

ASUSTeK

2Q 2017 Investor Conference

Disclaimer

ASUSTeK's presentation contains forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements.

The forward-looking statements in this release reflect the current belief of ASUS as of the date of this release, we undertake no obligation to update these forward-looking statements for new information, future events, or otherwise.

Agenda

- **2Q 2017 Financial Result**
- **Business Highlights**
- **Strategy & Outlook**
- **Q & A**

2Q 2017 Financial Result

2Q 2017 Brand I/S

(unaudited brand consolidated financials)

in NT\$ Mn	2017 2Q	2017 1Q	QoQ	2016 2Q	YoY
Net Revenue	86,546	98,206	-12%	93,938	-8%
COGS	(76,549)	(85,055)	-10%	(81,355)	-6%
Gross Profit	9,997	13,151	-24%	12,583	-21%
Operating Expenses	(8,252)	(9,342)	-12%	(8,820)	-6%
Operating Income	1,746	3,809	-54%	3,762	-54%
Non-OP Items	718	855	-16%	1,542	-53%
Pre-Tax Income	2,463	4,664	-47%	5,305	-54%
Tax	(453)	(1,013)	-55%	(1,179)	-62%
Net Income	2,010	3,651	-45%	4,125	-51%
EPS	2.7	4.9		5.6	
Gross Margin %	11.6%	13.4%		13.4%	
Operating Margin %	2.0%	3.9%		4.0%	

2Q 2017 Non-OP Items

(unaudited brand consolidated financials)

Non-OP Items	2017 2Q	2017 1Q	QoQ	2016 2Q	YoY
Interest Income (net)	265	241	10%	194	36%
Investment Income	10	(9)	211%	145	-93%
<i>Askey</i>	(166)	(137)	-21%	(6)	-2736%
<i>Others</i>	176	128	38%	151	17%
Exchange Gain/(Loss)	509	495	3%	942	-46%
Dividend Income	5			4	41%
Other Income (net)	(72)	129	-156%	258	-128%
Total Non-OP items	718	855	-16%	1,542	-53%

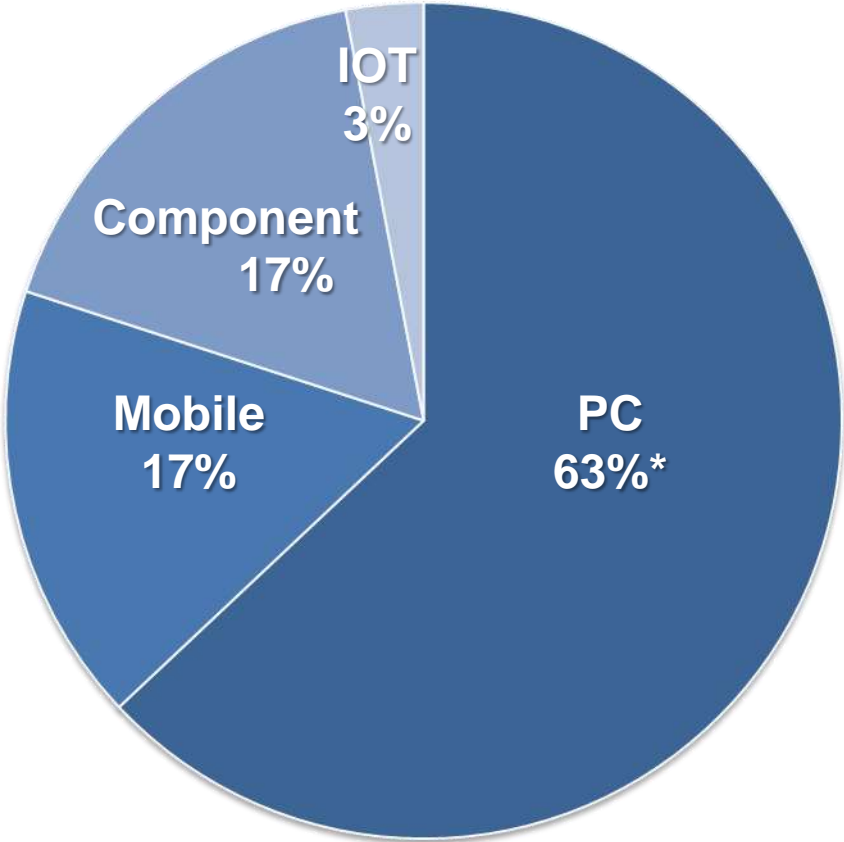
2Q 2017 Brand B/S

in NT\$ Mn	Jun 30, 2017	Mar 31, 2017	QoQ	Jun 30, 2016	YoY
Cash & equivalents	65,250	68,304	-4%	60,329	8%
Accounts receivable	70,361	72,207	-3%	69,362	1%
Inventories	88,813	82,961	7%	81,463	9%
Current Assets	231,496	229,275	1%	220,751	5%
Long-term investments	80,795	81,971		71,471	
Fixed assets	9,240	8,659		4,317	
Total Assets	335,191	334,295	0%	307,306	9%
Accounts payable	56,298	55,450	2%	40,569	39%
Current Liabilities	151,262	137,305	10%	133,130	14%
Total Liabilities	161,354	147,461	9%	142,352	13%
Paid-in capital	7,428	7,428		7,428	
Stockholders' equity	173,835	186,833	-7%	164,954	5%
Avg. Days of Inventory	102	88		94	
Avg. Days of AR	75	69		70	
Avg. Days of AP	71	69		48	
Avg. CCC Days	106	87		116	

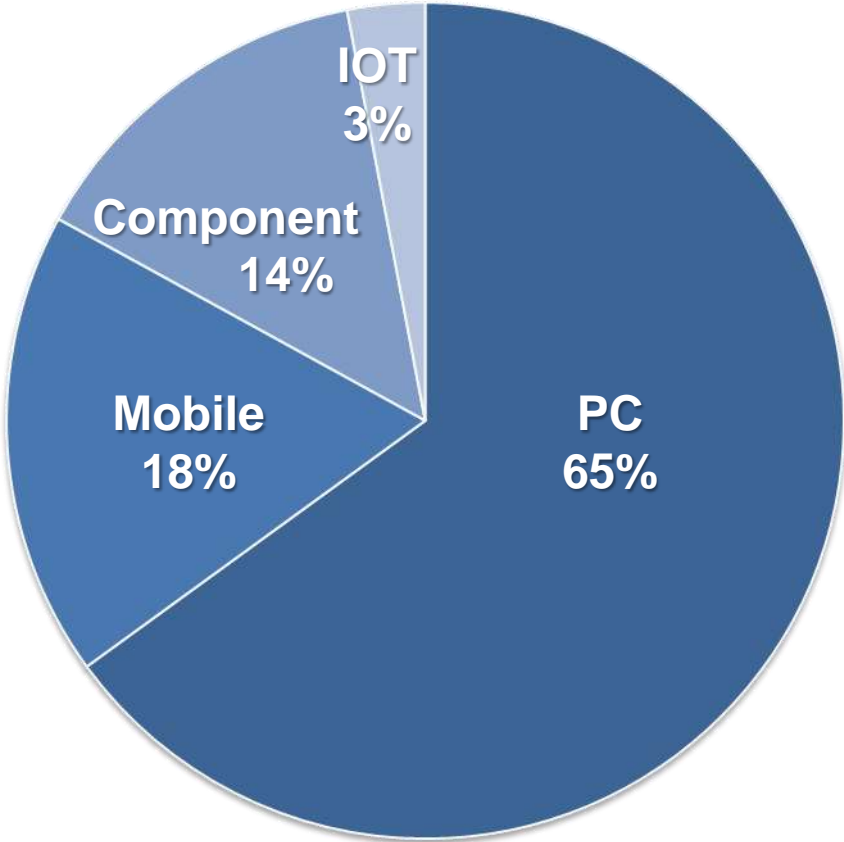
Business Highlights

Product Mix

2Q 2017



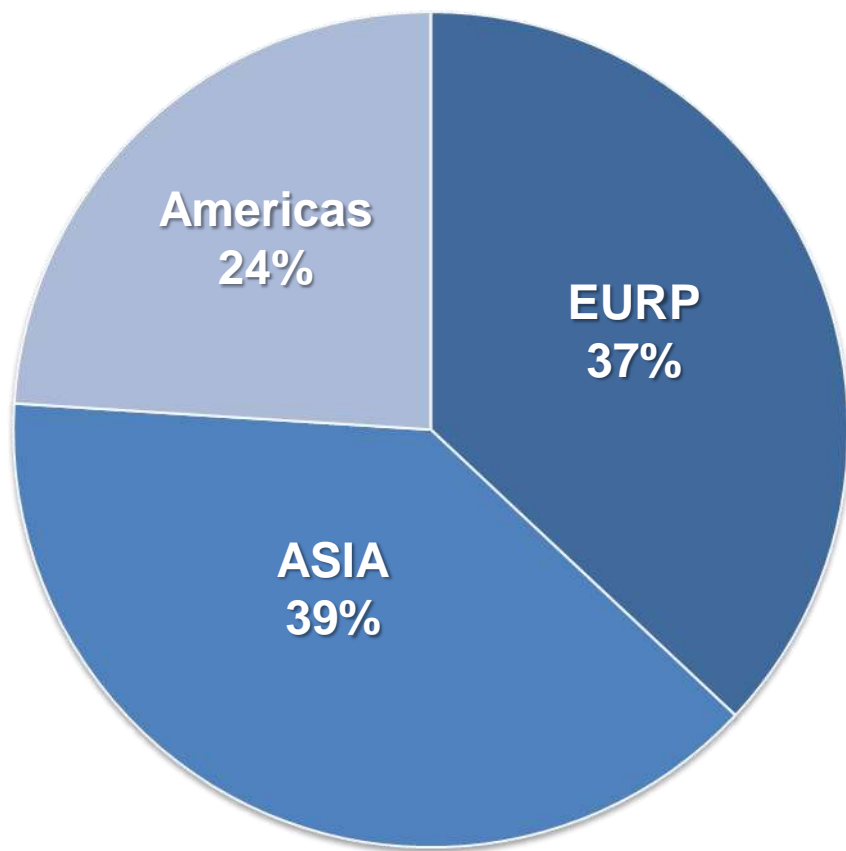
2Q 2016



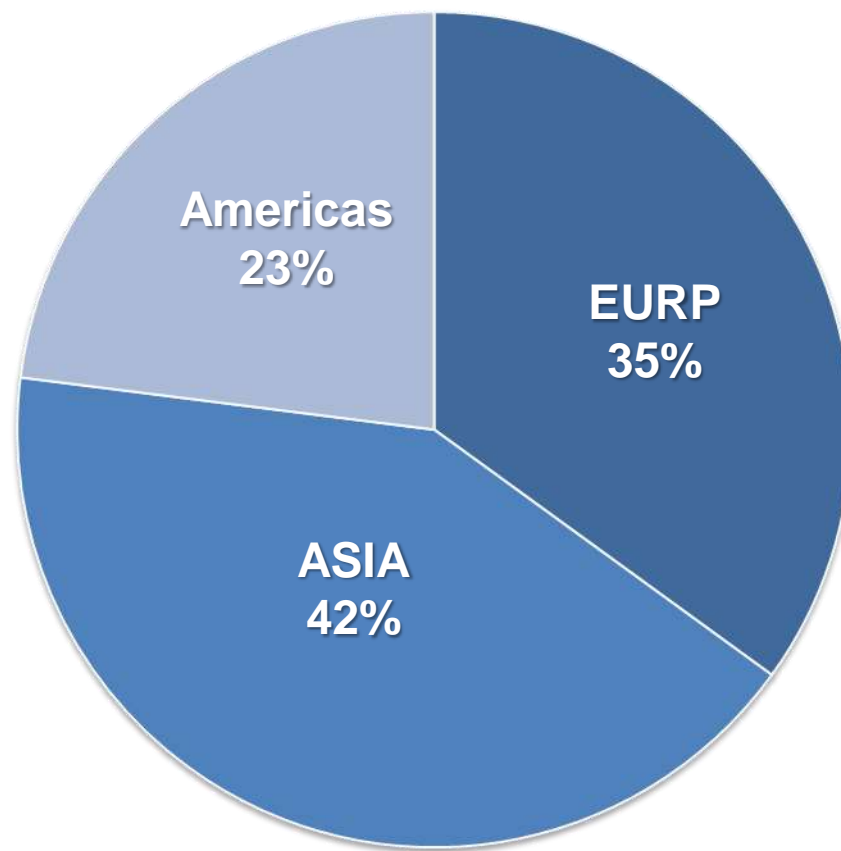
* Gaming PC accounts for 20%~25% of PC revenue

Region Mix

2Q 2017



2Q 2016



3Q 2017 Business Outlook

- **PC QoQ +10% ~ +20%**
- **Mobile QoQ +20% ~ +30%**
- **Component QoQ +5% ~ +10%**

Strategy & Outlook

The ASUS logo is rendered in a white, bold, sans-serif font. It is positioned in the upper right quadrant of the image, above the main Chinese text. The background of the entire image is a dark blue, abstract digital landscape with glowing, curved lines and a grid pattern, suggesting a high-tech or futuristic environment.

ASUS

創新迎戰 變中求勝

Evolution · Revolution

EVOLUTION • REVOLUTION

Technology Roadmap

ID Roadmap

Product Roadmap
Marketing Roadmap



Reinforce Value Stream

Consolidation • Focus

Profit & Position

PC



Stable Growth

Gaming



Ecosystem

Smartphone



Breakthrough

PC Strategy

Leading Innovation • WOW Experience

ZenBook



[More Resources](#)

2in1



VivoBook



[Focus Hero](#)

PC Hero Model

Ultimate Luxury



UX370

10.9mm 2in1



UX550

1050Ti Zenbook

Empowering Luxury
for Everyone



Vivobook Pro

1050P Vivobook

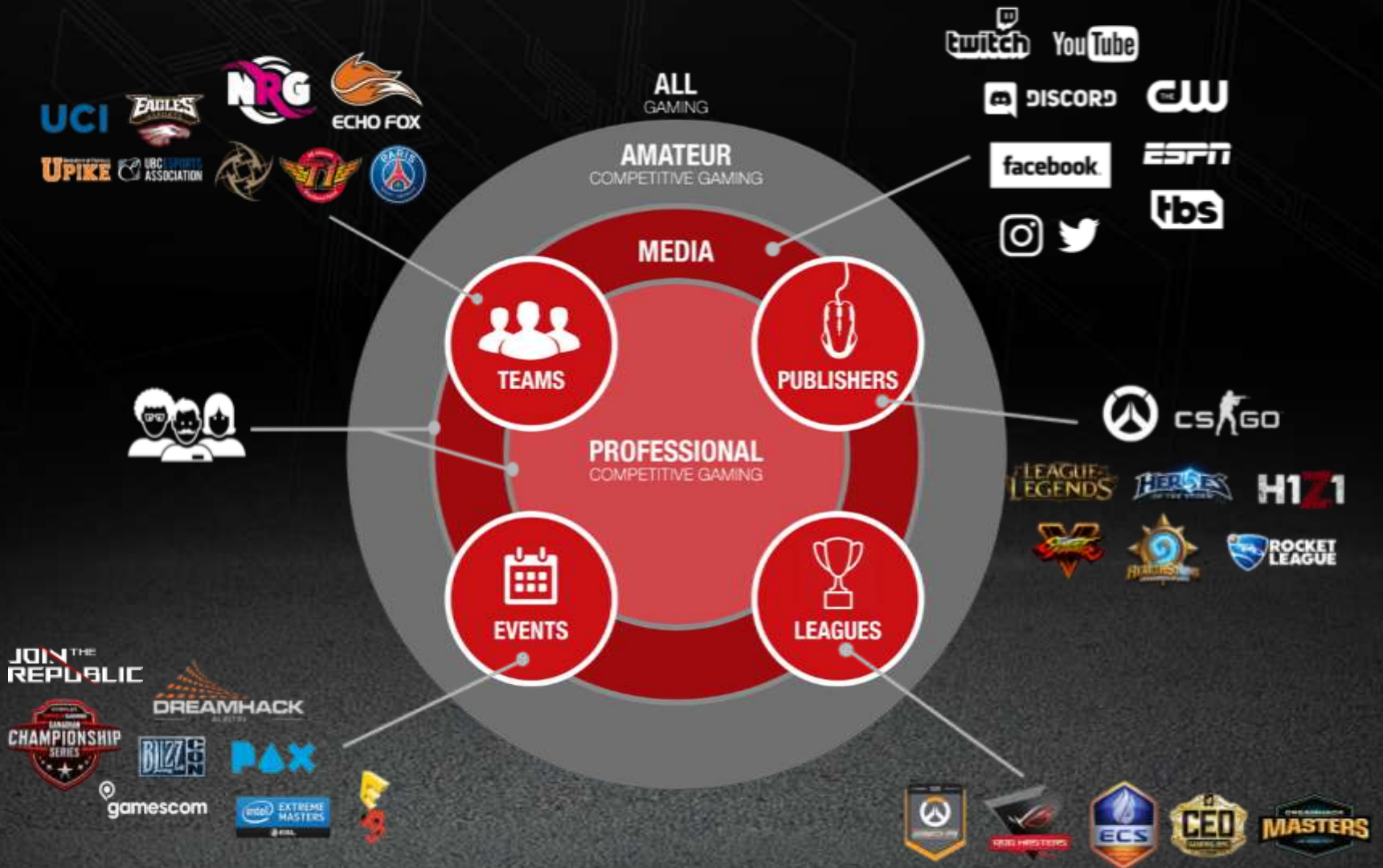


REPUBLIC OF
GAMERS

ASUS ROG



ROG - Ecosystem



Build Ecosystem

JOIN ^{THE}
REPUBLIC

From Zero to
Hero



Build Ecosystem



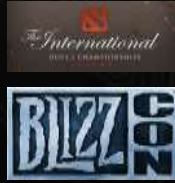
Professional
World-class Tournament
OR
Live Your esports Dream



Build Community

1

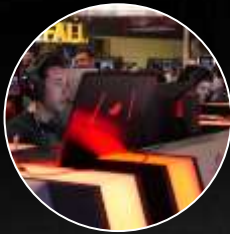
JOIN THE
REPUBLIC



Global

Launch global leagues for professionals and amateurs. Align with organizations that feature the highest level of play.

2



Local

Host and sponsor local LAN events. Sponsor top teams per region and invest in collegiate orgs. Acquire top streamers and deliver localized content.

3



Personal

Engage with fanbase on a personal level through communication at retail and pre/post sales interaction through social media.



REPUBLIC OF
GAMERS

ROG Innovation

GX501



Premium • Thin • Light • Cool • Quiet •
GTX1080



ROG Innovation

GX501

"Gaming laptops will never be the same again"

- Engadget.

"The Zephyrus is a revolutionary gaming-laptop design"

- Computer Shopper.

"It's the best performing 15.6-inch notebook we've ever tested"

- Hot Hardware.



ROG Innovation GX800

NO.1
Performance
Hydro Overclocking System



ROG Innovation



ROG
GX800

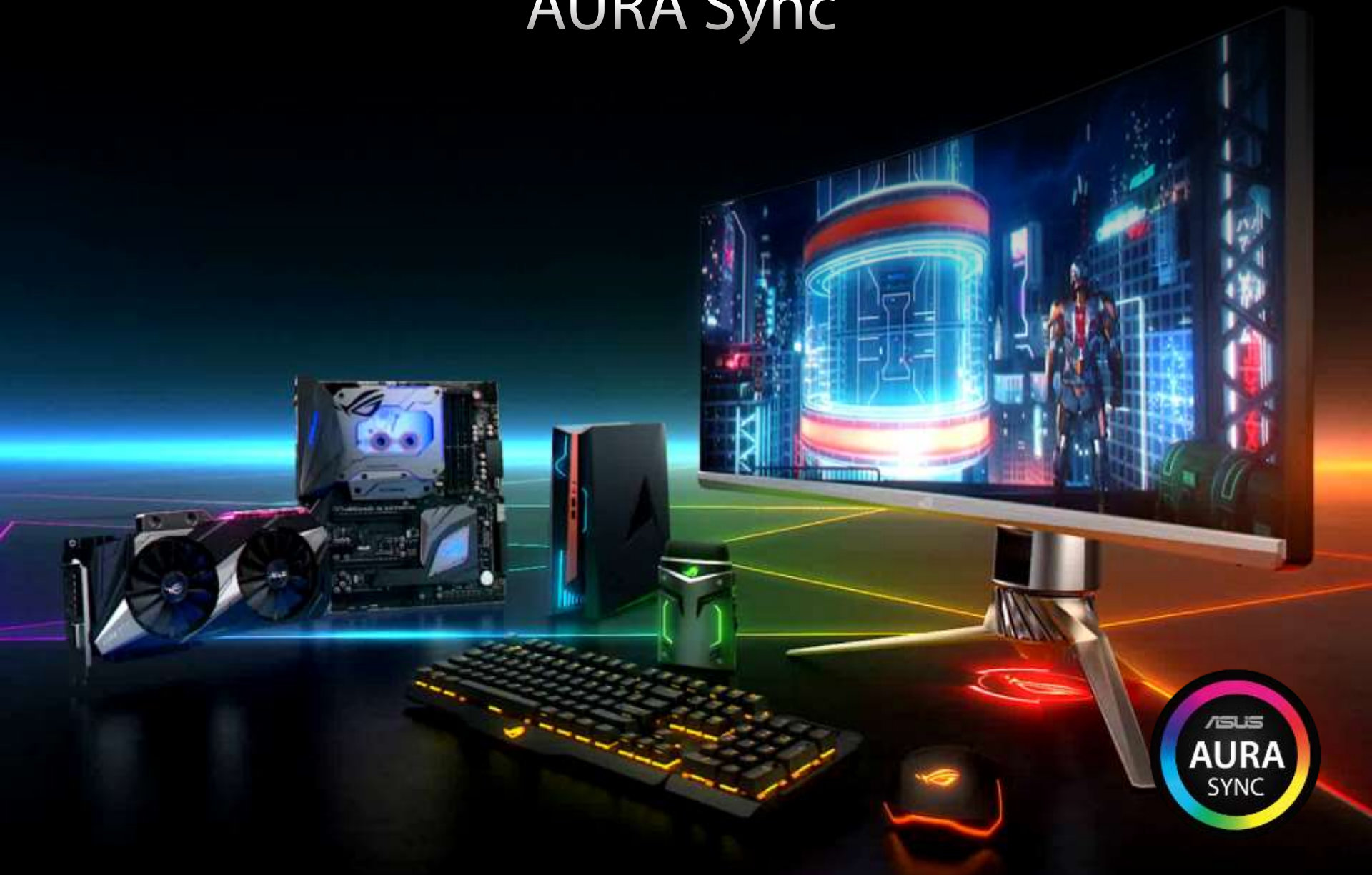
"The Asus ROG GX800 is the craziest computer I've ever used...you absolutely don't need one, but will want one all the same." – Trusted Reviews

ROG Integrated Experience



COMING SOON
2017 IFA

ROG Integrated Experience AURA Sync



ROG Integrated Experience

AURA Sync



MB



Display



Mouse



PC



VGA



Network

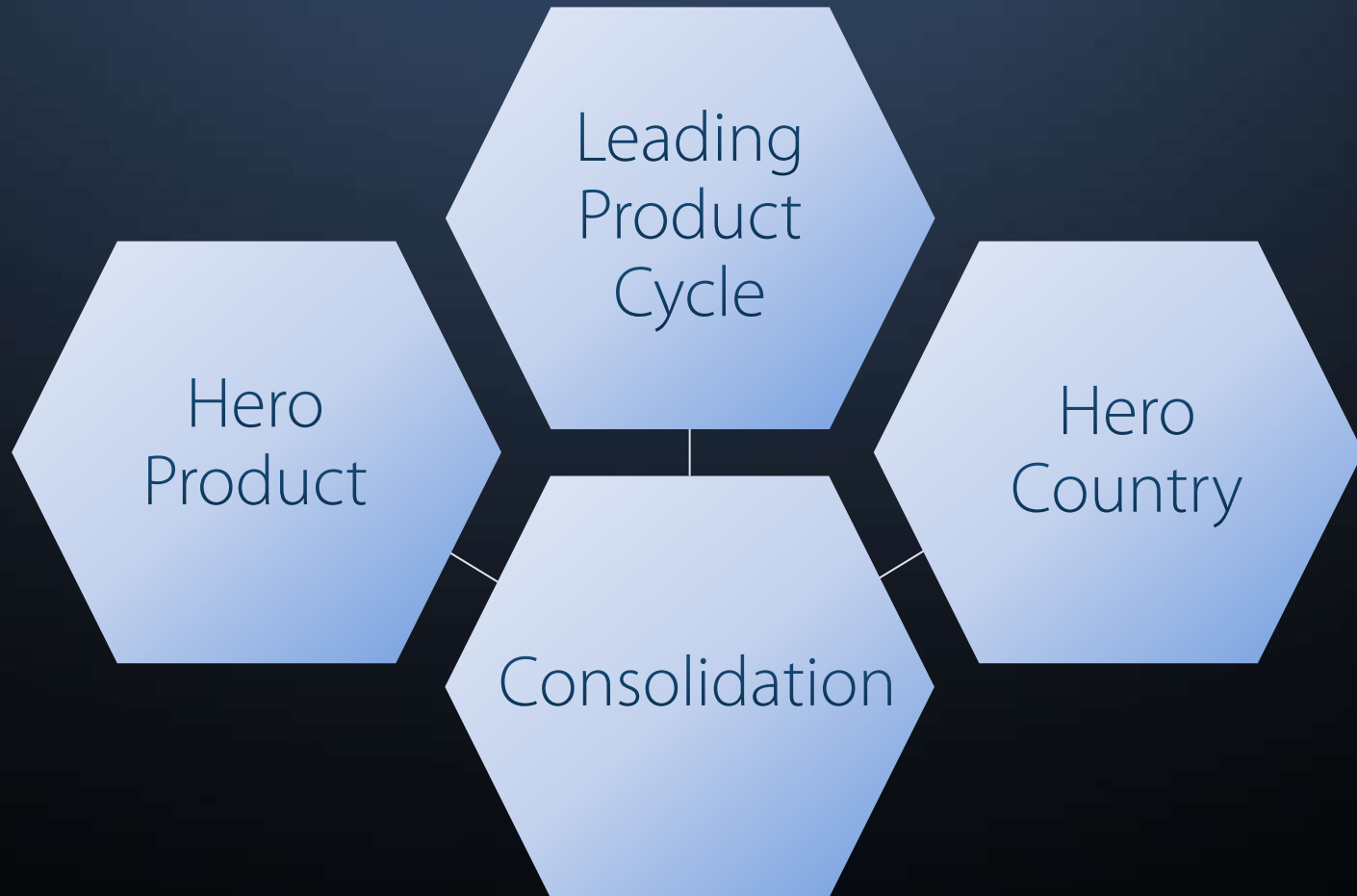


Keyboard



Desktop

Phone



To be somebody in selected countries

Phone

ASP Up , Volume Up



Tough Country : China, India

Phone

Ultimate Luxury

Premier Luxury

Empowering Luxury
for Everyone

Zenfone AR Zenfone [4] Pro

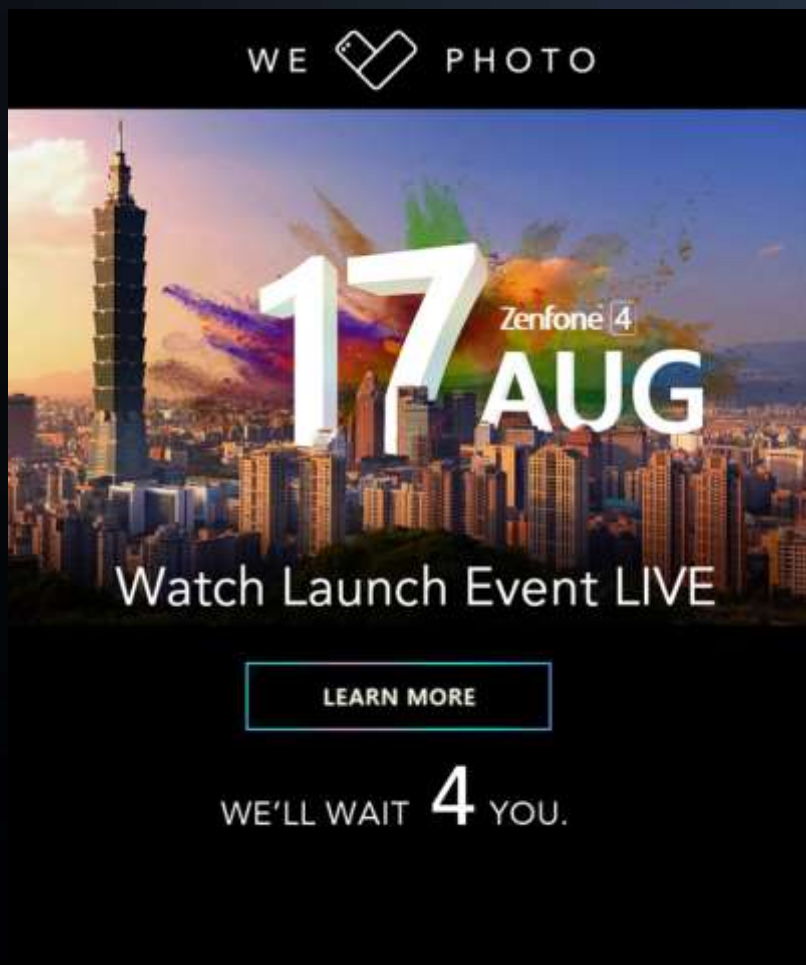
Zenfone [4]

Zenfone [4] Max



WE  PHOTO

華碩 ZenFone 4系列智慧型手機 8.17盛大登場



時間: 8/17 16:00 線上直播

與會國家：

台灣、馬來西亞、香港、印尼、
菲律賓等亞太國家

ASUSTeK

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