

MEDIA TEK

聯發科技 2017年第三季法人說明會 MediaTek 2017-Q3 Investor Conference

October 31, 2017



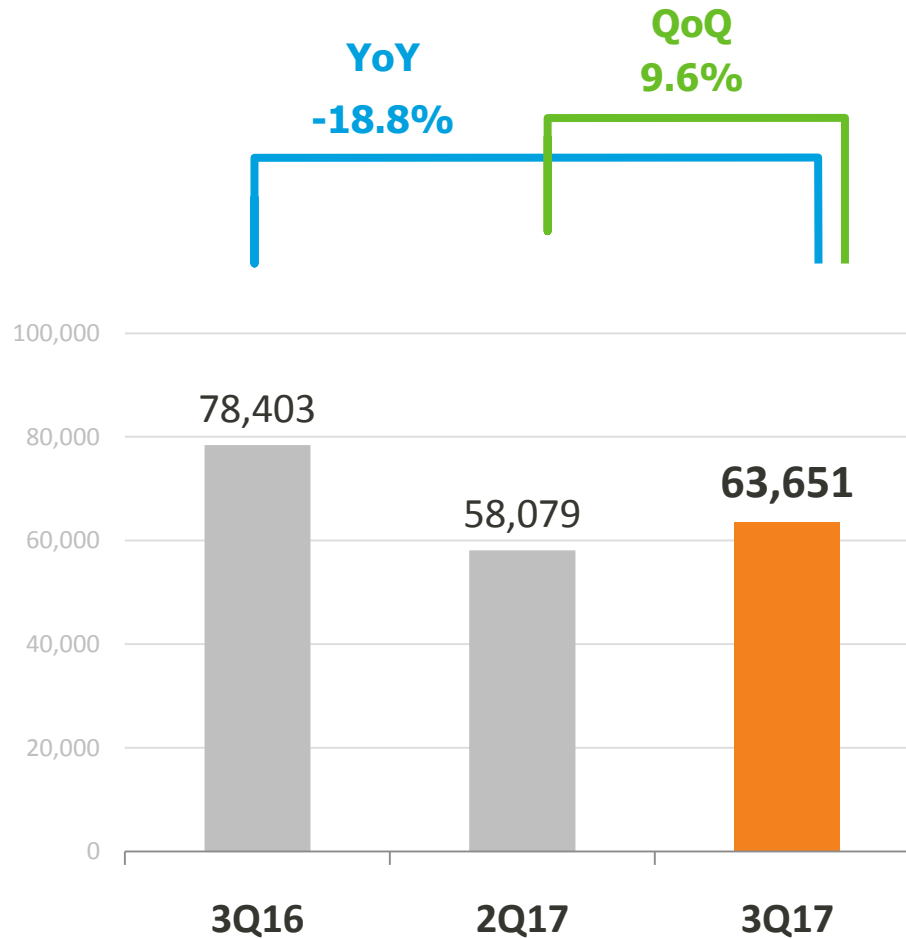
Safe Harbor Statement

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.

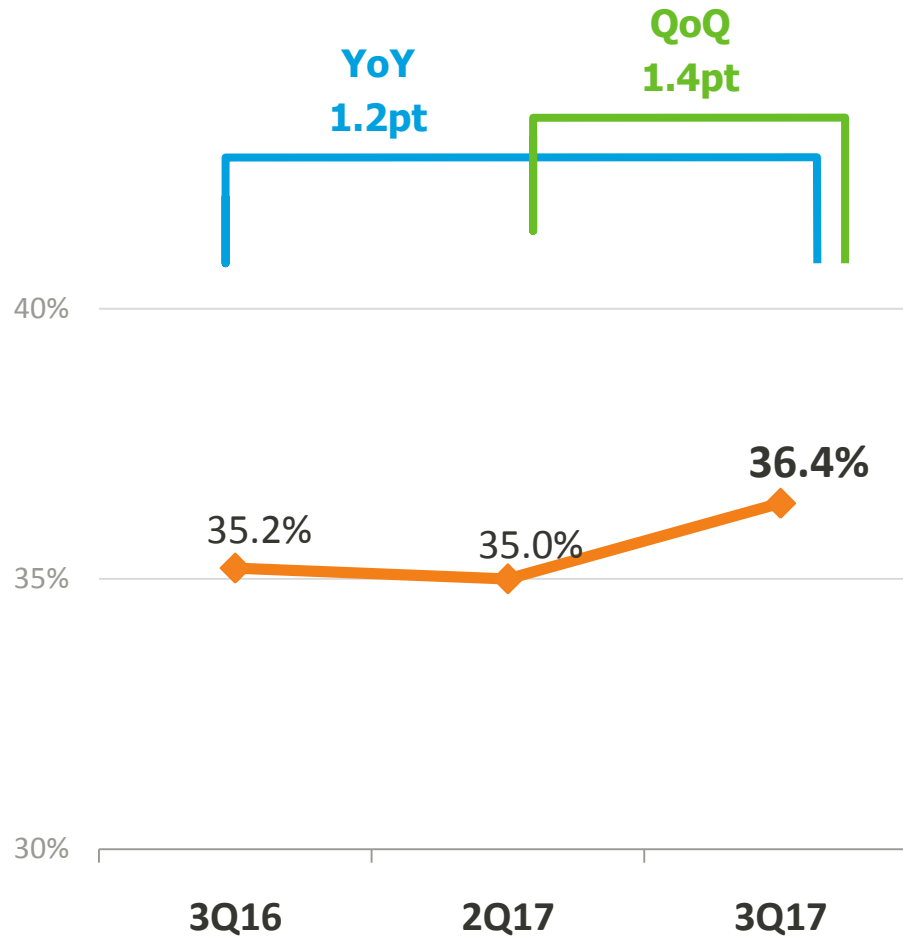
This presentation also includes Non-Taiwan-International Financial Reporting Standards (Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. The information should be considered in addition to, not as a substitute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

Consolidated Revenue

(NT\$ million)

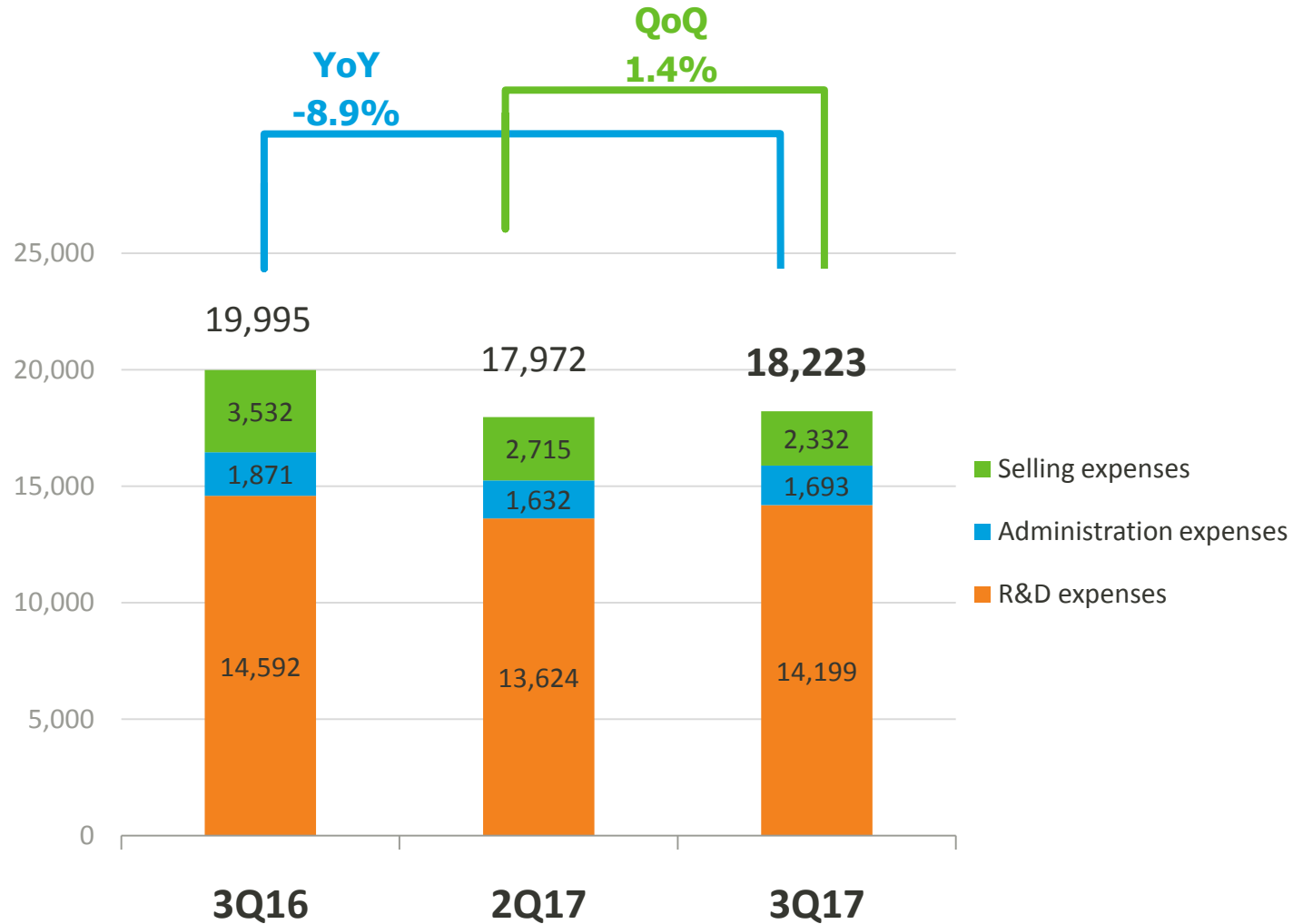


Consolidated Gross Margin



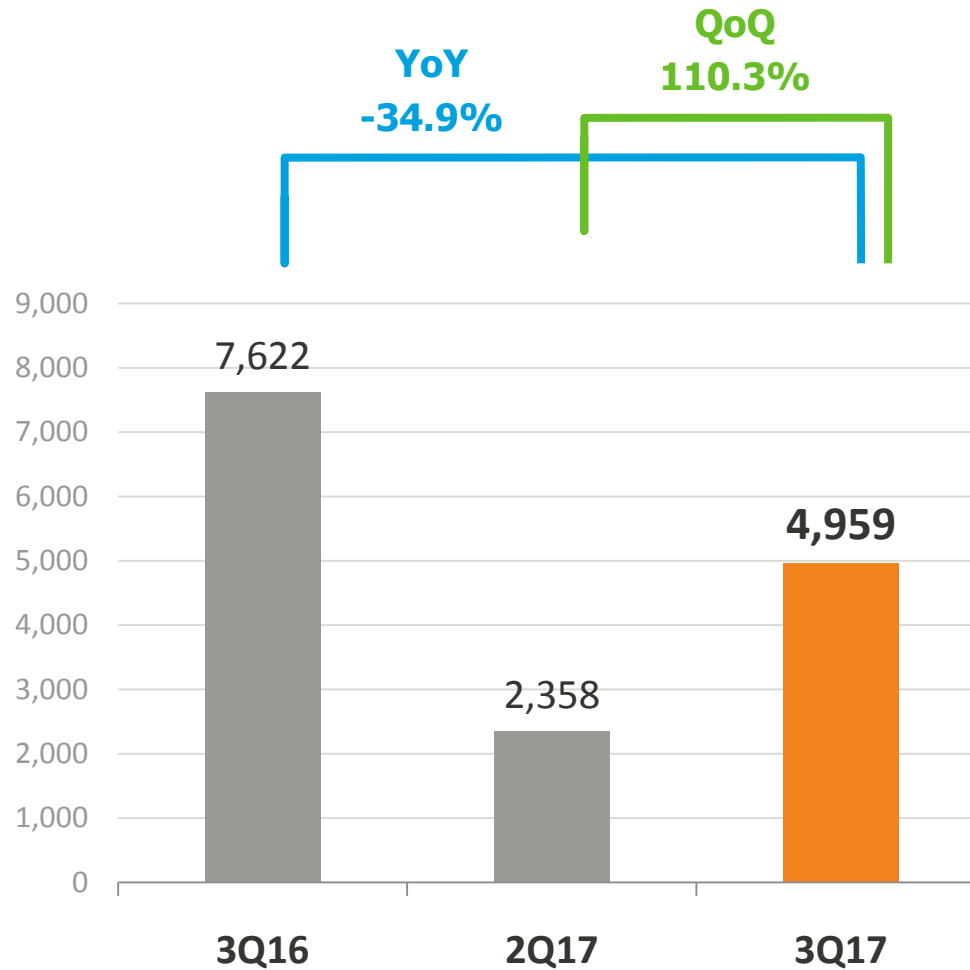
Consolidated Operating Expenses

(NT\$ million)

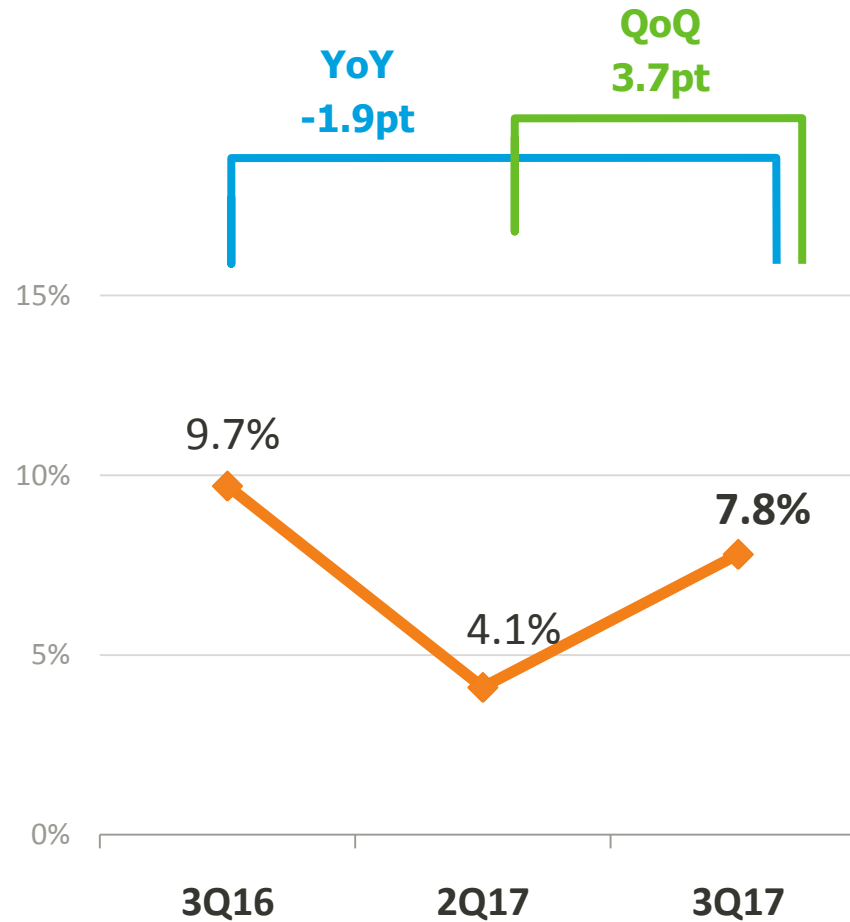


Consolidated Operating Income

(NT\$ million)

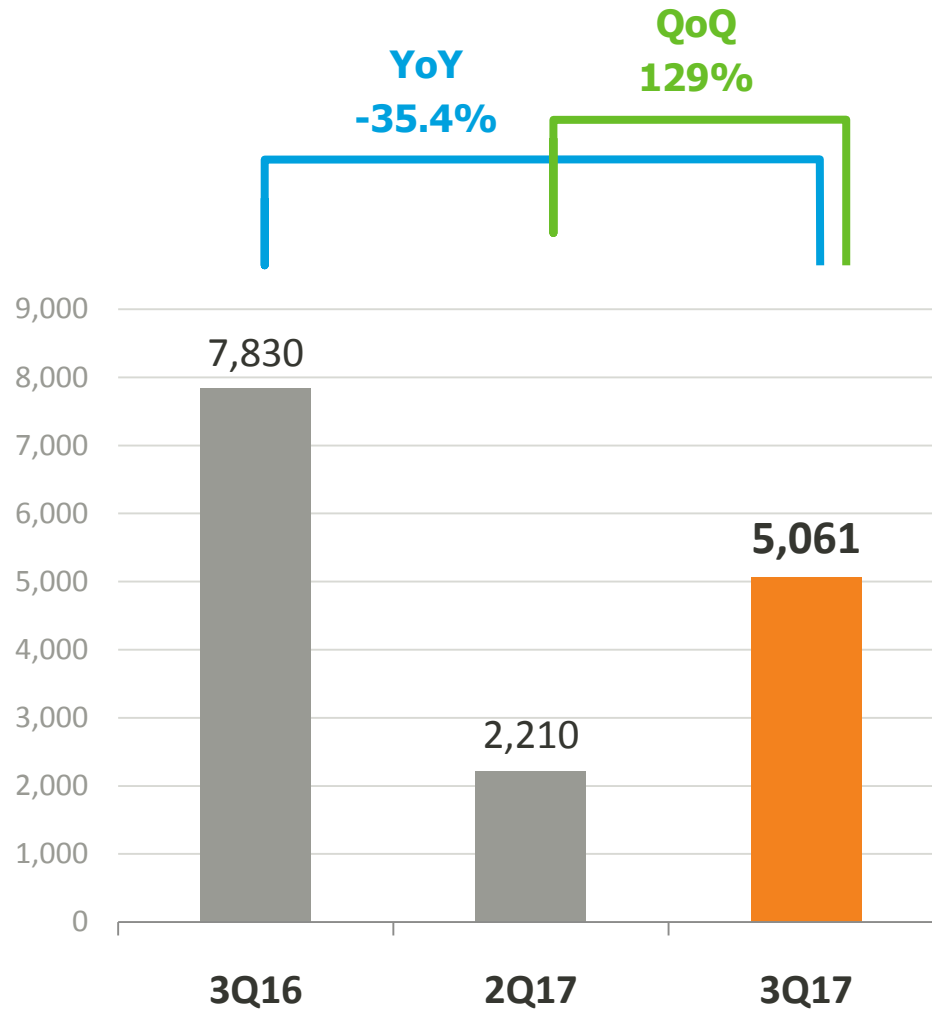


Consolidated Operating Margin

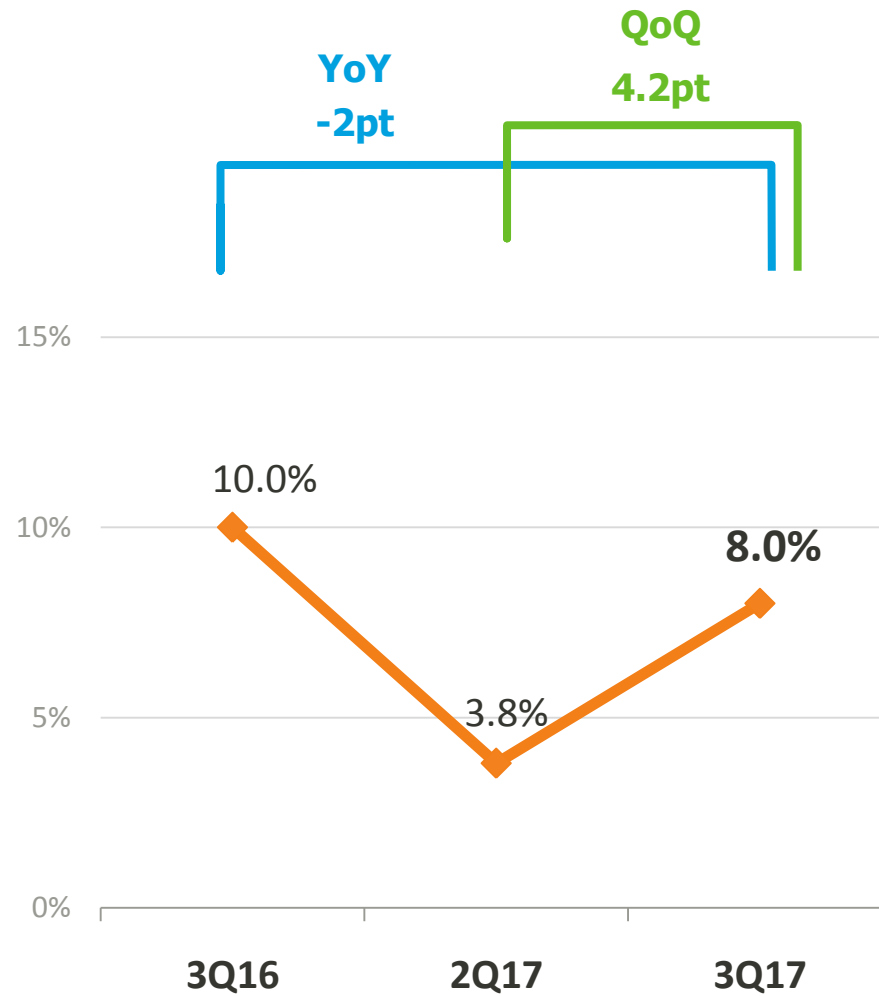


Consolidated Net Income

(NT\$ million)

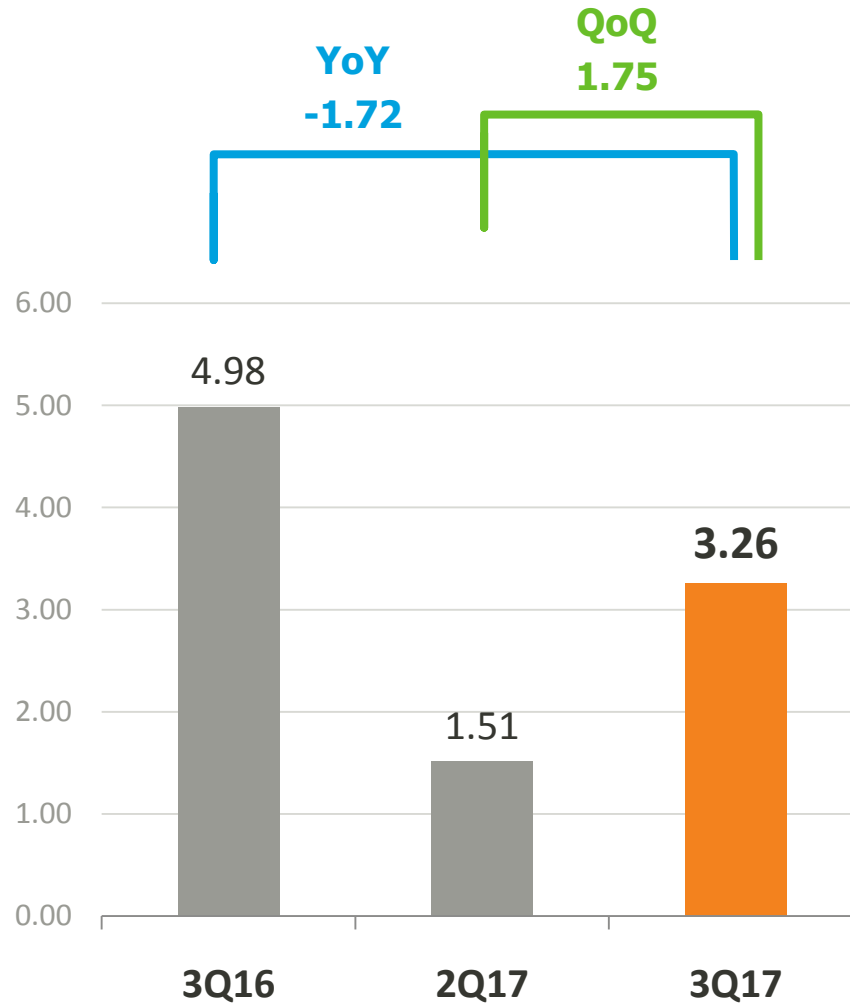


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

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

(In NT\$ millions, except EPS)	3Q17	2Q17	3Q16	Q-Q	Y-Y
Net Sales	63,651	58,079	78,403	9.6%	(18.8%)
Operating costs	(40,469)	(37,749)	(50,787)		
Gross profit	23,182	20,330	27,617	14.0%	(16.1%)
Selling expenses	(2,332)	(2,715)	(3,532)		
Administration expenses	(1,693)	(1,632)	(1,871)		
R&D expenses	(14,199)	(13,624)	(14,592)		
Operating expenses	(18,223)	(17,972)	(19,995)		
Operating income	4,959	2,358	7,622	110.3%	(34.9%)
Net non-operating income	662	1,022	993		
Net income before income tax	5,621	3,380	8,615		
Income tax expense	(560)	(1,170)	(785)		
Net income	5,061	2,210	7,830	129.0%	(35.4%)
EPS attributable to the parent(NT\$)	3.26	1.51	4.98		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	3Q17	2Q17	3Q16
Gross profit	36.4%	35.0%	35.2%
Selling expenses	(3.7%)	(4.7%)	(4.5%)
Administration expenses	(2.7%)	(2.8%)	(2.4%)
R&D expenses	(22.3%)	(23.5%)	(18.6%)
Operating income	7.8%	4.1%	9.7%
Non-operating income	1.0%	1.8%	1.3%
Income tax expense	(0.9%)	(2.0%)	(1.0%)
Net income	8.0%	3.8%	10.0%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	3Q17	2Q17	3Q16
Cash & financial assets-current	148,858	154,945	155,684
Accounts receivable	21,771	20,581	24,331
Inventories	36,146	39,617	36,630
Other current assets	16,817	23,066	12,472
Funds and investments	50,123	45,861	25,461
Intangible assets	77,045	77,803	72,848
Other non-current assets	41,720	41,438	40,768
Total assets	392,481	403,312	368,194
Short-term loans	63,230	63,237	64,555
Accounts payable	27,943	30,901	30,219
Other current liabilities	36,390	51,638	39,381
Total non-current liabilities	7,018	6,687	3,921
Total equity	257,900	250,849	230,118

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

Cash Flow Statement (Unaudited)

(In NT\$ millions)

(In NT\$ millions)	3Q17	2Q17	3Q16
Net cash provided by (used in) operating activities	6,948	(1,156)	3,170
Net cash provided by (used in) investing activities	1,358	(2,410)	(4,864)
Net cash provided by (used in) financing activities	(17,315)	2,422	(11,629)
Effect of changes in exchange rate on cash and cash equivalents	(13)	479	(2,663)
Net increase (decrease) in cash and cash equivalents	(9,021)	(666)	(15,985)
Cash and cash equivalents at the end of the period	129,462	138,483	143,944

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)	3Q17	2Q17	3Q16	Q-Q	Y-Y
TIFRS operating income	4,959	2,358	7,622		
TIFRS net income	5,061	2,210	7,830		
TIFRS EPS(NT\$)	3.26	1.51	4.98		
Non-TIFRS reconciliation items	538	711	513		
Share-based compensation	215	246	111		
Amortization of acquisition related assets	407	587	481		
Tax effect	(84)	(123)	(79)		
Non-TIFRS operating income	5,580	3,192	8,214	74.8%	(32.1%)
Non-TIFRS operating income margin (%)	8.8%	5.5%	10.5%		
Non-TIFRS net income	5,598	2,921	8,343	91.6%	(32.9%)
Non-TIFRS net income margin (%)	8.8%	5.0%	10.6%		
Non-TIFRS EPS(NT\$)	3.61	1.96	5.31		

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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