

MEDIATEK

聯發科技 2018年第二季法人說明會 MediaTek 2018-Q2 Investor Conference

July 31, 2018



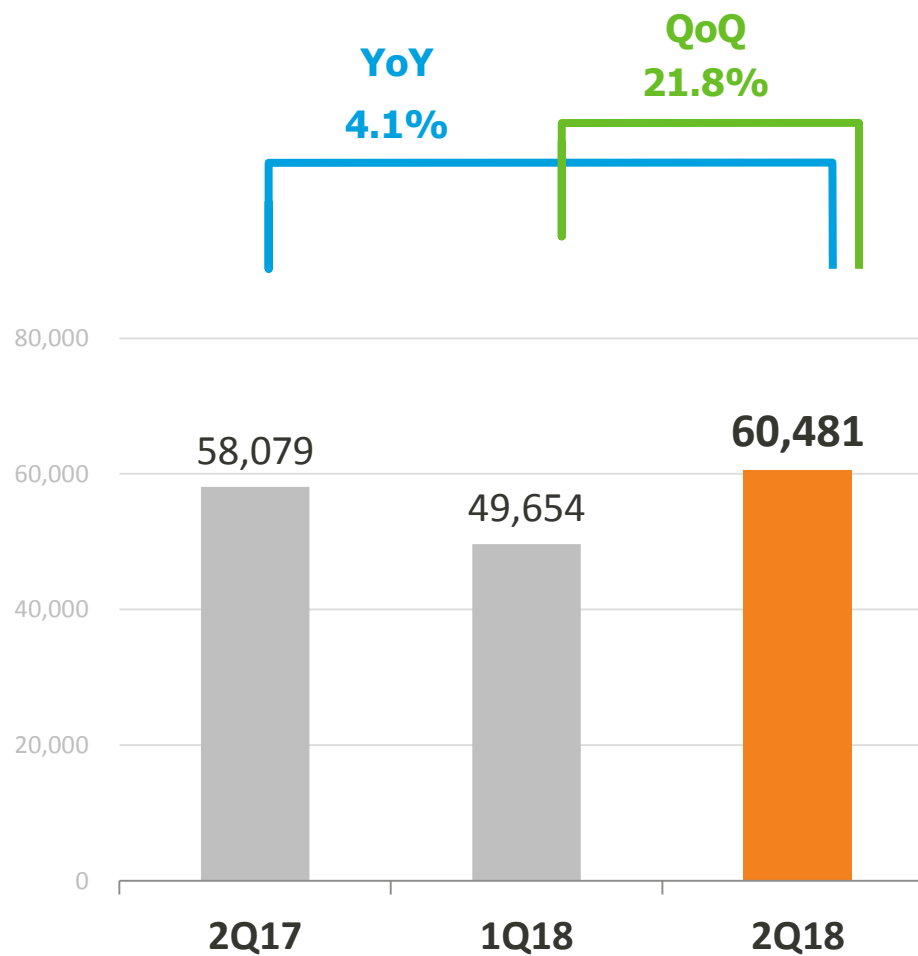
Safe Harbor Statement

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.

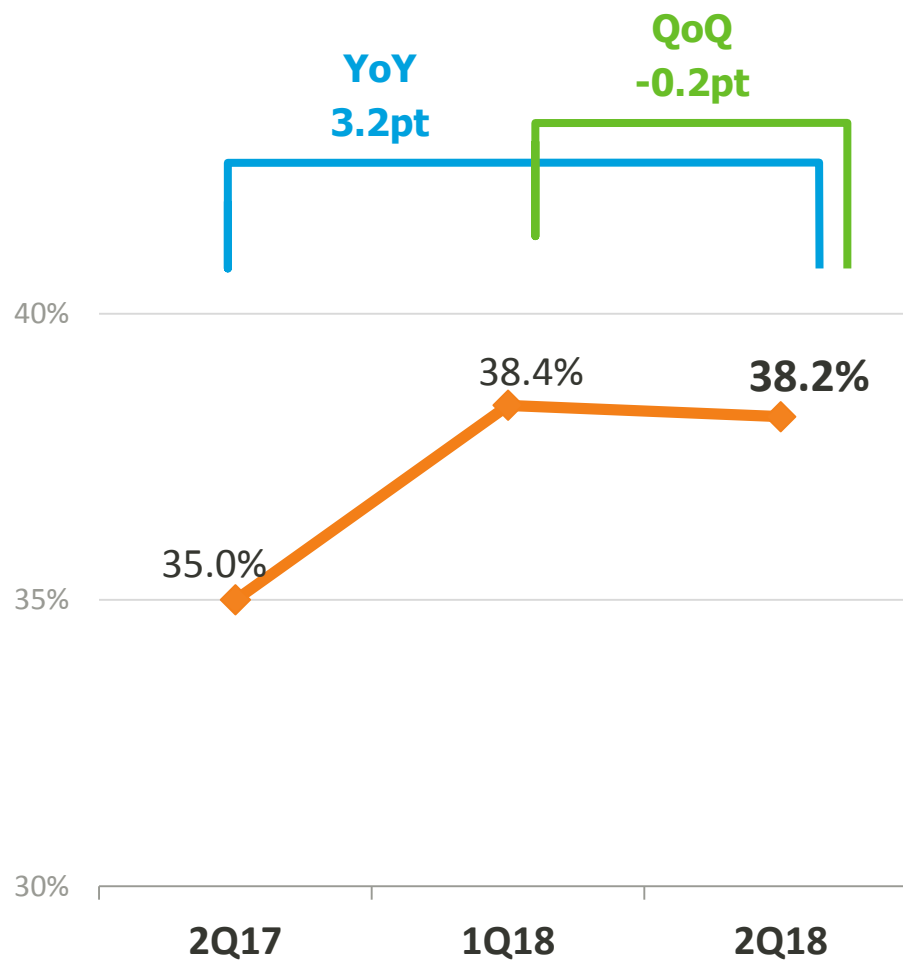
This presentation also includes Non-Taiwan-International Financial Reporting Standards (Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. The information should be considered in addition to, not as a substitute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

Consolidated Revenue

(NT\$ million)

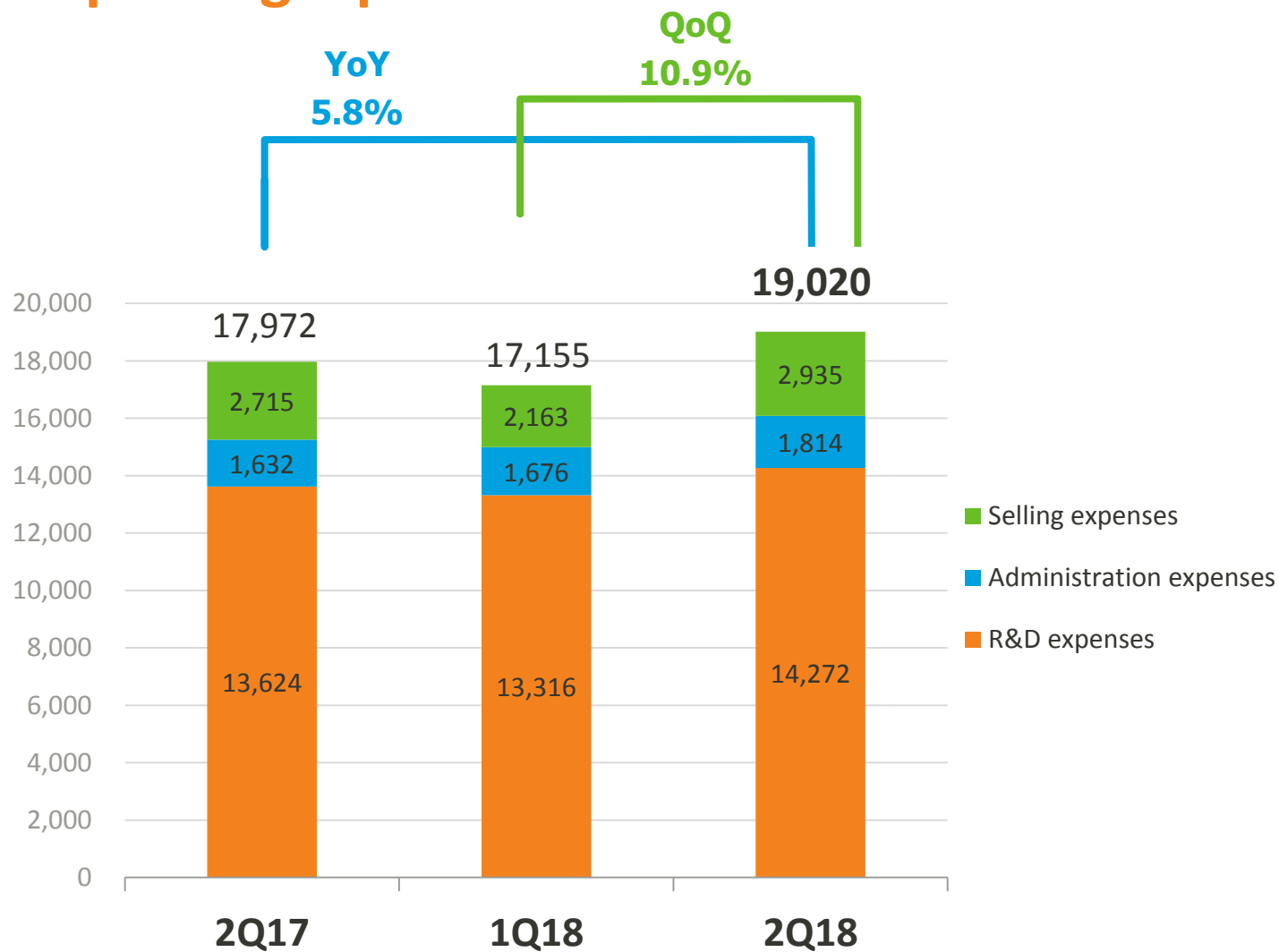


Consolidated Gross Margin



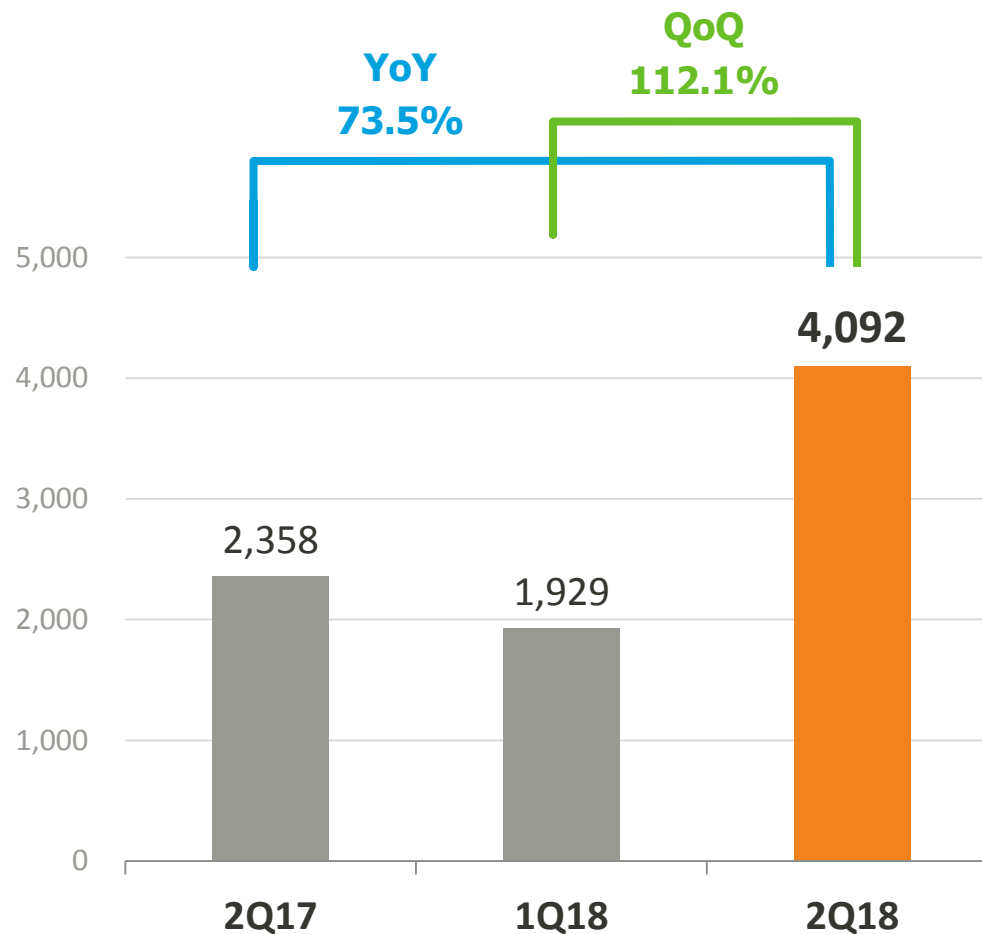
Consolidated Operating Expenses

(NT\$ million)

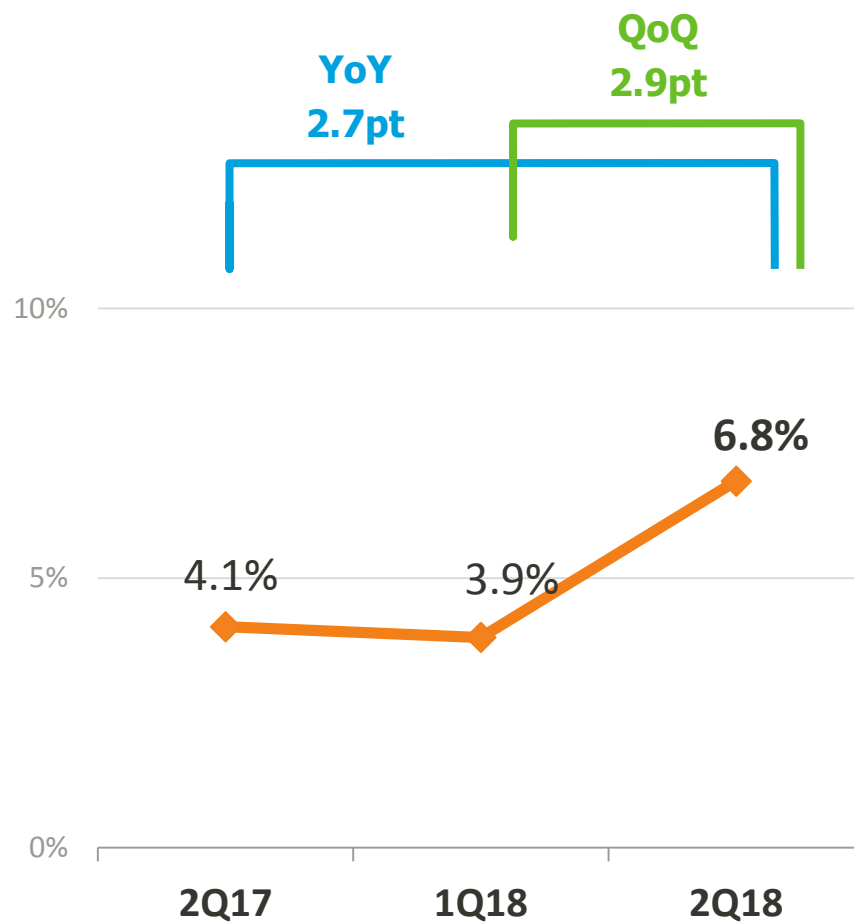


Consolidated Operating Income

(NT\$ million)

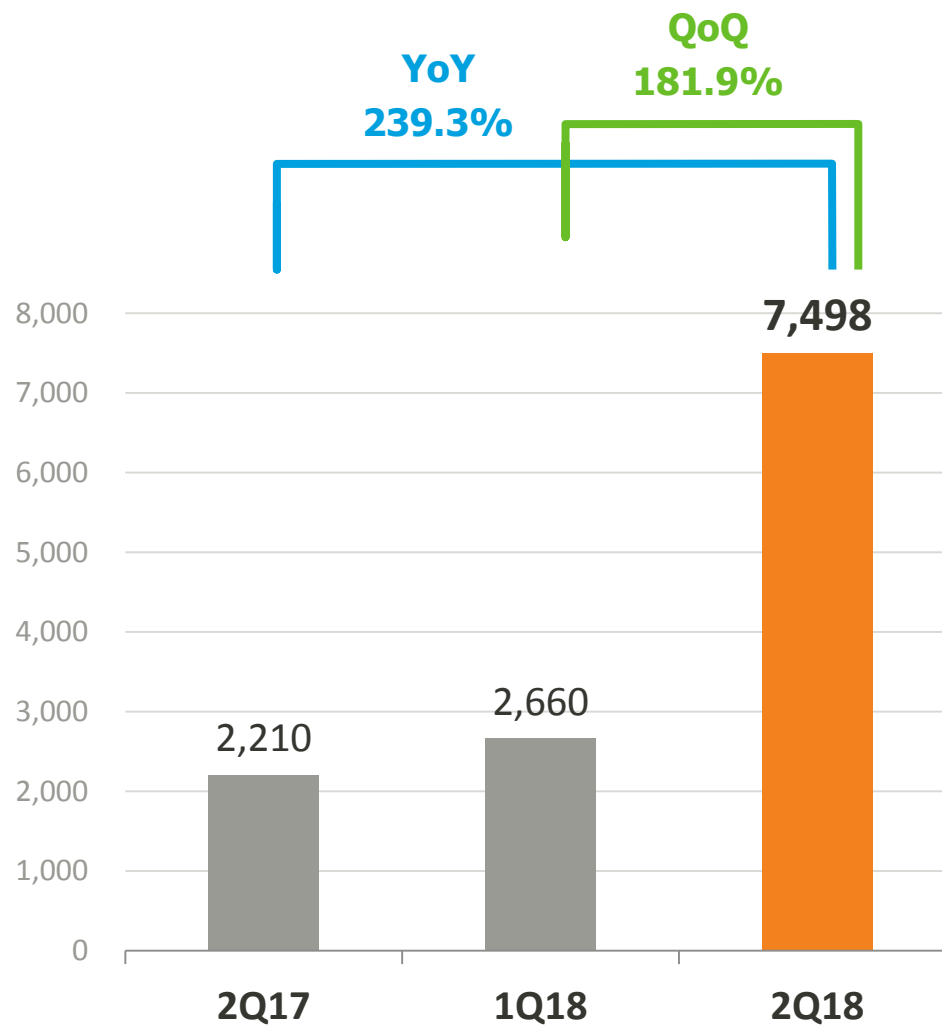


Consolidated Operating Margin

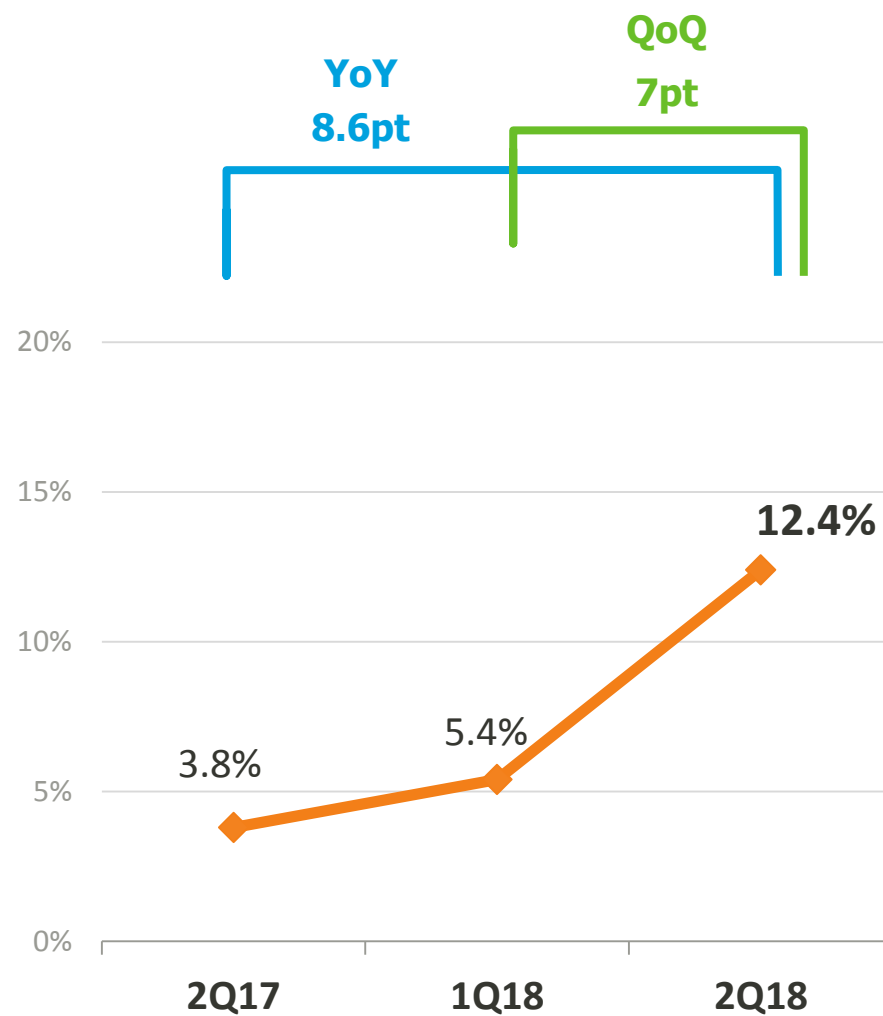


Consolidated Net Income

(NT\$ million)

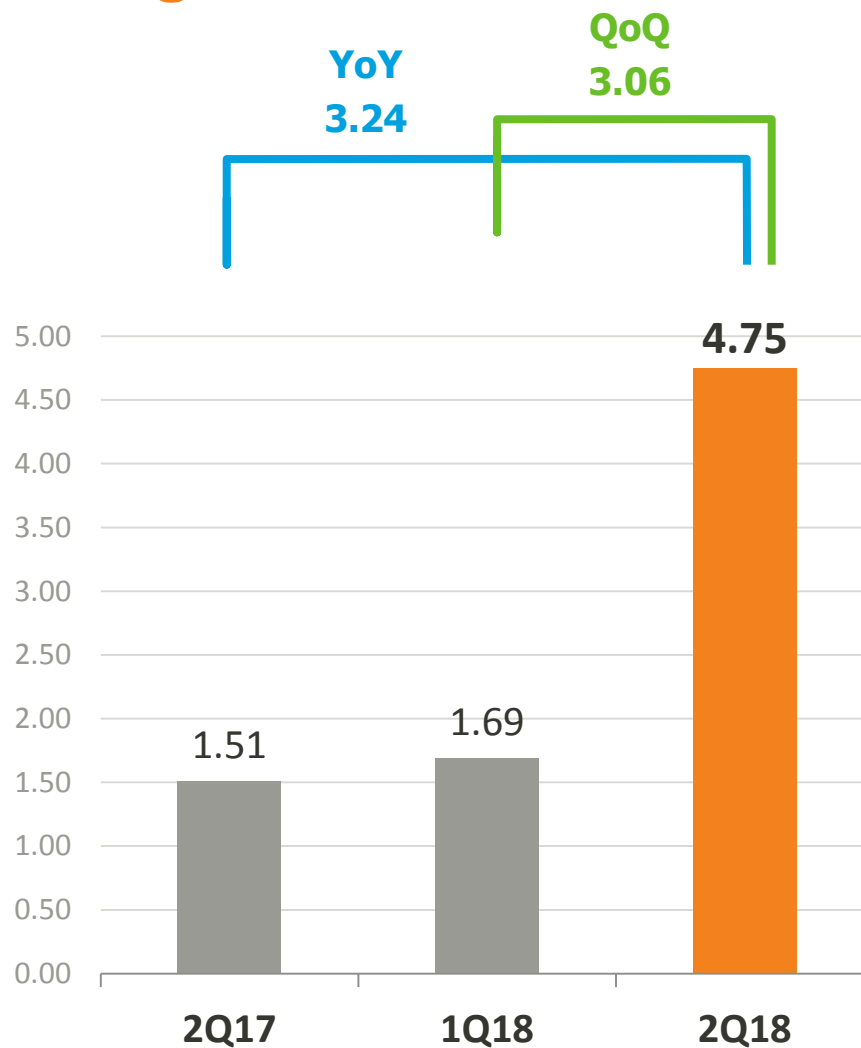


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2018-Q3, we currently expect:
 - ◆ Consolidated revenue: Around NT\$62.3 billion ~ 67.1 billion,
at a forecast exchange rate of 30.4 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 38.2% ± 1.5%
 - ◆ Consolidated operating expense ratio: 30% ± 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)	2Q18	1Q18	2Q17	Q-Q	Y-Y
Net Sales	60,481	49,654	58,079	21.8%	4.1%
Operating costs	(37,369)	(30,569)	(37,749)		
Gross profit	23,113	19,085	20,330	21.1%	13.7%
Selling expenses	(2,935)	(2,163)	(2,715)		
Administration expenses	(1,814)	(1,676)	(1,632)		
R&D expenses	(14,272)	(13,316)	(13,624)		
Operating expenses	(19,020)	(17,155)	(17,972)		
Operating income	4,092	1,929	2,358	112.1%	73.5%
Net non-operating income	4,665	1,183	1,022		
Net income before income tax	8,757	3,113	3,380		
Income tax expense	(1,260)	(452)	(1,170)		
Net income	7,498	2,660	2,210	181.9%	239.3%
EPS attributable to the parent(NT\$)	4.75	1.69	1.51		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	2Q18	1Q18	2Q17
Gross profit	38.2%	38.4%	35.0%
Selling expenses	(4.9%)	(4.4%)	(4.7%)
Administration expenses	(3.0%)	(3.4%)	(2.8%)
R&D expenses	(23.6%)	(26.8%)	(23.5%)
Operating income	6.8%	3.9%	4.1%
Non-operating income	7.7%	2.4%	1.8%
Income tax expense	(2.1%)	(0.9%)	(2.0%)
Net income	12.4%	5.4%	3.8%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	2Q18	1Q18	2Q17
Cash & financial assets-current	191,991	165,235	154,945
Accounts receivable	31,956	25,839	20,581
Inventories	36,875	33,320	39,617
Other current assets	17,345	15,896	23,066
Funds and investments	45,770	54,311	45,861
Intangible assets	74,805	75,286	77,803
Other non-current assets	43,510	43,475	41,438
Total assets	442,254	413,362	403,312
Short-term loans	79,288	62,700	63,237
Accounts payable	28,740	28,581	30,901
Other current liabilities	69,075	42,235	51,638
Total non-current liabilities	5,267	5,832	6,687
Total equity	259,884	274,015	250,849

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

Cash Flow Statement (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	2Q18	1Q18	2Q17
Net cash provided by (used in) operating activities	9,202	(1,663)	(1,156)
Net cash provided by (used in) investing activities	5,156	(896)	(2,410)
Net cash provided by (used in) financing activities	14,431	(1,281)	2,422
Effect of changes in exchange rate on cash and cash equivalents	1,966	(881)	479
Net increase (decrease) in cash and cash equivalents	30,756	(4,721)	(666)
Cash and cash equivalents at the end of the period	171,373	140,617	138,483

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)	2Q18	1Q18	2Q17	Q-Q	Y-Y
TIFRS operating income	4,092	1,929	2,358		
TIFRS net income	7,498	2,660	2,210		
TIFRS EPS(NT\$)	4.75	1.69	1.51		
Non-TIFRS reconciliation items	409	380	711		
Share-based compensation	114	113	246		
Amortization of acquisition related assets	387	325	587		
Tax effect	(91)	(58)	(123)		
Non-TIFRS operating income	4,592	2,366	3,192	94.1%	43.9%
Non-TIFRS operating income margin (%)	7.6%	4.8%	5.5%		
Non-TIFRS net income	7,907	3,040	2,921	160.2%	170.7%
Non-TIFRS net income margin (%)	13.1%	6.1%	5.0%		
Non-TIFRS EPS(NT\$)	5.02	1.93	1.96		

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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