

MEDIATEK

聯發科技 2018年第一季法人說明會 MediaTek 2018-Q1 Investor Conference

April 27, 2018



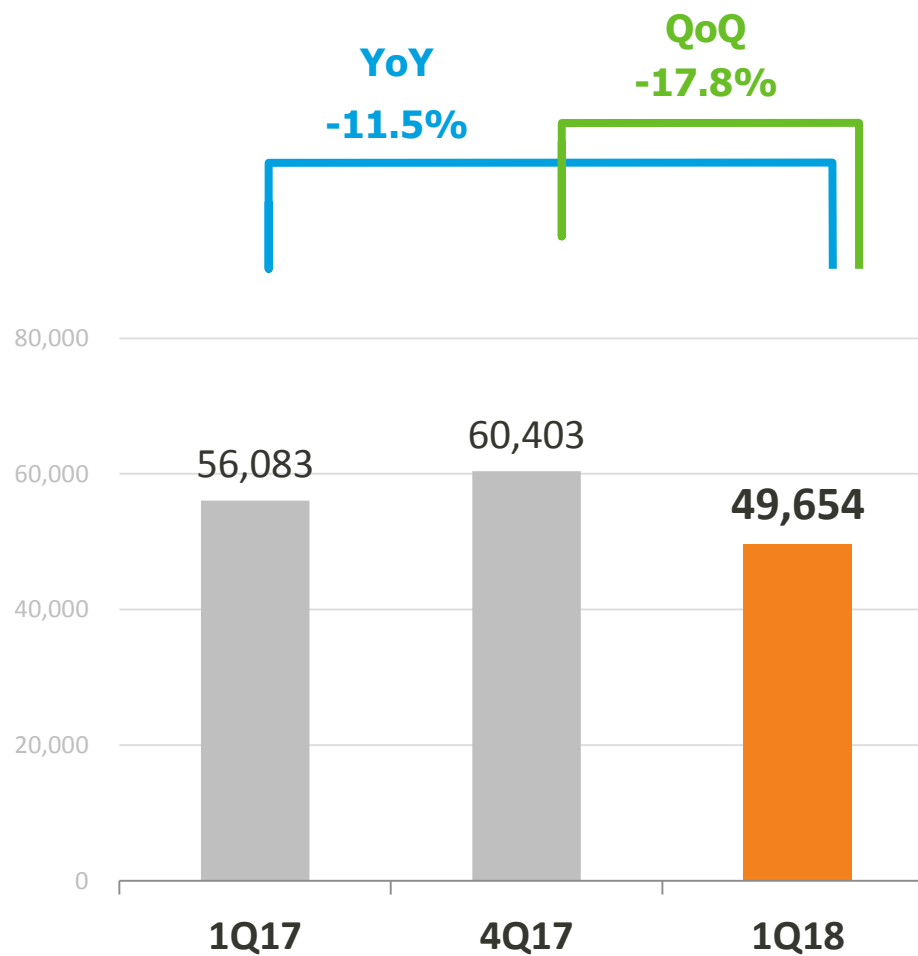
Safe Harbor Statement

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.

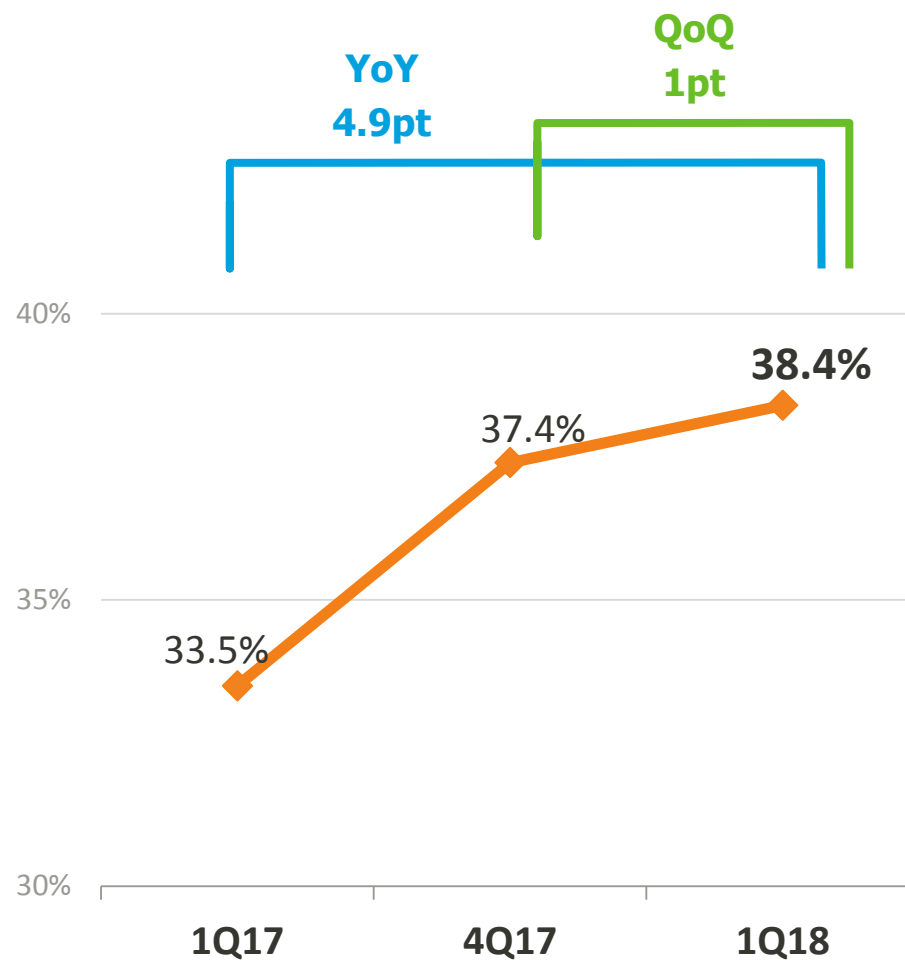
This presentation also includes Non-Taiwan-International Financial Reporting Standards (Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. The information should be considered in addition to, not as a substitute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

Consolidated Revenue

(NT\$ million)

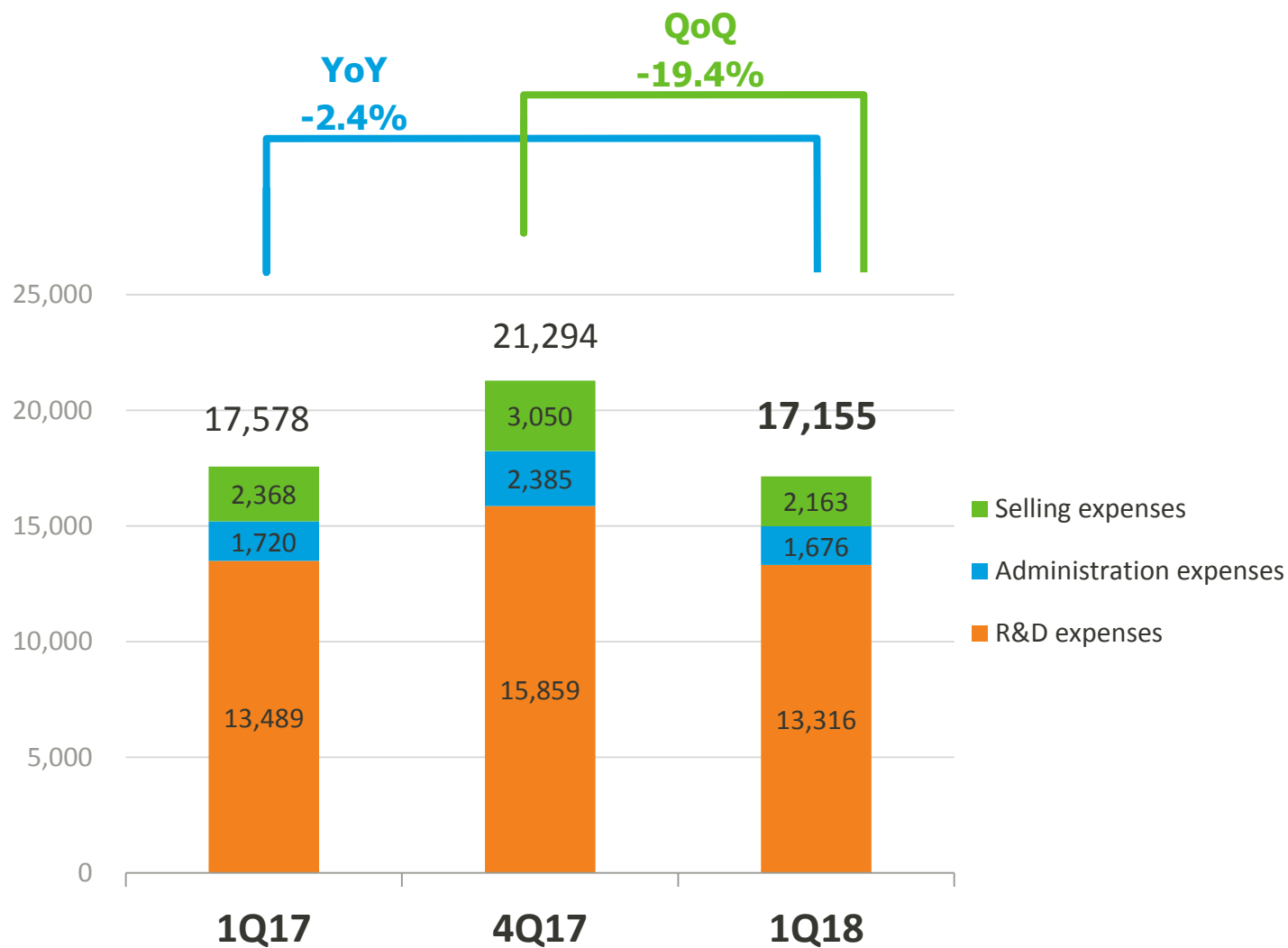


Consolidated Gross Margin



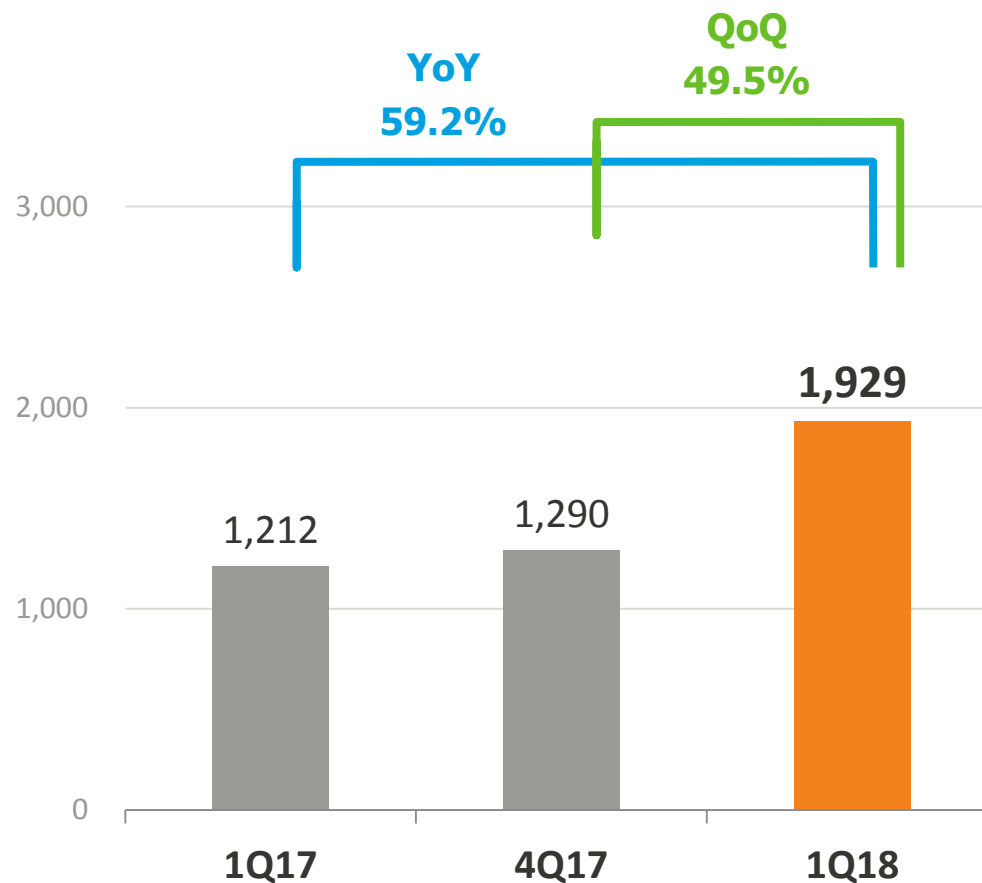
Consolidated Operating Expenses

(NT\$ million)

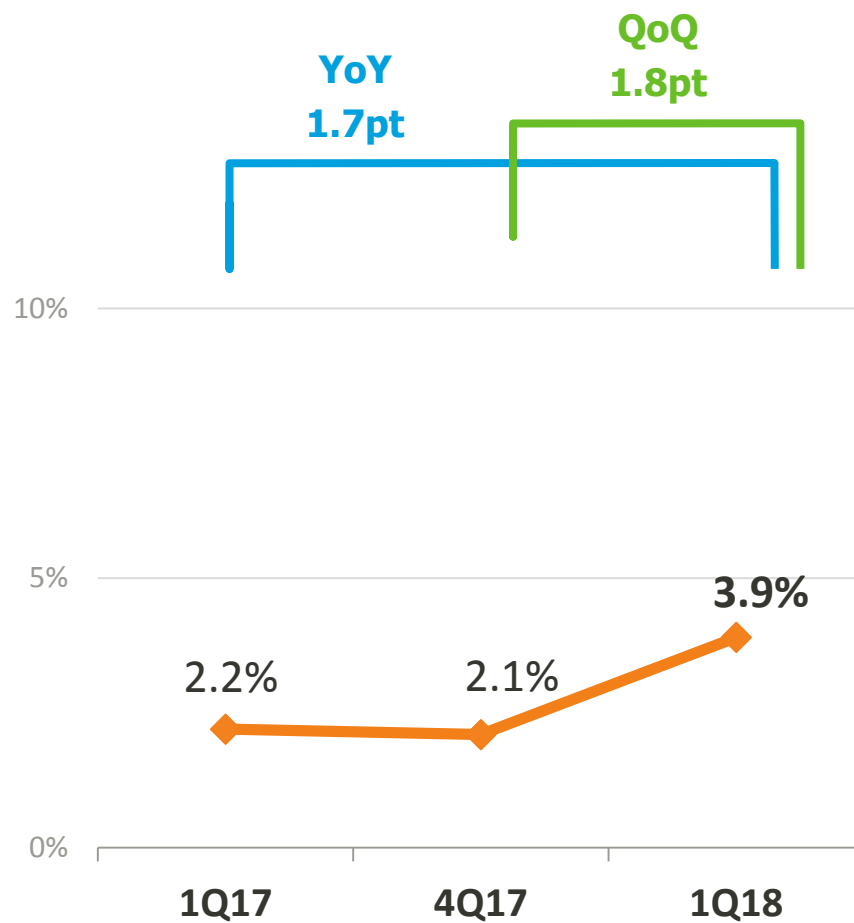


Consolidated Operating Income

(NT\$ million)

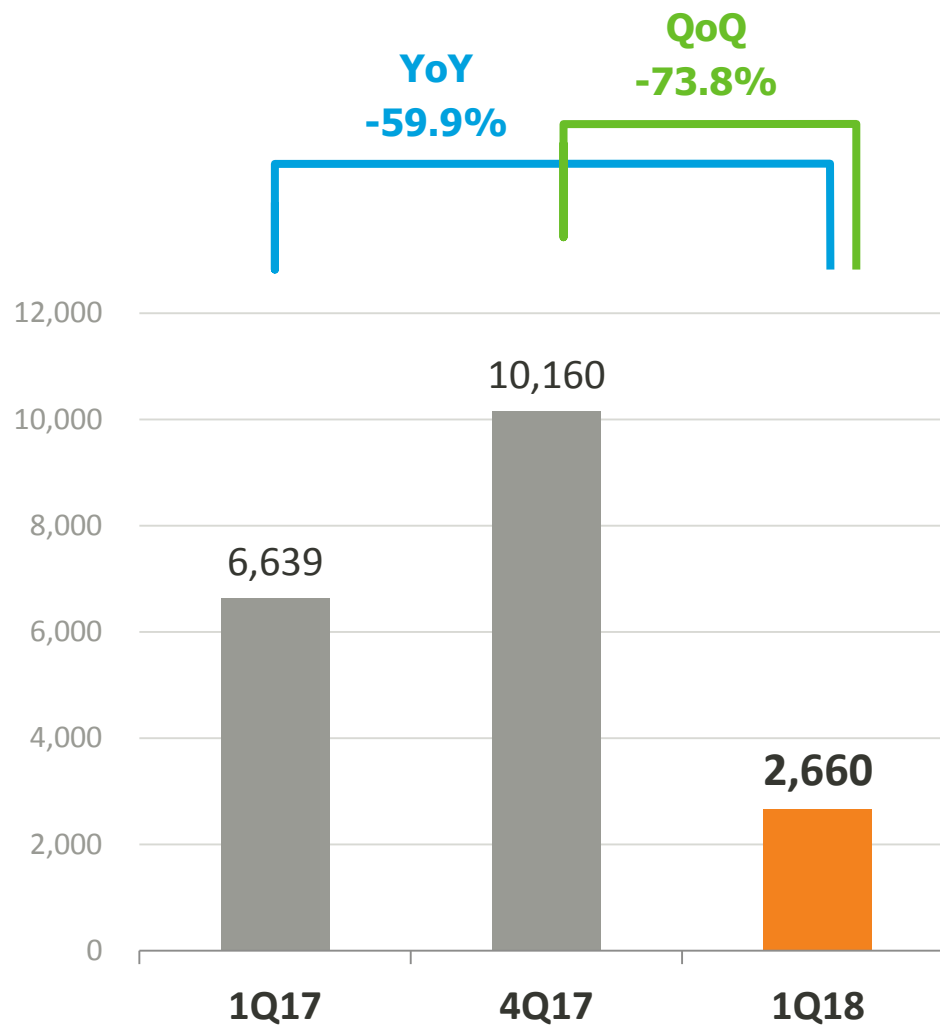


Consolidated Operating Margin

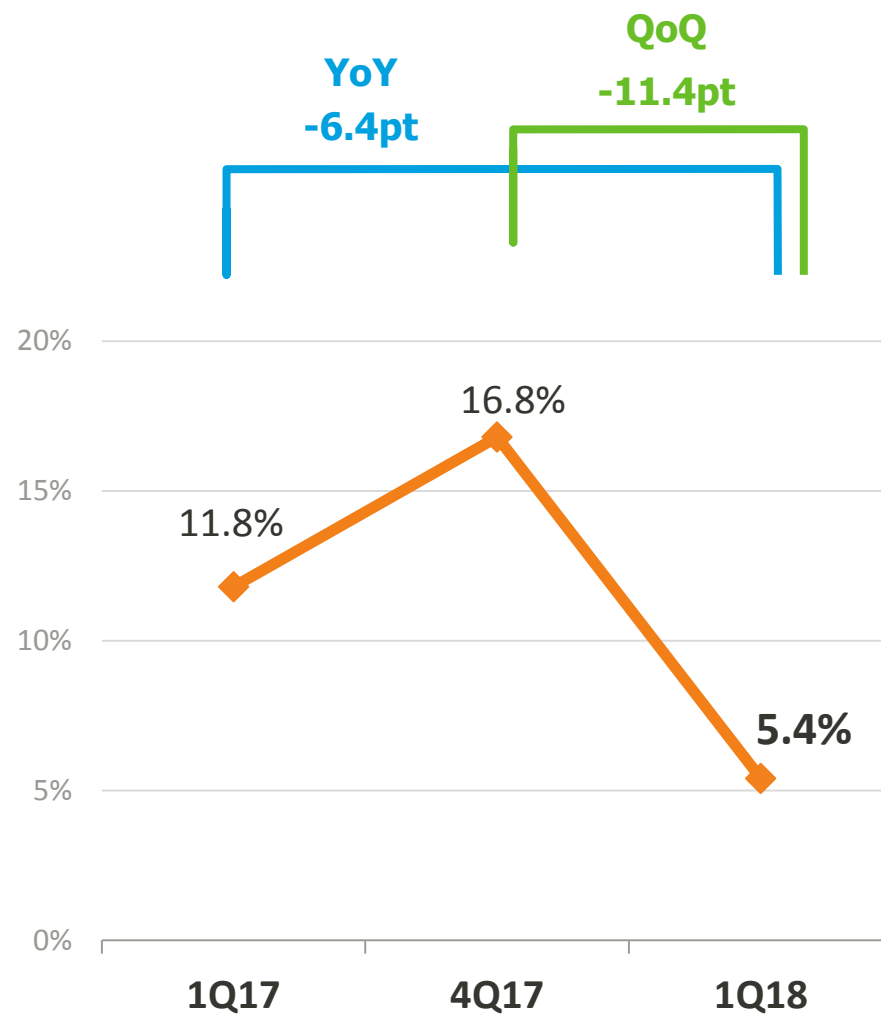


Consolidated Net Income

(NT\$ million)

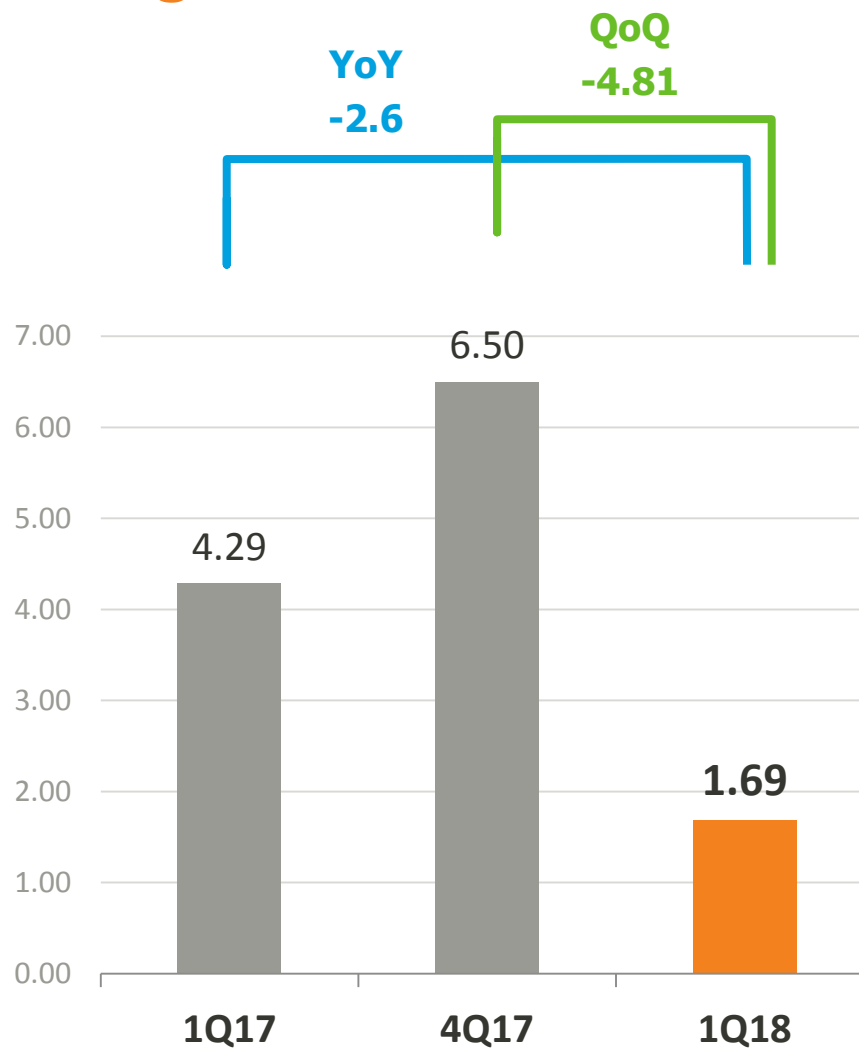


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2018-Q2, we currently expect:
 - ◆ Consolidated revenue: Around NT\$55.6 billion ~ 59.6 billion,
at a forecast exchange rate of 29.3 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 38% ± 1.5%
 - ◆ Consolidated operating expense ratio: 33% ± 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)	1Q18	4Q17	1Q17	Q-Q	Y-Y
Net Sales	49,654	60,403	56,083	(17.8%)	(11.5%)
Operating costs	(30,569)	(37,819)	(37,293)		
Gross profit	19,085	22,584	18,790	(15.5%)	1.6%
Selling expenses	(2,163)	(3,050)	(2,368)		
Administration expenses	(1,676)	(2,385)	(1,720)		
R&D expenses	(13,316)	(15,859)	(13,489)		
Operating expenses	(17,155)	(21,294)	(17,578)		
Operating income	1,929	1,290	1,212	49.5%	59.2%
Net non-operating income	1,183	9,445	6,289		
Net income before income tax	3,113	10,735	7,501		
Income tax expense	(452)	(575)	(862)		
Net income	2,660	10,160	6,639	(73.8%)	(59.9%)
EPS attributable to the parent(NT\$)	1.69	6.50	4.29		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	1Q18	4Q17	1Q17
Gross profit	38.4%	37.4%	33.5%
Selling expenses	(4.4%)	(5.0%)	(4.2%)
Administration expenses	(3.4%)	(3.9%)	(3.1%)
R&D expenses	(26.8%)	(26.3%)	(24.1%)
Operating income	3.9%	2.1%	2.2%
Non-operating income	2.4%	15.6%	11.2%
Income tax expense	(0.9%)	(1.0%)	(1.5%)
Net income	5.4%	16.8%	11.8%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	1Q18	4Q17	1Q17
Cash & financial assets-current	165,235	170,120	152,165
Accounts receivable	25,839	16,895	18,288
Inventories	33,320	26,540	37,621
Other current assets	15,896	25,109	23,456
Funds and investments	54,311	37,772	40,899
Intangible assets	75,286	76,029	78,106
Other non-current assets	43,475	42,348	40,370
Total assets	413,362	394,814	390,905
Short-term loans	62,700	64,316	60,828
Accounts payable	28,581	23,584	31,297
Other current liabilities	42,235	39,357	37,515
Total non-current liabilities	5,832	6,358	6,301
Total equity	274,015	261,199	254,963

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

Cash Flow Statement (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	1Q18	4Q17	1Q17
Net cash provided by (used in) operating activities	(1,663)	16,707	(1,183)
Net cash provided by (used in) investing activities	(896)	(2,137)	(5,459)
Net cash provided by (used in) financing activities	(1,281)	1,408	9,702
Effect of changes in exchange rate on cash and cash equivalents	(881)	(101)	(4,472)
Net increase (decrease) in cash and cash equivalents	(4,721)	15,877	(1,412)
Cash and cash equivalents at the end of the period	140,617	145,338	139,149

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)	1Q18	4Q17	1Q17	Q-Q	Y-Y
TIFRS operating income	1,929	1,290	1,212		
TIFRS net income	2,660	10,160	6,639		
TIFRS EPS(NT\$)	1.69	6.50	4.29		
Non-TIFRS reconciliation items	380	299	499		
Share-based compensation	113	(-54)	207		
Amortization of acquisition related assets	325	403	369		
Tax effect	(58)	(50)	(76)		
Non-TIFRS operating income	2,367	1,639	1,788	44.4%	32.4%
Non-TIFRS operating income margin (%)	4.8%	2.7%	3.2%		
Non-TIFRS net income	3,041	10,459	7,139	(70.9%)	(57.4%)
Non-TIFRS net income margin (%)	6.1%	17.3%	12.7%		
Non-TIFRS EPS(NT\$)	1.93	6.68	4.60		

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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