

2018 Second Quarter Results

Aug. 9, 2018

PixArt's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

Consolidated Income Statements(一)

PixArt Imaging Inc.

Unit: In thousand NTD except EPS

	Q2/18	Q1/18	Q2/17	QoQ	YoY
Net Sales	1,366,010	1,300,429	1,295,348	5.0%	5.5%
COGS	572,392	576,540	573,138	-0.7%	-0.1%
Gross Profit	793,618	723,889	722,210	9.6%	9.9%
<i>Gross Margin</i>	58.1%	55.7%	55.8%		
Operating Expense	551,755	515,512	520,986	7.0%	5.9%
Operating Income	241,863	208,377	201,224	16.1%	20.2%
<i>Operating Margin</i>	17.7%	16.0%	15.5%		
Non-Operating Income & Expense	43,440	3,975	16,193		
Income before Tax	285,303	212,352	217,417	34.4%	31.2%
Income Tax Expense (Benefit)	60,215	42,470	41,289		
Net Income	225,088	169,882	176,128	32.5%	27.8%
<i>Net Margin</i>	16.5%	13.1%	13.6%		
Attributable to:					
Shareholders of the parent	237,101	181,020	188,310		
Minority interests	(12,013)	(11,138)	(12,182)		
Consolidated net income	225,088	169,882	176,128		
Net income attributable to shareholders of the parent	1.82	1.40	1.48		
Weighted Avg. Outstanding shares	130,221	129,165	127,215		

Consolidated Income Statements(二)

PixArt Imaging Inc.

Unit: In thousand NTD except EPS

	H1/18	H1/17	YoY
Net Sales	2,666,439	2,399,050	11.1%
COGS	1,148,932	1,094,504	5.0%
Gross Profit	1,517,507	1,304,546	16.3%
<i>Gross Margin</i>	56.9%	54.4%	
Operating Expense	1,067,267	1,016,933	4.9%
Operating Income	450,240	287,613	56.5%
<i>Operating Margin</i>	16.9%	12.0%	
Non-Operating Income & Expense	47,415	22,285	
Income before Tax	497,655	309,898	60.6%
Income Tax Expense (Benefit)	102,685	61,178	
Net Income	394,970	248,720	58.8%
<i>Net Margin</i>	14.8%	10.4%	
Attributable to:			
Shareholders of the parent	418,121	270,126	
Minority interests	(23,151)	(21,406)	
Consolidated net income	394,970	248,720	
Net income attributable to shareholders of the parent	3.22	2.13	
Weighted Avg. Outstanding shares	129,695	127,028	

Consolidated Balance Sheets

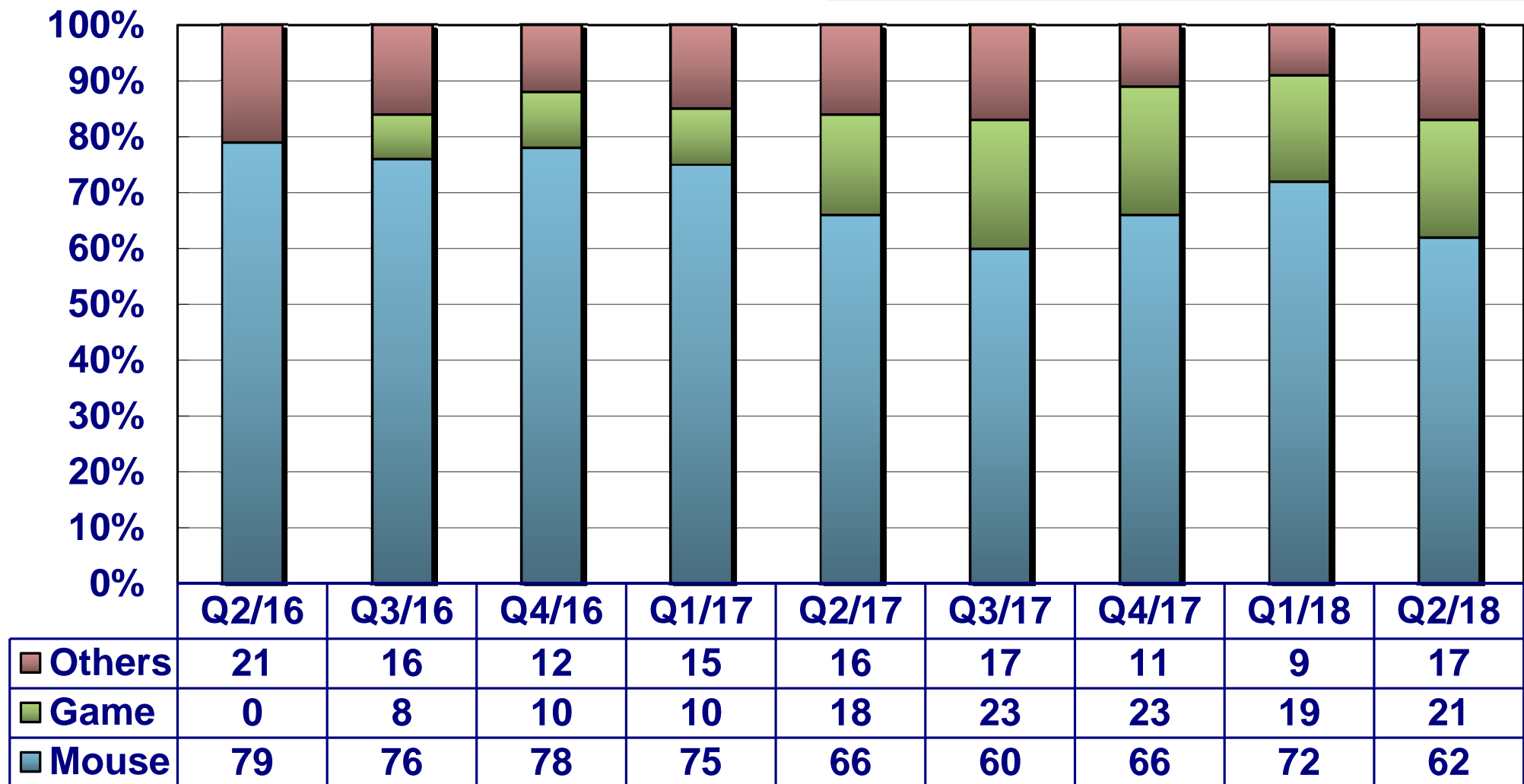
PixArt Imaging Inc.

Amount: NT\$ thousand

	Q2/18	Q1/18	Q2/17
Cash and Cash Equivalents	4,127,584	3,803,071	3,168,488
Accounts Receivable	854,394	834,048	852,473
Inventory	642,898	629,019	586,400
Total Current Assets	6,009,016	5,650,543	4,957,389
Noncurrent Assets	2,228,635	2,105,075	2,016,841
Total Assets	8,237,651	7,755,618	6,974,230
Short-Term Loans	128,920	239,043	289,900
Accounts Payable	362,796	328,236	397,417
Other payable	1,210,998	547,639	692,067
Total Liabilities	2,144,675	1,520,491	1,680,599
Total shareholders' equity	6,092,976	6,235,127	5,293,631

Product Mix-Quarterly

PixArt Imaging Inc.



For 2018-Q3, we currently expect (not taking NRE revenue into consideration):

◆ Consolidated revenue: increase by 15%~20% QoQ

Q&A

END

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