

偉詮電子股份有限公司  
Weltrend Semiconductor, Inc.

Investor Conference

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# Safe Harbor Notice

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## Forward-looking Statements

Weltrend's statements and any others in this release that refer to business outlook, future plans, and expectations are forward-looking statements that involve a number of risks and uncertainties. Statements that refer to or are based on projections, uncertain events or assumptions also identify forward-looking statements. Such statements are based on management's expectations as of the date of this earnings release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements. Weltrend presently considers the following to be important factors that could cause actual results to differ materially from the company's expectations.

# 2018 Consolidated Income Statement (YoY)

(Expressed in NT\$K)

	2018/1~12	%	2017/1~12	%	YoY %
Net sales	2,564,457	100	2,381,145	100	8
Cost of good sold	(1,930,122)	(75)	(1,779,340)	(75)	8
Gross Profit	634,335	25	601,805	25	5
Operating Exp.	(457,354)	(18)	(483,144)	(20)	-5
Selling & Adm.	(198,442)	(8)	(207,417)	(9)	-4
R & D Exp.	(258,912)	(10)	(275,727)	(11)	-6
Operating Income	176,981	7	118,661	5	49
Net Non-Operating Income	47,227	2	141,422	6	-67
Income Before Tax	224,208	9	260,083	11	-14
Income Tax Exp.	(47,943)	(2)	(34,453)	(2)	39
Net Income	176,265	7	225,630	9	-22
EPS	0.86		1.02		

# 1Q19 Consolidated Income Statement (YoY)

(Expressed in NT\$K)

	1Q19	%	1Q18	%	YoY %
Net sales	500,444	100	590,026	100	-15
Cost of good sold	(383,299)	(77)	(453,789)	(77)	-16
Gross Profit	117,145	23	136,237	23	-14
Operating Exp.	(115,630)	(23)	(111,452)	(19)	4
Selling & Adm.	(47,036)	(9)	(47,924)	(8)	-2
R & D Exp.	(68,594)	(14)	(63,528)	(11)	8
Operating Income	1,515	-	24,785	4	-94
Net Non-Operating Income	131,928	27	26,455	4	399
Income Before Tax	133,443	27	51,240	8	160
Income Tax Exp.	(22,667)	(5)	(7,307)	(1)	210
Net Income	110,776	22	43,933	7	152
EPS	0.62		0.20		

# 1Q19 Consolidated Income Statement (QoQ)

(Expressed in NT\$K)

	1Q19	%	4Q18	%	QoQ %
Net sales	500,444	100	615,486	100	-19
Cost of good sold	(383,299)	(77)	(461,858)	(75)	-17
Gross Profit	117,145	23	153,628	25	-24
Operating Exp.	(115,630)	(23)	(91,297)	(15)	27
Selling & Adm.	(47,036)	(9)	(39,715)	(7)	18
R & D Exp.	(68,594)	(14)	(51,582)	(8)	33
Operating Income	1,515	-	62,331	10	-98
Net Non-Operating Income	131,928	27	(139,340)	(23)	195
Income Before Tax	133,443	27	(77,009)	(13)	273
Income Tax (Exp.) Benefit	(22,667)	(5)	9,928	2	-328
Net Income	110,776	22	(67,081)	(11)	265
EPS	0.62		-0.28		

# Balance Sheet Summary

(Expressed in NT\$K)

	2019/03/31	2018/12/31
Cash & Financial Assets - current	2,236,036	2,363,868
Notes & Accounts receivable	643,796	744,282
Inventories	438,921	411,554
Property, Plant and Equipment	241,873	206,380
Other assets	150,122	111,466
<b>Total assets</b>	<b>3,710,748</b>	<b>3,837,550</b>
Notes & Accounts payable	288,068	259,768
Other current liabilities	310,168	607,188
Noncurrent liabilities	112,923	80,481
<b>Stockholders' equity</b>	<b>2,999,589</b>	<b>2,890,113</b>

# A 30-year IC Design Company

<b>Founded</b>	Founded in the Hsinchu Science Park in July, 1989
<b>Capital</b>	NT\$1.78 billion (US\$59.3 millions)
<b>Headcount</b>	287 (as the end of 1Q19)
<b>Main Business</b>	<ul style="list-style-type: none"> <li>▪ Self-owned brand IC product development and sales</li> <li>▪ ASIC product development and sales</li> <li>▪ Value-added resale (VAR) for international name brand components (ex. ROHM)</li> </ul>
<b>Honors</b>	<ul style="list-style-type: none"> <li>▪ In 1995, awarded with Taiwan’s 4th National Award of Outstanding Small &amp; Medium Enterprises, being the first company from Science Park to win the title.</li> <li>▪ First listed on Taiwan OTC market in 1997 and then subsequently listed on Taiwan's mainboard, TAIEX, in 2000 (Ticker 2436).</li> <li>▪ Awarded with “Taiwan Technology Fast 50” by Deloitte and named multiple times as one of companies with best ROE and ROI by renowned financial magazines in Taiwan.</li> <li>▪ ADAS R&amp;D Team Awarded with the 17th Annual Technology Management Award by CSMOT.</li> <li>▪ Ranked Top 20% in 2016 Corporate Governance Evaluation and Awarded Most Improved Company.</li> </ul>

# Q & A

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**THANK YOU!**