

ALPHA

明泰科技
Alpha Networks Inc.

Confidential

3Q2016 Investor Conference

December, 2016

Safe Harbor Statement

Except for the statements in respect of historical matters, the statements contained in this release are “forward-looking statements” subject to risks and uncertainties which may make actual performances and results differ materially from those contained in the forward-looking statements, including the financial stability of international market, demand in end market, supply chain management, impact of competitive products and pricing, exchange rate fluctuations, and other risks beyond the control of the company.

Consolidated Statements of Comprehensive Income_ QoQ

Selected Items from Statements of Comprehensive Income

| (in NT\$ Millions) | 3Q 2016 | | 2Q 2016 | | QoQ | |
|-------------------------|---------|-------|---------|------|---------|---------|
| | Amount | % | Amount | % | Amount | % |
| Net Revenue | 5,075 | 100 | 6,431 | 100 | (1,356) | (21.1) |
| Cost of Goods Sold | 4,323 | 85.2 | 5,468 | 85.0 | (1,145) | (20.9) |
| Gross Profit | 752 | 14.8 | 962 | 15.0 | (210) | (21.8) |
| Operating Expenses | 603 | 11.9 | 693 | 10.8 | (90) | (13.0) |
| Operating Income | 150 | 3.0 | 269 | 4.2 | (119) | (44.2) |
| Non-Op. Inc. (Loss) | (18) | (0.4) | 114 | 1.8 | (132) | (115.8) |
| Income Before Tax | 132 | 2.6 | 383 | 6.0 | (251) | (65.5) |
| Net Income | 97 | 1.9 | 312 | 4.9 | (215) | (68.9) |
| EPS (NT\$) | 0.22 | | 0.72 | | (0.50) | |

Consolidated Statements of Comprehensive Income_ YoY

Selected Items from Statements of Comprehensive Income

| (in NT\$ Millions) | 2016 YT09 | | 2015 YT09 | | YoY | |
|--------------------------|--------------|-------------|--------------|--------------|------------|--------------|
| | Amount | % | Amount | % | Amount | % |
| Net Revenue | 16,695 | 100 | 17,626 | 100 | (931) | (5.3) |
| Cost of Goods Sold | 14,234 | 85.3 | 15,366 | 87.2 | (1,132) | (7.4) |
| Gross Profit | 2,461 | 14.7 | 2,260 | 12.8 | 201 | 8.9 |
| Operating Expenses | 1,942 | 11.6 | 2,114 | 12.0 | (172) | (8.1) |
| Operating Income | 519 | 3.1 | 146 | 0.8 | 373 | 255.5 |
| Non-Op. Inc. (Loss) | 104 | 0.6 | (321) | (1.8) | 425 | 132.4 |
| Income (Loss) Before Tax | 623 | 3.7 | (175) | (1.0) | 798 | 456.0 |
| Net Income (Loss) | 486 | 2.9 | (225) | (1.3) | 711 | 316.0 |
| EPS (NT\$) | 1.12 | | (0.48) | | 1.60 | |

Consolidated Balance Sheets

Selected Items from Balance Sheets

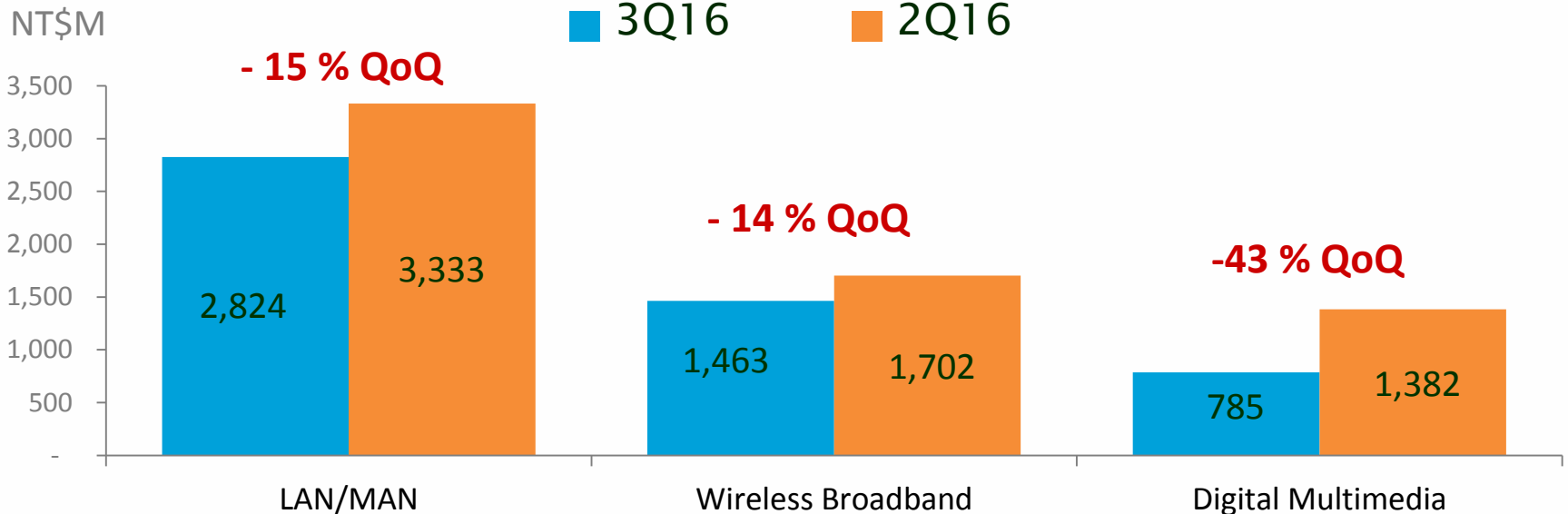
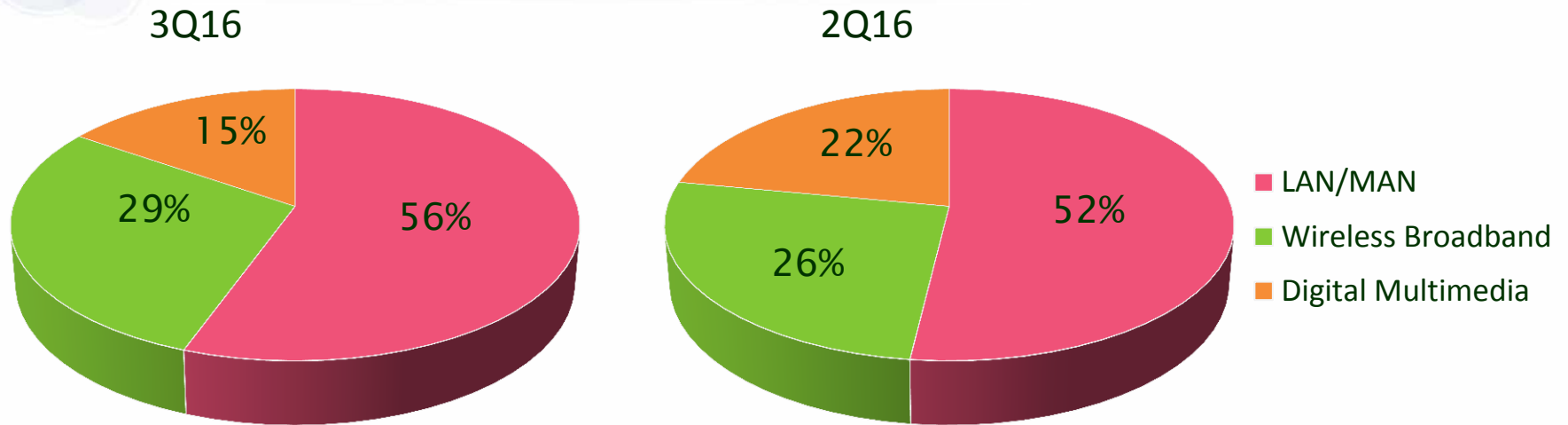
| (in NT\$ Millions) | 30-Sep-16 | | 31-Dec-15 | | 30-Sep-15 | |
|-----------------------------|---------------|------------|---------------|------------|---------------|------------|
| | Amount | % | Amount | % | Amount | % |
| Cash and cash equivalents | 2,234 | 16 | 2,454 | 17 | 1,734 | 10 |
| Account Receivable | 3,541 | 25 | 3,904 | 27 | 4,787 | 28 |
| Inventory | 2,931 | 21 | 3,788 | 26 | 4,405 | 25 |
| Other Current Assets | 2,493 | 17 | 623 | 5 | 2,644 | 15 |
| Non-current Assets | 2,973 | 21 | 3,545 | 25 | 3,725 | 22 |
| Total Assets | 14,172 | 100 | 14,314 | 100 | 17,295 | 100 |
| Current Liabilities | 4,607 | 32 | 4,784 | 33 | 7,480 | 43 |
| Non-current Liabilities | 1,118 | 8 | 1,119 | 8 | 1,163 | 7 |
| Total Liabilities | 5,725 | 40 | 5,903 | 41 | 8,643 | 50 |
| Shareholders' Equity | 8,447 | 60 | 8,411 | 59 | 8,652 | 50 |

Key Indices

| | | | |
|-------------------------|-----|-----|-----|
| A/R Turnover Days | 61 | 74 | 79 |
| Inventory Turnover Days | 65 | 71 | 75 |
| Current Ratio (%) | 243 | 225 | 181 |

- Total outstanding shares were 434.25 million units at 9/30/16.

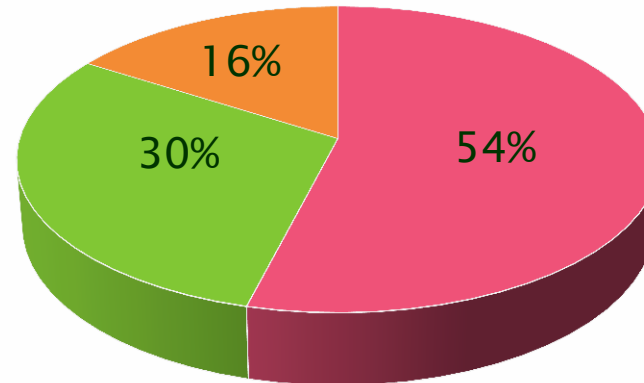
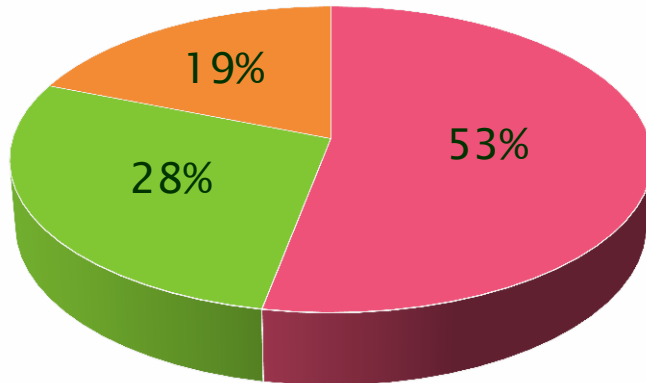
3Q16 Revenue Breakdown by Products & QoQ Comparison



2016YT09 Revenue Breakdown by Products & YoY Comparison

2016YT09

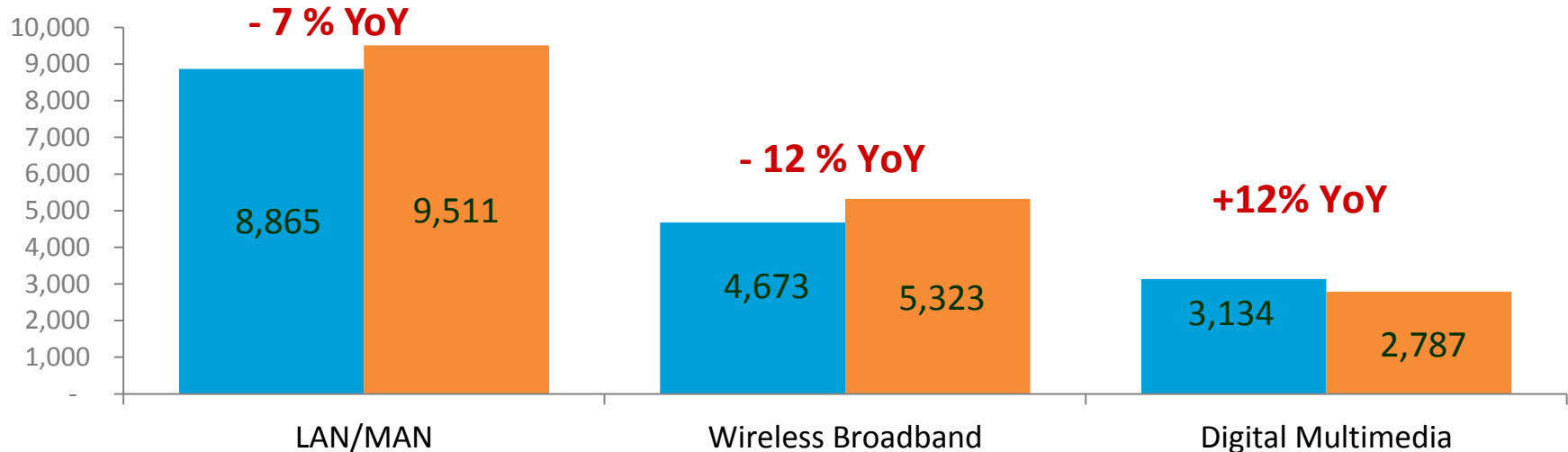
2015YT09



- LAN/MAN
- Wireless Broadband
- Digital Multimedia

NT\$M

■ 2016YT09 ■ 2015YT09



Thank You.

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