3Q 2015 Earning Results

October 2015

Disclaimer

Innolux Corporation's statements of its current expectations and estimates are forward-looking statements subject to significant known and unknown risks and uncertainties and actual results may differ materially from those contained or implied in the forward-looking statements. These forward-looking statements are not guarantees of future performance and therefore one should not place undue reliance on them. Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

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Statements of Comprehensive Income

Selected Items from Statements of Comprehensive Income

(NT$ million)	3Q 2015		2Q 2015		QoQ %	3Q 2014	
Net Sales	88,756	*100.0%*	93,755	*100.0%*	***-5.3%***	113,092	*100.0%*
Cost of Goods Sold	77,981	*87.9%*	78,173	*83.4%*	***-0.2%***	98,582	*87.2%*
Gross Profit	10,776	*12.1%*	15,583	*16.6%*	***-30.8%***	14,510	*12.8%*
Operating Expenses	6,069	*6.8%*	6,190	*6.6%*	***-1.9%***	5,500	*4.9%*
Operating Income	4,706	*5.3%*	9,393	*10.0%*	***-49.9%***	9,010	*8.0%*
Net Non-operating Income (Exp.)	(625)	*-0.7%*	(2,047)	*-2.2%*	**-**	(1,269)	*-1.1%*
Income before Tax	4,081	*4.6%*	7,345	*7.8%*	***-44.4%***	7,741	*6.8%*
Net Income	3,482	*3.9%*	5,406	*5.8%*	***-35.6%***	7,360	*6.5%*
Net Income-Parent	3,482	*3.9%*	5,406	*5.8%*	***-35.6%***	7,359	*6.5%*
Basic EPS (NT$)(1)(2)	0.35		0.54			0.77	
EBITDA(3)	17,846	*20.1%*	23,123	*24.7%*	***-22.8%***	23,585	*20.9%*

Notes:

1. Basic EPS = Net Income-Parent / Weighted Average of Outstanding Common Shares
2. Capital Stock (common): NT$99.54billion as of September 30, 2015
3. EBITDA = Operating Income + Depreciation & Amortization
4. All figures are unaudited, prepared by Innolux Corporation in accordance with the International Financial Reporting Standards as endorsed in R.O.C. (TIFRS).
5. Combined figures presented refer to results from other TFT-LCD related subsidiaries in which Innolux Corporation has 50% or more ownership. Inter-company transactions between Innolux Corporation and these companies have been eliminated to avoid double-counting.

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Combined Balance Sheet Highlights

(NT$ million)	2015.9.30	2015.6.30	2014.9.30
Cash & Short Term Investment	41,188	40,724	32,836
Inventory	35,008	33,221	38,390
Total Assets	396,067	401,083	457,268
Short Term Debt (1)	16,352	16,355	73,692
Long Term Debt	43,606	51,790	53,664
Shareholders' Equity (2)	241,125	236,085	213,959
Current Ratio	*128%*	*125%*	*87%*
Debt to Equity	*25%*	*29%*	*60%*
Net Debt to Equity	*8%*	*12%*	*44%*
Depreciation & Amortization	13,140	13,731	14,576
Capital Expenditure	4,257	3,783	5,749

Notes:

1. Short term debt = (short-term bank loan + current portion of long term loan)
2. Capital Stock (common): NT$99.54billion; Book value per common stock: NT$ 24.22 as of September 30, 2015
3. Net debt to shareholders' equity = (short term debt + long term debt – cash & short term investment) / shareholders' equity
4. All figures are unaudited, prepared by Innolux Corporation in accordance with the International Financial Reporting Standards as endorsed in R.O.C. (TIFRS).
5. Combined figures presented refer to results from other TFT-LCD related subsidiaries in which Innolux Corporation has 50% or more ownership. Inter-company transactions between Innolux Corporation and these companies have been eliminated to avoid double-counting.

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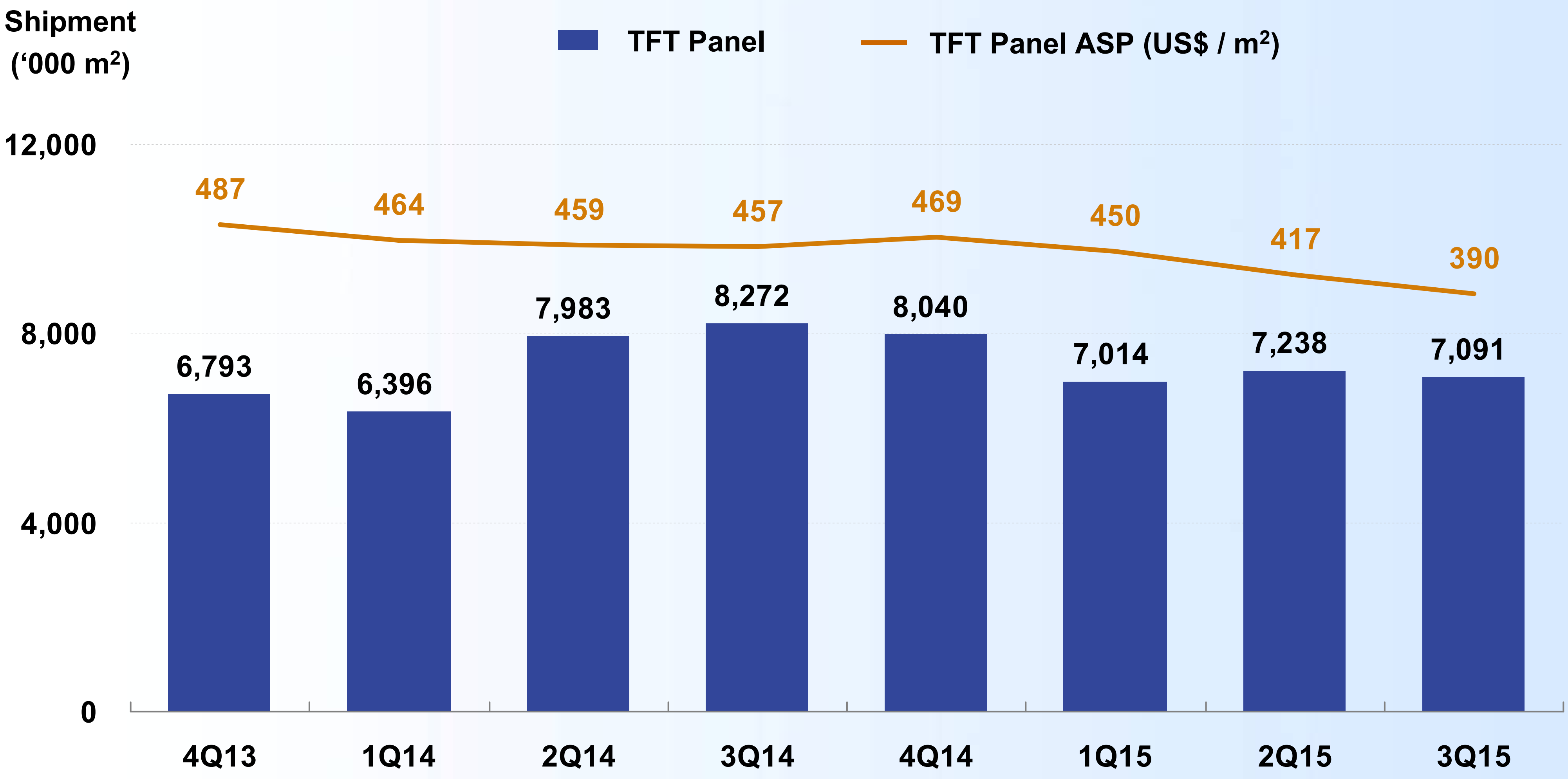
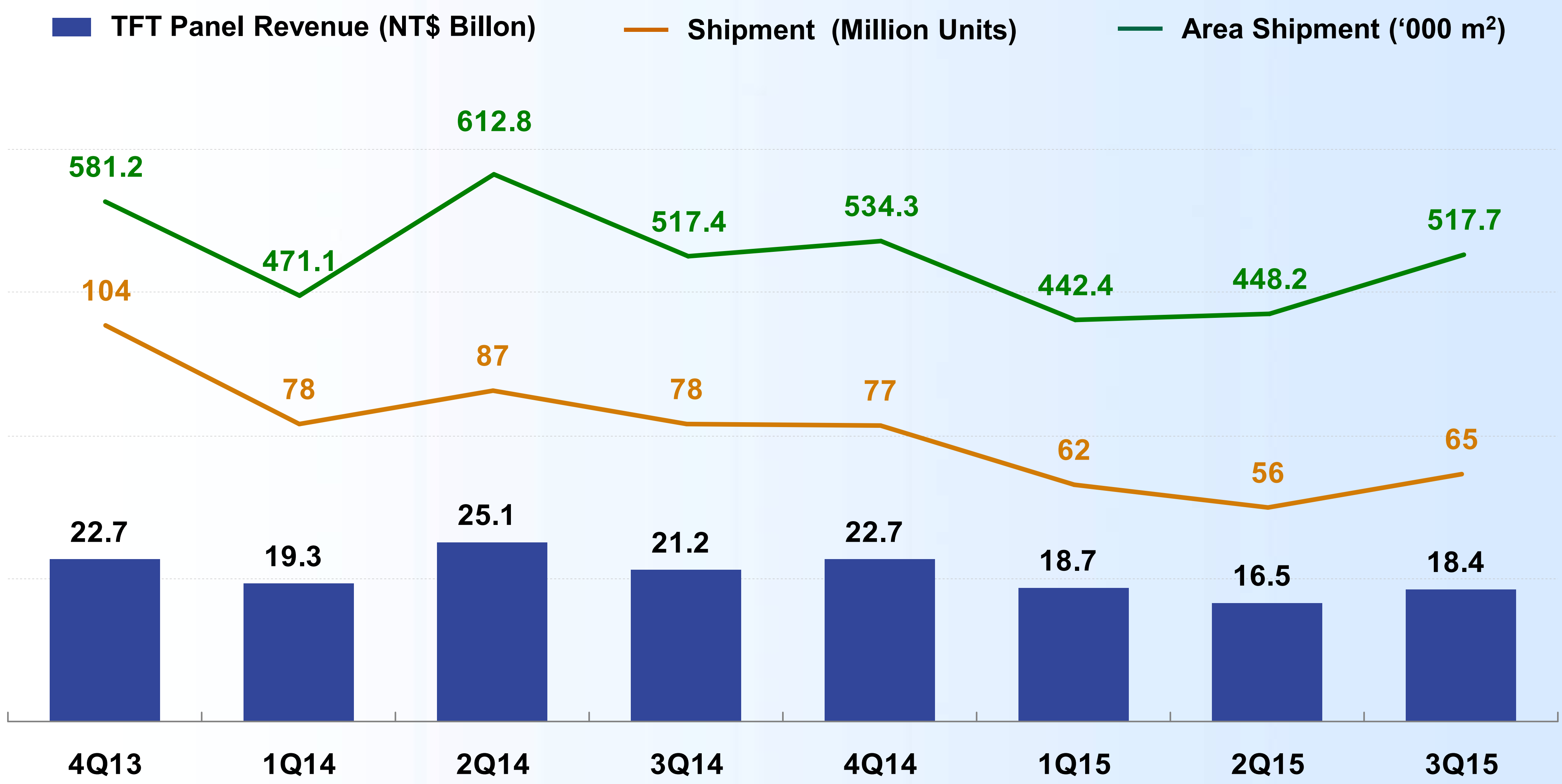
Area Shipments and TFT LCD ASP Trends



Notes:

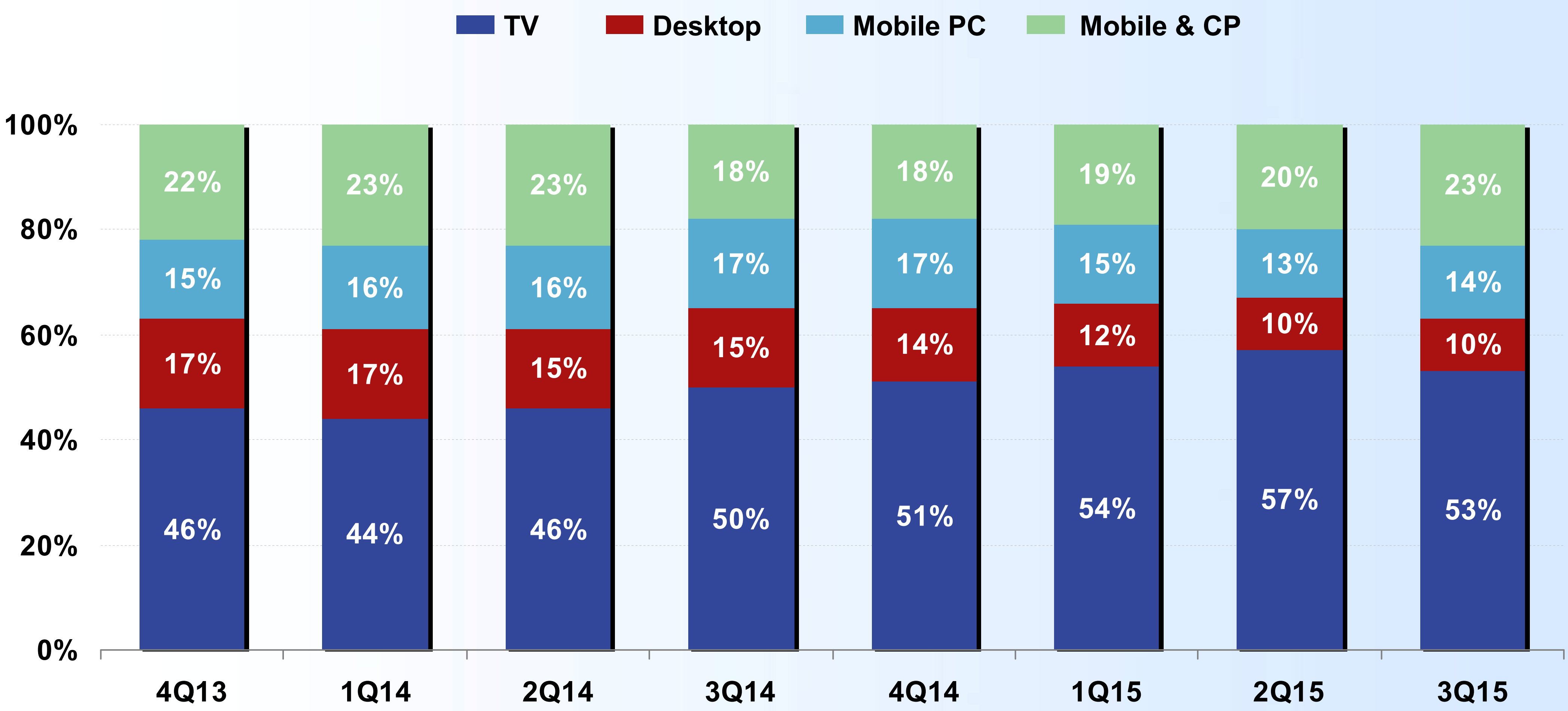
1. Exchange rate based on the prevailing market rate at the end of each quarter
2. All figures are unaudited, prepared by Innolux Corporation in accordance with the International Financial Reporting Standards as endorsed in R.O.C. (TIFRS).

Small & Medium-Size Shipments and Sales Trends



Notes: All figures are unaudited, prepared by Innolux Corporation in accordance with the International Financial Reporting Standards as endorsed in R.O.C. (TIFRS).

Sales Breakdown by Application



Notes:

1. Mobile PC includes Notebook and Tablet panels.
2. Mobile & CP includes panels for mobile phone, automobile, industrial, medical, etc.
3. All figures are unaudited, prepared by Innolux Corporation in accordance with the International Financial Reporting Standards as endorsed in R.O.C. (TIFRS).

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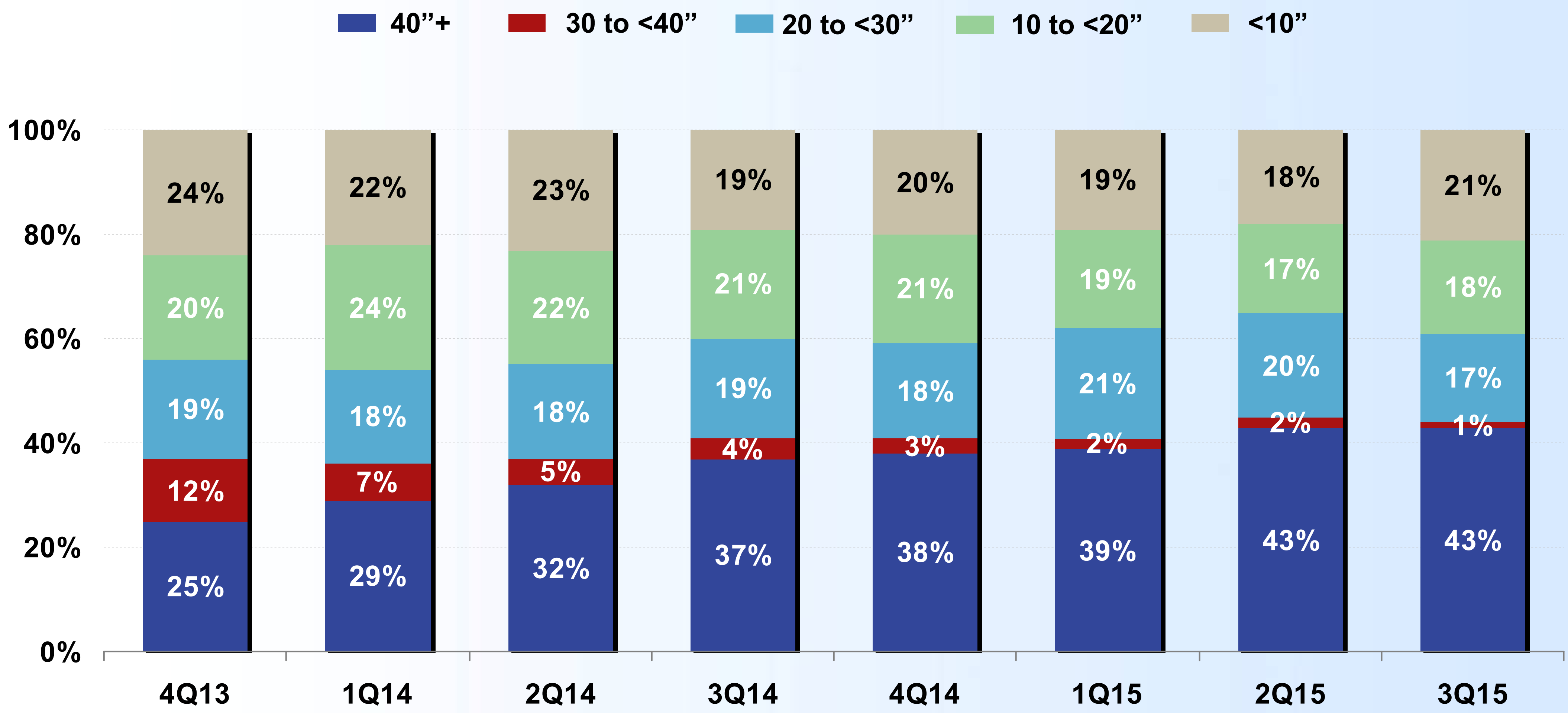
Sales Breakdown by Size



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Q&A