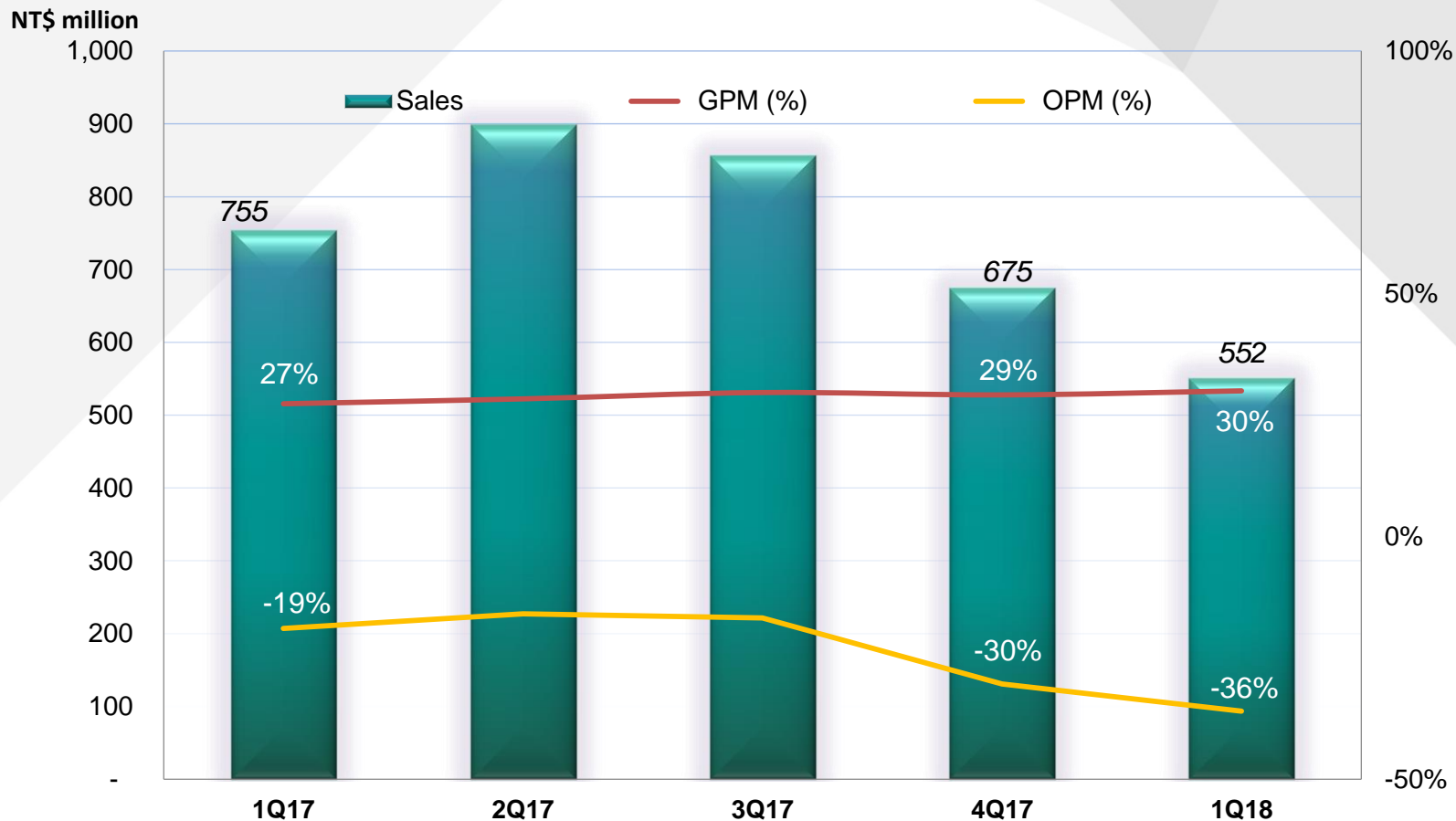


# ALi Corporation (3041 TT) 1Q18 Investor Conference

May 11<sup>th</sup>, 2018

# 1Q18 Consolidated Quarterly Results

- 1Q18 revenue reached NT\$552 million, QoQ -18%, YoY-27%
- Gross profit margin was 30%
- Operating profit margin was -36%



# 1Q18 Consolidated Income Statement

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

	1Q18		4Q17		1Q17		QoQ	YoY
<b>Net sales</b>	551,936	100%	675,324	100%	754,958	100%	-18%	-27%
Cost of goods sold	(384,527)		(478,334)		(548,520)		-20%	-30%
<b>Gross profits</b>	167,409	30%	196,990	29%	206,438	27%	-15%	-19%
Operating expenses:								
Selling expenses	(39,259)		(40,754)		(44,639)		-4%	-12%
Administrative expenses	(59,920)		(66,881)		(61,974)		-10%	-3%
Research and development expenses	(264,428)		(294,436)		(242,593)		-10%	9%
Expected Credit Losses	(14)						n/a	n/a
Total operating expenses	(363,621)		(402,071)		(349,206)		-10%	4%
<b>Operating income</b>	(196,212)	-36%	(205,081)	-30%	(142,768)	-19%	-4%	37%
Non-operating income and gain (expense & loss)	10,446		18,080		5,097		-42%	105%
<b>Income before income tax</b>	(185,766)		(187,001)		(137,671)		-1%	35%
Income tax (expense) benefit	89,462		36,650		23,704		144%	277%
<b>Net income</b>	(96,304)		(150,351)		(113,967)		-36%	-15%
Earnings Per Share (in New Taiwan Dollars)	(0.33)		(0.51)		(0.39)			

# 1Q18 Consolidated Balance Sheet

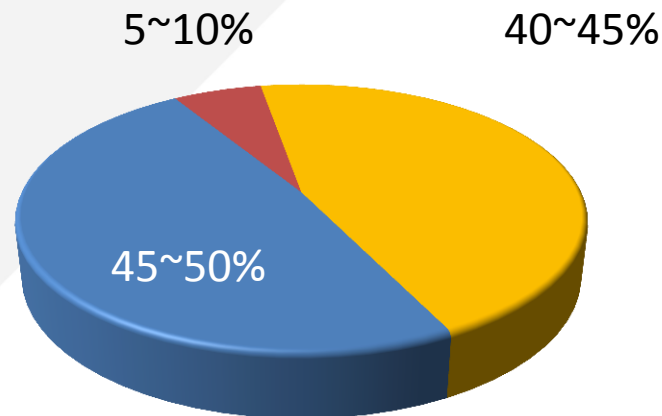
(Amounts in thousand New Taiwan Dollars except Key Indices)

## Selected Items from Balance Sheet

	Mar 31, 2018	Dec 31, 2017	Mar 31, 2017
Cash, cash equivalents and investments in marketable financial instruments	2,689,854	2,903,342	3,265,165
Notes and accounts receivable	137,313	281,223	272,793
Inventory (net)	813,040	588,499	590,828
Other current assets	266,957	260,711	301,760
<b>Total current assets</b>	<b>3,907,164</b>	<b>4,033,775</b>	<b>4,430,546</b>
Long-term Investments	77,079	75,209	57,997
Net PP&E	618,270	617,193	632,213
Intangible assets	168,060	175,351	149,422
Other assets	422,072	329,165	248,542
<b>Total assets</b>	<b>5,192,645</b>	<b>5,230,693</b>	<b>5,518,720</b>
Notes and accounts payable	614,578	407,748	474,493
Other current liabilities	258,703	419,288	274,172
Non-current liabilities	12,047	8,218	12,903
<b>Total liabilities</b>	<b>885,328</b>	<b>835,254</b>	<b>761,568</b>
<b>Total shareholders' equity</b>	<b>4,307,317</b>	<b>4,395,439</b>	<b>4,757,152</b>
<b>Key Indices</b>			
A/R Turnover Days (net)	34	38	30
Inventory Turnover Days (net)	164	123	94
Current Ratio	4.5	4.9	5.9

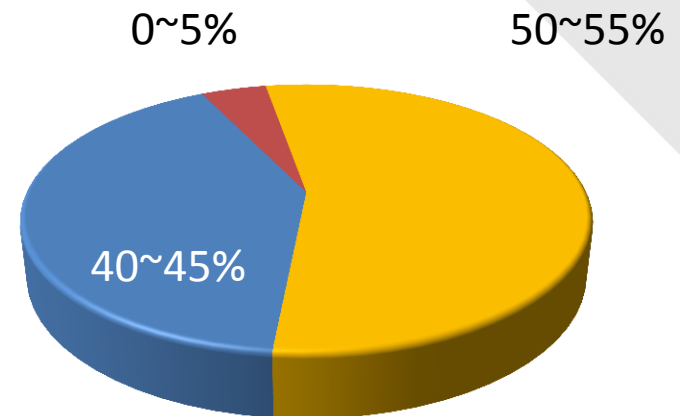
# Quarterly Revenue Breakdown

4Q17



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

1Q18



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

Thank You

