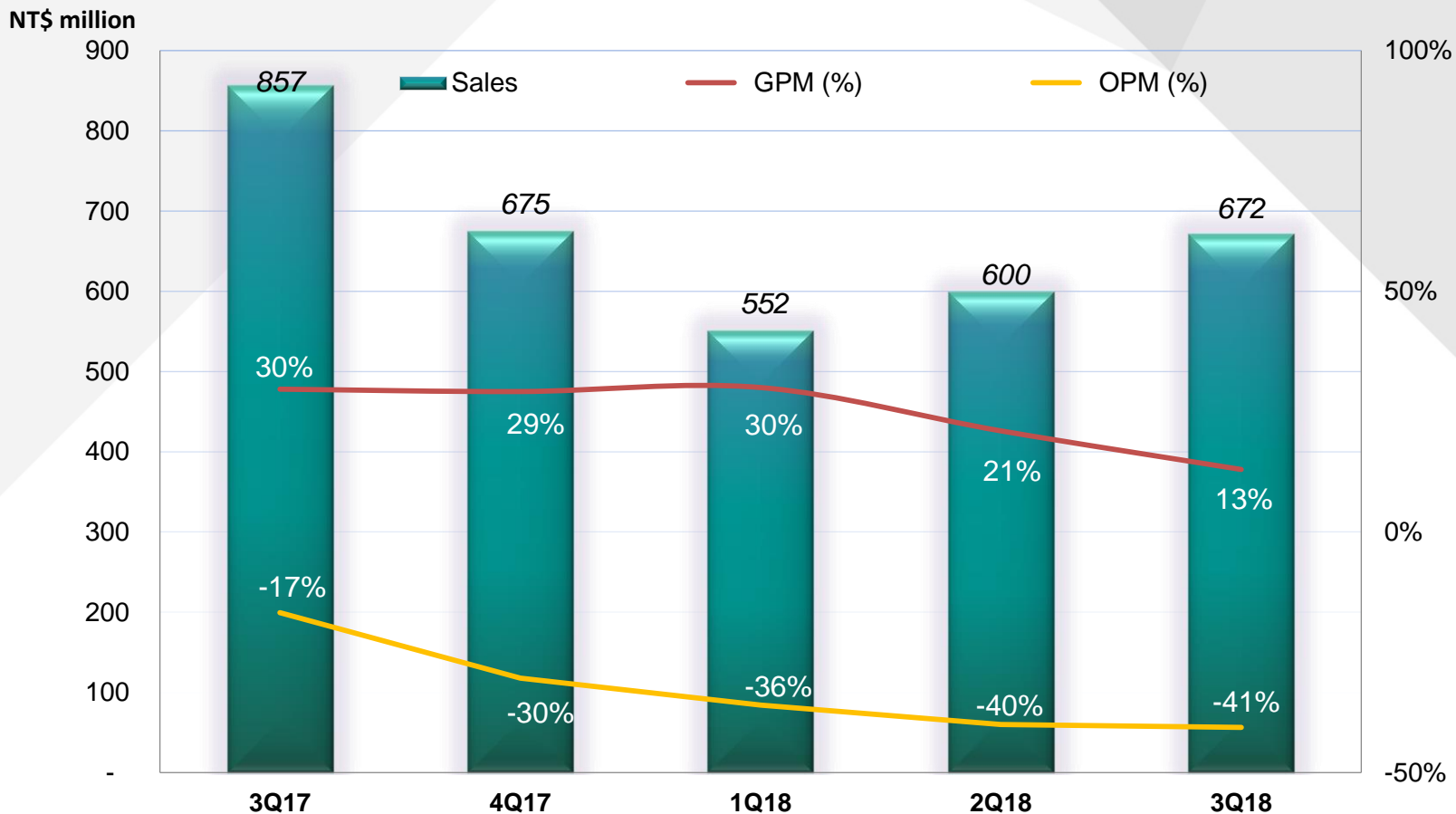


# ALi Corporation (3041 TT) 3Q18 Investor Conference

November 13<sup>th</sup>, 2018

# 3Q18 Consolidated Quarterly Results

- 3Q18 revenue reached NT\$672 million, QoQ 12%, YoY -21%
- Gross profit was NT\$87 million, QoQ -32%, YoY -66%
- Operating loss was NT\$273 million, QoQ 15%, YoY 90%



# 3Q18 Consolidated Income Statement

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

	3Q18		2Q18		3Q17		QoQ	YoY
<b>Net sales</b>	672,872	100%	599,985	100%	857,074	100%	12%	-21%
Cost of goods sold	(585,538)		(471,447)		(602,845)		24%	-3%
<b>Gross profits</b>	87,334	13%	128,538	21%	254,229	30%	-32%	-66%
Operating expenses:								
Selling expenses	(45,955)		(39,006)		(48,935)		18%	-6%
Administrative expenses	(58,150)		(53,151)		(73,230)		9%	-21%
Research and development expenses	(252,930)		(274,336)		(275,939)		-8%	-8%
Total operating expenses	(360,648)		(366,505)		(398,104)		-2%	-9%
<b>Operating income</b>	(273,314)	-41%	(237,967)	-40%	(143,875)	-17%	15%	90%
Non-operating income and gain (expense & loss)	17,513		20,822		15,780		-16%	11%
<b>Income before income tax</b>	(255,801)		(217,145)		(128,095)		18%	100%
Income tax (expense) benefit	49,447		43,438		22,581		14%	119%
<b>Net income</b>	(206,354)		(173,707)		(105,514)		19%	96%
Earnings Per Share (in New Taiwan Dollars)	(0.70)		(0.59)		(0.36)			

# 3Q18 Consolidated Balance Sheet

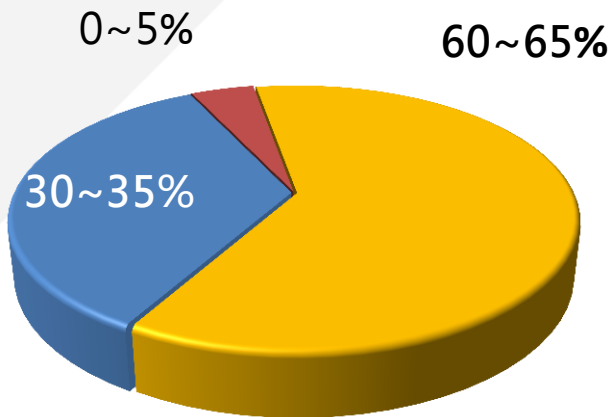
(Amounts in thousand New Taiwan Dollars except Key Indices)

## Selected Items from Balance Sheet

	Sep 30, 2018	Jun 30, 2018	Sep 30, 2017
Cash, cash equivalents and investments in marketable financial instruments	2,396,584	2,161,733	2,979,478
Notes and accounts receivable	239,819	264,140	270,828
Inventory (net)	430,526	691,617	686,987
Other current assets	170,263	252,893	304,077
<b>Total current assets</b>	<b>3,237,192</b>	<b>3,370,383</b>	<b>4,241,370</b>
Long-term Investments	75,355	78,490	58,455
Net PP&E	617,225	626,206	629,080
Intangible assets	126,896	148,711	137,918
Other assets	519,108	466,860	293,337
<b>Total assets</b>	<b>4,575,776</b>	<b>4,690,650</b>	<b>5,360,160</b>
Notes and accounts payable	356,398	286,111	471,692
Other current liabilities	291,731	265,116	327,897
Non-current liabilities	6,038	10,656	12,990
<b>Total liabilities</b>	<b>654,167</b>	<b>561,883</b>	<b>812,579</b>
<b>Total shareholders' equity</b>	<b>3,921,609</b>	<b>4,128,767</b>	<b>4,547,581</b>
<b>Key Indices</b>			
A/R Turnover Days (net)	34	30	27
Inventory Turnover Days (net)	88	145	97

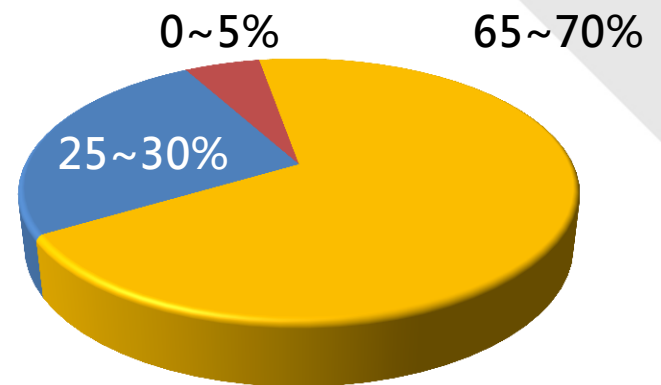
# Quarterly Revenue Breakdown

**2Q18**



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

**3Q18**



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

Thank You

