

2016Q4 Update

February 16th 2017



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公告原則

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- All financial numbers are unaudited
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4Q16 Result Summary

2016年第四季營運簡報

NT\$	Revenues	Net Profits	EPS
4Q16	24.7 bn	296 mn	0.89

- Seasonality and new product ramp-ups continued, with 4Q revenues remained intact.
- Profitability was negatively impacted by unfavorable product mix, cost of terminating non-profitable business, price adjustment for end-of-life-cycle products, and special year-end bonus for direct labor
- Divesting non-core investment (TES) and accruing bad debt on loans to Hallys.

2016 Result Summary

2016年全年營運簡報

NT\$	Revenues	Net Profits	EPS
2016	89.2 bn	(1,467 mn)	(4.27)

- A year of transformation in which the company has gone through the process of re-engineering and reformed the organization to focus on key customers, scalable and profitable business.
- Operating efficiency improved and operating expenses as a percentage of sales declined to 5.8%.
- Lower-than-expected profitability was mostly driven by severe seasonal decline in 1H and challenging new product ramp up in Q2.

2017 Industry Outlook

2017年產業展望

- **End of tunnel !!!**
- 1Q17 end demand outlook remains positive.
- Strong product pipeline for 2017.
- Operating efficiency & cost control in place.
- Divest non-core investment and under-utilized assets.
- Continue investment for future technology.



Financials

4Q16 Profit & Loss

2016年第四季損益表

Profit & Loss	4Q16	3Q16	QoQ	4Q15	YoY
(NT\$ million)					
Revenues	24,724	26,168	(5.5%)	34,438	(28.2%)
COGS	(23,375)	(23,654)		(32,123)	
Gross Profits	1,349	2,514		2,314	
Operating Expenses	(1,394)	(1,240)		(1,964)	
SG&A	(1,141)	(1,015)		(1,745)	
R&D	(253)	(226)		(218)	
Operating Profits	(45)	1,274		350	
Non-Op Inc/(Exp)	564	(284)		(615)	
<i>Int Inc/(Exp)</i>	<i>(245)</i>	<i>(230)</i>		<i>(119)</i>	
<i>FX Gain/(Loss)</i>	<i>232</i>	<i>(52)</i>		<i>(232)</i>	
<i>Invest Inc/(Loss)</i>	<i>49</i>	<i>56</i>		<i>67</i>	
<i>Others</i>	<i>528</i>	<i>(58)</i>		<i>(330)</i>	
Earnings Before Tax	519	990		(265)	
Income Tax	(215)	(299)		1,268	
Net Income (Parent)	296	684		1,016	
EPS (Parent)	0.89	1.97		2.12	
EBITDA	3,035	3,444		2,172	
Margin:					
GM	5.5%	9.6%		6.7%	
OM	(0.2%)	4.9%		1.0%	
NM	1.2%	2.6%		2.9%	
Op Exp	(5.6%)	(4.7%)		(5.7%)	

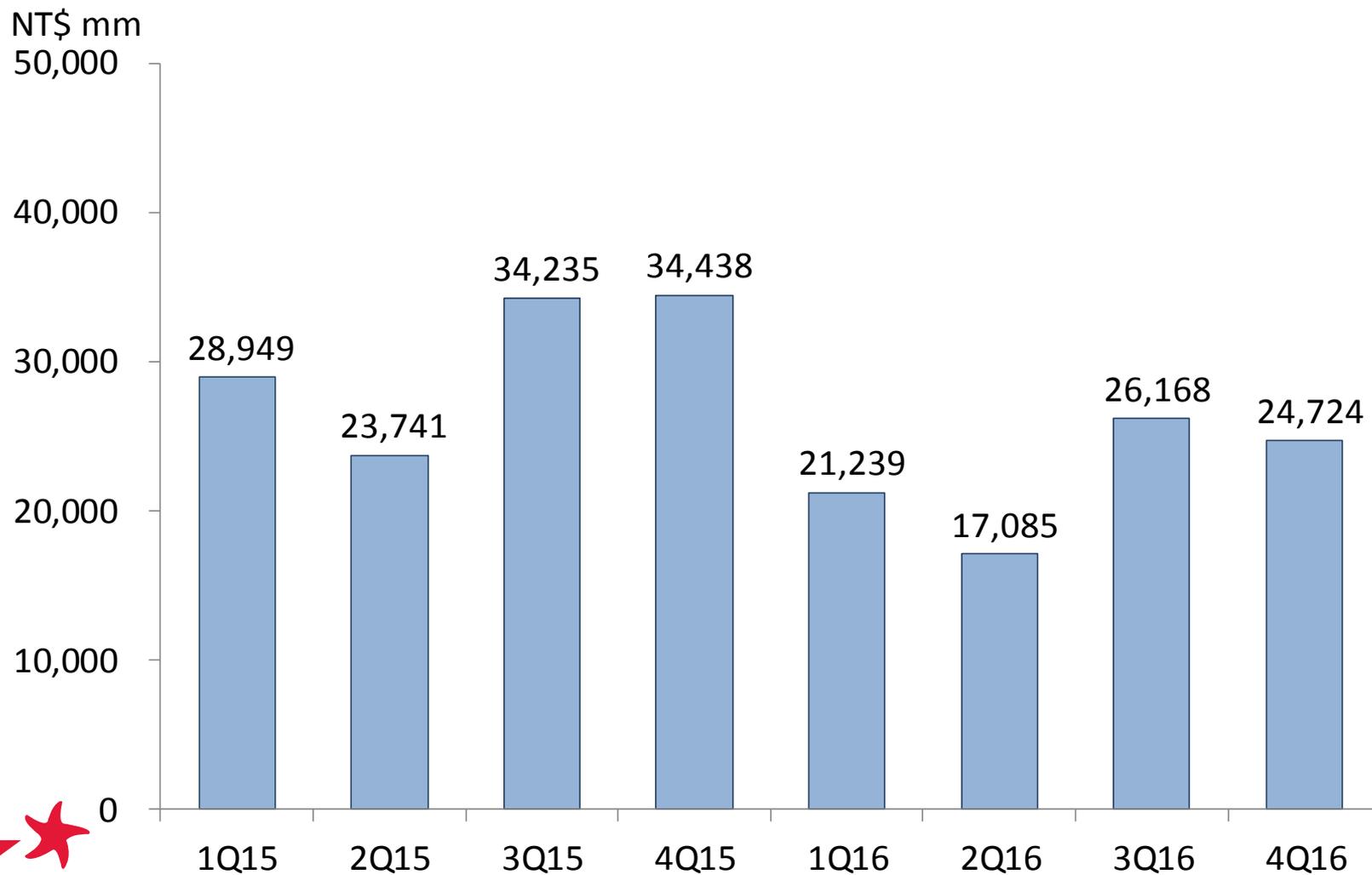
2016 Profit & Loss

2016年損益表

Profit & Loss	2016	2015	YoY
(NT\$ million)			
Revenues	89,216	121,364	(26.5%)
COGS	(85,950)	(127,925)	
Gross Profits	3,266	(6,561)	
Operating Expenses	(5,138)	(11,793)	
SG&A	(4,229)	(10,467)	
R&D	(909)	(1,326)	
Operating Profits	(1,872)	(18,354)	
Non-Op Inc/(Exp)	629	(2,665)	
<i>Int Inc/(Exp)</i>	<i>(849)</i>	<i>(358)</i>	
<i>FX Gain/(Loss)</i>	<i>127</i>	<i>(322)</i>	
<i>Invest Inc/(Loss)</i>	<i>226</i>	<i>(89)</i>	
<i>Impairment</i>	<i>(171)</i>	<i>(2,170)</i>	
<i>Others</i>	<i>1,297</i>	<i>274</i>	
Earnings Before Tax	(1,243)	(21,019)	
Income Tax	(261)	943	
Net Income (Parent)	(1,467)	(20,007)	
EPS (Parent)	(4.27)	(57.86)	
Margin:			
GM	3.7%	(5.4%)	
OM	(2.1%)	(15.1%)	
NM	(1.6%)	(16.5%)	
Op Exp	(5.8%)	(9.7%)	

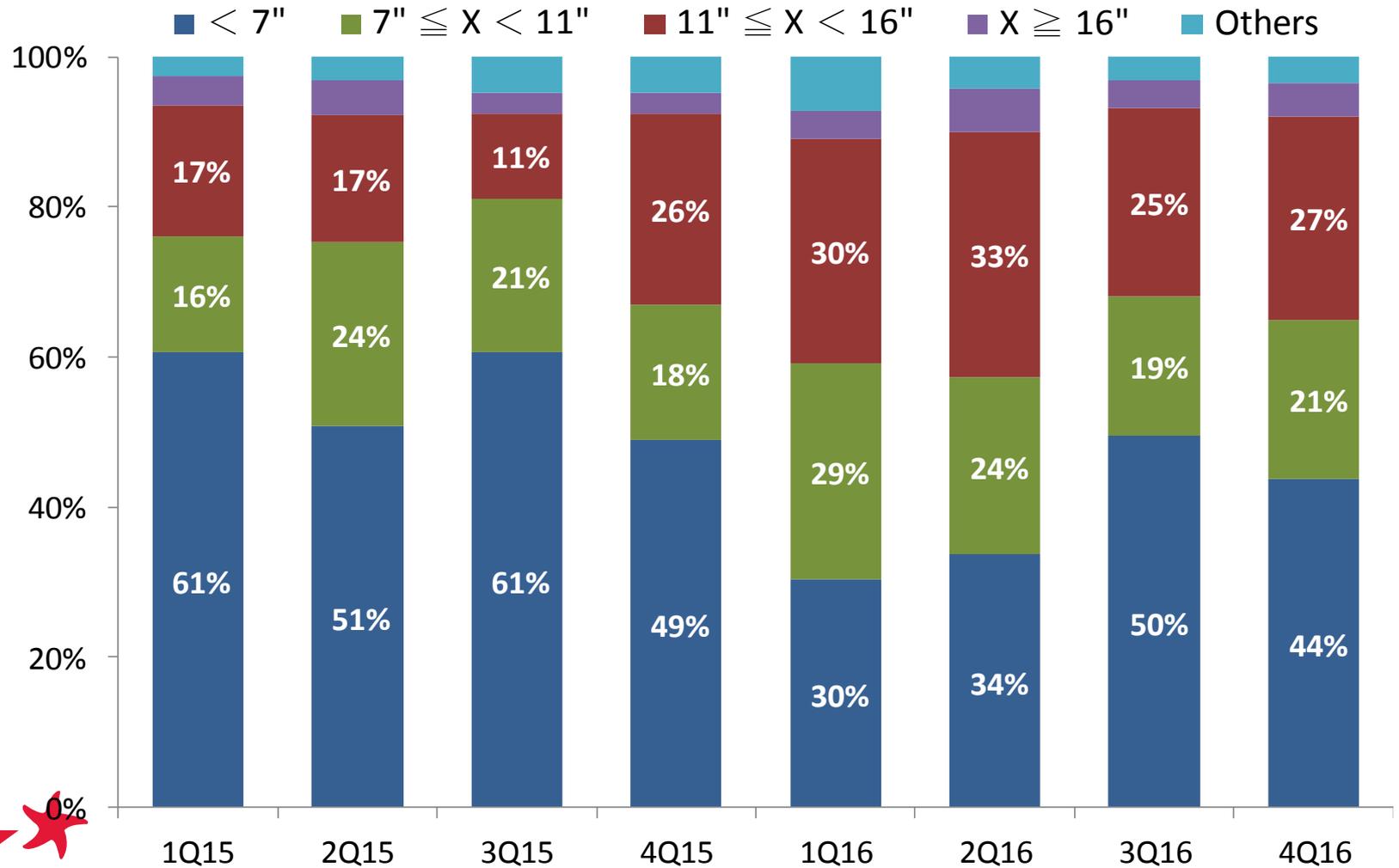
Quarterly Sales

季營收



Quarterly Sales by Form Factors

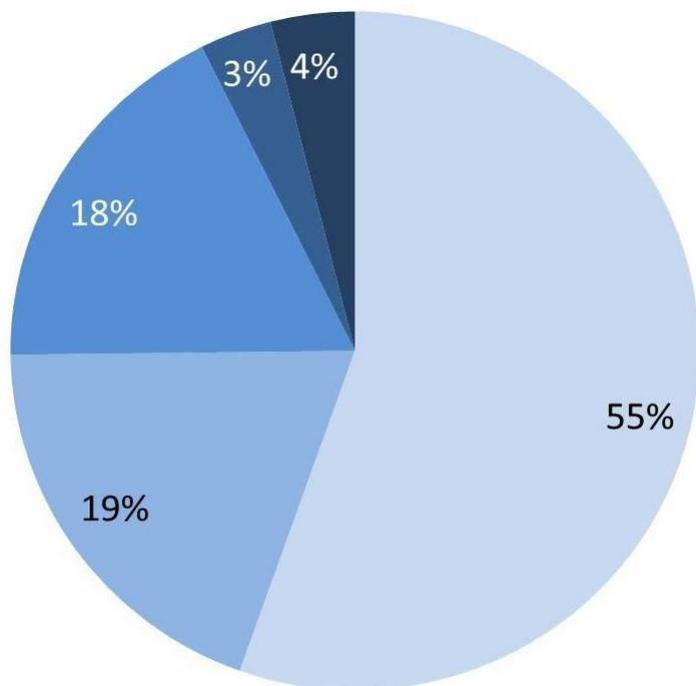
季營收結構



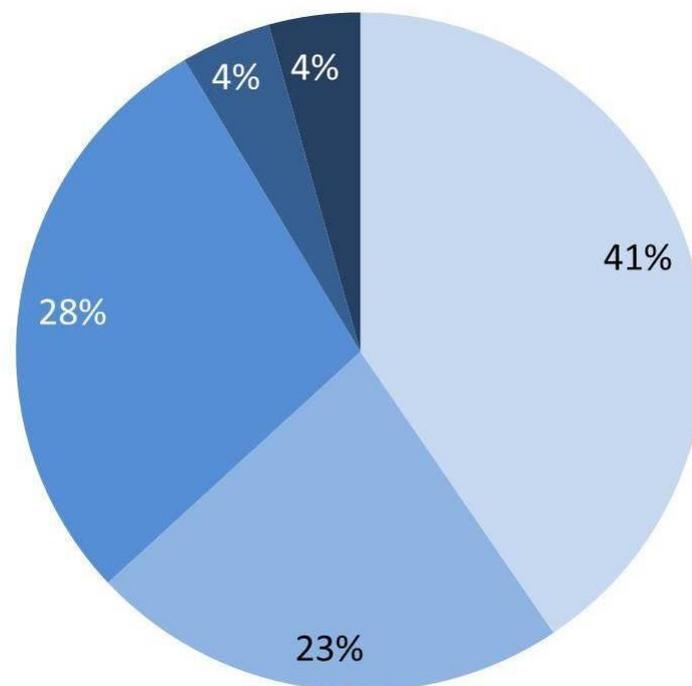
Annual Sales by Form Factors

年營收結構

FY2015



FY2016



■ < 7" ■ 7" ≤ X < 11" ■ 11" ≤ X < 16" ■ X ≥ 16" ■ Others

■ < 7" ■ 7" ≤ X < 11" ■ 11" ≤ X < 16" ■ X ≥ 16" ■ Others

4Q16 Balance Sheet

2016年第四季資產負債表

Balance Sheet	2016/12/31	2015/12/31
(NT\$ million)		
Cash Equivalents	20,490	16,393
Debt Inv with no active market	1,387	16,787
Receivables	7,646	12,270
Inventories	7,816	8,737
Current Assets	40,881	61,034
Long-term Investments	346	326
Property, Plant and Equipment	42,052	49,282
Total Assets	87,683	115,228
ST Loans	30,534	46,740
Payables	12,125	14,956
Current Liabilities	48,472	68,417
Convertible Bonds	6,575	7,850
LT Loans	1,122	4,829
Total Liabilities	58,271	83,701
Common Shares	3,466	3,516
Non-Controlling Interest	239	423
Total Shareholder's Equities	29,412	31,527
Ratio Analysis:		
Quick Ratio	0.68	0.76
Current Ratio	0.84	0.89
ROE (YTD Annualized)	(4.9%)	(52.3%)
Net Debt to Equity	0.60	1.36



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