



2Q 2017 Investor Conference

August 15, 2017

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Sunplus Affiliates


SUNPLUS
Sunplus Group



* Based on 2017/6/30 Consolidated-holding by Sunplus

Automotive and Home Solutions

- Excellent User Experience

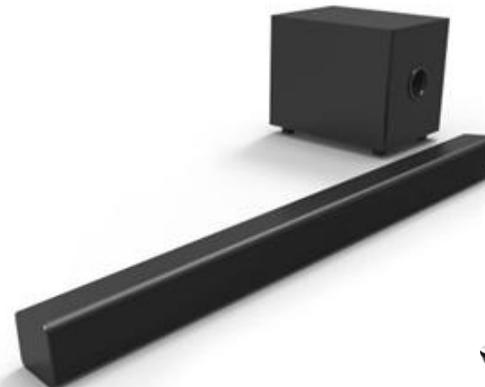
Automotive

CarPlay/
Android Auto/CarLife
AVM
ADAS



Audio

Karaoke
Boombox
Soundbar
Smart Speaker



DVD

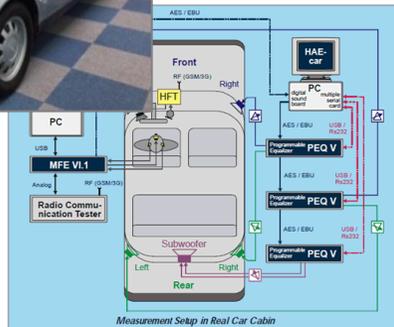
Portable &
Desktop



Automotive Products

ITU-T Lab

- Provide customer acoustic pre-test
- Apple accepted Sunplus report



AVM+ADAS

- Single platform realizing 2D/3D AVM and ADAS products
- Integrated HW AVM engine to save CPU/GPU power



Display Audio

- CarPlay, Android Auto, CarLife
- Integrated high performance audio/video processor



Apple CarPlay
android auto



IP Solutions

- Experience Optimized IP Solutions for SoC Design

Media I/F (Video/Audio)

MIPI RX IP, HDMI Tx IP,
LVDS IP, AUDIO ADC,
AUDIO DAC, VIDEO
DAC...

Data/Com I/F (Networking/Datacom)

10/100 ETHERNET
PHY, USB 2.0, USB 3.0,
DDR 3/2 PHY, SerDes...

SoC Companion

SAR ADC, Pipeline
ADC, PLL, SPREAD
SPECTRUM PLL...

Human Resources

Global Employees/ R&D

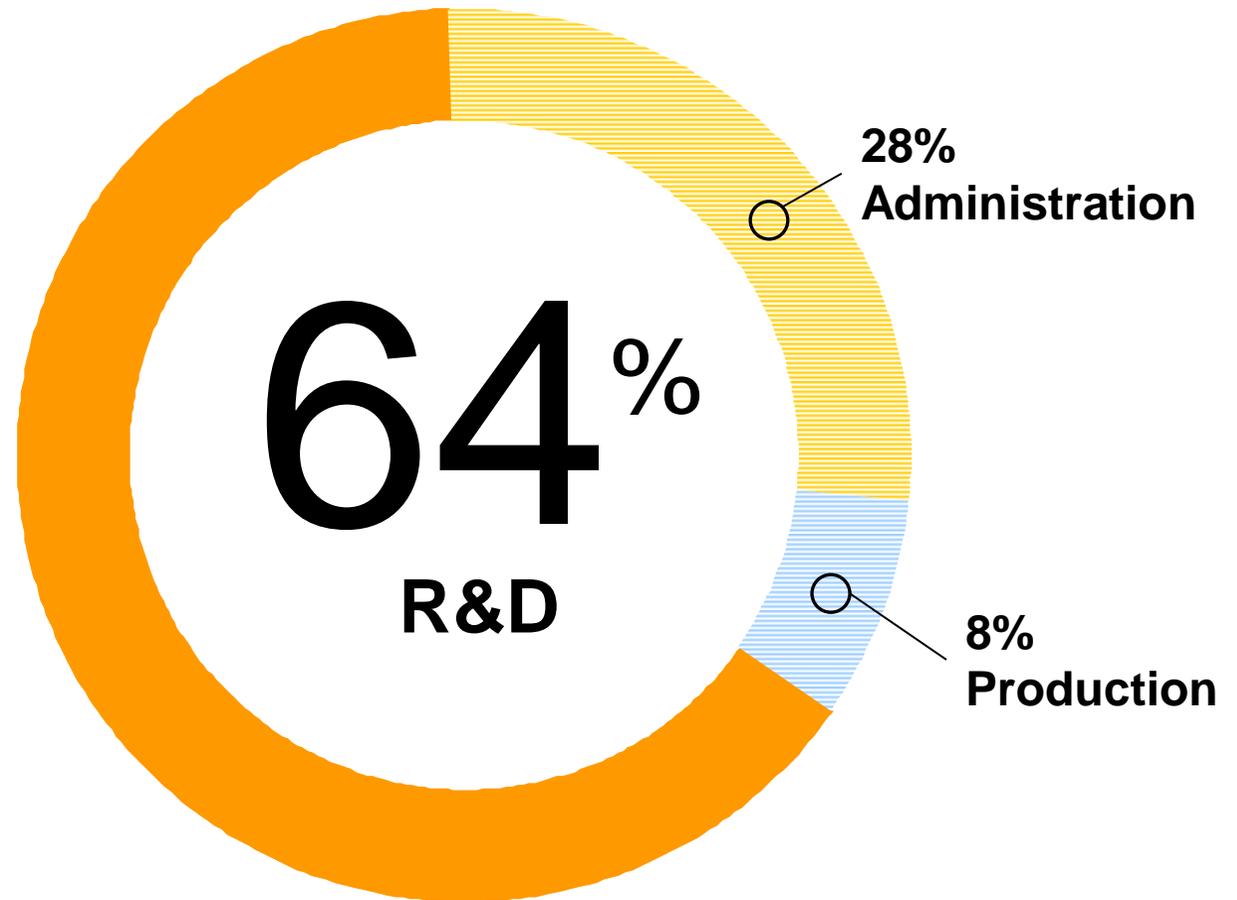
1,383/ 885

41% Master above

Sunplus HR/ R&D

300/ 176

59% Master above



* Data by 2017/6/30

2017 Q2 Consolidated Results

(NT\$ million)	2017Q2		2017Q1		2016Q2		QoQ	YoY
Net Sales	1,830	100%	1,479	100%	2,084	100%	24%	(12%)
COGS	1,086	59%	905	61%	1,178	57%	20%	(8%)
Gross Margin	743	41%	574	39%	905	43%	30%	(18%)
R&D Expenses	449	25%	438	30%	508	24%	2%	(12%)
SG&A Expenses	226	12%	210	14%	309	15%	8%	(27%)
Operating Net Profit (Loss)	67	4%	(75)	(5%)	89	4%	(190%)	(25%)
Non-Op. Gain (Loss)	34	2%	413	28%	38	2%	(92%)	(11%)
Net Income (Loss)	75	4%	327	22%	90	4%	(77%)	(17%)
Other Comprehensive Income	17	1%	(270)	(18%)	(149)	(7%)	(106%)	(111%)
Total Comprehensive Income	91	5%	57	4%	(58)	(3%)	59%	(257%)
Net Profit Attributable To								
Shareholders of the parent	28	2%	318	21%	23	1%	(91%)	21%
Non-controlling interests	46	3%	10	1%	67	3%	377%	(31%)
EPS (NT\$)	0.05		0.54		0.04			

** EPS based on outstanding 591,994,919 shares on 2017/06/30

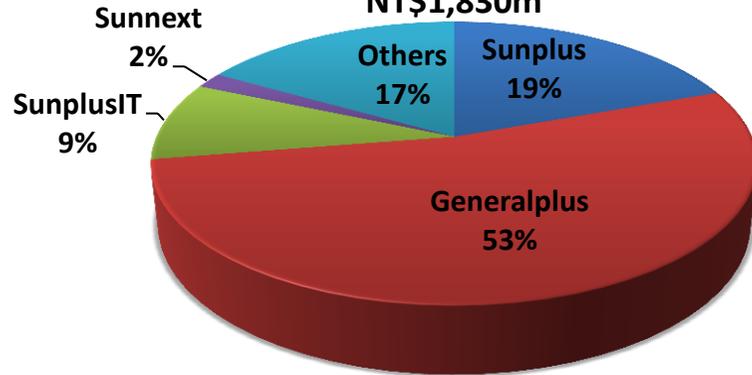
2017 1H Consolidated Results

(NT\$ million)	2017 1H		2016 1H		YoY	Remark
Net Sales	3,308	100%	3,886	100%	(15%)	Home DVD shrinking
COGS	1,991	60%	2,203	57%	(10%)	
Gross Margin	1,317	40%	1,683	43%	(22%)	Exchange rate, ASP down
R&D Expenses	887	27%	970	25%	(9%)	
SG&A Expenses	436	13%	548	14%	(21%)	
Operating Net Profit (Loss)	(8)	(0%)	165	4%	(105%)	Lower Sales & GM
Non-Op. Gain (Loss)	447	14%	14	0%	3167%	Tatung stock sold in 1Q'17
Net Income (Loss)	402	12%	127	3%	217%	
Other Comprehensive Income	(254)	(8%)	(318)	(8%)	(20%)	RMB exchange rate, Stock price
Total Comprehensive Income	149	4%	(192)	(5%)	(178%)	
Net Profit Attributable To						
Shareholders of the parent	346	10%	26	1%	1247%	
Non-controlling interests	56	2%	101	3%	(44%)	
EPS (NT\$)	0.59		0.04			

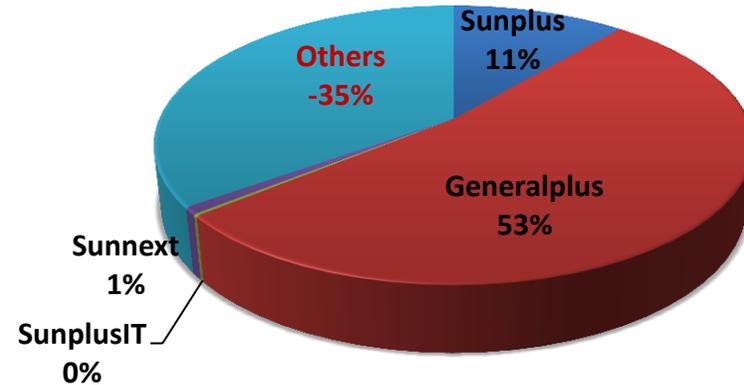
** EPS based on outstanding 591,994,919 shares on 2017/06/30

2017 Affiliates' Contribution

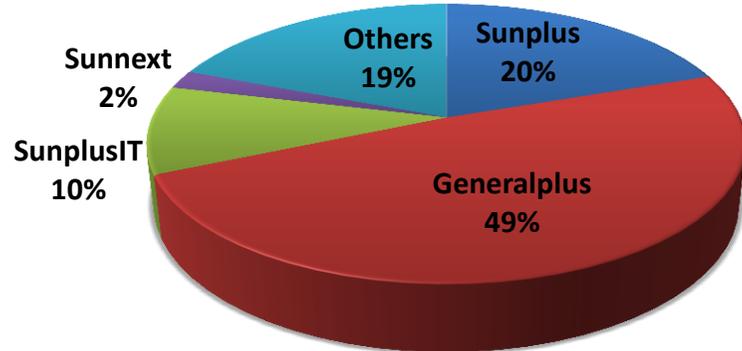
2017 Q2 Net Sales
NT\$1,830m



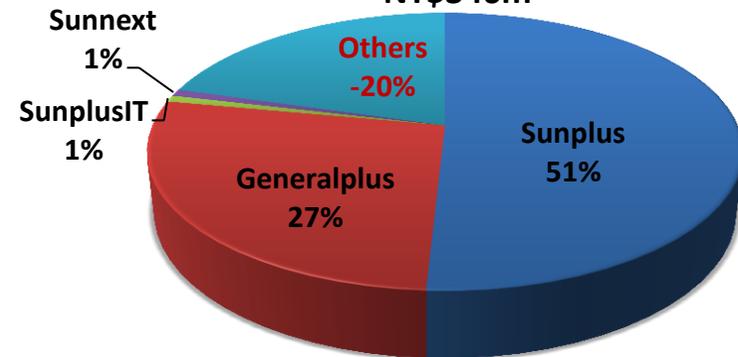
2017 Q2 Net Income
NT\$28m



2017 1H Net Sales
NT\$3,308m



2017 1H Net Income
NT\$346m



2017 Q2 Consolidated Balance Sheet

(NT\$ million)	2017Q2	2017Q1	2016Q2	QoQ	YoY	Remarks
Total Assets	13,648	13,257	15,363	3%	(11%)	
Cash and Cash equivalents	3,879	3,938	4,390	(2%)	(12%)	Repay L-T loans
Inventory	1,101	984	1,214	12%	(9%)	
Equity Method Investments	371	404	321	(8%)	16%	
Intangible Assets	179	186	237	(3%)	(24%)	
Total Liabilities	3,309	2,511	5,042	32%	(34%)	
S-T Bank Loans	628	485	881	30%	(29%)	
L-T Bank Loans, Current Portion	239	152	888	58%	(73%)	
Account Payable	713	612	806	16%	(12%)	
L-T Bank Loans, Net of Current Portion	188	351	603	(47%)	(69%)	
Total Shareholder Equity	10,340	10,746	10,320	(4%)	0%	
ROE%	3.89%	3.05%	1.23%			
Net Asset Value per Share (NT\$)	14.91	15.35	14.71			

2017 Cash Flows

(NT\$ million)	2017Q2	2017Q1	2016Q2	QoQ	YoY	Remarks
From Operation	(105)	(355)	78	(70.5%)	(233.6%)	Inventory up
From Investment	(75)	464	144	(116.1%)	(151.7%)	Bought fund
From Financing	114	(993)	58	(111.4%)	96.7%	Hedge loan
Net Cash Flow in (out)	(59)	(865)	302	(93.1%)	(119.7%)	
Cash and Cash equivalents	3,879	3,938	4,390	(1.5%)	(11.6%)	

(NT\$ million)	2017 1H	2016 1H	YoY	Remarks
From Operation	(460)	318	(244.4%)	Inventory up
From Investment	398	(262)	(251.9%)	Tatung stock sold
From Financing	(880)	127	(794.6%)	Repay L-T loans
Net Cash Flow in (out)	(925)	(52)	1662.4%	
Cash and Cash equivalents	3,879	4,390	(11.6%)	

2017 Non-Operating Gain

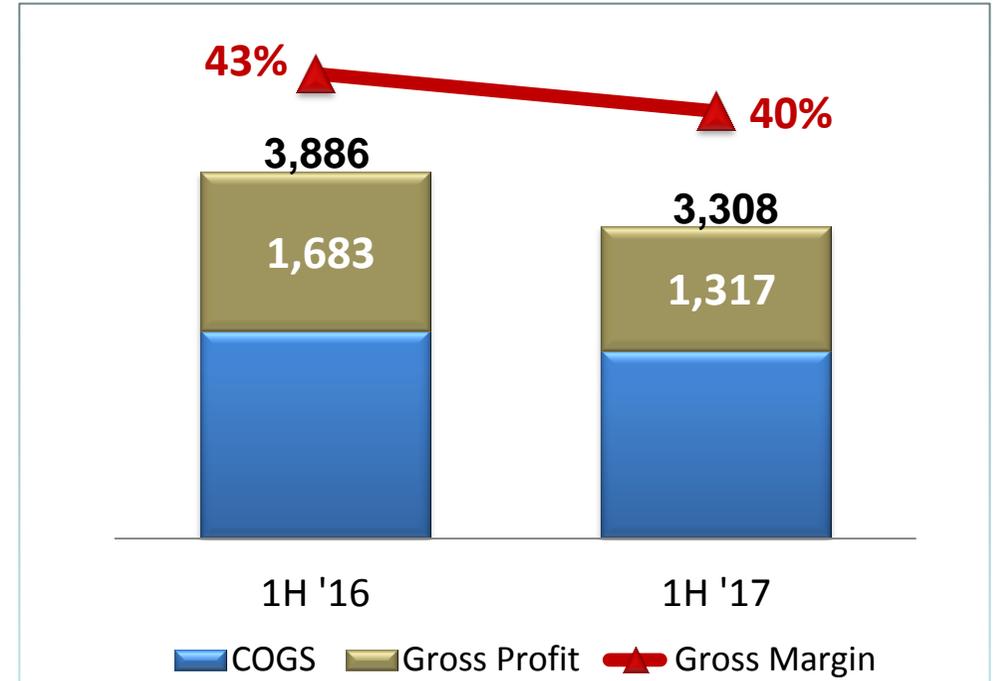
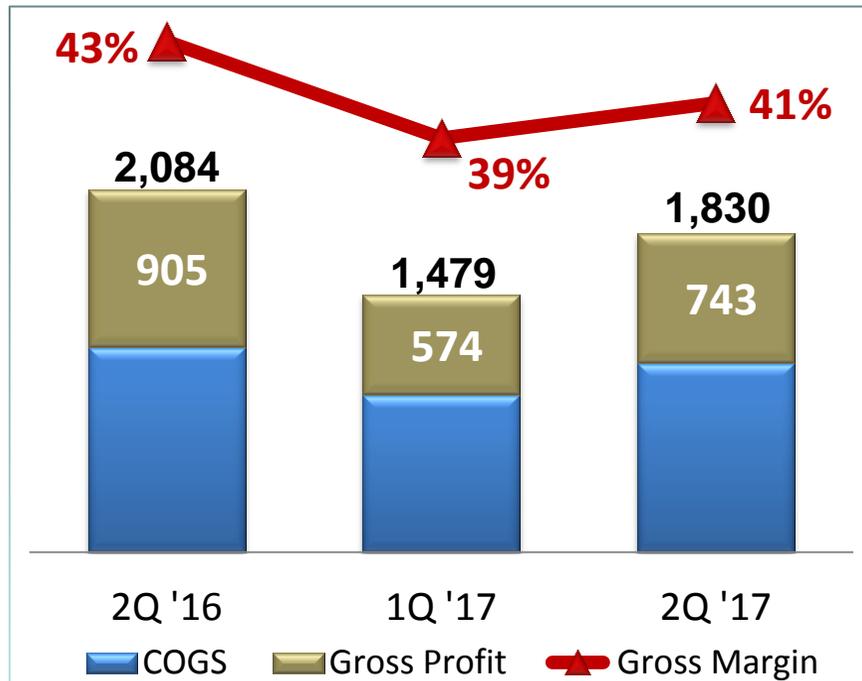
(NT\$ million)	<u>2017Q2</u>	<u>2017Q1</u>	<u>2016Q2</u>	<u>QoQ</u>	<u>YoY</u>	<u>Remarks</u>
Other Income	14	15	25	(5%)	(43%)	
Exchange Gain (Loss)	19	(39)	(18)	(150%)	(210%)	
Gain on Disposal of Investment	33	494	75	(93%)	(56%)	Tatung stock sold in Q1
Loss on Valuation of Financial Asset	(35)	(117)	(50)	(70%)	(29%)	Investment Impairment loss
Investment Gain Recognized under Equity Method	4	85	12	(95%)	(66%)	
<u>Non-Operating Gain</u>	<u>34</u>	<u>413</u>	<u>38</u>	<u>(92%)</u>	<u>(11%)</u>	

(NT\$ million)	<u>2017 1H</u>	<u>2016 1H</u>	<u>YoY</u>	<u>Remarks</u>
Other Income	30	38	(21%)	
Exchange Gain (Loss)	(20)	(33)	(41%)	
Gain on Disposal of Investment	527	76	593%	Tatung stock sold in Q1
Loss on Valuation of Financial Asset	(152)	(80)	89%	Investment Impairment loss
Investment Gain Recognized under Equity Method	89	26	238%	Global View real estate sold
<u>Non-Operating Gain</u>	<u>447</u>	<u>14</u>	<u>3167%</u>	

Consolidated Net Sales & Gross Profit

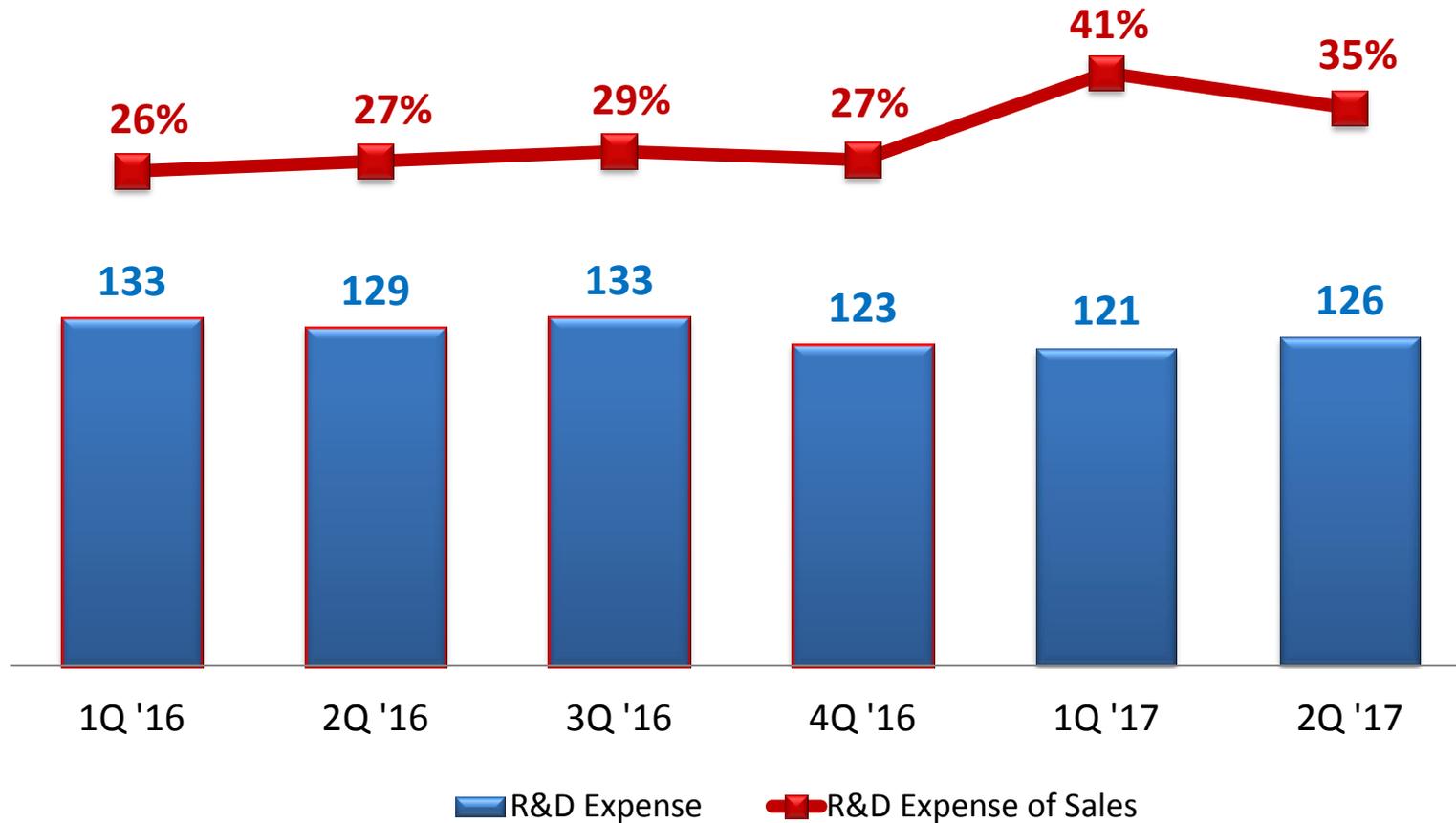
2017Q2

NT\$ million



R&D Expenses

NT\$ million

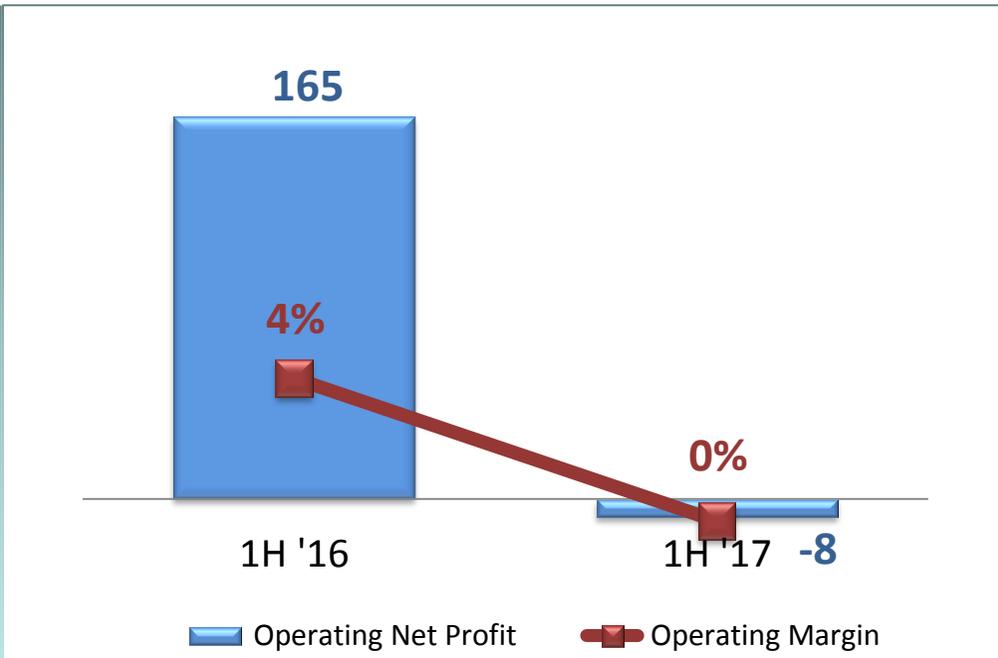
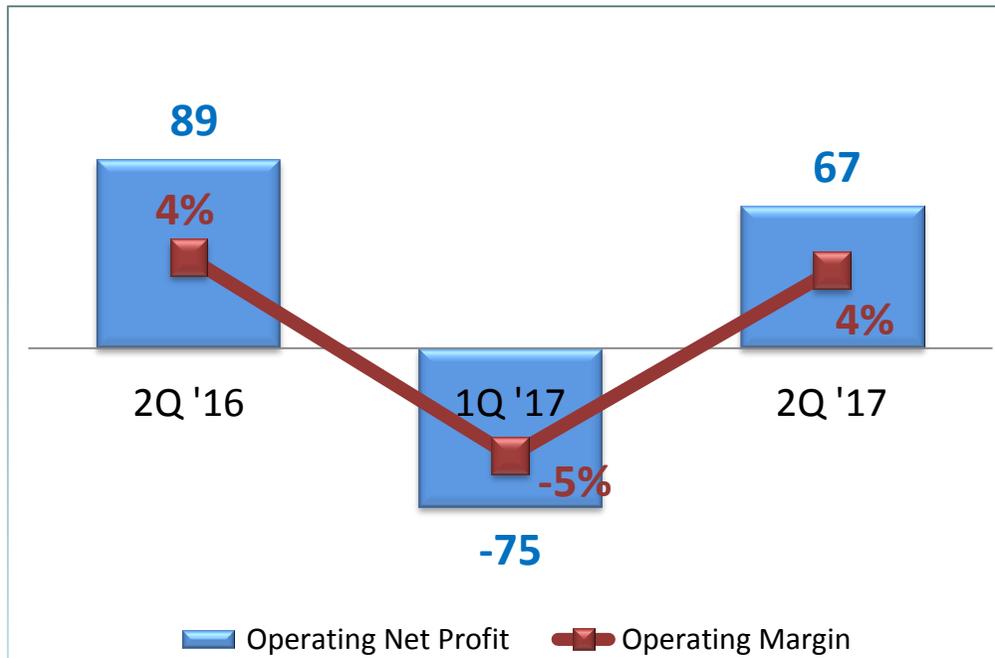


Consolidated Operating Net Profit

NT\$ million

← YoY: -25% →
← QoQ: -190% →

← YoY: -105% →

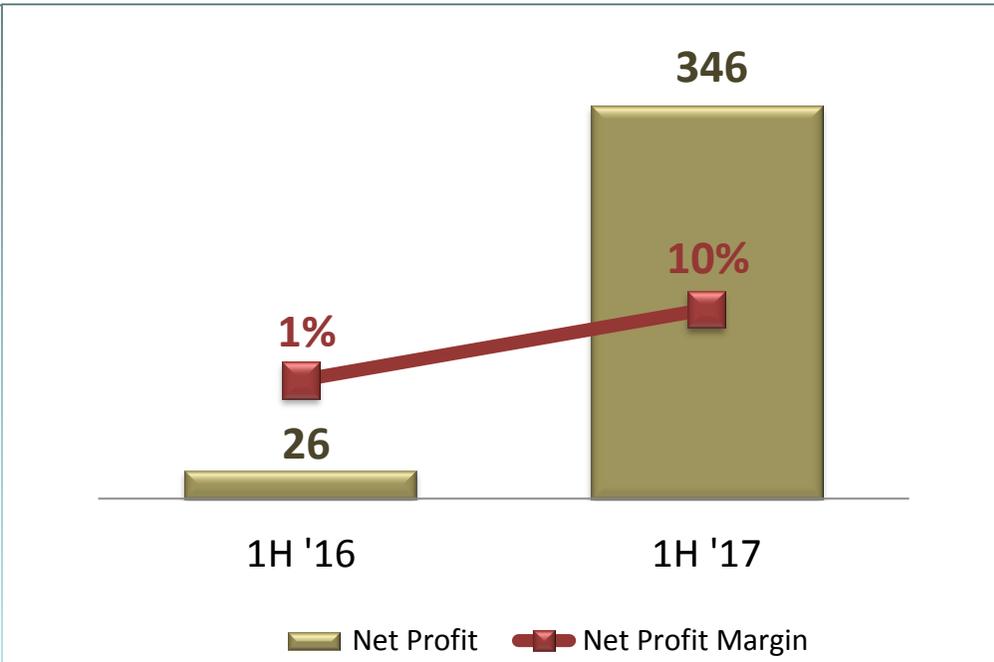
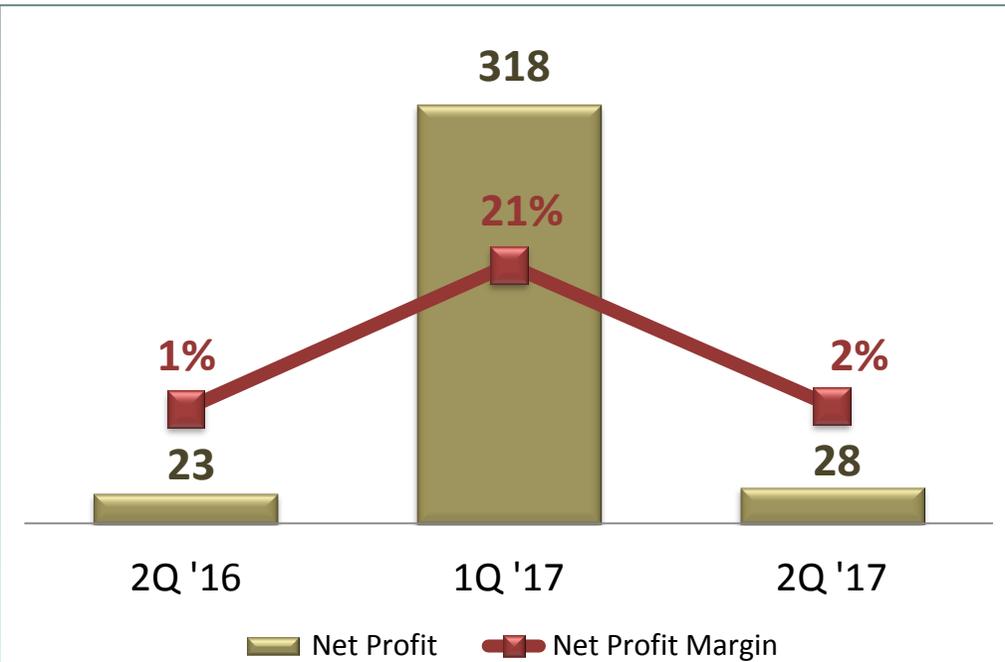


Consolidated Net Profit

NT\$ million

YoY: +21%
QoQ: -91%

YoY: +1247%



Q & A

