

Inventec Corporation and Subsidiaries

2017 Fourth Quarter Investor Conference



自主創新
Rapid Innovation



綠能環保
Sustainable Energy



雲端應用
Cloud Solutions



移動生活
Mobile Lifestyle



新興市場
Emerging Markets

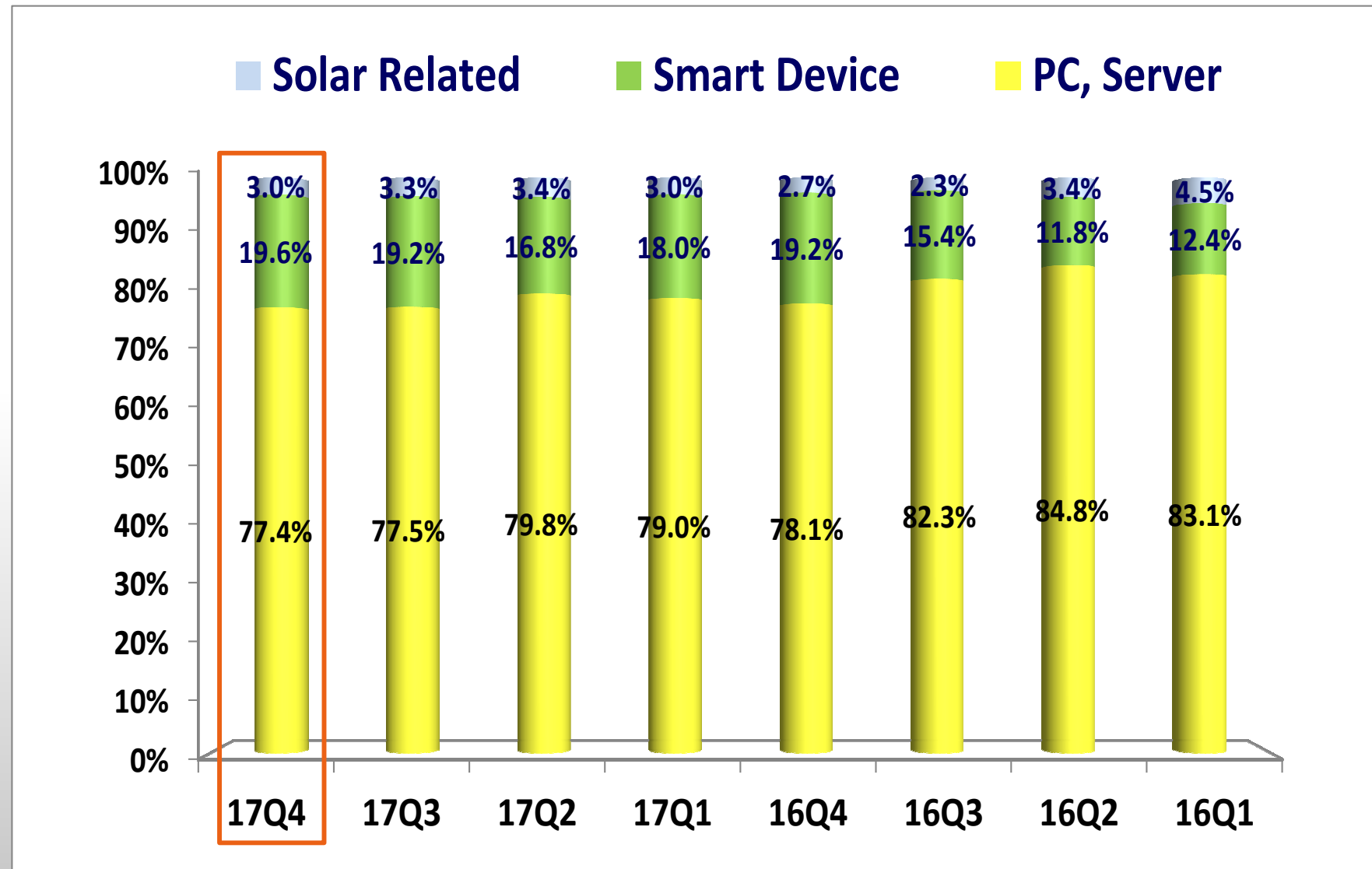
Consolidated Statements of Comprehensive Income

NT\$ Million	2017	2016	YoY %
Sales Revenue	467,512 100.0%	428,466 100.0%	9%
Gross Profit	25,039 5.4%	23,957 5.6%	5%
Operating Expense	16,309 3.5%	15,773 3.7%	3%
Operating Profit	8,730 1.9%	8,184 1.9%	7%
Non Operating Income and Expenses	(1,543) -0.4%	(1,094) -0.3%	41%
Profit Before Income Tax	7,186 1.5%	7,090 1.6%	1%
Profit for the Period	4,337 0.9%	4,971 1.1%	-13%
Total Comprehensive Income	3,677 0.8%	2,656 0.6%	38%
<u>Profit Attributable to</u>			
Owners of the Parent	6,755 1.4%	5,637 1.3%	
Non-Controlling Interest	(2,418) -0.5%	(666) -0.2%	
<u>Total Comprehensive Income</u>			
<u>Attributable to</u>			
Owners of the Parent	6,092 1.3%	3,334 0.8%	
Non-Controlling Interest	(2,415) -0.5%	(678) -0.2%	
EPS (NT\$)	1.88	1.57	

Consolidated Statements of Comprehensive Income

NT\$ Million	2017 Q4	2017 Q3	QoQ %	2016 Q4	YoY %
Sales Revenue	132,677 100.0%	123,960 100.0%	7%	113,118 100.0%	17%
Gross Profit	6,692 5.0%	6,786 5.5%	-1%	6,420 5.7%	4%
Operating Expense	4,261 3.2%	4,216 3.4%	1%	4,067 3.6%	5%
Operating Profit	2,431 1.8%	2,570 2.1%	-5%	2,353 2.1%	3%
Non Operating Income and Expenses	(1,699) -1.2%	692 0.5%	-346%	(91) -0.1%	1767%
Profit Before Income Tax	732 0.6%	3,262 2.6%	-78%	2,262 2.0%	-68%
Profit for the Period	46 0.0%	2,208 1.8%	-98%	1,626 1.4%	-97%
Total Comprehensive Income	(506) -0.4%	2,666 2.1%	-119%	1,328 1.2%	-138%
<u>Profit Attributable to</u>					
Owners of the Parent	1,825 1.3%	2,325 1.9%		1,778 1.5%	
Non-Controlling Interest	(1,779) -1.3%	(117) -0.1%		(152) -0.1%	
<u>Total Comprehensive Income</u>					
<u>Attributable to</u>					
Owners of the Parent	1,273 0.9%	2,781 2.2%		1,483 1.3%	
Non-Controlling Interest	(1,779) -1.3%	(115) -0.1%		(155) -0.1%	
EPS (NT\$)	0.51	0.65		0.49	

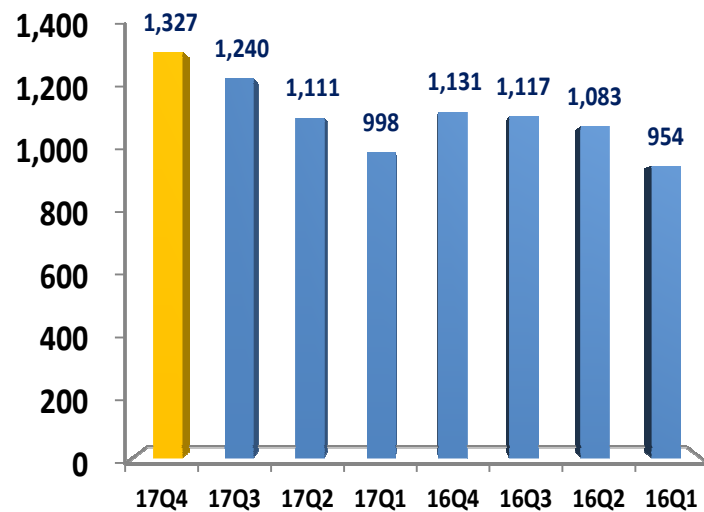
Consolidated Sales Revenue



Financial Trend Analysis

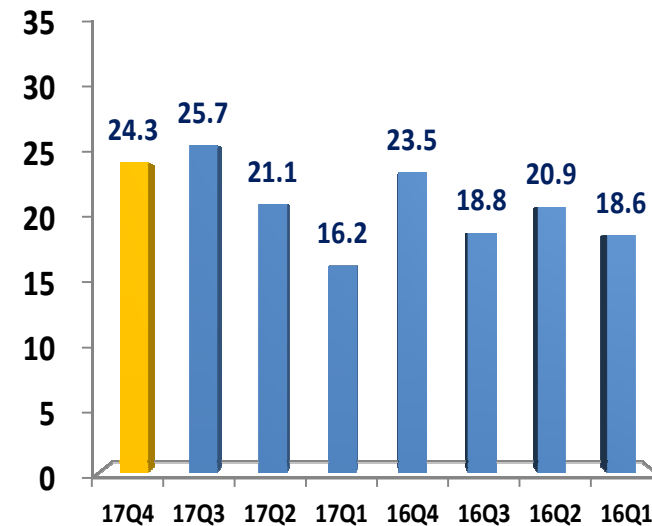
Sales Revenue

Unit: NT\$ one hundred million



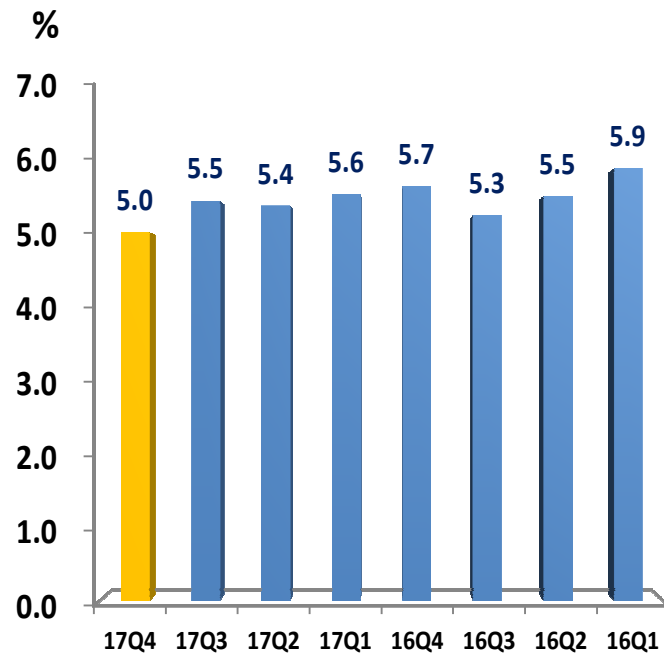
Operating Profit

Unit: NT\$ one hundred million

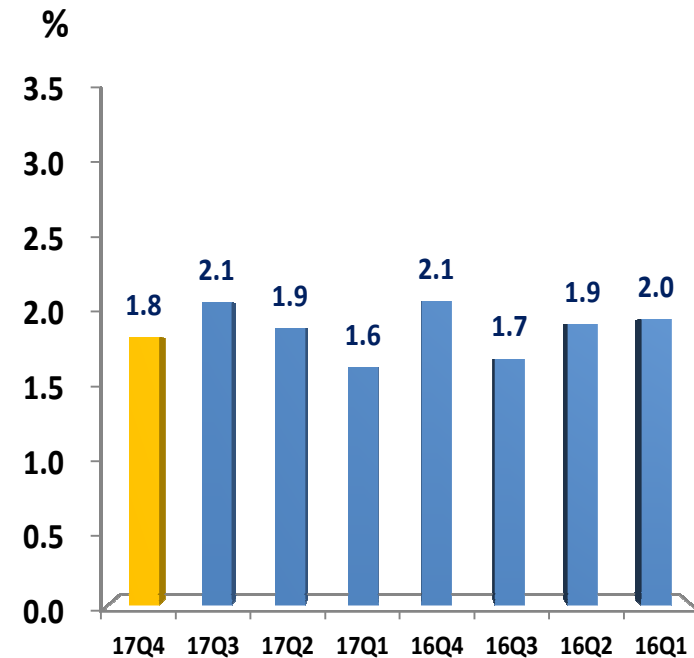


Financial Trend Analysis

Gross Profit Margin



Operating Profit Margin



Non-Operating Income and Expense

NT\$ Million	2017 Q4	2016 Q4	2017	2016
Other Income	427	164	1,493	939
Other Gain (Loss)	(1,440)	111	(1,057)	519
Foreign Exchange Gain (Loss) (Realized and Unrealized)	(109)	(147)	(572)	(1,927)
Finance Cost	(566)	(215)	(1,369)	(599)
Share of the Profit or Loss of Associates and JV Accounted for Using the Equity Method	(11)	(4)	(38)	(26)
Total Non-Operating Income and Expense	<u>(1,699)</u>	<u>(91)</u>	<u>(1,543)</u>	<u>(1,094)</u>

Consolidated Balance Sheets

NT\$ Million	2017/12/31	2016/12/31
Cash	26,949	25,973
Current Available-for-Sale Financial Assets	9,224	2,694
Accounts Receivable	78,598	71,270
Inventories	39,548	31,935
Other Current Assets	14,006	4,921
Non-Current Assets	40,443	45,580
Total Assets	208,768	182,373
Short-term borrowings	36,605	14,580
Accounts payable	73,214	69,033
Other Current Liabilities	33,011	31,470
Non-Current Liabilities	7,007	6,783
Total Liabilities	149,837	121,866
Total Equity	58,931	60,507

Financial Ratio Analysis

%	2017/12/31	2016/12/31
Current Ratio	117.8%	118.9%
Debt Ratio	71.8%	66.8%
%	2017	2016
ROA	2.8%	3.1%
ROE	7.3%	8.1%

Note1: $ROA = [\text{Net income (loss)} + \text{Interest expense} \times (1 - \text{Tax rate})] / \text{Average total assets}$

Note2: $ROE = \text{Net income (loss)} / \text{Average shareholders' equity}$

Shareholders' Meeting and Earning Distribution

- © 2018/03/26 Board of Directors approves 2018 Annual Shareholders' Meeting

Date of the shareholders' meeting : at 9:00 a.m., Thursday, June 14, 2018

Location for convening the shareholders' meeting :

No.16, Sec. 4, Jhongshan N. Rd., Shilin District, Taipei City

(Chientan Youth Activity Center's Chin-Kao Memorial Hall)

- © 2018/03/26 Board of Directors proposes Year 2017 Earnings Distribution

Cash Dividend : NT\$1.65 per share

<u>NT\$</u>	2017	2016	2015
EPS	1.88	1.57	1.55
Cash Dividend	1.65	1.45	1.40
Stock Dividend	-	-	-
Dividend Payout Ratio	88%	92%	90%

<http://www.inventec.com>

iec@inventec.com



THANK YOU!

Questions and Answers