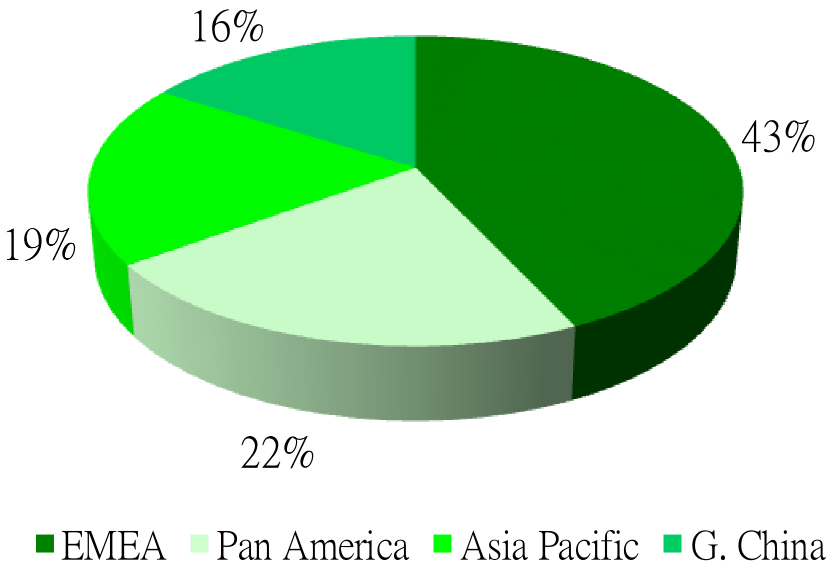
(IFRS-comparison base)

(NT$ mn)	3Q13		3Q12	
Current Assets				
Cash and cash equivalents	33,949	17.5%	33,554	14.4%
Notes & Accounts receivable	64,802	33.4%	81,906	35.1%
Financial Assets-Current	494	0.3%	180	0.1%
Inventories	41,999	21.7%	48,047	20.6%
Other current assets	7,168	3.7%	6,455	2.8%
Total Current Assets	**148,412**	**76.6%**	**170,142**	**73.0%**
Long-term Investment	3,257	1.7%	3,971	1.7%
Property, plant and equipment, net	6,403	3.3%	6,494	2.8%
Intangible asset	28,759	14.8%	43,169	18.5%
Others	7,039	3.6%	9,268	4.0%
Total Assets	**193,870**	**100.0%**	**233,044**	**100.0%**
Short-term loan	65	0.0%	4,987	2.1%
Notes & Accounts payable	52,456	27.1%	68,697	29.5%
Other current liabilities	55,436	28.6%	62,739	26.9%
Total Current Liabilities	**107,957**	**55.7%**	**136,423**	**58.5%**
Total non-current liabilities	23,043	11.9%	19,194	8.2%
Total Liabilities	**131,000**	**67.6%**	**155,616**	**66.8%**
Total Shareholders' Equity	**62,870**	**32.4%**	**77,428**	**33.2%**

IT Product Revenue Breakdown by Geography

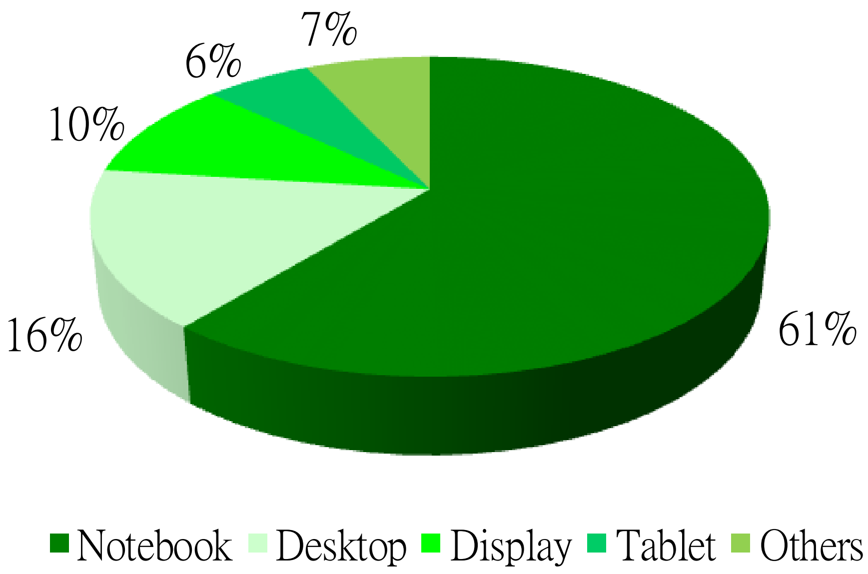
Q3, 2013 US$2,967M (NT$88,842M)	Q3, 2012 US$3,389M (NT$101,133M)

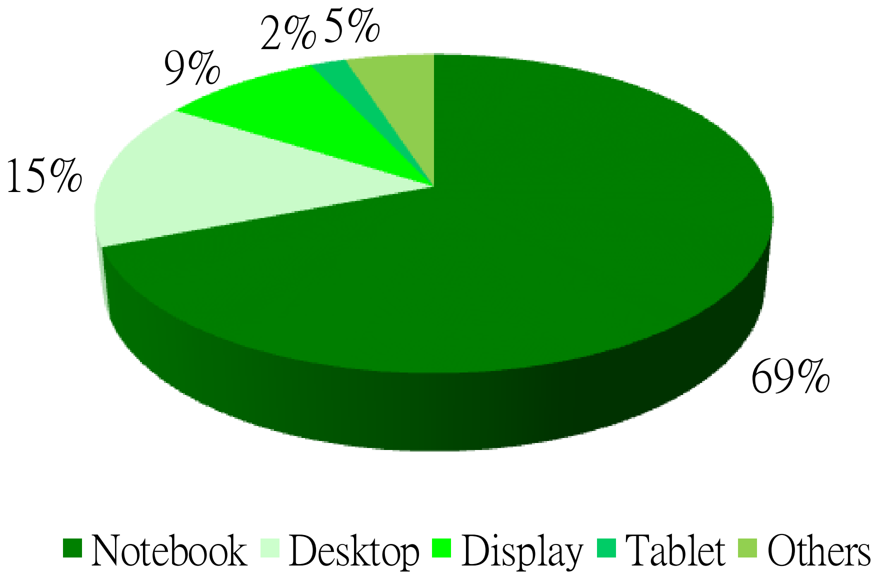




IT Product Revenue Breakdown

Q3, 2013 US$2,967M (NT$88,842M)	Q3, 2012 US$3,389M (NT$101,133M)





Thank you