

MEDIATEK

聯發科技 2017年第二季法人說明會 MediaTek 2017-Q2 Investor Conference

July 31, 2017



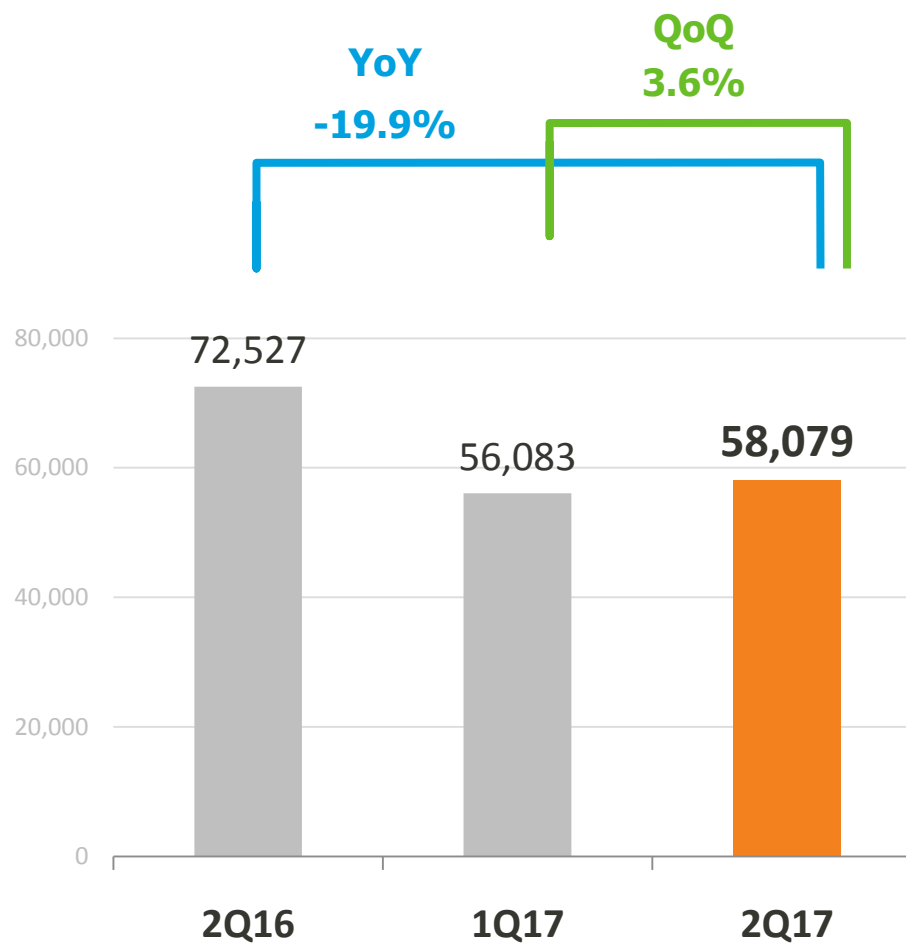
Safe Harbor Statement

Except for historical information contained herein, the matters set forth in this presentation are forward looking statements that are subject to risks and uncertainties that could cause actual results to differ materially, including the impact of competitive products and pricing, timely design acceptance by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand for semiconductor products, industry overcapacity, availability of manufacturing capacity, financial stability in end markets, and other risks.

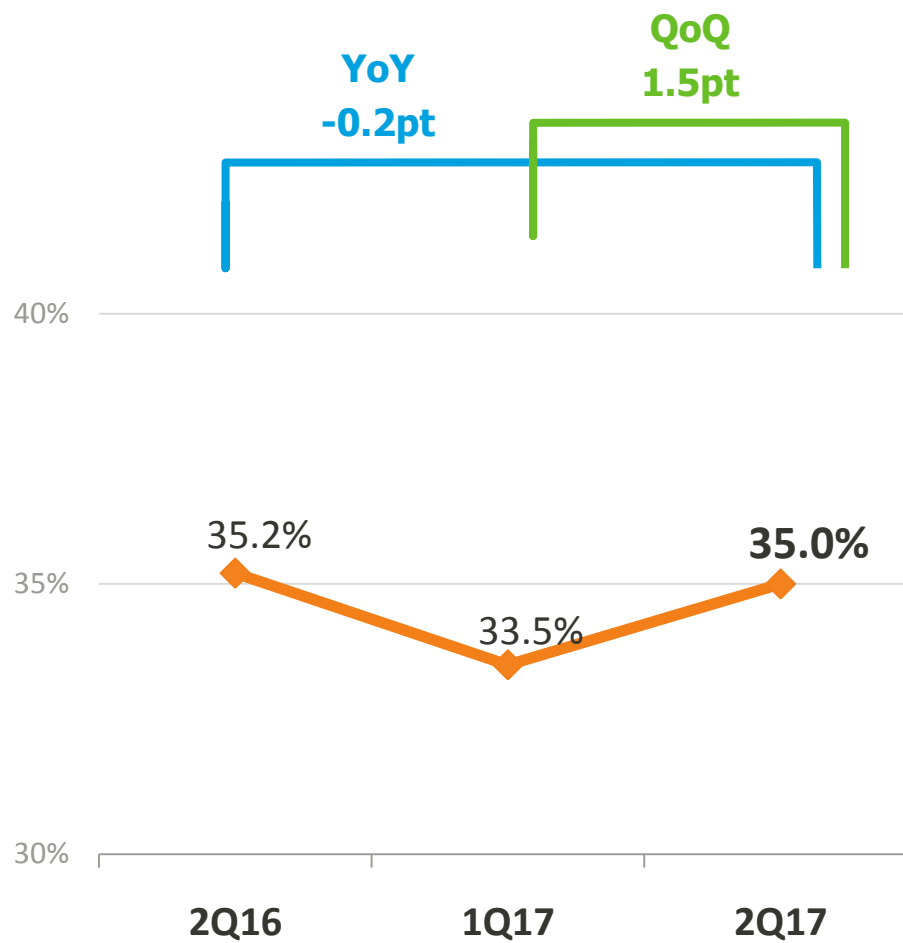
This presentation also includes Non-Taiwan-International Financial Reporting Standards (Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. The information should be considered in addition to, not as a substitute for, Taiwan-International Financial Reporting Standards (TIFRS). Earnings distribution is made accordance with financial statements based on TIFRS.

Consolidated Revenue

(NT\$ million)

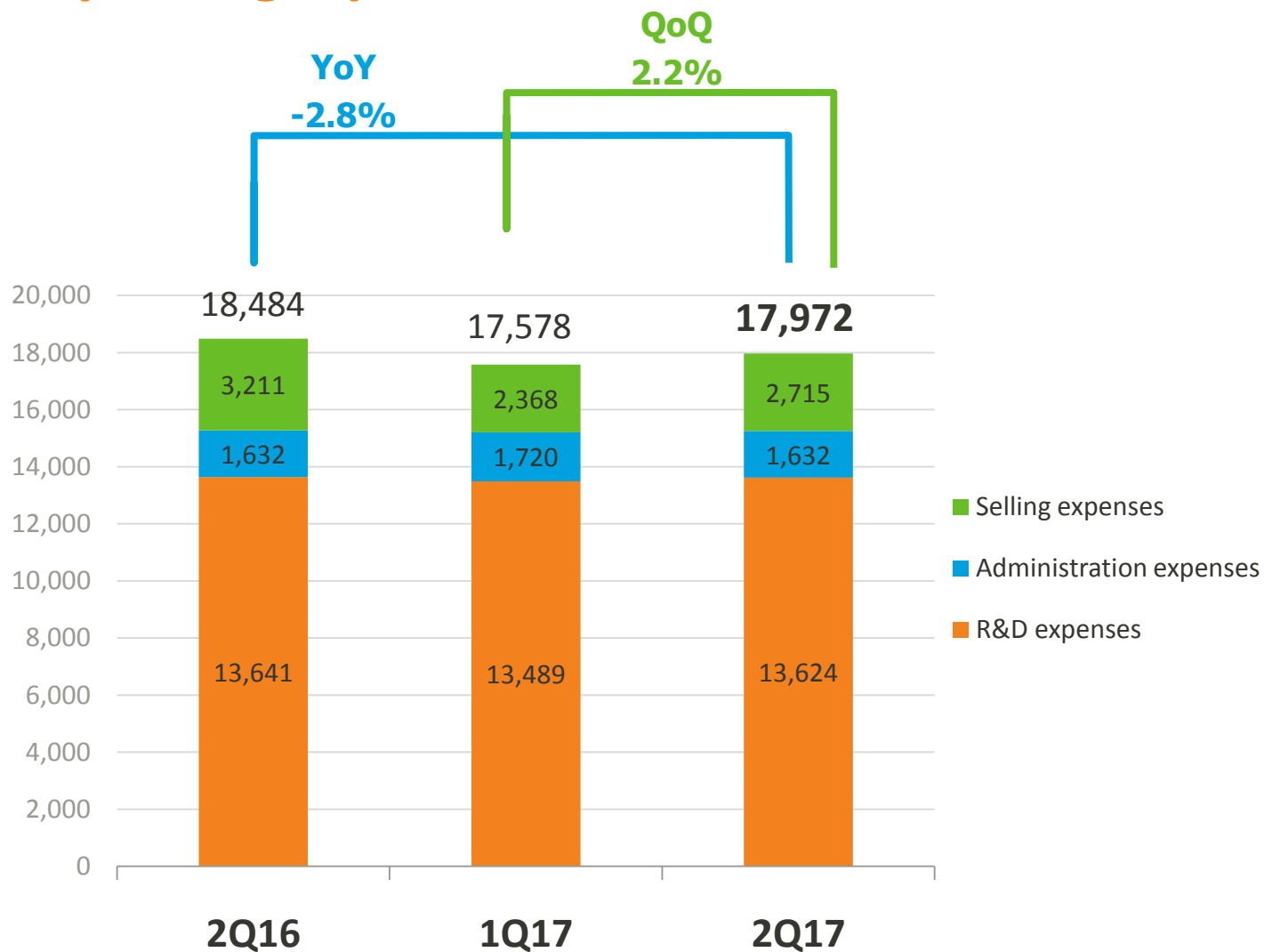


Consolidated Gross Margin



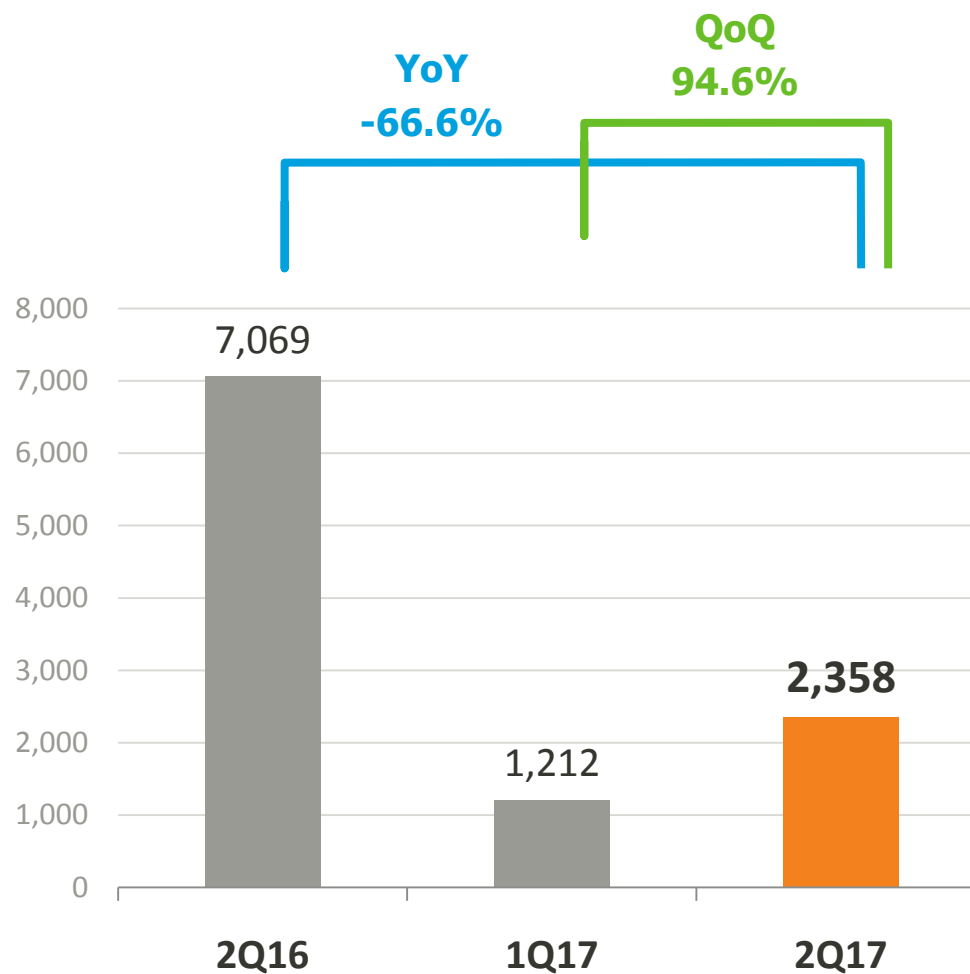
Consolidated Operating Expenses

(NT\$ million)

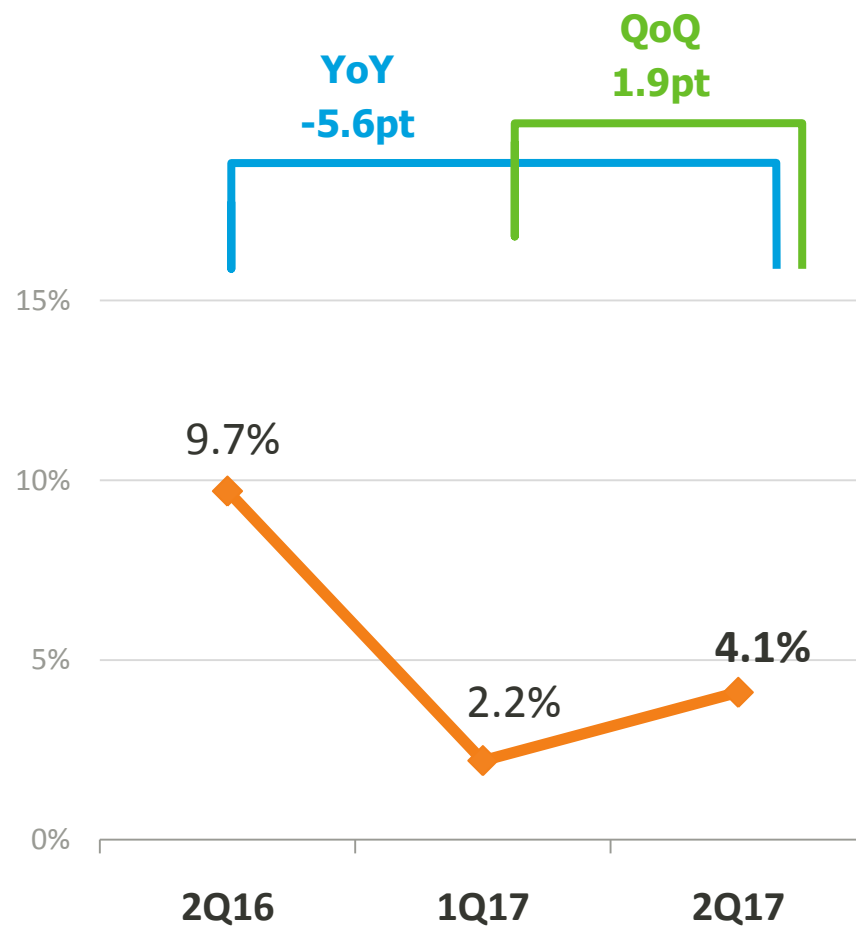


Consolidated Operating Income

(NT\$ million)

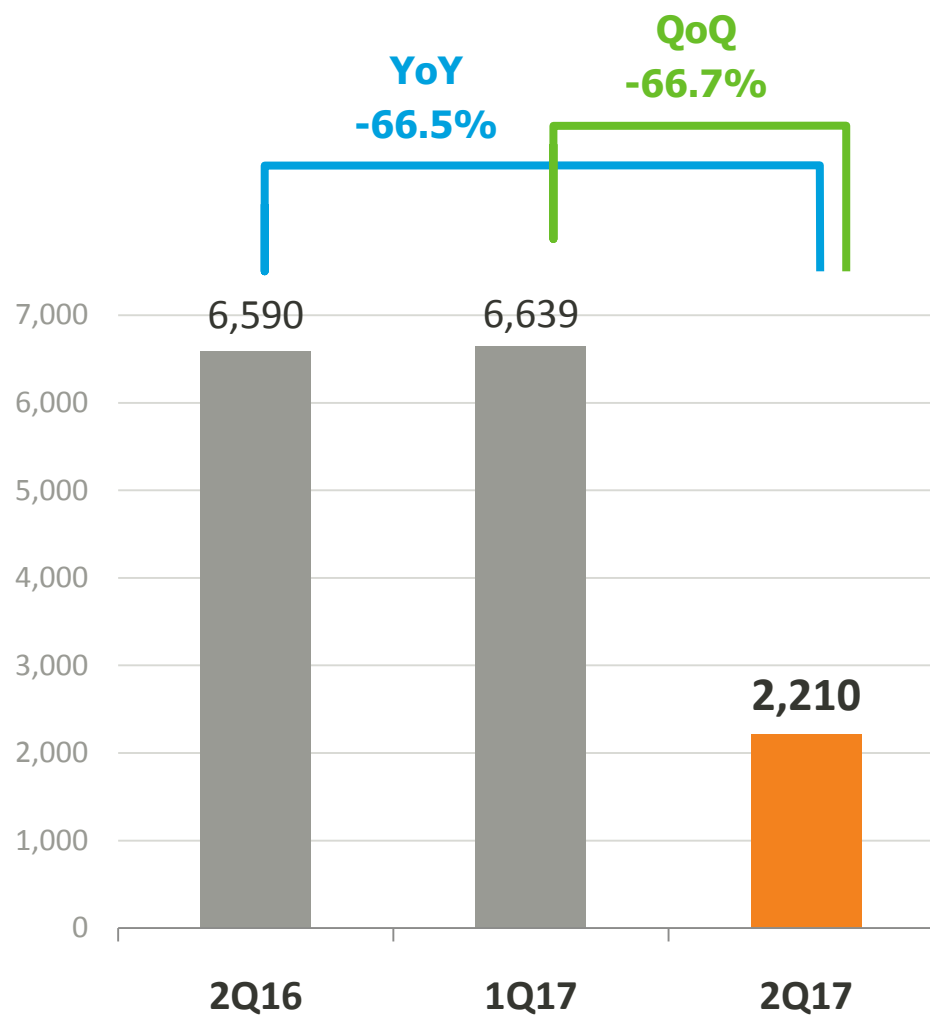


Consolidated Operating Margin

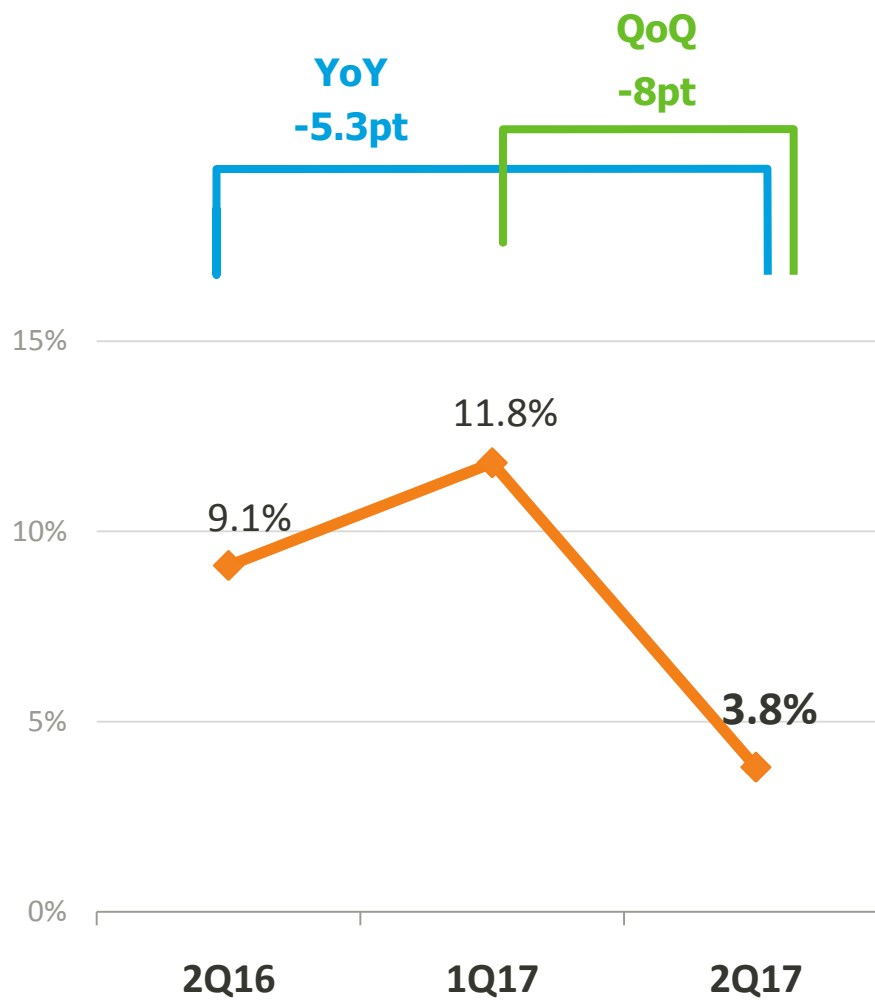


Consolidated Net Income

(NT\$ million)

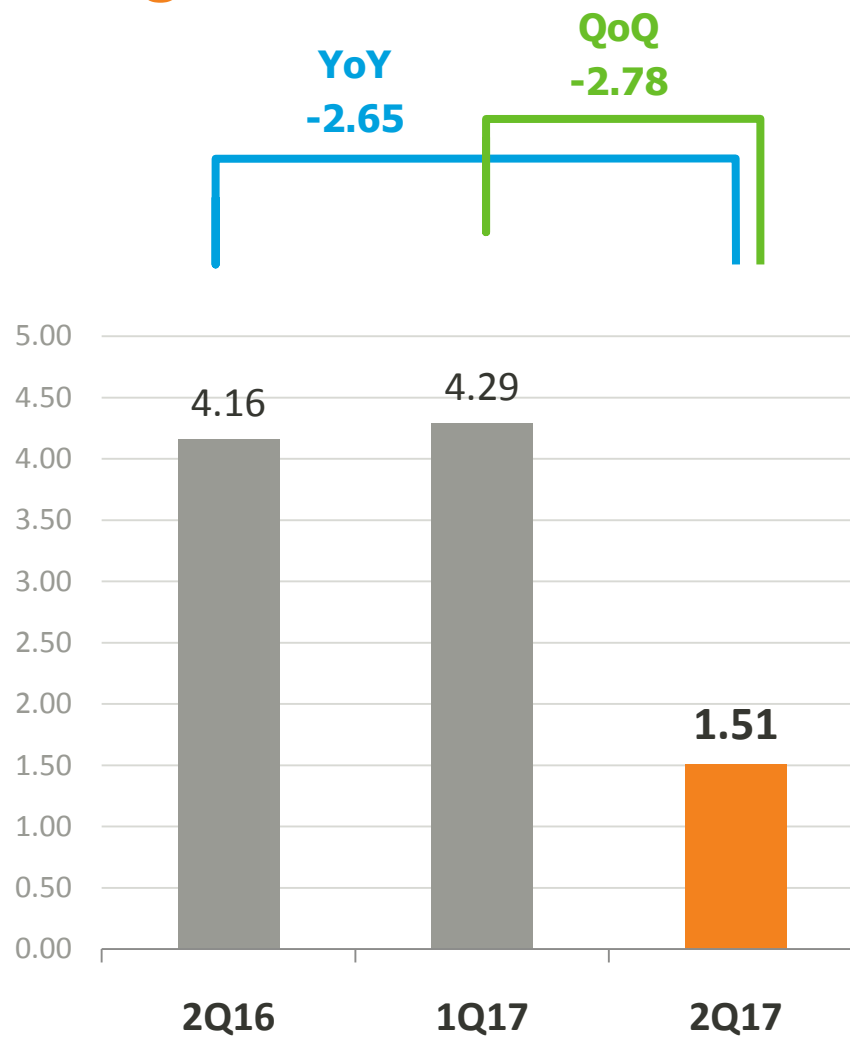


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2017-Q3, we currently expect:
 - ◆ Consolidated revenue: Around NT\$59.2 billion ~ 63.9 billion,
at a forecast exchange rate of 30.3 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 35.5% ± 1.5%
 - ◆ Consolidated operating expense ratio: 29.5% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS)

Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except earnings per share)

(In NT\$ millions, except EPS)	2Q17	1Q17	2Q16	Q-Q	Y-Y
Net Sales	58,079	56,083	72,527	3.6%	(19.9%)
Operating costs	(37,749)	(37,293)	(46,974)		
Gross profit	20,330	18,790	25,553	8.2%	(20.4%)
Selling expenses	(2,715)	(2,368)	(3,211)		
Administration expenses	(1,632)	(1,720)	(1,632)		
R&D expenses	(13,624)	(13,489)	(13,641)		
Operating expenses	(17,972)	(17,578)	(18,484)		
Operating income	2,358	1,212	7,069	94.6%	(66.6%)
Net non-operating income	1,022	6,289	682		
Net income before income tax	3,380	7,501	7,751		
Income tax expense	(1,170)	(862)	(1,162)		
Net income	2,210	6,639	6,590	(66.7%)	(66.5%)
EPS attributable to the parent(NT\$)	1.51	4.29	4.16		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	2Q17	1Q17	2Q16
Gross profit	35.0%	33.5%	35.2%
Selling expenses	(4.7%)	(4.2%)	(4.4%)
Administration expenses	(2.8%)	(3.1%)	(2.3%)
R&D expenses	(23.5%)	(24.1%)	(18.8%)
Operating income	4.1%	2.2%	9.7%
Non-operating income	1.8%	11.2%	0.9%
Income tax expense	(2.0%)	(1.5%)	(1.6%)
Net income	3.8%	11.8%	9.1%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	2Q17	1Q17	2Q16
Cash & financial assets-current	154,945	152,165	172,084
Accounts receivable	20,581	18,288	21,014
Inventories	39,617	37,621	34,014
Other current assets	23,066	23,456	11,342
Funds and investments	45,861	40,899	22,953
Intangible assets	77,803	78,106	73,806
Other non-current assets	41,438	40,370	41,146
Total assets	403,312	390,905	376,360
Short-term loans	63,237	60,828	60,849
Accounts payable	30,901	31,297	30,106
Other current liabilities	51,638	37,515	58,099
Total non-current liabilities	6,687	6,301	3,723
Total equity	250,849	254,963	223,583

Note: Sums may not equal totals due to rounding..

Cash Flow Statement (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	2Q17	1Q17	2Q16
Net cash provided by (used in) operating activities	(1,156)	(1,183)	12,210
Net cash provided by (used in) investing activities	(2,410)	(5,459)	(6,229)
Net cash provided by (used in) financing activities	2,422	9,702	(2,649)
Effect of changes in exchange rate on cash and cash equivalents	479	(4,472)	635
Net increase (decrease) in cash and cash equivalents	(666)	(1,412)	3,967
Cash and cash equivalents at the end of the period	138,483	139,149	159,929

Note : Sums may not equal totals due to rounding.

【Supplemental Information】

Reconciliations of TIFRS Results to Non-TIFRS Results

Reconciliations of TIFRS Results to Non-TIFRS Results^{Note2}

(In NT\$ millions)	2Q17	1Q17	2Q16	Q-Q	Y-Y
TIFRS operating income	2,358	1,212	7,069		
TIFRS net income	2,210	6,639	6,590		
TIFRS EPS(NT\$)	1.51	4.29	4.16		
Non-TIFRS reconciliation items	711	499	340		
Share-based compensation	246	207	8		
Amortization of acquisition related assets	587	369	383		
Tax effect	(123)	(76)	(52)		
Non-TIFRS operating income	3,192	1,788	7,461	78.5%	(57.2%)
Non-TIFRS operating income margin (%)	5.5%	3.2%	10.3%		
Non-TIFRS net income	2,921	7,139	6,929	(59.1%)	(57.8%)
Non-TIFRS net income margin (%)	5.0%	12.7%	9.6%		
Non-TIFRS EPS(NT\$)	1.96	4.60	4.37		

Note1: Sums may not equal totals due to rounding.

Note2: Non-TIFRS financial information should be considered in addition to, not as a substitute for, TIFRS financial information. Reconciliations between TIFRS and Non-TIFRS results include share-based compensation, amortization of acquisition related assets, tax effect and other items. Earnings distribution is made in accordance with financial statements based on TIFRS.

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