

MEDIATEK

聯發科技 2020年第四季法人說明會 MediaTek 2020-Q4 Investor Conference

January 27, 2021



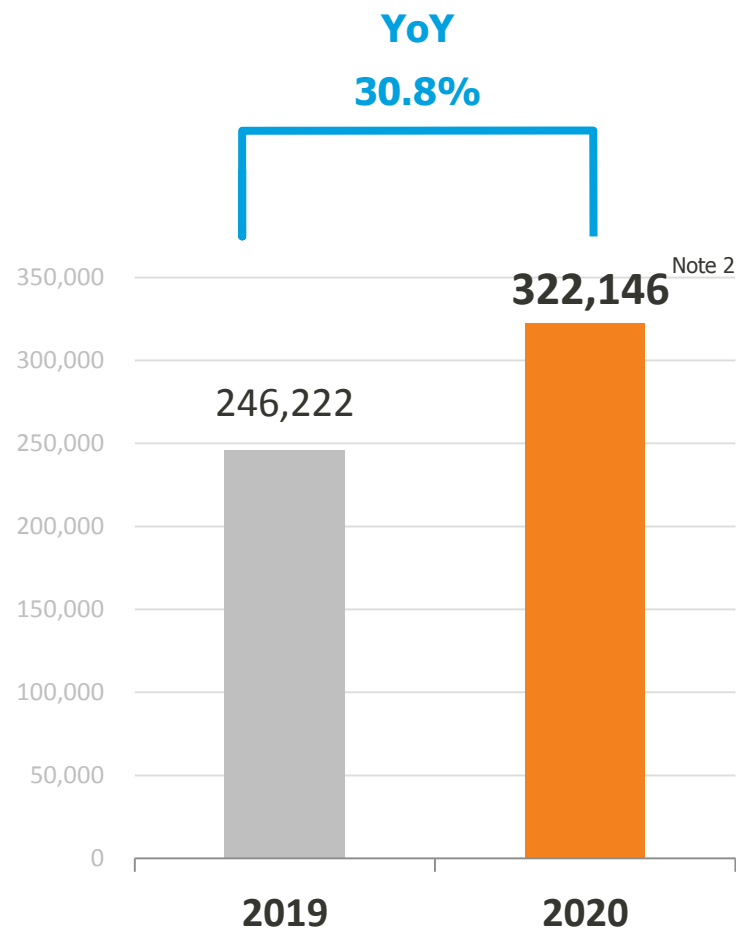
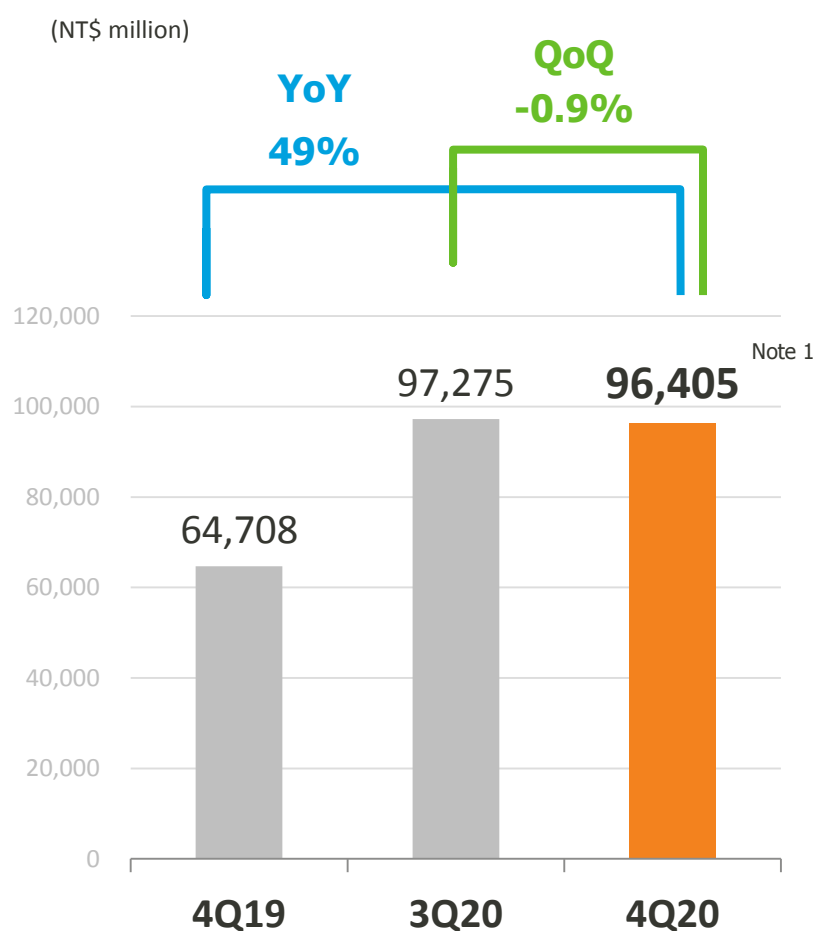
Safe Harbor Statement

These factors may cause actual results materially different from the information provided herein. The factors include the impact of competitive products and pricing, timely acceptance of products design by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand for semiconductor products, market oversupply, availability of manufacturing capacity, financial stability in end markets, potential difficulties in talents retention, unexpected costs and expenses, any merger and acquisition associated uncertainties such as obtaining of regulatory approval or integration delay, loss of significant customers, involvement in legal or administrative proceedings, new regulations that may impact our business operation, fluctuations in foreign exchange rates, global economic conditions or non-economic conditions and any other risks factors.

This presentation also supplements Non Taiwan International Financial Reporting Standards(Non-TIFRS) financial measures which exclude share-based compensation, amortization of acquisition related assets, tax effect and other items. This supplemental information is for reference only, not as a substitute for information based on TIFRS. Your attention is called that final actual earnings distribution will be made in accordance with financial statements based on TIFRS.

Consolidated Revenue

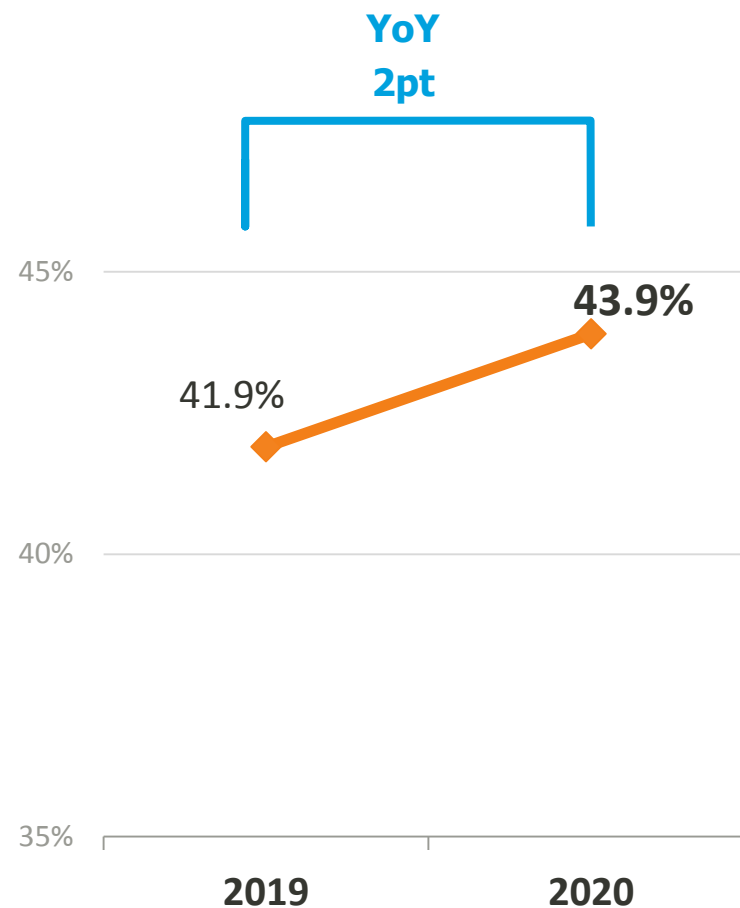
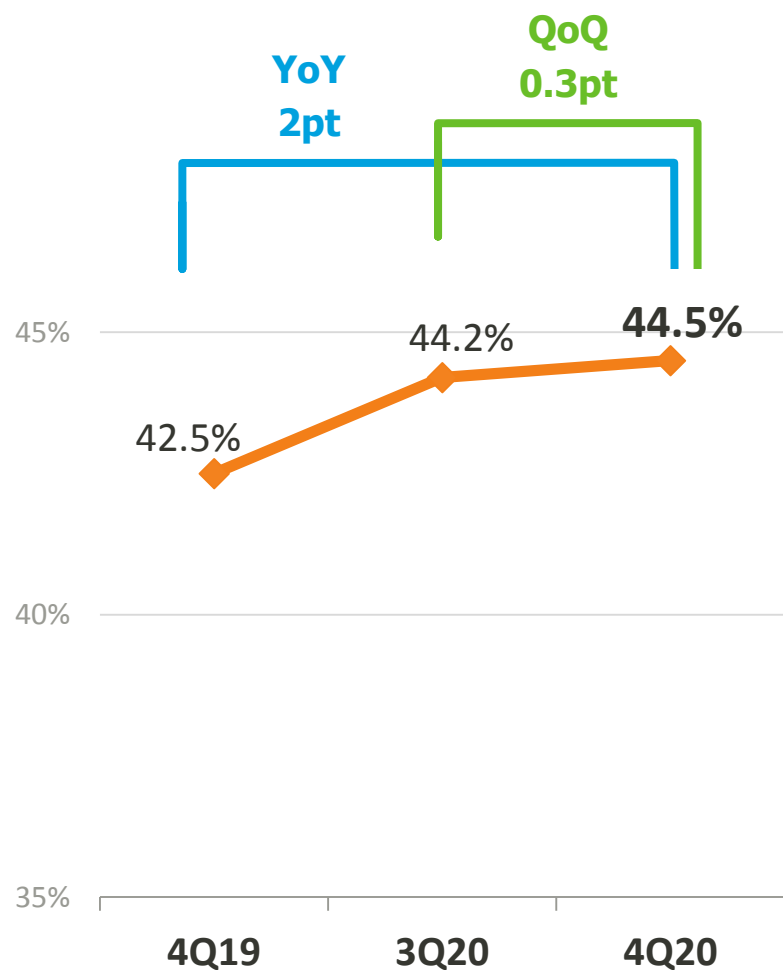
(NT\$ million)



Note 1: In USD, 2020 4Q consolidated revenue is approximately US\$3,349 million, up 1.5% QoQ and 57.9% YoY (FX: 28.8 NTD to 1 USD)

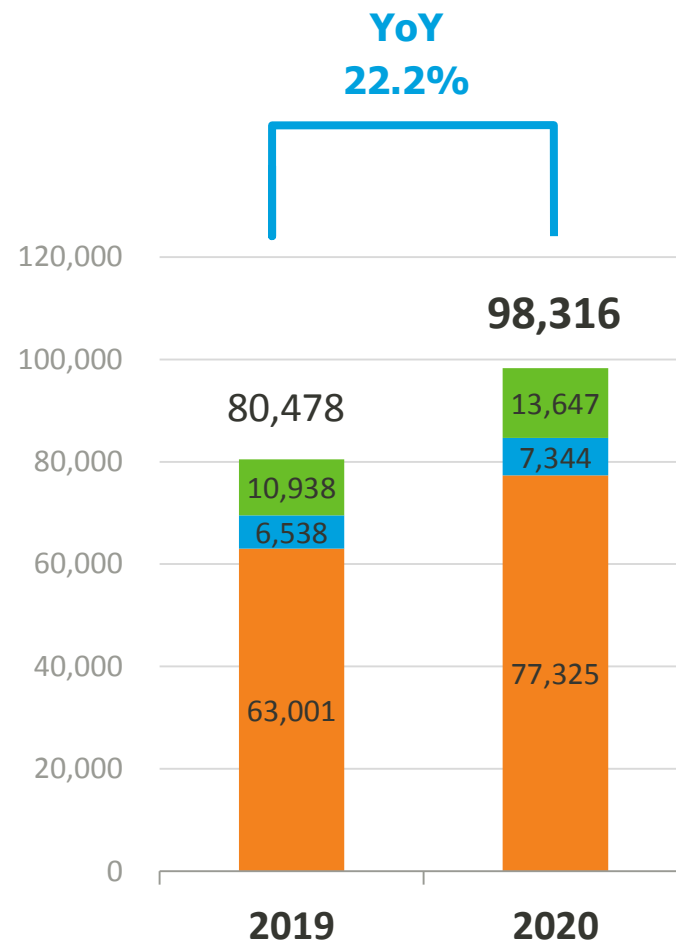
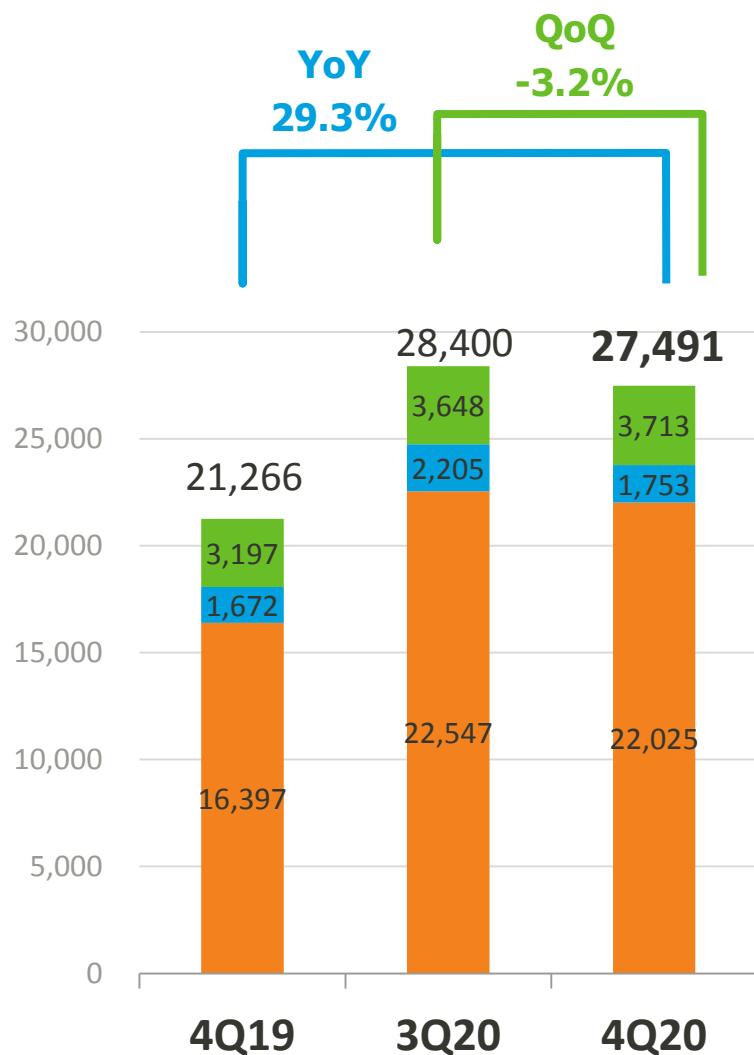
Note 2: In USD, 2020 consolidated revenue is approximately US\$10,928 million, up 37.2% YoY (FX: 29.5 NTD to 1 USD)

Consolidated Gross Margin



Consolidated Operating Expenses

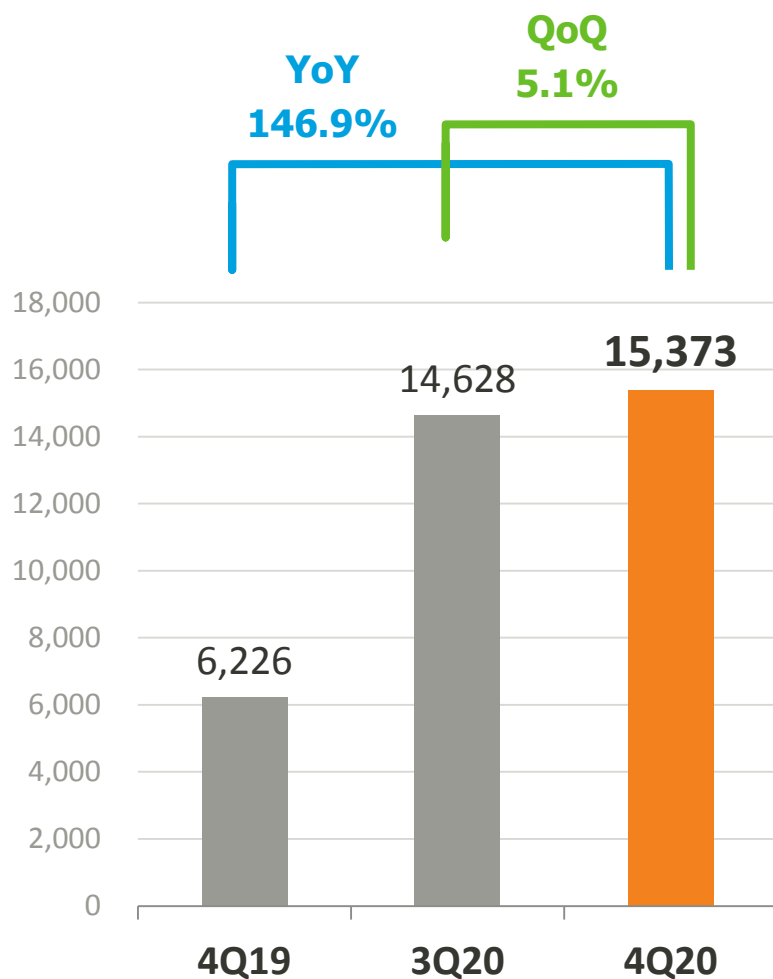
(NT\$ million)



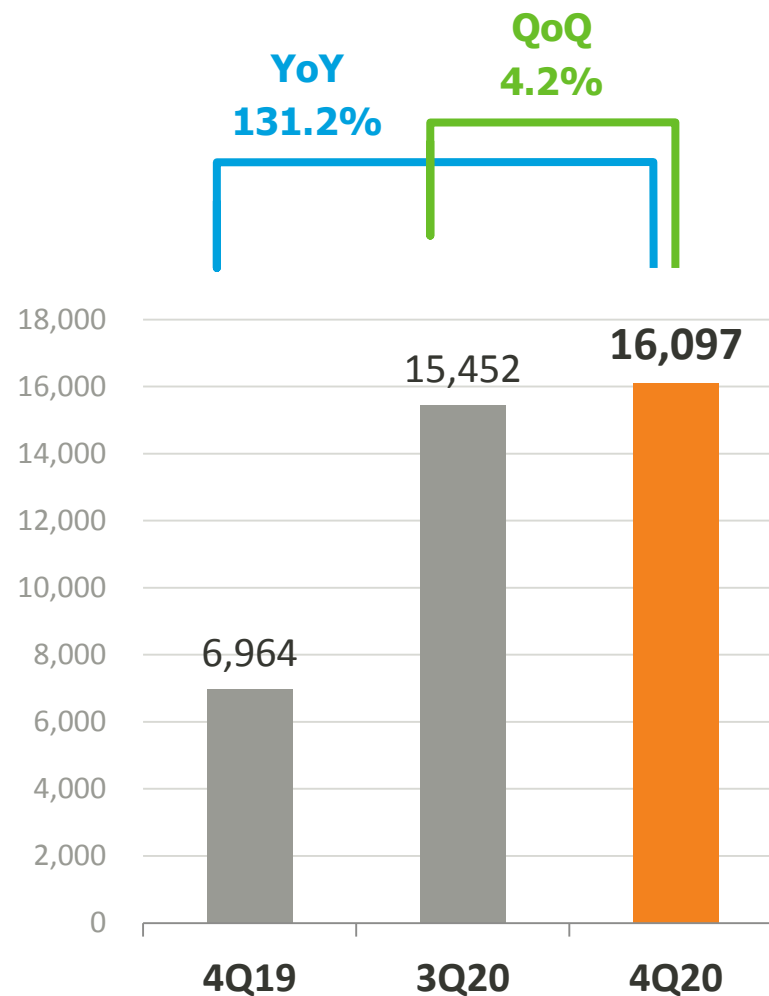
Consolidated Operating Income

(NT\$ million)

TIFRS



Non-TIFRS

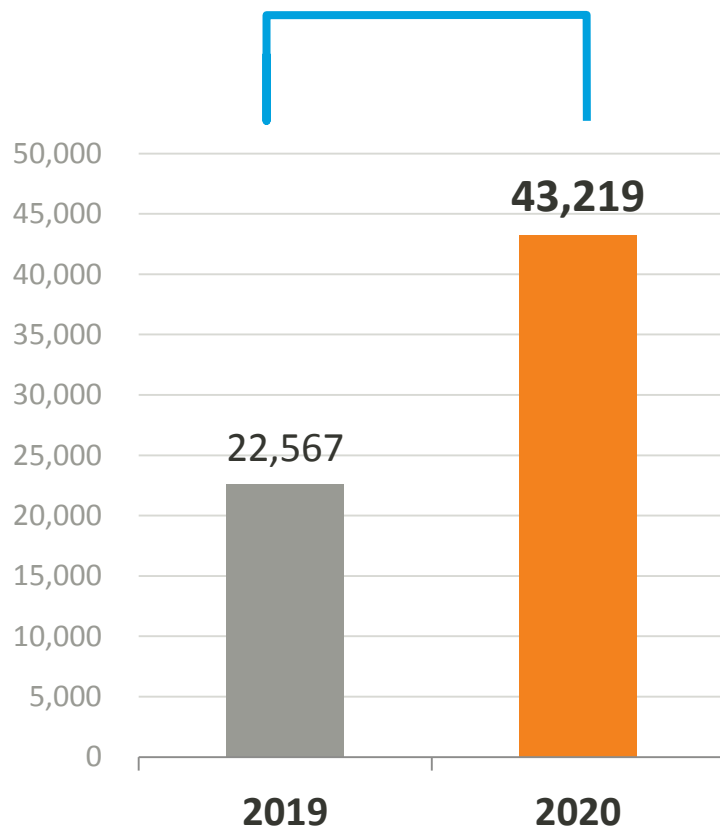


Consolidated Operating Income

(NT\$ million)

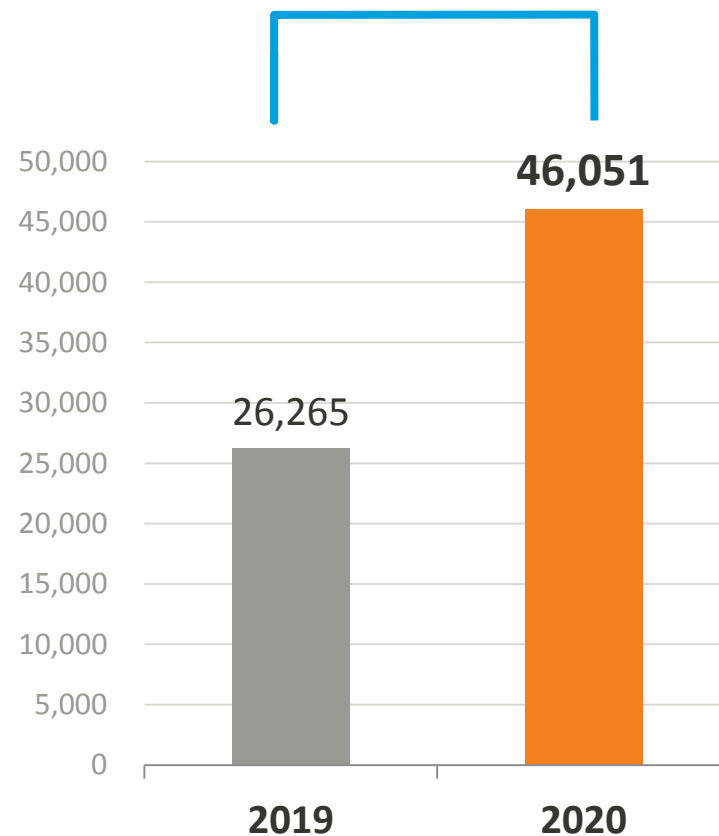
TIFRS

YoY
91.5%



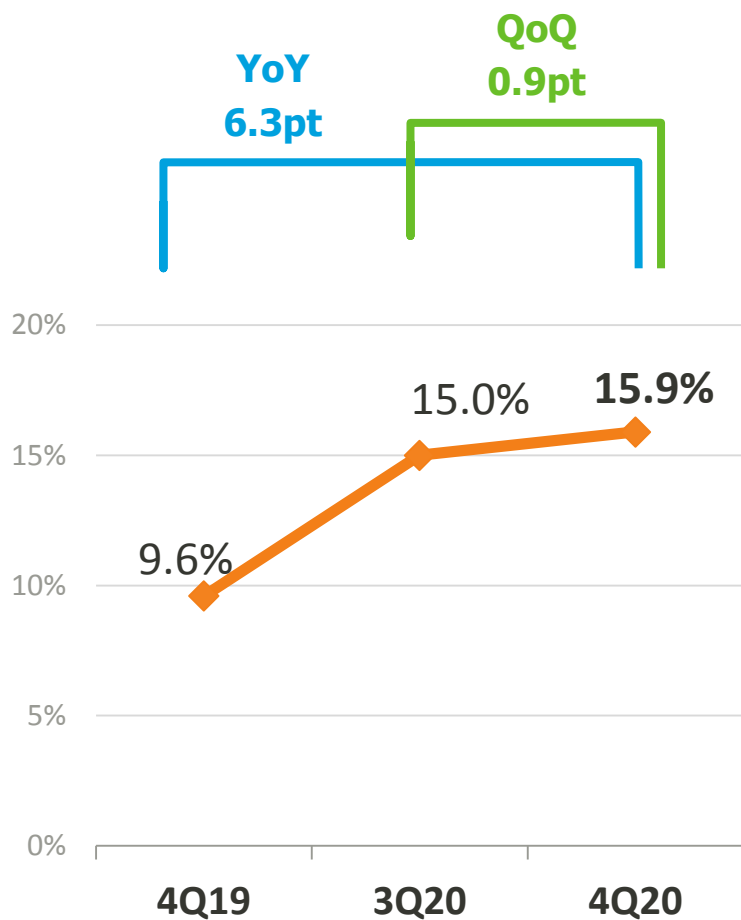
Non-TIFRS

YoY
75.3%

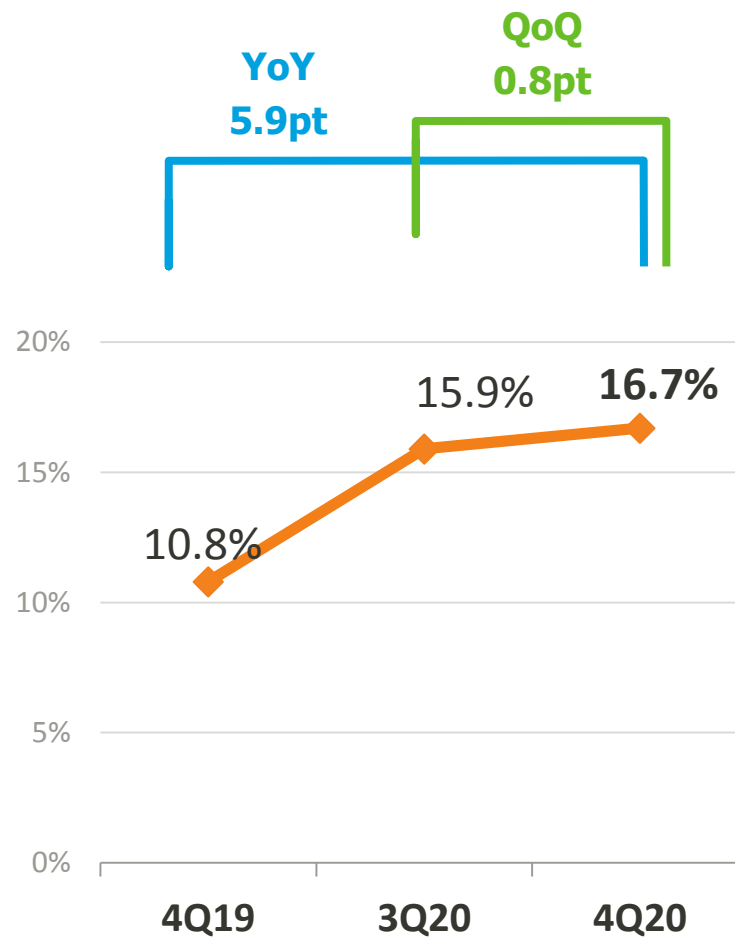


Consolidated Operating Margin

TIFRS



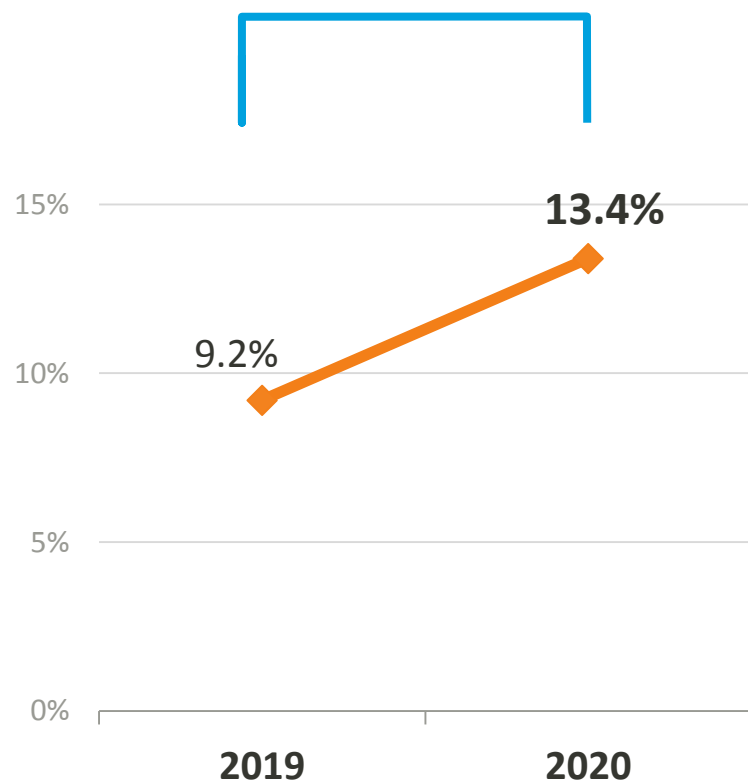
Non-TIFRS



Consolidated Operating Margin

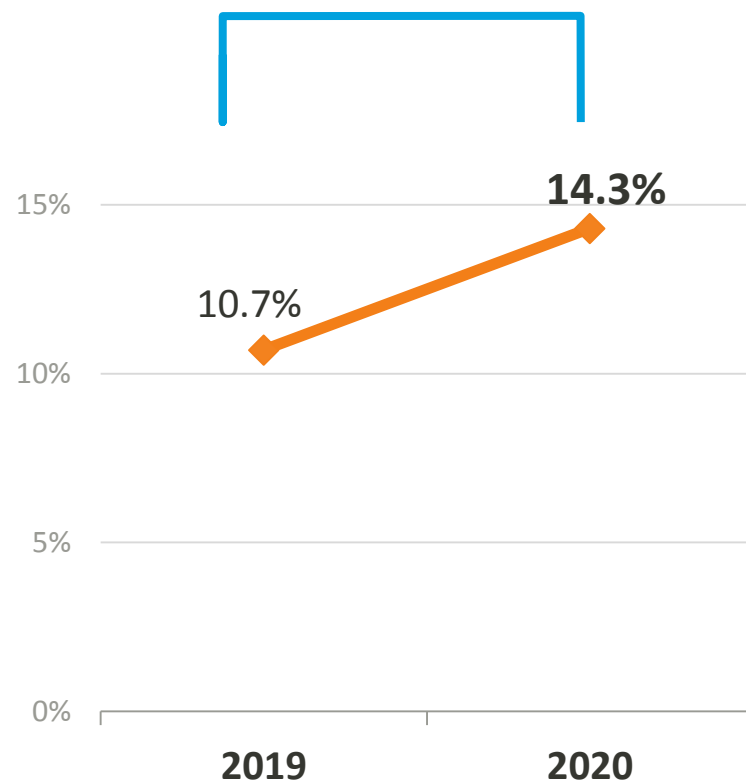
TIFRS

YoY
4.2pt



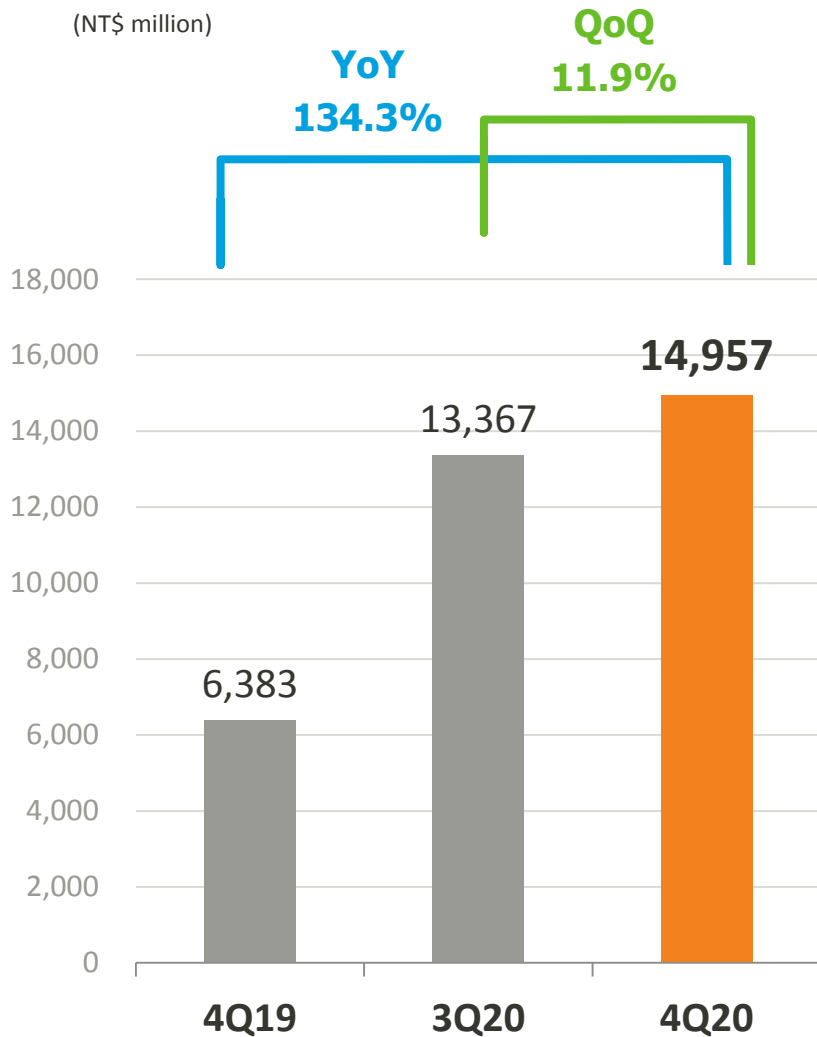
Non-TIFRS

YoY
3.6pt

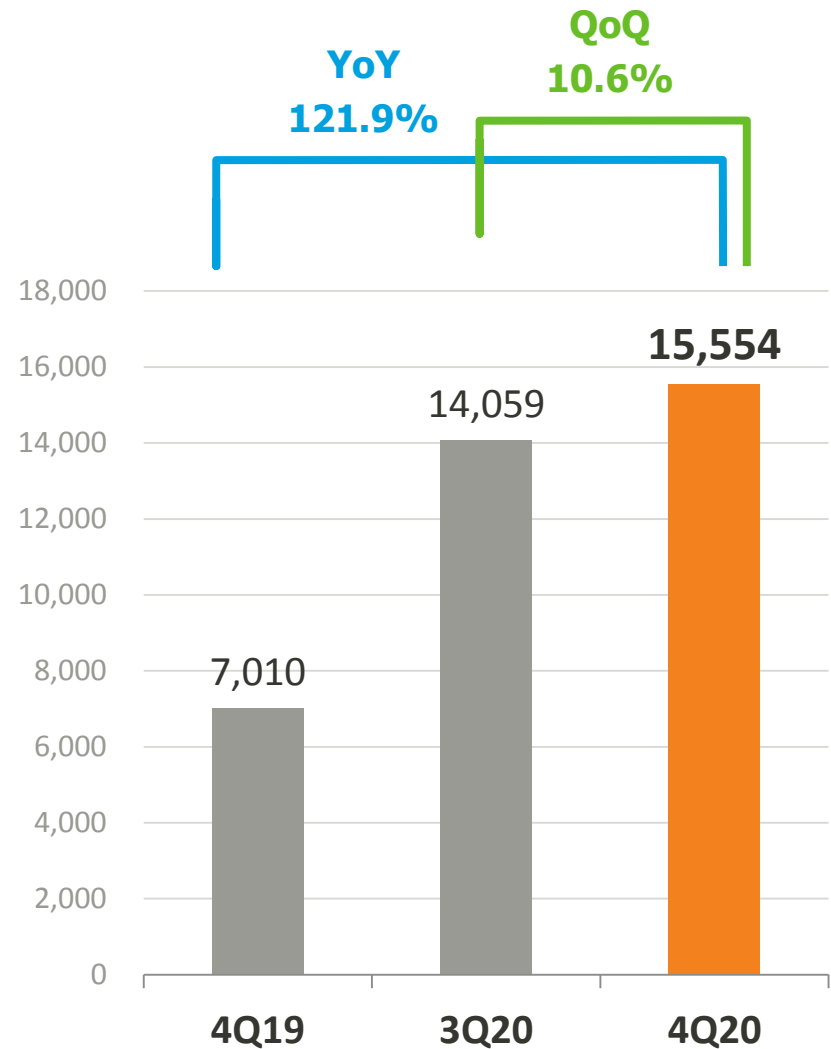


Consolidated Net Income

TIFRS



Non-TIFRS

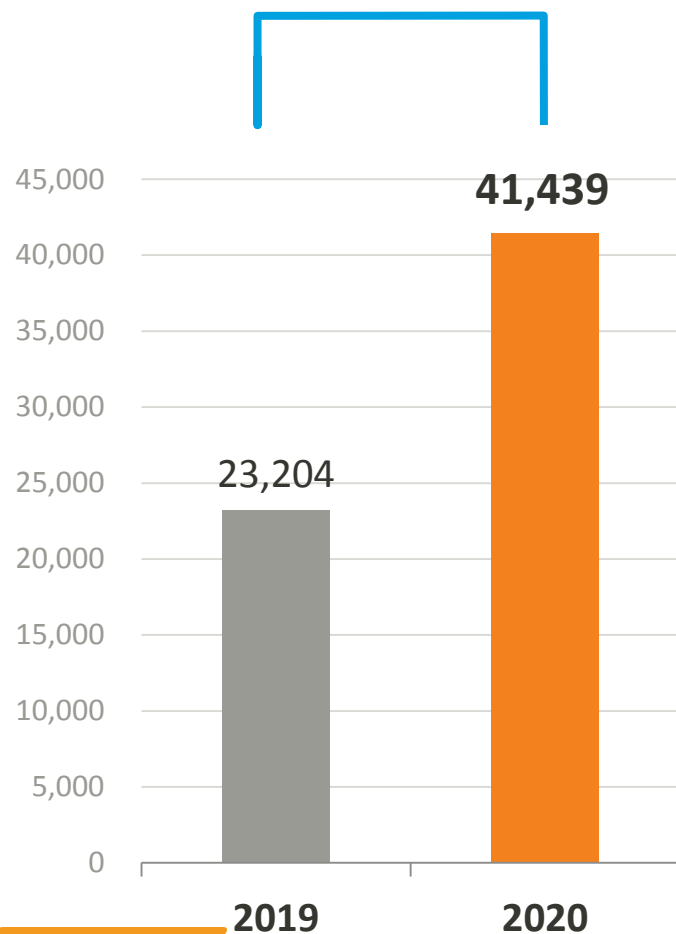


Consolidated Net Income

TIFRS

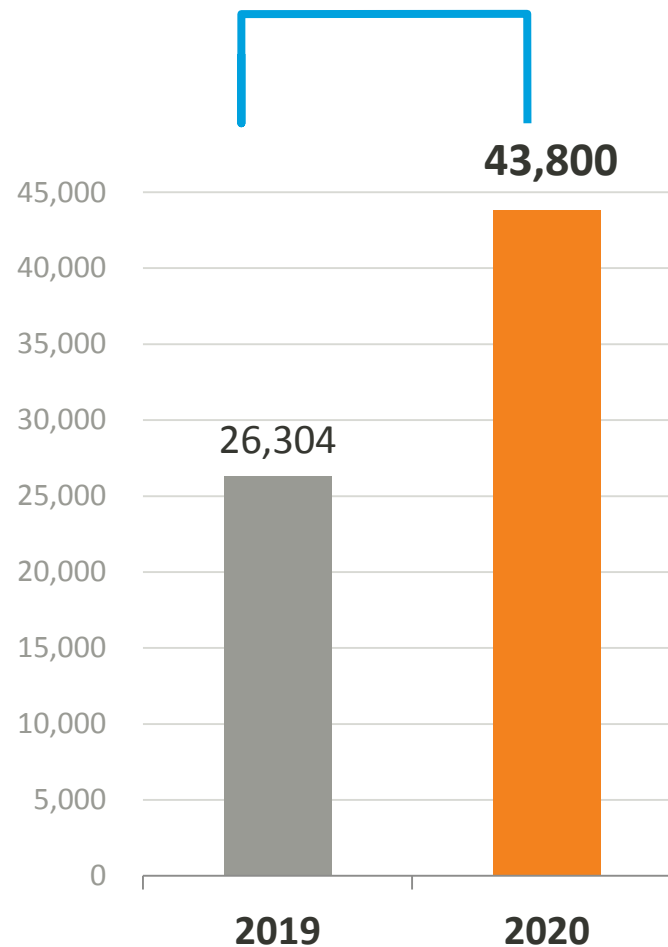
(NT\$ million)

YoY
78.6%



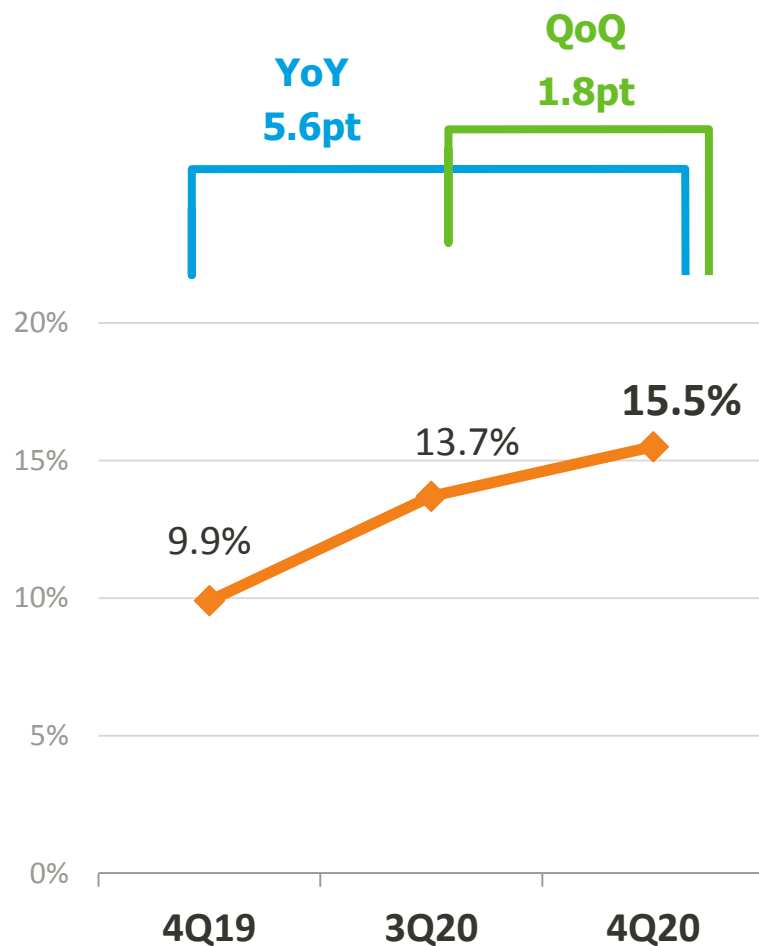
Non-TIFRS

YoY
66.5%

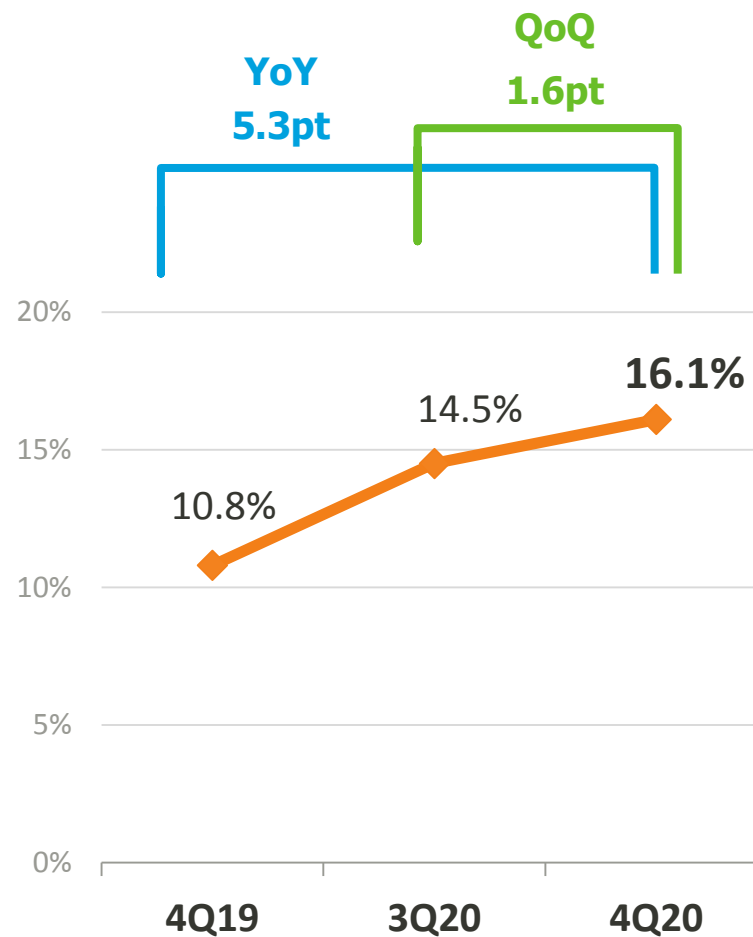


Consolidated Net Profit Margin

TIFRS

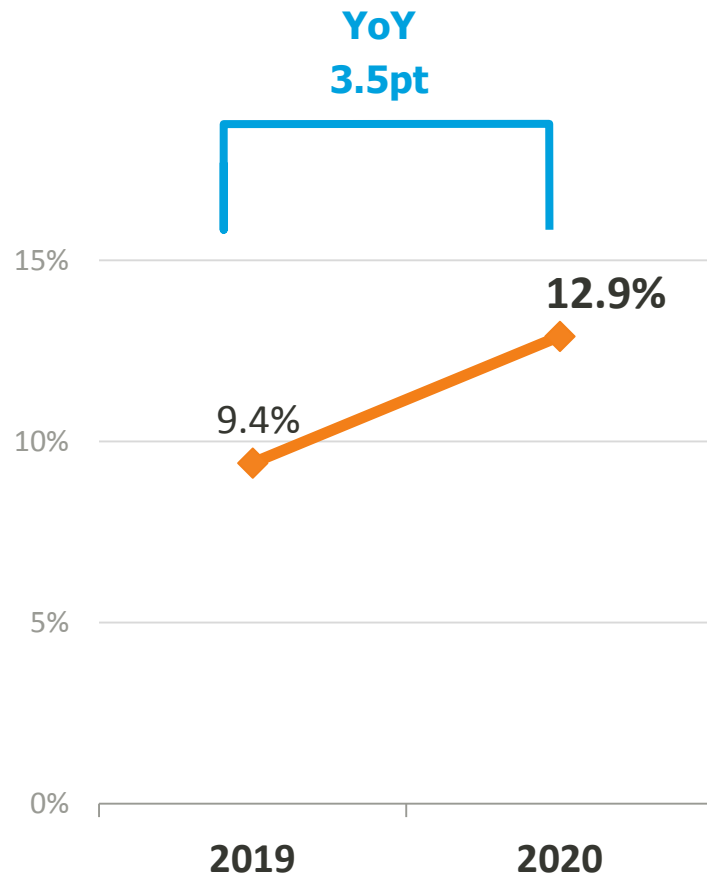


Non-TIFRS

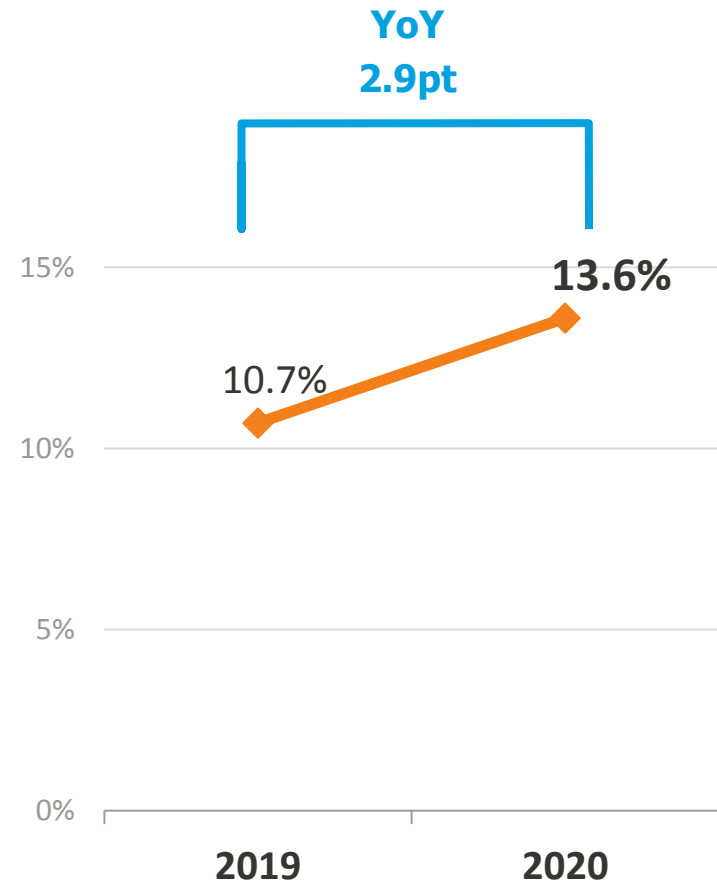


Consolidated Net Profit Margin

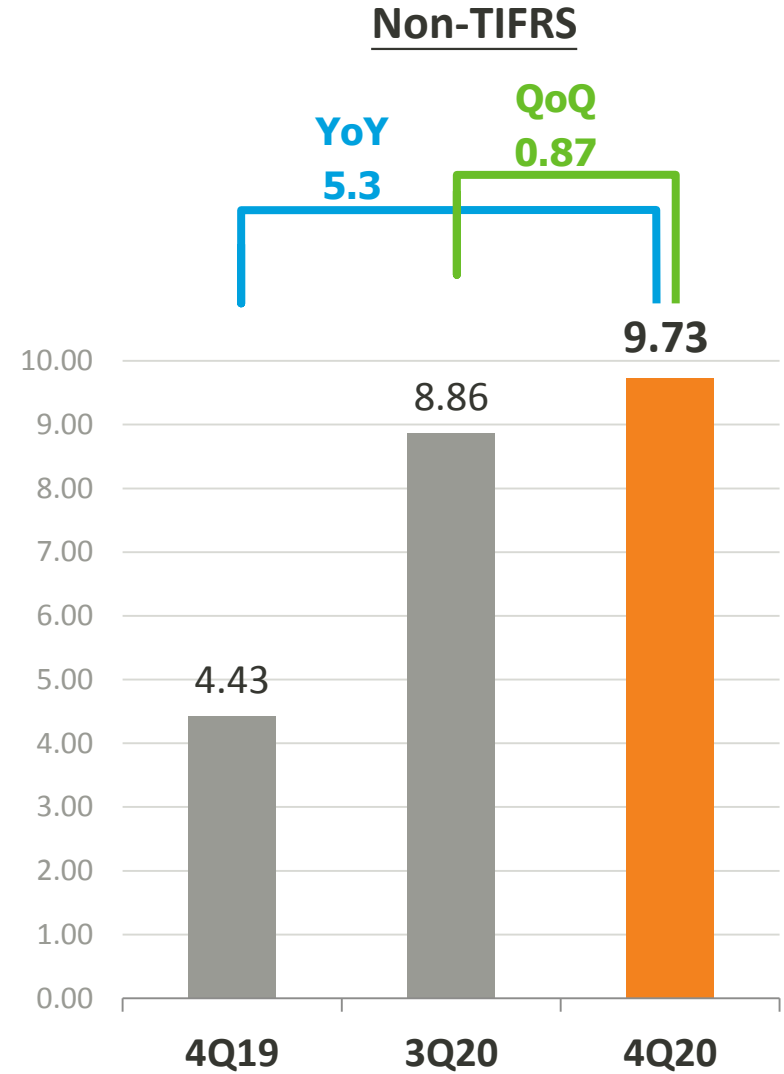
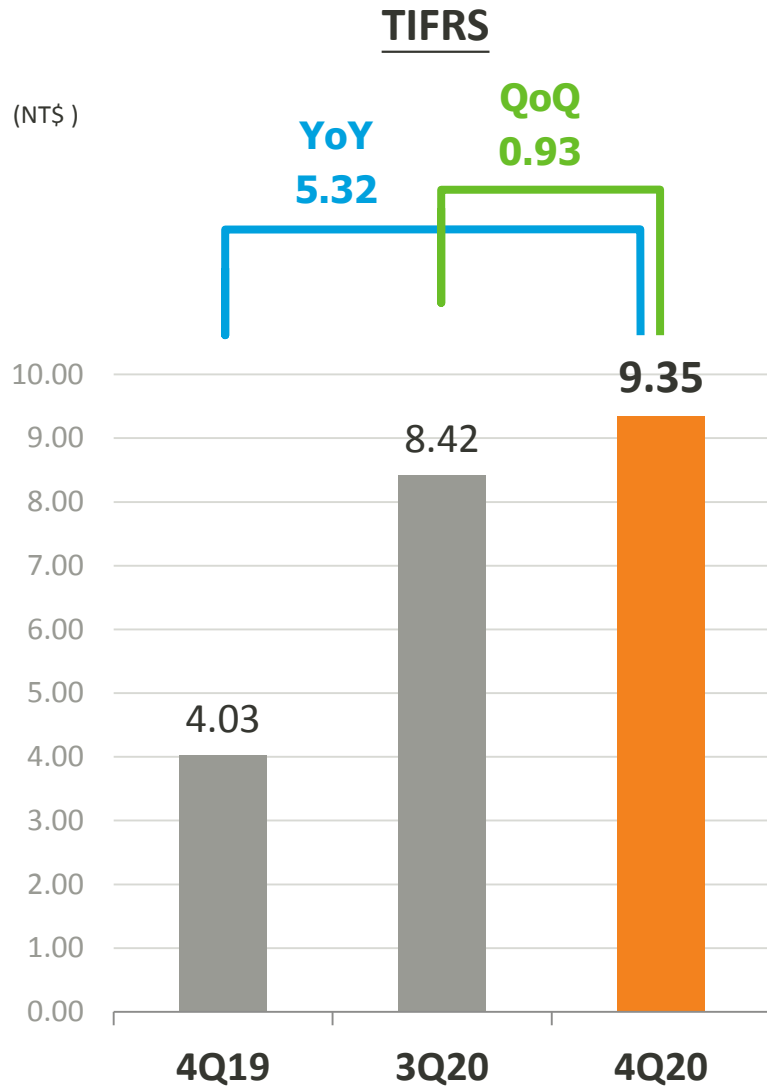
TIFRS



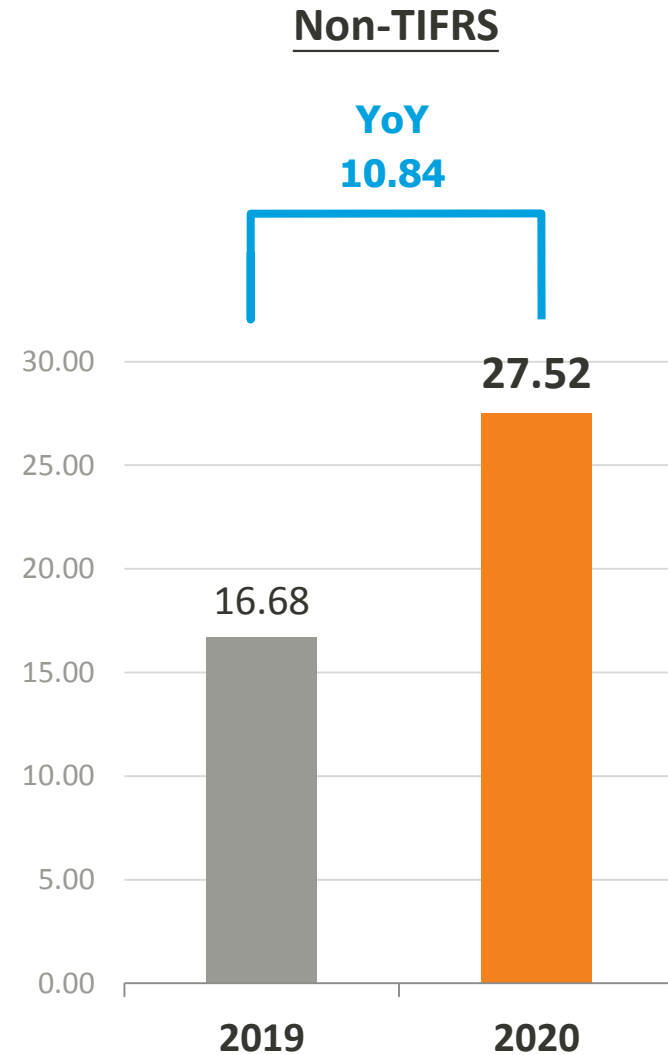
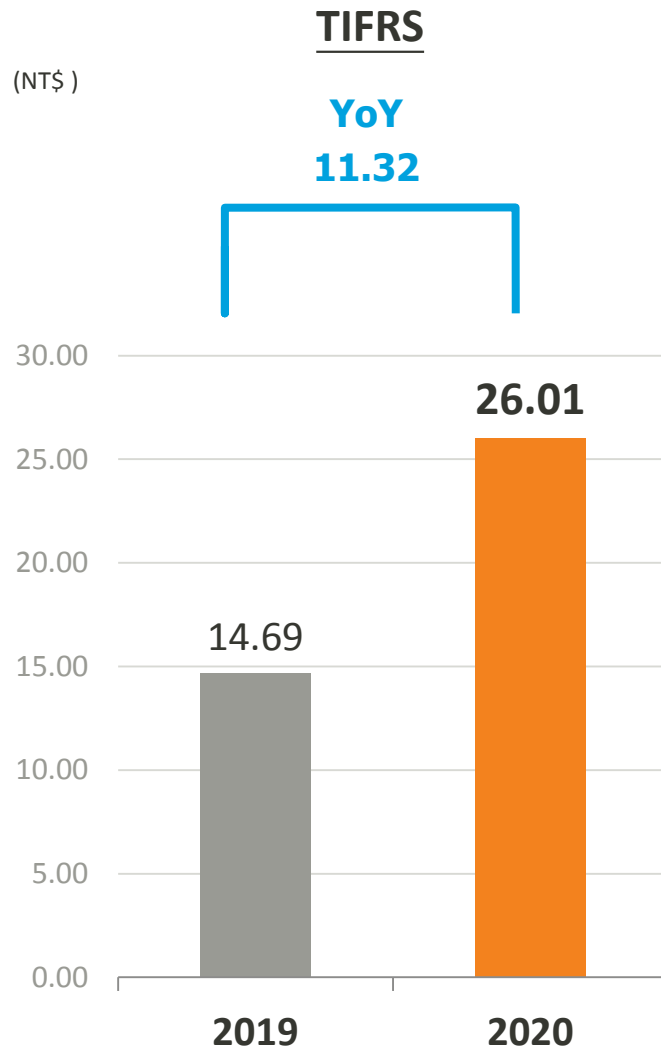
Non-TIFRS



Consolidated Earnings Per Share



Consolidated Earnings Per Share



Business Outlook

- ◆ For 2021-Q1, we currently expect:
 - ◆ Consolidated revenue: Around NT\$96.4 billion ~ 104.1 billion,
at a forecast exchange rate of 27.9 NT dollars to 1 US dollar
 - ◆ Consolidated gross margin: 43.5% ± 1.5%
 - ◆ Consolidated operating expense ratio: 26.5% ± 2%

Taiwan-International Financial Reporting Standards (TIFRS)

Financial Statements

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)

	4Q20	3Q20	4Q19	Q-Q	Y-Y
Net Sales	96,405	97,275	64,708	(0.9%)	49.0%
Operating costs	(53,542)	(54,246)	(37,216)		
Gross profit	42,863	43,028	27,492	(0.4%)	55.9%
Selling expenses	(3,713)	(3,648)	(3,197)		
Administration expenses	(1,753)	(2,205)	(1,672)		
R&D expenses	(22,025)	(22,547)	(16,397)		
Operating expenses	(27,491)	(28,400)	(21,266)		
Operating income	15,373	14,628	6,226	5.1%	146.9%
Net non-operating income	1,519	804	829		
Net income before income tax	16,891	15,432	7,055		
Income tax expense	(1,934)	(2,066)	(672)		
Net income	14,957	13,367	6,383	11.9%	134.3%
Owners of the parent	14,746	13,251	6,326	11.3%	133.1%
Non-controlling interests	211	115	57		
EPS attributable to the parent(NT\$)	9.35	8.42	4.03		

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	4Q20	3Q20	4Q19
Gross profit	44.5%	44.2%	42.5%
Selling expenses	(3.9%)	(3.7%)	(4.9%)
Administration expenses	(1.8%)	(2.3%)	(2.6%)
R&D expenses	(22.8%)	(23.2%)	(25.3%)
Operating income	15.9%	15.0%	9.6%
Non-operating income	1.6%	0.8%	1.3%
Income tax expense	(2.0%)	(2.1%)	(1.0%)
Net income	15.5%	13.7%	9.9%

Note: Sums may not equal totals due to rounding.

Consolidated Income Statement (Unaudited)

(In NT\$ millions, except EPS)	2020	2019	Y-Y
Net Sales	322,146	246,222	30.8%
Operating costs	(180,610)	(143,176)	
Gross profit	141,536	103,046	37.4%
Selling expenses	(13,647)	(10,938)	
Administration expenses	(7,344)	(6,538)	
R&D expenses	(77,325)	(63,001)	
Operating expenses	(98,316)	(80,478)	
Operating income	43,219	22,567	91.5%
Net non-operating income	4,363	4,460	
Net income before income tax	47,583	27,027	
Income tax expense	(6,144)	(3,823)	
Net income	41,439	23,204	78.6%
Owners of the parent	40,917	23,033	77.6%
Non-controlling interests	522	172	
EPS attributable to the parent(NT\$)	26.01	14.69	

Note: Sums may not equal totals due to rounding.

Supplemental Information: Percentage of Revenue

	2020	2019
Gross profit	43.9%	41.9%
Selling expenses	(4.2%)	(4.4%)
Administration expenses	(2.3%)	(2.7%)
R&D expenses	(24.0%)	(25.6%)
Operating income	13.4%	9.2%
Non-operating income	1.4%	1.8%
Income tax expense	(1.9%)	(1.6%)
Net income	12.9%	9.4%

Note: Sums may not equal totals due to rounding.

Balance Sheet Summary (Unaudited)

(In NT\$ millions)	4Q20	3Q20	4Q19
Cash & financial assets-current	210,113	184,310	203,174
Accounts receivable	33,133	37,997	26,837
Inventories	37,677	31,010	27,615
Other current assets	10,939	16,630	9,103
Funds and investments	116,767	95,939	73,278
Intangible assets	76,272	77,105	70,917
Other non-current assets	49,006	47,675	47,778
Total assets	533,906	490,666	458,702
Short-term loans	21,471	30,626	57,255
Accounts payable	34,470	29,288	22,314
Other current liabilities	87,857	74,934	51,530
Total non-current liabilities	15,023	14,514	13,204
Total equity	375,084	341,304	314,400

Note: Sums may not equal totals due to rounding.

Cash Flow Statement (Unaudited)

(In NT\$ millions)	4Q20	3Q20	4Q19
Net cash provided by (used in) operating activities	38,611	31,839	19,588
Net cash provided by (used in) investing activities	(2,782)	(2,687)	1,502
Net cash provided by (used in) financing activities	(9,540)	(25,402)	2,775
Effect of changes in exchange rate on cash and cash equivalents	(1,065)	(1,332)	(2,293)
Net increase (decrease) in cash and cash equivalents	25,224	2,418	21,573
Cash and cash equivalents at the end of the period	196,580	171,356	177,545

Note : Sums may not equal totals due to rounding.

【Supplemental Information】

Reconciliations of TIFRS Results to Non-TIFRS Results and Quarterly Revenue Product Segment

Reconciliations of TIFRS Results to Non-TIFRS Results^{Note2}

(In NT\$ millions)		4Q20	3Q20	4Q19	Q-Q	Y-Y
TIFRS	Operating income	15,373	14,628	6,226	5.1%	146.9%
	Operating income margin(%)	15.9%	15.0%	9.6%		
Reconciliations	Share-based compensation	384	418	321		
	Amortization of acquisition related assets	340	406	417		
Non-TIFRS	Operating income	16,097	15,452	6,964	4.2%	131.2%
	Operating income margin (%)	16.7%	15.9%	10.8%		

TIFRS	Net income	14,957	13,367	6,383	11.9%	134.3%
	Net income margin(%)	15.5%	13.7%	9.9%		
	Net income- Owners of the parent	14,746	13,251	6,326	11.3%	133.1%
	EPS(NT\$)	9.35	8.42	4.03		
Reconciliations	Share-based compensation	384	418	321		
	Amortization of acquisition related assets	340	406	417		
	Tax effect	(127)	(131)	(111)		
Non-TIFRS	Net income	15,554	14,059	7,010	10.6%	121.9%
	Net income margin (%)	16.1%	14.5%	10.8%		
	Net income- Owners of the parent	15,343	13,946	6,948	10.0%	120.8%
	EPS(NT\$)	9.73	8.86	4.43		

Note1: Sums may not equal totals due to rounding.

Note2: Non-TIFRS financial information should be considered in addition to, not as a substitute for, TIFRS financial information.

Reconciliations between TIFRS and Non-TIFRS results include share-based compensation, amortization of acquisition related assets, tax effect and other items. Earnings distribution is made in accordance with financial statements based on TIFRS.

Reconciliations of TIFRS Results to Non-TIFRS Results^{Note2}

(In NT\$ millions)		2020	2019	Y-Y
TIFRS	Operating income	43,219	22,567	91.5%
	Operating income margin(%)	13.4%	9.2%	
Reconciliations	Share-based compensation	1,283	2,019	
	Amortization of acquisition related assets	1,549	1,678	
Non-TIFRS	Operating income	46,051	26,265	75.3%
	Operating income margin (%)	14.3%	10.7%	

TIFRS	Net income	41,439	23,204	78.6%
	Net income margin(%)	12.9%	9.4%	
	Net income- Owners of the parent	40,917	23,033	77.6%
	EPS(NT\$)	26.01	14.69	
Reconciliations	Share-based compensation	1,283	2,019	
	Amortization of acquisition related assets	1,549	1,678	
	Tax effect	(470)	(597)	
Non-TIFRS	Net income	43,800	26,304	66.5%
	Net income margin (%)	13.6%	10.7%	
	Net income- Owners of the parent	43,292	26,127	65.7%
	EPS(NT\$)	27.52	16.68	

Note1: Sums may not equal totals due to rounding.

Note2: Non-TIFRS financial information should be considered in addition to, not as a substitute for, TIFRS financial information.

Reconciliations between TIFRS and Non-TIFRS results include share-based compensation, amortization of acquisition related assets, tax effect and other items. Earnings distribution is made in accordance with financial statements based on TIFRS.

Quarterly Revenue Product Segment

Quarter	Growth Area	Mobile Computing	Smart Home and Others
2020Q4	29%~33%	45%~50%	21%~26%
2020Q3	27%~32%	43%~48%	22%~27%
2020Q2	28%~33%	43%~48%	20%~25%
2020Q1	30%~35%	37%~42%	26%~31%
2019Q4	30%~35%	37%~42%	26%~31%
2019Q3	32%~37%	32%~37%	28%~33%
2019Q2	33%~37%	30%~35%	30%~35%
2019Q1	30%~35%	30%~35%	32%~37%

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