

偉詮電子股份有限公司 Weltrend Semiconductor, Inc.

Investor Conference

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Mar 20, 2018

Safe Harbor Notice

Forward-looking Statements

Weltrend's statements and any others in this release that refer to business outlook, future plans, and expectations are forward-looking statements that involve a number of risks and uncertainties. Statements that refer to or are based on projections, uncertain events or assumptions also identify forward-looking statements. Such statements are based on management's expectations as of the date of this earnings release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Weltrend presently considers the following to be important factors that could cause actual results to differ materially from the company's expectations.

2017 Consolidated Income Statement

(Expressed in NT\$K)

	2017/1-12	%	2016/1-12	%	YoY %
Net sales	2,381,145	100	2,047,723	100	16.28
Cost of good sold	(1,779,340)	(75)	(1,546,413)	(75)	15.06
Gross Profit	601,805	25	501,310	25	20.05
Operating Exp.	(483,144)	(20)	(433,947)	(21)	11.34
Selling & Adm.	(207,417)	(9)	(197,552)	(10)	4.99
R & D Exp.	(275,727)	(11)	(236,395)	(11)	16.64
Operating Income	118,661	5	67,363	4	76.15
Net Non-Operating Income	141,422	6	85,984	4	64.47
Income Before Tax	260,083	11	153,347	8	69.60
Income Tax Exp.	(34,453)	(2)	(11,575)	(1)	197.65
Net Income	225,630	9	141,772	7	59.15
EPS	1.02		0.64		

4Q17 Consolidated Income Statement (YoY)

(Expressed in NT\$K)

	4Q17	%	4Q16	%	YoY %
Net sales	640,168	100	529,575	100	20.88
Cost of good sold	(474,751)	(74)	(405,609)	(77)	17.05
Gross Profit	165,417	26	123,966	23	33.44
Operating Exp.	(130,872)	(20)	(120,586)	(22)	8.53
Selling & Adm.	(56,557)	(9)	(51,870)	(10)	9.04
R & D Exp.	(74,315)	(11)	(68,716)	(12)	8.15
Operating Income	34,545	6	3,380	1	922.04
Net Non-Operating Income	32,004	5	28,202	5	13.48
Income Before Tax	66,549	11	31,582	6	110.72
Income Tax (Exp).Benefit	(10,160)	(2)	(4,224)	(1)	140.53
Net Income	56,389	9	27,358	5	106.12
EPS	0.26		0.12		

4Q17 Consolidated Income Statement (QoQ)

(Expressed in NT\$K)

	4Q17	%	3Q17	%	QoQ %
Net sales	640,168	100	685,847	100	-6.66
Cost of good sold	(474,751)	(74)	(509,487)	(74)	-6.82
Gross Profit	165,417	26	176,360	26	-6.20
Operating Exp.	(130,872)	(20)	(132,733)	(20)	-1.40
Selling & Adm.	(56,557)	(9)	(57,251)	(9)	-1.21
R & D Exp.	(74,315)	(11)	(75,482)	(11)	-1.55
Operating Income	34,545	6	43,627	6	-20.82
Net Non-Operating Income (loss)	32,004	5	79,423	12	-59.70
Income Before Tax	66,549	11	123,050	18	-45.92
Income Tax (Exp.) Benefit	(10,160)	(2)	(9,081)	(1)	11.88
Net Income	56,389	9	113,969	17	-50.52
EPS	0.26		0.51		

Balance Sheet Summary

(Expressed in NT\$K)

	2017/12/31	2016/12/31
Cash & Financial Assets - current	2,616,290	2,128,051
Notes & Accounts receivable	784,549	678,767
Inventories	424,677	339,314
Property, Plant and Equipment	202,369	211,029
Other assets	224,828	299,308
Total assets	4,252,713	3,656,469
Notes & Accounts payable	342,599	324,718
Other current liabilities	539,375	329,591
Noncurrent liabilities	76,521	87,930
Stockholders' equity	3,294,218	2,914,230

A 29-year IC Design Company

Founded	Founded in the Hsinchu Science Park in July, 1989
Capital	NT\$2.226 billion (US\$74.2 millions)
Headcount	283 (as the end of 4Q17)
Main Business	<ul style="list-style-type: none"> ▪ Self-owned brand IC product development and sales ▪ ASIC product development and sales ▪ Value-added resale (VAR) for international name brand components (ex. ROHM)
Honors	<ul style="list-style-type: none"> ▪ In 1995, awarded with Taiwan’s 4th National Award of Outstanding Small & Medium Enterprises, being the first company from Science Park to win the title. ▪ First listed on Taiwan OTC market in 1997 and then subsequently listed on Taiwan's mainboard, TAIEX, in 2000 (Ticker 2436). ▪ Awarded with “Taiwan Technology Fast 50” by Deloitte and named multiple times as one of companies with best ROE and ROI by renowned financial magazines in Taiwan. ▪ ADAS R&D Team Awarded with the 17th Annual Technology Management Award by CSMOT. ▪ Ranked Top 20% in 2016 Corporate Governance Evaluation and Awarded Most Improved Company.

Q & A

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THANK YOU!