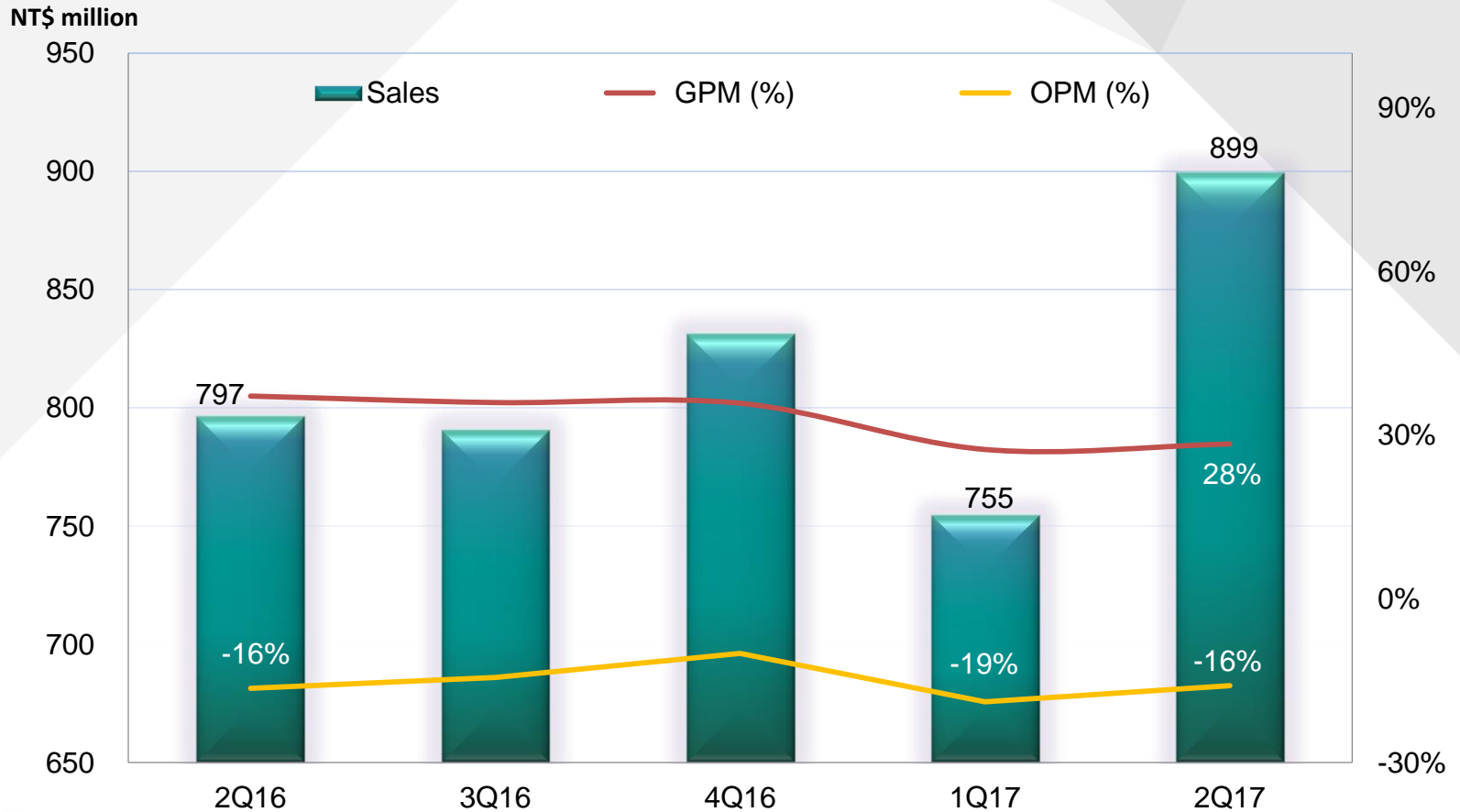


# ALi Corporation (3041 TT) 2Q17 Investor Conference

August 11<sup>th</sup>, 2017

# 2Q17 Consolidated Quarterly Results

- 2Q17 revenue reached NT\$899 million, QoQ 19%, YoY 13%
- Gross profit margin was 28%
- Operating profit margin was -16%



# 2Q17 Consolidated Income Statement

(Amounts in thousand New Taiwan Dollars except Earnings Per Share)

	2Q17		1Q17		2Q16		QoQ	YoY
<b>Net sales</b>	899,706	100%	754,958	100%	796,637	100%	19%	13%
Cost of goods sold	(644,630)		(548,520)		(500,846)		18%	29%
<b>Gross profits</b>	255,076	28%	206,438	27%	295,791	37%	24%	-14%
Operating expenses:								
Selling expenses	(51,970)		(44,639)		(67,483)		16%	-23%
Administrative expenses	(69,658)		(61,974)		(60,767)		12%	15%
Research and development expenses	(276,882)		(242,593)		(298,239)		14%	-7%
Total operating expenses	(398,510)		(349,206)		(426,489)		14%	-7%
<b>Operating income</b>	(143,434)	-16%	(142,768)	-19%	(130,698)	-16%	0%	10%
Non-operating income and gain (expense & loss)	23,572		5,097		21,751		362%	8%
<b>Income before income tax</b>	(119,862)		(137,671)		(108,947)		-13%	10%
Income tax (expense) benefit	20,590		23,704		16,126		-13%	28%
<b>Net income</b>	(99,272)		(113,967)		(92,821)		-13%	7%
Earnings Per Share (in New Taiwan Dollars)	(0.34)		(0.39)		(0.31)			

# 2Q17 Consolidated Balance Sheet

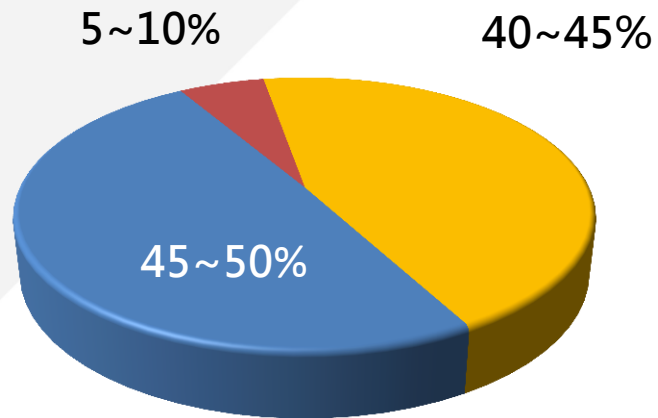
(Amounts in thousand New Taiwan Dollars except Key Indices)

## Selected Items from Balance Sheet

	June 30, 2017	March 31, 2017	June 30, 2016
Cash, cash equivalents and investments in marketable financial instruments	3,282,926	3,265,165	3,639,989
Notes and accounts receivable	237,798	272,793	187,092
Inventory (net)	582,756	590,828	600,965
Other current assets	323,441	301,760	375,299
<b>Total current assets</b>	<b>4,426,921</b>	<b>4,430,546</b>	<b>4,803,345</b>
Long-term Investments	58,203	57,997	63,763
Net PP&E	634,556	632,213	663,747
Intangible assets	156,530	149,422	421,869
Other assets	270,000	248,542	193,432
<b>Total assets</b>	<b>5,546,210</b>	<b>5,518,720</b>	<b>6,146,156</b>
Notes and accounts payable	540,847	474,493	388,943
Other current liabilities	358,654	274,172	324,306
Non-current liabilities	13,154	12,903	25,308
<b>Total liabilities</b>	<b>912,655</b>	<b>761,568</b>	<b>738,557</b>
<b>Total shareholders' equity</b>	<b>4,633,555</b>	<b>4,757,152</b>	<b>5,407,599</b>
<b>Key Indices</b>			
A/R Turnover Days (net)	26	30	23
Inventory Turnover Days (net)	83	94	110
Current Ratio	4.9	5.9	6.7

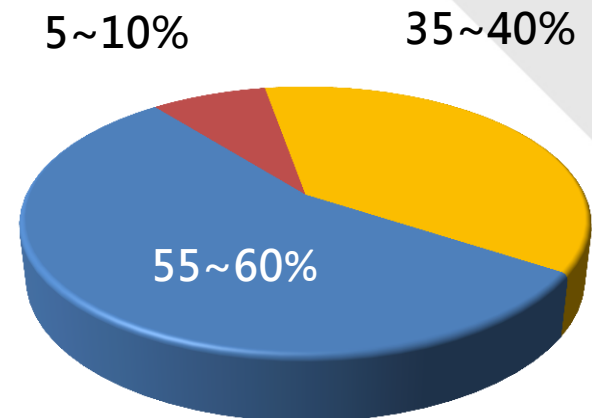
# Quarterly Revenue Breakdown

1Q17



■ Pay-TV Operator STB ■ Retail STB ■ Others (Non-STB)

2Q17



■ Pay-TV Operator STB ■ Retail STB ■ Others (Non-STB)

Thank You

