

ADVANTECH

Y2015 Financial Results

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Safe Harbor Notice

- **This presentation contains forward-looking statements and is subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.**
- **The projections should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.**

Y2015 Financial Results

Consolidate

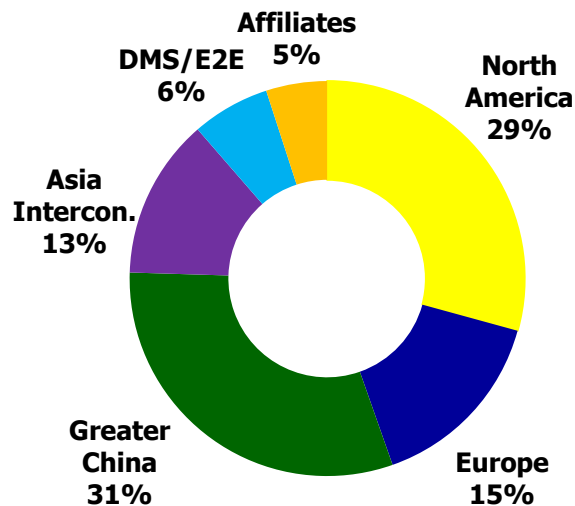
NT\$M	Y2012	Y2013	Y2014	2015					YOY
				1Q	2Q	3Q	*4Q	*YTD	
Sales	27,552	30,660	35,732	8,785	10,027	9,437	9,752	38,001	6%
YOY growth	4%	11%	17%	8%	8%	3%	6%	6%	
Gross Margin %	39.2%	41.0%	40.3%	40.9%	39.7%	39.7%	41.3%	40.4%	0.1%
Gross Margin	10,924	12,586	14,393	3,591	3,980	3,746	4,028	15,345	7%
Operating Expense	7,065	7,917	8,884	2,240	2,348	2,422	2,406	9,416	6%
YOY growth	9%	12%	12%	11%	6%	6%	1%	6%	
Operating Margin	3,858	4,668	5,509	1,351	1,632	1,324	1,622	5,929	8%
Operating Margin %	14.0%	15.2%	15.4%	15.4%	16.3%	14.0%	16.6%	15.6%	
Non-Operating Income	373	500	547	129	-8	195	45	361	-34%
Effective Tax Rate	17.6%	20.1%	18.5%	18.5%	18.0%	18.6%	18.9%	18.5%	0.0%
NPAT	3,486	4,127	4,932	1,206	1,333	1,236	1,352	5,127	4%
EPS(NT\$)	5.67	6.59	7.80	1.91	2.10	1.95	2.12	8.08	4%

*Un-Audited

Y2015 Sales By Region

Local Sales: US 1,201M, +2%

USD\$ M	2014	2015	GR%	%
North America	339	352	+4%	29%
Europe	179	185	+3%	15%
Greater China	343	371	+8%	31%
Asia/Intercon	159	158	-1%	13%
DMS/E2E	92	77	-17%	6%
Affiliates	69	60	-13%	5%
Total	1,180	1,201	+2%	100%



Europe

AEU:	150.8M	GR%: +4%
ADLoG:	33.8M	GR%: -1%

Greater China

China:	292.7M	GR%: +11%
Taiwan:	71.6M	GR%: -5%
AiS:	6.6M	GR%: +48%

Asia/Intercon

Japan:	27.5M	GR%: +21%
Korea:	41.4M	GR%: -1%
AAU/NZ:	10.6M	GR%: -2%
SAP:	22.4M	GR%: +3%
Intercon:	42.8M	GR%: +2%
LATAM	13.0M	GR%: -35%

Affiliates/M&A

Advansus:	22.7M	GR%: -13%
ALNC	12.6M	GR%: -7%
APOS	5.6M	GR%: -40%

Advantech Business Group Structure

Local Sales: US 1,201M, +2%

Embedded Design-In

Networks & Communications -6%

- Blade Computing & Systems
- Network Appliances
- Network Virtualization Platforms
- Network & Embedded Switch
- Broadcasting & Surveillance Platforms

Embedded Core Computing +4%

- Embedded Core Computing
- Modular Computing Boards
- Wireless IoT Modules
- Display Systems & Gaming Solutions
- Industrial Motherboard & DTOS
- Embedded Peripherals

Industrial DMS +0%

- Applied Computing DMS
- Embedded DMS
- Network Appliance DMS
- Component Purchasing Service

US 607.4M

50%, +0%

% of Sales, YoY Growth

US 143.9M

12%, +8%

Industrial-IoT

Industrial Automation +0%

- Industrial I/O & Controllers
- Industrial HMI
- Automation Computing
- IoT Devices & Solutions
- WebAccess+ Solutions
- iFactory (Industry 4.0) Solutions
- Machine Automation Solutions
- Power & Energy Solutions

US 358.4M

30%, +2%

Intelligent Systems +5%

- Industrial Computers
- Industrial Servers & Storage
- Intelligent Video Solutions
- Intelligent IoT Modules
- Transportation Solutions
- iConnectivity -2%
- iNetworking (B+B)
- Industrial Communications
- Industrial Switch

Smart City Solutions

Service Automation Platforms +5%

- Industrial Mobile Computing
- iRetail Platforms
- Medical Computing & Devices
- In-Vehicle Computing

US 91.8M

8%, +5%

Intelligent Service Solutions

- Intelligent Hospital
- Digital Logistics & Fleet Management
- Intelligent Retail & Hospitality

Enabling an Intelligent Planet

ADVANTECH

Y2015 Working Capital

Consolidate

NT\$ M	2013	2014	2015			
	Full	Full	1Q	2Q	3Q	*4Q
Cash Position	4,924	5,648	6,778	7,564	5,348	5,633
Account Receivable	5,359	5,916	5,521	6,436	6,383	6,266
DSO (Days)	59	58	55	62	59	59
Inventory	4,031	4,782	4,880	4,680	5,175	4,869
DOH (Days)	76	78	87	71	82	76
Account Payable	3,004	3,166	3,107	3,536	3,436	3,066
AP (Days)	55	52	56	53	54	51

*Un-Audited

Partnering for Smart City & IoT Solutions

驅動智慧城市創新 共建物聯產業典範

Industrial Cloud
& Cloud Networks

Private Cloud

iConnectivity

Transportation

IoT Devices

Computer On Modules

Video and RFID

Power & Energy

Environmental & Facility Monitoring

Embedded Software

iBuilding/BEMS

Industrial HMI

Embedded Design-in Services

Intelligent Display

Intelligent Systems

iRetail & Hospitality

iHospital

Image & Video Processing

Machine Automation

WebAccess+

Digital Healthcare

Digital Logistics

Industrial PCs