

Qisda Corporation Investor Conference : 2017 Q2 Results

Aug 9, 2017

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Safe Harbor Notice

We have made forward-looking statements in the presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.

We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

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2017 IH Financial Results and Business Summary

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Statement of Comprehensive Income (Consolidated)

Amount : NT\$ Million

	2017 Q1		2017 Q2		QoQ	2016 Q2		YoY
Net Sales	31,687	100.0%	32,898	100.0%	3.8%	31,521	100.0%	4.4%
Cost of Goods Sold	(28,066)		(28,738)			(27,370)		
Gross Margin	3,621	11.4%	4,160	12.6%	+1.2 ppt	4,151	13.2%	-0.6 ppt
Operating Expenses	(2,821)	-8.9%	(3,190)	-9.7%		(2,774)	-8.8%	
Operating Income	800	2.5%	969	2.9%	+0.4 ppt	1,377	4.4%	-1.5 ppt
Non-operating Income, Net	642		756			(406)		
Net Income	1,291	4.1%	1,426	4.3%	+0.2 ppt	736	2.3%	+2.0 ppt
Shareholders of the Company	1,230	3.9%	1,365	4.1%	+0.2 ppt	798	2.5%	+1.6 ppt
EPS (NT\$)(a)	0.63		0.69			0.41		
Net Worth / Share (NT\$)(b)	15.03		14.57			13.75		

(a) EPS was calculated based on total weighted-averaged outstanding shares (1,967 m shares)
 (b) Net worth per share was calculated based on total outstanding shares (1,967 m shares)

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Balance Sheet Highlights (Consolidated)

Amount : NT\$ Million

	2017.6.30		2016.12.31		Var.	2016.6.30		YoY
Cash & Equivalent	7,554	7.3%	6,825	7.2%	10.7%	8,019	8.4%	-5.8%
Accounts Receivable	26,831	25.9%	25,331	26.6%	5.9%	25,925	27.2%	3.5%
Inventory	19,845	19.1%	17,065	17.9%	16.3%	15,344	16.1%	29.3%
L-T Investments	15,697	15.1%	15,682	16.5%	0.1%	14,824	15.6%	5.9%
Total Assets	103,676	100.0%	95,312	100.0%	8.8%	95,313	100.0%	8.8%
Fin. Debt *	29,934	28.9%	22,656	23.8%	32.1%	26,704	28.0%	12.1%
Accounts Payable	25,213	24.3%	27,009	28.3%	-6.7%	24,557	25.8%	2.7%
Total Liabilities	70,874	68.4%	62,367	65.4%	13.6%	64,643	67.8%	9.6%
Equity	32,801	31.6%	32,945	34.6%	-0.4%	30,670	32.2%	6.9%

* Fin. debt included long term and short term financial debts and lease obligations payable .

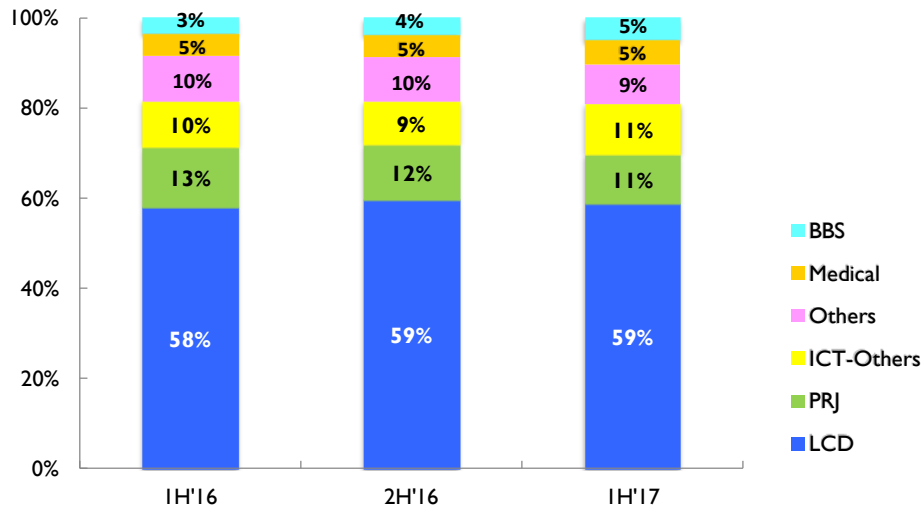
Key Financial Ratios (Consolidated)

	2017.6.30	2016.12.31	Var.	2016.6.30	YoY
AR Turnover (Days)^(a)	80	81	-1 day	78	+2 days
Inventory Turnover (Days)	59	54	+5 days	52	+7 days
AP Turnover (Days)	84	84	0 day	82	+2 days
Cash Conversion Cycle (Days)	55	51	+4 days	48	+7 days
ROE (annualized)	16.5%	12.6%	+3.9 ppt	7.5%	+9.0 ppt
Current ratio	104%	103%	+1 ppt	104%	0 ppt
Fin. Debt^(b) / Total Assets	29%	24%	+5 ppt	28%	+1 ppt

(a) AR included AR factoring

(b) Fin. debt included long term and short term financial debts and lease obligations payable .

Revenue Breakdown by Product Line



- * BBS : BenQ business solution
- * Medical : includes medical Service 、 medical equipment 、 medical consumable
- * Others : includes BenQ Materials Corp. and other products
- * ICT-Others : includes professional/industrial display, signage, TV and automobile electronics products

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2017 1H Business Summary

- **Monitor 、 Projector :**
 - Monitor: Revenue NT\$ 37.9B, unit shipment 9.3M
 - Projector: Revenue NT\$ 7B, unit shipment 583K
- **Medical :**
 - Revenue NT\$ 3.4B
- **BBS :**
 - Revenue NT\$ 3.3B

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Value-Up Solutions

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