

**ALi Corporation (3041 TT)**

**Company Profile**

# Company Overview

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- Spun off from Acer in 1993
- Focused on set-top box chip design, with >30% global market share in 2011
- More than 120 global Pay-TV operators have deployed ALi's solutions
- ~ 600 employees worldwide
- Listed on TWSE in 2002 with ticker : 3041
- Market Cap : US\$ 300 million (Sep 2012)
- "Asia's 200 Best Under A Billion" award by Forbes in 2010



# Vision, Mission, Management Philosophy



## Product

Provide cost-effective solutions by agility and continuous innovation

# A<sup>+</sup>

**Vision** : Bring technology to Life

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**Mission** : Strive to be a business-outperforming digital multimedia market leader



## Partner

Strengthen partners' competitiveness to achieve market leadership



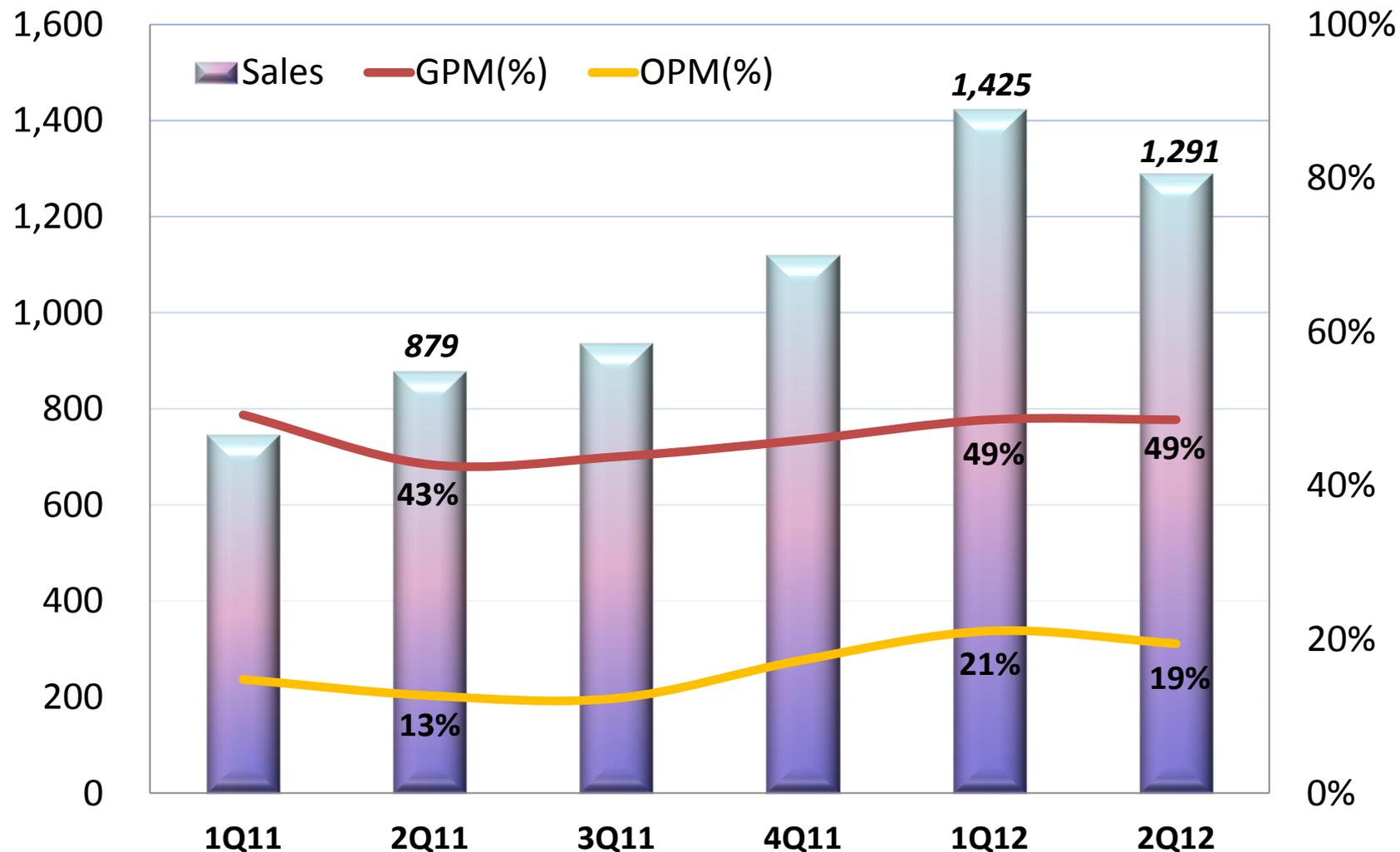
## People

Value our people and create energetic and open environment to stimulate employee growth

# Financial Highlights

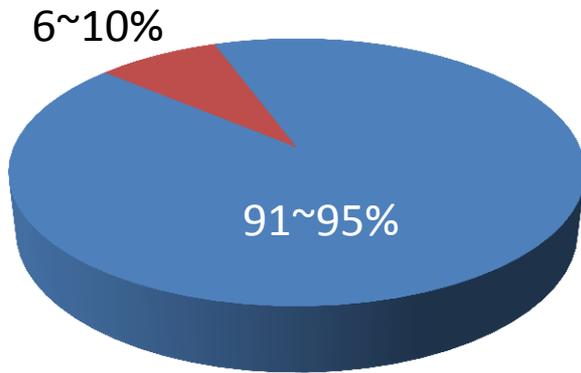
# Consolidated Quarterly Results

Unit: NT\$M



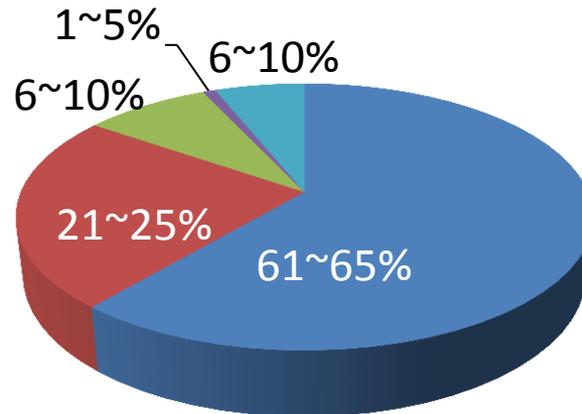
# 2Q12 Revenue Breakdown

STB v.s. Others



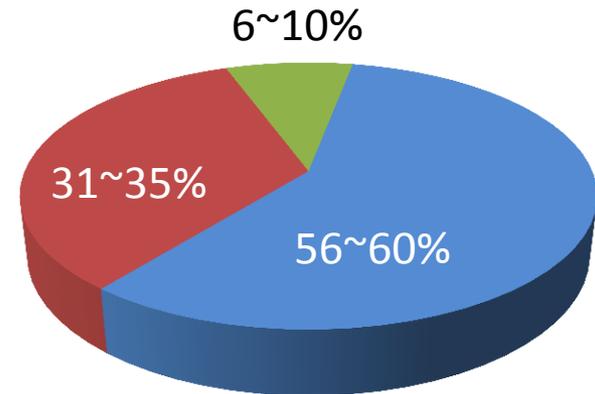
■ STB    ■ Others

STB by End Market



■ Retail HD (S+T)    ■ Retail SD Satellite  
 ■ Retail SD Terrestrial    ■ Retail IP STB (OTT)  
 ■ Pay TV

STB by Region



■ China    ■ Emerging Market  
 ■ Europe and US

# 3Q12 Guidance

- ❑ Consolidated revenue to be between NT\$1,029 million and NT\$1,107 million
- ❑ Consolidated gross profit margin to be between 46.2% and 48.0%
- ❑ Consolidated operating profit margin to be between 13.6% and 14.0%

# Appendix



# 2Q12 Consolidated Income Statement

(Amounts in thousand New Taiwan Dollars except EPS)

	2Q12		1Q12		2Q11		QoQ	YoY
Gross sales	1,295,708		1,427,164		880,681		-9%	47%
Less: Sales returns and discounts	(4,500)		(1,811)		(1,626)		148%	177%
<b>Net sales</b>	<u>1,291,208</u>	100%	<u>1,425,353</u>	100%	<u>879,055</u>	100%	-9%	47%
Cost of goods sold	(664,188)		(733,231)		(503,385)		-9%	32%
<b>Gross profits</b>	<u>627,020</u>	49%	<u>692,122</u>	49%	<u>375,670</u>	43%	-9%	67%
Operating expenses								
Selling expenses	(73,499)		(83,540)		(52,157)		-12%	41%
Administrative expenses	(67,184)		(69,568)		(48,906)		-3%	37%
Research and development expenses	(235,410)		(238,627)		(163,274)		-1%	44%
Total operating expenses	<u>(376,093)</u>	-29%	<u>(391,735)</u>	-27%	<u>(264,337)</u>	-30%	-4%	42%
<b>Operating income</b>	<u>250,927</u>		<u>300,387</u>		<u>111,333</u>		-16%	125%
Non-operating income and gain(expense & loss)	15,468		28,698		24,469		-46%	-37%
Income before income tax	266,395		329,085		135,802		-19%	96%
Income tax(expense)benefit	(53,018)		(62,532)		(30,349)		-15%	75%
<b>Net income</b>	<u>213,377</u>	17%	<u>266,553</u>	19%	<u>105,453</u>	12%	-20%	102%
Earnings Per Share(in New Taiwan Dollars)	<u>0.73</u>		<u>0.91</u>		<u>0.35</u>			

# 2Q12 Consolidated Balance Sheet

(Amounts in thousand New Taiwan Dollars except Key Indices)

Selected Items from Balance Sheet

	2Q12	1Q12	2Q11
Cash & financial asset current	4,590,560	4,261,759	4,010,140
Notes and accounts receivable	428,802	665,054	343,458
Inventory (net)	311,444	311,032	331,650
Other current asset	133,598	262,736	176,272
<b>Total current asset</b>	5,464,404	5,500,581	4,861,520
<b>Funds and Investments</b>	50,168	23,004	21,996
<b>Net PP&amp;E</b>	558,305	566,013	556,176
<b>Intangible assets</b>	112,398	126,662	133,653
<b>Other assets</b>	1,021,731	1,023,181	1,175,872
<b>Total assets</b>	7,207,006	7,239,441	6,749,217
Notes & accounts payable	667,224	862,357	461,660
Other current liabilities	1,119,115	648,109	1,252,646
Other liabilities	10,865	10,622	12,454
<b>Total liabilities</b>	1,797,204	1,521,088	1,726,760
<b>Total shareholders' equity</b>	5,409,802	5,718,353	5,022,457
<b>Key Indices</b>			
A/R Turnover Days	39	39	36
Inventory Turnover Days	45	34	71
Current Ratio	3.1	3.6	2.8

(Total outstanding shares were 292,526,071 shares as of Jun 30, 2012)