



Investor Conference

108年法人說明會

September 19, 2019

Disclaimer



Except for historical information contained herein, the statements set forth in this press release are forward-looking statements that are subject to significant risks and uncertainties that could cause actual results to differ materially, including, among others, risks associated with cyclical and market conditions in the TFT-LCD industry, world wide demand for, market supply of and average selling price for TFT-LCD, actual timing of completion of the various phases of our next generation fab, changes in technology, our ability to reduce unit manufacturing costs of our principal products, changes in availability and prices of raw materials and component parts, our success in implementing next generation fab technology in our production process, loss of a key customer or the postponement or cancellation of orders from a key customer, changes in end-users' spending patterns, our customers' adjustments in their inventory, natural disasters and other unexpected events which may disrupt production, our ability to maintain high production yields, our ability to manage our growth, our ability to retain our Chairman and key management personnel, intense competition, our ability to manufacture our products within the acceptable range of quality, our ability to introduce, develop, license or acquire advance technologies and design products utilizing those technologies, our ability to obtain, preserve and defend our intellectual property rights and fluctuations in foreign exchange rates.

The forward-looking statements in this press release reflect the current belief of HannStar Display Corporation as of the date of this press release, although we make no guarantees as to our future results or the events set forth herein, except as required by law, HannStar Display Corporation undertakes no obligation to update these forecasts and forward-looking statements for events or circumstances that occur subsequent to such date or otherwise.

2Q '19 Income Statement



NT\$ mn	2Q '19	1Q '19	2Q '18	QoQ Change %	YoY Change %
Net sales	4,262	3,262	5,132	31%	(17%)
Gross profit (loss)	572	351	1,459	63%	(61%)
Operating income (loss)	138	11	970	1,175%	(86%)
EBITDA	635	492	1,456	29%	(56%)
Net income (loss)	305	183	829	67%	(63%)
Net income (loss) per share¹	0.10	0.06	0.26	67%	(62%)
Gross margin (loss)	13%	11%	28%	3 pts	-15 pts
Operating margin (loss)	3%	0%	19%	3 pts	-16 pts
EBITDA margin (loss)	15%	15%	28%	0 pts	-13 pts
Net margin (loss)	7%	6%	16%	2 pts	-9 pts

Source: Company financials based on Taiwan IFRS, reviewed.

1. Basic EPS is based on 3,134.38 million shares in 2019 and 3,233.93 million shares in 2Q18.

(Weighted average outstanding shares)

2Q '19 Balance Sheet



NT\$ mn	2Q '19	1Q '19	2Q '18	QoQ Change %	YoY Change %
Cash and Financial assets at fair value through profit or loss	3,968	3,910	5,619	1%	(29%)
Inventory	1,238	1,248	1,142	(1%)	8%
Short term debt	620	731	938	(15%)	(34%)
Total Stockholders' equity	40,630	41,369	42,837	(2%)	(5%)
Total Assets	48,963	49,231	52,733	(1%)	(7%)
Inventory Turnover days ¹	31	37	29		
Debt to equity ratio	2%	2%	2%		
Net debt to equity ratio ²	(8%)	(8%)	(11%)		

Source: Company financials based on Taiwan IFRS, reviewed.

1. Excluding time deposit with maturity longer than 3 months (NT\$12,136m in 2Q19, NT\$11,988m in 1Q19 , and NT\$14,037m in 2Q18)

2. Average period of the designated period divided by annualized and multiplied by 365 days

3. Interest bearing debt less cash and financial assets at fair value through profit of loss, then divided by total equity.

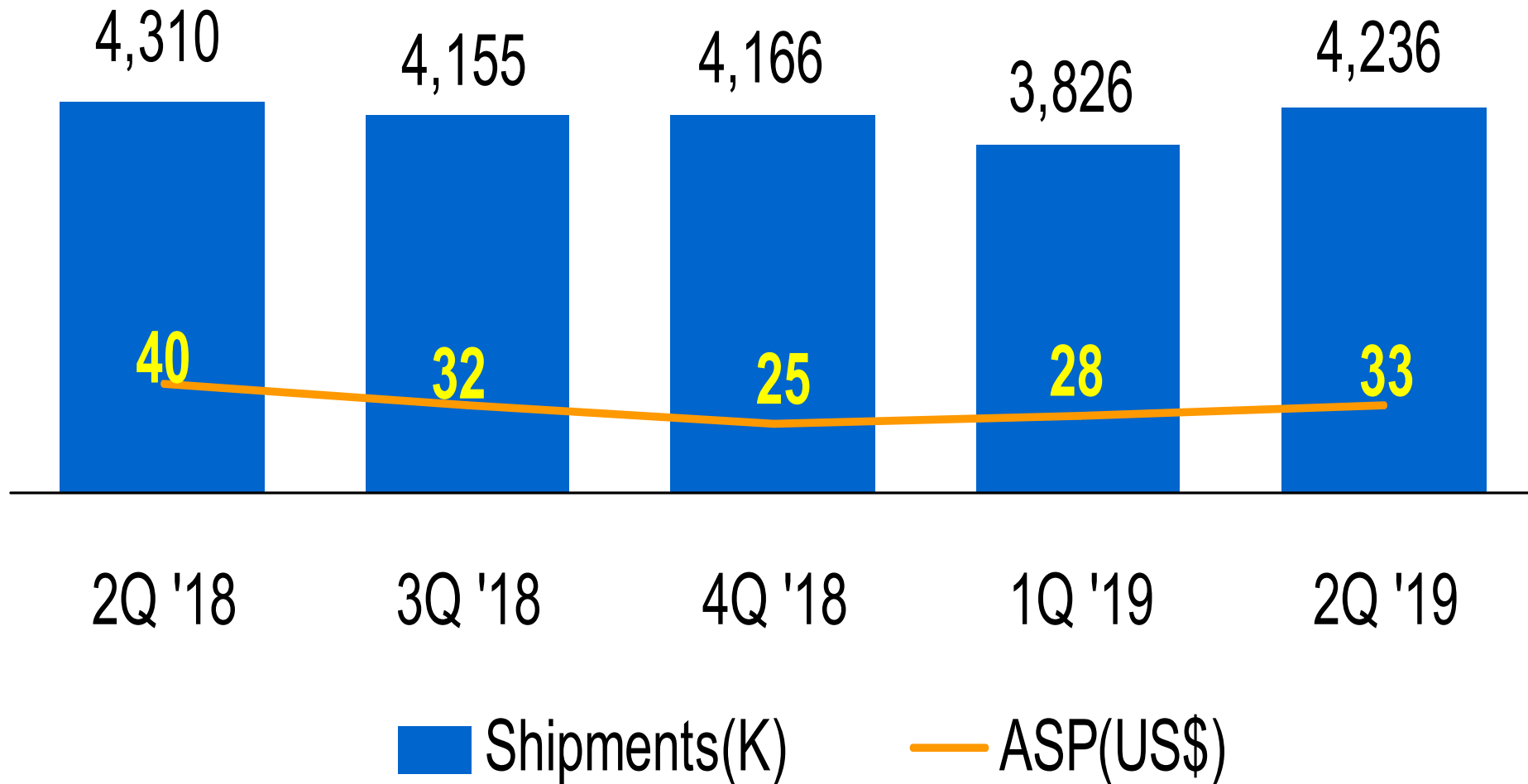
2Q '19 Cash Flow



NT\$ mn	2Q '19	1Q '19	2Q '18	QoQ Change	YoY Change
Net income (loss)	302	184	1,264	118	(962)
Depreciation and amortization	497	481	485	17	12
Changes in operating assets & liabilities	43	(1,193)	(547)	1,236	590
Cash flow from operating activities	662	(643)	980	1,305	(319)
Capex	(443)	(299)	(1,344)	(143)	901
Proceeds from disposal of assets		1	14	(1)	(14)
Acquisition of financial assets at amortised cost	(148)	449	2,466	(597)	(2,614)
Cash flow from investing activities	(470)	134	829	(604)	(1,300)
Decrease in short-term debt	(111)	43	(105)	(154)	(6)
Shares Repurchase	-	(114)		114	-
Repayment of Lease principal	(71)				(71)
Cash flow from financing activities	(161)	(122)	(116)	(40)	(45)
Effect of changes in exchange rates	29	(8)	107	36	(78)
Net change in cash	59	(639)	1,800	698	(1,740)

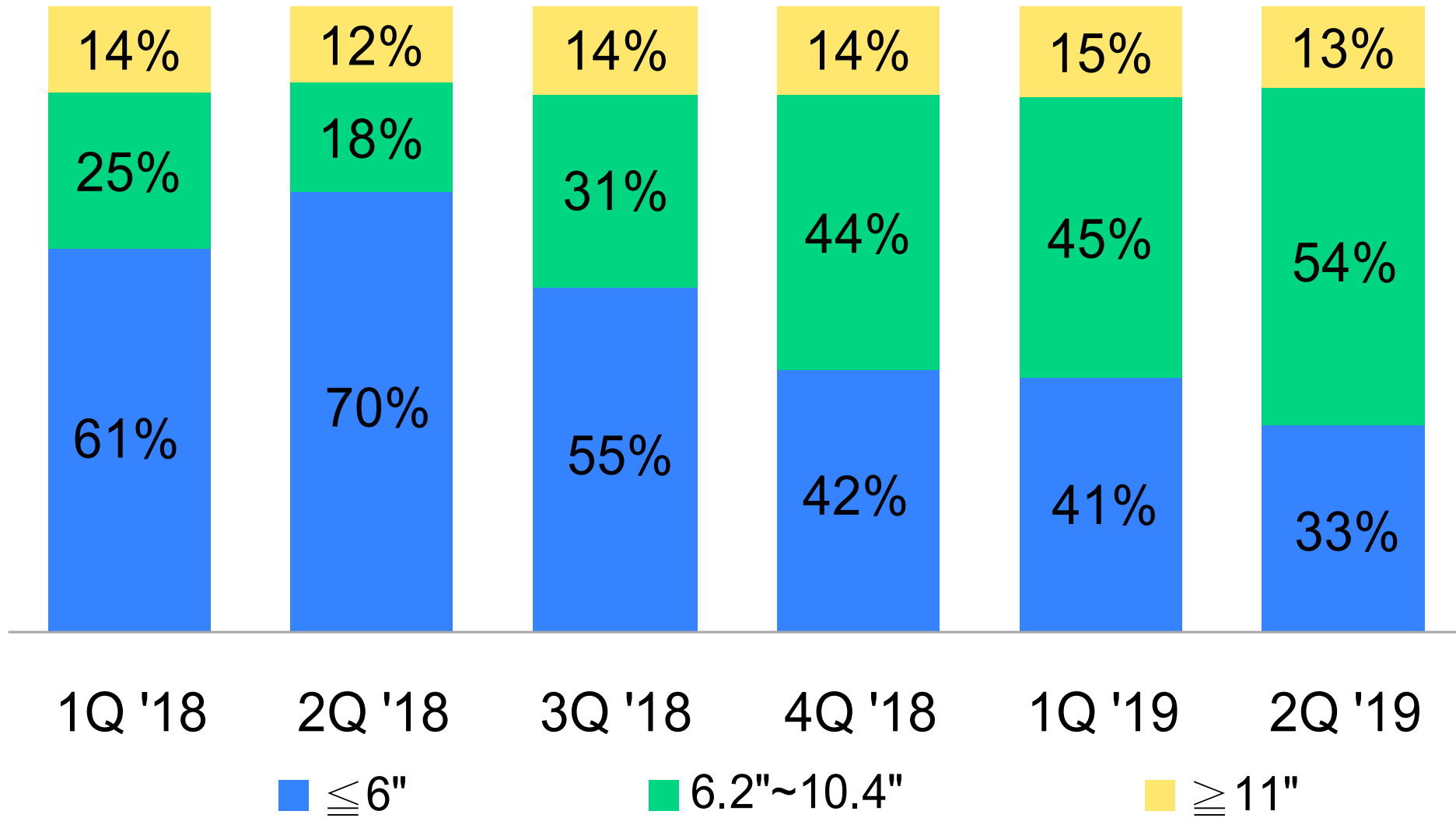
Source: Company financials based on Taiwan IFRS, reviewed.

Shipment & ASP Trend



Notes: G5.3 small & medium size are converted to 19" equivalent units.

Sales Breakdown by Size





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