



4Q19 Operating Results

March 18, 2020

D-Link



Financial Review

4Q19 Income Statement & QoQ/YoY Comparison

Unit: NT\$ million	4Q19		3Q19		QoQ % Change	4Q18		YoY % Change
	AMT	%	AMT	%		AMT	%	
Net Sales	4,456	100.0	4,290	100.0	3.8	4,604	100.0	(3.2)
Cost of Goods Sold - Product	3,175	71.3	3,054	71.2	4.0	3,225	70.1	(1.6)
Gross Profit 1	1,281	28.7	1,236	28.8	3.6	1,379	29.9	(7.1)
Inventory Related Gain/(Loss)	(39)	(0.9)	0	0.0		(33)	(0.7)	
Gross Profit 2	1,242	27.9	1,236	28.8	0.5	1,346	29.2	(7.7)
Operating Expenses	1,274	28.6	1,272	29.6	0.0	1,287	28.0	(1.0)
Operating Income	(32)	(0.7)	(36)	(0.8)		58	1.3	
Total Non-Op. Inc. (Loss)	47	1.1	13	0.3		146	3.2	
Income Before Tax	15	0.3	(23)	(0.5)		204	4.4	
Tax (Exp.) / Income	(30)	(0.7)	(35)	(0.8)		(45)	(1.0)	
Net Income	(15)	(0.3)	(58)	(1.3)		159	3.4	
Non-controlling Interests	(18)	(0.4)	(18)	(0.4)		(17)	(0.3)	
Consolidated Income	(33)	(0.7)	(75)	(1.8)		142	3.1	
EPS (NT\$)- Per Weighted-Avg. Capital of NT\$6,520M	(0.05)		(0.12)			0.21		

*The numbers are consolidated and the net income is audited/reviewed.

**Weighted-Avg. Capital adjusted for treasury shares.

4Q19 Non-op Income/Loss & QoQ Comparison

Unit : NT\$ million	4Q19	3Q19
Investment Income	25	51
Sub./Aff.	22	21
Capital Gain	4	30
FX Gain/(Loss)	18	(49)
Fin. Income/(Exp.) & Other	3	11
Total Non-op Income/Loss	47	13

* The numbers are consolidated and the net income is audited/reviewed.

2019 Income Statement & YoY Comparison

Unit: NT\$ million	2019		2018		YoY % Change
	AMT	%	AMT	%	
Net Sales	16,996	100.0	19,383	100.0	(12.3)
Cost of Goods Sold - Product	12,198	71.8	13,724	70.8	(11.1)
Gross Profit 1	4,798	28.2	5,659	29.2	(15.2)
Inventory Related Gain/(Loss)	(58)	(0.3)	(57)	(0.3)	
Gross Profit 2	4,740	27.9	5,602	28.9	(15.4)
Operating Expenses	5,124	30.1	5,353	27.6	(4.3)
Operating Income	(385)	(2.3)	249	1.3	
Total Non-Op. Inc. (Loss)	95	0.6	48	0.2	
Income Before Tax	(290)	(1.7)	297	1.5	
Tax (Exp.) / Income	(152)	(0.9)	(152)	(0.8)	
Net Income	(442)	(2.6)	145	0.7	
Non-controlling Interests	(67)	(0.4)	(39)	(0.2)	
Consolidated Income	(508)	(3.0)	106	0.5	
EPS (NT\$)- Per Weighted-Avg. Capital of NT\$6,520M	(0.78)		0.16		

The numbers are based on consolidated numbers and the net income is audited/reviewed.

12/31/2019 Balance Sheet & QoQ Comparison

Unit: NT\$ million	12/31/19 AMT	%	9/30/19 AMT	%	QoQ % Change
Cash & S-T Investment	3,212	20.4	3,429	20.9	(6.3)
Account Receivable	3,584	22.8	3,622	22.1	(1.0)
Inventory	2,837	18.1	3,286	20.0	(13.7)
Long-term Investments	2,470	15.7	2,489	15.2	(0.7)
Total Assets	15,711	100.0	16,400	100.0	(4.2)
Accounts Payable	2,913	18.5	3,329	20.3	(12.5)
Current Liabilities	5,937	37.8	6,519	39.8	(8.9)
Common Stock	6,520	41.5	6,520	39.8	0.0
Stockholders' Equity	8,473	53.9	8,633	52.6	(2.3)

*The numbers are consolidated and the net income is audited/reviewed.

**Weighted-Avg. Capital adjusted for treasury shares.

Key Financial Ratios

Unit: % , days	4Q19	3Q19	2Q19	1Q19	4Q18
**Days A/R	84	93	91	80	80
**Days Inventory	89	93	87	80	83
**Days A/P	96	104	107	87	91
Cash Cycle	77	82	72	74	72
Current Ratio	1.71	1.67	1.62	1.67	1.61
Debt/Equity Ratio	0.80	0.85	0.90	0.81	0.87
***Net Debt/Equity Ratio	0.43	0.46	0.46	0.40	0.39
ROE	-1.5	-3.5	-10.6	-7.4	6.16

The numbers are based on consolidated numbers and the net income is audited.

** Annualized

*** Net of Cash & S-T investment

Quarterly Revenue by Region

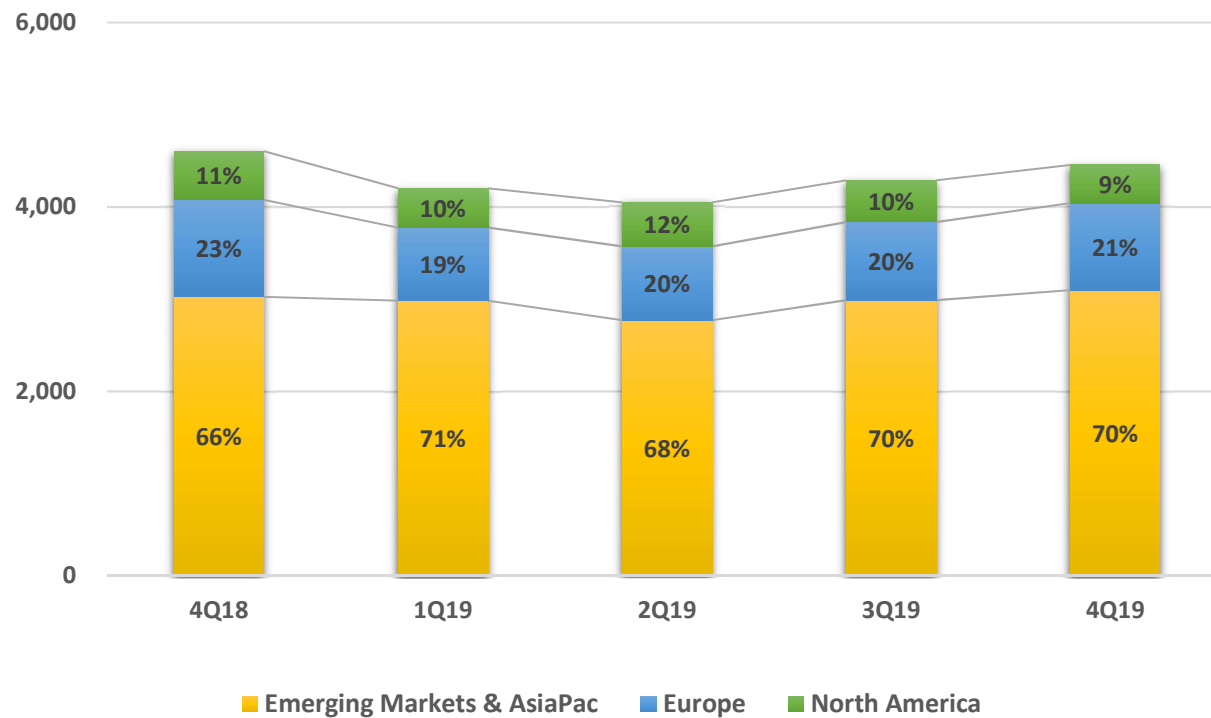
In NT\$, up 3.8% QoQ, down 3.2% YoY

- N.A. down 8.9% QoQ, down 21.3% YoY
- Europe up 11.3% QoQ, down 10.4% YoY
- Emerging Mkts & APac up 3.7% QoQ, up 2.4% YoY

In US\$, up 6% QoQ, down 2% YoY

- N.A. down 6.2% QoQ, down 20.5% YoY
- Europe up 13.7% QoQ, down 8.6% YoY
- Emerging Mkts & APac up 5.7% QoQ, up 3.5% YoY

NT\$ mln



Quarterly Revenue by Product

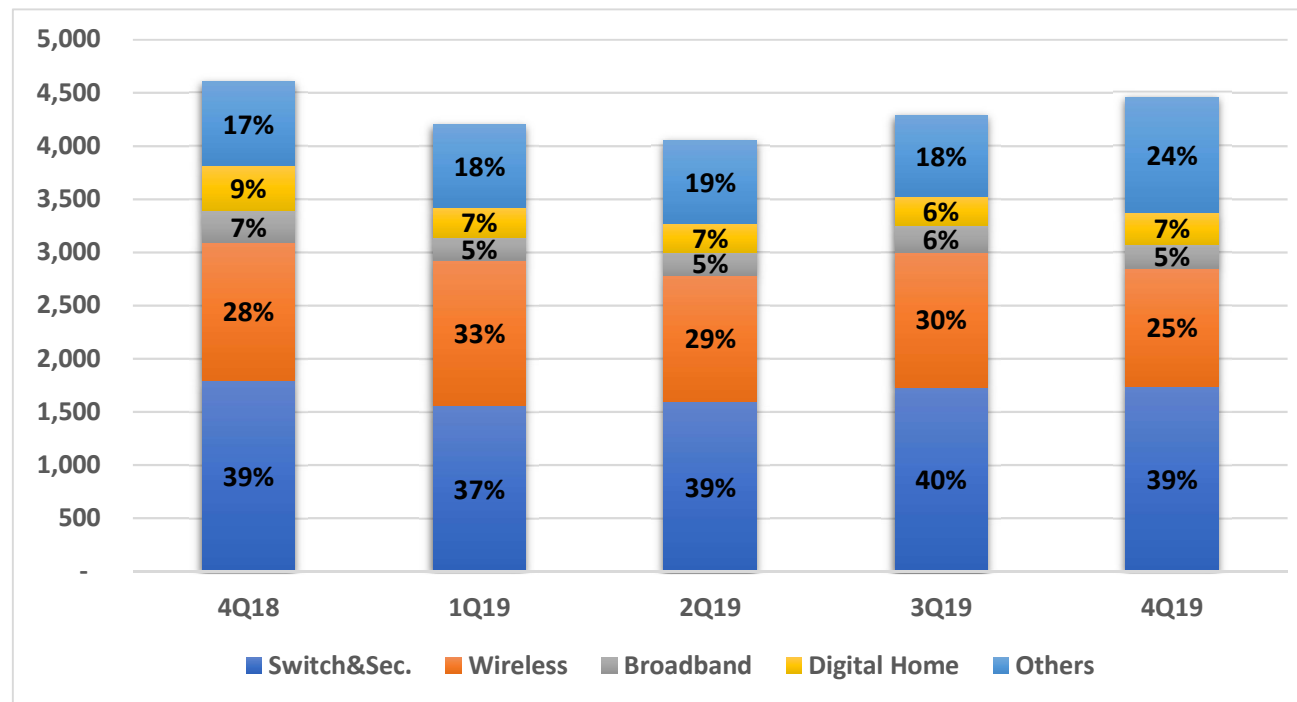
In NT\$ terms:

- Switch up 0.3% QoQ, down 3.1% YoY
- Wireless down 12.7% QoQ, down 14.7% YoY
- B.B. down 11% QoQ, down 24.3% YoY
- D.H. up 11.4% QoQ, down 28.8% YoY

In US\$ terms:

- Switch up 2.5% QoQ, down 1.7% YoY
- Wireless down 10.6% QoQ, down 13.5% YoY
- B.B. down 9.8% QoQ, down 24.5% YoY
- D.H. up 13.8% QoQ, down 27.2% YoY

NT\$ mln





Safe Harbor Statement

All numbers are consolidated. Except for statements in respect of historical matters, the statements contained in this release are "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of D-Link Corporation to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements.