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# MSI 微星科技 Investors Meeting

2019 / 03 / 28



TRUE GAMING





## Safe Harbor Notice

- This presentation contains forward-looking statements and is subject to risks and uncertainties.
- Actual results may differ materially from those contained in the forward-looking statements.
- The projections should not be interpreted as legally binding commitments, but rather as flexible information subject to change occasionally.



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## Agenda

- Business Direction
- Financial Result



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Business Direction

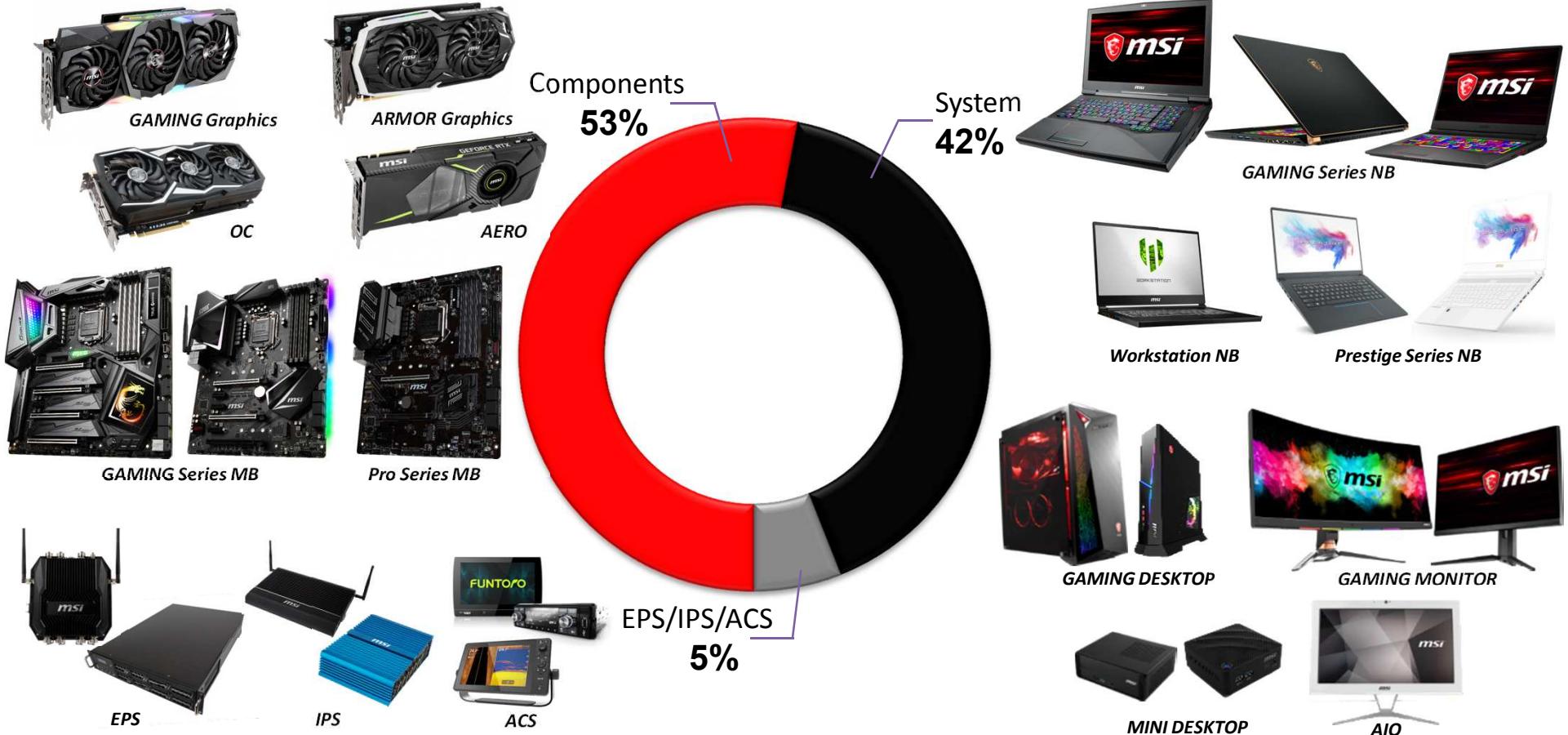


## Revenue and Profit of Late 5 Years

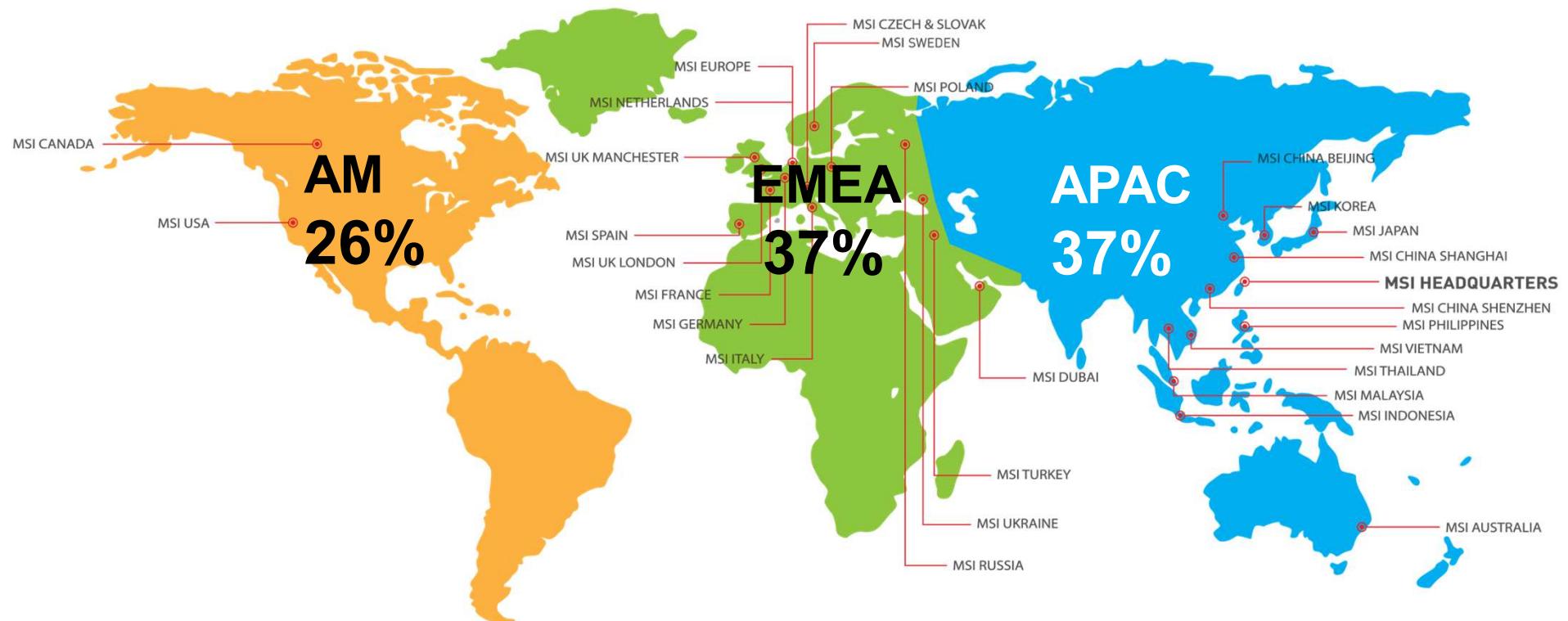
(in NT\$mn)	2014	2015	2016	2017	2018
<b>Net Revenue</b>	<b>84,901</b>	<b>85,295</b>	<b>102,191</b>	<b>106,420</b>	<b>118,527</b>
YoY %	18.1%	0.5%	19.8%	4.1%	11.4%
<b>Gross Profit</b>	<b>11,514</b>	<b>12,841</b>	<b>14,952</b>	<b>15,031</b>	<b>16,130</b>
YoY %	24.4%	11.5%	16.4%	0.5%	7.3%
<b>Net Profit</b>	<b>3,593</b>	<b>4,056</b>	<b>5,519</b>	<b>5,613</b>	<b>6,692</b>
YoY %	51.2%	12.9%	36.1%	1.7%	19.2%
<b>Net Income</b>	<b>3,014</b>	<b>3,706</b>	<b>4,888</b>	<b>4,937</b>	<b>6,041</b>
YoY %	52.5%	23.0%	31.9%	1.0%	22.4%



# 2018 Revenue by Product Line



# 2018 Revenue by Geography



*\*(MSI Own Brand)*



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# COMPREHENSIVE PRODUCT LINES

Dynamic varieties of product lines to fulfill customers' demands in every aspect.

## Notebook



GAMING GT Series



GAMING GS Series



GAMING GE Series

## Backpack PC



VR One

## Graphics Card



GAMING Series



ARMOR Series

## Peripheral



GAMING Accessories



GAMING Monitor



AIO PC



PRO Series

## Motherboard



MEG Series



MPG Series



Infinite Series



MAG Series



PRO Series

## Desktop



Trident Series



Prestige Series

## Server & Networking



Storage Barebone



Wide temp & IP68 IoT Gateway



HMI Panel PC



Slim Fanless PC



Infotainment Series



Vehicle Tablet



Networking Barebone



LPWAN



Industrial Boards



Fanless PC



Telematics Series



Marine Display

## Industrial Platform Solutions

## Automotive & Commercial Solutions

# Notebooks, Leading the Industries



**GT75 Titan**



**GS65 Stealth**



**GS75 Stealth**



**GE63 Raider RGB**



**GE75 Raider**



**GF75 Thin**



**GL63 / GL73**



**WORKSTATIONS**



**PS Series**



**P Series**



# Most Popular Graphics Cards



# GAMING and Professional Motherboard



**XTREME  
AUDIO DAC**

**CORE GAMING  
BOOST**

**DDR4  
BOOST**

**GAME  
BOOST**

**M.2  
SHIELD  
FROZR**

**X  
BOOST**

**LIGHTNING**

**USB 3.1**



# Most Innovative GAMING Desktops



**G.A.M.E.  
UNLIMITED**

**BRINGING GAMING AND IMMERSION TOGETHER**



# Gaming Monitor, Industrial Pioneer



**Optix MPG341CQR**



**Optix MPG27CQ**



BEST CHOICE  
AWARD  
Best Design



BEST CHOICE  
AWARD  
Category



**Optix MAG321CQR**



**Optix MAG271CQR**



**NVIDIA  
G-SYNC**  
**Oculux NXG251R**

## Most Powerful Gaming Gears





## Industrial PC Solutions

### Embedded Systems Compact, Fanless, Reliable



Semi-Rugged Terminal



POS



HMI Panel PC



Slim Fanless Box PC



Fanless Box PC



Swappable Box PC

### Embedded Boards Rich Completeness and Variety



PICMG 1.X



Qseven



COM Express



Pico-ITX



3.5"



EPIC



Mini-ITX



Micro-ATX



ATX

# Enterprise Platform Solutions



## Core



S2200



S1010

## Communication



N5000



N3000



N2000



N1000

## Connection



IoT-200



IoT-301



IoT-600



X-1000 Series

**Narrowband IoT**



# Automotive & Commercial Solutions



## ODM SERVICE

*Customized Design  
& Manufacture*

arm



Linux

4G LTE



Vehicle Tablet



Marine Display



IoT Gateway

## FUNTORO

*Global Leader in Infotainment  
and Telematics Solutions*

*Innovative business model  
with new concept & technology reshaping our future*



Infotainment Solution

Telematics Solution





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## Financial Results

# Financial Results



in NT\$mn	2016	2017	Q1	Q2	2018	Q3	Q4	Total
<b>Net Revenue</b>	<b>102,191</b>	<b>106,420</b>	<b>31,782</b>	<b>28,296</b>	<b>28,697</b>	<b>29,752</b>	<b>118,527</b>	
YoY growth	19.8%	4.1%	29.4%	21.7%	-1.4%	0.8%	11.4%	
Gross Profit	14,952	15,031	4,905	4,335	3,776	3,114	16,130	
YoY growth	16.4%	0.5%	39.1%	44.2%	-14.6%	-23.6%	7.3%	
<b>Gross Margin %</b>	<b>14.63%</b>	<b>14.12%</b>	<b>15.43%</b>	<b>15.32%</b>	<b>13.16%</b>	<b>10.47%</b>	<b>13.61%</b>	
Operating Expense	(9,433)	(9,418)	(2,311)	(2,358)	(2,303)	(2,466)	(9,438)	
<b>Expense %</b>	<b>9.2%</b>	<b>8.8%</b>	<b>7.3%</b>	<b>8.3%</b>	<b>8.0%</b>	<b>8.3%</b>	<b>8.0%</b>	
Operating Income	5,519	5,613	2,594	1,977	1,473	648	6,692	
<b>Operating Margin %</b>	<b>5.40%</b>	<b>5.27%</b>	<b>8.16%</b>	<b>6.99%</b>	<b>5.13%</b>	<b>2.18%</b>	<b>5.65%</b>	
Non-OP Items	303	365	26	73	274	86	459	
Profit before tax	5,822	5,978	2,620	2,050	1,747	734	7,151	
YoY growth	36.4%	2.7%	62.9%	127.9%	-7.2%	-53.8%	19.6%	
<b>PBT %</b>	<b>5.7%</b>	<b>5.6%</b>	<b>8.2%</b>	<b>7.2%</b>	<b>6.1%</b>	<b>2.5%</b>	<b>6.0%</b>	
Tax	(934)	(1,041)	(513)	(301)	(241)	(55)	(1,110)	
<b>Net Income</b>	<b>4,888</b>	<b>4,937</b>	<b>2,107</b>	<b>1,749</b>	<b>1,506</b>	<b>679</b>	<b>6,041</b>	
Net Income %	4.8%	4.6%	6.6%	6.2%	5.2%	2.3%	5.1%	



## Balance Sheets & CCC Days

in NT\$mn	Dec. 31, 2017	Dec. 31, 2018	YoY
Cash & equivalents	10,028	8,816	-12%
Accounts receivable	15,108	16,040	6%
Inventories	16,321	22,053	35%
<b>Current Assets</b>	<b>43,185</b>	<b>49,357</b>	14%
<b>Total Assets</b>	<b>49,153</b>	<b>55,174</b>	12%
<b>Current Liabilities</b>	<b>20,921</b>	<b>24,765</b>	18%
<b>Total Liabilities</b>	<b>21,350</b>	<b>25,228</b>	18%
Paid-in capital	8,449	8,449	0%
<b>Stockholders' equity</b>	<b>27,803</b>	<b>29,946</b>	8%
<b>Total Liabilities &amp; Equity</b>	<b>49,153</b>	<b>55,174</b>	12%
Avg. Days of Inventory	66	68	
Avg. Days of AR	50	48	
Avg. Days of AP	68	55	
<b>Avg. CCC Days</b>	<b>48</b>	<b>61</b>	



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