

2018Q2 Update

July 26th 2018

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The actual results of operations, financial condition and business prospects may differ from those explicitly or implicitly indicated in those forward-looking statements for a variety of reasons, including but not limited to market demand, price fluctuations, competition, supply chain issues, global economic conditions, exchange rate fluctuation and other risks and factors beyond TPK’s controls.

The forward-looking statements in this presentation, if any, only reflect the current view of TPK Holding Co., Ltd. as of the date of its release. TPK undertakes no obligation to update those forward-looking statements for events or circumstances that occur subsequently.

Disclosure Notice

公告原則

- All financial numbers are prepared in accordance with IFRS which is approved by regulators in Taiwan
- All financial numbers are unaudited
- 本公司財務報表係依照臺灣主管機關認可之國際財務報導準則編製
- 所有財務數字均為本公司自結數

2Q18 Result Summary

2018年第二季營運簡報

NT\$	Revenues	Net Profits	EPS
2Q18	17.8 bn	(227 mn)	(0.56)

- Revenues decline mainly attributed to inventory adjustment and product transitioning as legacy product entering EOL.
- Profitability was negatively affected by unfavorable product mix and utilization rate below breaking even.
- Mid and large size product (11" and above) accounted for 46% in Q2, representing NB and vertical market touch penetration accelerating.
- Expects robust revenue growth momentum in 2H.

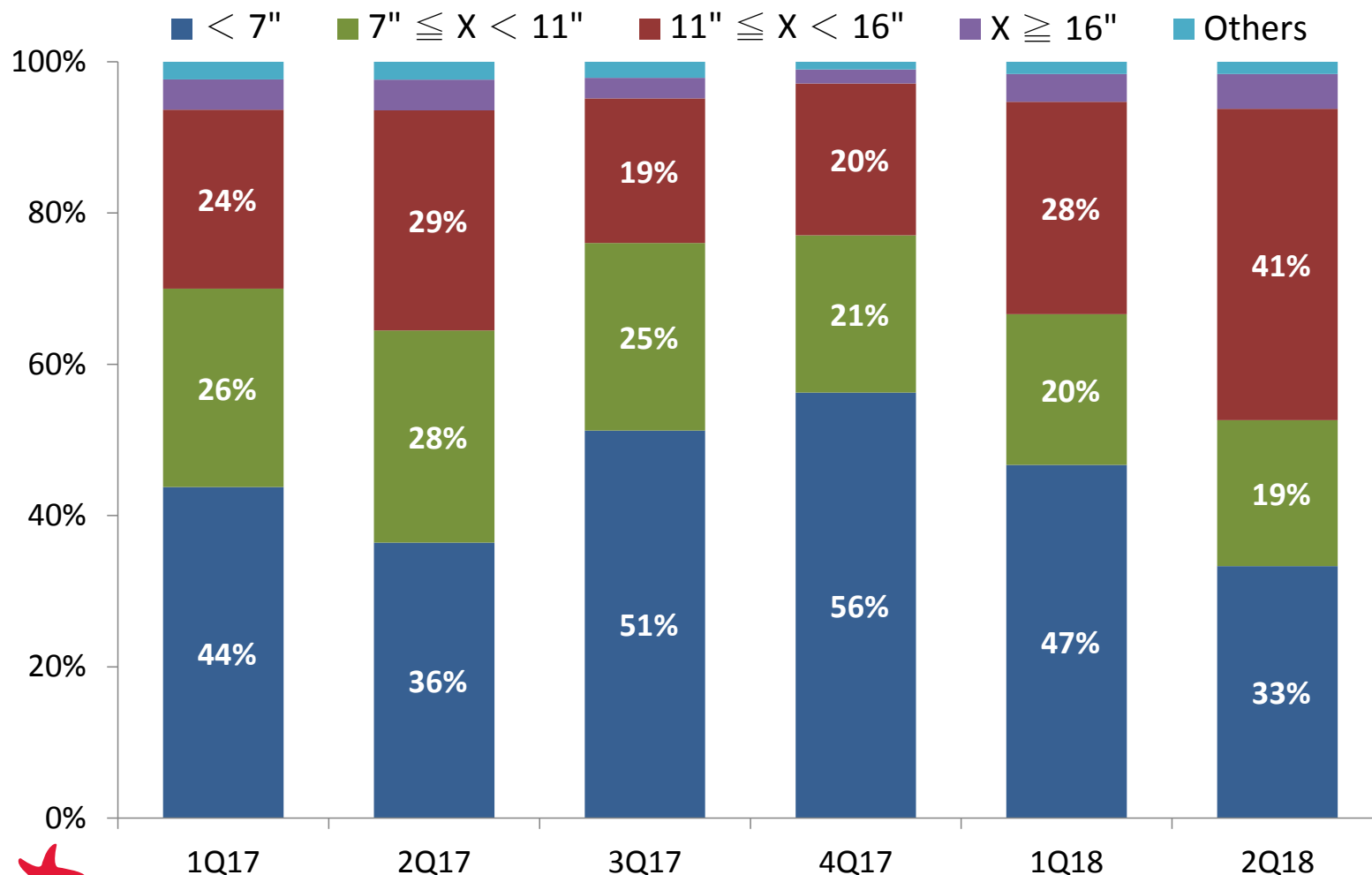
2Q18 Profit & Loss

2018年第二季損益表

Profit & Loss	2Q18	1Q18	QoQ	2Q17	YoY
(NT\$ million)					
Revenues	17,791	20,854	(14.7%)	22,407	(20.6%)
COGS	(17,619)	(19,622)		(20,897)	
Gross Profits	172	1,231		1,510	
Operating Expenses	(1,067)	(1,008)		(1,080)	
SG&A	(846)	(761)		(874)	
R&D	(221)	(247)		(205)	
Operating Profits	(895)	223		430	
Non-Op Inc/(Exp)	413	22		85	
<i>Int Inc/(Exp)</i>	<i>(40)</i>	<i>(41)</i>		<i>(203)</i>	
<i>FX Gain/(Loss)</i>	<i>192</i>	<i>(68)</i>		<i>(124)</i>	
<i>Others</i>	<i>261</i>	<i>131</i>		<i>412</i>	
Earnings Before Tax	(482)	245		516	
Income Tax	288	(179)		(176)	
Net Income (Parent)	(227)	68		327	
EPS (Parent)	(0.56)	0.17		0.95	
EBITDA	1,436	2,248		2,835	
Margin:					
GM	1.0%	5.9%		6.7%	
OM	(5.0%)	1.1%		1.9%	
NM	(1.3%)	0.3%		1.5%	
Op Exp	(6.0%)	(4.8%)		(4.8%)	

Quarterly Sales by Form Factors

季營收結構



2Q18 Balance Sheet

2018年第二季資產負債表

Balance Sheet	6/30/2018	3/31/2018
(NT\$ million)		
Cash Equivalents	16,759	21,609
Debt Inv with no active market	6,941	4,992
Receivables	6,756	5,386
Inventories	6,634	5,609
Current Assets	38,880	38,829
Long-term Investments	258	253
PP&E	34,907	32,349
Total Assets	78,026	75,045
ST Loans	11,677	17,653
Payables	11,675	8,860
Current Liabilities	31,843	32,430
LT Loans	6,827	3,756
Total Liabilities	41,488	38,603
Common Shares	4,067	4,067
Total Shareholder's Equities	36,537	36,442
Ratio Analysis:		
Quick Ratio	1.01	1.02
Current Ratio	1.22	1.20
ROE (YTD Annualized)	(0.9%)	0.7%
Net Debt to Equity	0.05	Net Cash

Note: PP&E includes prepayments.



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新聞稿

TPK 公告 2018 年第二季自結營運成果

中華民國·台灣·台北·2018 年 7 月 26 日 – TPK Holding Co., Ltd. 宸鴻科技 (TWSE: 3673) (“宸鴻”或“本公司”) 今日公告 2018 年第二季自結營運成果。本季自結稅後淨損為新台幣 2 億 2 仟 7 佰萬元，稅後稀釋每股淨損為新台幣 0.56 元。

營運成果分析

本公司第二季自結合併營收為新台幣 177.9 億元，較上季減少 14.7%，亦較去年同期減少 20.6%，主要係因季節性因素，加上客戶新舊產品轉換且舊款智慧型手機產品接近產品週期尾聲所致，故公司整體出貨量亦大幅下滑。受到營運規模縮減，產能利用率下降影響，第二季營業毛利為新台幣 1.7 億元，營業毛利率為 1.0%。

在銷售成本結構方面，由於產品組合變化，使原料成本佔營收比重由上季 76.1% 上升至 77.6%；此外，因營業規模降低，折舊攤提費用佔營收比重由第一季 8.3% 增加為 9.3%，人工成本亦由上季營收比重之 6.5% 提升至 8.3%。

本公司第二季營業費用為新台幣 10.7 億元，與上季新台幣 10.1 億元相當。本季淨利息費用約為新台幣 4 仟萬元，與前季新台幣 4 仟 1 佰萬元相當。此外，第二季認列外幣兌換利益約新台幣 1.9 億元，主要係因人民幣及台幣兌美金貶值所致。截至 2018 年 6 月 30 日止，因公司於六月開始為下半年新產品量產做僱工之準備，本公司員工總人數為 23,928 人，較前一季底員工人數 22,317 人增加。

資本結構及資本支出

截至 2018 年 6 月 30 日止，本公司帳上現金餘額為新台幣 167.6 億元，較第一季底新台幣 216.1 億元減少。截至第二季底本公司銀行借款餘額為新台幣 185.0 億元，較上季銀行借款及可轉換公司債券餘額 214.1 億元大幅減少。可轉換公司債(約新台幣 63.1 億元)已於 2018 年 4 月 8 日清償完畢。本公司並於 2018 年 5 月完成 3 年期美金 1.63 億元之聯貸籌組。截至 2018 年 6 月 30 日，淨負債比率為 0.05，流動比率為 1.22。本公司第二季 EBITDA 為新台幣 14.4 億元。本季資本支出約為新台幣 26.1 億元。

註：本公司之財務數字係依照臺灣主管機關認可之國際財務報導準則編製。

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關於 TPK 宸鴻科技

TPK 為專業的觸控技術應用領導廠商，透過垂直整合的生產製程提供客戶全方位的觸控技術應用解決方案，包括產品設計、研發到量產。公司持續專注於觸控技術的研發與創新，以維持技術的領先地位，並透過新材質的開發、技術的提昇及製程的改善達到降低成本的效益，以期擴大觸控技術在各種電子產品的應用並滿足客戶需求。本公司之主要生產基地位於中國廈門。

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