

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

Investor Conference

Cindy Guo

CFO and Spokesperson

Finance Division

Tony Lin

Executive Assistant to CEO

CEO's Office

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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.

1Q18~3Q18 Consolidated Income Statement (YoY)

(Expressed in NT\$K)

	2018/1~9	%	2017/1~9	%	YoY %
Net sales	1,948,971	100	1,740,977	100	11.95
Cost of good sold	(1,468,264)	(75)	(1,304,589)	(75)	12.55
Gross Profit	480,707	25	436,388	25	10.16
Operating Exp.	(366,057)	(19)	(352,272)	(20)	3.91
Selling & Adm.	(158,727)	(8)	(150,860)	(9)	5.21
R & D Exp.	(207,330)	(11)	(201,412)	(11)	2.94
Operating Income	114,650	6	84,116	5	36.30
Net Non-Operating Income	186,567	9	109,418	6	70.51
Income Before Tax	301,217	15	193,534	11	55.64
Income Tax Exp.	(57,871)	(3)	(24,293)	(2)	138.22
Net Income	243,346	12	169,241	9	43.79
EPS	1.14		0.76		

3Q18 Consolidated Income Statement (YoY)

(Expressed in NT\$K)

	3Q18	%	3Q17	%	YoY %
Net sales	691,305	100	685,847	100	0.80
Cost of good sold	(510,251)	(74)	(509,487)	(74)	0.15
Gross Profit	181,054	26	176,360	26	2.66
Operating Exp.	(118,053)	(17)	(132,733)	(20)	-11.06
Selling & Adm.	(52,568)	(8)	(57,251)	(9)	-8.18
R & D Exp.	(65,485)	(9)	(75,482)	(11)	-13.24
Operating Income	63,001	9	43,627	6	44.41
Net Non-Operating Income	4,259	1	79,423	12	-94.64
Income Before Tax	67,260	10	123,050	18	-45.34
Income Tax Exp.	(13,447)	(2)	(9,081)	(1)	48.08
Net Income	53,813	8	113,969	17	-52.78
EPS	0.27		0.51		

3Q18 Consolidated Income Statement (QoQ)

(Expressed in NT\$K)

	3Q18	%	2Q18	%	QoQ %
Net sales	691,305	100	667,640	100	3.54
Cost of good sold	(510,251)	(74)	(504,224)	(76)	1.20
Gross Profit	181,054	26	163,416	24	10.79
Operating Exp.	(118,053)	(17)	(136,552)	(20)	-13.55
Selling & Adm.	(52,568)	(8)	(58,235)	(8)	-9.73
R & D Exp.	(65,485)	(9)	(78,317)	(11)	-16.38
Operating Income	63,001	9	26,864	4	134.52
Net Non-Operating Income	4,259	1	155,853	23	-97.27
Income Before Tax	67,260	10	182,717	27	-63.19
Income Tax Exp.	(13,447)	(2)	(37,117)	(5)	-63.77
Net Income	53,813	8	145,600	22	-63.04
EPS	0.27		0.66		

Balance Sheet Summary

(Expressed in NT\$K)

	2018/9/30	2017/12/31
Cash & Financial Assets - current	2,419,761	2,616,290
Notes & Accounts receivable	861,503	784,549
Inventories	539,242	424,677
Property, Plant and Equipment	209,409	202,369
Other assets	100,590	224,828
Total assets	4,130,505	4,252,713
Notes & Accounts payable	383,147	342,599
Other current liabilities	704,428	539,375
Noncurrent liabilities	80,636	76,521
Stockholders' equity	2,962,294	3,294,218

A 29-year IC Design Company

Founded	Founded in the Hsinchu Science Park in July, 1989
Capital	NT\$1.78 billion (US\$59.3 millions)
Headcount	280 (as the end of 3Q18)
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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偉詮電子股份有限公司
Weltrend Semiconductor, Inc.

Headquarters

2F, No. 24, Industry E. 9th Rd.
Hsinchu Science Park
Hsinchu City 30075, Taiwan
Tel: +886-3-578-0241

Taipei Office

11F-6, No. 736, Chungcheng Rd.
Chungho District
New Taipei City 23511, Taiwan
Tel: +886-2-8226-1899

Kaohsiung Branch

22F-6., No. 211, Chungcheng 4th Rd.
Cianjin District
Kaohsiung City 801, Taiwan
Tel: +886-7-971-8868

www.weltrend.com

THANK YOU!