



Customer centric. Integrity. Innovation.

# Wistron ITS Corp.

## Investor Conference

2020/04/13

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# About Wistron ITS



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**IT**  
Service  
Provider



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**28**  
Year  
Experiences



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**5800**  
Employees



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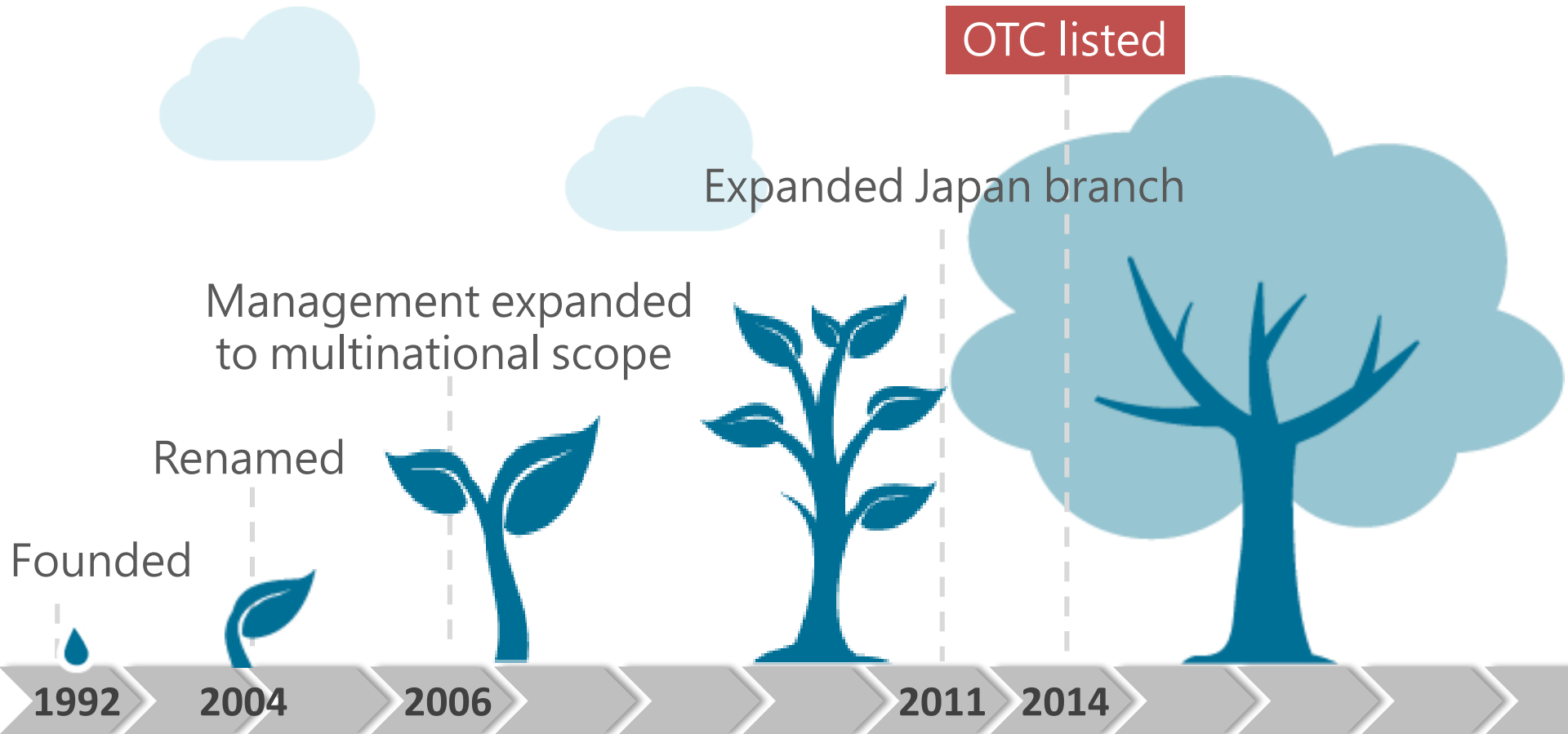
**13**  
Delivery &  
Service  
Branches



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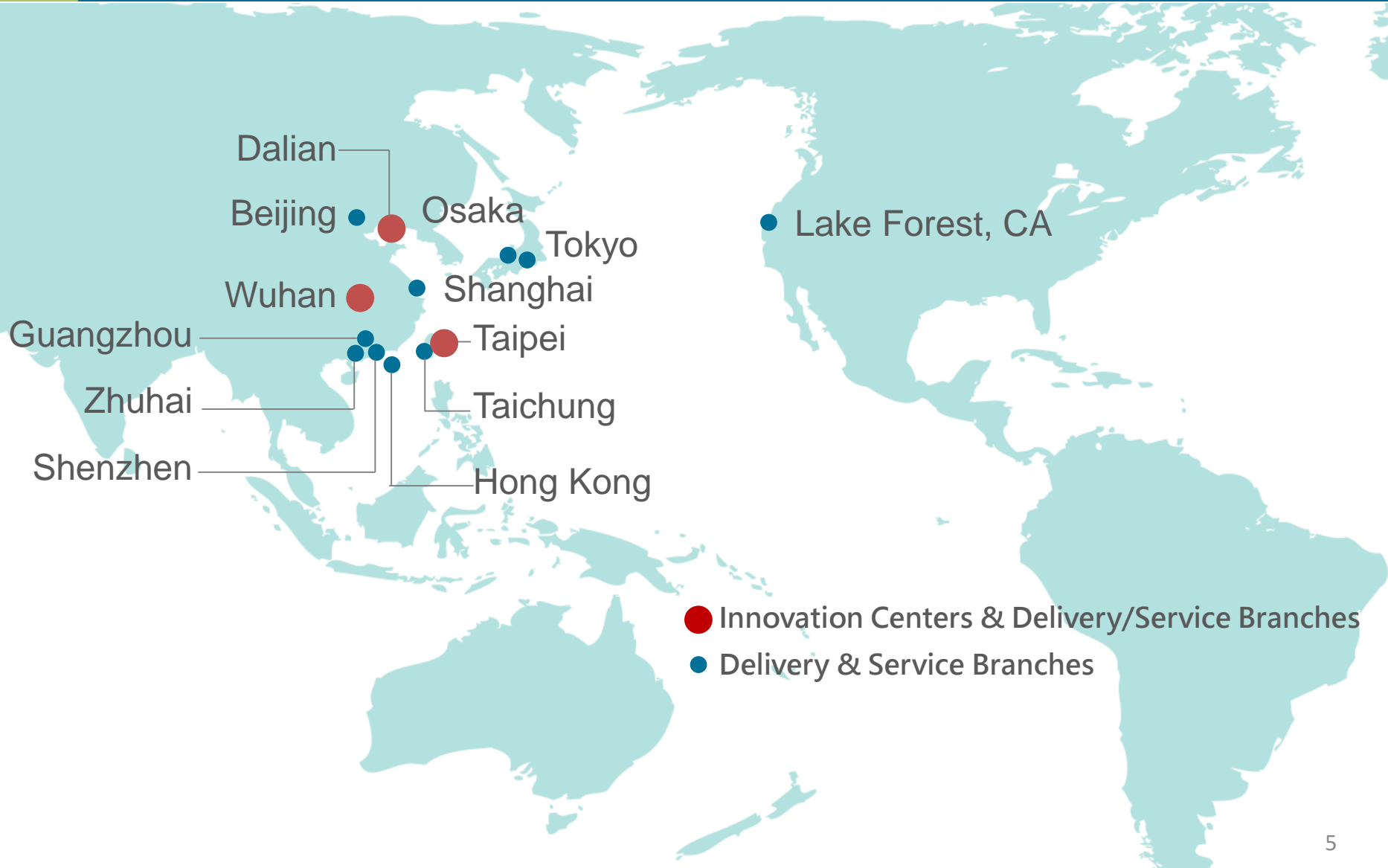
**3**  
Innovation  
Centers

# Leading IT Service Provider



**Sustainable revenue growths and profits since 2006**

# Established Service Network



# Professional Services



# Disclaimer for Financial Statements

- The financial numbers hereby are based on International Financial Reporting Standards (IFRSs).
- Cumulative consolidated numbers were audited by CPA.

# Statements of Consolidated Income (Quarterly) **wistron**

Wistron ITS

Expressed in thousands of New Taiwan Dollars, except for earnings per share amounts

	2019Q4		2019Q3		QoQ	2018Q4		YoY
Operating revenue	\$ 1,280,739	100%	\$ 1,349,497	100%	(5.1%)	\$ 1,124,150	100%	13.9%
Operating costs	(990,201)	(77.3%)	(1,011,849)	(75.0%)	(2.1%)	(886,888)	(78.9%)	11.6%
Net operating margin	290,538	22.7%	337,648	25.0%	(14.0%)	237,262	21.1%	22.5%
Operating expenses	(209,116)	(16.3%)	(217,944)	(16.1%)	(4.1%)	(194,867)	(17.3%)	7.3%
Operating profit	81,422	6.4%	119,704	8.9%	(32.0%)	42,395	3.8%	92.1%
Non-operating income and expenses	(2,444)	(0.2%)	4,295	0.3%	(156.9%)	24,966	2.2%	(109.8%)
Profit before income tax	78,978	6.2%	123,999	9.2%	(36.3%)	67,361	6.0%	17.2%
Profit for the period	74,389	5.8%	113,222	8.4%	(34.3%)	57,770	5.1%	28.8%
Basic earnings per share (in NTD)	\$ 1.12		\$ 1.71			\$ 1.02		



# Statements of Consolidated Income(Yearly)

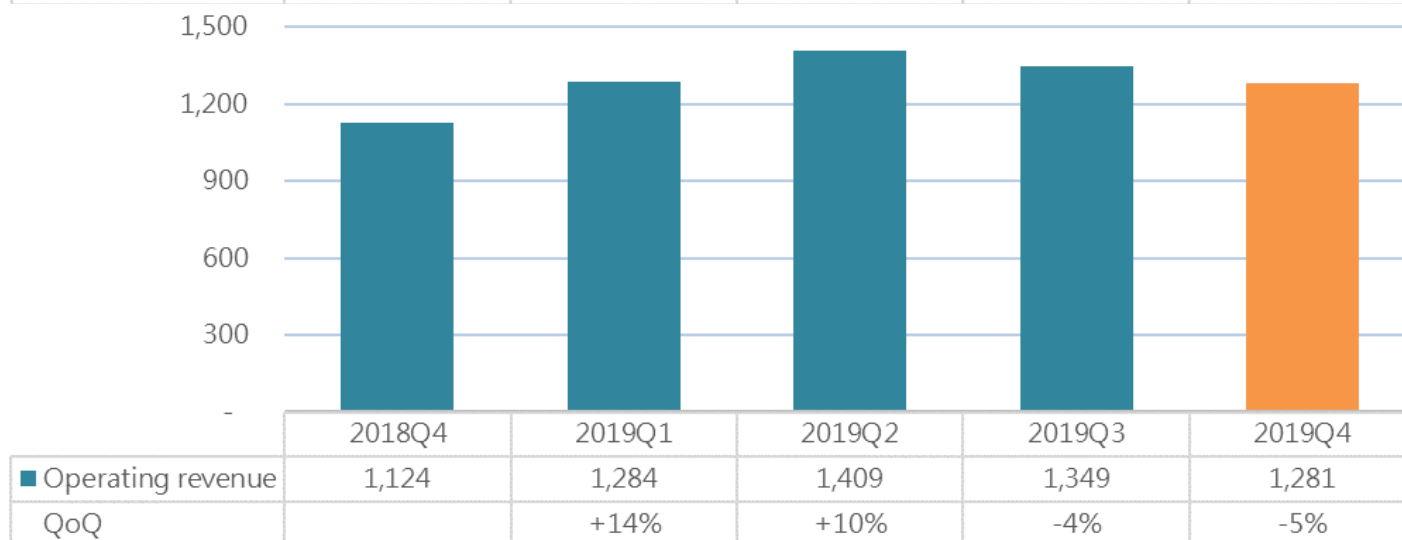
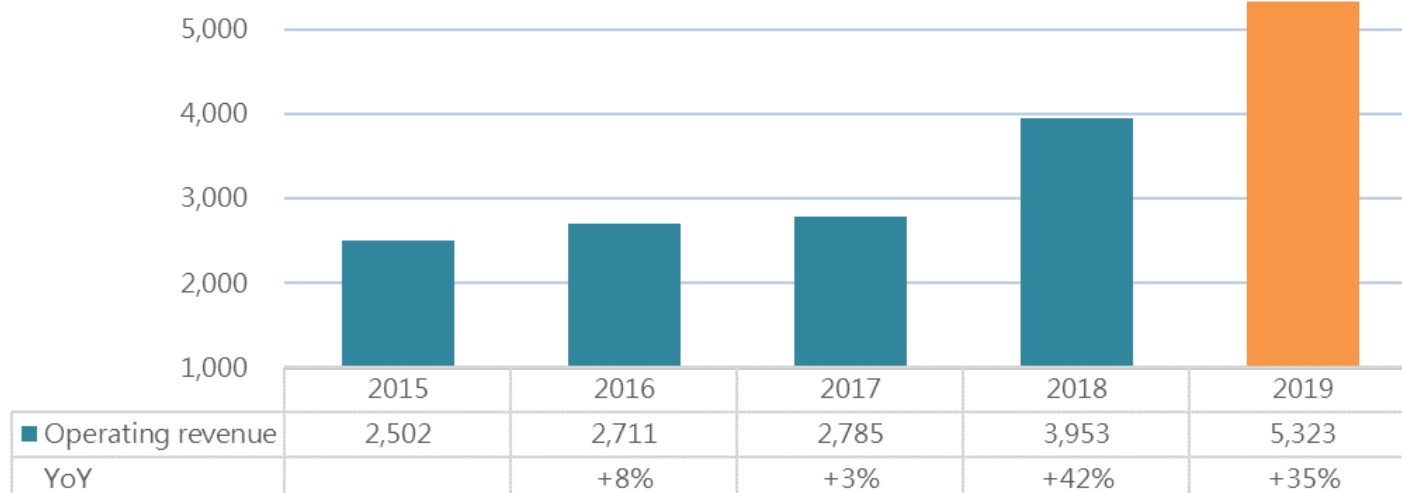


Expressed in thousands of New Taiwan Dollars, except for earnings per share amounts

	2019		2018		YoY
Operating revenue	\$ 5,323,464	100%	\$ 3,953,321	100%	34.7%
Operating costs	(4,020,905)	(75.5%)	(3,023,926)	(76.5%)	33.0%
Net operating margin	1,302,559	24.5%	929,395	23.5%	40.2%
Operating expenses	(863,960)	(16.3%)	(722,177)	(18.3%)	19.6%
Operating profit	438,599	8.2%	207,218	5.2%	111.7%
Non-operating income and expenses	19,545	0.4%	67,344	1.7%	(71.0%)
Profit before income tax	458,144	8.6%	274,562	6.9%	66.9%
Profit for the period	413,123	7.8%	253,190	6.4%	63.2%
Basic earnings per share (in NTD)	\$ 6.23		\$ 4.75		

# Operating Revenue

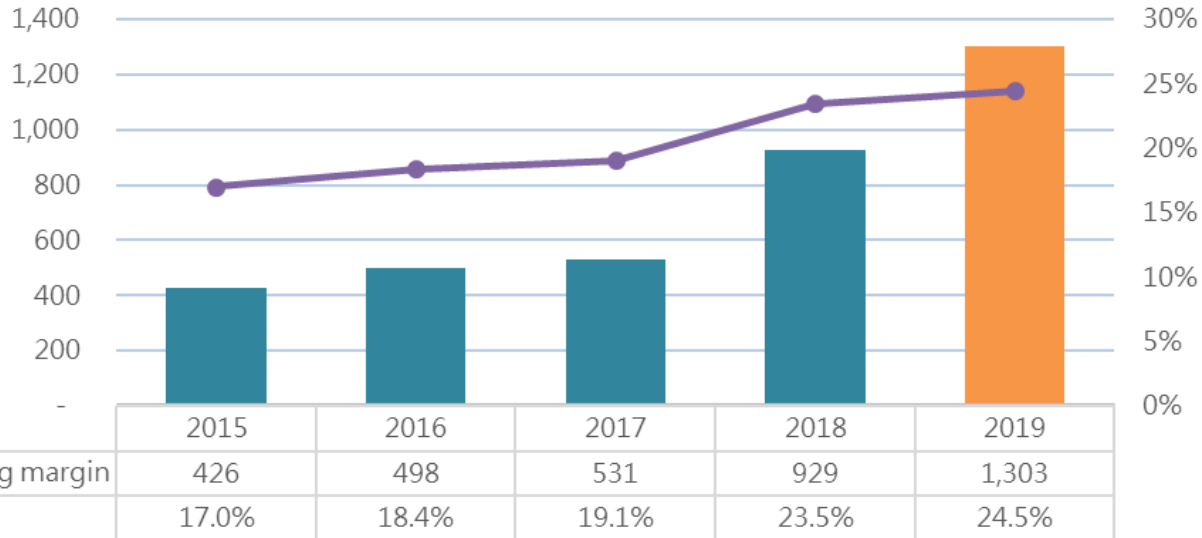
Millions of NTD



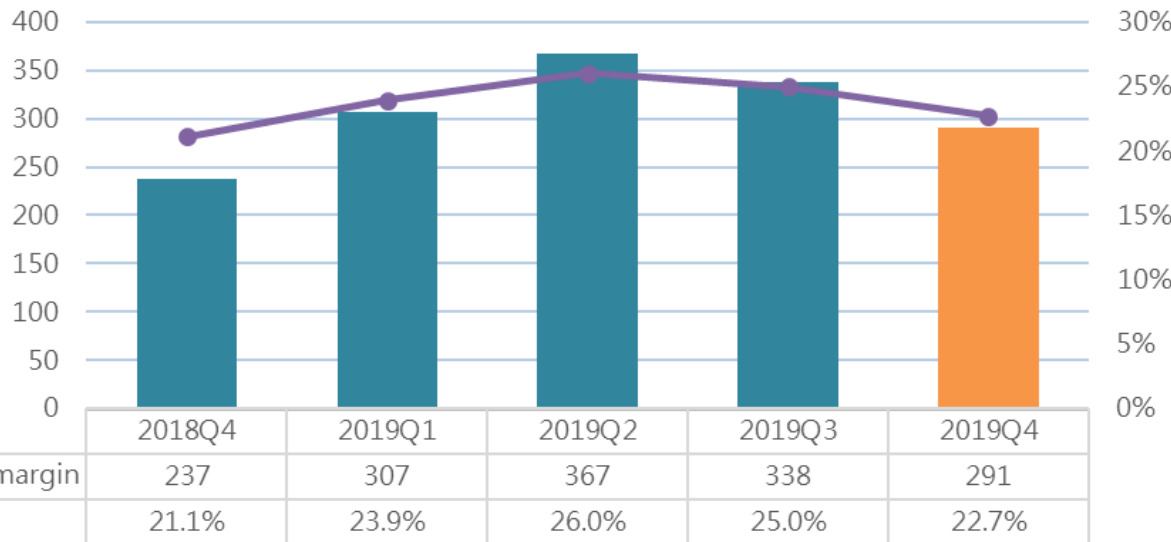
\*QoQ for 2019Q4 vs 2018Q4 is +14% °

# Net Operating Margin

Millions of NTD



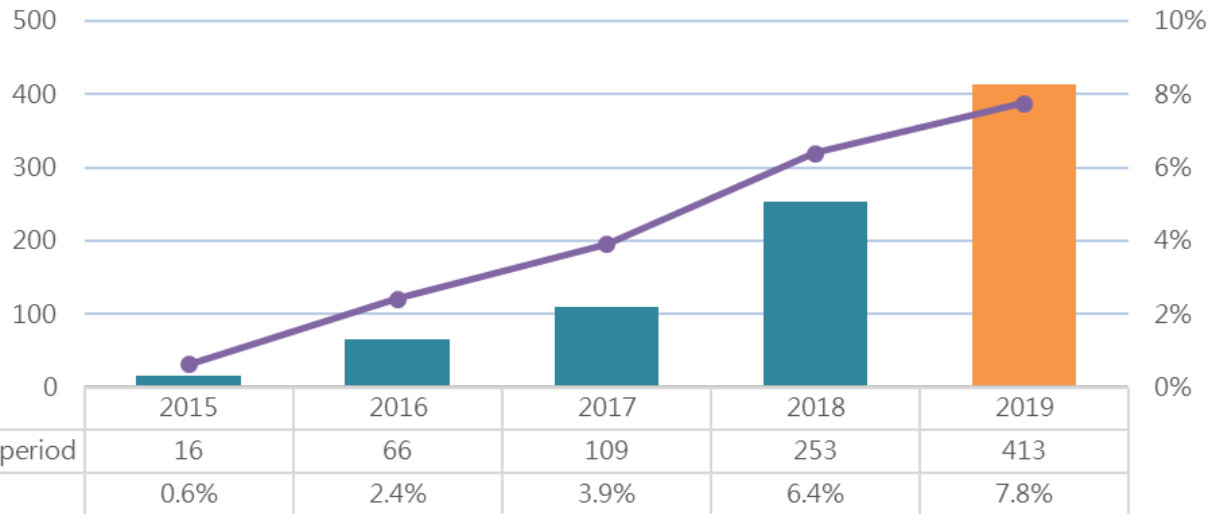
YoY		
2019	+374	+40%
2018	+398	+75%
2017	+33	+7%
2016	+72	+17%



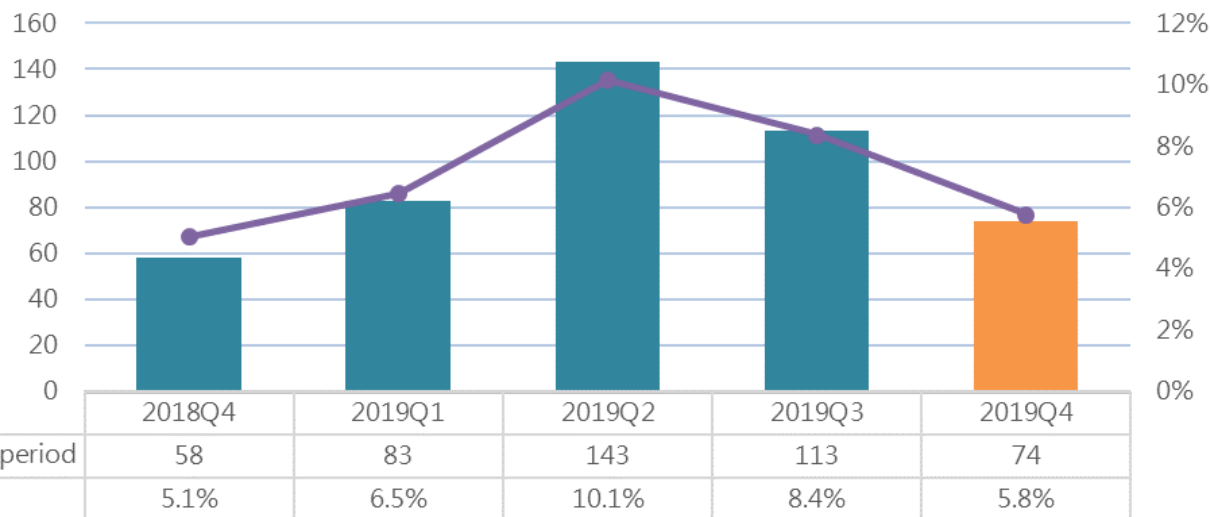
QoQ		
2019Q4 vs 2019Q3	-47	-14%
2019Q4 vs 2018Q4	+54	+23%

# Profit for the Period

Millions of NTD



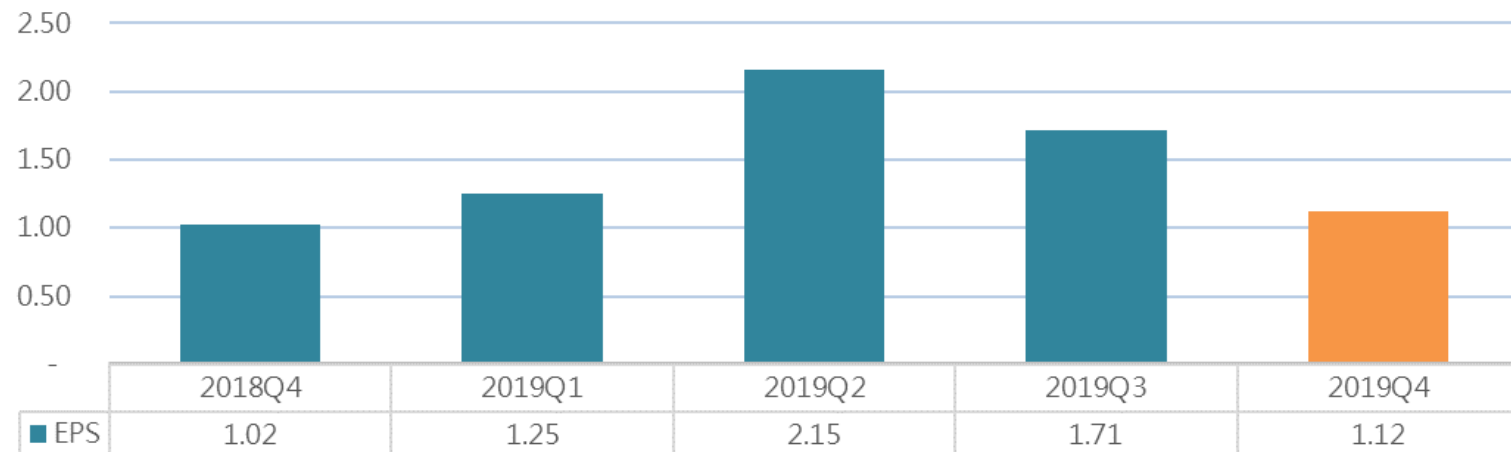
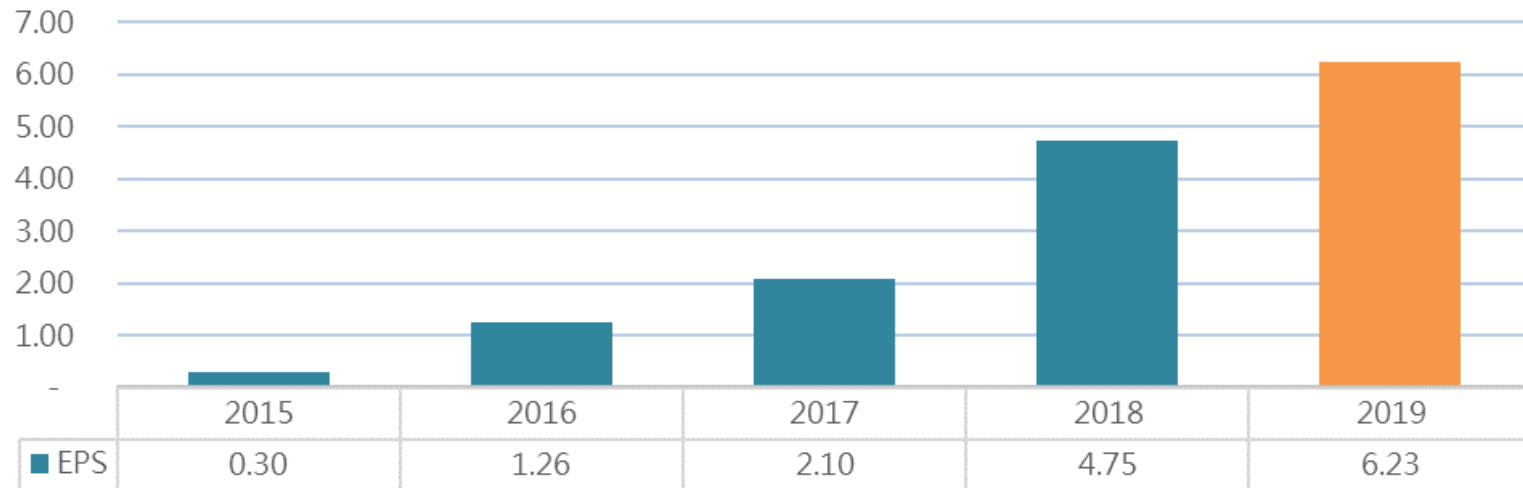
YoY		
2019	+160	+63%
2018	+144	+132%
2017	+43	+65%
2016	+50	+313%



QoQ		
2019Q4 vs 2019Q3	-39	-34%
2019Q4 vs 2018Q4	+16	+29%

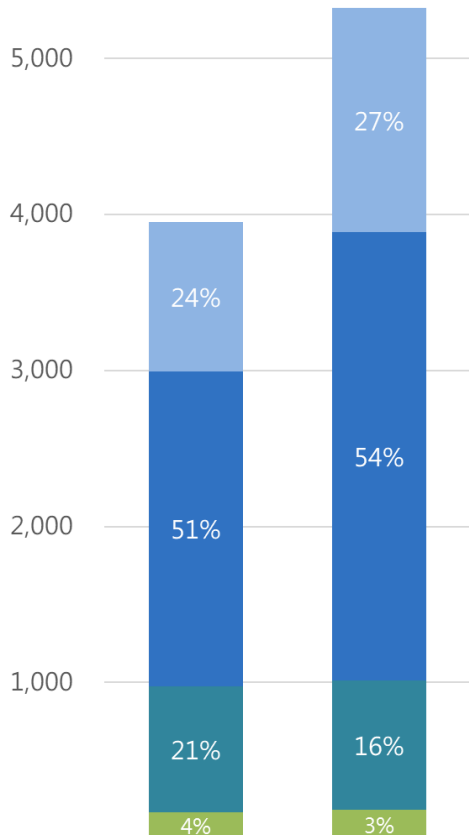
# Earnings Per Share

(in NTD)

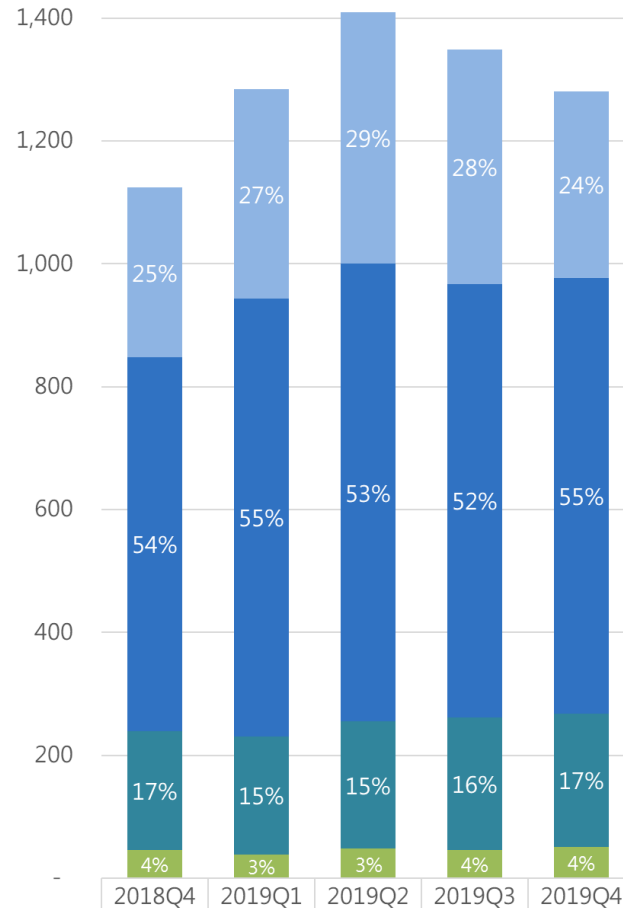


# Revenue Share By Region

Millions of NTD



	2018	2019
TW & HK	959	1,436
China	2,018	2,871
Japan	806	833
US, EUR & others	170	183

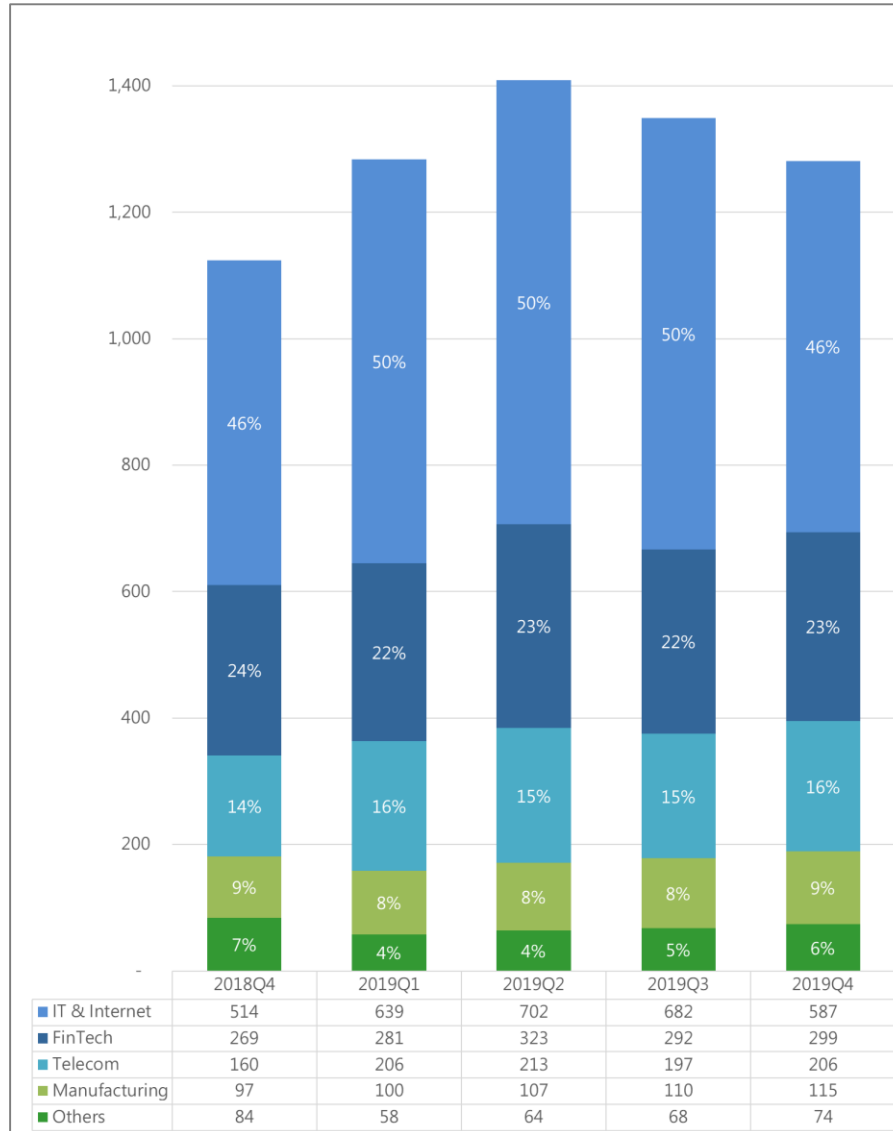
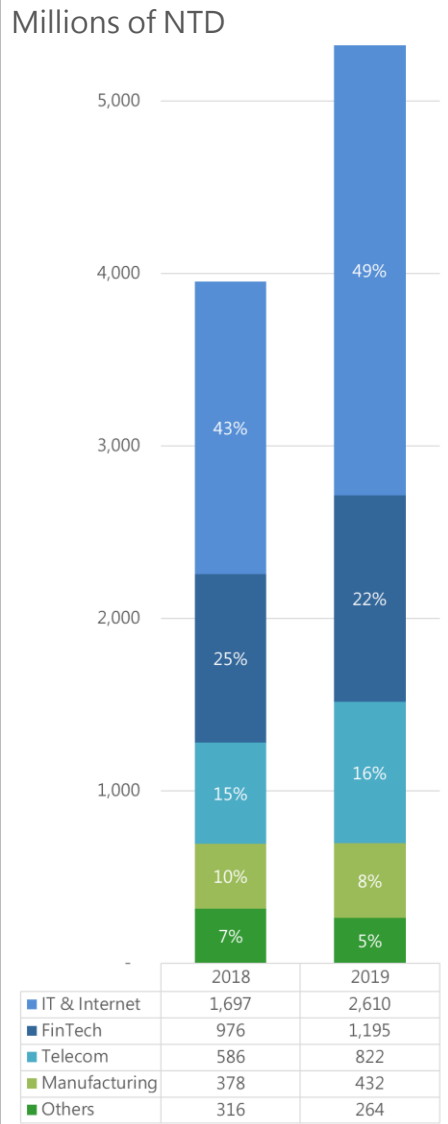


	2018Q4	2019Q1	2019Q2	2019Q3	2019Q4
TW & HK	276	341	409	382	304
China	608	712	745	705	709
Japan	194	193	207	216	217
US, EUR & others	46	38	48	46	51

2019 vs 2018	
Taiwan & Hong Kong	+477
	+50%
China	+853
	+42%
Japan	+27
	+3%
US, Europe & others	+13
	+8%

	2019Q4 vs 2018Q4	2019Q4 vs 2019Q3
Taiwan & Hong Kong	+28	-78
	+10%	-20%
China	+101	+4
	+17%	+1%
Japan	+23	+1
	+12%	+0%
US, Europe & others	+5	+5
	+11%	+11%

# Revenue Share By Industry



2019 vs 2018	
IT & Internet	+913
	+54%
FinTech	+219
	+22%
Telecom	+236
	+40%
Manufacturing	+54
	+14%
Others	-52
	-16%

	2019Q4 vs 2018Q4	2019Q4 vs 2019Q3
IT & Internet	+73	-95
	+14%	-14%
FinTech	+30	+7
	+11%	+2%
Telecom	+46	+9
	+29%	+5%
Manufacturing	+18	+5
	+19%	+5%
Others	-10	+6
	-12%	+9%

# Consolidated Balance Sheets

Expressed in thousands of New Taiwan Dollars, except for book value per share amounts

	2019/12/31		2018/12/31		YoY
Cash and cash equivalents	\$ 875,113	26.0%	\$ 1,295,230	43.7%	(32.4%)
Accounts receivable, net (including related parties)	1,394,521	41.5%	1,133,563	38.2%	23.0%
Other current assets	69,681	2.1%	89,528	3.0%	(22.2%)
Property, plant and equipment, net	853,356	25.4%	58,210	2.0%	1366.0%
Other assets	169,023	5.0%	387,099	13.1%	(56.3%)
<b>Total assets</b>	<b>3,361,694</b>	<b>100%</b>	<b>2,963,630</b>	<b>100%</b>	<b>13.4%</b>
Short-term borrowings	0	0.0%	44,755	1.5%	(100.0%)
Accounts payable (including related parties)	171,677	5.1%	157,603	5.3%	8.9%
Other payables	697,620	20.8%	653,889	22.1%	6.7%
Other liabilities	383,400	11.4%	280,181	9.4%	36.8%
<b>Total liabilities</b>	<b>1,252,697</b>	<b>37.3%</b>	<b>1,136,428</b>	<b>38.3%</b>	<b>10.2%</b>
<b>Total equity</b>	<b>2,108,997</b>	<b>62.7%</b>	<b>1,827,202</b>	<b>61.7%</b>	<b>15.4%</b>
Book value per share (in NTD)	\$ 31.76		\$ 30.35		



# Dividend Payout

	2014	2015	2016	2017	2018	2019
Cash dividend (NTD)	1.5	1.0	1.1	0.5	1.7	3.2*
Stock dividend (NTD)	0.3	0	0	1.0	1.0	0.0
EPS (NTD)	2.89	0.36	1.52	2.54	5.22	6.23
Total Dividend Payout %	62%	278%	72%	59%	52%	51%
Cash Dividend Payout %	52%	278%	72%	20%	32%	51%

\*The actual dividend distribution for 2019 is subject to AGM's approval.

# 2020 Outlook

- Cautiously confront with COVID-19 and economic uncertainty.
- Solid Performance and Profit.
- Actively deploy on promising growth areas.



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