



漢微科

Investor Conference

July 31, 2015

AGENDA

- **2Q15 Highlights and Financial Results**
- **2H15 Market status and Outlook**
- **Q & A**

Speakers

招允佳 Jack Jau / CEO

潘中石 Chung-Shih Pan/COO

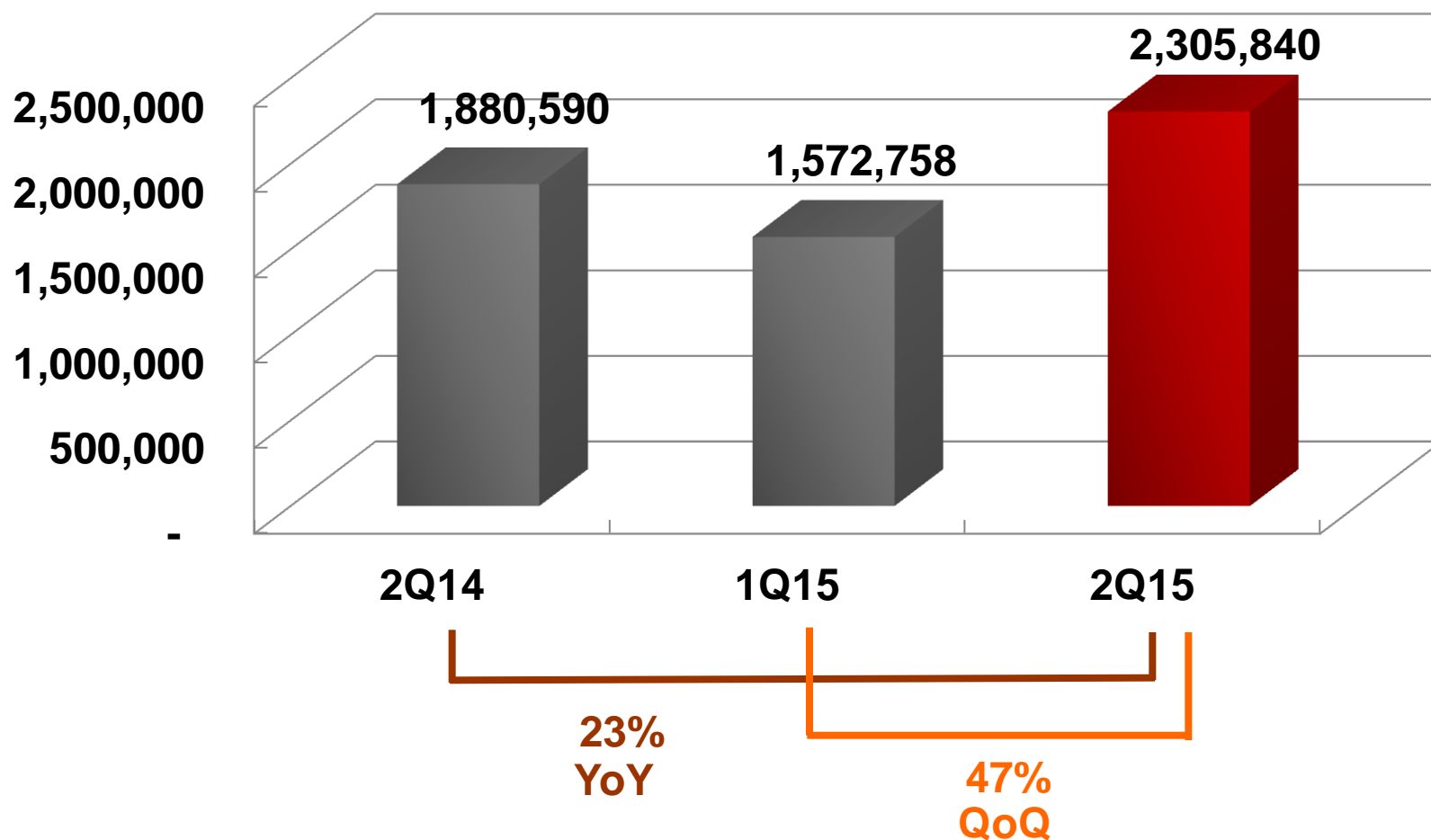
沈孝廉 Leo Shen/ CFO

- **HMI's statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.**
- **Please consider these forward-looking statements carefully because such statements are only our expectations or projections about future events, and actual results may differ materially from those expressed or implied by such statements.**
- **The forward-looking statements contained in this presentation are made only as of the date of this presentation and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances, except as required by law.**

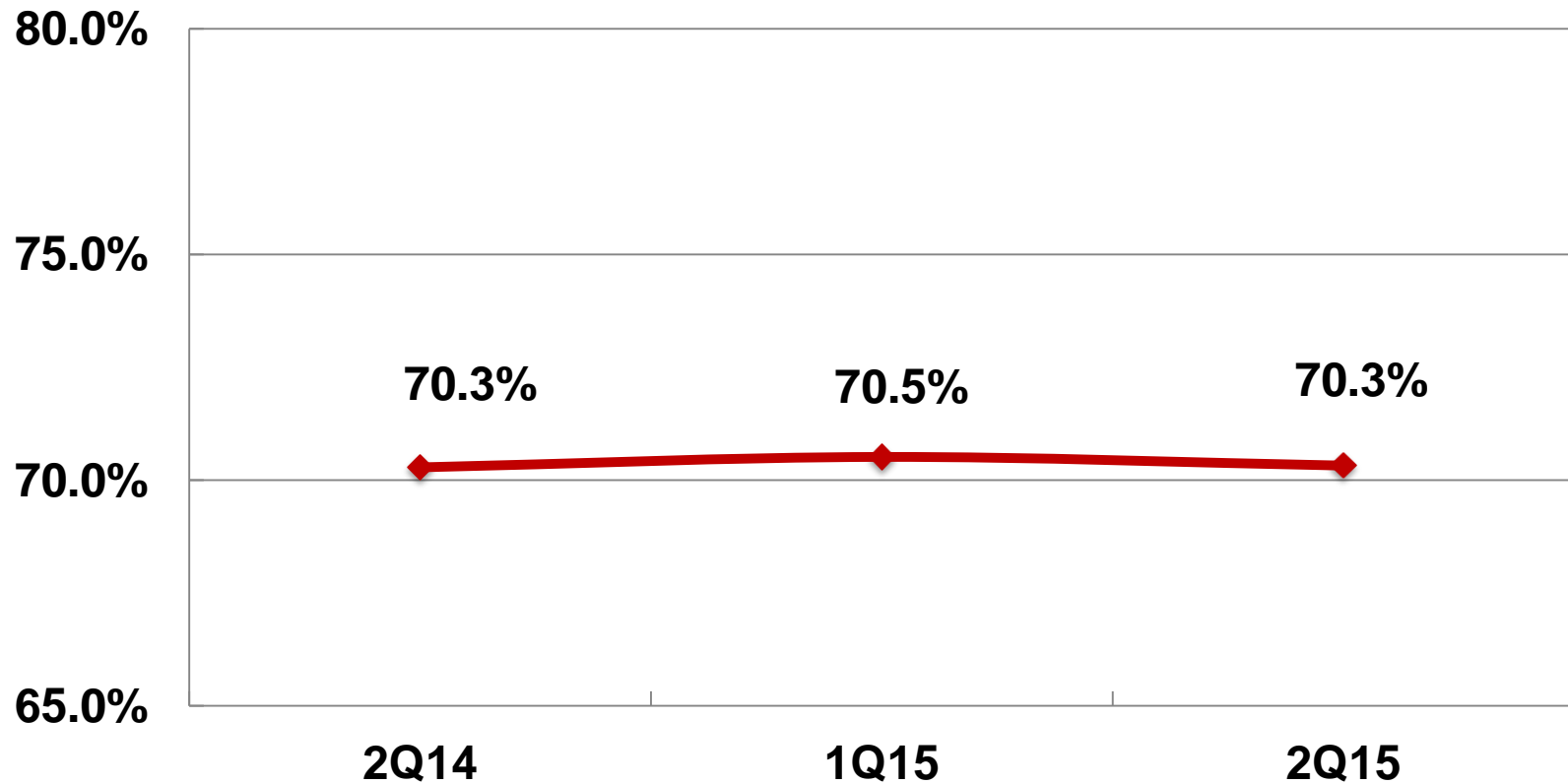
- Demand for ebeam technology and products remain strong for advanced technology nodes migration due to technological challenges
- New tool development and shipping on schedule
- Month-to-month / Q-to-Q revenue fluctuation due to volatility in revenue recognition timing
- Shipment pushed out as a result of fab's unpredictable ramp-up timing
- HMI Board of Directors sets June 16 as ex-dividend date and June 22 as record date for common share dividend

Operating revenue (Consolidated)

(In NT\$ Thousands)

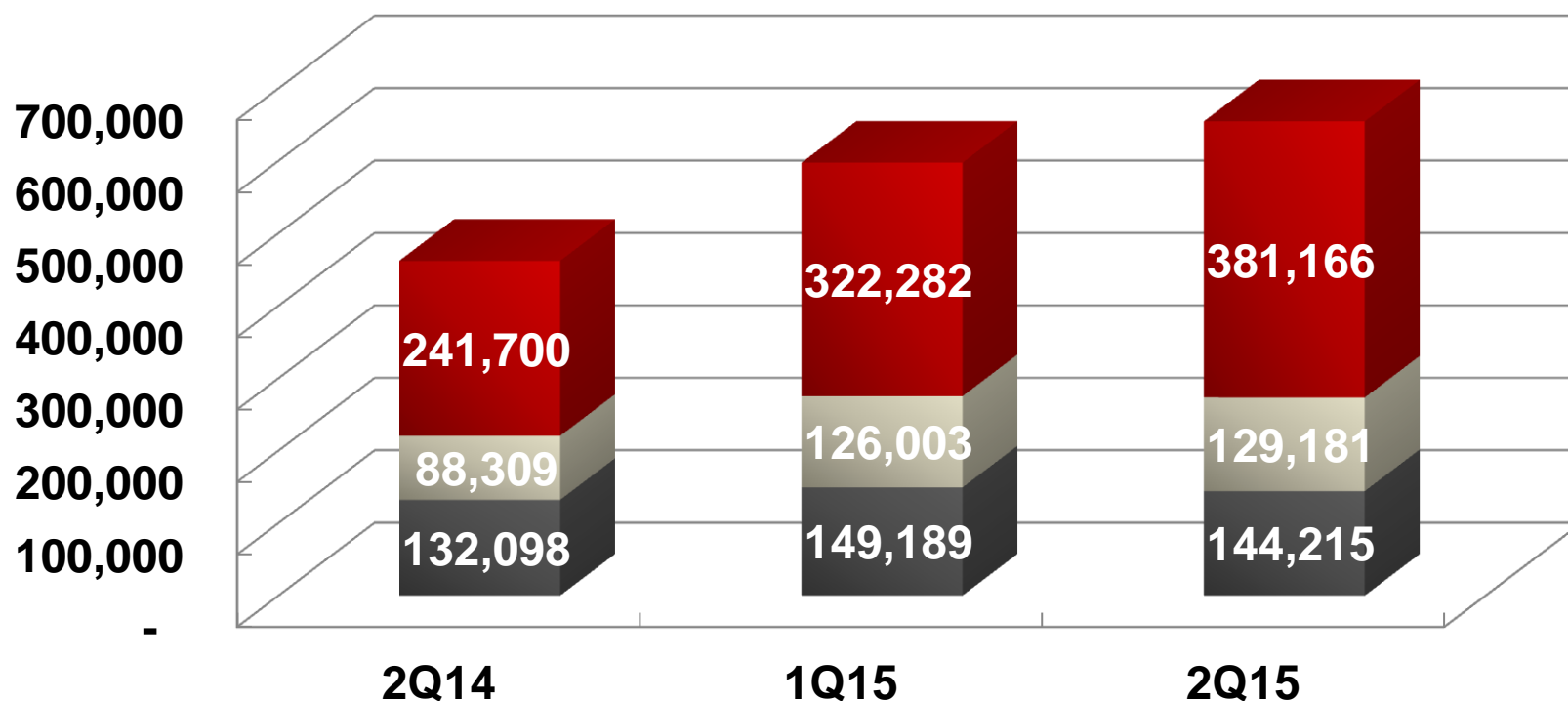


Gross Margin (Consolidated)



Operating Expenses (Consolidated)

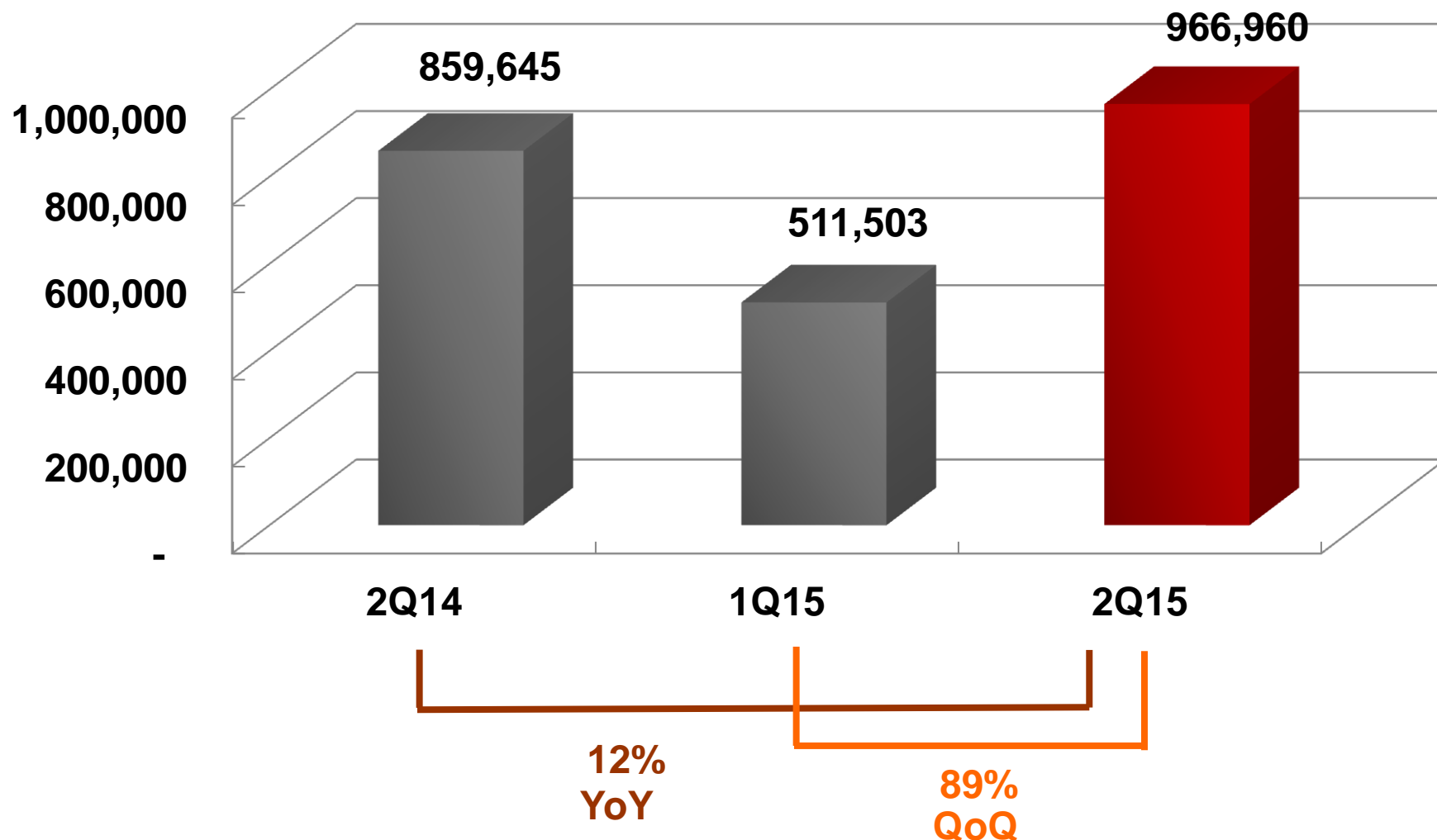
(In NT\$ Thousands)



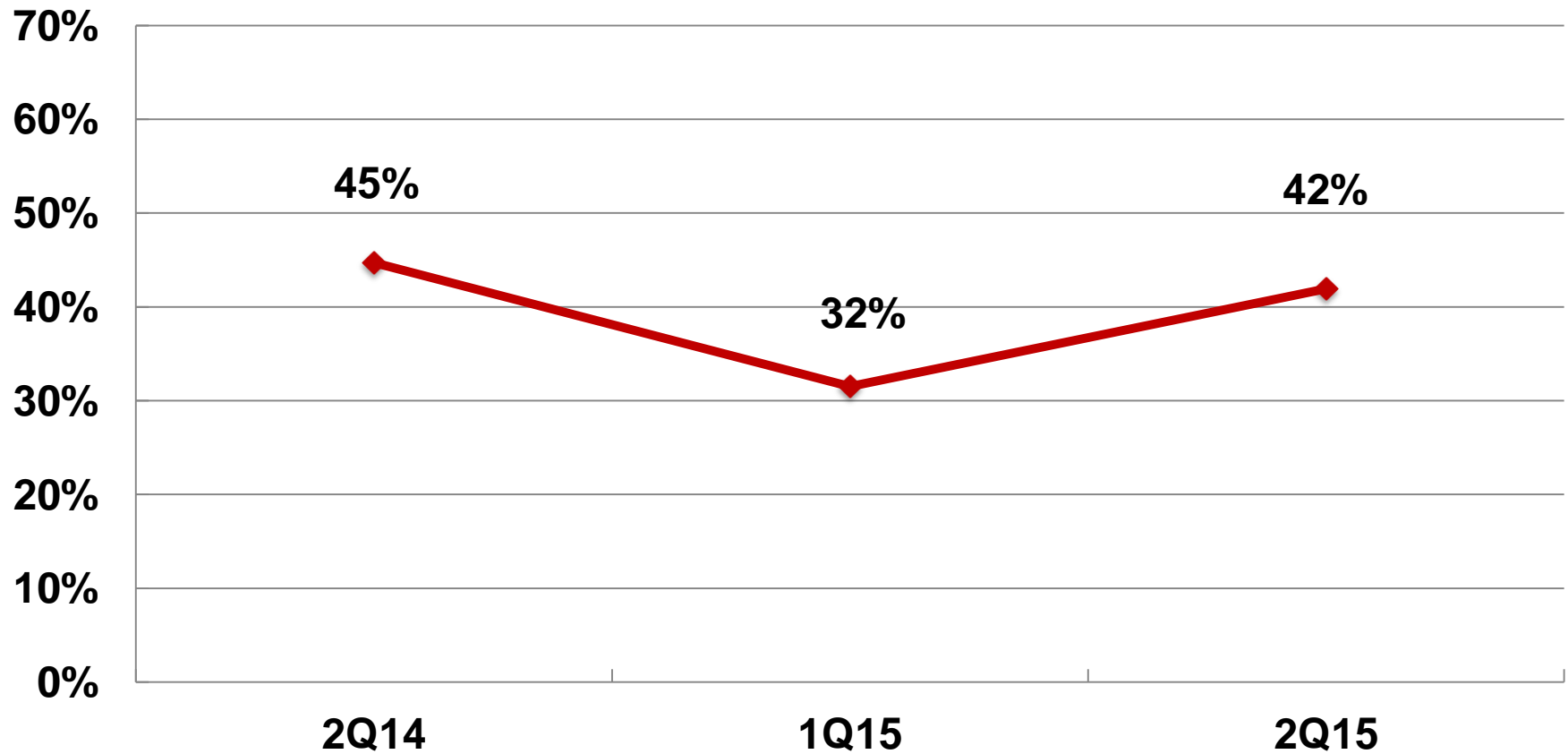
■ Selling expenses ■ G&A expenses ■ R&D expenses

Operating Profit (Consolidated)

(In NT\$ Thousands)

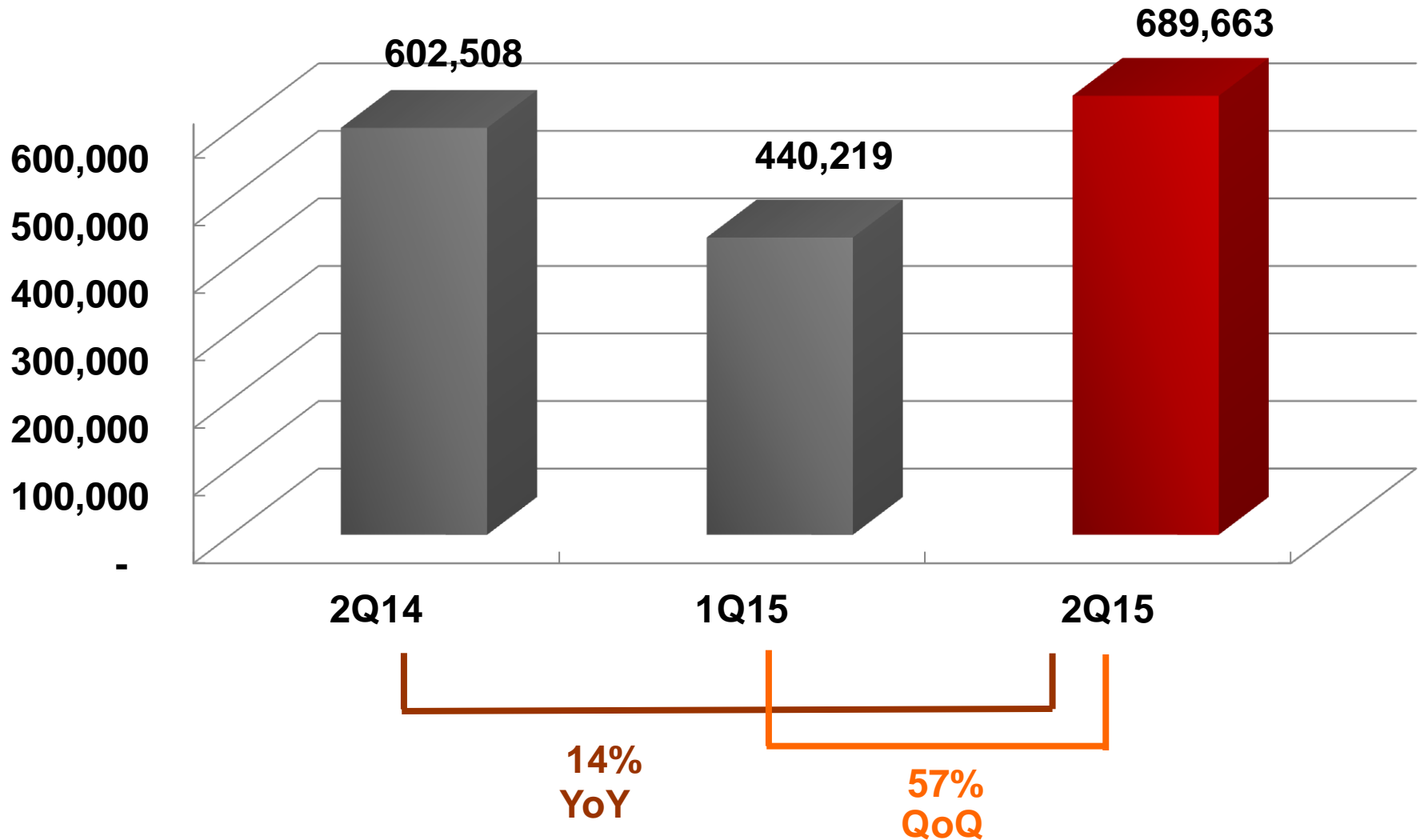


Operating Margin (Consolidated)



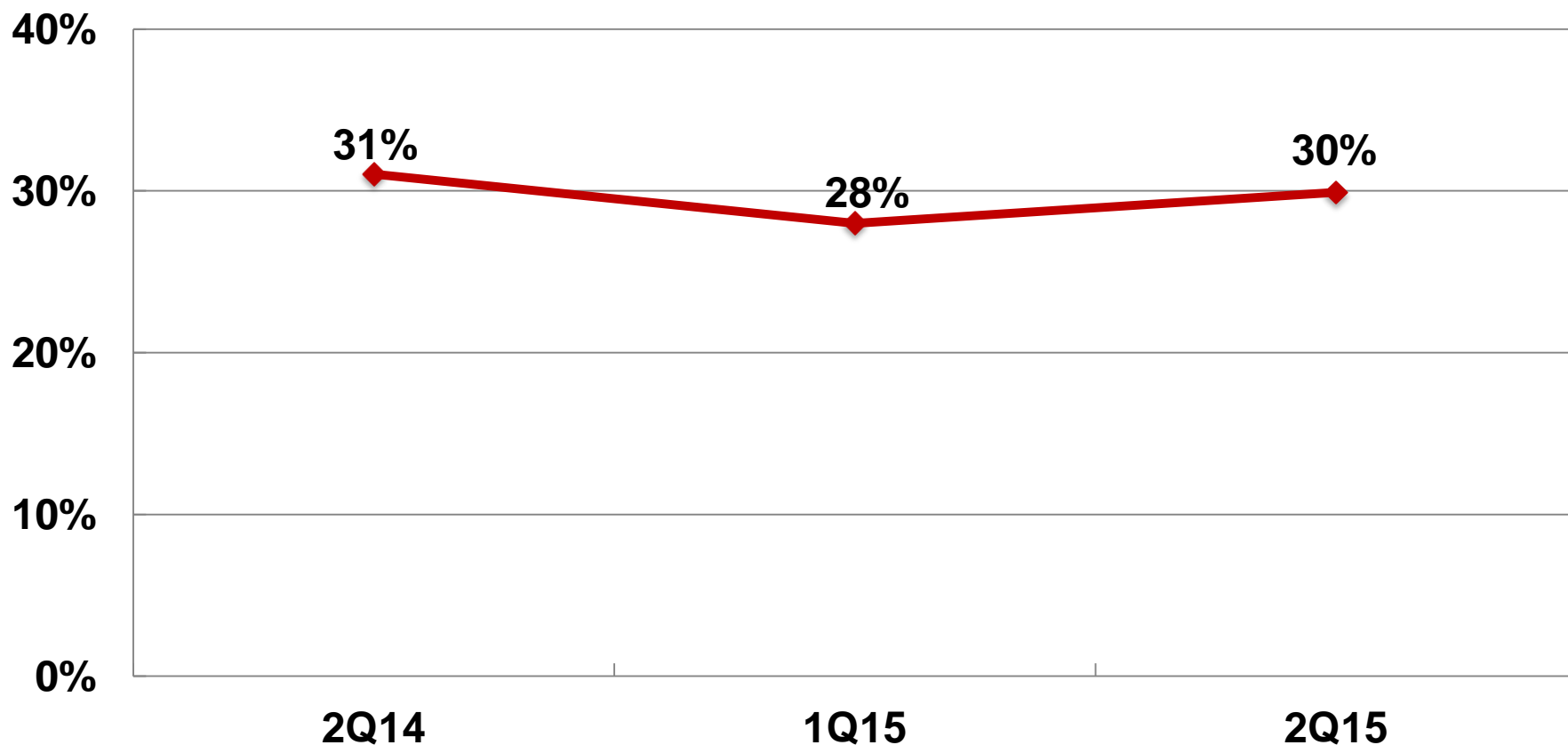
Net Income after Tax (Consolidated)

(In NT\$ Thousand)



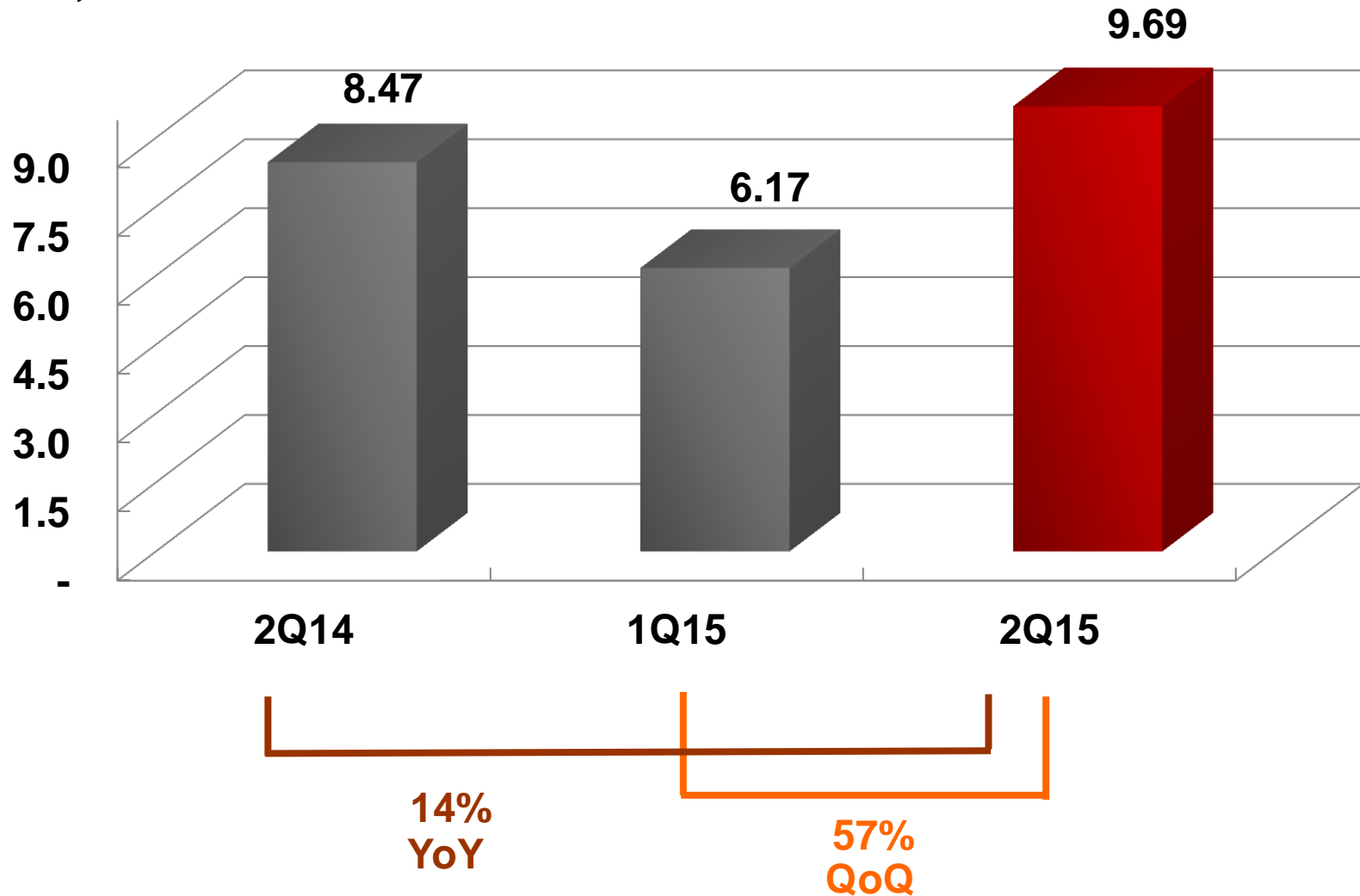
Margin of Net Income after Tax (Consolidated)

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Basic EPS (Consolidated)

(In NT\$)



Income Statement (Consolidated)

(In NT\$ Thousands)

	2Q15	%	1Q15	%	2Q14	%	QoQ	YoY
Sales revenue	2,305,840	100	1,572,758	100	1,880,590	100	47%	23%
Operating costs	(684,318)	(30)	(463,781)	(30)	(558,838)	(30)		
Operating margin	1,621,522	70	1,108,977	70	1,321,752	70	46%	23%
Selling expenses	(144,215)	(6)	(149,189)	(10)	(132,098)	(7)		
G&A expenses	(129,181)	(6)	(126,003)	(8)	(88,309)	(5)		
R&D expenses	(381,166)	(16)	(322,282)	(20)	(241,700)	(13)		
Total operating expenses	(654,562)	(28)	(597,474)	(38)	(462,107)	(25)	10%	42%
Operating income	966,960	42	511,503	32	859,645	45	89%	12%
Non-operating G&L	(49,053)	(2)	(22,155)	(1)	(94,648)	(5)	121%	-48%
Profit before income tax	917,907	40	489,348	31	764,997	41		
Income tax expense	(228,244)	(10)	(49,129)	(3)	(162,489)	(9)		
Net income	689,663	30	440,219	28	602,508	31	57%	14%
Other comprehensive income	(12,531)	(1)	(9,648)	(1)	(16,027)	(1)		
	677,132	29	430,571	27	586,481	30		
Basic EPS	9.69		6.17		8.47		57%	14%

Balance Sheet (Consolidated)

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(In NT\$ Thousands)

	2Q15	%	1Q15	%	2Q14	%
Cash and cash equivalents	8,379,252	50	7,450,854	47	7,260,790	54
Financial assets at fair value through profit or loss	918,364	6	1,269,241	8	-	-
Bond investment without active markets-current	833,220	5	1,471,100	10	2,120,415	16
Accounts receivable	3,098,759	18	2,390,528	15	1,552,777	12
Other receivables	8,351	-	28,233	-	28,936	-
Inventories	2,368,490	14	2,073,824	13	1,789,492	13
Prepayments	120,000	1	118,134	1	65,083	1
Other current assets	29,647	-	29,907	-	4,721	-
Available-for-sale financial assets-noncurrent	7,450	-	7,450	-	4,412	-
Property, plant and equipment	965,529	6	942,486	6	453,125	4
Intangible assets	24,709	-	11,569	-	14,403	-
Deferred income tax assets	50,129	-	50,135	-	48,626	-
Other assets	7,990	-	7,565	-	7,543	-
Total assets	16,811,890	100	15,851,026	100	13,350,323	100
Accounts payable	226,757	1	288,599	2	142,197	1
Other payables	3,077,646	18	1,244,379	8	1,968,611	15
Current income tax liabilities	229,700	2	303,706	2	184,884	1
Provision for liabilities-current	1,687,980	10	1,572,400	10	1,173,113	9
Other current liabilities	81,972	-	48,112	-	9,504	-
Non-current liabilities	85,167	1	87,466	-	84,017	1
Equity	11,422,668	68	12,306,364	78	9,787,997	73
Total liabilities and equity	16,811,890	100	15,851,026	100	13,350,323	100

Statement of Cash Flow (Consolidated)

(In NT\$ Thousands)

	1H15	1Q15	1H14
Cash at beginning of period	7,396,471	7,396,471	5,370,702
Cash inflow from operating activities	644,762	653,863	1,317,353
Decrease (Icrease) in financial assets at fair value through profit or loss	186,778	(163,646)	-
Acquisition of bond investments without active markets-current	405,327	(205,100)	787,017
Acquisition of PP&E	(282,500)	(246,284)	(202,477)
Other activities	28,414	15,550	(11,805)
Cash at end of period	8,379,252	7,450,854	7,260,790
Financing activities not affecting cash flows			
Declaration of dividends(shown in other payables)	1,562,000	-	1,136,000

- **Market softening and flattish semiconductor capital equipment spending in 2015 will impact revenue growth in the short-term, but demand for EBI remain strong in the long-term prospect**
- **Slowing down of semiconductor technology node migration is as expected due to its technical challenges, however should have little or no impact to the demand of EBI or process control tools in the long run**
- **HMI's strategy will focus on scaling up the market, and heavily invest in the development of high productivity, low CoO and massive parallel scanning technologies/tools for HVM inline applications**
- **Continue sales growth, and maintain margin and profitability**
 - **expect m-to-m or Q-to-Q fluctuation**
 - **weak Q3, 2H better than 1H**

Q & A

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