

MEDIA TEK

聯發科技 2020年第三季法人說明會 MediaTek 2020-Q3 Investor Conference

October 30, 2020



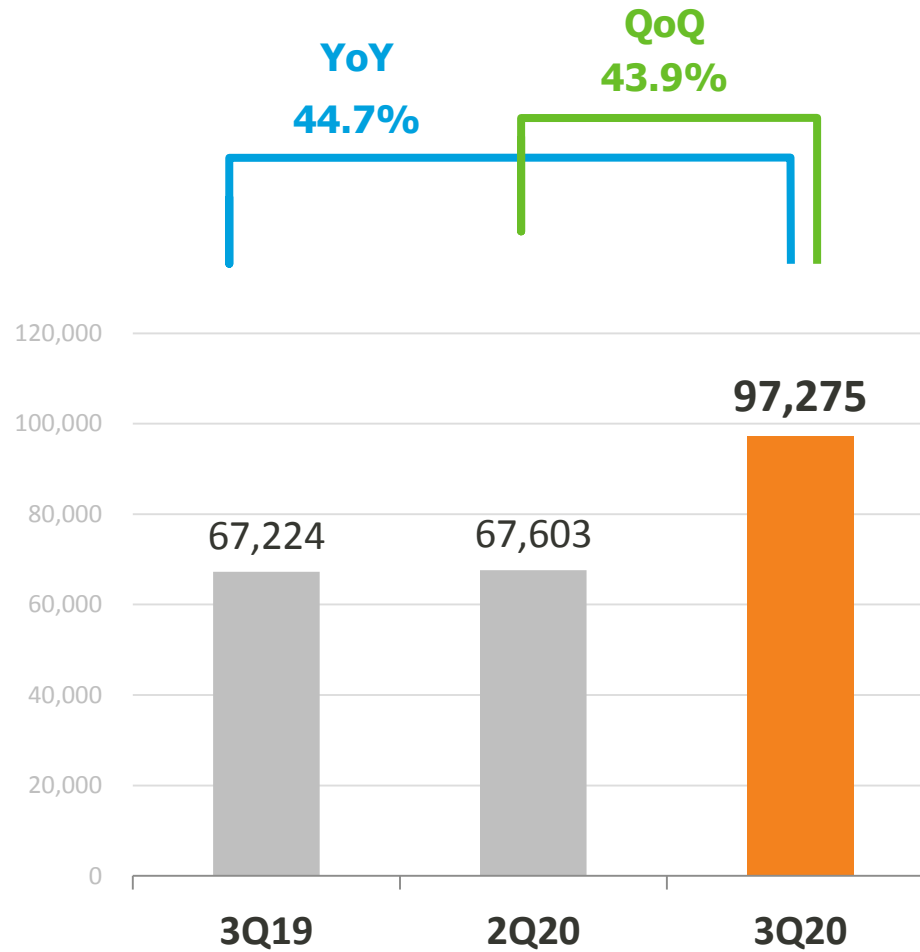
Safe Harbor Statement

These factors may cause actual results materially different from the information provided herein. The factors include the impact of competitive products and pricing, timely acceptance of products design by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand for semiconductor products, market oversupply, availability of manufacturing capacity, financial stability in end markets, potential difficulties in talents retention, unexpected costs and expenses, any merger and acquisition associated uncertainties such as obtaining of regulatory approval or integration delay, loss of significant customers, involvement in legal or administrative proceedings, new regulations that may impact our business operation, fluctuations in foreign exchange rates, global economic conditions or non-economic conditions and any other risks factors.

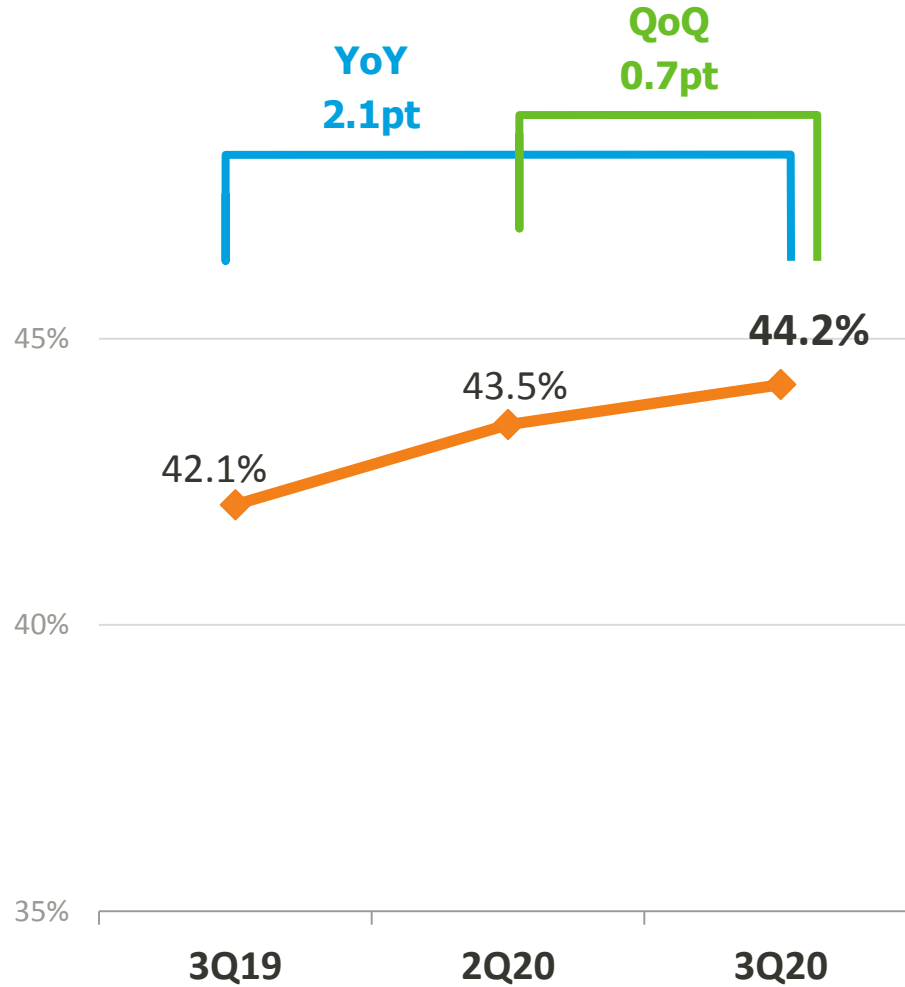
This presentation also supplements Non Taiwan International Financial Reporting Standards (TIFRS, as recognized by FSC) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute for information based on TIFRS. Your attention is called that final actual earnings distribution will be made in accordance with financial statements based on TIFRS.

Consolidated Revenue

(NT\$ million)

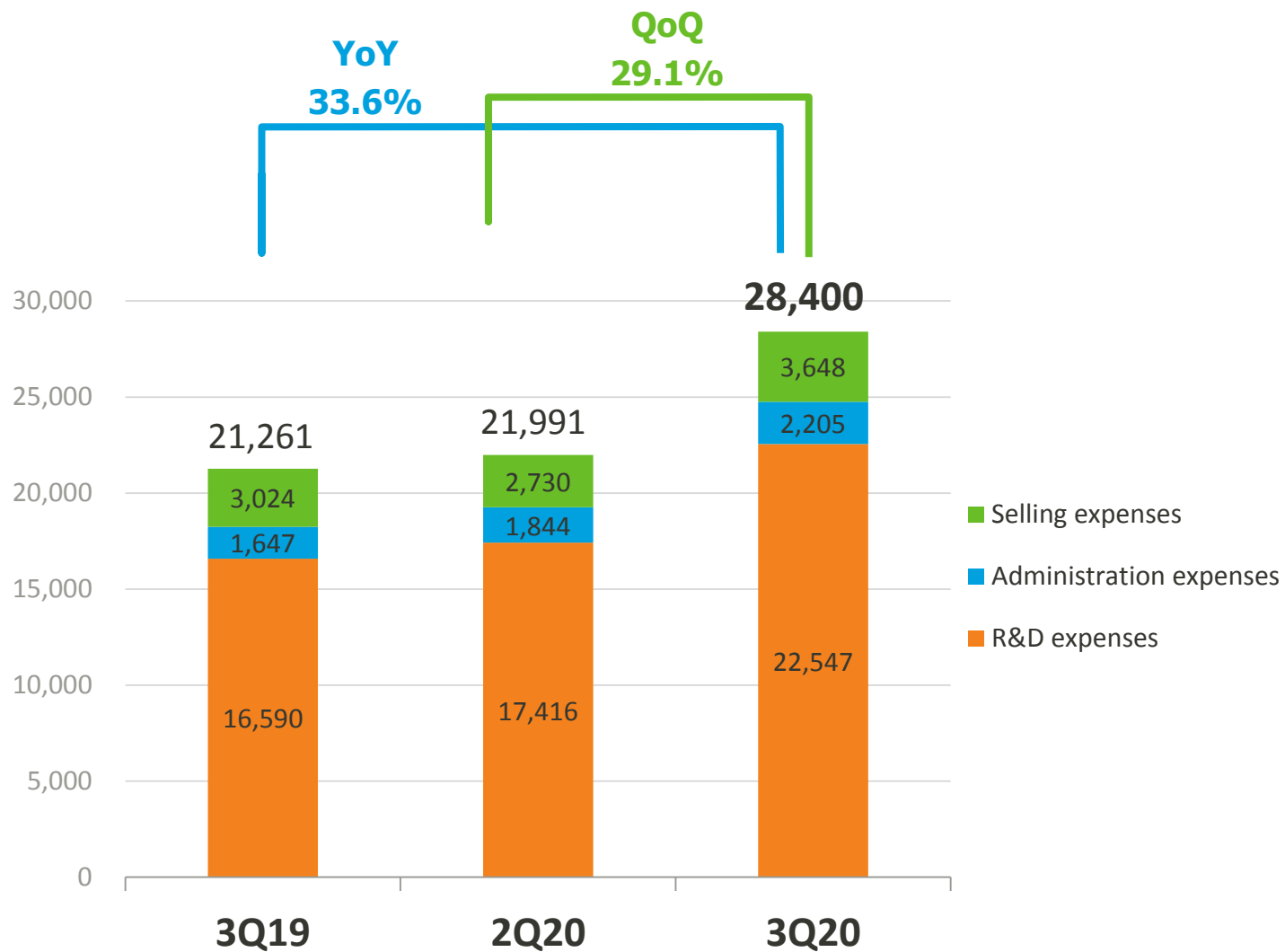


Consolidated Gross Margin



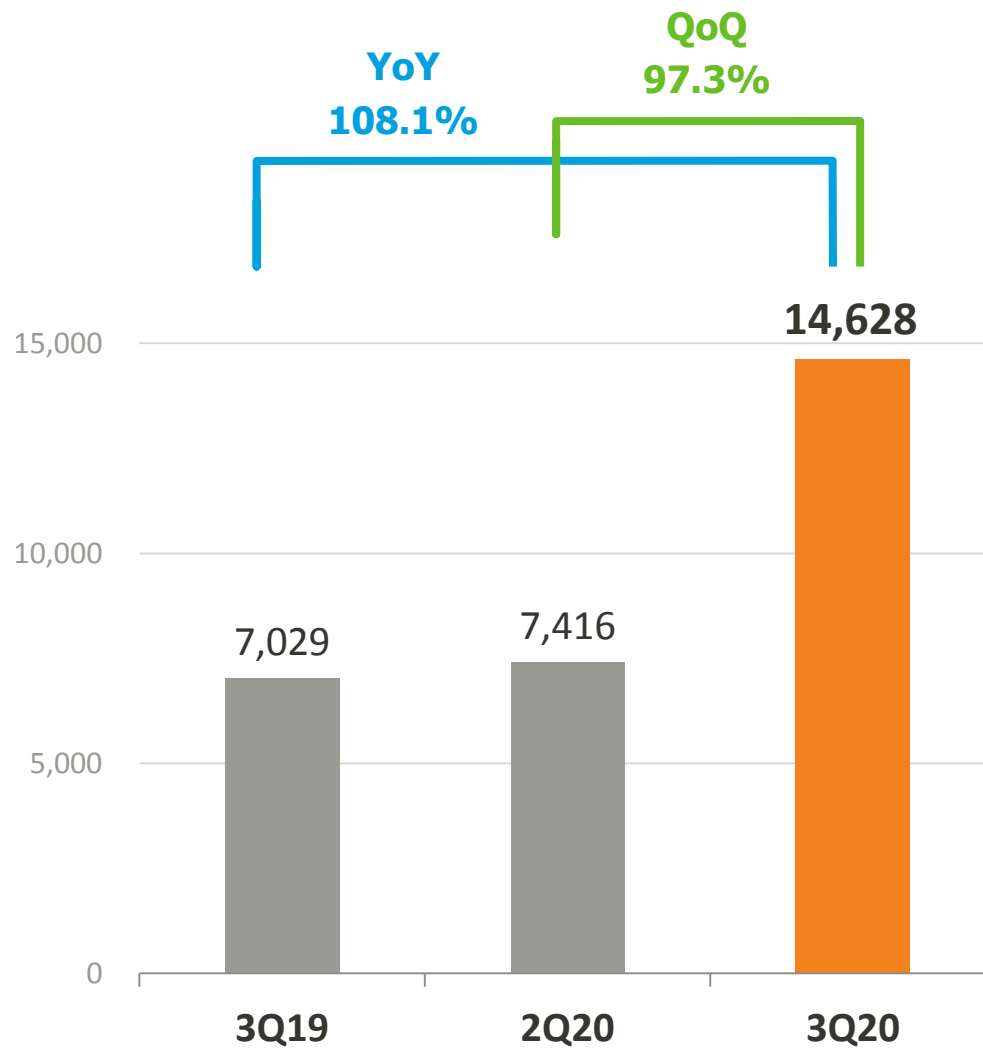
Consolidated Operating Expenses

(NT\$ million)

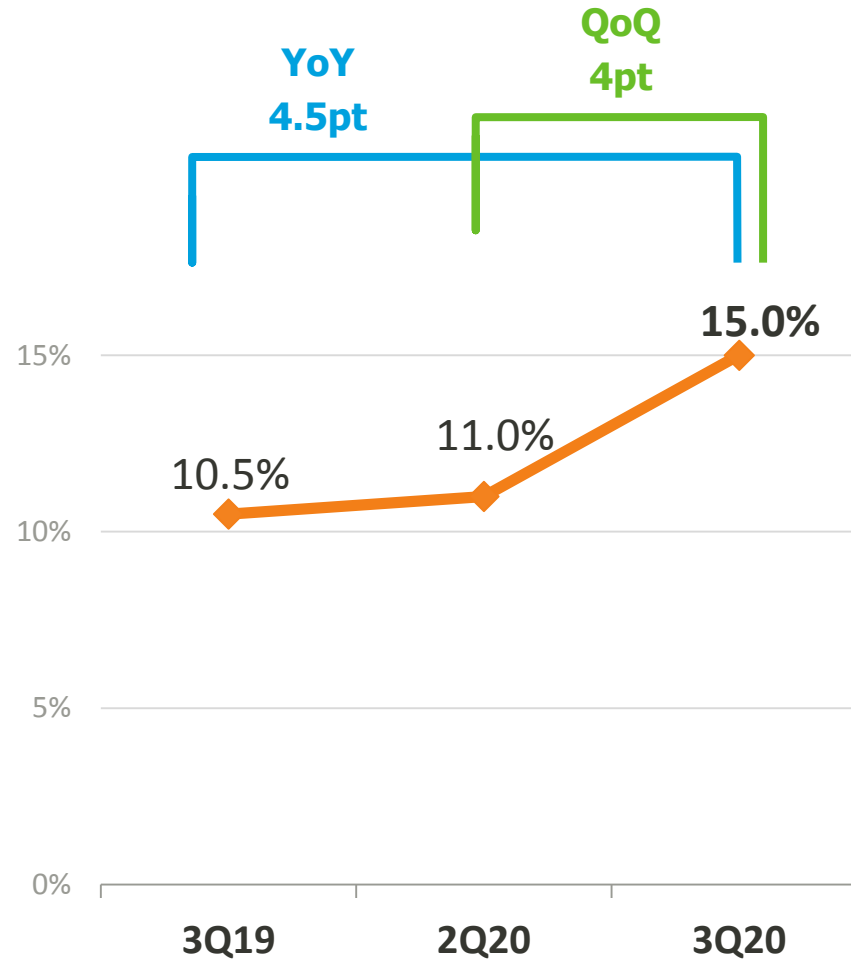


Consolidated Operating Income

(NT\$ million)

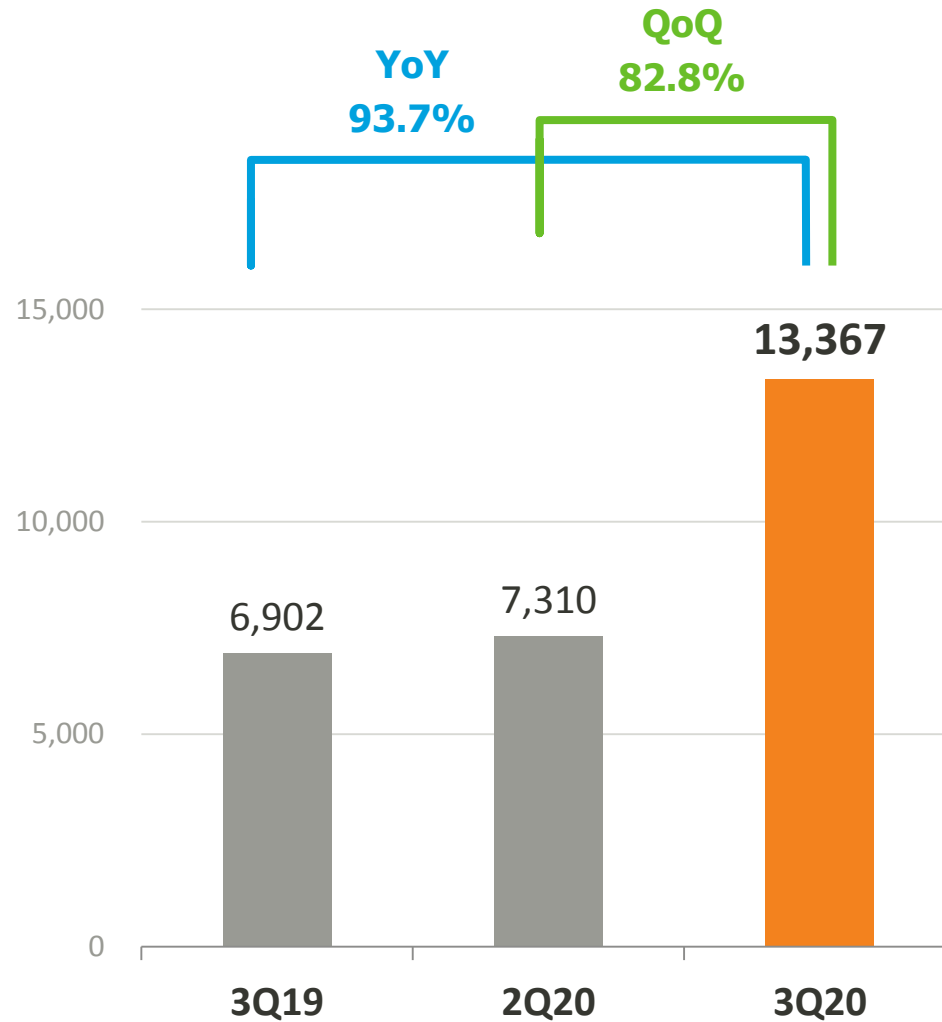


Consolidated Operating Margin

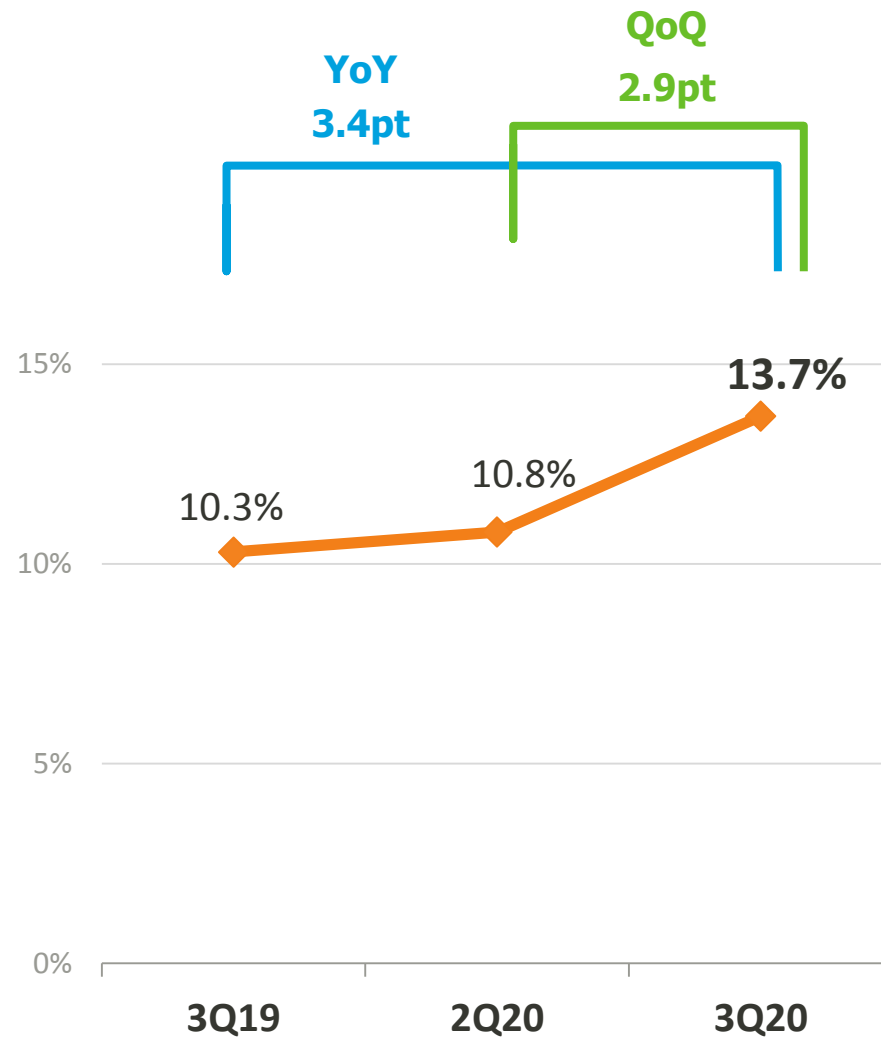


Consolidated Net Income

(NT\$ million)

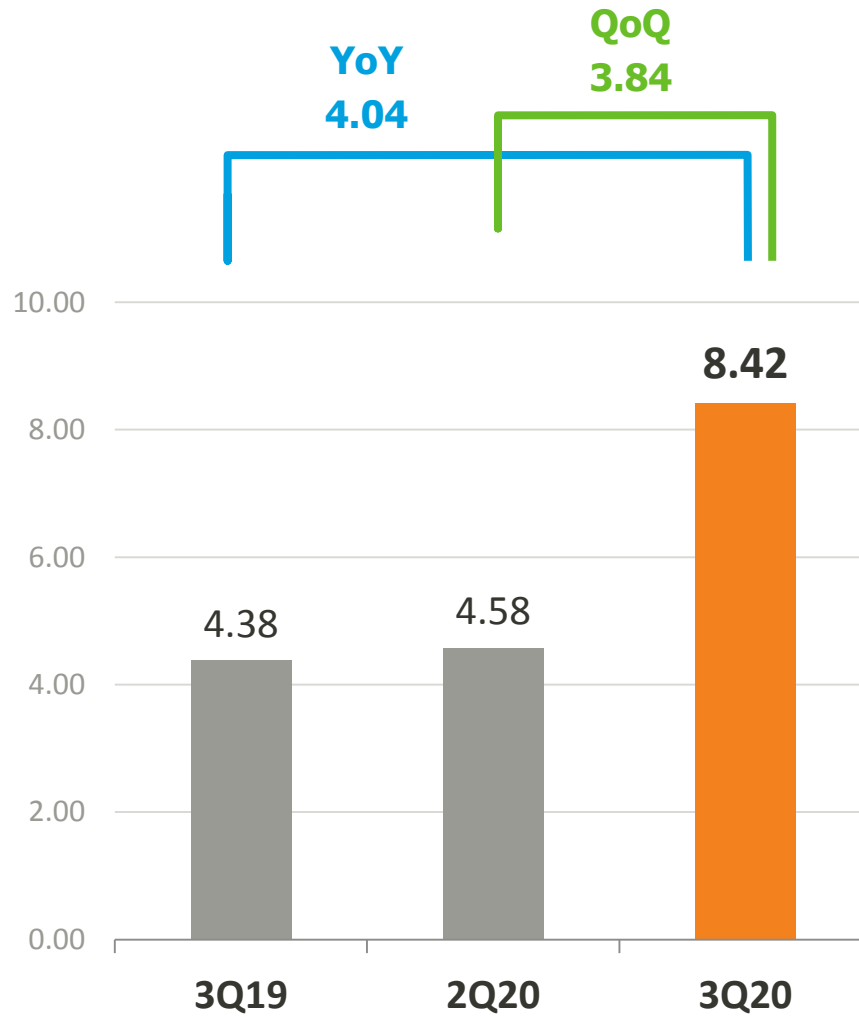


Consolidated Net Profit Margin



Consolidated Earnings Per Share

(NT\$)



Business Outlook

- ◆ For 2020-Q4, we currently expect:
 - ◆ Consolidated revenue: Around NT\$89.5 billion ~ 97.3 billion,
at a forecast exchange rate of 28.8 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 43.5% ± 1.5%
 - ◆ Consolidated operating expense ratio: 29% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS) Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	3Q20	2Q20	3Q19	Q-Q	Y-Y
Net Sales	97,275	67,603	67,224	43.9%	44.7%
Operating costs	(54,246)	(38,197)	(38,934)		
Gross profit	43,028	29,407	28,290	46.3%	52.1%
Selling expenses	(3,648)	(2,730)	(3,024)		
Administration expenses	(2,205)	(1,844)	(1,647)		
R&D expenses	(22,547)	(17,416)	(16,590)		
Operating expenses	(28,400)	(21,991)	(21,261)		
Operating income	14,628	7,416	7,029	97.3%	108.1%
Net non-operating income	804	1,113	918		
Net income before income tax	15,432	8,529	7,947		
Income tax expense	(2,066)	(1,219)	(1,045)		
Net income	13,367	7,310	6,902	82.8%	93.7%
Owners of the parent	13,251	7,204	6,871	83.9%	92.9%
Non-controlling interests	115	106	32		
EPS attributable to the parent(NT\$)	8.42	4.58	4.38		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	3Q20	2Q20	3Q19
Gross profit	44.2%	43.5%	42.1%
Selling expenses	(3.7%)	(4.0%)	(4.5%)
Administration expenses	(2.3%)	(2.7%)	(2.4%)
R&D expenses	(23.2%)	(25.8%)	(24.7%)
Operating income	15.0%	11.0%	10.5%
Non-operating income	0.8%	1.6%	1.4%
Income tax expense	(2.1%)	(1.8%)	(1.6%)
Net income	13.7%	10.8%	10.3%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	3Q20	2Q20	3Q19
Cash & financial assets-current	184,310	187,158	205,786
Accounts receivable	37,997	36,101	30,450
Inventories	31,010	36,812	31,028
Other current assets	16,630	7,189	10,967
Funds and investments	95,939	90,066	56,446
Intangible assets	77,105	78,296	71,884
Other non-current assets	47,675	47,259	47,330
Total assets	490,666	482,882	453,891
Short-term loans	30,626	42,557	54,701
Accounts payable	29,288	26,698	23,101
Other current liabilities	74,934	73,712	50,719
Total non-current liabilities	14,514	16,159	12,539
Total equity	341,304	323,756	312,830

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	3Q20	2Q20	3Q19
Net cash provided by (used in) operating activities	31,839	7,177	7,192
Net cash provided by (used in) investing activities	(2,687)	(1,863)	2,891
Net cash provided by (used in) financing activities	(25,402)	(9,663)	(27,244)
Effect of changes in exchange rate on cash and cash equivalents	(1,332)	(1,552)	(928)
Net increase (decrease) in cash and cash equivalents	2,418	(5,901)	(18,089)
Cash and cash equivalents at the end of the period	171,356	168,938	155,972

Note : Sums may not equal totals due to rounding.

【Supplemental Information】

Reconciliations of TIFRS Results to Non-TIFRS Results

Reconciliations of TIFRS Results to Non-TIFRS Results^{Note2}

(In NT\$ millions)	3Q20	2Q20	3Q19	Q-Q	Y-Y
TIFRS operating income	14,628	7,416	7,029		
TIFRS net income	13,367	7,310	6,902		
TIFRS EPS(NT\$)	8.42	4.58	4.38		
Non-TIFRS reconciliation items	692	508	1,140		
Share-based compensation	418	212	934		
Amortization of acquisition related assets	406	399	420		
Tax effect	(131)	(103)	(214)		
Non-TIFRS operating income	15,452	8,027	8,383	92.5%	84.3%
Non-TIFRS operating income margin (%)	15.9%	11.9%	12.5%		
Non-TIFRS net income	14,059	7,819	8,043	79.8%	74.8%
Non-TIFRS owners of the parent	13,946	7,724	8,011		
Non-TIFRS net income margin (%)	14.5%	11.6%	12.0%		
Non-TIFRS EPS(NT\$)	8.86	4.92	5.11		

Note1: Sums may not equal totals due to rounding.

Note2: Non-TIFRS financial information should be considered in addition to, not as a substitute for, TIFRS financial information.

Reconciliations between TIFRS and Non-TIFRS results include share-based compensation, amortization of acquisition related assets, tax effect and other items. Earnings distribution is made in accordance with financial statements based on TIFRS.

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