

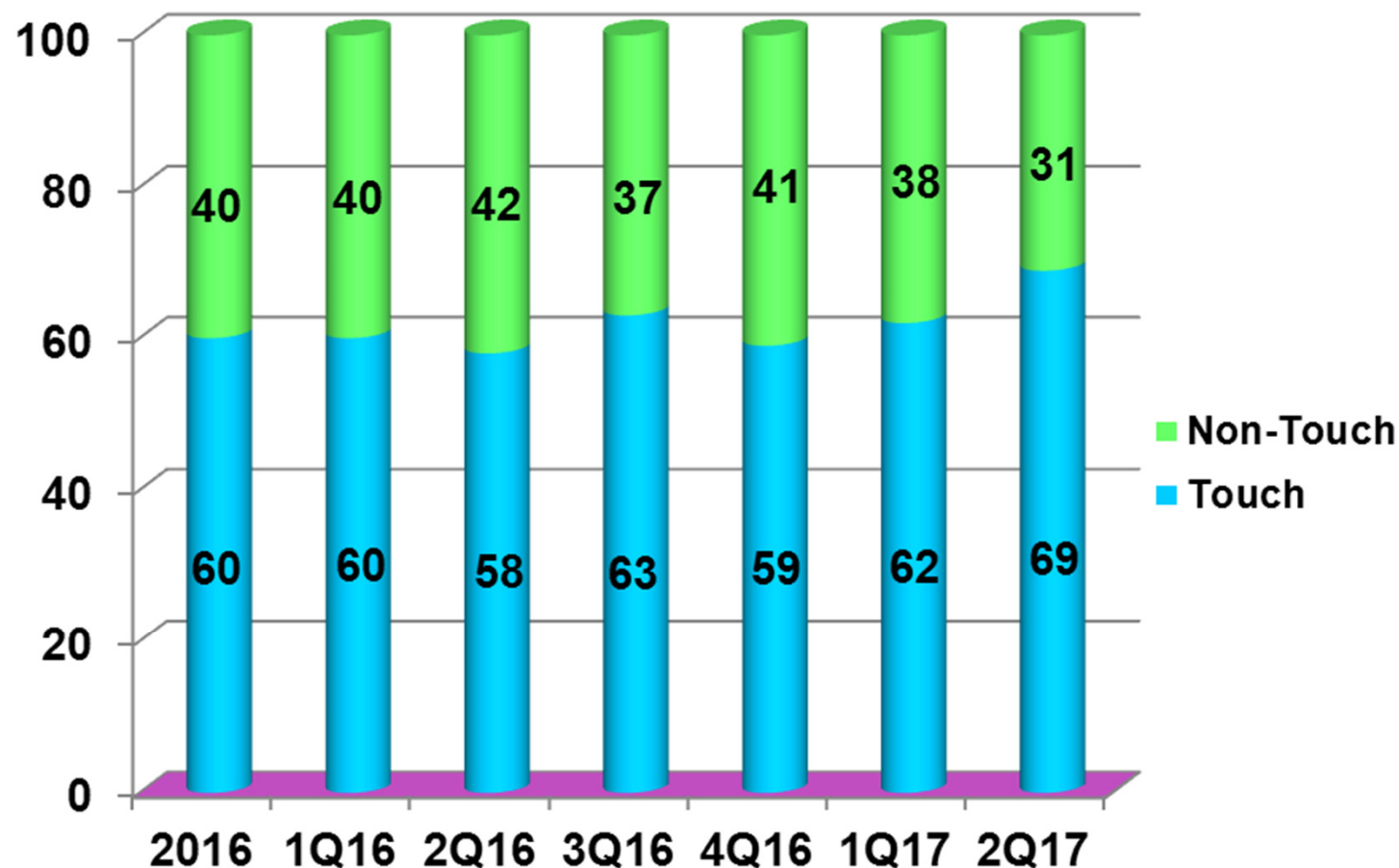
ELAN Microelectronics Corp.

2Q17 Investor Conference

2017/07/26

Sales Breakdown by Product Line (Consolidated)

Sales: NT\$M 6,559 1,400 1,552 1,959 1,648 1,589 1,867



- Touch: Touchscreen Chip, Touchpad, Fingerprint ID
- Non-touch: MCU, Pointing Stick, Affiliated Co. Products

2Q17 Income Statement

YoY Comparison (Consolidated)

	NT\$M				
	2Q17	%	2Q16	%	YoY(%)
Sales	1,867	100	1,552	100	20
Gross profit	831	45	632	41	31
Sales expense	79	4	73	5	
G&A expense	77	4	75	5	
R&D expense	344	19	332	21	
Operating profit	331	18	152	10	118
Non-operating income & exp.	14	1	(2)	(0)	
Profit before tax	345	19	150	10	130
Net profit	280	15	120	8	133
Belong					
Parent company	292		138		112
Non-Controlling Interests	(12)		(18)		
* EPS (NT\$)	0.70		0.33		112

* Based on the current 434 million shares (Unreviewed)

* Based on the weighted average number of shares outstanding

2Q17 Income Statement

QoQ Comparison (Consolidated)

NT\$M

	2Q17	%	1Q17	%	QoQ(%)
Sales	1,867	100	1,589	100	17
Gross profit	831	45	697	44	19
Sales expense	79	4	66	4	
G&A expense	77	4	73	5	
R&D expense	344	19	331	21	
Operating profit	331	18	227	14	46
Non-operating income & exp.	14	1	(68)	(4)	
Profit before tax	345	19	159	10	117
Net profit	280	15	125	8	124
Belong					
Parent company	292		140		109
Non-Controlling Interests	(12)		(15)		
* EPS (NT\$)	0.70		0.34		106

* Based on the current 434 million shares (Unreviewed)

* Based on the weighted average number of shares outstanding

1H17 Income Statement

YoY Comparison (Consolidated)

	NT\$M				
	1H17	%	1H16	%	YoY(%)
Sales	3,456	100	2,952	100	17
Gross profit	1,528	44	1,198	41	28
Sales expense	145	4	139	5	
G&A expense	150	4	147	5	
R&D expense	675	20	641	22	
Operating profit	558	16	271	9	106
Non-operating income & exp.	(54)	(2)	(9)	(0)	
Profit before tax	504	14	262	9	92
Net profit	405	12	211	7	92
Belong					
Parent company	432		248		74
Non-Controlling Interests	(27)		(37)		
* EPS (NT\$)	1.04		0.60		73

* Based on the current 434 million shares (Unreviewed)

* Based on the weighted average number of shares outstanding

Balance Sheets

Jun. 30, 2017 (Consolidated)

NT\$M

Current assets	7,795
Cash and cash equivalents	2,484
Current financial assets	789
A/R&A/N	1,487
Inventory	1,052
Other current assets	43
Other current financial assets	1,940
Non-current financial assets	1,121
Fixed assets	572
Other non-current assets	325
Total Assets	9,813
Current liabilities	2,754
Non-current liabilities	447
Total Liabilities	3,201
Capital stock	4,341
Capital surplus	487
Retained earnings	1,745
Other equity interest	171
Treasury stock	(101)
Non-controlling interests	(31)
Total Stockholders' Equity	6,612

(Unreviewed)

Cash Flow Statement

Jun. 30, 2017 (Consolidated)

	NT\$M
Income before tax	504
Dep & Amort.	67
Dec.(Inc.) of A/R & N/R	(182)
Dec.(Inc.) of inventory	(38)
Dec.(Inc.) of investments-trading	(47)
Inc.(Dec.) of A/P & N/P	(10)
Others	126
Operating cashflow	420
Inc.F/A	(19)
Dividend received	37
Dec.(Inc.) of investments	56
Dec.(Inc.)Time deposit with maturity over three-month	117
Acquisition of intangible assets	(73)
Others	2
Investment cashflow	120
Inc.(Dec.) in short-term loans payable	100
Financing cashflow	100
Change in cash	640
Beg. Cash	1,844
End Cash	2,484

(Unreviewed)

Technology Trend Update

Microsoft Surface Device Trend

Tablet with KB Cover

Surface Pro 12.3"
(\$799~\$2,699)



Clamshell

Surface Laptop 13.5" (\$999)



Detachable Clamshell

Surface Book 13.5" (\$1,499~)



AIO Desktop

Surface Studio 28" (\$2,999~)



iPad Pro with Pencil Trend



Buy iPad Pro

Buy online and get fast, free shipping.

Model

10.5-inch display

From \$649

12.9-inch display

From \$799

Finish



Silver

Gold

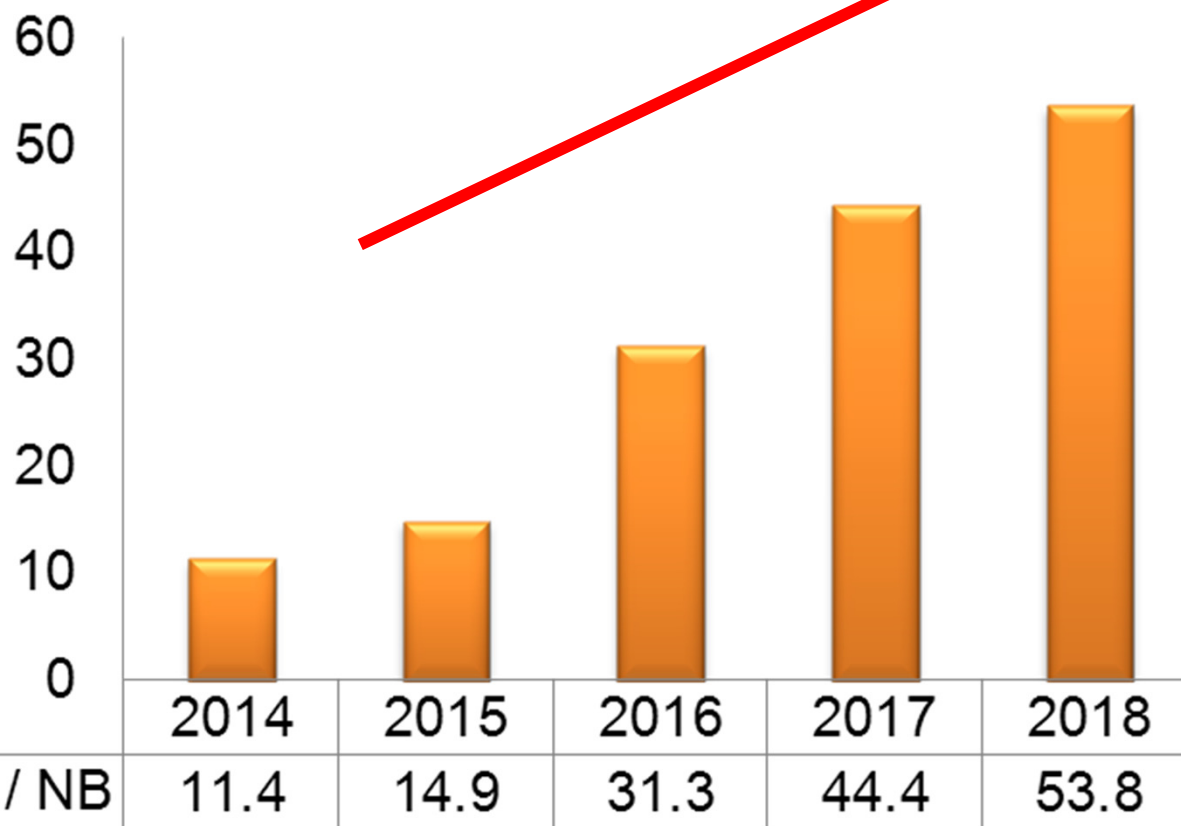
Over 1000 New Pen Apps in Microsoft Store



Worldwide Stylus Market Shipment



Unit: M set



■ Tablet / 2-in-1 / NB

ELAN Inside Supporting Microsoft Pen



Asus Zenbook Flip S
13.3" 4K UHD
Starting at \$1099



Asus Transformer T303
12.6" 3K
Starting at \$899



Asus Transformer T102
10.1" HD
Starting at \$399



Asus Transformer T305
12.6" 3K
Starting at \$799



HP Spectre x2
12.3" 3K
Starting at \$1149



HP Spectre x360 15
15.6" 4K UHD
Starting at \$1279



HP Spectre x360 13
13.3" 4K UHD
Starting at \$1199



Acer Switch 5
12" 2160 X 1440
Starting at \$799



Acer Switch 3
12.2" 1920 X 1200
Starting at \$399



DELL Inspiron 15 5000
13.3" 1920 X 1090
Starting at \$879



DELL Inspiron 15 7000
15.6" 1920 X 1090
Starting at \$799



DELL Inspiron 13 7000
13.3" 1920 X 1090
Starting at \$999

ELAN's Best Performance Smart-Usability™ on Premium Models

ASUS®

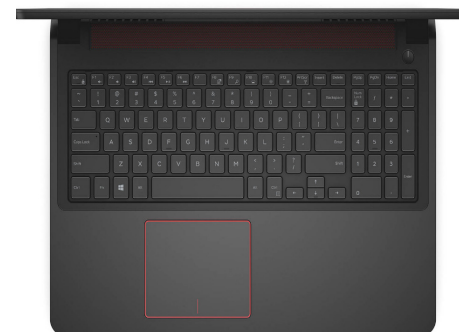


Asus Zenbook Series

acer



Acer Switch Series



DELL Inspiron Gaming

Lenovo™



Lenovo Yoga Series



HP Spectre Series



Source: MSFT



Source: MSFT



BETTER THAN BEFORE

Xiaomi updates the Mi Notebook Air with Kaby Lake processor, fingerprint sensor

BY HARISH JONNALAGADDA Monday, Jun 12, 2017 at 9:50 am EDT

The Mi Notebook Air gets refreshed for 2017 with performance upgrades.

Xiaomi launched the [Mi Notebook Air](#) last July, and the manufacturer is rolling out a refresh for 2017 with updated processors and new hardware additions. Xiaomi is offering two variants of the 13.3-inch Mi Notebook Air — a high-end version with a seventh-gen Kaby Lake Core i7-7500U processor clocked at 3.5GHz, and a model with a 3.1GHz Core i5-7200U CPU. That translates to a 10% increase in performance.





Q & A

Smart-Touchscreen™



Active Pen
Passive Pen

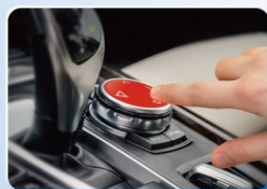


Moisture Proof



Support Glove

Smart-ClickPad™



Smart-Touch™



Fingerprint Smart-ID™



360° Camera

