2017 Financial Results
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.
## 2017 Financial Results

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Sales</td>
<td>35,732</td>
<td>38,001</td>
<td>42,002</td>
<td>10,006</td>
<td>11,406</td>
<td>11,203</td>
<td>11,706</td>
<td>44,375</td>
</tr>
<tr>
<td>YOY growth</td>
<td>17%</td>
<td>6%</td>
<td>11%</td>
<td>0%</td>
<td>6%</td>
<td>8%</td>
<td>9%</td>
<td>6%</td>
</tr>
<tr>
<td>Gross Margin %</td>
<td>40.3%</td>
<td>40.4%</td>
<td>40.8%</td>
<td>40.5%</td>
<td>38.6%</td>
<td>39.0%</td>
<td>38.8%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>14,393</td>
<td>15,345</td>
<td>17,118</td>
<td>4,051</td>
<td>4,401</td>
<td>4,371</td>
<td>4,558</td>
<td>17,381</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>8,884</td>
<td>9,416</td>
<td>10,486</td>
<td>2,548</td>
<td>2,648</td>
<td>2,643</td>
<td>2,763</td>
<td>10,602</td>
</tr>
<tr>
<td>YOY growth</td>
<td>12%</td>
<td>6%</td>
<td>11%</td>
<td>-4%</td>
<td>1%</td>
<td>2%</td>
<td>6%</td>
<td>1%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>5,509</td>
<td>5,929</td>
<td>6,632</td>
<td>1,503</td>
<td>1,753</td>
<td>1,728</td>
<td>1,795</td>
<td>6,779</td>
</tr>
<tr>
<td>Operating Margin %</td>
<td>15.4%</td>
<td>15.6%</td>
<td>15.8%</td>
<td>15.0%</td>
<td>15.4%</td>
<td>15.4%</td>
<td>15.3%</td>
<td>15.3%</td>
</tr>
<tr>
<td>Non-Operating Income</td>
<td>547</td>
<td>361</td>
<td>466</td>
<td>-4</td>
<td>386</td>
<td>252</td>
<td>121</td>
<td>755</td>
</tr>
<tr>
<td>Effective Tax Rate</td>
<td>18.5%</td>
<td>18.5%</td>
<td>19.8%</td>
<td>19.6%</td>
<td>19.5%</td>
<td>19.3%</td>
<td>15.2%</td>
<td>18.4%</td>
</tr>
<tr>
<td>NPAT</td>
<td>4,932</td>
<td>5,127</td>
<td>5,689</td>
<td>1,206</td>
<td>1,723</td>
<td>1,598</td>
<td>1,622</td>
<td>6,149</td>
</tr>
<tr>
<td>EPS (NT$)</td>
<td>7.09</td>
<td>7.35</td>
<td>8.15</td>
<td>1.73</td>
<td>2.47</td>
<td>2.29</td>
<td>2.35</td>
<td>8.84</td>
</tr>
</tbody>
</table>
## 2017 Sales By Region

### USD$ M

<table>
<thead>
<tr>
<th>Region</th>
<th>2016</th>
<th>2017</th>
<th>GR%</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>395</td>
<td>409</td>
<td>+4%</td>
<td>28%</td>
</tr>
<tr>
<td>Europe</td>
<td>195</td>
<td>242</td>
<td>+24%</td>
<td>17%</td>
</tr>
<tr>
<td>Greater China</td>
<td>423</td>
<td>463</td>
<td>+9%</td>
<td>32%</td>
</tr>
<tr>
<td>Asia/Intercon</td>
<td>170</td>
<td>206</td>
<td>+21%</td>
<td>14%</td>
</tr>
<tr>
<td>DMS/E2E</td>
<td>54</td>
<td>70</td>
<td>+29%</td>
<td>5%</td>
</tr>
<tr>
<td>Affiliates</td>
<td>62</td>
<td>66</td>
<td>+7%</td>
<td>4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,299</td>
<td>1,455</td>
<td>+12%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### Europe

- **AEU**: 206.8M GR%: +28%
- **ADLoG**: 35.4M GR%: +8%

### Asia/Intercon

- **Japan**: 55.4M GR%: +5%
- **Korea**: 60.3M GR%: +32%
- **AAU/NZ**: 12.3M GR%: +1%
- **ASEAN**: 28.9M GR%: +19%
- **India**: 9.8M GR%: +21%
- **Russia**: 17.1M GR%: +61%
- **ME&A**: 22.7M GR%: +16%
- **LATAM**: 14.6M GR%: +14%

### Greater China

- **China**: 360.3M GR%: +8%
- **Taiwan**: 102.3M GR%: +15%

### Affiliates

- **ALNC**: 18.2M GR%: +27%
- **Advanixs**: 15.4M GR%: -20%
- **A-Cermate**: 10.7M GR%: +19%
- **A-KOSTEC**: 4.8M GR%: -19%

Local Sales: US 1,455M, +12%
2017 Performance by SBG

Networks & Communications
- Telecom & Mission Critical Systems
- Enterprise Network Platforms
- Network & Embedded Switches
- Video Broadcasting Solutions

US 167.2M
11%, +7.5%, 100%

Embedded Core & IoT Modules
- Computing on Modules
- Single Board Computers
- Industrial Motherboards
- Embedded Box Computers
- Industrial Displays
- Industrial Flash Storage (SQFlash)
- Embedded Wireless Modules (M2.COM)

US 391.5M
27%, +16.9%, 106%

Applied Computing
- Industrial Mobile Computing
- Applied Computing DMS
- Service-IoT DMS
- Network Edge Solutions
- Gaming Solutions

US 128.7M
9%, -10.7%, 82%

Industrial-IoT
- Industrial I/O & Controllers
- Automation Computing & HMI
- Motion Controls & Machine Vision
- Remote IoT Devices (WISE)
- iFactory (Industry 4.0) Solutions
- Machine Automation Solutions
- Energy & Environment Solutions

US 484.8M
33%, +14.9%, 102%

Intelligent Systems
- Industrial Computers
- Industrial Servers & Storage
- Intelligent Video Solutions
- Transportation Solutions
- Network Edge Solutions
- Industrial Switches
- Industrial Wireless Devices
- Industrial Cellular Routers

US 101.7M
7%, +12.5%, 91%

Intelligent Healthcare
- Medical Computing & Tablets
- Intelligent Hospital Solutions

Intelligent Retail
- iRetail Platforms
- Intelligent Retail & Hospitality Solutions
- Digital Signage Solutions

Intelligent Logistics
- In-Vehicle Computing
- Digital Logistics & Fleet Management Solutions

% of Sales, YoY Growth, Achv.

Enabling an Intelligent Planet

Local Sales: US 1,455M, +12%
## 2017 Working Capital

<table>
<thead>
<tr>
<th>NT$ M</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Full</td>
<td>Full</td>
<td>Q1</td>
</tr>
<tr>
<td>Cash Position</td>
<td>5,633</td>
<td>7,237</td>
<td>6,678</td>
</tr>
<tr>
<td>Account Receivable</td>
<td>6,467</td>
<td>7,378</td>
<td>6,719</td>
</tr>
<tr>
<td>DSO (Days)</td>
<td>60</td>
<td>63</td>
<td>58</td>
</tr>
<tr>
<td>Inventory</td>
<td>4,869</td>
<td>5,597</td>
<td>5,799</td>
</tr>
<tr>
<td>DOH (Days)</td>
<td>76</td>
<td>78</td>
<td>88</td>
</tr>
<tr>
<td>Account Payable</td>
<td>3,226</td>
<td>4,983</td>
<td>3,605</td>
</tr>
<tr>
<td>Days</td>
<td>47</td>
<td>69</td>
<td>54</td>
</tr>
</tbody>
</table>

Consolidated