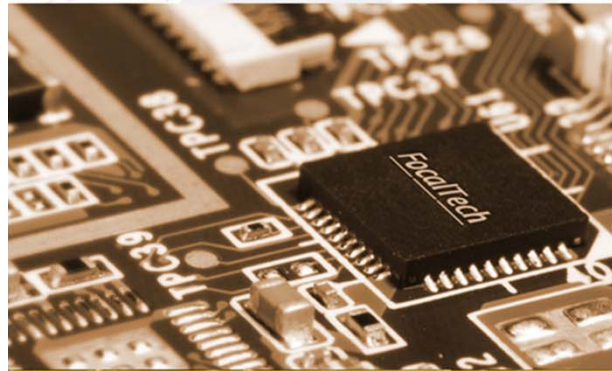




FocalTech

The world leader in human machine interface solutions



FocalTech 敦泰電子(Ticker 3545TT)

Investor Conference 法人說明會

2017/7/27

NO DISTANCE
BETWEEN HUMANS AND MACHINES

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17'Q2 Income Statement / 106年第2季損益表

Unit in NT\$ Million / 單位: 新台幣佰萬元

	17' Q2	17' Q1	QoQ	16' Q2	YoY
Revenue/ 營業收入	2,597	2,161	20%	2,960	-12%
Gross Profit/ 營業毛利	532	498	7%	580	-8%
Gross Margin/ 營業毛利率	20.5%	23.0%	↓250 bps	19.6%	↑90 bps
Operating Expense/ 營業費用	526	482	9%	495	6%
Operating Income/ 營業淨利	7	16	-59%	85	-92%
Non Operating Income/ 營業外收入	29	(27)		(2)	
Profit before Tax/ 稅前淨利	35	(10)		83	-58%
Profit after Tax/ 稅後淨利	31	(8)		71	-56%
EPS(Basic)/ 每股盈餘(基本)	0.12	(0.01)		0.24	

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17'1H Income Statement / 106年上半年損益表

Unit in NT\$ Million / 單位: 新台幣佰萬元

	17' 1H	16' 1H	YoY
Revenue/ 營業收入	4,759	5,269	-10%
Gross Profit/ 營業毛利	1,030	1,012	2%
Gross Margin/ 營業毛利率	21.7%	19.2%	↑250 bps
Operating Expense/ 營業費用	1,008	1,019	-1%
Operating Income/ 營業淨利	23	(7)	
Non Operating Income/ 營業外收入	2	(14)	
Profit before Tax/ 稅前淨利	25	(21)	
Profit after Tax/ 稅後淨利	23	(28)	
EPS(Basic)/ 每股盈餘(基本)	0.11	(0.10)	

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Balance Sheet / 資產負債表

Unit in NT\$ Million / 單位: 新台幣佰萬元

	2017.6.30	2017.3.31	QoQ
Cash & Market Securities/ 現金及其他金融資產	3,999	4,456	-10%
Accounts Receivable/ 應收帳款	1,176	1,145	3%
Inventory/ 存貨	3,472	3,031	15%
Other Current Assets/ 其他流動資產	196	146	34%
Other Non Current Asset/ 其他非流動資產	5,442	5,352	2%
Total Assets/ 資產總計	14,284	14,131	1%
Current Liabilities/ 流動負債	3,021	2,690	12%
Non Current Liabilities/ 非流動負債	340	339	0%
Owner's Equity/ 股東權益	10,917	11,092	-2%
Non-controlling interests/ 非控制權益	6	10	-39%
Total Liabilities and Owners' Equity/ 負債與權益	14,284	14,131	1%
Net Worth per share/ 每股淨值	36.74	37.34	
AR Days (Annual Basis)	48	52	
Inventory Days (Annual Basis)	147	153	

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2017 Q2 Results Summary/106年第2季總結

- Due to seasonal demand increase in cellphones, revenue in Q2 grew 20% sequentially to NT\$ 2,597M. However, the level of the revenue this year was below last year. This was primarily due to the sudden change in screen aspect ratio for the new designs. This change caught the supply chain by surprise and stalled the shipment of many new designs. For FocalTech, this impact slows down the ramp up of IDC products. Thus, our Q2 revenue showed a sequential quarterly increase but a yoy drop of 12%.

106年第2季營收受惠於手機市場季節性成長而較上季增加20%達26億元。惟上一季中高階智慧型手機因屏占比調整，供應鏈反應不及，使得本季營業額年減12%。

- The change in display aspect ratio so far impacted more on mid to high-end cellphones than on mid to low-end phones. This adversely affected our Q2 product mix and in turn affecting the gross margin, which dropped to 20.5% by nearly 2.5% qoq. However, on a yoy basis, our gross margin rate managed a continuing improvement.

手機屏佔比的調整影響中高階產品的出貨進度，造成低毛利產品佔第2季的營收比重增加，不利的產品組合使第2季毛利率季減2.5百分點達20.5%。然而對比去年同期則依然上升近1百分點，反應出公司長期以來在提昇毛利率的努力。

2017 1H Results Summary / 106年上半年總結

- As for the net income of Q2, it turned positive to NT\$ 31M from a loss of NT\$ 8M in Q1. Despite small revenue base, similar result was also found for the 1H of this year vs. 1H of 2016; the net profit of NT\$ 23 million this year vs. a loss of NT\$28 million last year.

本季稅後淨利亦因匯率波動變小而轉虧為盈，由上一季的8百萬元虧損轉為獲利3仟1百萬元。儘管今年上半年營收規模較去年同期縮小，但營業毛利與營業淨利均較去年上半年進步；由去年的2仟8百萬虧損轉為今年獲利2仟3百萬元。

- In summary, the overall gross profit and net profit of the first half of 2017 are better than those of last year. This is due to the continuing improvement in overall manufacturing efficiency and cost; the gross margin improved by 2.5% to 21.7%.

今年上半年營收因新型中高階智慧型手機出貨疲弱而年減1成。但因整體生產成本較去年同期改善，使得毛利率比去年上半年增加了2.5百分點至21.7%，並使業內淨利與稅後淨利雙雙轉為獲利。

Future Outlook / 未來展望

- Q3 is typically a high season in the year. We expect this remains to be true for mid to low-end cellphone market this year. However the design change for higher aspect ratio screen will cast some uncertainty on how fast the recovery is for the mid to high-end cellphone market. It may be a supply limit situation. Both OLED and LCD in-cell modules will become the key focus.

第3季是智慧型手機傳統旺季，今年的季節性表現在中低瑞手機市場方面與往年相似，但對中高端手機的表現而言，OLED及 LCD in-cell模組相關部件的供給情況可能是一個關鍵。

- For mid to high-end segment, FocalTech is expecting noticeable growth in the full in-cell IDC products. Both LTPS and α -Si in-cell panels will be in strong demand in 2H of this year. However, due to cost advantage, the shipment of α -Si HD in-cell modules may overtake the LTPS FHD counterpart.

中高端手機產品對全內嵌式面板的需求明顯增加，使IDC產品在低溫多晶矽與非晶矽兩種全內嵌式面板方面均將有強勁的表現。但因非晶矽HD面板在成本上的優勢，將來在市場佔有率上可能超越低溫多晶矽FHD面板。預期106年下半年全內嵌式面板的供應將快速提升，此市場趨勢將有利於公司的營運。

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