Y2015 Financial Results

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Safe Harbor Notice

- This presentation contains forward-looking statements and is subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.
- The projections should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.

Y2015 Financial Results

Consolidate

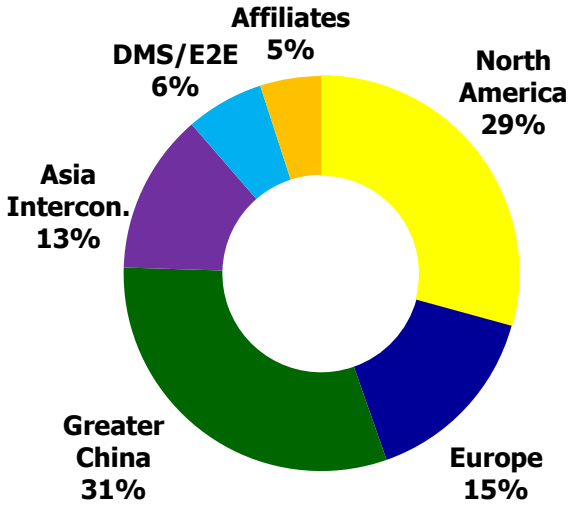
NT$M	Y2012	Y2013	Y2014	2015					YOY
				1Q	2Q	3Q	*4Q	*YTD	
Sales	27,552	30,660	35,732	8,785	10,027	9,437	9,752	38,001	6%
YOY growth	4%	11%	17%	8%	8%	3%	6%	6%	
Gross Margin %	39.2%	41.0%	40.3%	40.9%	39.7%	39.7%	41.3%	40.4%	0.1%
Gross Margin	10,924	12,586	14,393	3,591	3,980	3,746	4,028	15,345	7%
Operating Expense	7,065	7,917	8,884	2,240	2,348	2,422	2,406	9,416	6%
YOY growth	9%	12%	12%	11%	6%	6%	1%	6%	
Operating Margin	3,858	4,668	5,509	1,351	1,632	1,324	1,622	5,929	8%
Operating Margin %	14.0%	15.2%	15.4%	15.4%	16.3%	14.0%	16.6%	15.6%	
Non-Operating Income	373	500	547	129	-8	195	45	361	-34%
Effective Tax Rate	17.6%	20.1%	18.5%	18.5%	18.0%	18.6%	18.9%	18.5%	0.0%
NPAT	3,486	4,127	4,932	1,206	1,333	1,236	1,352	5,127	4%
EPS(NT$)	5.67	6.59	7.80	1.91	2.10	1.95	2.12	8.08	4%

*Un-Audited

Y2015 Sales By Region

Local Sales: US 1,201M, +2%

USD$ M	2014	2015	GR%	%
North America	339	352	+4%	29%
Europe	179	185	+3%	15%
Greater China	343	**371**	**+8%**	**31%**
Asia/Intercon	159	158	-1%	13%
DMS/E2E	92	77	-17%	6%
Affiliates	69	60	-13%	5%
Total	1,180	1,201	+2%	100%



Europe

AEU:	150.8M	GR%:	+4%
ADLoG:	33.8M	GR%:	-1%

Asia/Intercon

Japan:	27.5M	GR%:	+21%
Korea:	41.4M	GR%:	-1%
AAU/NZ:	10.6M	GR%:	-2%
SAP:	22.4M	GR%:	+3%
Intercon:	42.8M	GR%:	+2%
LATAM	13.0M	GR%:	-35%

Greater China

China:	292.7M	GR%:	+11%
Taiwan:	71.6M	GR%:	-5%
AiS:	6.6M	GR%	+48%

Affiliates/M&A

Advansus:	22.7M	GR%:	-13%
ALNC	12.6M	GR%:	-7%
APOS	5.6M	GR%:	-40%

Advantech Business Group Structure

Local Sales: US 1,201M, +2%

Embedded Design-In

US 607.4M
50%, +0%

Networks & Communications -6%
- Blade Computing & Systems
- Network Appliances
- Network Virtualization Platforms
- Network & Embedded Switch
- Broadcasting & Surveillance Platforms

Embedded Core Computing +4%
- Embedded Computing Boards
- Modular Computing Boards
- Wireless IoT Modules
- Display Systems & Gaming Solutions
- Industrial Motherboard & DTOS
- Embedded Peripherals

Industrial DMS +0%
- Applied Computing DMS
- Embedded DMS
- Network Appliance DMS
- Component Purchasing Service

% of Sales, YoY Growth

US 143.9M
12%, +8%

Industrial-IoT

US 358.4M
30%, +2%

Industrial Automation +0%
- Industrial I/O & Controllers
- Industrial HMI
- Automation Computing
- IoT Devices & Solutions
- WebAccess+ Solutions
- iFactory (Industry 4.0) Solutions
- Machine Automation Solutions
- Power & Energy Solutions

Intelligent Systems +5%
- Industrial Computers
- Industrial Servers & Storage
- Intelligent Video Solutions
- Intelligent IoT Modules
- Transportation Solutions

iConnectivity -2%
- iNetworking (B+B)
- Industrial Communications
- Industrial Switch

Smart City Solutions

US 91.8M
8%, +5%

Service Automation Platforms +5%
- Industrial Mobile Computing
- iRetail Platforms
- Medical Computing & Tablets
- In-Vehicle Computing

Intelligent Service Solutions
- Intelligent Hospital
- Digital Logistics & Fleet Management
- Intelligent Retail & Hospitality

Y2015 Working Capital

Consolidate

NT$ M	2013	2014	2015			
	Full	Full	1Q	2Q	3Q	*4Q
Cash Position	4,924	5,648	6,778	7,564	5,348	5,633
Account Receivable	5,359	5,916	5,521	6,436	6,383	6,266
DSO (Days)	59	58	55	62	59	59
Inventory	4,031	4,782	4,880	4,680	5,175	4,869
DOH (Days)	76	78	87	71	82	76
Account Payable	3,004	3,166	3,107	3,536	3,436	3,066
AP (Days)	55	52	56	53	54	51

*Un-Audited

Partnering for Smart City & IoT Solutions
驅動智慧城市創新 共建物聯產業典範
Industrial Cloud
& Cloud Networks
Private Cloud
iConnectivity
Transportation
IoT Devices
Computer On Modules
Video and RFID
Power & Energy
Environmental & Facility Monitoring
Embedded Software
iBuilding/BEMS
Industrial HMI
Embedded Design-in Services
Intelligent Display
Intelligent Systems
iRetail & Hospitality
iHospital
Image & Video Processing
Machine Automation
WebAccess+
Digital Healthcare
Digital Logistics
Industrial PCs