



CHICONY ELECTRONICS

November, 2018

Safe Harbor Notice

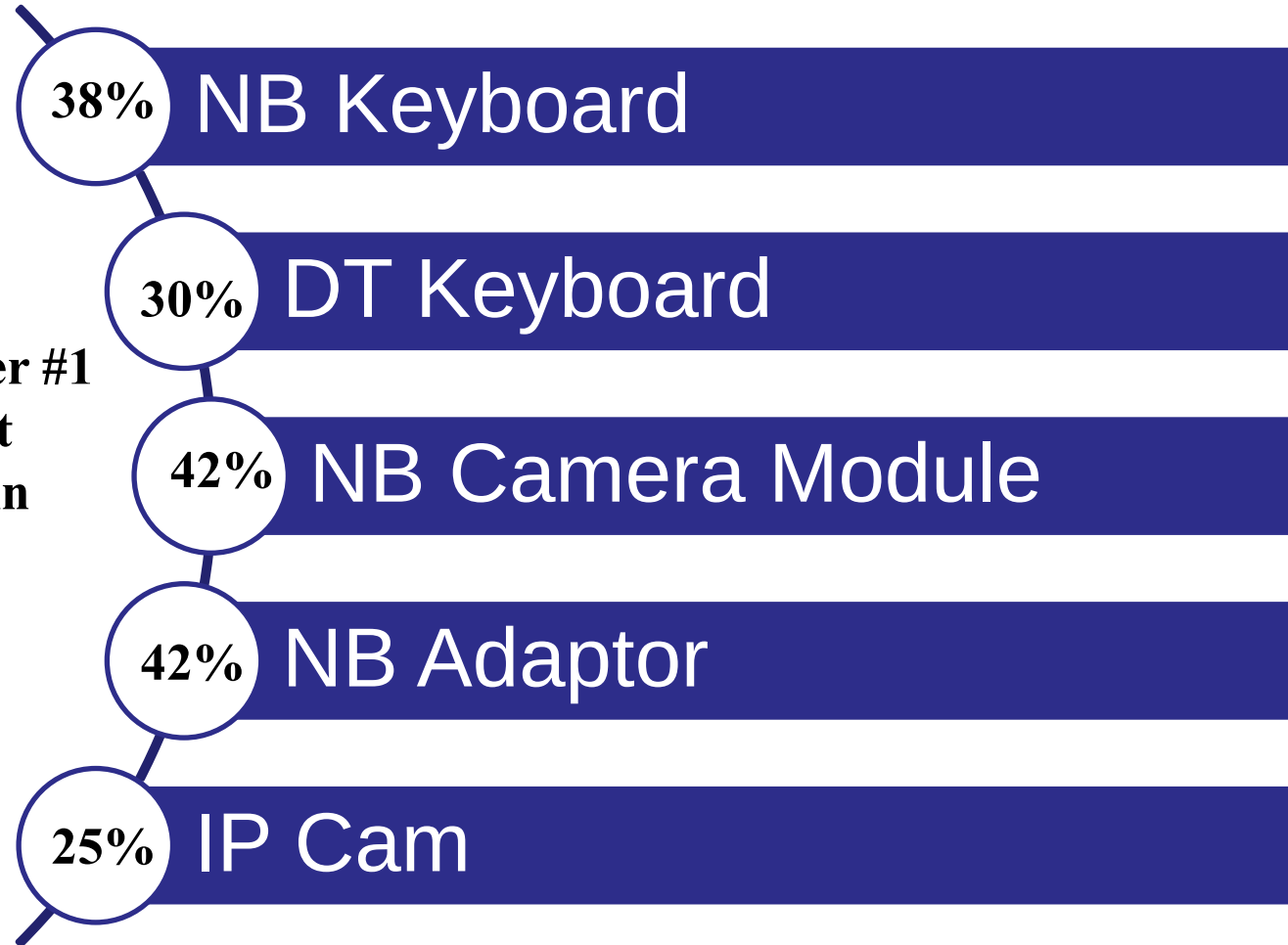
Chicony's statement of its current expectations are forward-looking statements which are subject to significant risks and uncertainties. Actual results may differ materially from those contained in any forward-looking statements.



Positioned as Number 1 Global Market Leader

Chicony Continued to Achieve Leading Market Share

**Number #1
Market
Share in
2017**



Operating Profit Jumped 131% QoQ in 3Q18

Million NT\$	3Q 2018		2Q 2018		QoQ %	3Q 2017		YoY %
Net Sales	24,975	100.0	21,261	100.0	17.5	21,509	100.0	16.1
COGS	(21,058)	(84.3)	(18,423)	(86.7)		(17,744)	(82.5)	
Gross Profit	3,917	15.7	2,838	13.3	38.0	3,765	17.5	4.0
Operating Expense	(2,197)	(8.8)	(2,095)	(9.9)		(2,091)	(9.7)	
Operating Profit	1,719	6.9	744	3.5	131.2	1,673	7.8	2.8
Other Income/Expense	36	0.1	395	1.9		166	0.8	
Profit Before Tax	1,755	7.0	1,138	5.4	54.2	1,839	8.6	-4.6
Tax	(346)	(1.4)	(293)	(1.4)		(309)	(1.4)	
Net Income	1,309	5.2	807	3.8	62.2	1,227	5.7	6.7
After Tax EPS	1.90		1.17		62.4	1.80		5.6

Profit Margins %	3Q18	2Q18	QoQ	3Q18	YoY %
GPM	15.7	13.3	+2.4ppt		
OPM	6.9	3.5	+3.4ppt	Net Sales	16.1
Profit Margin Before Tax	7.0	5.4	+1.6ppt		
Net Margin	5.2	3.8	+1.4ppt	EPS	5.6

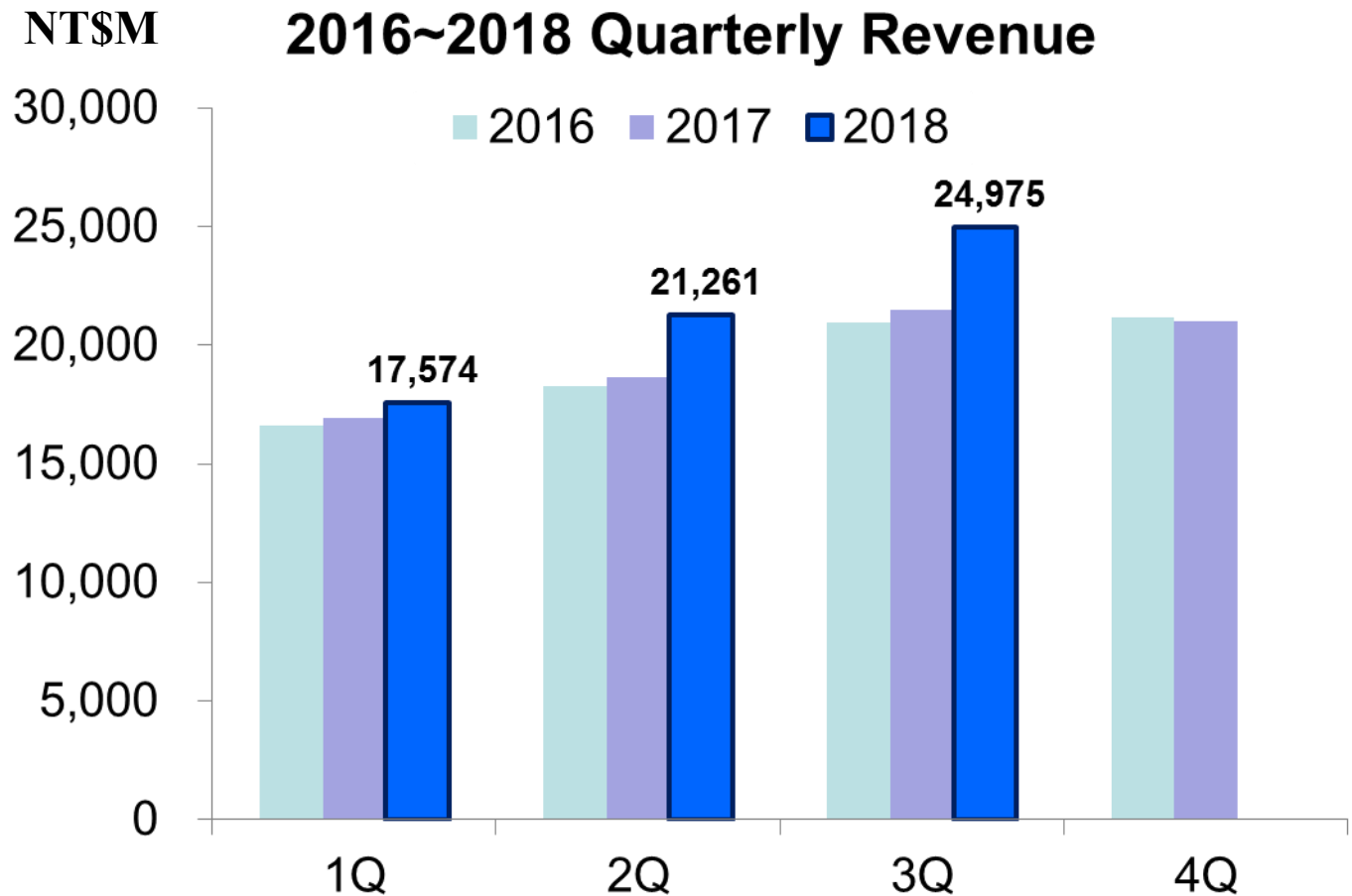
Chicony Delivered NT\$3.93 EPS during 1~3Q18

Million NT\$	1~3Q 2018		1~3Q 2017	
Net Sales	63,811	100.0	57,121	100.0
COGS	(54,930)	(86.1)	(47,286)	(82.8)
Gross Profit	8,880	13.9	9,834	17.2
Operating Expense	(5,874)	(9.2)	(6,275)	(11.0)
Operating Profit	3,006	4.7	3,559	6.2
Other Income/Expense	680	1.1	497	0.9
Profit Before Tax	3,686	5.8	4,056	7.1
Tax	(722)	(1.1)	(729)	(1.3)
Net Income	2,704	4.2	2,718	4.8
After Tax EPS	3.93		4.00	

Profit Margins %	1~3Q18	1~3Q17	YoY	1~3Q18	YoY %
GPM	13.9	17.1	-3.2ppt		
OPM	4.7	6.2	-1.5ppt		
Profit Margin Before Tax	5.8	7.1	-1.3ppt		
Net Margin	4.2	4.8	-0.6ppt		
				Net Sales	11.7
				EPS	-1.8

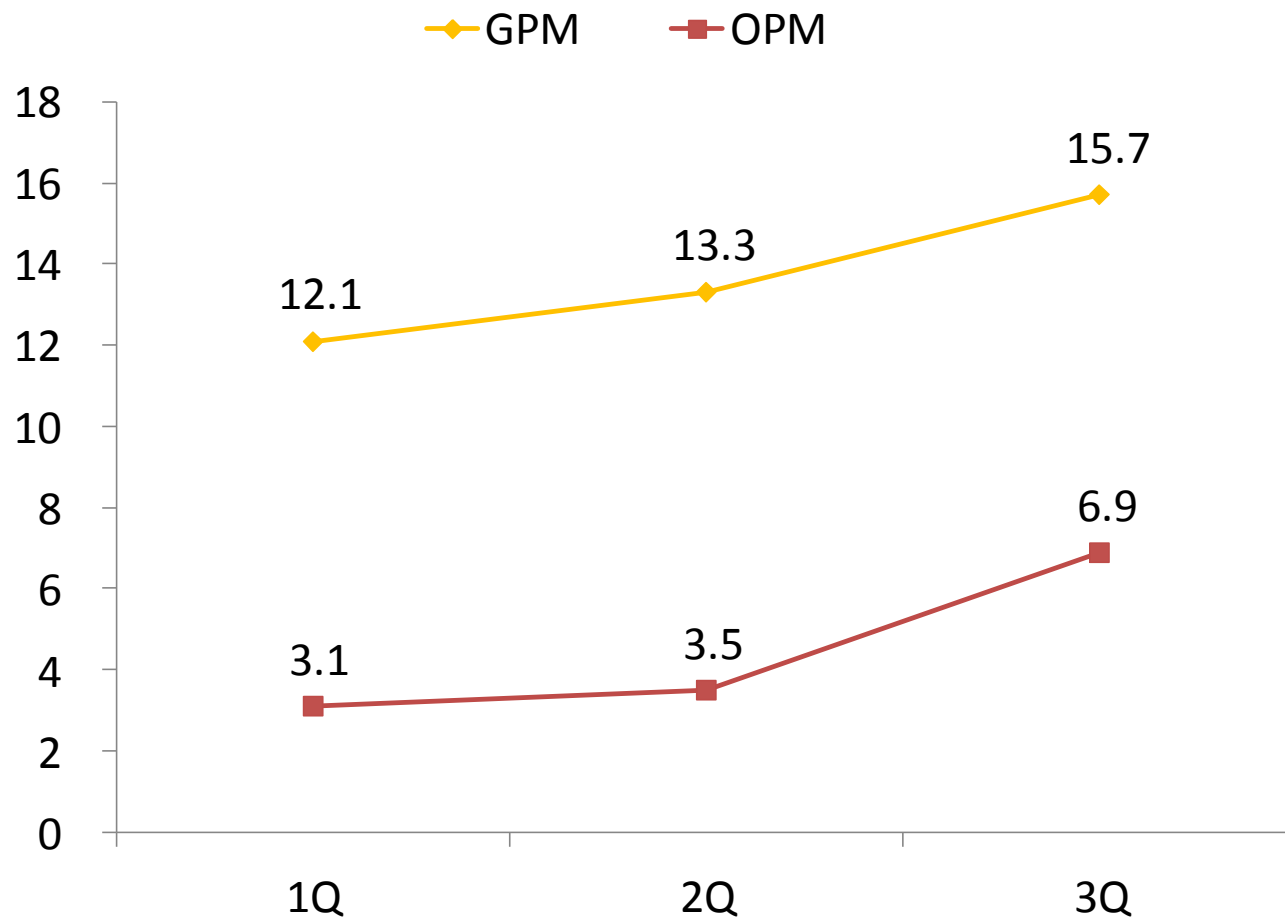
Diversified Product Mix Supports Revenue Growth

- Record High Revenue in 3Q18
- Delivered 11.7% YoY Revenue Growth YTD



Substantial Margin Improvement in 3Q18

2018 Gross Margin & Operating Margin



Consistent Dividend Pay-Out Policy to Reward Investors

Chicony	2013	2014	2015	2016	2017
EPS	5.83	6.22	5.79	5.24	5.9
Cash Dividend	4.6	4.65	4.3	4.25	4.45
Stock Dividend	0.05	0.05	0.05	0.05	0.05
Dividend Payout %	80%	76%	75%	82%	76%
Cash Yield Rate %	5.39	5.43	5.79	5.25	6.1%