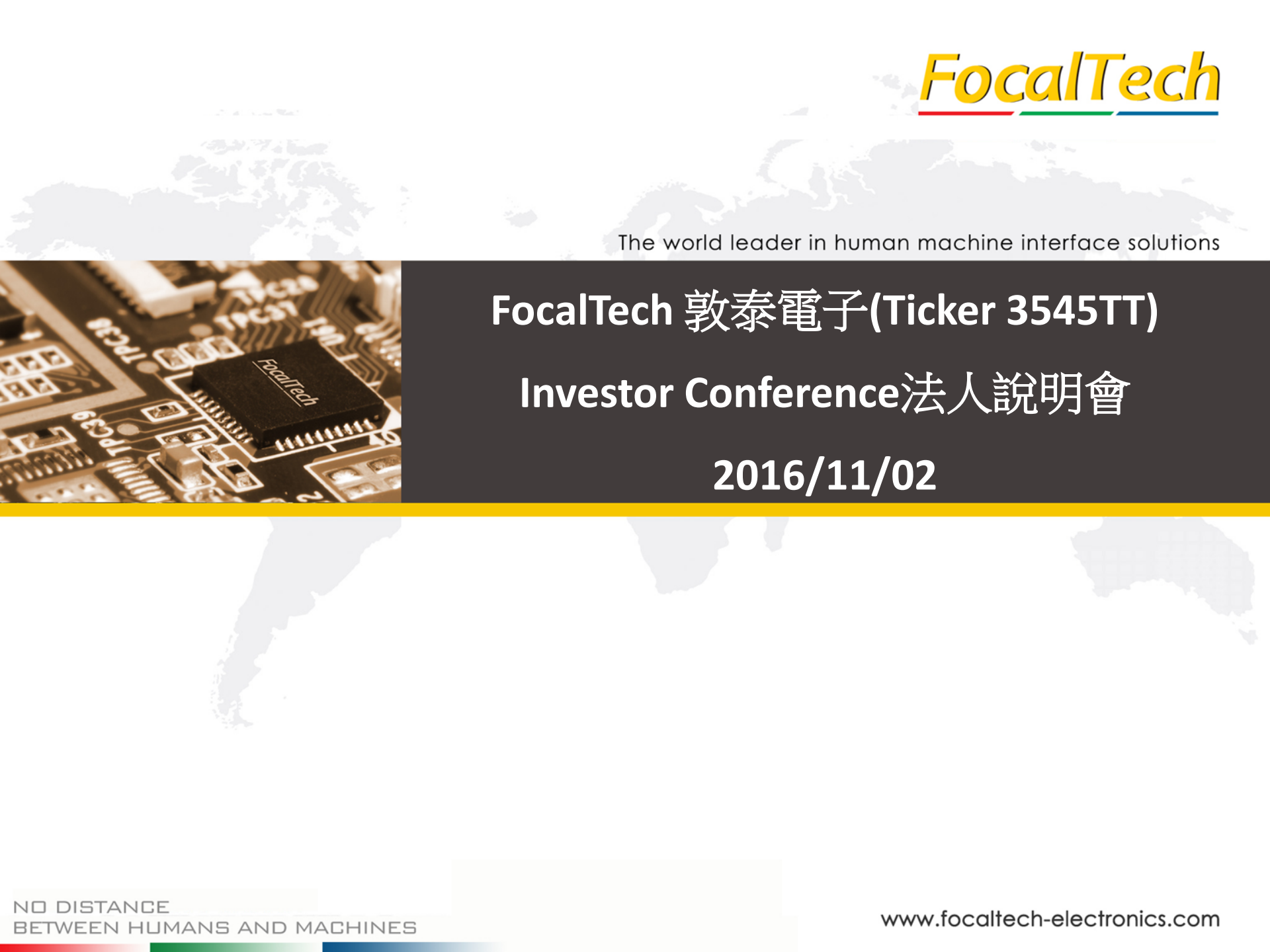




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FocalTech 敦泰電子(Ticker 3545TT)

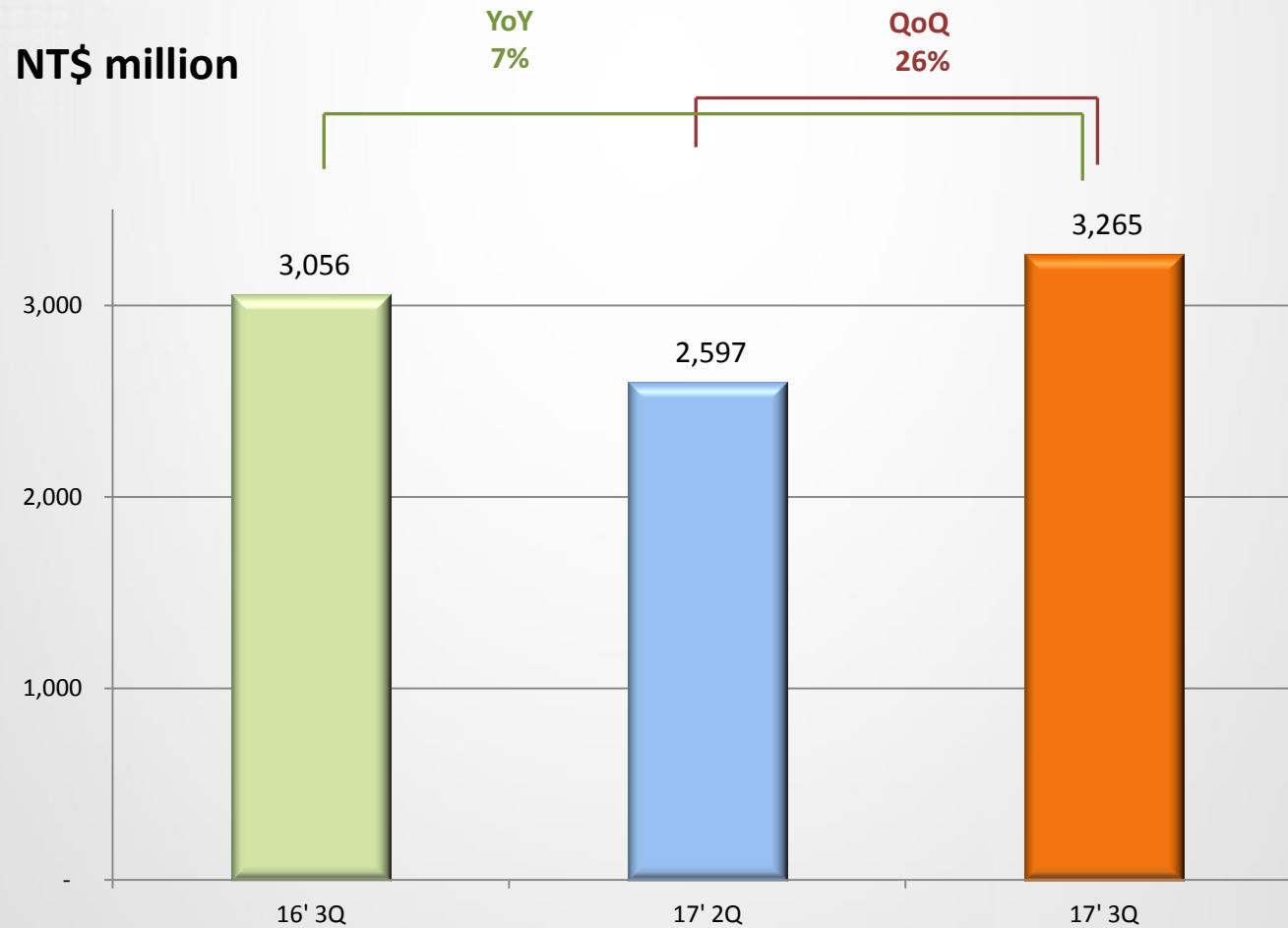
Investor Conference 法人說明會

2017/11/08

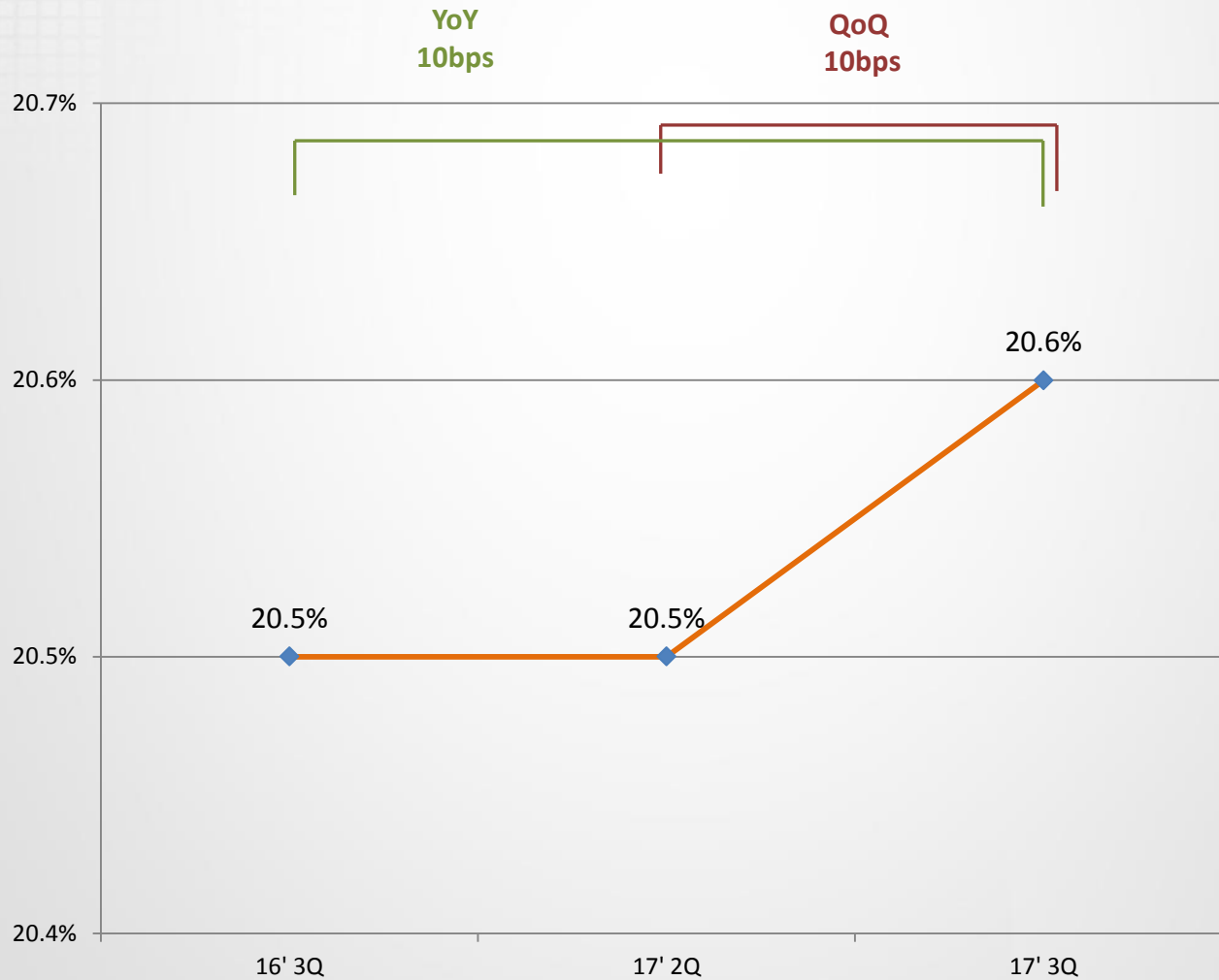
NO DISTANCE
BETWEEN HUMANS AND MACHINES

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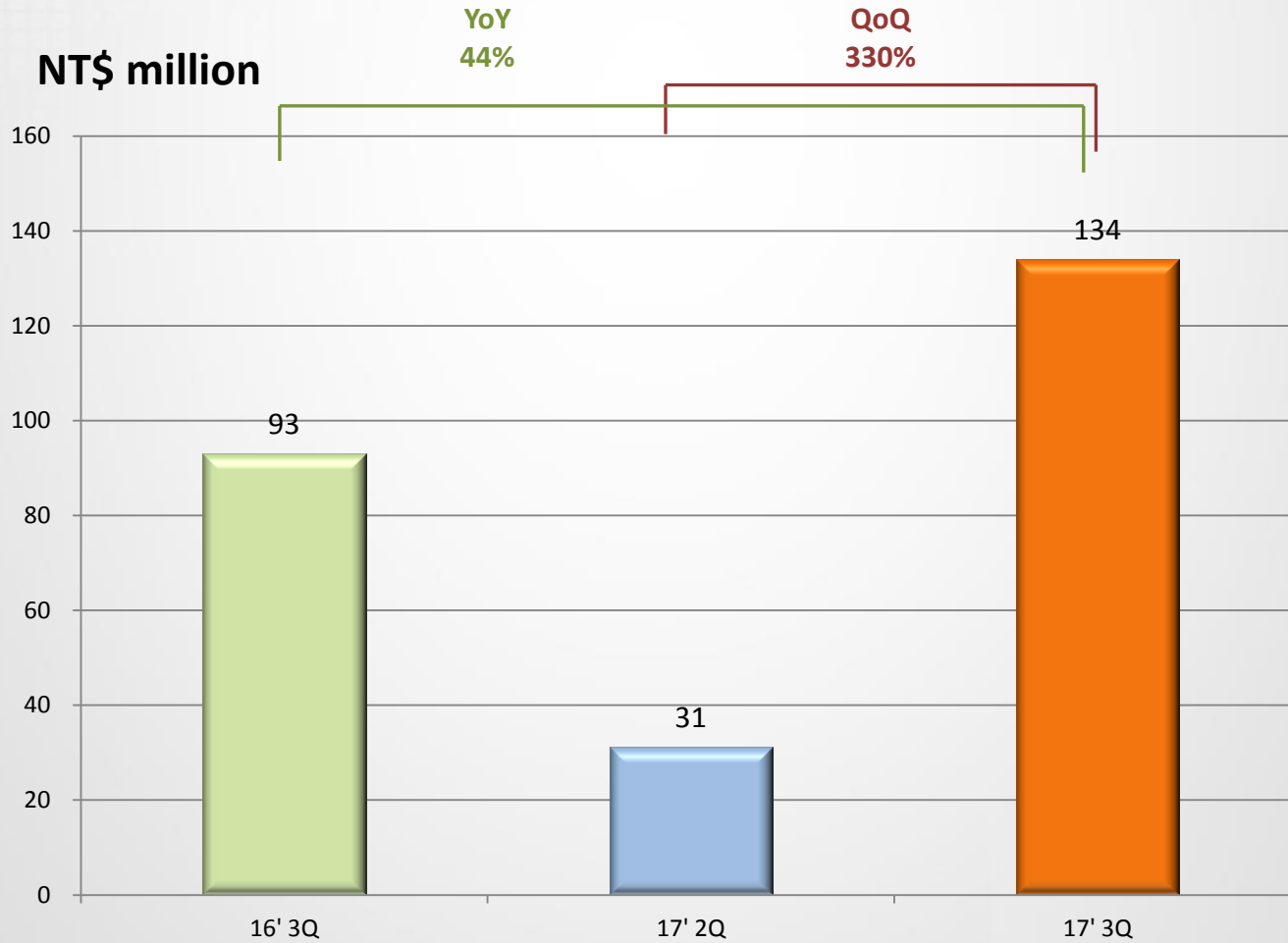
Consolidated Revenue



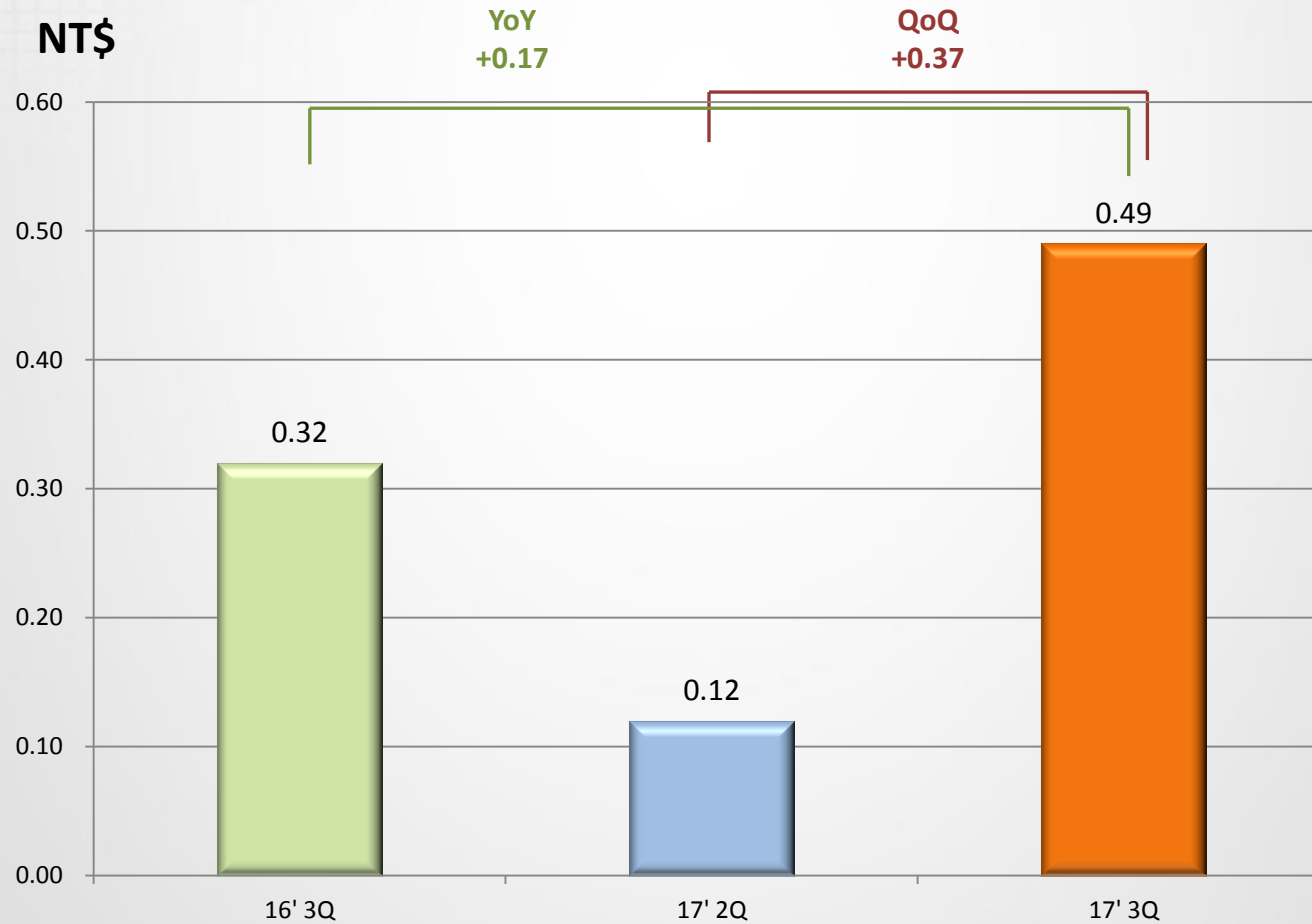
Consolidated Gross Margin



Consolidated Net Income



Consolidated EPS



17'Q3 Income Statement /106年第3季損益表

Unit in NT\$ Million /單位: 新台幣佰萬元

	17' 3Q	17' 2Q	QoQ	16' 3Q	YoY
Revenue/ 營業收入	3,265	2,597	26%	3,056	7%
Gross Profit/ 營業毛利	673	532	26%	628	7%
Gross Margin/ 營業毛利率	20.6%	20.5%	↑10 bps	20.5%	↑10 bps
Operating Expense/ 營業費用	543	526	3%	525	4%
Operating Income/ 營業淨利	129	7	1875%	103	26%
Non Operating Income/ 營業外收入	22	29		2	
Profit before Tax/ 稅前淨利	151	35	329%	105	44%
Profit after Tax/ 稅後淨利	134	31	330%	93	44%
EPS(Basic)/ 每股盈餘(基本)	0.49	0.12		0.32	

17'Q1~Q3 Income Statement / 106年第3季度年損益表

Unit in NT\$ Million / 單位: 新台幣佰萬元

	17' Q1~Q3	16' Q1~Q3	YoY
Revenue/ 營業收入	8,023	8,325	-4%
Gross Profit/ 營業毛利	1,703	1,640	4%
Gross Margin/ 營業毛利率	21.2%	19.7%	↑ 150 bps
Operating Expense/ 營業費用	1,551	1,544	0%
Operating Income/ 營業淨利	152	96	59%
Non Operating Income/ 營業外收入	24	(12)	
Profit before Tax/ 稅前淨利	176	83	111%
Profit after Tax/ 稅後淨利	157	65	141%
EPS(Basic)/ 每股盈餘(基本)	0.59	0.22	

Balance Sheet / 資產負債表

Unit in NT\$ Million / 單位: 新台幣佰萬元

	2017.9.30	2017.6.30	QoQ
Cash & Market Securities/ 現金及其他金融資產	4,806	3,999	20%
Accounts Receivable/ 應收帳款	1,496	1,176	27%
Inventory/ 存貨	3,345	3,472	-4%
Other Current Assets/ 其他流動資產	221	196	13%
Other Non Current Asset/ 其他非流動資產	5,438	5,442	0%
Total Assets/ 資產總計	15,307	14,284	7%
Current Liabilities/ 流動負債	3,848	3,021	27%
Non Current Liabilities/ 非流動負債	416	340	22%
Total Equity/ 權益總計	11,042	10,923	1%
Total Liabilities and Owners' Equity/ 負債與權益	15,307	14,284	7%
Net Worth per share/ 每股淨值	36.98	36.74	
AR Days (Annual Basis)	48	48	
Inventory Days (Annual Basis)	127	147	

2017 Q3 Results Summary/106年第3季總結

- Revenue in Q3, a traditional high season, grew 26% sequentially to NT\$ 3,265M. The result also reflected a YoY 7% increase comparing to the same period last year.

2017年第3季營收受惠於手機市場季節性成長而較上季增加26%達32億元。累積今年前三季的中國手機市場狀況與去年同期類似，敦泰Q1~Q3的營收與去年度相當。

- The major contribution of Q3 revenue growth came from the shipment increase in all 3 product lines, namely IDC, Touch Controller and LCD driver IC. Due to the mix of 3 product lines, the over-all gross margin didn't show any significant change.

毛利率較低的產品與毛利較高IDC出貨雙雙成長，使毛利率維持平穩態勢，第3季毛利率季增0.1百分點達20.6%，對比去年同期亦相當。

- With the growth in revenue, while keeping the gross margin rate and total expense relatively unchanged, the net profit in Q3 increased 330% QoQ and 44% YoY to NT\$ 134M.

隨著IDC出貨增長，敦泰的營運獲利開始逐步增長。第3季淨利較上季增加330%達NT\$134M。與去年同期比較則增加44%。

Future Outlook / 未來展望(1)

- Historically, China mainland cellphone market in Q4 is typically slower than Q3. It is expected that 2017 will basically follow the same trend. However, the revenue reduction may be less than the market average because IDC weighting factor is rising within our product mix.

根據歷史經驗，中國手機市場的表現，第四季較第三季微幅趨緩。2017年預期將維持相同趨勢。由於IDC產品比重增加，本公司第四季營收狀況，將預期優於或與市場平均水準相當。

- IDC product line remains the most important growth driver for revenue as well as profit. The growth rate of IDC business is slower than originally expected. However, the business has progressed steadily and firmly for the past 7 consecutive quarters.

過去7個季度，IDC業務穩定成長，產望未來，IDC將持續成為公司營收及獲利成長最重要的動力來源。

Future Outlook / 未來展望(2)

- The demand in IDC depends on the adoption rate of full in-cell modules by the cellphone makers. Among others, the module cost has been the determining factor affecting the adoption rate. The ultimate cost advantage of full in-cell module is well understood; both the touch module itself and manufacturing step of laminating the touch module to the display panel are entirely eliminated from the conventional out-cell module.

整體的模組成本是影響手機品牌客戶選用不同顯示方案的重要因素。由於Full in-cell方案採用全內嵌式面板不需使用傳統外掛式觸控模組，也省去觸控模組貼合工序，因此Full in-cell模組基本上具備較佳的成本優勢。

- Nevertheless, the cost saving does not come instantly. It takes time for the manufacturers to lean the process. Namely, it will follow the cost learning curve.

目前全內嵌式觸控模組面板及模組製造商正逐漸完善生產程序，降低生產成本，雖然有個別的製造商的良率已具有競爭力，但從整個產業來看，成本的效益尚未完全反映。

Future Outlook / 未來展望 (3)

- It appears the cost cross over for α -Si modules will happen first (just about now) and the LTPS modules will arrive around mid 2018. Once the cost issue is resolved, full in-cell panels will transition from niche (high performance/high cost) into a predominant solution for most mobile applications.

目前看見在 α -Si 面板上，成本節省的黃金交叉將會在近期先發生；我們預期，2018年中期附近，同樣也會在LTPS面板上發生。成本黃金交叉之後，對所有行動裝置而言，Full in-cell 面板相信將從過去利基型方案，轉變為主流方案。

- We reported last quarter that due to the arrival of full screen for cellphones, most of the new cellphone introductions were delayed. This was affecting the ramping up of full in-cell modules. On the other hand, we noticed the narrow border needed for the full screen panel favors the LTPS in-cell solution. Therefore, there is additional force affecting the in-cell market. In short, the demand of full screen will also accelerate the adoption of LTPS in-cell panels and push the technology to mature faster.

目前市場上全屏幕面板的興起對窄邊框需求激增，有利於 LTPS in-cell面板的推展。即使面板廠需花費更多時間，積極解決全面屏的技術難點，但也因市場的需求將同時加速 LTPS in-cell技術的發展。

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