



ATEN International

2018 Q4 Investor Conference



TWSE 6277

Financial Performance



Consolidated Statements of Comprehensive Income – 4Q18 (YoY)

In NT million

	4Q18		4Q17		YoY	
	Amount	%	Amount	%	Amount	%
Net Sales	1,418	100.0	1,373	100.0	45	3.3
Gross Profit	818	57.7	813	59.2	5	0.6
Operating Expenses	624	44.0	540	39.3	85	15.7
Sales Expenses	322	22.7	288	20.9	34	11.9
Admin. Expenses	162	11.4	143	10.4	19	13.2
RD Expenses	141	9.9	109	7.9	32	29.1
Operating Profit	194	13.7	273	19.9	-79	-29.0
Non-Operating Income and Expenses	681	48.0	19	1.4	662	3437.9
Net Income before Tax	875	61.7	293	21.3	582	198.9
Tax	89	6.3	76	5.5	13	17.4
Net Income	786	55.4	217	15.8	569	262.7
EPS(NT\$) (After Tax)	6.56		1.76		4.80	



Consolidated Statements of Comprehensive Income – 4Q18 (YoY)

In NT Million

	4Q18 (Without Disposal Effect)		4Q17		YoY		Disposal Effect
	Amount	%	Amount	%	Amount	%	Amount
Net Sales	1,418	100.0	1,373	100.0	45	3.3	
Gross Profit	823	58.0	813	59.2	10	1.2	-4
Operating Expenses	566	39.9	540	39.3	27	4.9	59
Sales Expenses	307	21.7	288	20.9	20	6.9	14
Admin. Expenses	139	9.8	143	10.4	-4	-2.6	23
RD Expenses	119	8.4	109	7.9	10	9.1	22
Operating Profit	257	18.1	273	19.9	-17	-6.2	-63
Non-Operating Income and Expenses	17	1.2	19	1.4	-2	-11.3	664
Net Income before Tax	274	19.3	293	21.3	-19	-6.5	601
Tax	60	4.2	76	5.5	-16	-21.2	29
Net Income	214	15.1	217	15.8	-3	-1.3	571
EPS(NT\$) (After Tax)	1.77		1.76		0		4.79

Note : Taiwan Consolidated Basis



Consolidated Statements of Comprehensive Income – Jan.~ Dec. 2018 (YoY)

In NT Million

	Jan. ~ Dec. '18		Jan. ~ Dec. '17		YoY	
	Amount	%	Amount	%	Amount	%
Net Sales	5,173	100.0	4,947	100.0	226	4.6
Gross Profit	3,044	58.8	2,925	59.1	119	4.1
Operating Expenses	2,214	42.8	2,038	41.2	175	8.6
Sales Expenses	1,173	22.7	1,080	21.8	94	8.7
Admin. Expenses	549	10.6	533	10.8	16	3.0
RD Expenses	492	9.5	426	8.6	66	15.4
Operating Profit	830	16.0	886	17.9	-56	-6.3
Non-Operating Income and Expenses	1,027	19.9	61	1.2	966	1589.0
Net Income before Tax	1,857	35.9	947	19.1	910	96.1
Tax	269	5.2	209	4.2	60	28.9
Net Income	1,588	30.7	738	14.9	850	115.1
EPS(NT\$) (After Tax)	13.19		6.08		7.11	

Note : Taiwan Consolidated Basis



Consolidated Statements of Comprehensive Income – Jan.~ Dec. 2018 (YoY)

In NT Million	Jan. ~ Dec. '18 (Without Disposal Effect)		Jan. ~ Dec. '17		YoY		Disposal Effect
	Amount	%	Amount	%	Amount	%	Amount
Net Sales	5,173	100.0	4,947	100.0	226	4.6	
Gross Profit	3,051	59.0	2,925	59.1	126	4.3	-7
Operating Expenses	2,121	41.0	2,038	41.2	83	4.1	92
Sales Expenses	1,151	22.2	1,080	21.8	71	6.5	23
Admin. Expenses	514	9.9	533	10.8	-19	-3.6	34
RD Expenses	457	8.8	426	8.6	31	7.3	35
Operating Profit	929	18.0	886	17.9	43	4.9	-99
Non-Operating Income and Expenses	81	1.6	61	1.2	20	32.8	946
Net Income before Tax	1,010	19.5	947	19.1	63	6.7	847
Tax	230	4.4	209	4.2	21	9.9	40
Net Income	781	15.1	738	14.9	43	5.8	807
EPS(NT\$) (After Tax)	6.43		6.08		0.35		6.76

Note : Taiwan Consolidated Basis



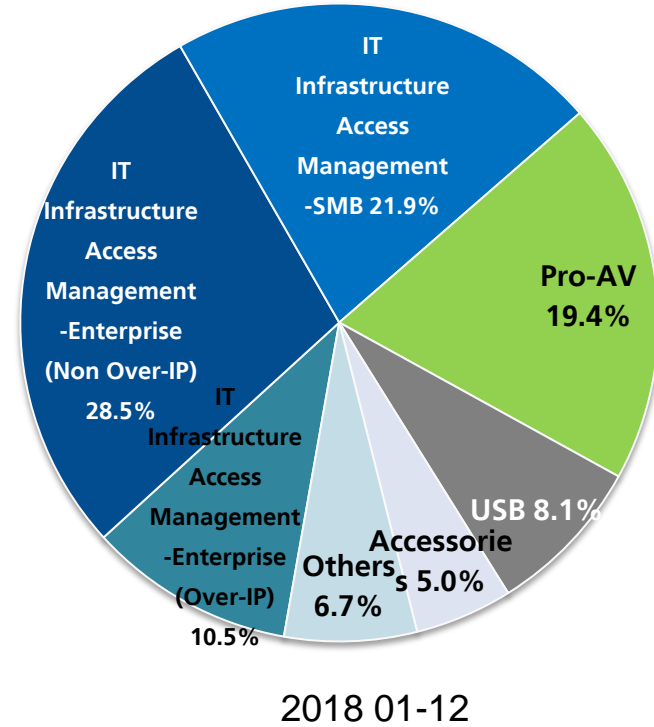
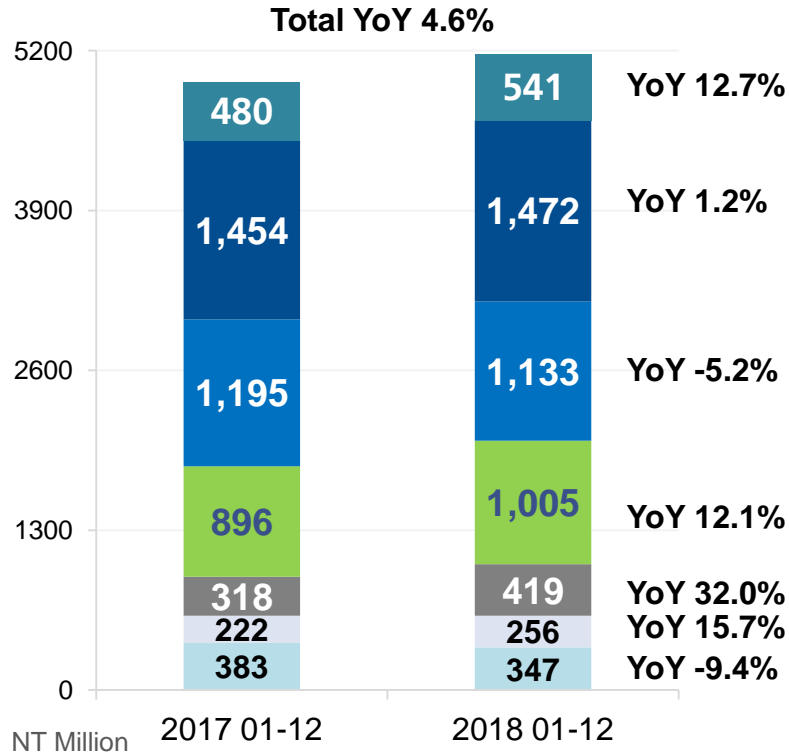
Balance Sheet – Dec. 2018 YoY

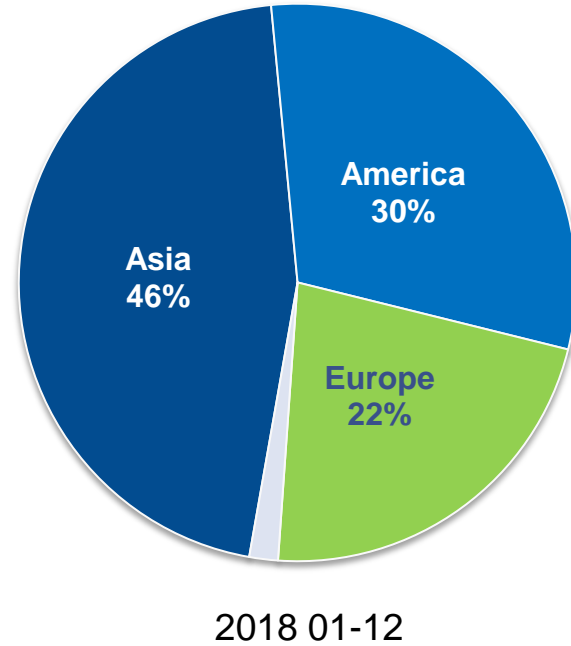
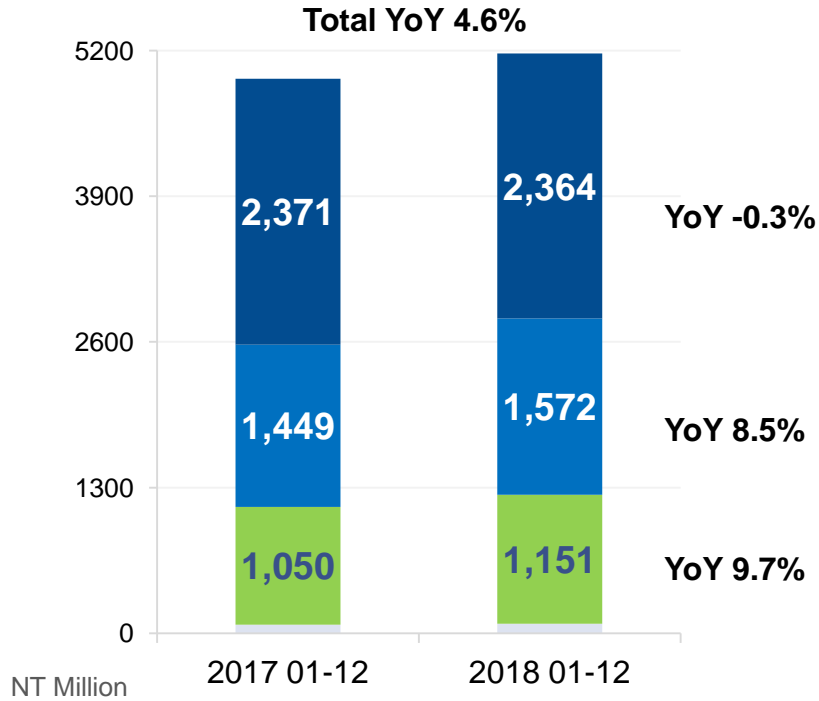
In NT Million	Dec. '18		Dec. '17		YoY	
	Amount	%	Amount	%	Amount	%
Cash and Financial Assets	2,115	30	1,830	31	285	16
Accounts Receivable	729	10	713	12	16	2
Inventory	1,058	15	817	14	241	30
Other Current Assets	736	10	86	1	650	756
Total Current Assets	4,638	66	3,445	58	1193	35
Property, Plant, and Equipment	1,994	28	2,025	34	-30	-2
Other Non-Current Assets	412	6	482	8	-70	-14
Total Non-Current Assets	2,407	34	2,507	42	-100	-4
Total Assets	7,045	100	5,952	100	1093	18
Short-term Borrowings	757	11	735	12	22	3
Accounts Payable	474	7	469	8	5	1
Other Current Liabilities	844	12	679	11	165	24
Total Current Liabilities	2,075	29	1,883	32	192	10
Long-term Borrowings	26	0	36	1	-10	-28
Other Non-Current Liabilities	358	5	314	5	43	14
Total Non-Current Liabilities	384	5	351	6	33	9
Total Liabilities	2,459	35	2,233	38	225	10
Total Equity	4,586	65	3,719	62	867	23
Receivable turnover days	51		49			
Inventory turnover days	161		143			
Payable turnover days	81		76			



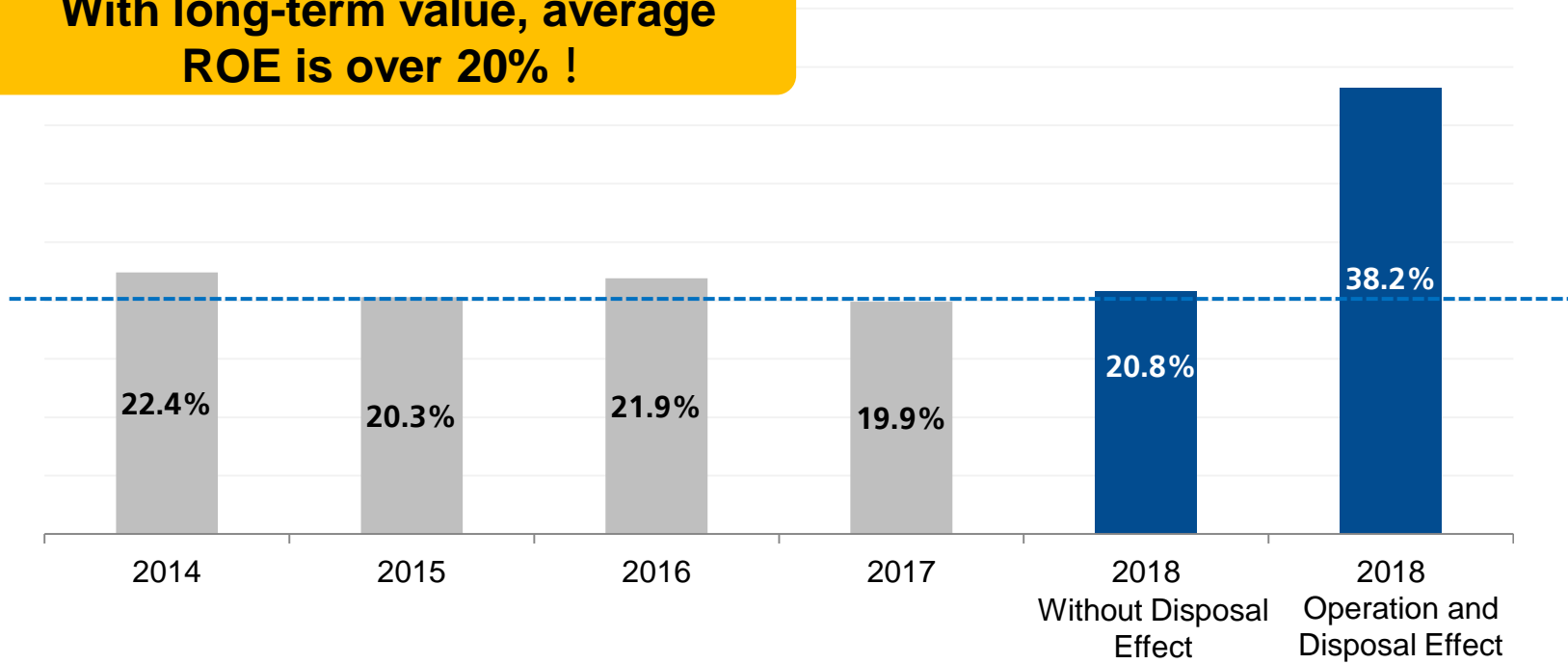
Cash Flow – From Jan.- Dec. 2018 YoY

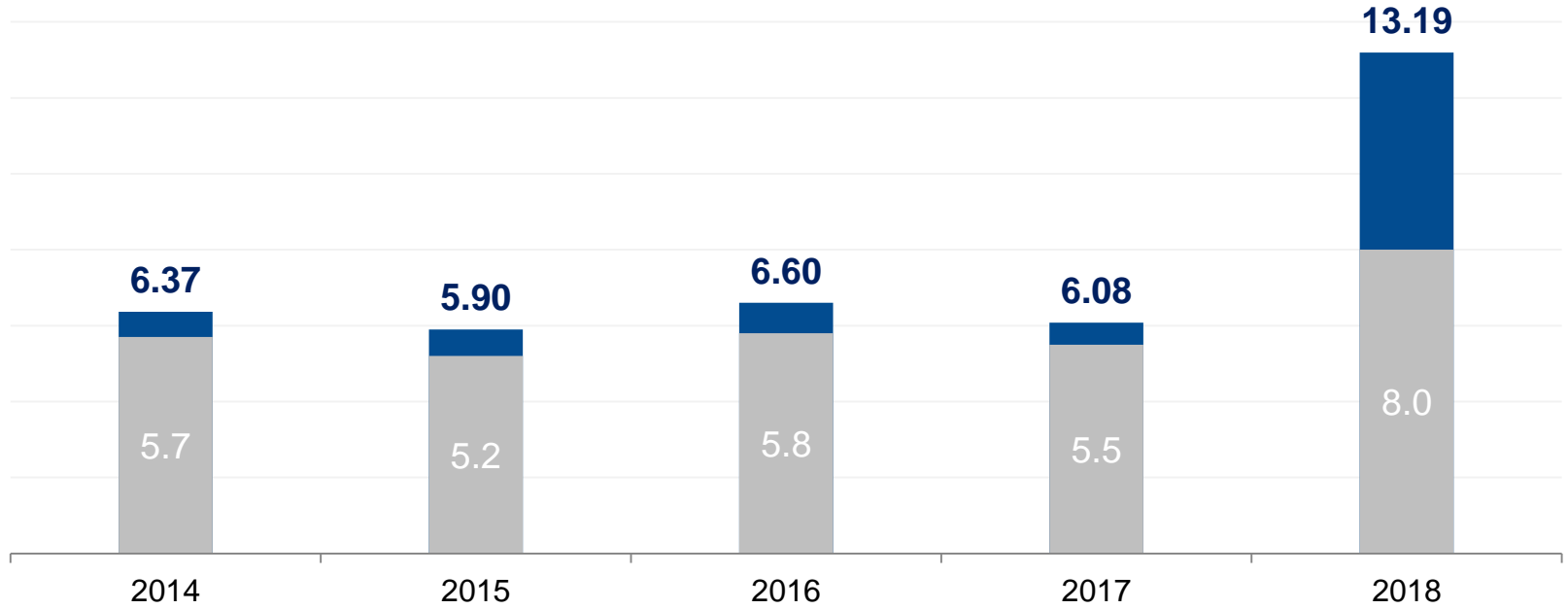
In NT Million	Jan.~ Dec. ' 18	Jan.~ Dec. '17
	Amount	Amount
Cash and cash equivalents at beginning of period	840	795
From Operating	146	821
Net Profit before Tax	1,857	947
Depreciation and Amortization	89	90
Investment income under equity method	-56	-43
Financial assets held for trading	-437	-30
Inventory	-243	-43
Other Operation Sources / (Uses)	-1,064	-99
From Investing	403	-66
Property, plant and equipment	-56	-81
Disposal of Investment income under equity method	461	0
Other Investing Sources / (Uses)	-1	15
From Financing	-691	-650
Short-Term Borrowings	22	82
Long-Term Borrowings	-14	-17
Dividend	-664	-701
Other Financing Sources / (Uses)	-35	-15
Effect of exchange rate changes on cash and cash equivalents	-6	-59
Cash and cash equivalents at end of period	692	840
Free Cash Flow	549	756





With long-term value, average ROE is over 20% !





■ EPS
■ Dividend(per share)

2018 Cash dividend per share hits the record high



Q&A

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.

The ATEN logo is displayed in white on a green circular background. It features a stylized icon of a fan or a series of horizontal lines to the left of the word "ATEN" in a bold, sans-serif font.A 40th anniversary logo is centered within a white circle. It features a colorful, multi-colored arrow pointing to the right, followed by the text "40 years" in a black sans-serif font. Below this, the phrase "Passion for Excellence" is written in a red, cursive script font.

Simply Better Connections