

ASUSTeK

4Q 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

- **4Q 2015 Financial Result**
- **Business Highlights**
- **Strategy & Outlook**
- **Q & A**

4Q 2015 Financial Result

4Q 2015 Brand I/S (QoQ)

(unaudited brand consolidated financials)

in NT\$ Mn	4Q 2015	%	3Q 2015	%	QoQ
Net Revenue	123,989	100.0%	110,985	100.0%	12%
COGS	(107,199)	(86.5%)	(95,081)	(85.7%)	13%
Gross Profit	16,789	13.5%	15,904	14.3%	6%
Operating Expenses	(11,212)	(9.0%)	(10,877)	(9.8%)	3%
Operating Income	5,577	4.5%	5,027	4.5%	11%
Non-OP Items	333	0.3%	109	0.1%	205%
Pre-Tax Income	5,911	4.8%	5,136	4.6%	15%
Tax	(1,367)	(1.1%)	(921)	(0.8%)	48%
Net Income	4,544[*]	3.7%	4,215	3.8%	8%

* 4Q EPS = \$6.12; 2015 EPS = \$ 23.02

4Q 2015 Brand I/S (YoY)

(unaudited brand consolidated financials)

in NT\$ Mn	4Q 2015	%	4Q 2014	%	YoY
Net Revenue	123,989	100.0%	127,059	100.0%	-2%*
COGS	(107,199)	(86.5%)	(111,036)	(87.4%)	-3%
Gross Profit	16,789	13.5%	16,023	12.6%	5%
Operating Expenses	(11,212)	(9.0%)	(10,197)	(8.0%)	10%
Operating Income	5,577	4.5%	5,826	4.6%	-4%
Non-OP Items	333	0.3%	135	0.1%	147%
Pre-Tax Income	5,911	4.8%	5,961	4.7%	-1%
Tax	(1,367)	(1.1%)	(1,452)	(1.1%)	-6%
Net Income	4,544	3.7%	4,509	3.5%	1%

* In constant currency basis (i.e., 4Q 2014 average exchange rates), 4Q 2015 revenue would have been +6% YoY

2015 Brand I/S (YoY)

(unaudited brand consolidated financials)

in NT\$ Mn	2015	%	2014	%	YoY
Net Revenue	436,520	100.0%	436,264	100.0%	0.1%
COGS	(376,117)	(86.2%)	(377,845)	(86.6%)	-0.5%
Gross Profit	60,403	13.8%	58,418	13.4%	3%
Operating Expenses	(40,357)	(9.2%)	(38,129)	(8.7%)	6%
Operating Income	20,046	4.6%	20,289	4.7%	-1%
Non-OP Items	1,853	0.4%	4,490	1.0%	-59%
Pre-Tax Income	21,899	5.0%	24,779	5.7%	-12%
Tax	(4,801)	(1.1%)	(5,309)	(1.2%)	-10%
Net Income	17,097	3.9%	19,470	4.5%	-12%

4Q 2015 Non-OP Items

(unaudited brand consolidated financials)

Non-OP Items	4Q 2015	3Q 2015	QoQ	4Q 2014	YoY
Interest Income (net)	122	30	302%	22	449%
Investment Income	124	321	-61%	630	-80%
<i>Askey</i>	(53)	148	-136%	218	-124%
<i>Others</i>	177	174	2%	412	-57%
Exchange Gain / (Loss)	2	(2,286)	100%	(713)	100%
Dividend Income		1,826	-100%		
Other Income (net)	85	217	-61%	196	-57%
Total Non-OP items	333	109	205%	135	147%

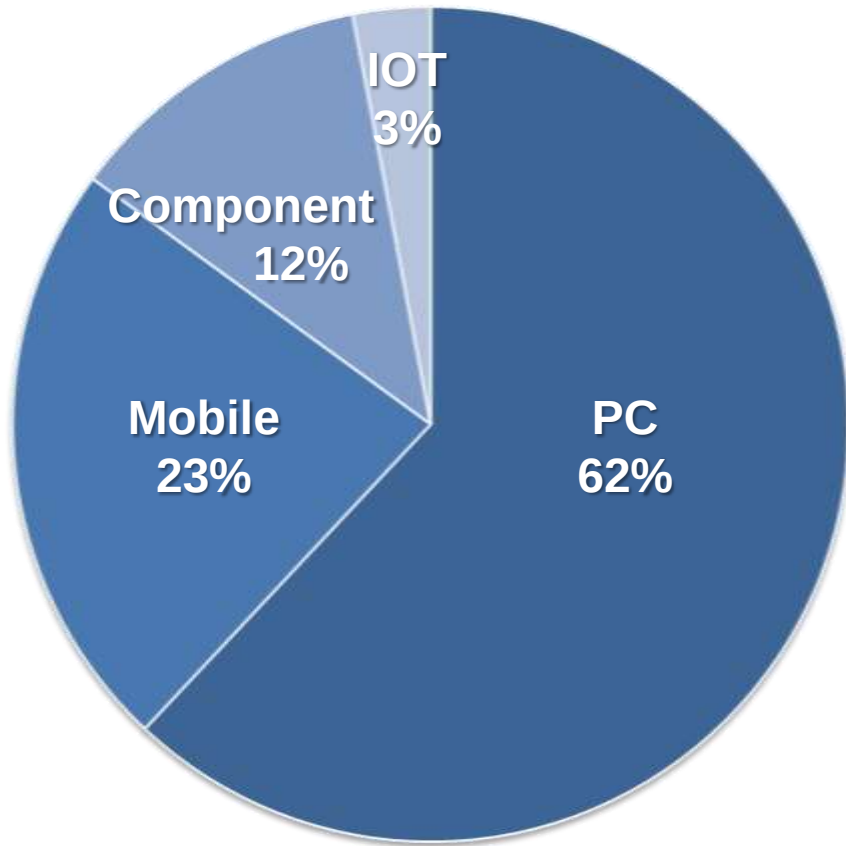
4Q 2015 Brand B/S

in NT\$ Mn	Dec 31, 2015	Sep 30, 2015	QoQ	Dec 31, 2014	YoY
Cash & cash equivalents	51,394	59,343	-13%	72,474	-29%
Accounts receivable	75,546	76,889	-2%	71,427	6%
Inventories	98,729	93,192	6%	94,725	4%
Current Assets	234,515	238,804	-2%	246,547	-5%
Long-term investments	70,625	77,647		74,731	
Fixed assets	3,576	3,632		3,698	
Other assets	10,458	10,014		9,466	
Total Assets	319,174	330,097	-3%	334,441	-5%
Accounts payable	52,529	67,114	-22%	77,499	-32%
Current Liabilities	142,575	155,169	-8%	163,610	-13%
Total Liabilities	151,821	162,620	-7%	170,799	-11%
Paid-in capital	7,428	7,428		7,428	
Stockholders' equity	167,352	167,478	-0.1%	163,642	2%
Avg. Days of Inventory	82	89		78	
Avg. Days of AR	56	59		49	
Avg. Days of AP	55	70		63	
Avg. CCC Days*	82	78		64	

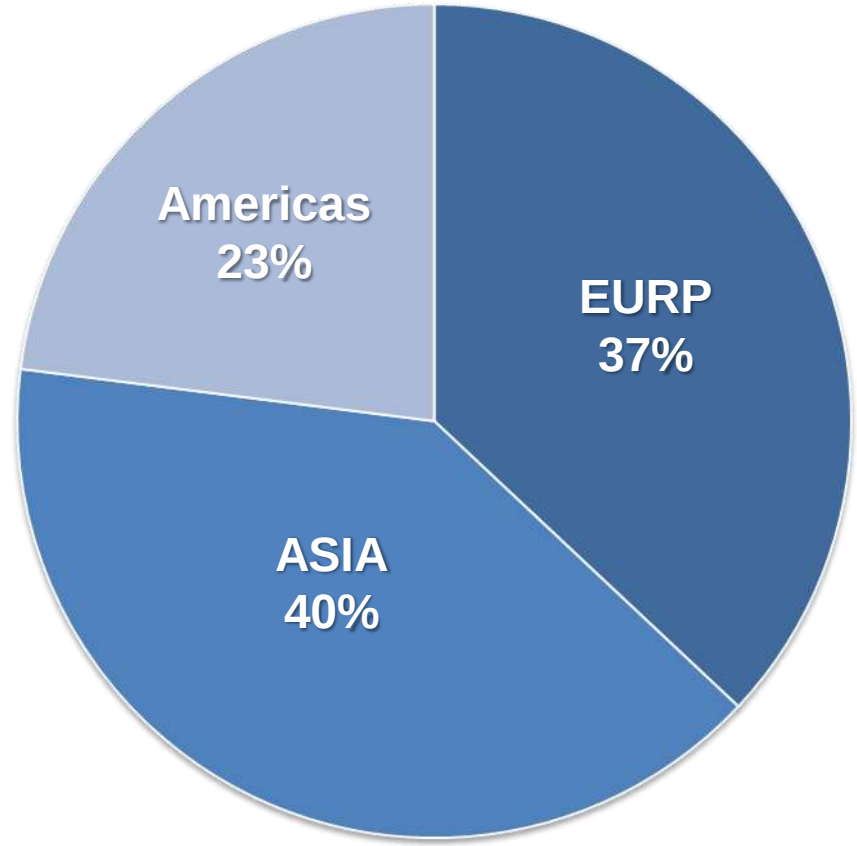
Business Highlights

4Q 2015 Sales Mix

By Product

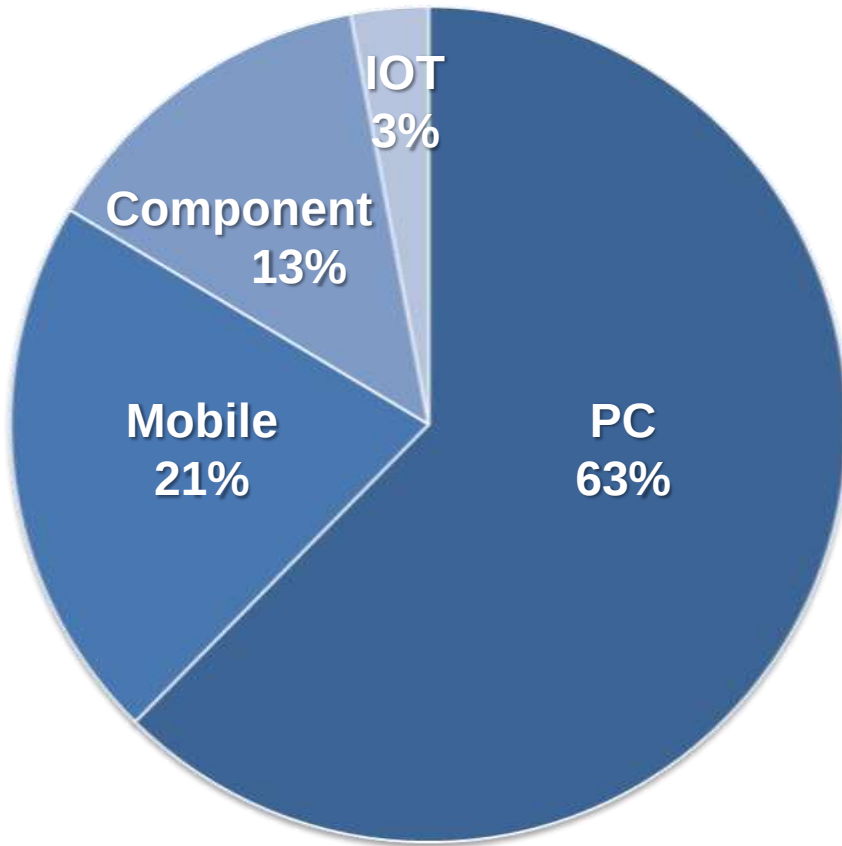


By Region

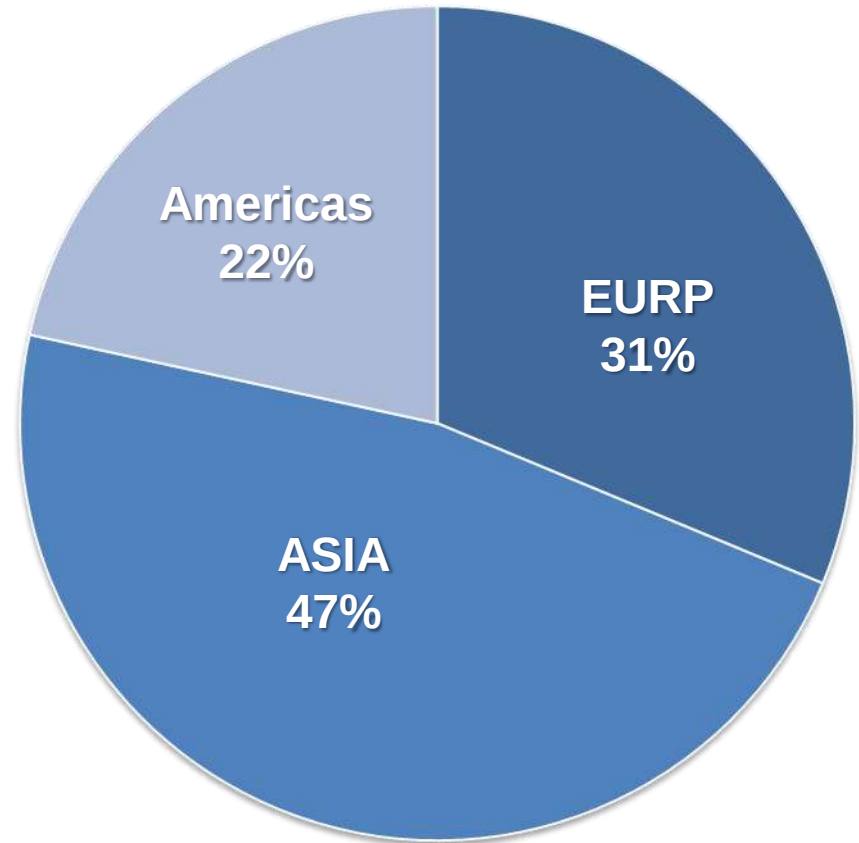


2015 Sales Mix

By Product



By Region



2015 Shipment

	1Q	2Q	3Q	4Q	Total	YoY%
PC	5.4m	4.8m	5.3m	6.0m	21.5m	-4%
- NB	4.8m	4.3m	4.8m	5.4m	19.3m	-5%
Mobile	4.5m	6.0m	7.1m	8.3m	25.9m	+45%
- Phone	3.0m	5.0m	5.5m	6.5m	20.0m	+135%

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

1Q 2016 Shipment Outlook

	1Q	2016 target	YoY%
PC	5.3m	22~24m	Outgrow industry by 5~10%
- NB	4.8m	~20m	
Mobile	~5m	30~31m	Outgrow industry by 10~20%
- Phone	~4m	~25m	

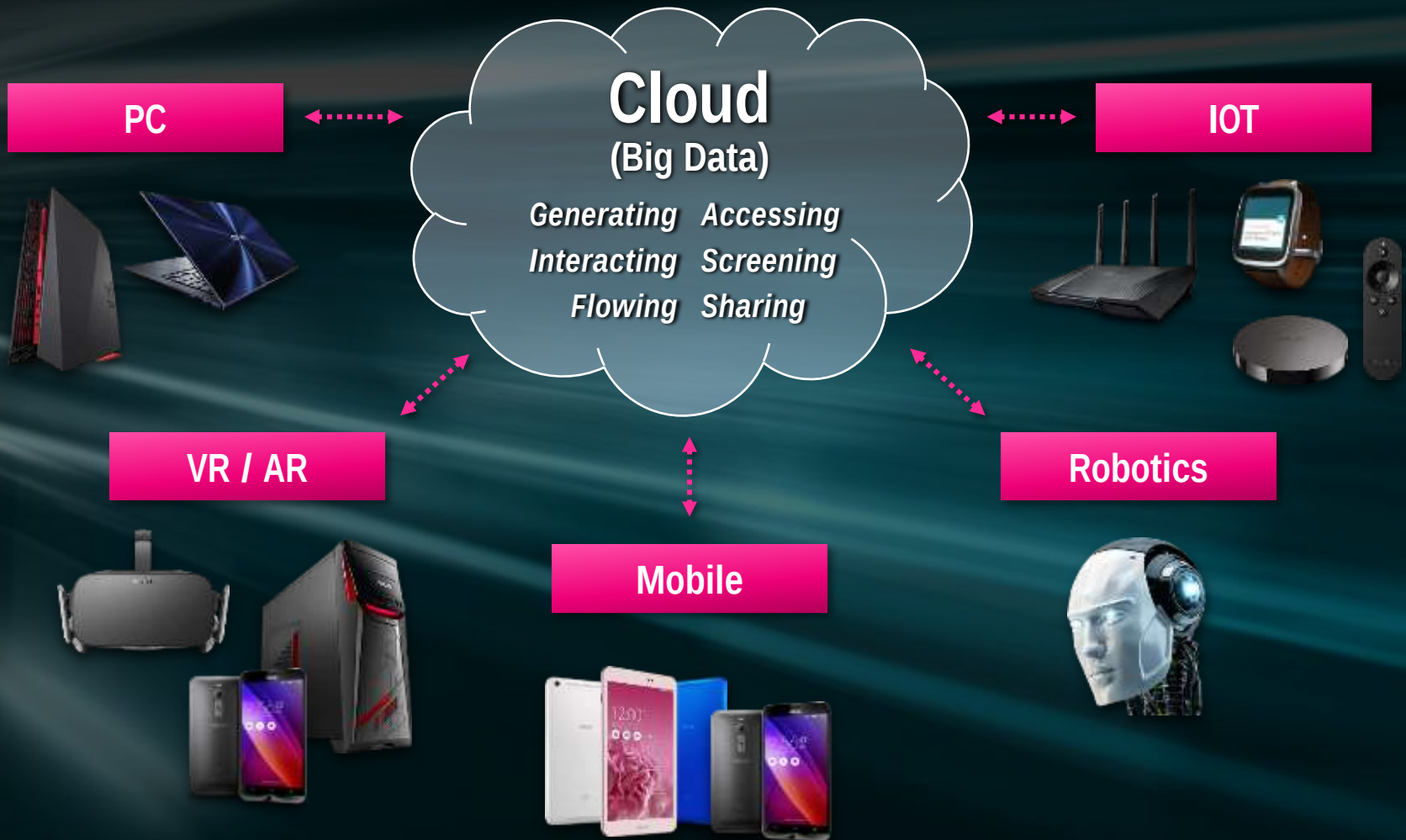
Strategy & Outlook

A close-up photograph of a hand moving a blue chess knight piece on a chessboard. The hand is positioned on the left, with fingers gripping the top of the piece. The chessboard is visible in the foreground, showing the alternating squares. The background is a dark, out-of-focus gradient.

創新迎戰 變中求勝 In Search Of Incredible

2016 / 2 / 17

New Ubiquitous Cloud Computing Era



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



Mainstream

VivoBook / Vivo AiO



PC Goal

22M~24M in 2016_(e)

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

ASUS Gaming NB

100% YoY in 2016^(e)

NO.1 Market Share in Top 5 Countries

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

Source : GFK

ASUS ZenBook

100% YoY in 2016_(e)

An Evolution of Everything
Beauty, Sound and Performance



ASUS 2-in-1

50% YoY in 2016^(e)



ASUS AiO

100% YoY in 2016_(e)



ASUS VR / AR

PC based VR

Facebook Oculus Rift

Phone based VR / AR

(2016 Q4)



ASUS Mobile

ZenPad / ZenPad Theater



Empowering Luxury
for Everyone

ZenFone



Empowering Luxury
for Everyone

Hero Model • Hero Country

Phone Goal

25M in 2016_(e)
(excluding China Market)

Worldwide **No. 5** in 2016_(e)
(excluding China Players)

The New ZenFone



Zenfone 2 Laser



Zenfone Selfie



Zenfone Zoom



Zenfone 2 Deluxe

ZenFone – Leading

1st 4GB RAM

(ZenFone 2 Deluxe & ZenFone Zoom)

World's Thinnest 3X Optical-Zoom

(ZenFone Zoom)



Zenfone™ Zoom

A New Era of Mobile Photography



Good Design Award

Oscar award in design industry

3X Optical-Zoom, 12X Total Zoom

World-class camera technology

4 Stops OIS

OIS empowers shake-free photos

0.03s Light-speed Photography

Equipped with Laser auto-focus system

Incredible PixelMaster Features

32s long exposure, 5cm macro focusing,
52MP photos, 4X sensitivity & contrast

PC-Grade Performance

Intel 64-bit Z3590 Super Quad Core CPU 2.5Ghz
World's first 4GB RAM smartphone

60% Battery Capacity in 39 mins

BoostMaster fast charging technology





Zenfone Zoom



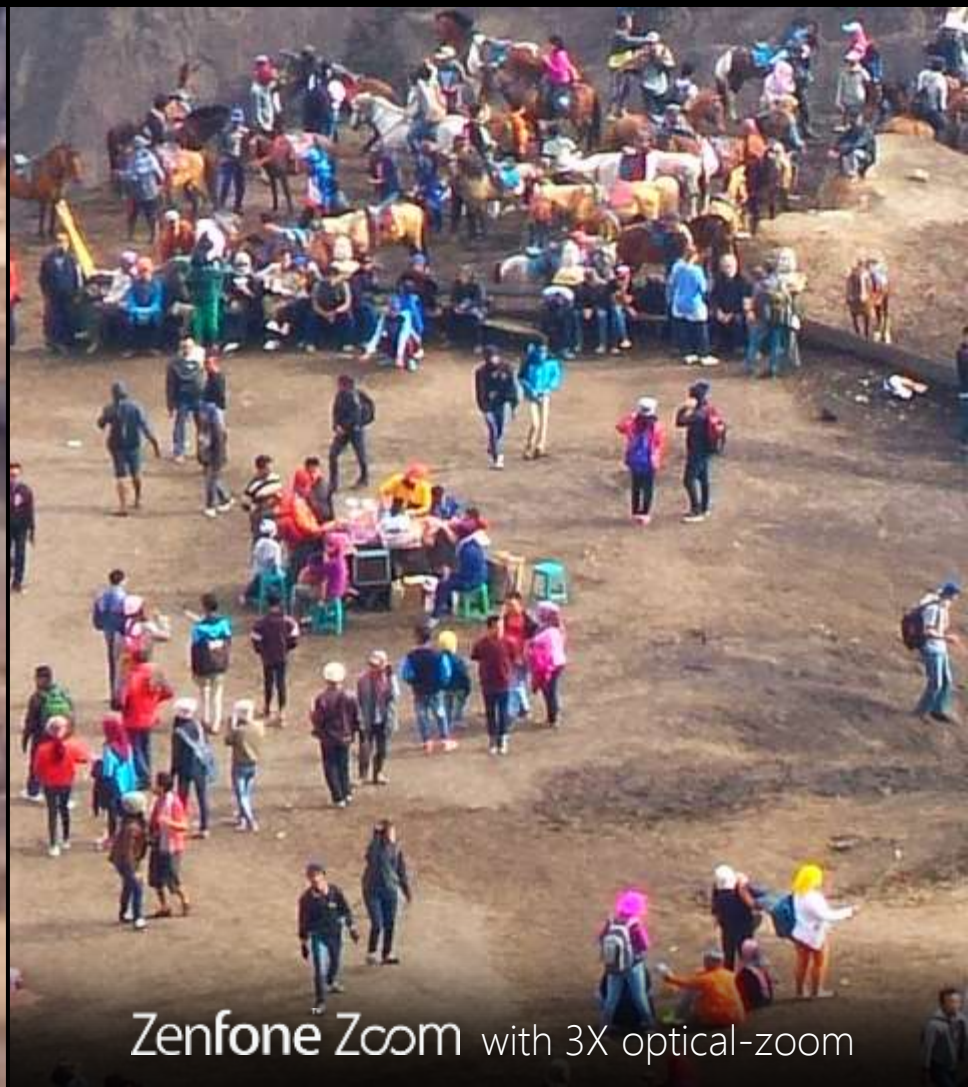
Zenfone™ Zoom with 3X optical-zoom



Zenfone Zoom



Zenfone™ Zoom with 3X optical-zoom



Zenfone Zoom with 3X optical-zoom



Zenfone™ Zoom with 3X optical-zoom

Zenfone Zoom



Zenfone-Zoom



Zenfone Zoom



Zenfone Zoom



Zenfone Zoom



ZenUI Apps Instant Update



Instant Update via Google Play Store

- ZenUI Apps over **440,000,000** downloads
- Total **38** Apps in Google Play
- Average **4.5** rating
- **5** ZenUI apps got **4.7** amazing high rating

(ASUS Launcher, File Manager, Flashlight, Calculator, What's Next)



ZenFone Accessory

ZenPower Duo
(10,500mAh)



ZenTripod



ZenBeam



ZenFlash



LolliFlash



Zenny Selfie Stick



View Flip Cover



ZenFone 3 & Robotics

Never Ending Quest in Perfection

COMING SOON

(2016 Computex)

ASUS **VISION**



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

ASUSTeK

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