

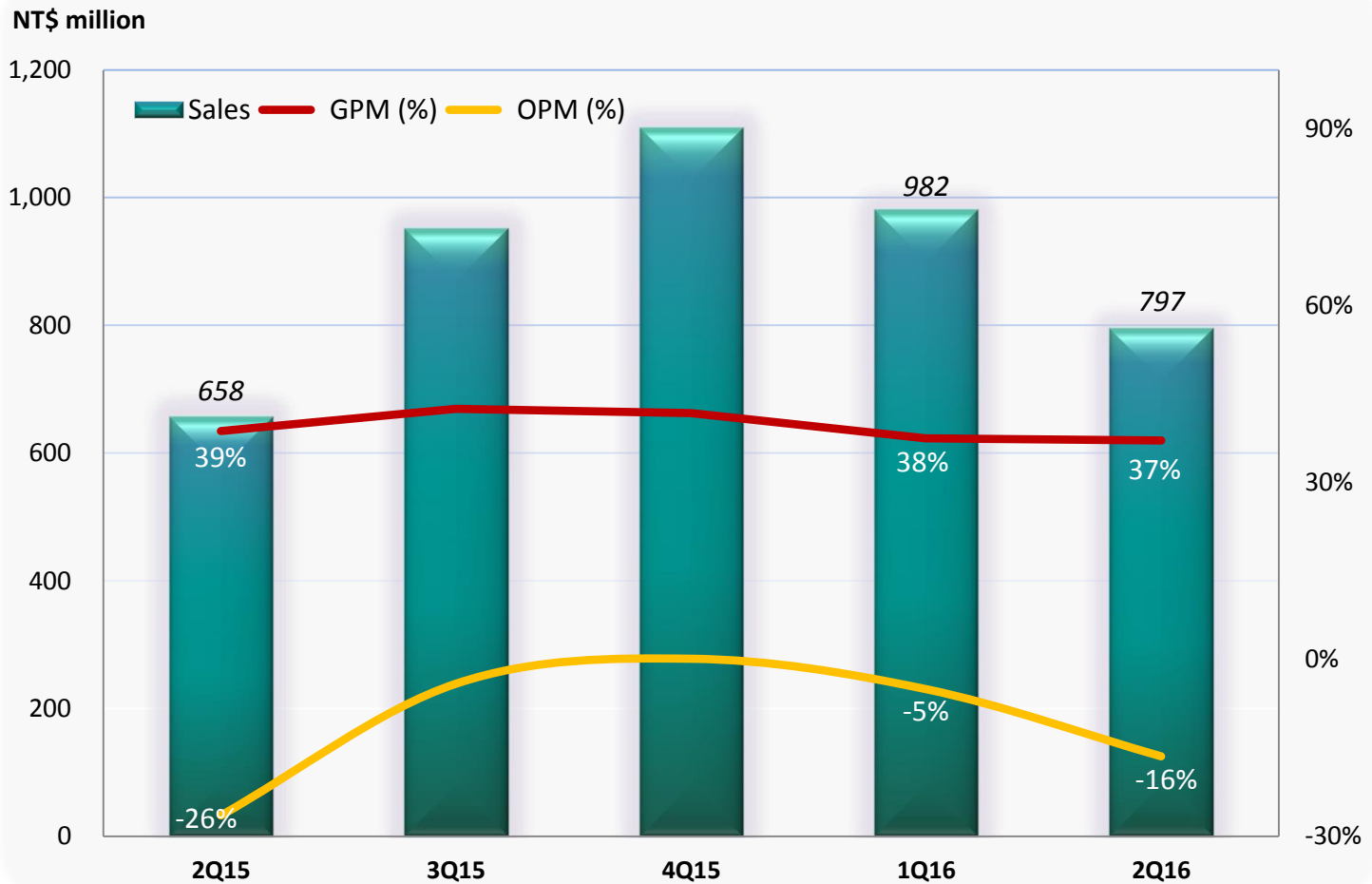
# ALi Corporation (3041 TT) 2Q16 Investor Conference

*Aug 12<sup>th</sup>, 2016*



# 2Q16 Consolidated Quarterly Results

- 2Q16 revenue reached NT\$797 million, QoQ -19%, YoY +21%
- Gross profit margin was 37%
- Operating profit margin was -16%



# 2Q16 Consolidated Income Statement

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

	2Q16		1Q16		2Q15		QoQ	YoY
<b>Net sales</b>	796,637	100%	981,736	100%	658,485	100%	-19%	21%
Cost of goods sold	(500,846)		(613,240)		(403,323)		-18%	24%
<b>Gross profits</b>	295,791	37%	368,496	38%	255,162	39%	-20%	16%
Operating expenses:								
Selling expenses	(67,483)		(70,953)		(60,269)		-5%	12%
Administrative expenses	(60,767)		(64,998)		(76,032)		-7%	-20%
Research and development expenses	(298,239)		(281,995)		(286,553)		6%	4%
Total operating expenses	(426,489)		(417,946)		(422,854)		2%	1%
<b>Operating income (loss)</b>	(130,698)	-16%	(49,450)	-5%	(167,692)	-26%	164%	-22%
Non-operating income and gain (expense & loss)	21,751		19,046		11,088		14%	96%
<b>Income (loss) before income tax</b>	(108,947)		(30,404)		(156,604)		258%	-30%
Income tax (expense) benefit	16,126		4,529		21,197		256%	-24%
<b>Net income (loss)</b>	(92,821)		(25,875)		(135,407)		259%	-31%
Earnings Per Share (in New Taiwan Dollars)	(0.31)		(0.09)		(0.46)			



# 2Q16 Consolidated Balance Sheet

(Amounts in thousand New Taiwan Dollars except Key Indices)

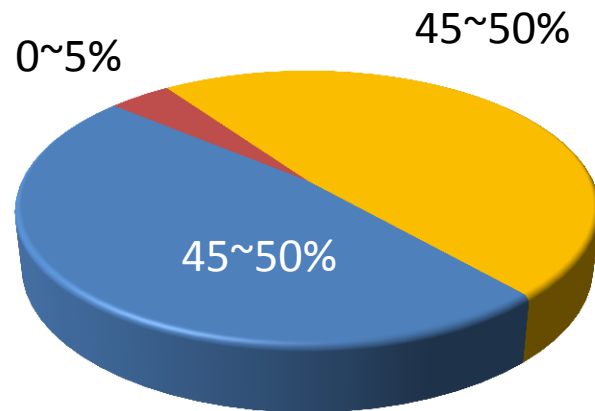
## Selected Items from Balance Sheet

	Jun 30, 2016	Mar 31, 2016	Jun 30, 2015
Cash, cash equivalents and investments in marketable financial instruments	3,639,989	3,843,208	3,897,168
Notes and accounts receivable	187,092	218,925	155,076
Inventory (net)	600,965	611,199	500,135
Other current assets	375,299	301,505	390,810
<b>Total current assets</b>	<b>4,803,345</b>	<b>4,974,837</b>	<b>4,943,189</b>
Long-term Investments	63,763	90,010	101,529
Net PP&E	663,747	667,691	682,371
Intangible assets	421,869	450,693	496,491
Other assets	193,432	175,235	176,054
<b>Total assets</b>	<b>6,146,156</b>	<b>6,358,466</b>	<b>6,399,634</b>
Notes and accounts payable	388,943	525,708	324,307
Other current liabilities	324,306	303,415	599,533
Non-current liabilities	25,308	30,858	31,719
<b>Total liabilities</b>	<b>738,557</b>	<b>859,981</b>	<b>955,559</b>
<b>Total shareholders' equity</b>	<b>5,407,599</b>	<b>5,498,485</b>	<b>5,444,075</b>
<b>Key Indices</b>			
A/R Turnover Days (net)	23	22	23
Inventory Turnover Days (net)	110	79	111
Current Ratio	6.7	6.0	5.4



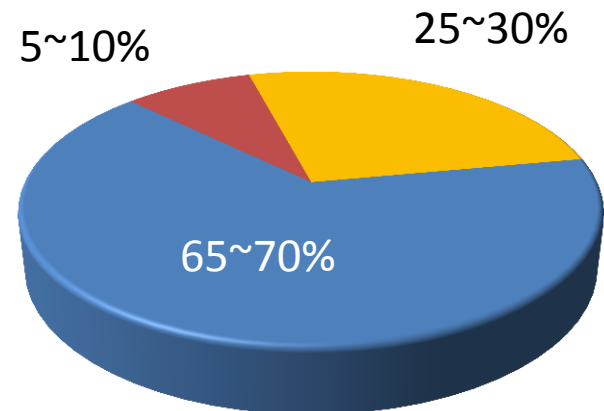
# Quarterly Revenue Breakdown

1Q16



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

2Q16



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



Thank you!



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