

華碩電腦

2019年第2季投資人說明會

聲明

本簡報及同時發佈之相關訊息內含有從公司內部與外部來源所取得的預測性資訊。

本公司未來實際所發生的營運結果、財務狀況以及業務展望，可能與這些預測性資訊所明示或暗示的預估有所差異，其原因可能來自於各種本公司所不能掌控的風險。

本簡報中對未來的展望，反應本公司截至目前為止對於未來的看法。對於這些看法，未來若有任何變更或調整時，本公司並不負責隨時提醒或更新。

議程

- 2019年第2季財務結果
- 營運狀況摘要
- 策略與展望
- 問與答

2019年第2季財務結果

2019年第2季自結品牌損益

(unaudited brand consolidated financials)

in NT\$ Mn	2019 2Q	2019 1Q	QoQ	2018 2Q	YoY
Net Revenue	71,272	83,503	-15%	80,525	-11%
COGS	(61,410)	(73,911)	-17%	(70,291)	-13%
Gross Profit	9,862	9,592	3%	10,234	-4%
Operating Expenses	(8,852)	(8,706)	2%	(7,411)	19%
Operating Profit	1,010	886	14%	2,823	-64%
Non-OP Items	1,183	2,140	-45%	(996)	-219%
Pre-Tax Profit	2,193	3,026	-28%	1,827	20%
Tax	(513)	(839)	-39%	(496)	4%
Net Profit	1,680	2,187	-23%	1,332	26%
EPS	2.3	2.9		1.8	
Gross Margin %	13.8%	11.5%		12.7%	
Operating Margin %	1.4%	1.1%		3.5%	

2019年第2季自結品牌損益 (擬制報表 - 排除手機損益)

(unaudited brand consolidated financials)

in NT\$ Mn	2019 2Q	Phone		W/O Phone
		old models	new models	
Net Revenue	71,272	5,403	433	65,435
COGS	(61,410)	(5,122)	(391)	(55,897)
Gross Profit	9,862	281	42	9,538
Operating Expenses	(8,852)	(747)	(603)	(7,502)
Operating Profit	1,010	(466)	(560)	2,036
Non-OP Items	1,183	(36)	(8)	1,227
Pre-Tax Profit	2,193	(501)	(569)	3,263
Tax	(513)	(100)	76	(489)
Net Profit	1,680	(601)	(493)	2,774
EPS	2.3	(0.8)	(0.7)	3.7
Gross Margin %	13.8%	5.2%	9.8%	14.6%
Operating Margin %	1.4%	-8.6%	-129.4%	3.1%

2019年第2季自結品牌業外損益

(unaudited brand consolidated financials)

Non-OP Items	2019 2Q	2019 1Q	QoQ	2018 2Q	YoY
Interest Income (net)	335	271	24%	391	-14%
Investment Income	137	142	-3%	(161)	185%
<i>Askey</i>	(57)	(61)	7%	(612)	91%
<i>Others</i>	194	203	-4%	451	-57%
Exchange Gain/(Loss)	311	1,387	-78%	(1,407)	122%
Dividend Income	2	-	-	4	-43%
Other Income (net)	398	340	17%	178	124%
Total Non-OP items	1,183	2,140	-45%	(996)	219%

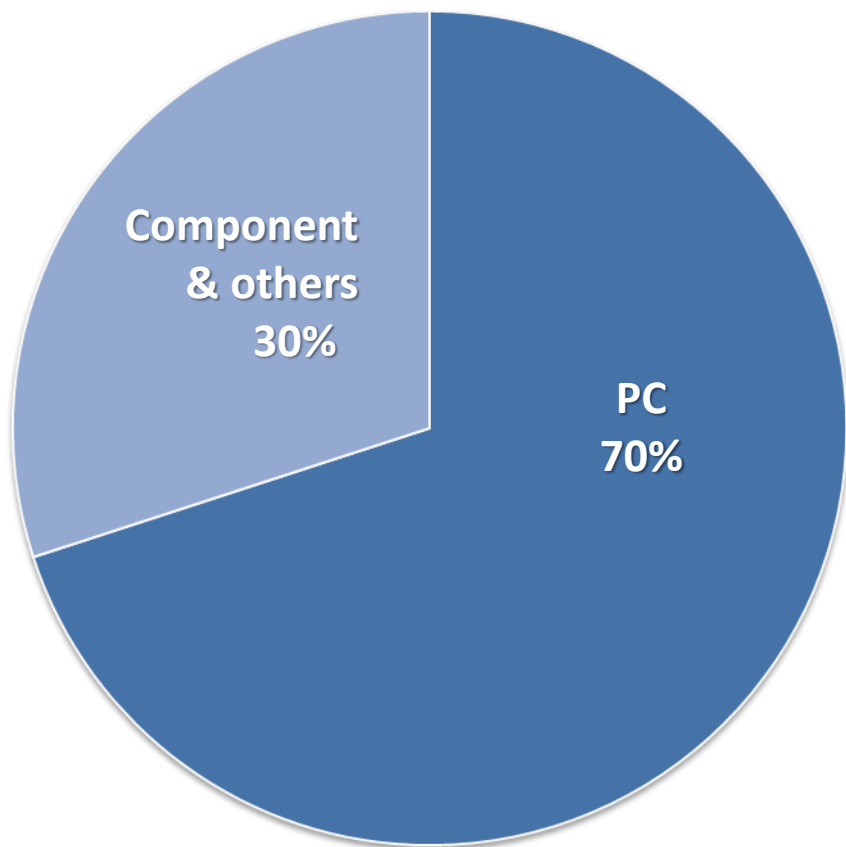
2019年第2季自結品牌資產負債表

in NT\$ Mn	Jun 30, 2019	Mar 31, 2019	QoQ	Jun 30, 2018	YoY
Cash & equivalents	61,703	52,838	17%	71,864	-14%
Accounts receivable	62,949	71,681	-12%	69,830	-10%
Inventories	75,039	80,775	-7%	79,400	-5%
Current Assets	208,186	212,149	-2%	230,875	-10%
Long-term investments	68,072	67,380		66,973	
Fixed assets	15,580	13,050		10,715	
Total Assets	308,902	309,284	-0%	323,097	-4%
Accounts payable	42,126	45,348	-7%	51,020	-17%
Current Liabilities	136,508	128,466	6%	147,005	-7%
Total Liabilities	148,131	140,074	6%	158,212	-6%
Paid-in capital	7,428	7,428		7,428	
Stockholders' equity	160,770	169,210	-5%	164,885	-2%
Avg. Days of Inventory	116	103		102	
Avg. Days of AR	86	80		77	
Avg. Days of AP	70	68		68	
Avg. CCC Days	132	115		111	

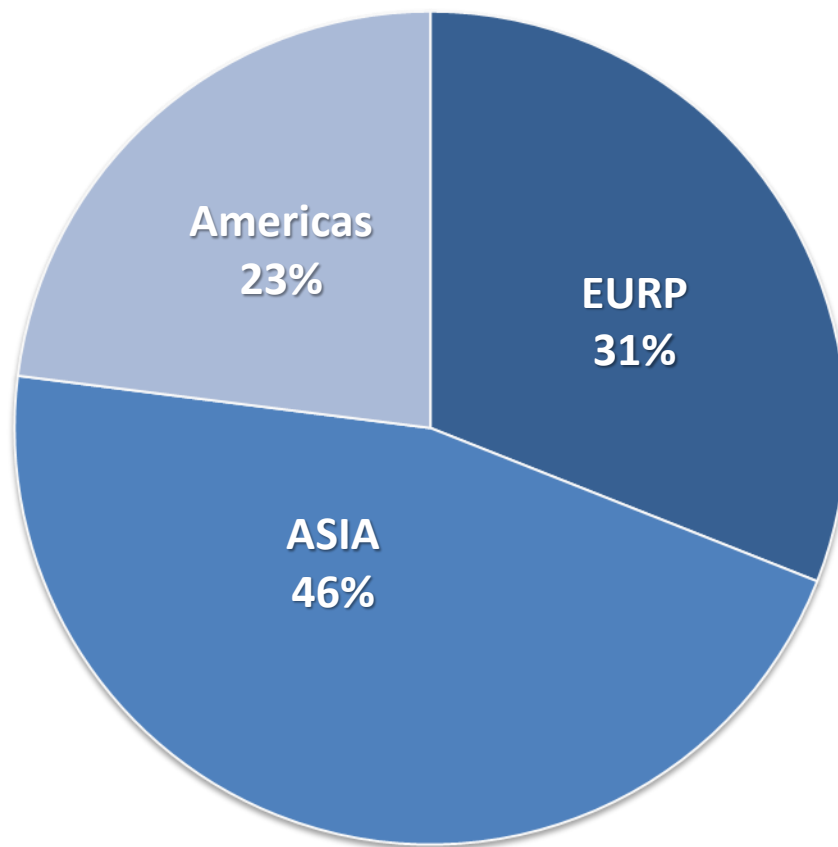
營運狀況摘要

2Q 2019 營收組合

By Product Group



By Region



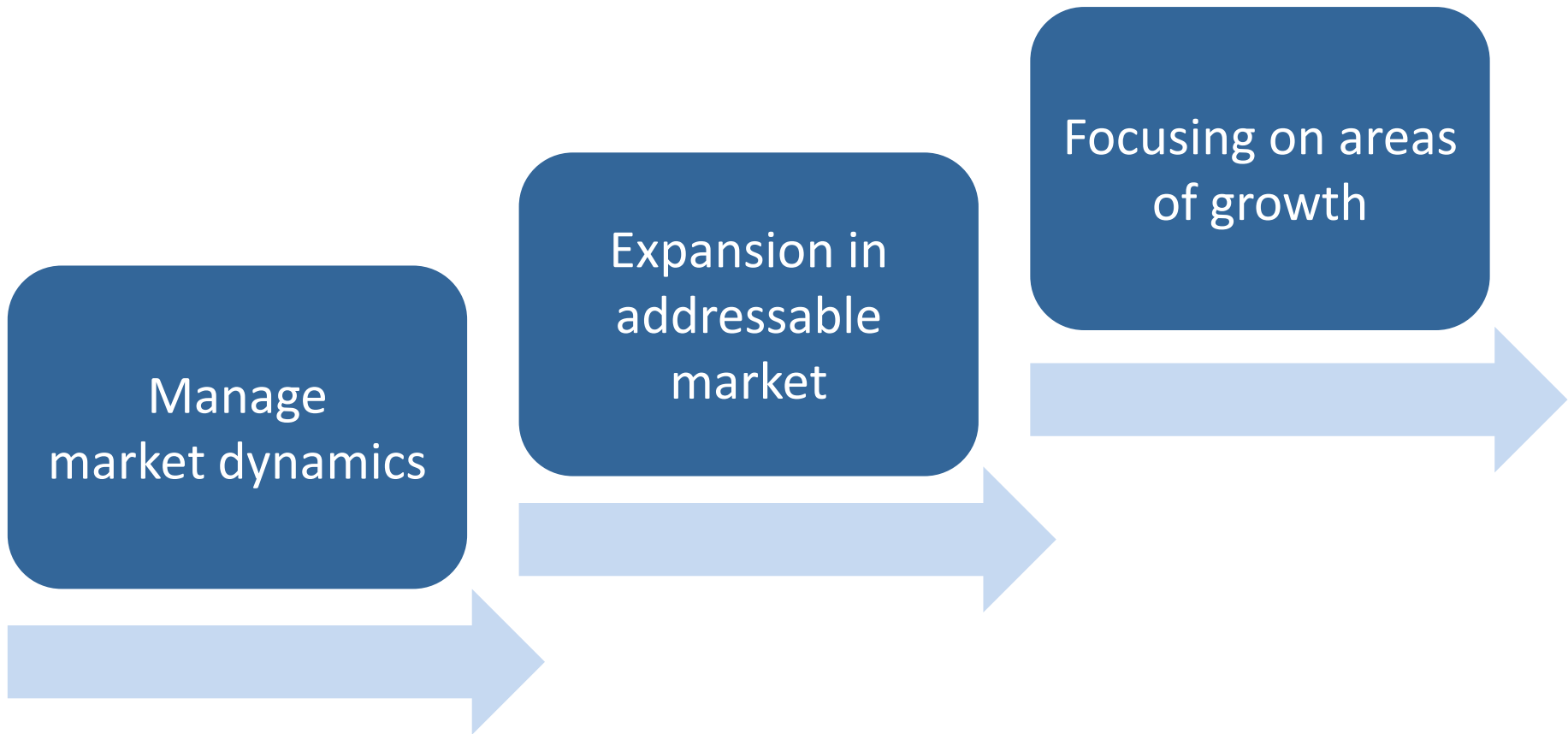
* Excluding revenue of smartphones

3Q 2019 營運展望

- **PC QoQ +20%**
- **Component QoQ +15%**

策略與展望

Key Business Objectives



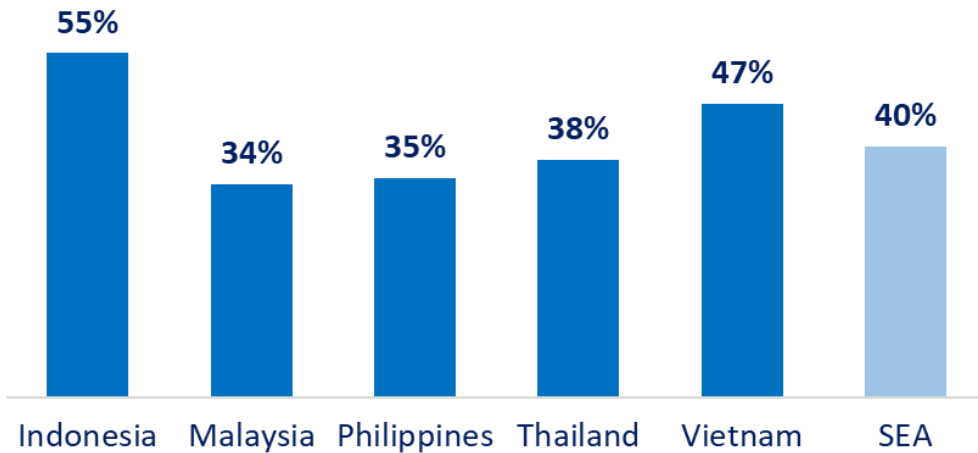
Gaming Phone Ecosystem

ROG Phone 2 has received outstanding recognition and delivered stronger-than-expected demand. This has resulted in strong gains in the gaming phone market, and is expected to lead to an unmatched market leading position within three years.

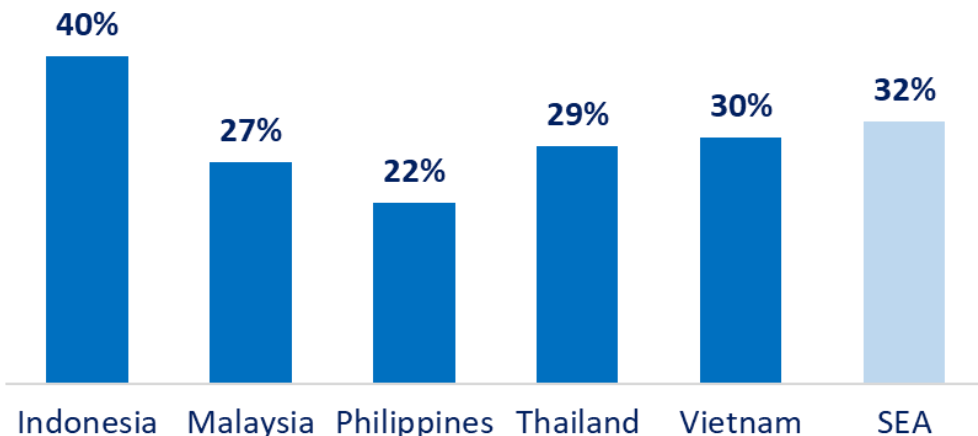


No. 1 in Southeast Asia

Gaming NB market share

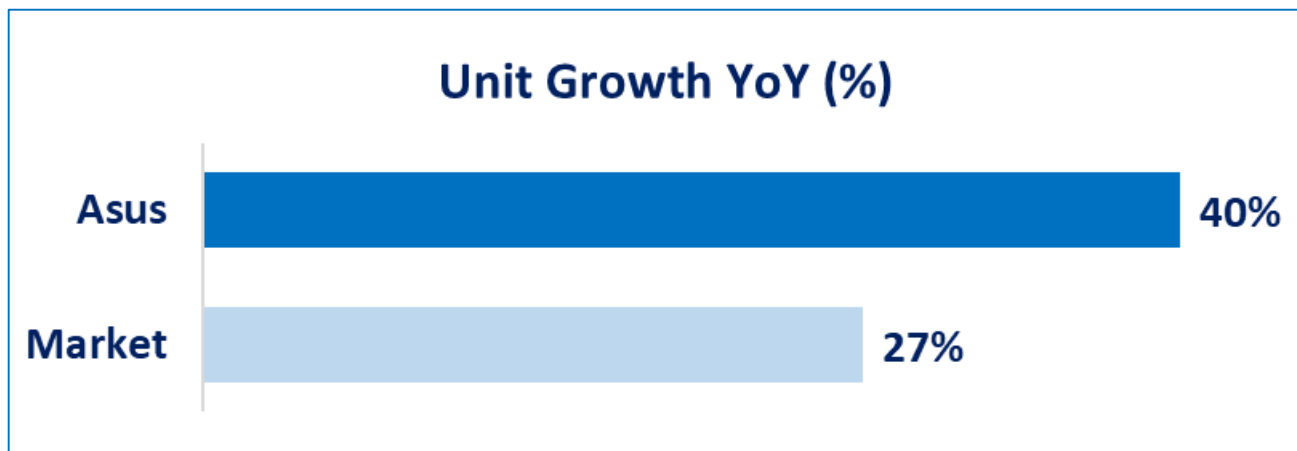
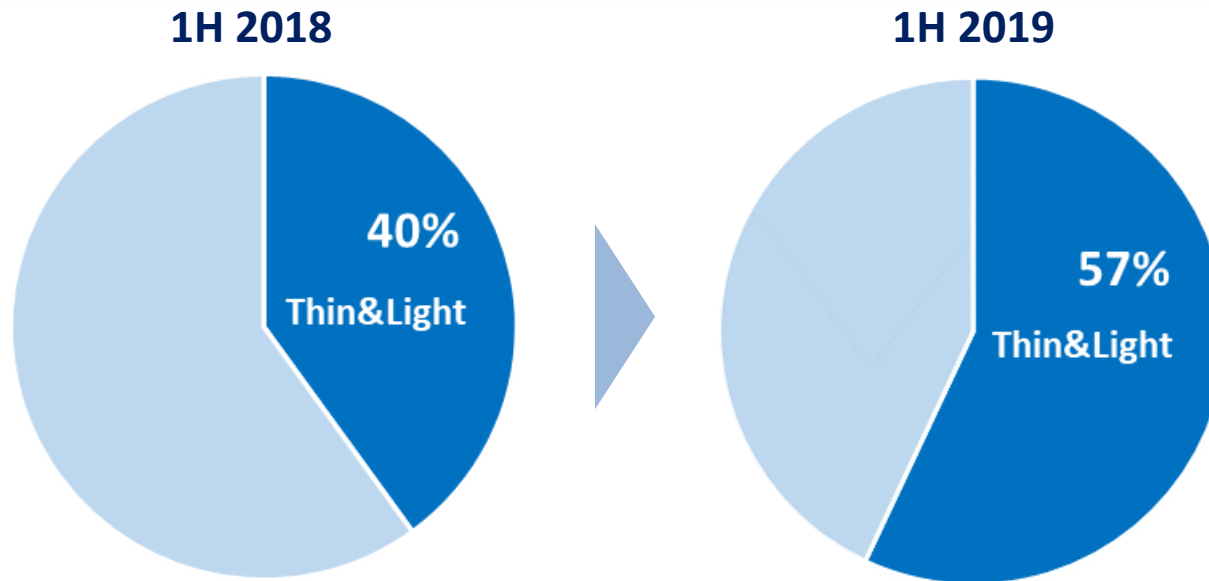


NB market share



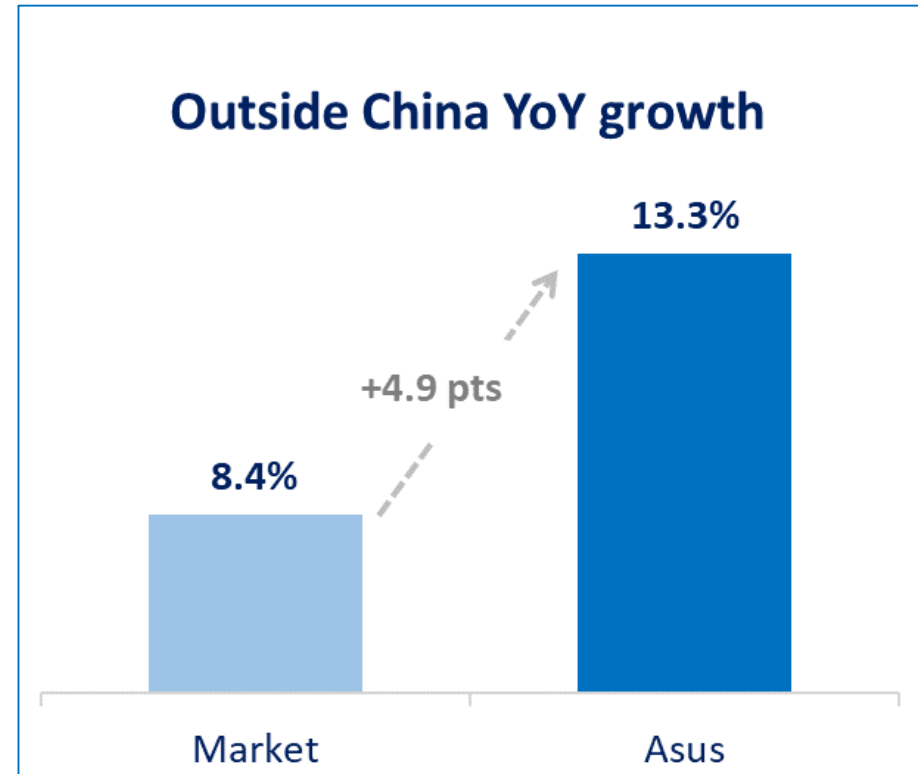
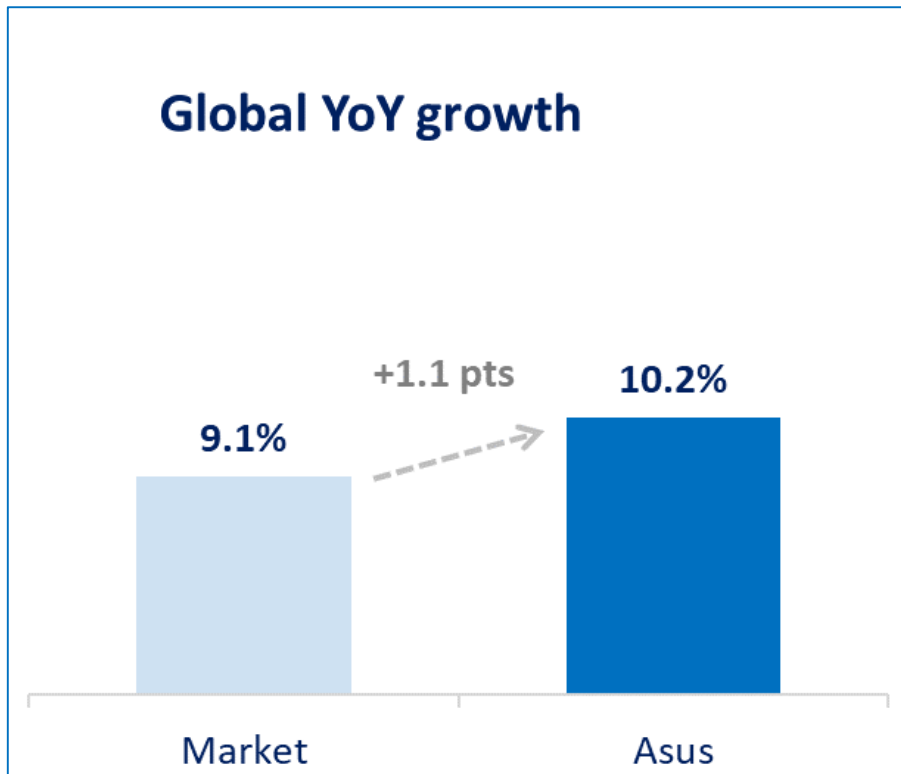
- ASUS is No.1 in motherboards, notebooks and gaming notebooks across all major countries in Southeast Asia
- Additional resources are being invested to build an absolutely dominating market presence in the region.

Thin & Light NB Growth in 1H 2019



Gaming NB Growth in 1H 2019

- Consistently outgrew the Gaming NB market



New Product Categories

Consumer

Gamer

Creator

Professional



問與答

1. Is the dividend policy of distributing NTD 10 per share cash dividends based on certain dividend payout ratio?
2. Could you share with us your view on tariffs and how many months worth of inventory you have built in the US in preparation of potential tariffs?

3. In addition to the details of collaboration with Tencent on gaming phone you just shared, does Tencent provide any financial subsidy or guarantee on the amount of shipments? As the pricing strategy is more aggressive on the ROG Phone 2, what are the estimated units of shipment to breakeven? When is it expected to be achieved?

4. We heard that ASUS ZenFone 6 has recently had some production issues, can you explain on the current supply status? How to avoid similar problems on the ROG Phone 2? Will the 2mn units pre-orders for ROG Phone 2 all be recognized as sales in 3Q19?

5. ASUS has strengthened the exposures on commercial notebooks and Chromebooks this year. When can we see more concrete revenue and profit contribution on it?

6. The operating margin excluding phones has rebounded to 3.1% in 2Q19. Can we expect the operating margin to increase to 4% in 2H19 with the help of economies of scale?
7. Can we have some product examples on Creator PC category?
8. While ASUS collaborated with Tencent on ROG Phone 2, Tencent also announced that they will directly collaborate with Qualcomm subsequently. Will this make impact on the mode of collaboration with Tencent and the development of gaming phone segment?

9. What is the impact of component price increases on ASUS in 2H19? Regarding the tariff dispute between the US and China, what's your view on the impact on PC components company, PC ODM, and PC brand company respectively?

10. As China is currently the main market for ROG Phone 2, when can we expect ROG Phone 2 to be launched in other markets such as Europe, Americas, Southeast Asia and India? For the sales from the US, what is the strategy to respond to the US tariff issue?

11. In terms of NB products, Thin & Light NB and gaming NB are the focus growing areas of the company. What is the contribution of revenue and profit in terms of Thin & Light NB and gaming NB? What are the trends of gross margin and operating margin on these products? And what are the key factors affecting gross margin and operating margin?

12. Can you clarify the inventories in US are company's inventories or already become sales in 2Q19?

13. The global DIY PC market continues to decline in this year. What are ASUS's shipments of motherboards and graphic cards in 2019 compared to 2018?

14. Why the operating expense increased significantly in 2Q19? Will it be improved going forward?