

# Qisda Corporation Investor Conference : 2017 Q3 Results

Nov 7, 2017

# Safe Harbor Notice

**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 risks, uncertainties and assumptions, the forward-looking events might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.**

# 2017 Q3 Financial Results and Business Summary

# Statement of Comprehensive Income (Consolidated)

Amount : NT\$ Million

	2017 Q2		2017 Q3		QoQ	2016 Q3		YoY
<b>Net Sales</b>	<b>32,898</b>	<b>100.0%</b>	<b>35,158</b>	<b>100.0%</b>	6.9%	<b>31,985</b>	<b>100.0%</b>	9.9%
Cost of Goods Sold	(28,738)		(31,077)			(27,998)		
<b>Gross Margin</b>	<b>4,160</b>	<b>12.6%</b>	<b>4,081</b>	<b>11.6%</b>	-1.0 ppt	<b>3,987</b>	<b>12.5%</b>	-0.9 ppt
Operating Expenses	(3,190)	-9.7%	(3,352)	-9.5%		(3,112)	-9.7%	
<b>Operating Income</b>	<b>969</b>	<b>2.9%</b>	<b>729</b>	<b>2.1%</b>	-0.8 ppt	<b>875</b>	<b>2.7%</b>	-0.6 ppt
Non-operating Income, Net	756		847			530		
<b>Net Income</b>	<b>1,426</b>	<b>4.3%</b>	<b>1,391</b>	<b>4.0%</b>	-0.3 ppt	<b>1,232</b>	<b>3.9%</b>	+0.1 ppt
Shareholders of the Company	<b>1,365</b>	<b>4.1%</b>	<b>1,279</b>	<b>3.6%</b>	-0.5 ppt	<b>1,431</b>	<b>4.5%</b>	-0.9 ppt
<b>EPS (NT\$)(a)</b>	<b>0.69</b>		<b>0.65</b>			<b>0.73</b>		
<b>Net Worth / Share (NT\$)(b)</b>	<b>14.57</b>		<b>15.28</b>			<b>14.14</b>		

(a) EPS was calculated based on total weighted-averaged outstanding shares (1,967 m shares)

(b) Net worth per share was calculated based on total outstanding shares (1,967 m shares)

# Balance Sheet Highlights (Consolidated)

Amount : NT\$ Million

	2017.9.30		2016.12.31		Var.	2016.9.30		YoY
<b>Cash &amp; Equivalent</b>	<b>6,277</b>	6.2%	<b>6,825</b>	7.2%	-8.0%	<b>4,977</b>	5.3%	26.1%
<b>Accounts Receivable</b>	<b>24,638</b>	24.3%	<b>25,331</b>	26.6%	-2.7%	<b>26,291</b>	28.3%	-6.3%
<b>Inventory</b>	<b>20,324</b>	20.0%	<b>17,065</b>	17.9%	19.1%	<b>16,412</b>	17.6%	23.8%
<b>L-T Investments</b>	<b>16,415</b>	16.2%	<b>15,682</b>	16.5%	4.7%	<b>14,992</b>	16.1%	9.5%
<b>Total Assets</b>	<b>101,493</b>	100.0%	<b>95,312</b>	100.0%	6.5%	<b>93,052</b>	100.0%	9.1%
<b>Fin. Debt *</b>	<b>28,784</b>	28.4%	<b>22,656</b>	23.8%	27.0%	<b>24,588</b>	26.4%	17.1%
<b>Accounts Payable</b>	<b>24,951</b>	24.6%	<b>27,009</b>	28.3%	-7.6%	<b>25,487</b>	27.4%	-2.1%
<b>Total Liabilities</b>	<b>67,140</b>	66.2%	<b>62,367</b>	65.4%	7.7%	<b>61,869</b>	66.5%	8.5%
<b>Equity</b>	<b>34,353</b>	33.8%	<b>32,945</b>	34.6%	4.3%	<b>31,183</b>	33.5%	10.2%

\* Fin. debt included long term and short term financial debts and lease obligations payable .

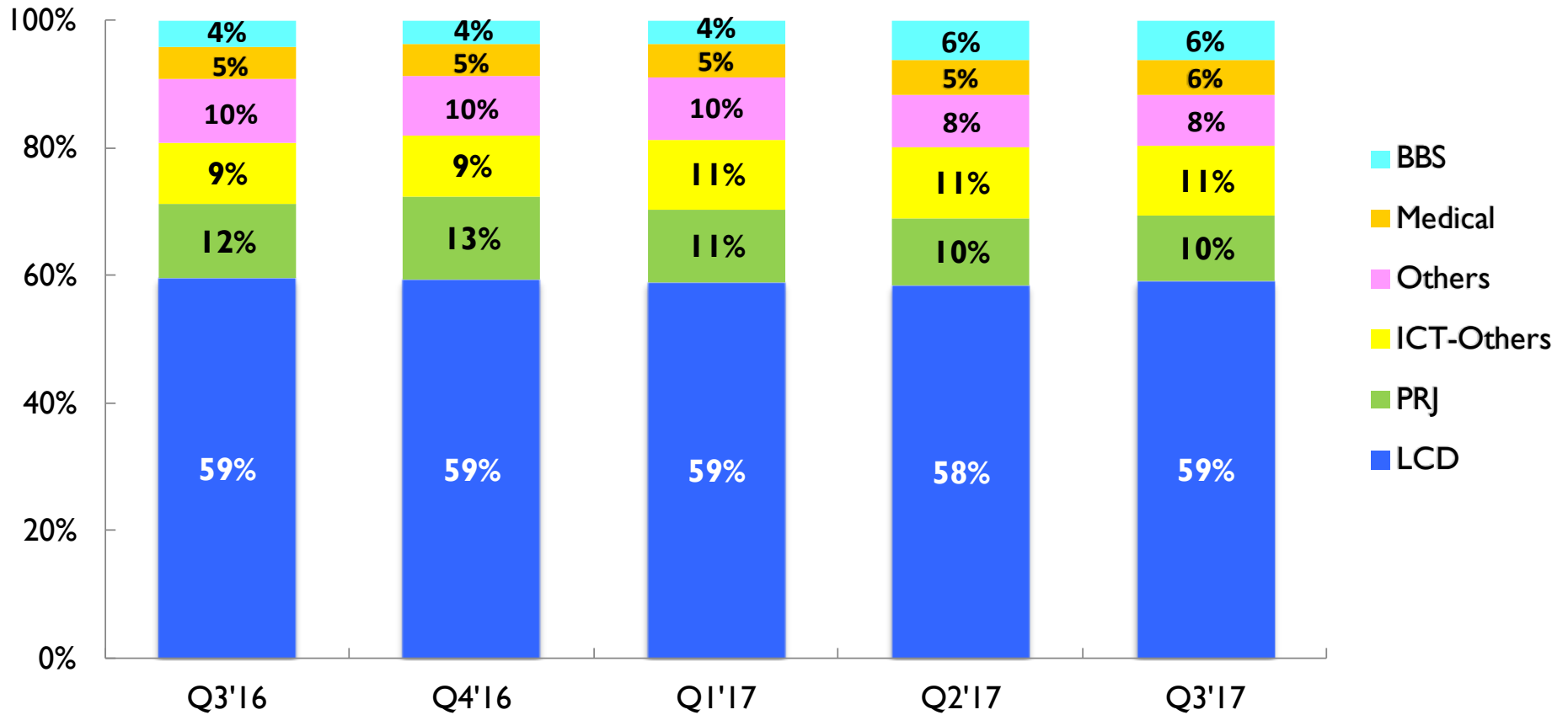
# Key Financial Ratios (Consolidated)

	2017.9.30	2016.12.31	Var.	2016.9.30	YoY
<b>AR Turnover (Days)<sup>(a)</sup></b>	<b>81</b>	<b>81</b>	0 day	<b>79</b>	+2 days
<b>Inventory Turnover (Days)</b>	<b>58</b>	<b>54</b>	+4 days	<b>54</b>	+4 days
<b>AP Turnover (Days)</b>	<b>81</b>	<b>84</b>	-3 day	<b>84</b>	-3 days
<b>Cash Conversion Cycle (Days)</b>	<b>58</b>	<b>51</b>	+7 days	<b>49</b>	+9 days
<b>ROE (annualized)</b>	<b>16.3%</b>	<b>12.6%</b>	+3.7 ppt	<b>10.2%</b>	+6.1 ppt
<b>Current ratio</b>	<b>101%</b>	<b>103%</b>	-2.0 ppt	<b>97%</b>	+4 ppt
<b>Fin. Debt<sup>(b)</sup> / Total Assets</b>	<b>28%</b>	<b>24%</b>	+4 ppt	<b>26%</b>	+2 ppt

(a) AR included AR factoring

(b) Fin. debt included long term and short term financial debts and lease obligations payable .

# Revenue Breakdown by Product Line



\* BBS : BenQ business solution

\* Medical : includes medical Service 、 medical equipment 、 medical consumable

\* Others : includes BenQ Materials Corp. and other products

\* ICT-Others : includes professional/industrial display, signage, TV and automobile electronics products





# Qisda

## Value-Up Solutions