

ASUSTeK

3Q 2015 Investor Conference

Disclaimer

ASUSTeK's presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The forward-looking statements in this release reflect the current belief of ASUS as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

Agenda

- **3Q 2015 Financial Result**
- **Business Highlights**
- **Strategy & Outlook**
- **Q & A**

3Q 2015 Financial Result

3Q 2015 Brand I/S (QoQ)

(unaudited brand consolidated financials)

in NT\$ Mn	3Q 2015	%	2Q 2015	%	QoQ
Net Revenue	110,985	100.0%	99,366	100.0%	12%
COGS	(95,081)	(85.7%)	(85,124)	(85.7%)	12%
Gross Profit	15,904	14.3%	14,242	14.3%	12%
Operating Expenses	(10,877)	(9.8%)	(9,522)	(9.6%)	14%
Operating Income	5,027	4.5%	4,721	4.8%	6%
Non-OP Items	109	0.1%	1,372	1.4%	-92%
Pre-Tax Income	5,136	4.6%	6,093	6.1%	-16%
Tax	(921)	(0.8%)	(1,435)	(1.4%)	-36%
Net Income	4,215[*]	3.8%	4,658	4.7%	-10%

* 3Q EPS = \$5.67

3Q 2015 Brand I/S (YoY)

(unaudited brand consolidated financials)

in NT\$ Mn	3Q 2015	%	3Q 2014	%	YoY
Net Revenue	110,985	100.0%	113,481	100.0%	-2%
COGS	(95,081)	(85.7%)	(97,927)	(86.3%)	-3%
Gross Profit	15,904	14.3%	15,554	13.7%	2%
Operating Expenses	(10,877)	(9.8%)	(10,181)	(9.0%)	7%
Operating Income	5,027	4.5%	5,373	4.7%	-6%
Non-OP Items	109	0.1%	1,976	1.7%	-94%
Pre-Tax Income	5,136	4.6%	7,349	6.5%	-30%
Tax	(921)	(0.8%)	(1,538)	(1.4%)	-40%
Net Income	4,215	3.8%	5,811	5.1%	-27%

3Q 2015 Non-OP Items

(unaudited brand consolidated financials)

Non-OP Items	3Q 2015	2Q 2015	QoQ	3Q 2014	YoY
Interest Income (net)	30	94	-68%	100	-70%
Investment Income	321	101	218%	427	-25%
<i>Askey</i>	148	104	42%	274	-46%
<i>Others</i>	174	(3)	5705%	153	14%
Exchange Gain / (Loss)	(2,286)	431	-631%	(359)	-537%
Dividend Income	1,826	549	233%	1,684	8%
Other Income (net)	217	198	10%	125	74%
Total Non-OP items	109	1,372	-92%	1,976	-94%

3Q 2015 Brand B/S

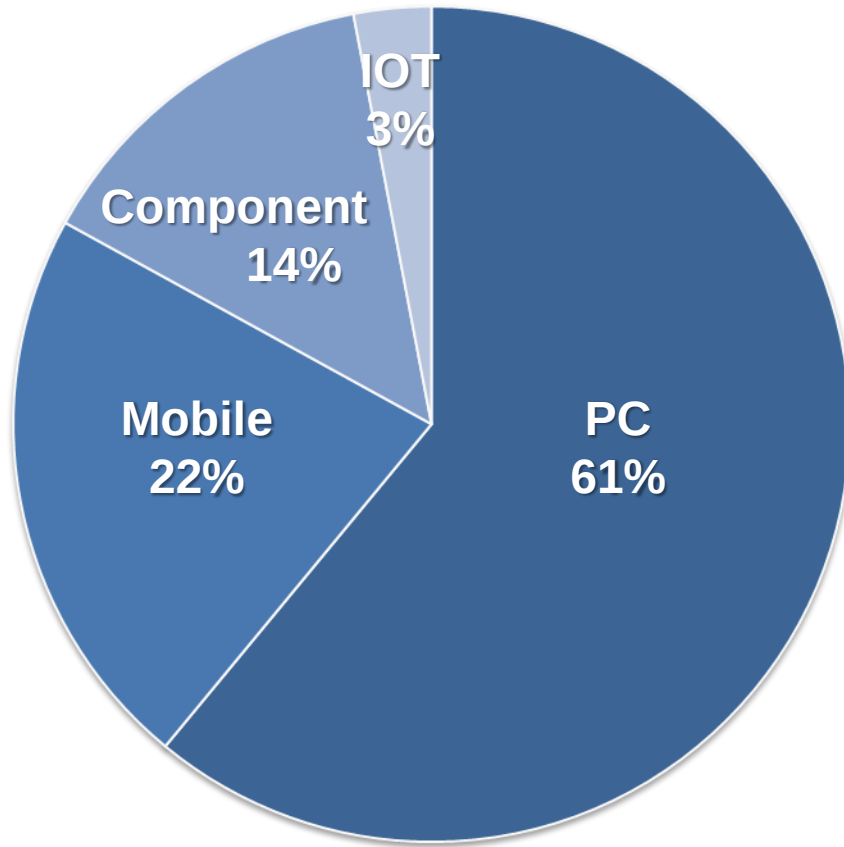
in NT\$ Mn	Sep 30, 2015	Jun 30, 2015	QoQ	Sep 30, 2014	YoY
Cash & cash equivalents	59,343	72,404	-18%	52,235	14%
Accounts receivable	76,889	66,692	15%	63,651	21%
Inventories	93,192	91,758	2%	95,703	-3%
Current Assets	238,804	239,186	-0.2%	221,368	8%
Long-term investments	77,647	80,122		64,758	
Fixed assets	3,632	3,577		3,915	
Other assets	10,014	9,409		8,771	
Total Assets	330,097	332,294	-1%	298,812	10%
Accounts payable	67,114	69,657	-4%	63,567	6%
Current Liabilities	155,169	161,592	-4%	144,025	8%
Total Liabilities	162,619	168,532	-4%	151,690	7%
Paid-in capital	7,428	7,428		7,428	
Stockholders' equity	167,478	163,763	2%	147,122	14%
Avg. Days of Inventory	89	96		85	
Avg. Days of AR	59	59		48	
Avg. Days of AP	70	71		62	
Avg. CCC Days*	78	83		71	

8 *CCC calculation based on average of Inventory/AR/AP balances and quarterly unaudited brand financials

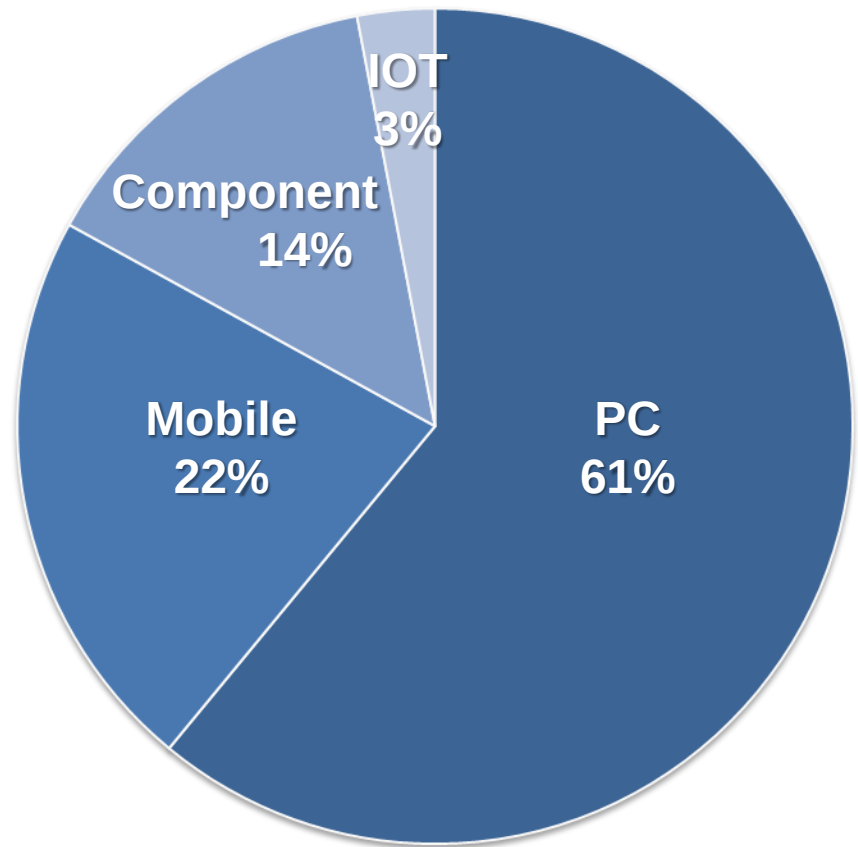
Business Highlights

Product Mix

3Q 2015

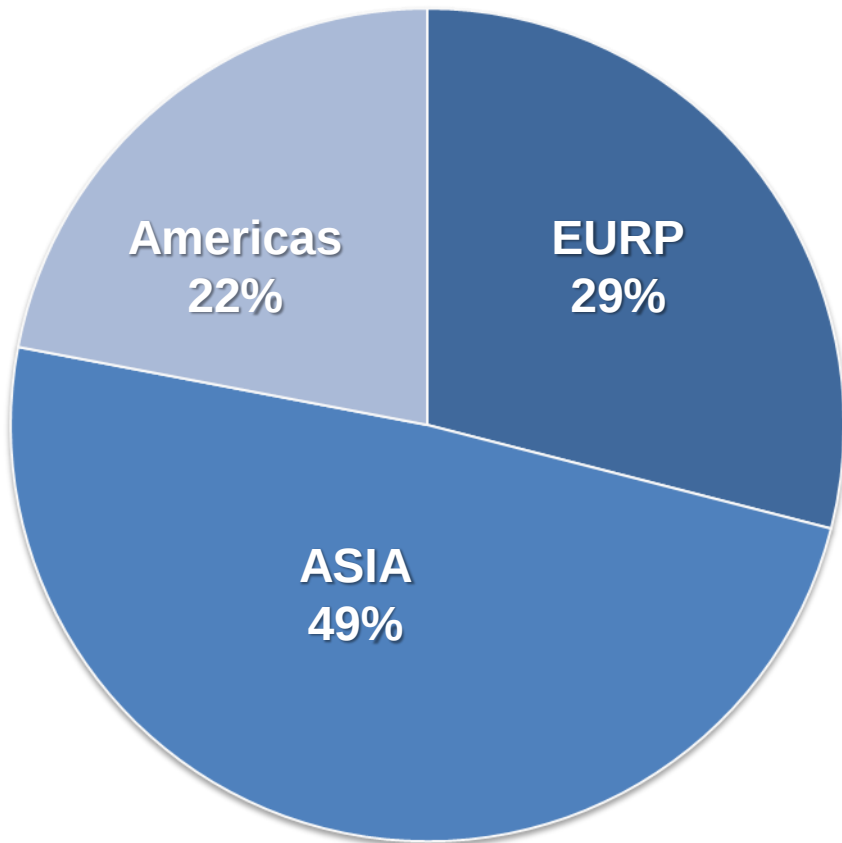


2Q 2015

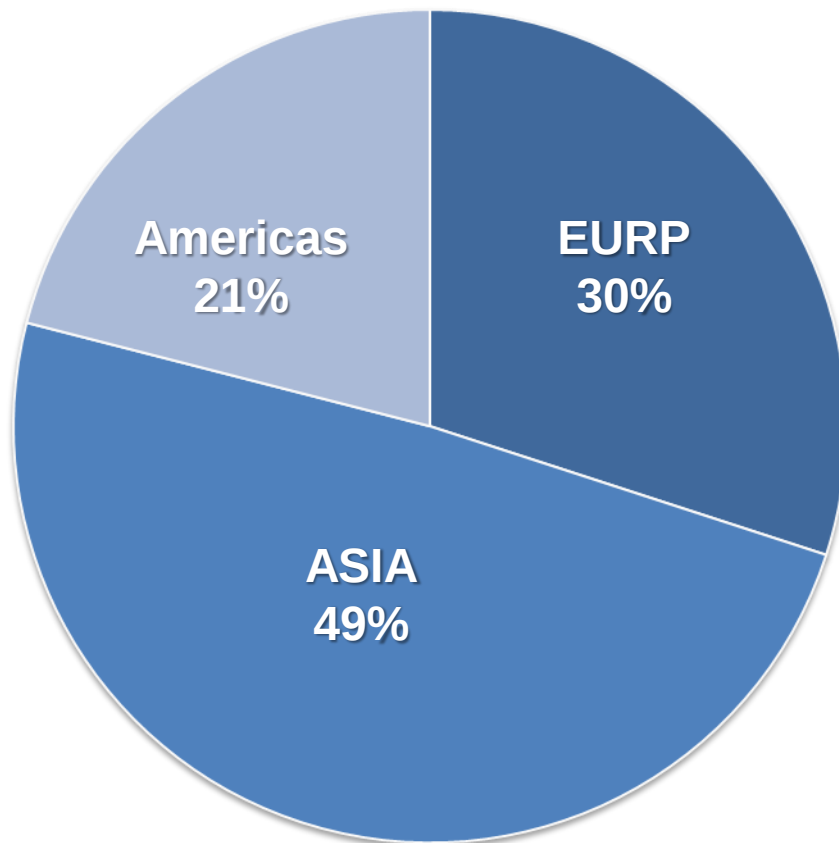


Region Mix

3Q 2015



2Q 2015



4Q 2015 Shipment Outlook

	1Q	2Q	3Q	4Q
PC	5.4m	4.8m	5.3m	5.8m
- NB	4.8m	4.3m	4.8m	5.2m
Mobile	4.5m	6.0m	7.1m	9.0m
- Phone	3.0m	5.0m	5.5m	7.0m

*PC=NB+DT, Mobile=Phone+Pad

Strategy & Outlook



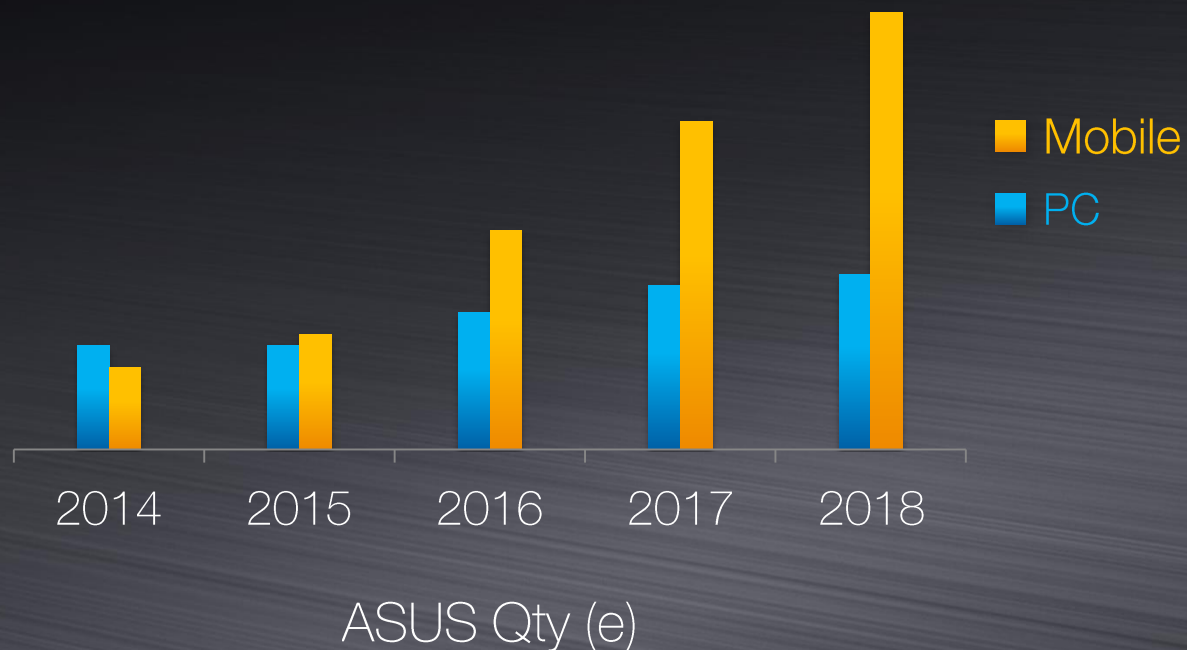
創新迎戰 變中求勝
In Search Of Incredible

New Ubiquitous Cloud Computing Era



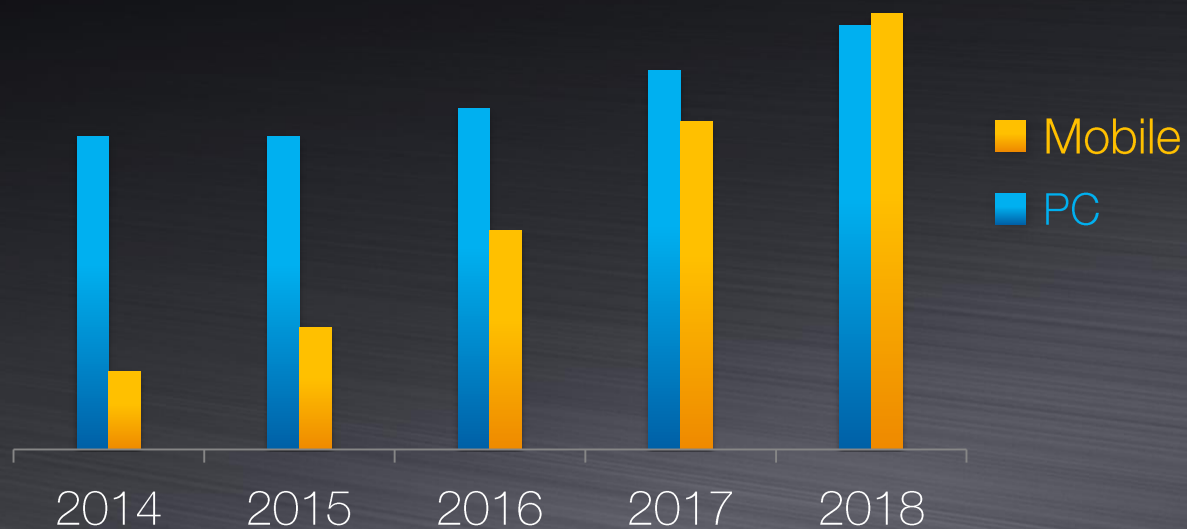
ASUS Business Perspective

Mobile > PC in 2015



ASUS Business Perspective

Mobile > PC in 2018



ASUS Revenue (e)

ASUS PC

Commercial

DT / NB / Tablet / Chromebook



Gaming (ROG)

NB / DT / MB / VGA / Monitor



Zen AiO Pro / ZenBook

ZenBook 303 / 305 / 501



2-in-1

Flip / Transformer / Chi



Mainstream

VivoBook / Vivo AiO



Gaming NB TAM

30% YoY in 2015

25% YoY in 2016(e)



ASUS Gaming NB

Worldwide No.1

GTX Market Share 40%



ASUS Gaming NB

NO.1 Market Share in Top 5 Countries

CN / USA / FR / DE / RU (over 70% of total TAM)



ASUS Gaming NB

>100% YoY in 2015

50% YoY in 2016^(e)



ASUS ZenBook

13" Windows based Ultrabook **N0.1**

Source : GFK

>200% YoY in 2015

100% YoY in 2016_(e)



ASUS Gaming & ZenBook

Revenue Contribution

>10% in 2015

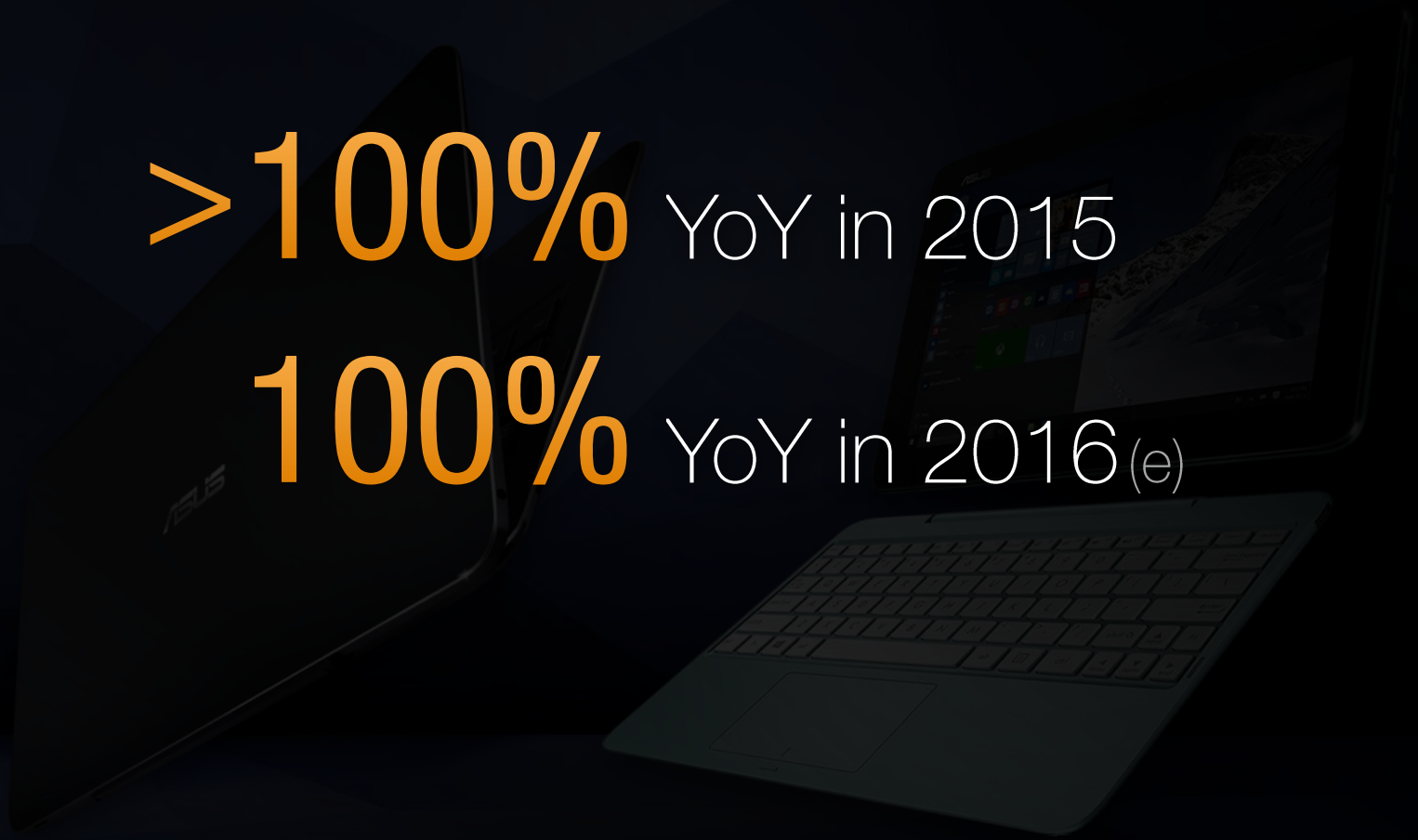
>20% in 2016_(e)

ASUS 2-in-1

(excluding T100)

>100% YoY in 2015

100% YoY in 2016_(e)



ASUS Zen AiO Pro

ASUS AiO **50%** YoY in 2016^(e)



PC Goal

22M~24M in 2016_(e)

ASUS PC YoY : TAM YoY + (5%~10%)

ASUS Mobile

ZenPad / ZenPad Theater



Empowering Luxury
for Everyone

ZenFone



Empowering Luxury
for Everyone

Hero Model • Hero Country

Luxury On Your Terms

ASUS ZenPad™ S 8.0

Latest 64-bit Intel Z3580 2.3G

4GB RAM

USB Type-C

VisualMaster (Tru2Life+)

2K IPS Display



Luxury On Your Terms

ASUS ZenPad™ Theater

5.1- Channel Surround Sound

6 Speakers (Including 1 Subwoofer)

6X Volume

64-bit Intel x3-C3200

VisualMaster (Tru2Life)

The Ultimate in Customization



The New ZenFone



Zenfone™ 2 Laser



Zenfone™ Selfie



Zenfone™ Zoom



Zenfone™ 2 Deluxe

ZenfoneTM Zoom

World's Thinnest 3X Optical-Zoom Smartphone



Zenfone™ 2 Deluxe

See the Crystal Miracle



PC Grade CPU – Intel Atom Z3580

PowerVR 6430 Graphics

4GB RAM / 64GB ROM

13MP / 5MP with PixelMaster 2.0

60% Fast Charged in 39 Mins

Zenfone™ Selfie

See the Perfect You with 13MP Front Camera



5.5" FHD Retina Screen

Palm theater experience

0.03s Laser Auto Focus

Lighting speed photography

2X 13MP Camera & 2X Dual LED Flash

4X sensitivity & contrast, 52MP photos

PixelMaster Selfie Experience

S to launch front camera

Real time beautification

60ms Touch Response

34% less glass friction

Corning Gorilla Glass 4

Best-in-class screen protection

Powerful 5-Magnet Speakers

40% better audio experience

Zenfone TM 2 Laser ZE601KL

0.03s light-speed photography
held in 6-inch horizon



iF DESIGN AWARD

Oscar award in design industry

6" Large Retina Screen

Palm theater experience

0.03s Laser Auto Focus

Lighting speed photography

PixelMaster 2.0 Camera

4X sensitivity & contrast, 52MP photos

Dual 5-Magnet Speakers

80% better audio experience

Built in Blue Light Filter

Friendly eye protection

60ms Touch Response

Corning Gorilla Glass 4

PixelMaster 2.0

A creation of powerful ISP & GPU image processing



5 New modes! A total of 16 different camera modes for day and night

Backlight (Super HDR) Mode

4X brightness, details & color contrast



Low Light Mode

Increase 4X light sensitivity



Super Resolution Mode

Reveal extraordinary details & clarity

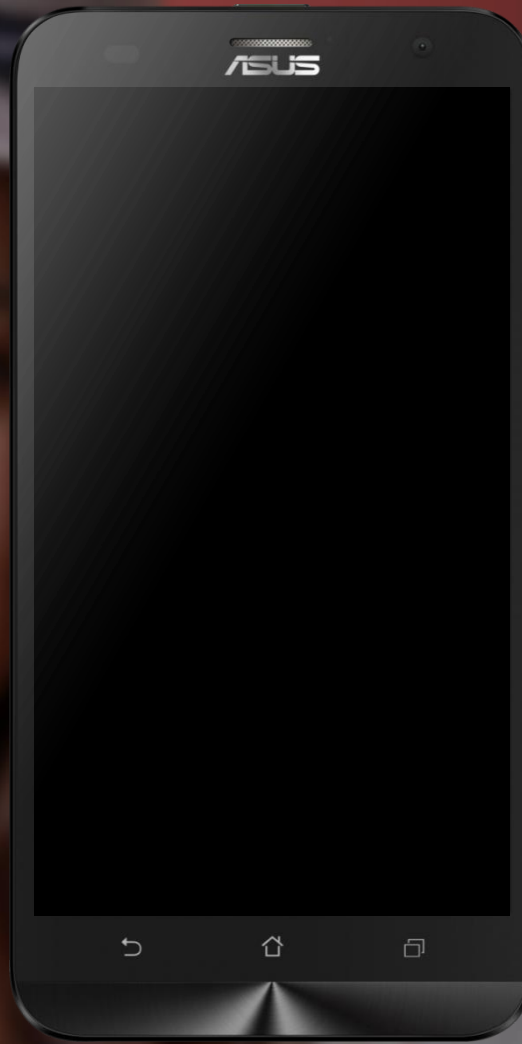
4X Resolution, 52MP



Before



After



Beautification Mode

Real-time image
enhancement

ZenUI Apps Instant Update



Instant Update via Google Play Store

- ZenUI Apps over 350,000,000 downloads
- Total 37 Apps in Google Play
- Average 4.5 rating
- ASUS Launcher got 4.8 amazing high rating



ZenFone Accessory

ZenPower Dual
(10,500mAh)



ZenPower Ultra
(20,100mAh)



ZenBeam



ZenFlash



LolliFlash



Zenny Selfie Stick



View Flip Cover



Mobile Goal

>36M in 2016_(e)

>35% YoY growth

ASUS **VISION**



The world's most admired
leading enterprise in the
new digital era.