



TWSE : 6277

ATEN INTERNATIONAL

Investor Conference

▶ Disclaimer



We have made forward-looking statements in the presentation. Our forward-looking statements contain information regarding, among other things, our financial conditions, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties, and assumptions about us.

We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risk, uncertainties and assumptions, the forward-looking events in the conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.

Agenda

- Company Profile
- Product and Application
- Industry Trend
- Core Advantage
- Financial Result

Company Profile

▶ Company Profile

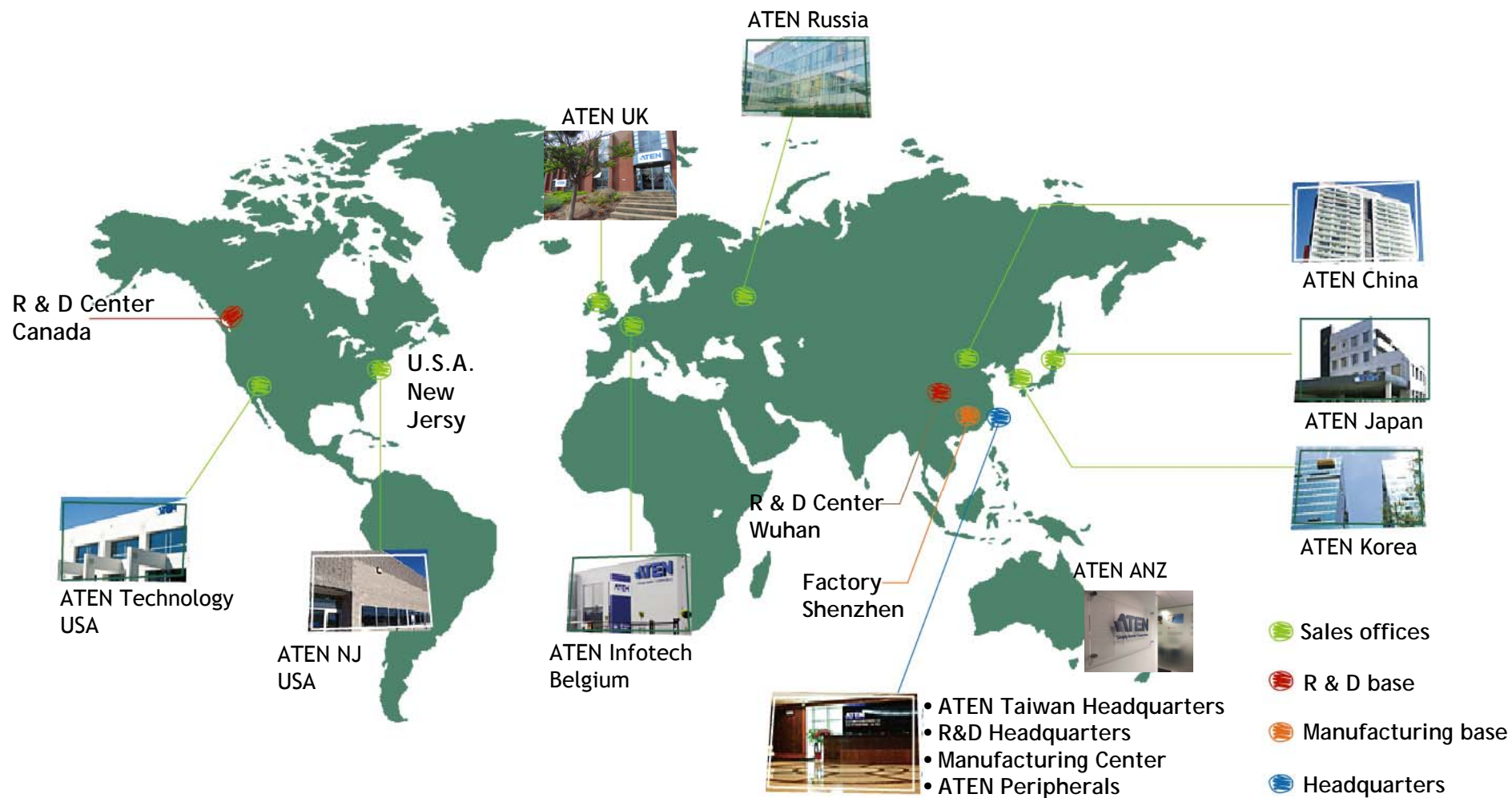


- ATEN International (TAIEX: 6277) is reputable as a provider of IT connectivity and management solutions among IT Infrastructure access management (KVM), Professional Audio/Video, and Energy Intelligence Power & Cooling Distribution System markets for 35 years
- Founded in 1979, the only publicly listed company in the World for IT Infrastructure Access Management Industry. (listed in the Taiwan Stock Exchange since October 2003)
- World's number 2 provider for IT Infrastructure Access Management solution.
- Global arrangement : 9 sales subsidiaries 、 3 RD center 、 3 factory
- Employees Worldwide: More than 1,600



integrity **C**aring **A**mbition **N**ovelty

Global Arrangement



▶ ATEN Brand



SOHO/ SMB Solutions



- KVM Switches
 - Cable KVM
 - Desktop KVM
 - Rack KVM
 - LCD KVM
- KVM Extenders
- Secure KVM
- USB Solutions
- Data Communications

Enterprise Solutions



- Over the NET™ Solutions
 - KVM Switches
 - Control Center
 - Serial
 - Power
- KVM Switches
 - Matrix KVM
 - High-Density KVM
 - Dual Rail LCD KVM

Professional Audio/ Video Solutions



- Media Distribution Solutions
- Media Matrix Solutions
- Video Switches
- Video Splitters
- Video Extenders
- Video Converters
- Video Matrix Switches

Green Energy Business



- Green Data Center
- Remote Energy Control
- Indoor Air Quality
- HVAC Balance System
- Smart Energy
- Resources Pipeline Distribution






Consumer Electronics



- A/V & Digital Home
- Connectivity Solutions
- Desktop Solutions
- Mobility Solutions
- Networking Solutions

Product and Application

IT Infrastructure Access Management Solution

Management 	Single Controlled Device (PC/Cloud server 、 DVR/NVR surveillance 、 Manufacture equipment 、 USB device) 	Multi-Controlled Device 
Single Console 	<ol style="list-style-type: none"> 1. USB extender 2. KVM extender 3. RS232/Serial extender 4. Converter/Emulator 	<ol style="list-style-type: none"> 1. Over-IP KVM Switch 2. Multi-View KVMP switch 3. LCD KVM Switch 4. HOME/SOHO/SMB KVM Switch 5. Mobile/PC Sharing Keyboard /Mouse Device
Multi-Console 	<ol style="list-style-type: none"> 1. Multi- Console KVM Switch 2. USB Peripheral Sharing Device 	<ol style="list-style-type: none"> 1. High-End Matrix KVM Switch 2. Over-IP Matrix KVM Switch 3. USB Peripheral Sharing Device

IT Infrastructure Access Management Product



1. Enterprise Data Center and Automation Solution

CC Software – CC2000 Centralized Management; CCVSR Video Session Recorder

SN – Serial Console Server
(8/16/32/48 ports)



KHi – Cat 5 KVM over IP
Switch (8/16 ports)



KN – Cat 5 KVM over IP Switch
(8/16/24/32/40 ports)



KM – Cat 5 KVM Matrix
(5/9 console, 32 ports)



KH – Cat 5 KVM Switch
(8/16 ports)



CL/KL – LCD Console
LCD KVM Switch
(8/16 port)



Cable KVM Switch
(2/4 ports)



Desktop KVM Switch
(2/4 ports)



Rack KVM Switch
(8/16 ports)



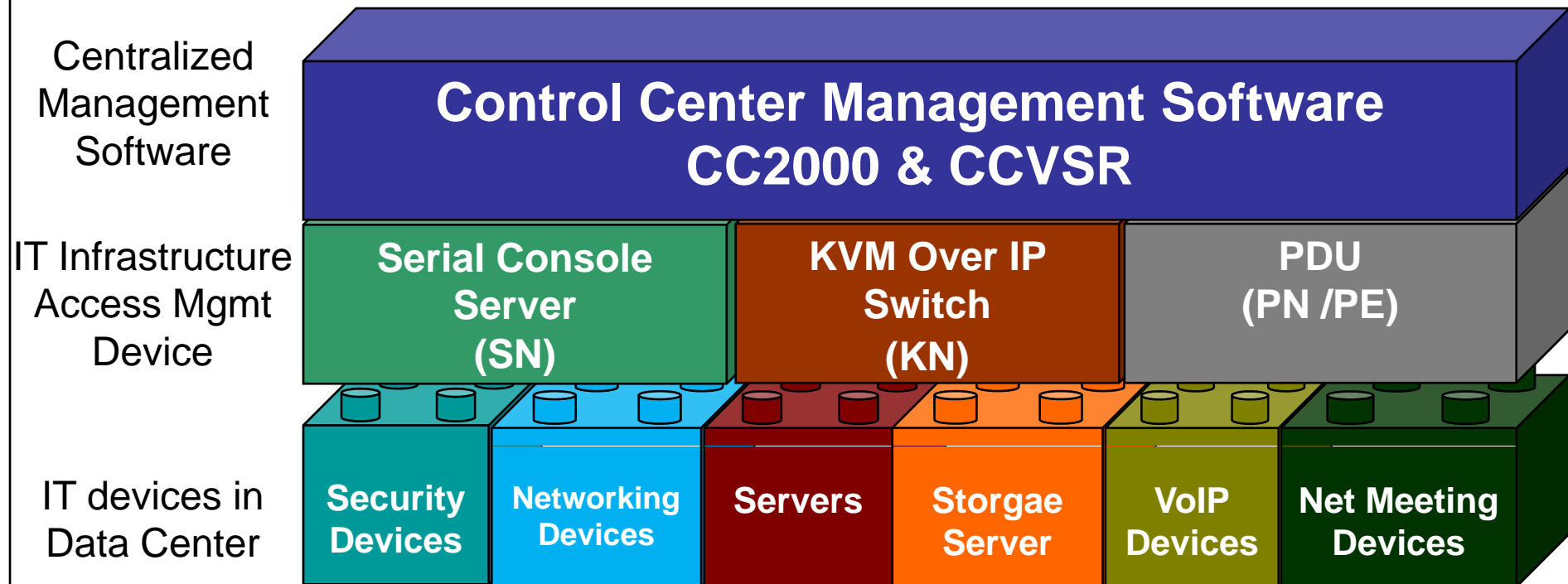
3. Enterprise and Professional User

2. SMB /Data Center Solution

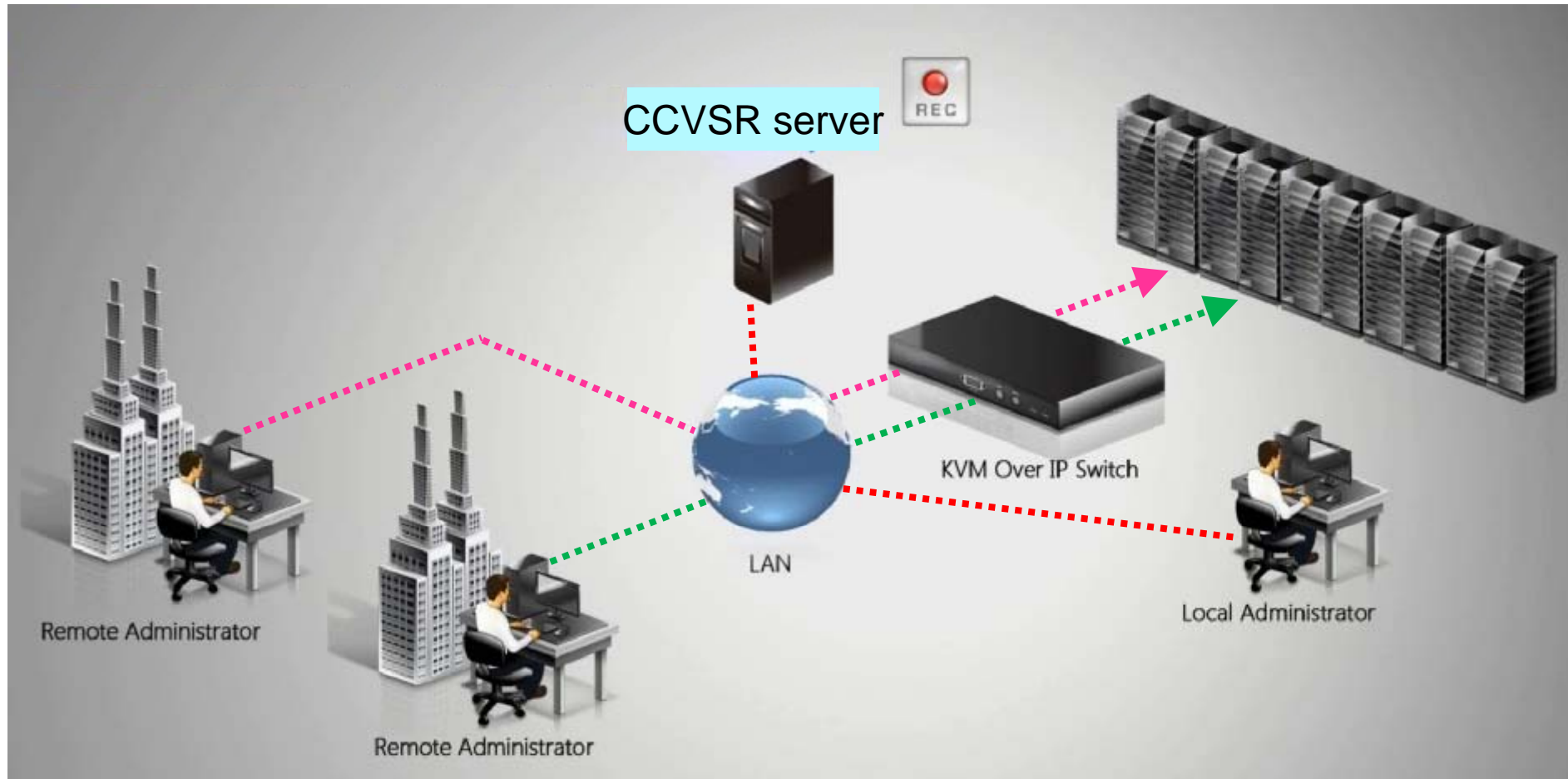
► Data Center Centralized Management Solution



ATEN DCCMS, using single IP address / single portal / single sign-on, allows centralized management of different IT devices with different interfaces



▶ CCVSR(Control Center Video Session Recorder) **ATEN**



Data Center Application : China Subway



Benefits

- Both remote and local control to enhance centralized management and efficiency

KVM+Green Energy Solution

Control Room



Server Room

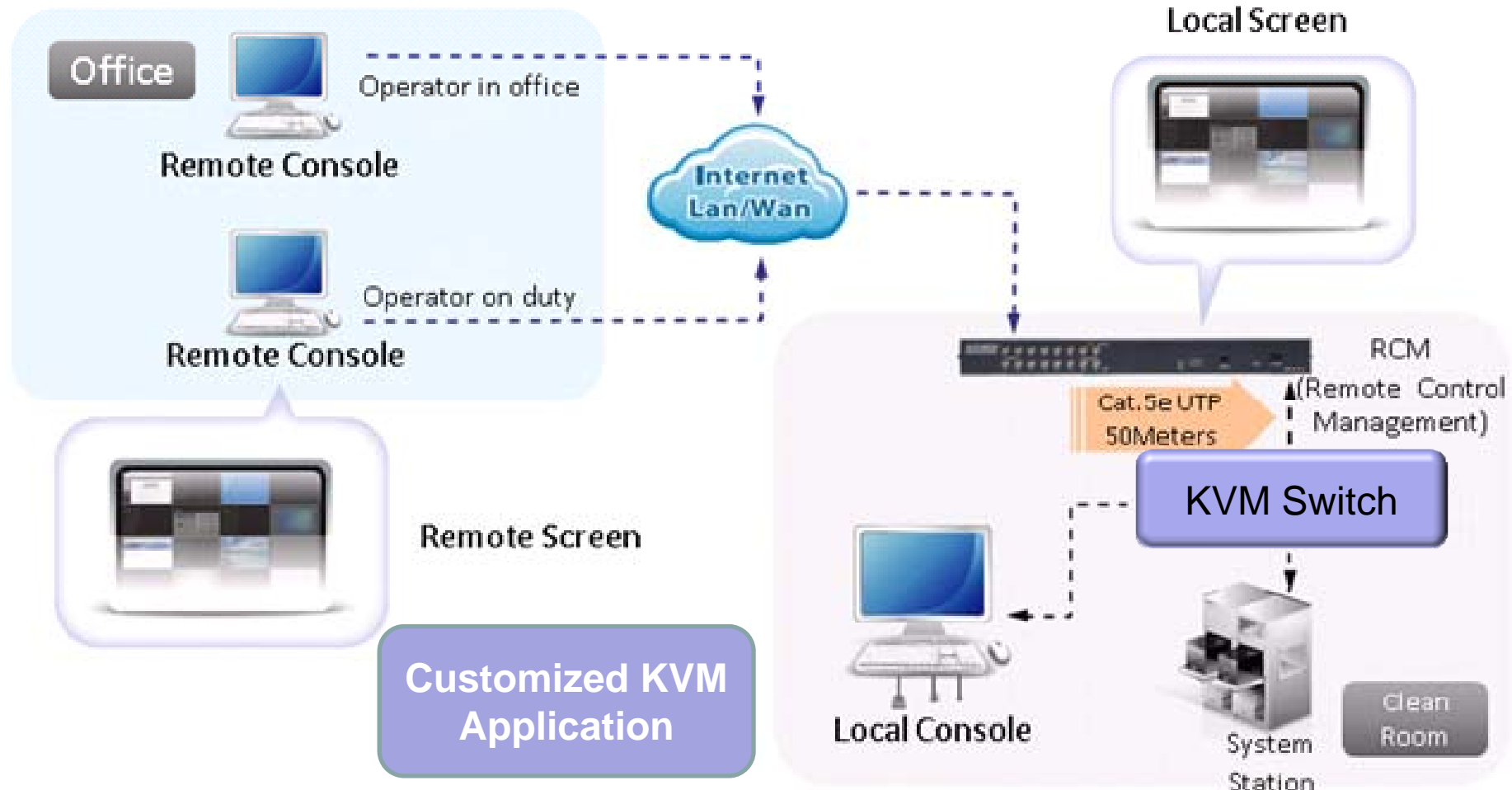


Automation Application : Manufacture



Benefits

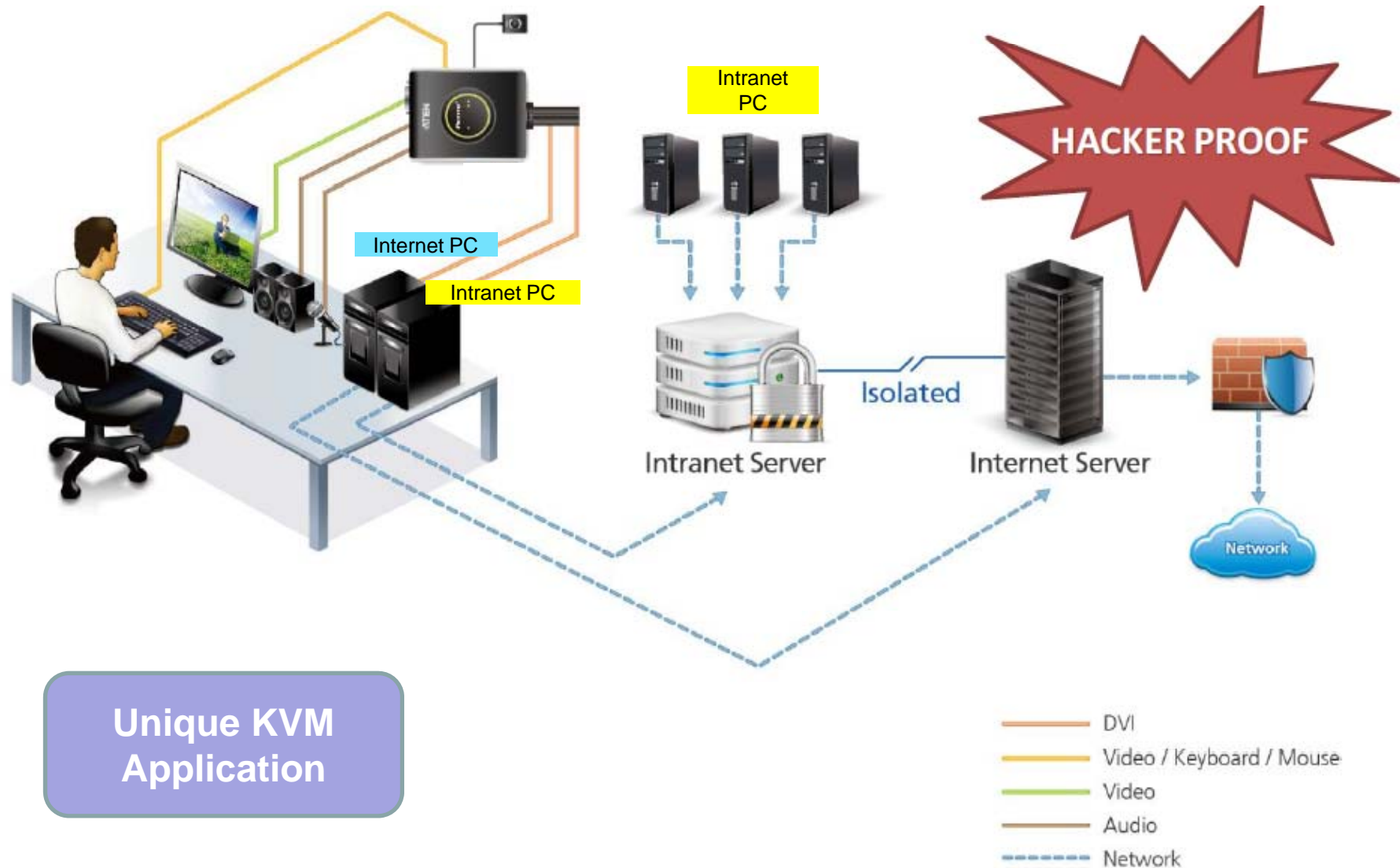
- Reduces the number of engineers working on fab production lines to save labor costs
- Panel Array Mode™ allows remote monitoring of multiple equipment simultaneously; engineers can remotely control equipment to boost efficiency



Isolation of Internet and Intranet : Banking

Benefits

- Completely secure from hacker/virus attacks



Professional Audio/Video Solution



Video



Single Display



Multiple Display



Single Source



1. Wireless HDMI video extender
2. HDBaseT video extender
3. HDMI/DVI video extender
4. VGA video extender
5. Video interface converter

1. HDBaseT video splitter
2. Fiber video splitter
3. SDI video splitter
4. HDMI/DVI video splitter
5. VGA video splitter

Multiple Source



1. HDMI/DVI video switch
2. VGA video switch
3. Component Video Switch/Converter
4. Universal video switch

1. Modular matrix video switch(Seamless)
2. HDMI matrix video switch(Seamless)
3. HDMI wireless Matrix Switch
4. IP matrix video switch
5. HDMI matrix video switch
6. VGA matrix video switch

Professional Audio/Video Solution

3. Enterprise Video Solution

VP – Video Splitter
(2/4/8/16 ports ; Analogue / Digital)



VM– Video Matrix Switch /Modular Matrix Switches (4x4/8x8/16x16)



VE – Video Extender
(≤ 20 KM)



VC – Video Converter
(Analogue / Digital)



VW – Video Switch
(2/4/8/16 ports ; Analogue / Digital)



1. Digital Signage Solution

2. Manufacture/Home Theater Solution

▶ ATEN Control System



**ATEN 控制系統
別具特色**

ATENLibrary
彈性擴充的資料庫管理

Software Development !

ATENStudio
直覺圖形化的操作介面

ATENViewerApp
多元空間的系統管理

**ATENControl
SYSTEM**



VK2100 – ATEN Controller



VK6000 – ATEN Configurator
for System Integrator

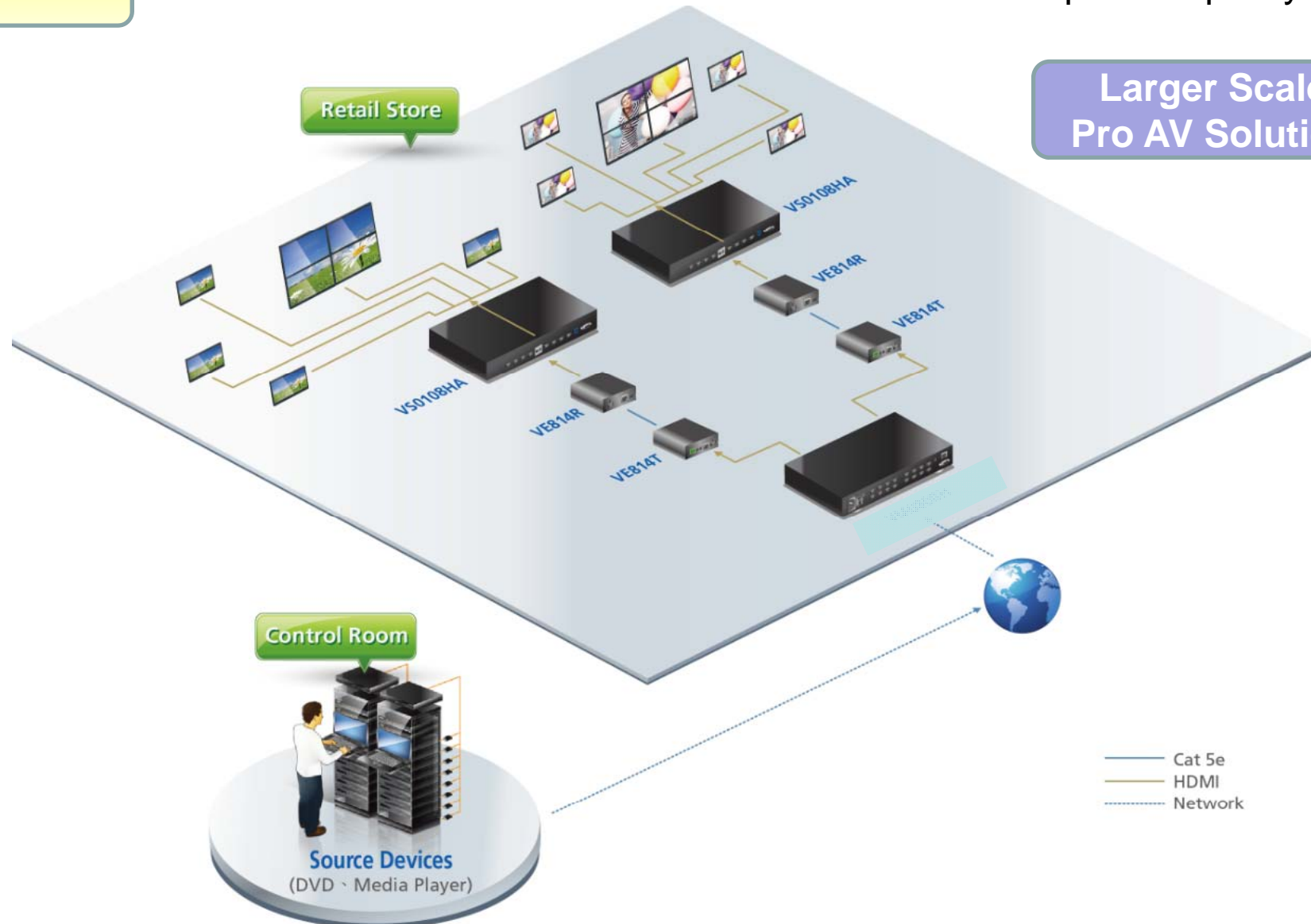


ATEN Control System APP
for iOS/End User

▶ Enterprise Pro-A/V Solution : Retail Industry

Benefits

- ATEN Professional audio and video solution delivers perfect quality

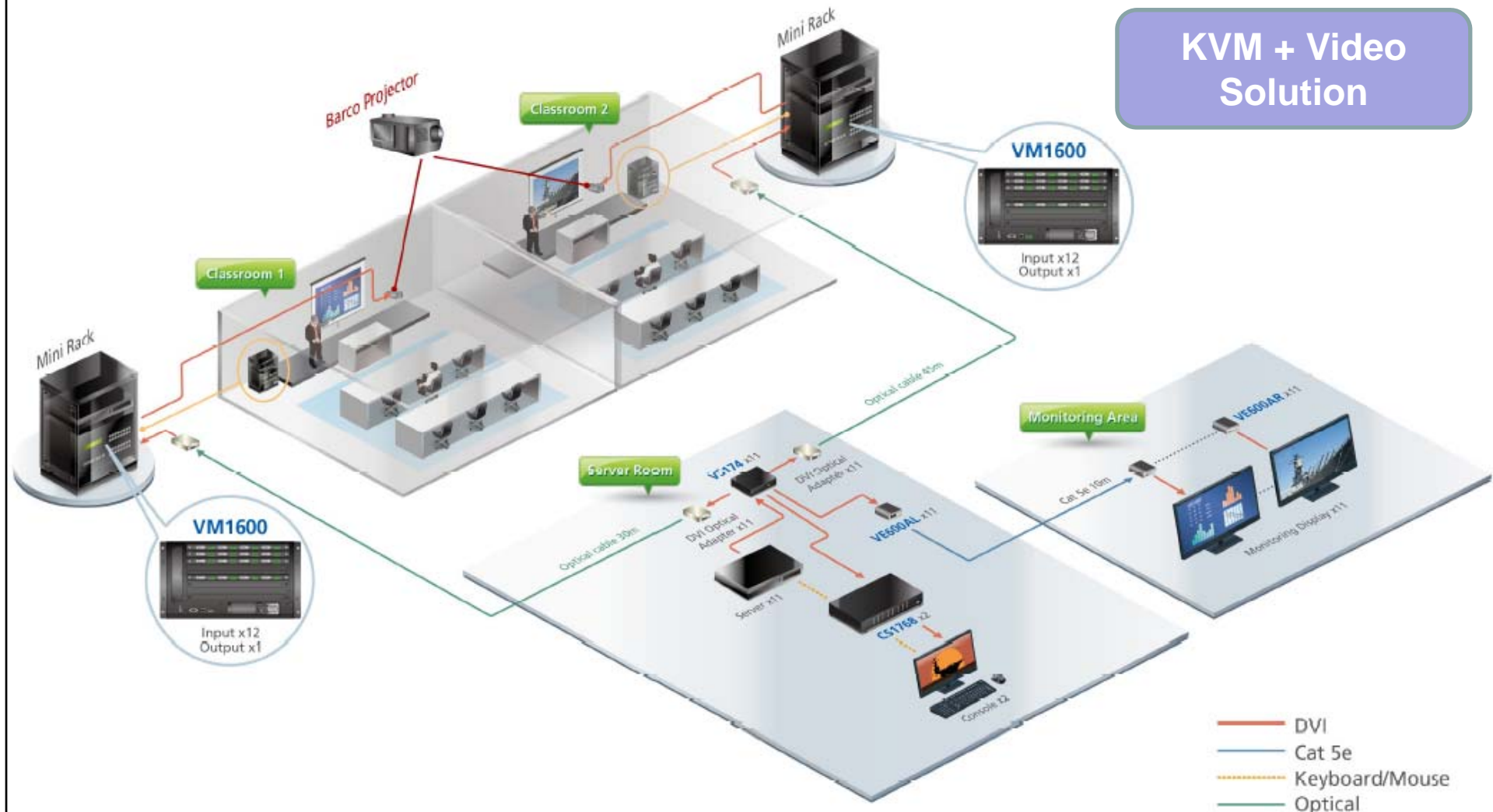


Enterprise Integrated Product Solution : Government

Benefits

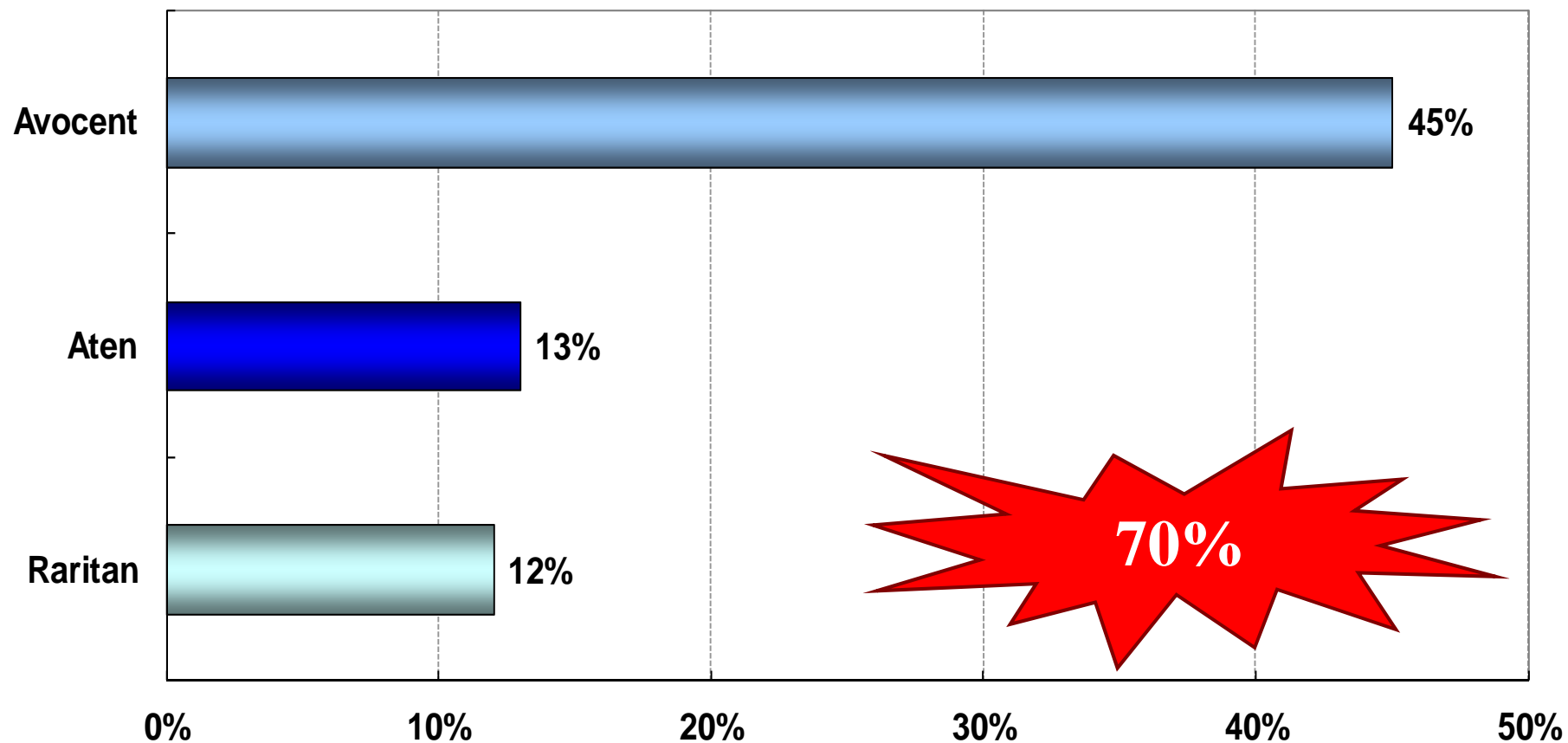
- Reduce signal management cost
- Provide customized video solution and remote control management

KVM + Video Solution



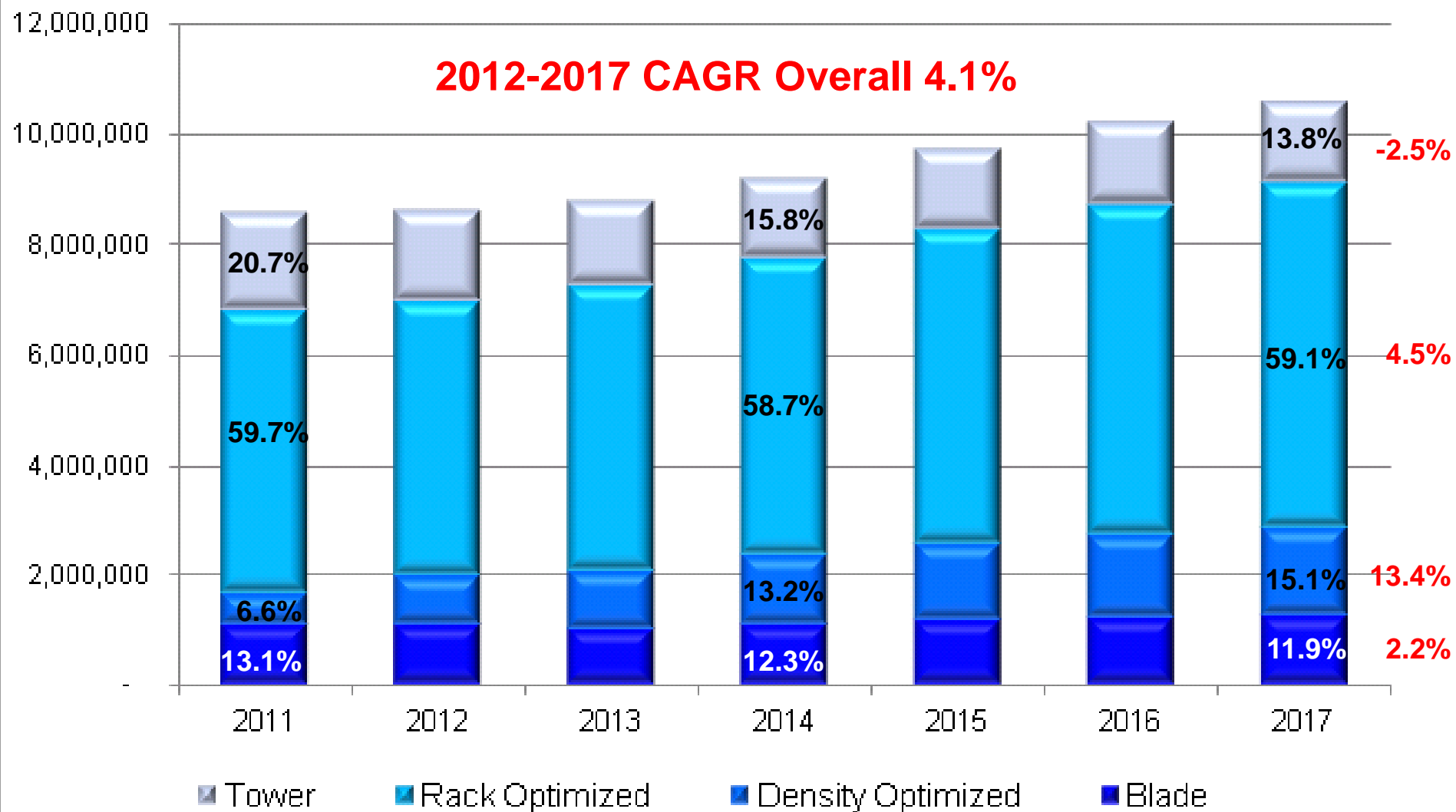
Industry Trend

► KVM Major Vendor



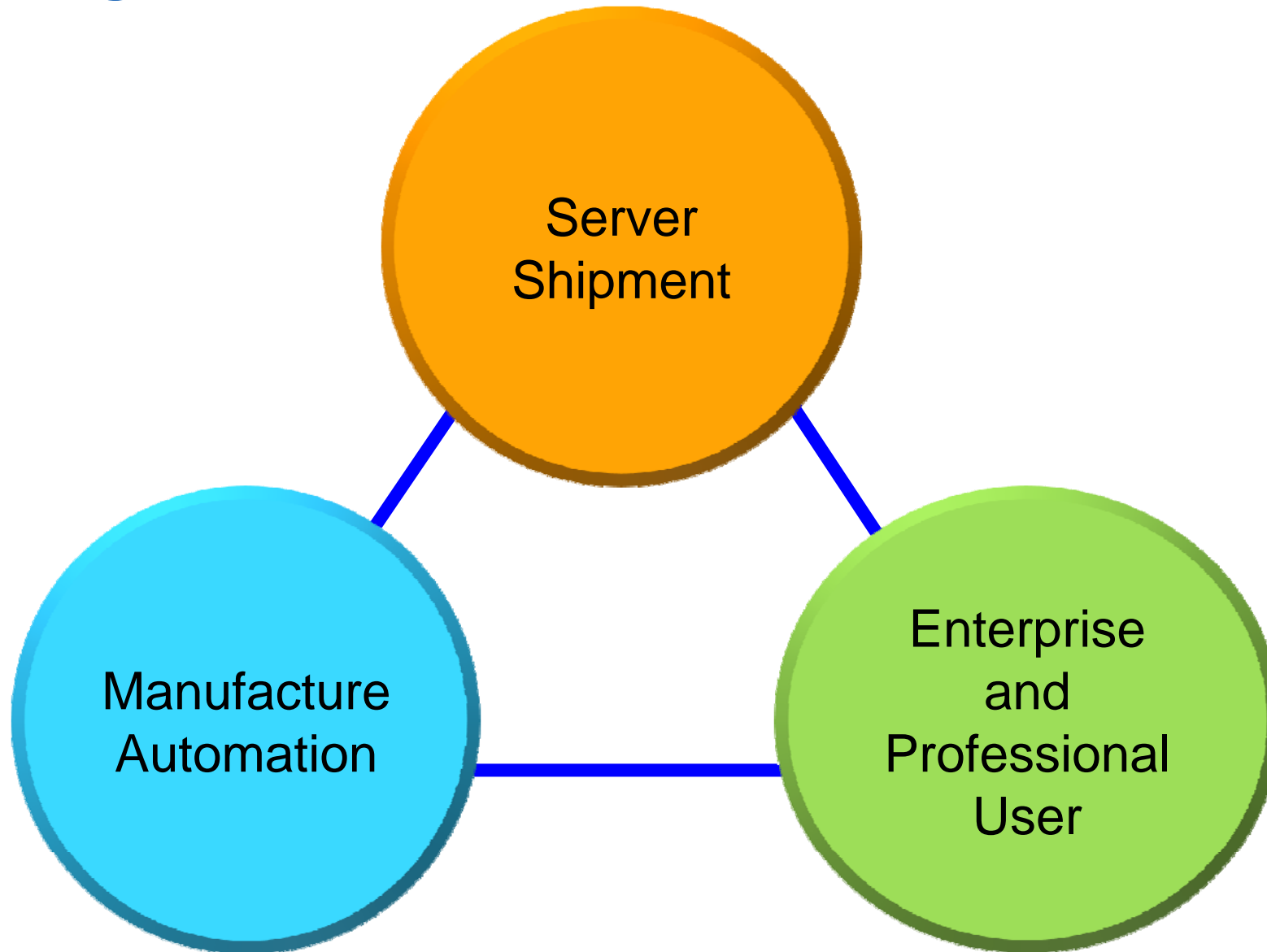
Source : VDC, 2007

Worldwide Server 2012-2017 Shipment Forecast



Source : IDC, 2014 Feb

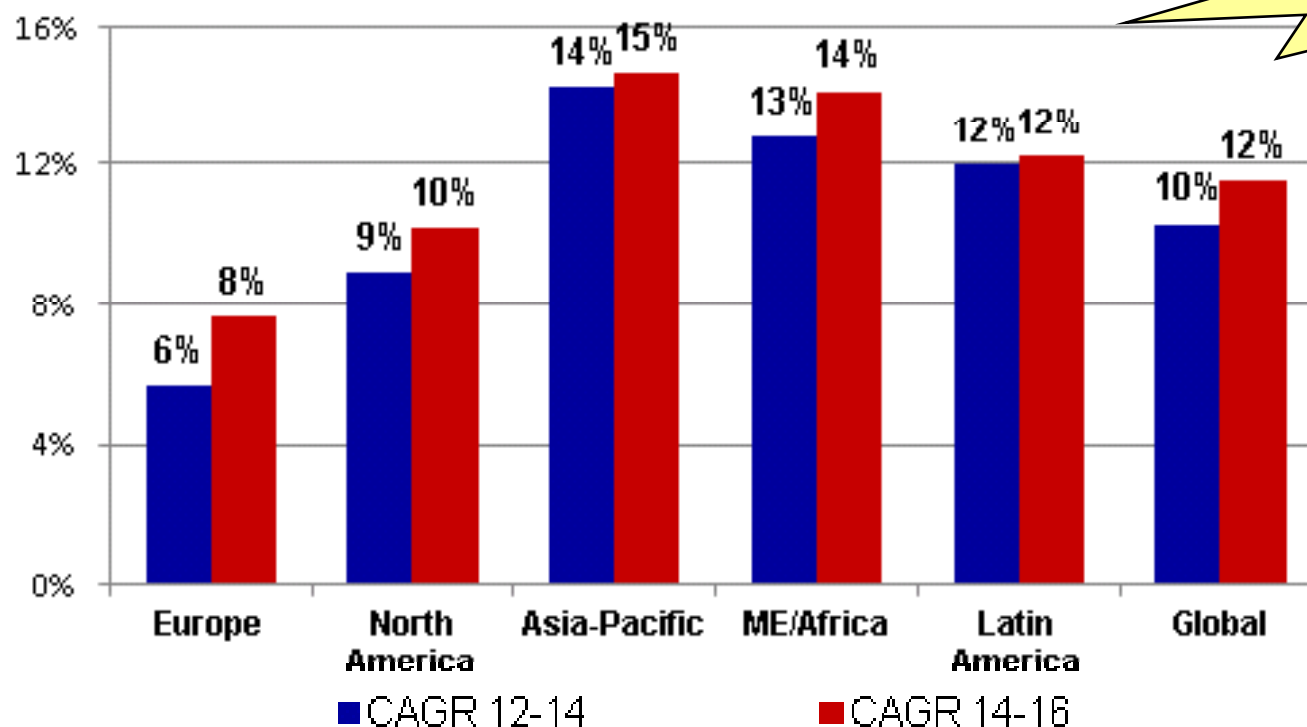
▶ Growth Driver of IT Infrastructure Access Management Market



▶ Global Pro-AV Market Growth Rates

Global Pro-AV Market Growth Rate (2012-2016)

Double Digit Growth



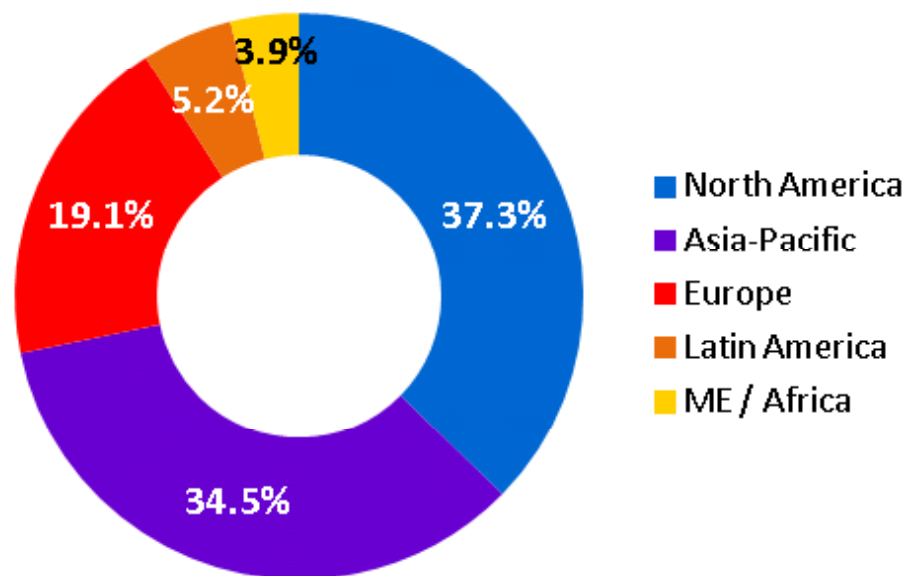
Total CAGR
 2012-2014 : 10%
 2014-2016 : 12%

Source : InfoComm report 2014

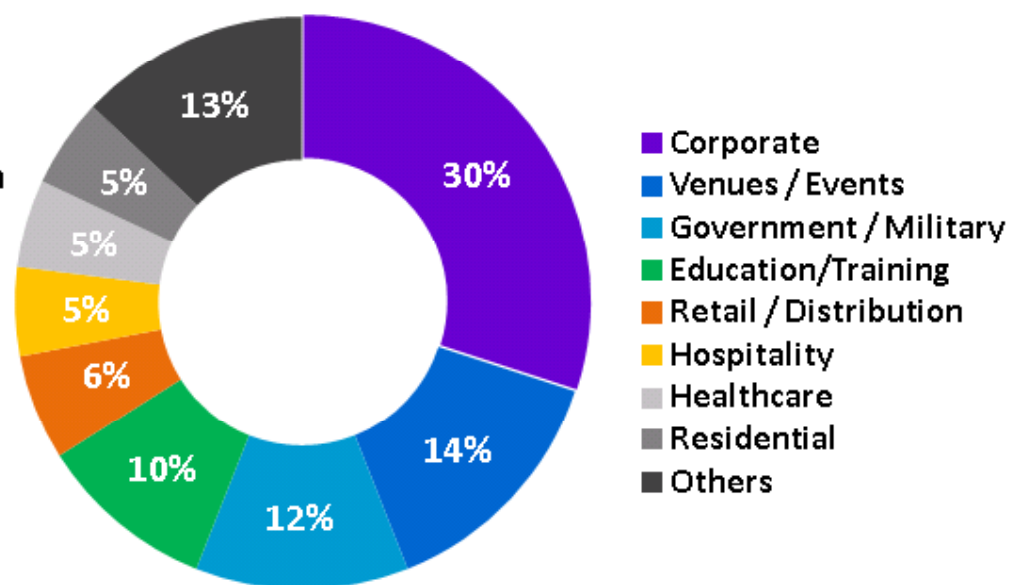
Global Pro-AV Market Breakdown



Global Pro-AV Market by Region (2014)



Global Pro-AV Market by Customers (2014)



Source : InfoComm report 2014

Core Advantage

▶ Complete Market Coverage



- ATEN is the only one provider that offers the most complete line of IT Infrastructure Access Management products, ranging from **entry-level products to the enterprise solutions**; providing **customized solutions** that effectively meet the various market demands.



▶ Strong Commitment to R&D



- **Superior R&D Capability**

- About 10% of annual revenue is invested in R&D
- Average of 30-50 new products per year
- Industry leading technology : 630 global patent, 466 patent approval, as of 2015/7
- Professional video processing and communications technique

- **ASIC Core Technology**

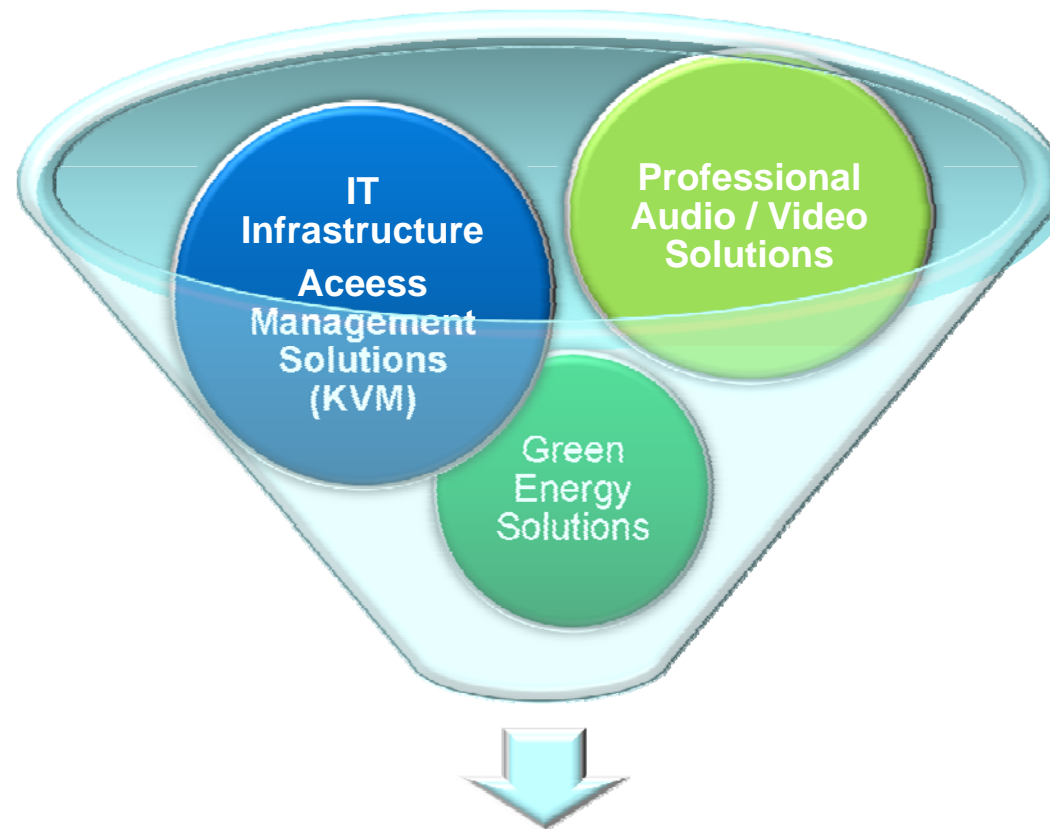
- ATEN develops its own patented ASIC chip, effectively lowering costs while furthering product capabilities.

- **IP-Based Remote Control**

- **High Compatibility**

- With 30 years industry experience, ATEN's KVM products support various market brands of monitors, keyboards and mice, as well as different system platforms(WIN / SUN / MAC / LINUX cross-platform simulation technology)

▶ Integrated Product Solution



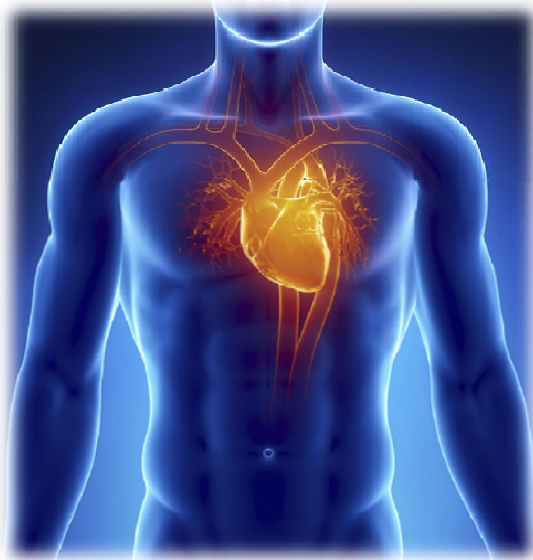
Integrated Product Solution

Simple

Versatile

Flexible

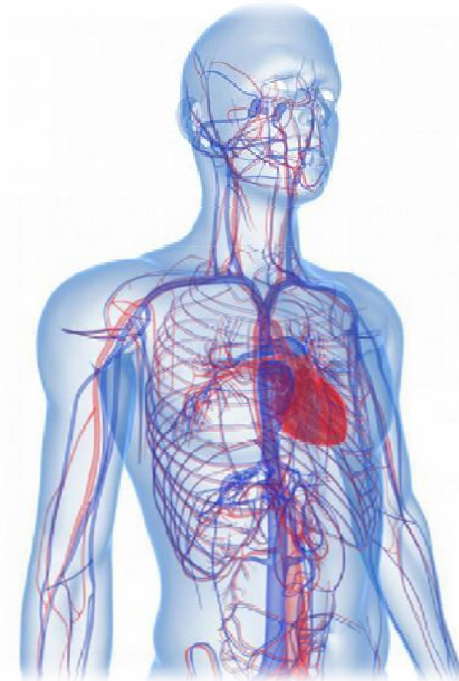
▶ ATEN Professional Audio/Video Product Solution



Matrix Switch is the
Kernel in Pro-AV Solution



Control System work like a
brain in Pro-AV solution to
control everything.



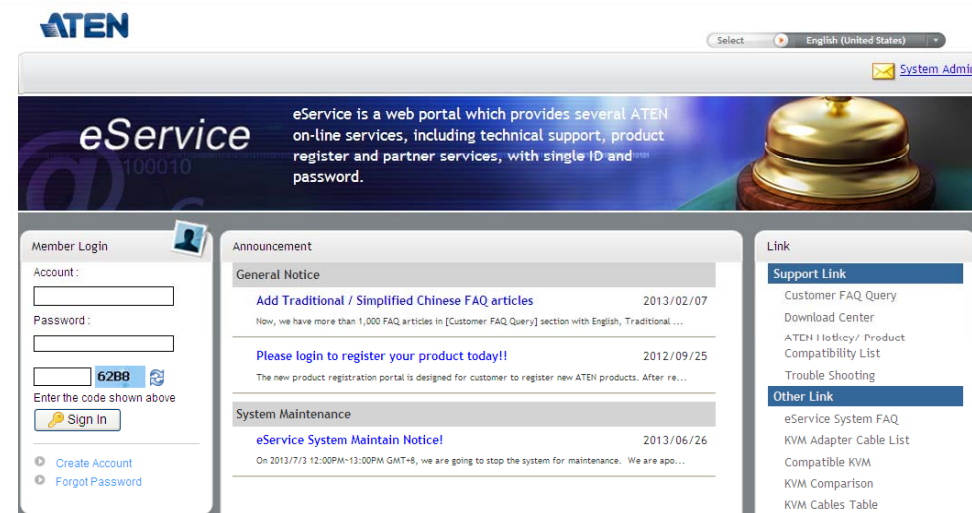
Transmission Solution
works like vessel to transmit
the audio / video signals

Customer Service and Marketing Resource



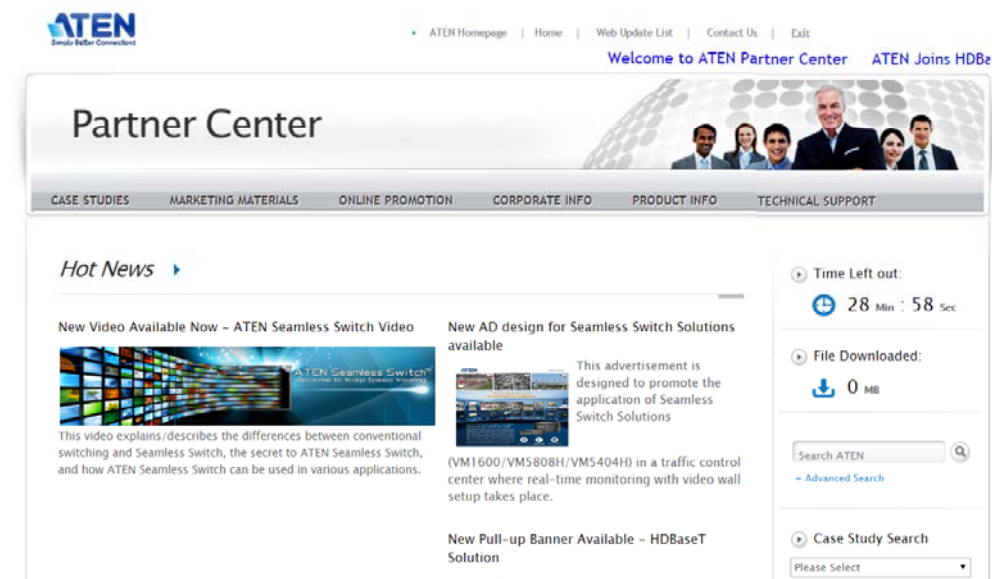
- **e-Service Platform**

eService is a web portal which provides several ATEN on-line services, including technical support, product registration and partner services, with single ID and password.



- **ATEN Partner Center**

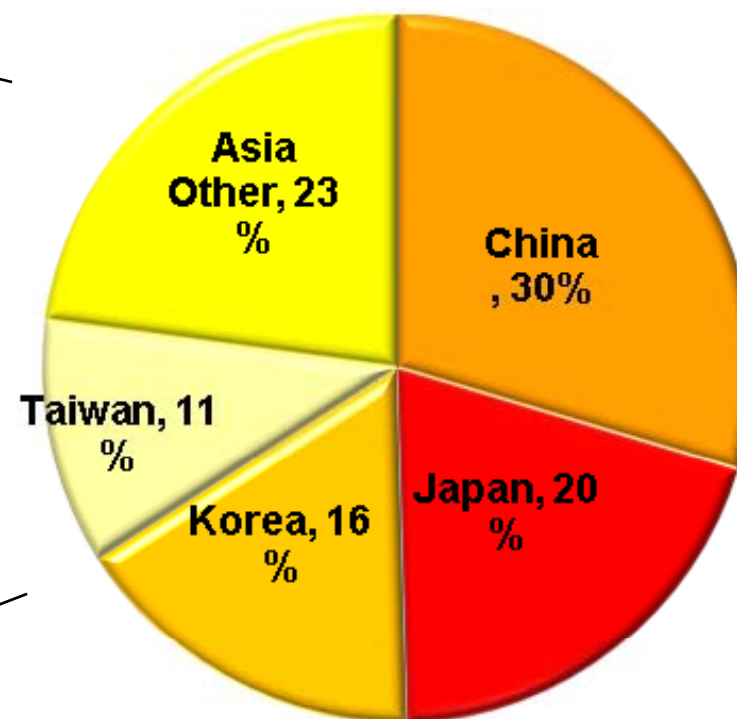
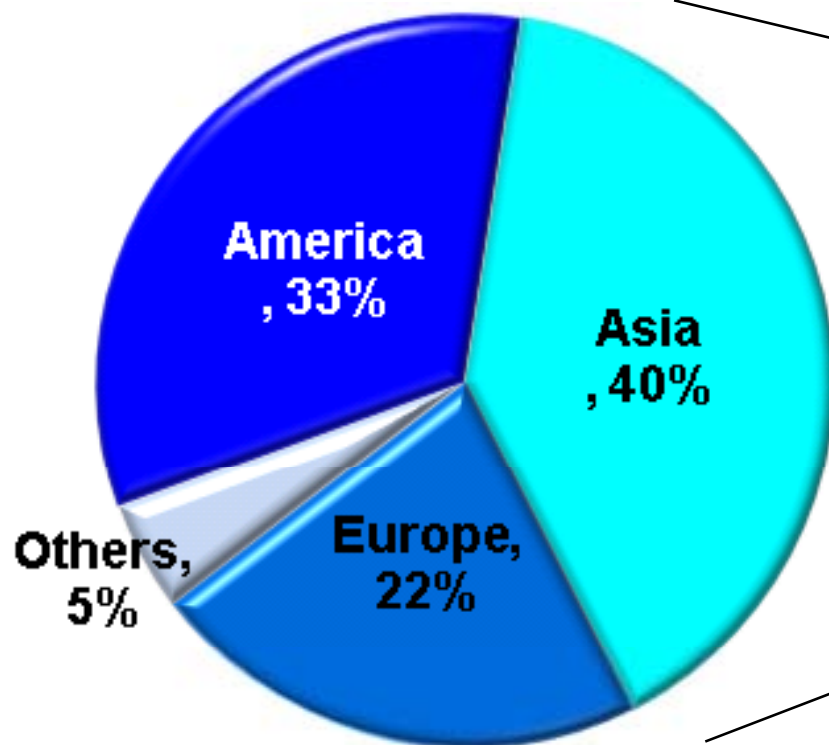
ATEN provides our business partners with all the necessary assistance, knowledge and tools to succeed. At Partner Center, you will be able to access the product information, marketing information, sales tools and others.



Financial Result

► Sales Breakdown by Region

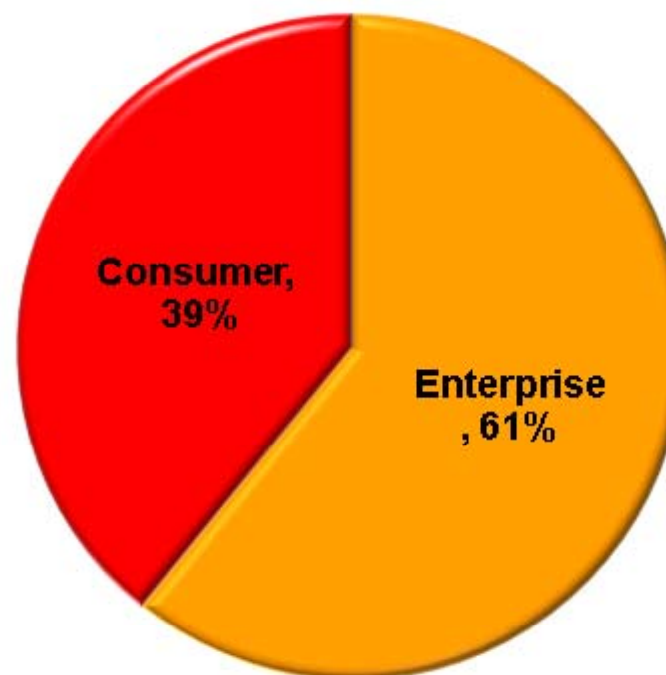
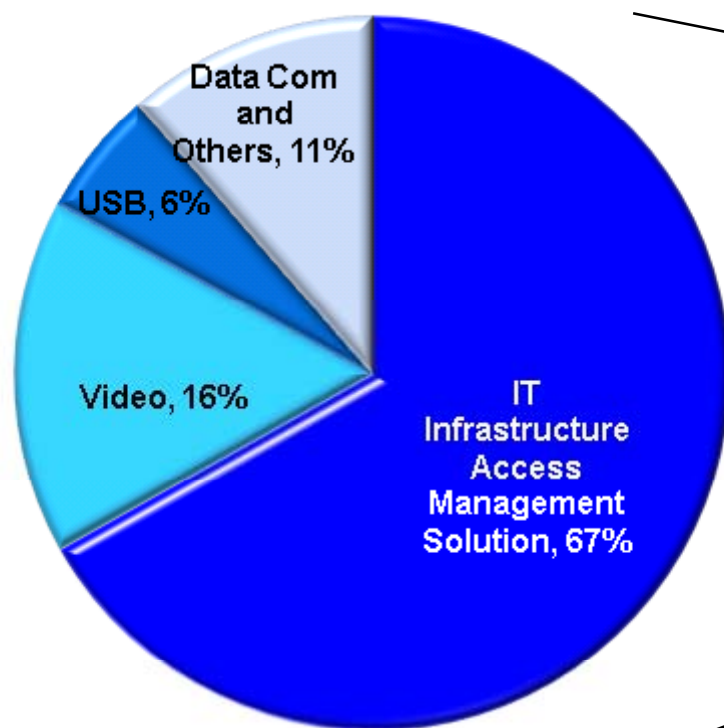
2015 Jan. to Jul. Consolidated Basis



▶ Sales Breakdown by Product Category

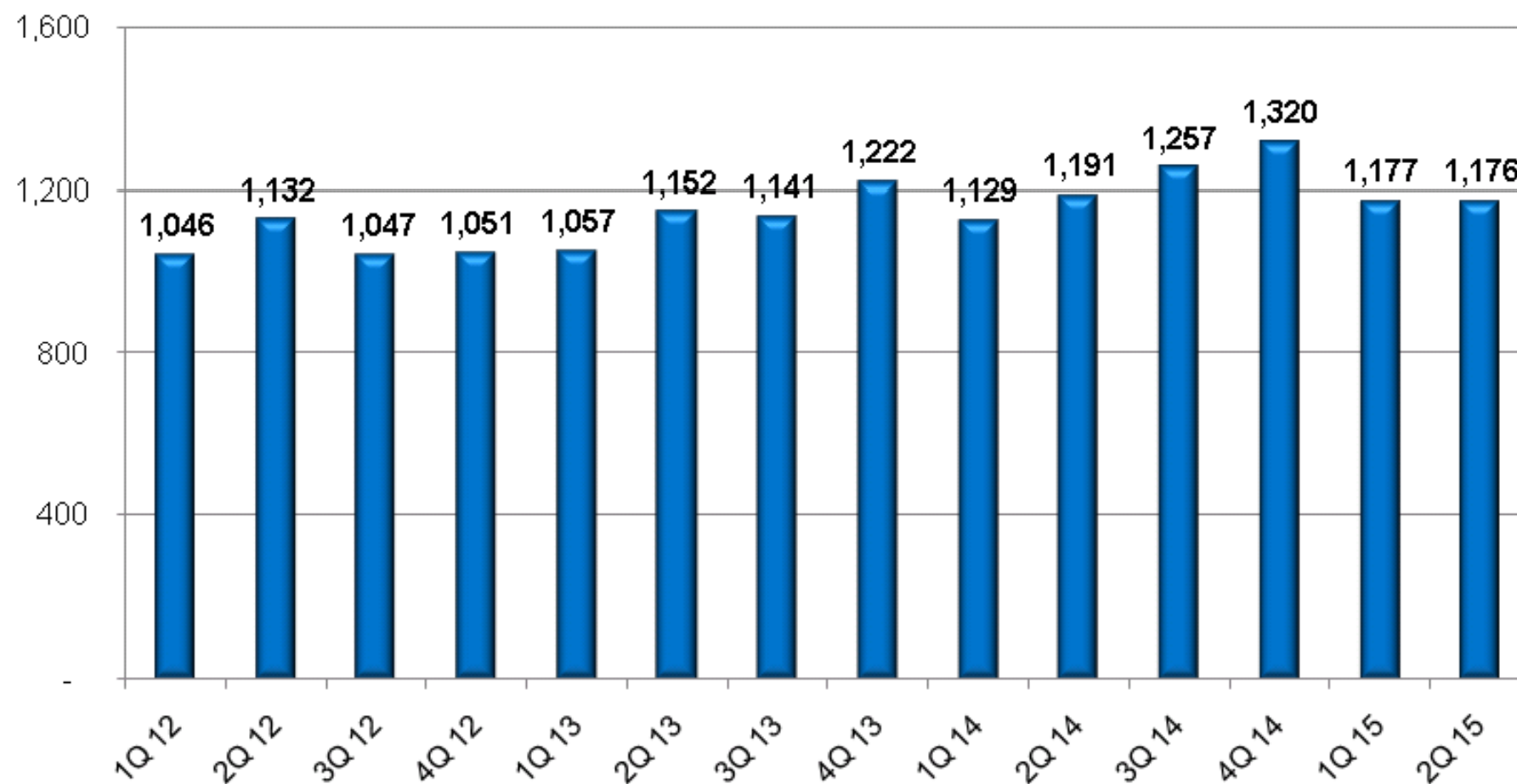


2015 Jan. to Jul. Consolidated Basis



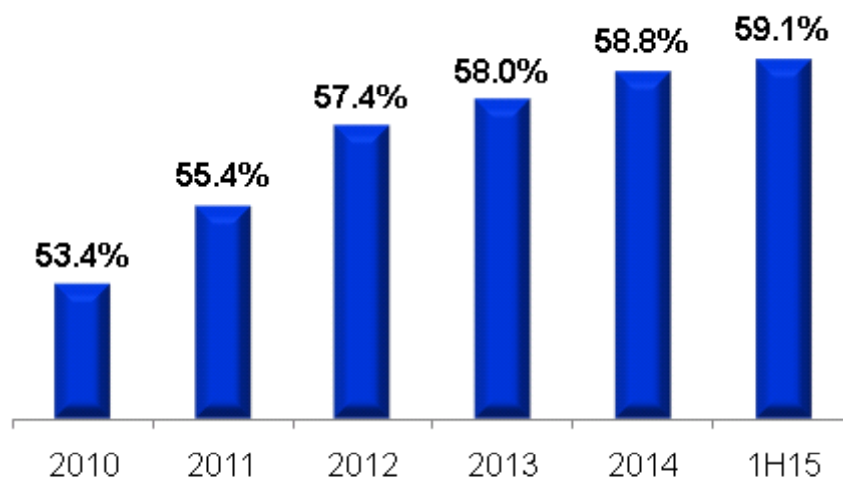
Quarterly Consolidated Revenue

Unit : NTD Million

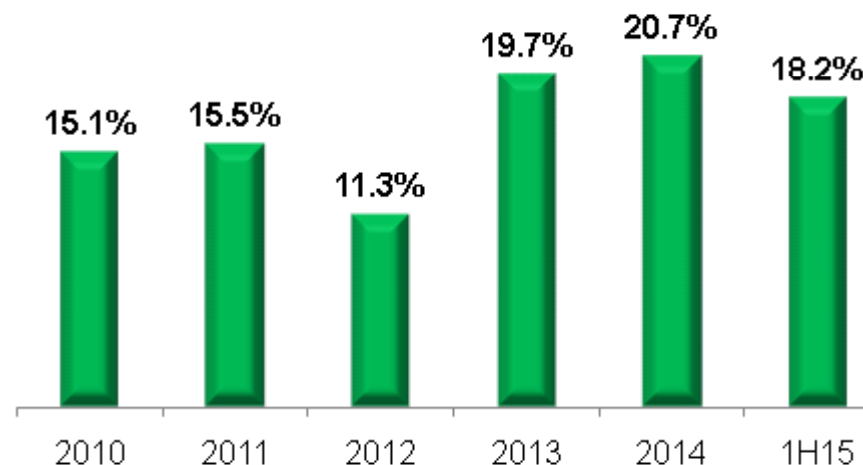


Financial Performance

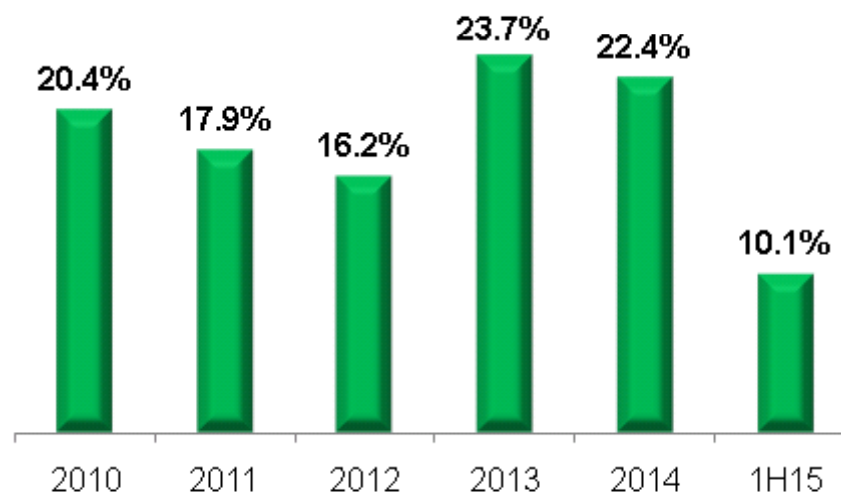
Gross Margin Rate



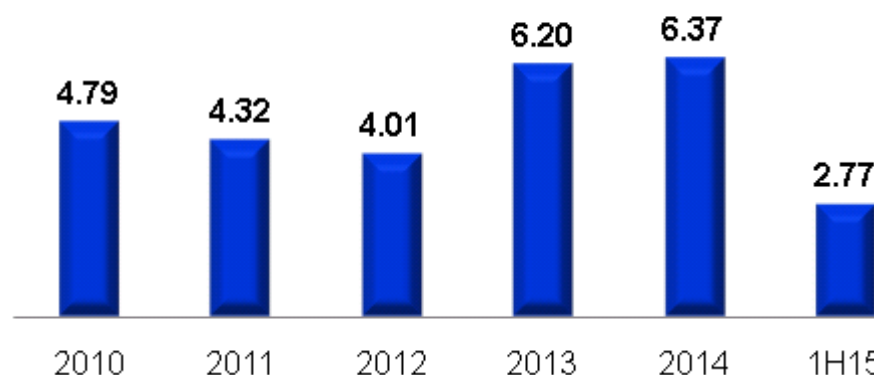
Operating Income Rate



ROE



EPS



▶ Income Statement – Jan.~ Jun. 2015 (YoY)

In NT Millions	Jan. ~ Jun. '15		Jan. ~ Jun. '14		YoY
	Amount	%	Amount	%	%
Net Sales	2,353	100	2,320	100	1.4%
COGS	963	41	955	41	0.9%
Gross Profit	1,390	59	1,366	59	1.8%
Operating Expense	961	41	902	39	6.5%
Operating Income	429	18	464	20	-7.5%
Net Non-Operating Income and Expenses	8	0.3	33	1	-75.9%
Income Before Tax	437	19	497	21	-12.1%
Net Income	338	14	363	16	-7.0%
Comprehensive Income	297	13	365	16	-18.4%
Net Income Attributable to the parent company	331	14	357	15	-7.3%
EPS(NT\$) (After Tax)	2.77	-	2.98	-	-7.0%

Note : Taiwan Consolidated Basis

► Balance Sheet – Jun. 2015 (YoY)



In NT Millions	Jun. '15		Jun. '14	
	Amount	%	Amount	%
Cash & Financial Assets	2,022	34	1,936	33
Account Receivable	576	10	575	10
Inventory	782	13	721	12
Total Current Asset	3,493	58	3,351	57
Long-Term Investment	98	2	82	1
Property, plant and equipment	2,047	34	2,088	35
Total Non-Current Assets	2,526	42	2,541	43
Total Asset	6,020	100	5,892	100
Short-Term Borrowings	645	11	673	11
Account Payable	433	7	384	7
Total Current Liabilities	2,412	40	2,291	39
Long-Term Borrowings	74	1	126	2
Total Non-Current Liabilities	452	8	465	8
Total Liabilities	2,865	48	2,756	47
Total Equity Attributable to parent company	3,071	51	3,054	52
Non-Controlling Interests	84	1	82	1

Note : Taiwan Consolidated Basis

▶ Cash Flow – Jan.~ Jun. 2015 (YoY)



In NT Millions	Jan.~ Jun. '15	Jan.~ Jun. '14
	Amount	Amount
Cash and cash equivalents at beginning of period	1,077	852
From Operating	(208)	(183)
Net Profit before Tax	437	497
Depreciation and Amortization	41	46
Investment income under equity method	(13)	(10)
Financial assets held for trading	(535)	(559)
Inventory	(74)	(3)
Other Operation Sources / (Uses)	(64)	(154)
From Investing	(30)	(12)
Property, plant and equipment	(29)	(27)
Other Investing Sources / (Uses)	(1)	15
From Financing	60	86
Short-Term Borrowings	93	118
Long-Term Borrowings	(12)	(12)
Other Financing Sources / (Uses)	(21)	(20)
Effect of exchange rate changes on cash and cash equivalents	(34)	(3)
Cash and cash equivalents at end of period	865	741

Note : Taiwan Consolidated Basis

▶ Dividend Policy



	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
EPS (NT\$)*	6.99	8.85	6.29	3.51	3.3	4.79	4.32	4.03	6.2	6.37
Dividend per share (NT\$)	5.0	6.0	5.0	3.2	3.0	4.1	3.5	3.3	5.0	5.7
Cash Dividend (NT\$)	4.4	5.5	4.5	2.5	3.0	4.1	3.5	3.3	5.0	5.7
Stock Dividend (NT\$)	0.6	0.5	0.5	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Cash Dividend Payout Ratio	63%	62%	72%	71%	91%	86%	81%	82%	81%	89%

► Potential Market and Application Industry **ATEN**



Casino



**Electricity
Factory**



**Central Surveillance
Data center**



Hospital

And More to Be Explored...

► Our Customers



J.P.Morgan



Q & A



Simply Better Connections



Integrity



Caring



Ambition



Novelty