

Hon Hai Precision Industry Investor Conference

June 11th, 2019



Safe Harbor Notice

- Hon Hai Precision Industry'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.
- Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.

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Participating Director Candidates

5G

EV

IC

AI

Participating Director Candidates

5G

Lu, Fang-Ming

Role

- Computing
- Networking

Expertise

- Network



EV

Lu, Sung-Ching

Role

- Component
- EV

Expertise

- Connectivity Solutions



IC

Liu, Young-Way

Role

- IC Products
- ODM

Expertise

- IC Design



IAI

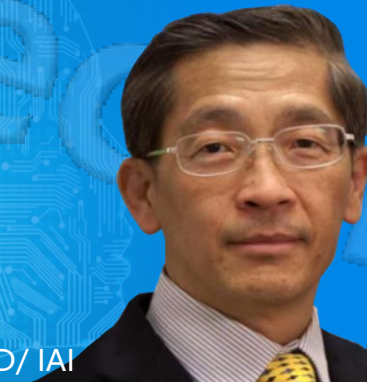
Lee, Jay

Role

- BIG DATA
- AIoT

Expertise

- Industrial BD/ IAI



Overall Introduction

Mr. Liu, Young-Way

Our Vision and Direction

Vision



Long-Term



Stability



Development



Technology



International

Direction



Cloud



Mobile



IoT



Big Data



AI



Networking



Robotics

Today's Global Situation

- Growing Uncertainty in U.S.-China Trade Conflict
- Hon Hai Strategy:
 - Forward-looking
 - Agility
 - Global Distribution – Localized Production

Global Distribution – Localized Production



Operation Committee

Board of Directors



Operation Committee



Lu, Sung-Ching



Lu, Fang-Ming



Liu, Young-Way



Lee, Jay



Lin,
Chung-Cheng



Chiang,
Chih-Siung



Lin,
Zheng-Hui



Huang,
Chiu-Lian



Huang,
Teh-Tsai

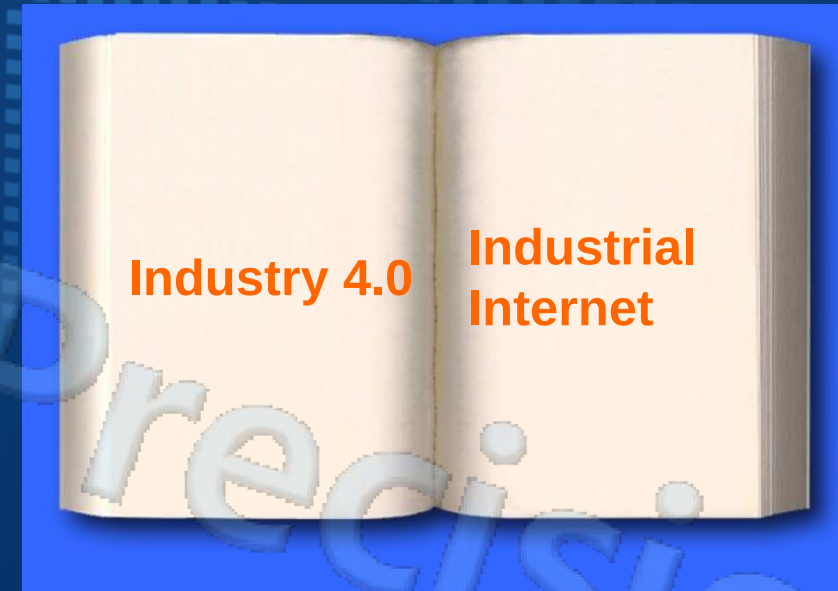
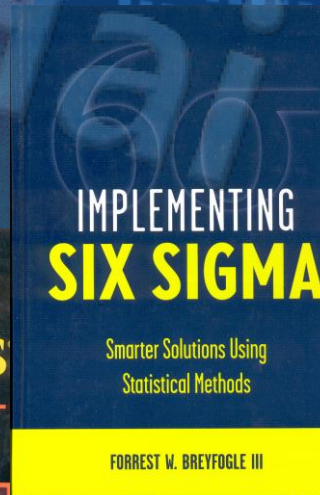
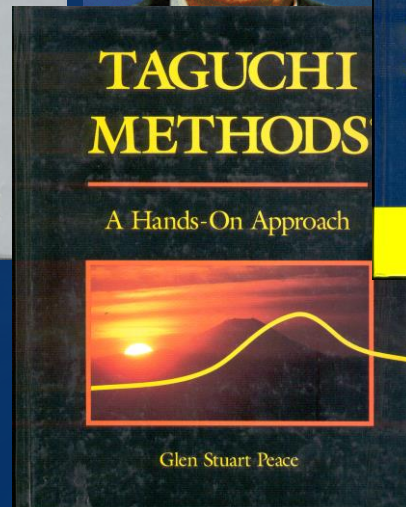
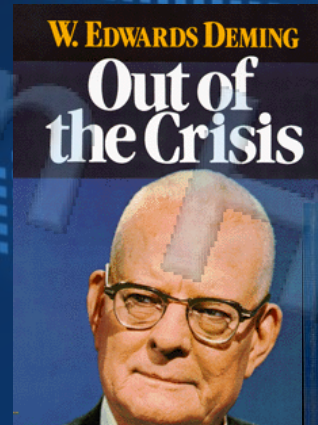
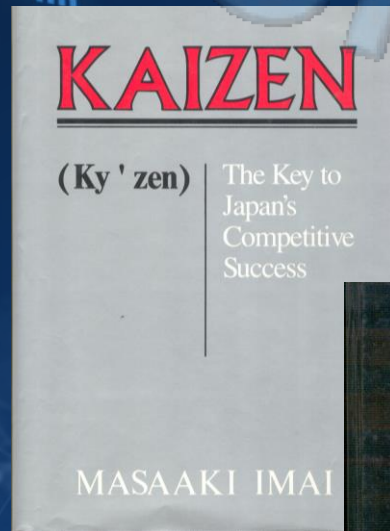
Industrial Internet Strategy and Growth Opportunities

Mr. Lee, Jay

Quality Transformation...

1950-2010

2010-2020 and Beyond



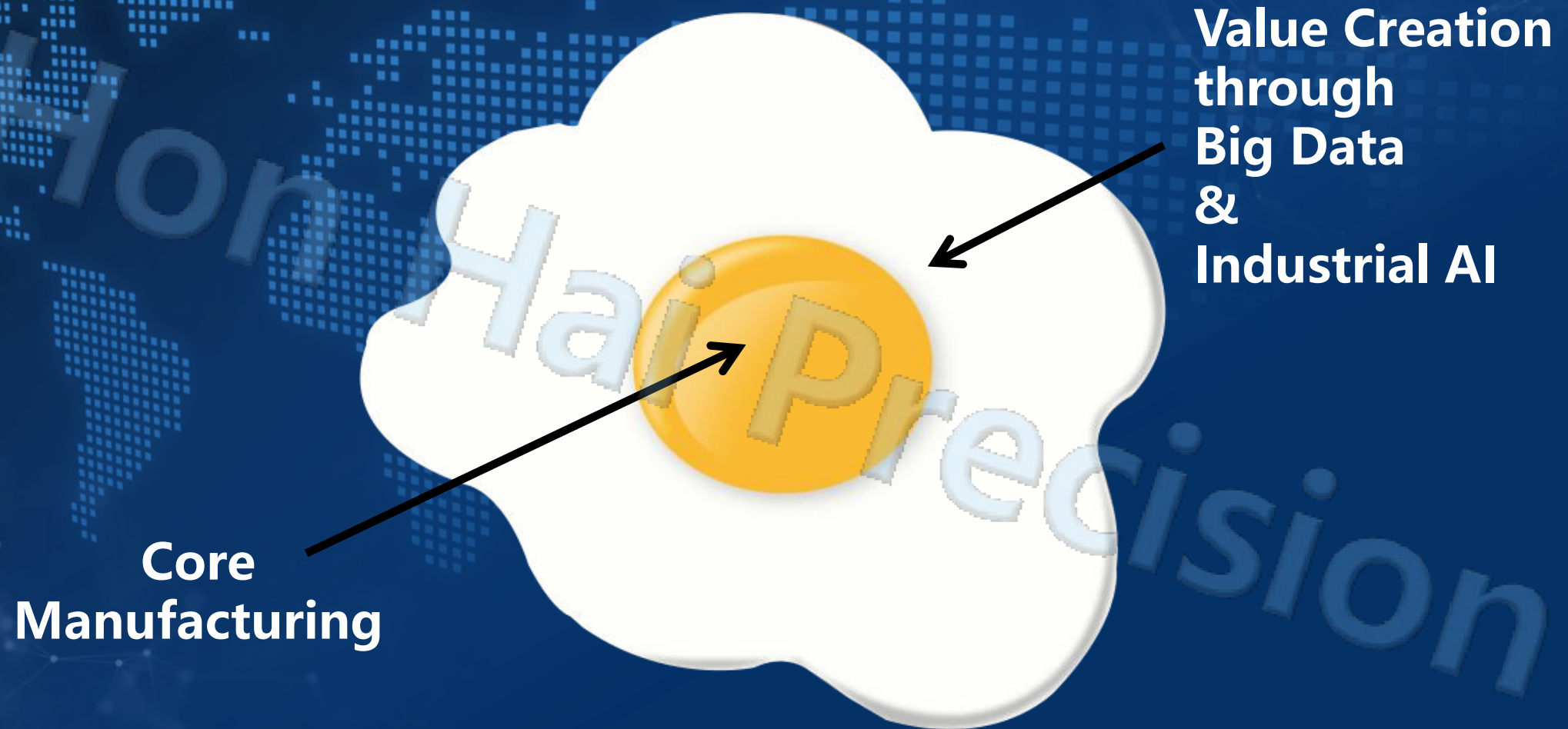
Industrial Internet Models

1. Internet → Internet + XYZ
2. Industry → Industry + Internet
3. ABC (AI+ Big Data+ Cloud) → ABC + XYZ

Invisible Competitiveness (The Iceberg Model)



Industrial Internet Value Creation Model



Industrial Internet Strategy



>1,000,000
Employees



>80,000
Robots



>1M
Cameras and
Videos



>100
Among the 500
first tier customers



>100K
Sensors/Meter
installed in
Foxconn's MFG



>1,800+
SMT Lines



>175K
CNC/Molding/
Machines

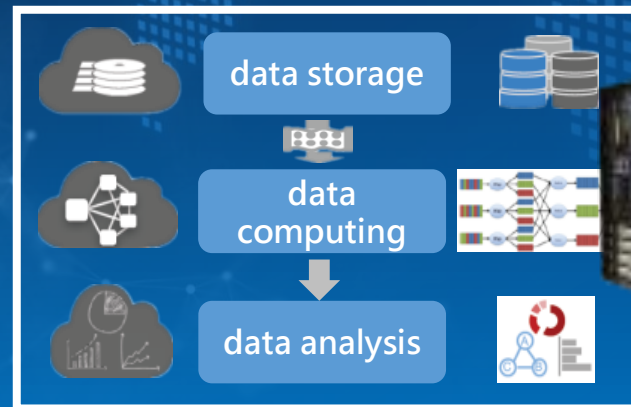


>10K
Key Component
Suppliers

Edge Computing and
Fog AI®

Industrial Micro
Cloud® and APPs

Impacts



ABCDE

- Quality Up
- Efficiency Up
- Value Up

FII Received 2019 World Economic Forum WEF Lighthouse Factory Award



Core Capabilities Demonstrated:

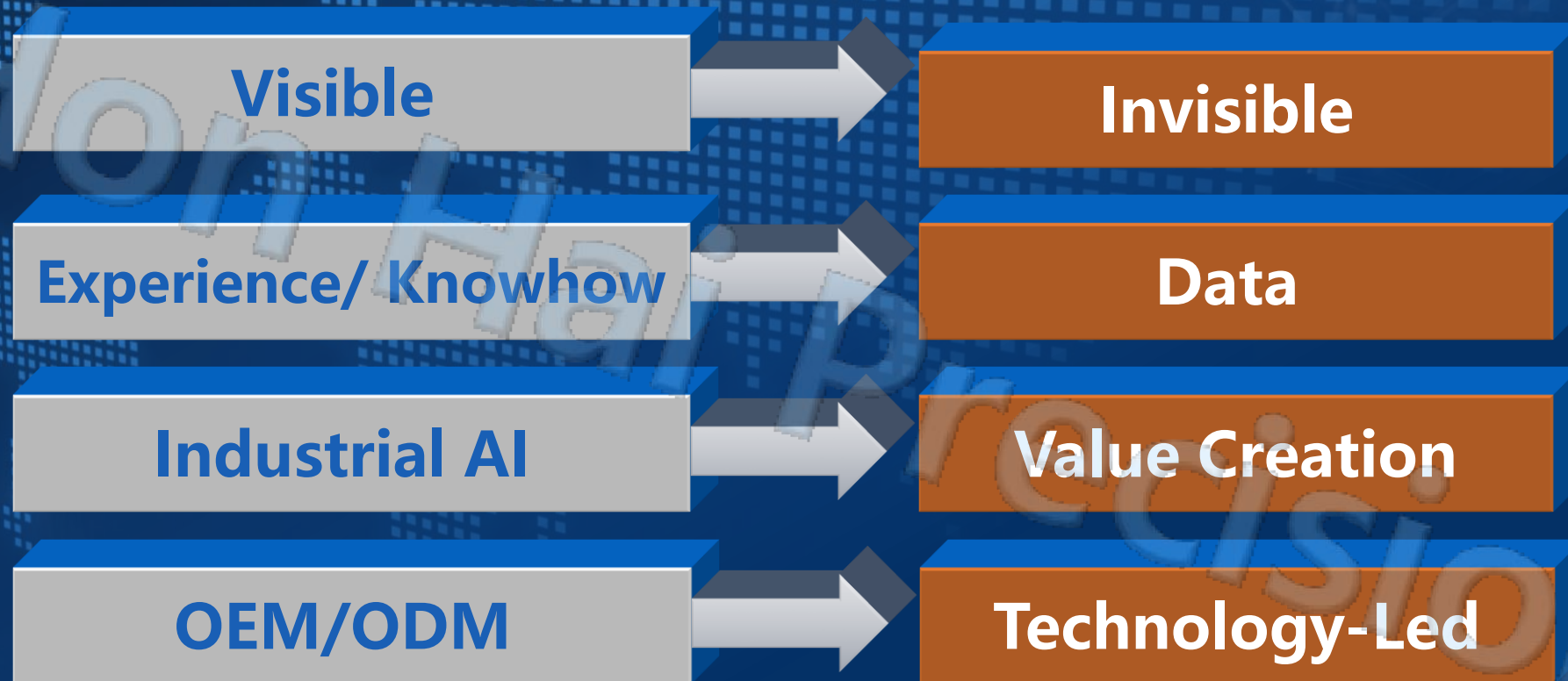
- Industrial Big Data
- Industrial AI
- FII Micro Cloud
- Fog AI

Efficiency  30%

Inventory  15%

Labor  92%

Transformation



Industry Trends

Enterprise Digital Transformation

80% of leading companies say digital transformation has increased profitability

Source: SAP and Oxford Economics

The Bricks: 4 Pillar Technologies



Big Data & Analytics

- Increased efficiency, reduced cost
- Optimized products and services
- Data-driven decision making



Cloud

- On-demand computing resources
- Increased flexibility for business
- Mass access to other technologies



Mobility

- Access to information anywhere
- Expand businesses' presence in consumers' daily lives
- Access to service anywhere



Social

- Build communities & networks online
- Spread products through referral codes
- Validate products through reviews

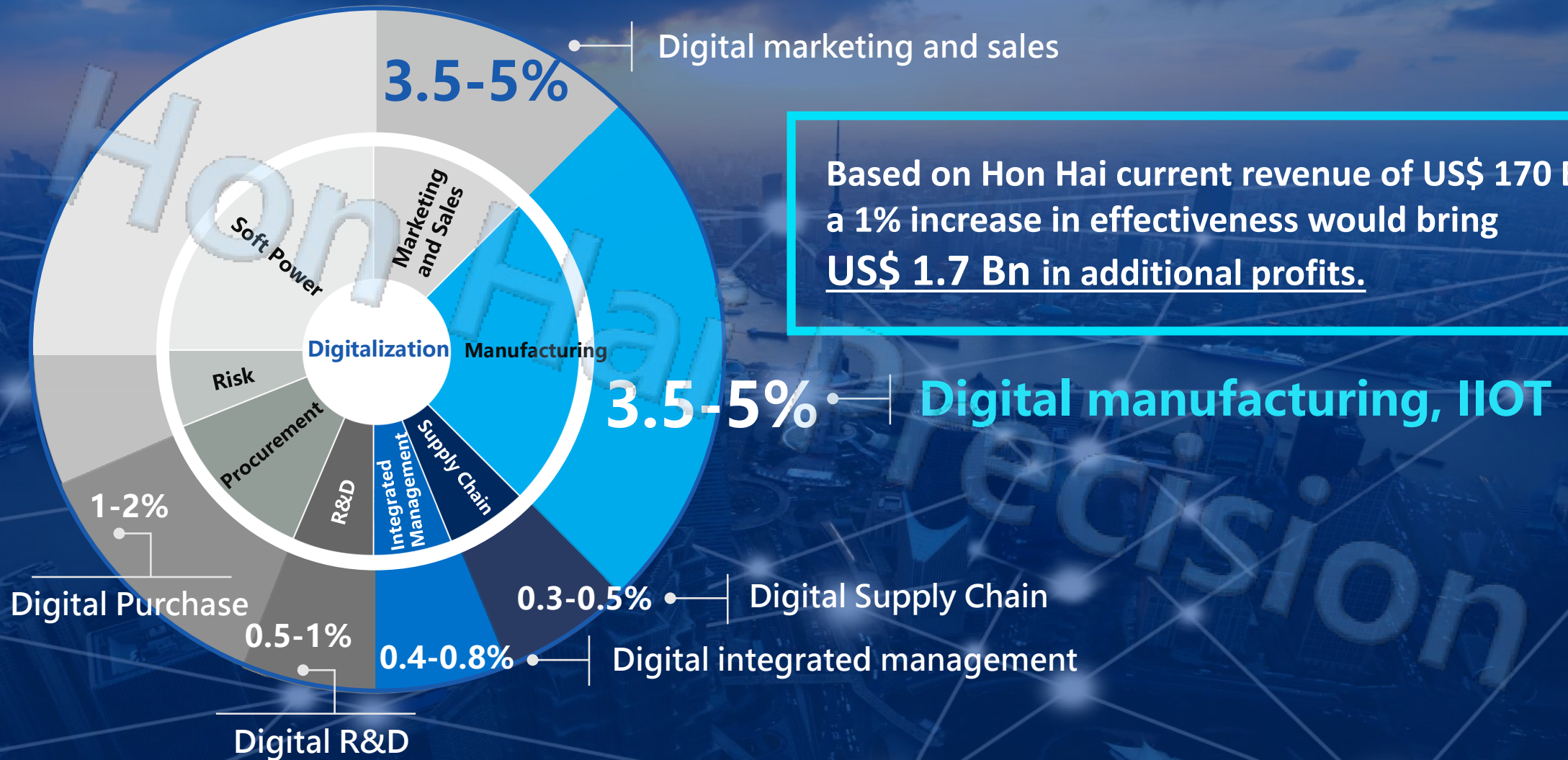
AI

HPC

5G

Smart Networks

Digital optimization will enhance physical efficiency



Industry Trends

Industry 4.0



US\$ 3,900 billion

Smart Transportation



US\$ 900 billion

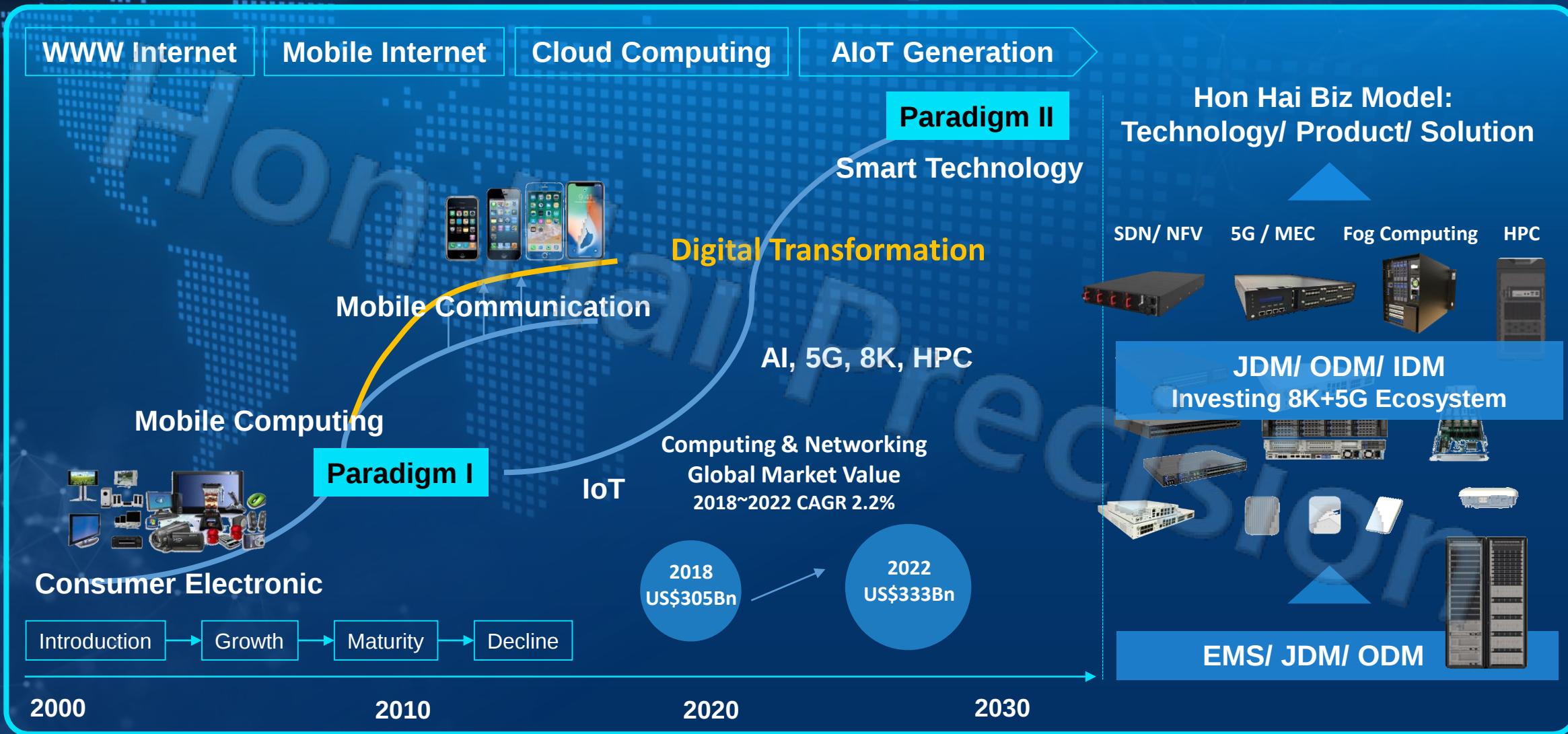
Medical / Health



US\$ 27 billion

Over US\$ 5 Trillion in Demand Potential

Be a Technology Solution Provider



Current Achievements

2017

- 60p 8K Camera
- Display Technology
- 80 inch 8K Display

- HPC HGX-1 Prototype
- 5G small cell

- IoT Sensor

- Industrial Internet Concept
- Tooling

- Multiple Lens Camera Prototype

8K Equipment

8K + 5G

IC Design

IIoT Application

AIoT Device

2019

- 120 inch 4K touch panel with 10 simultaneous interaction points
- 120 inch LCD display
- 70 inch/80 inch 8K TV

- HGX-2 server with two gigabits per second tensor operation
- 8K workstation for film post production
- 32" 8K All-in-one PC
- Self-developed 5G small cell RRU BBU

- Multi-core 8K image chip
- Industrial server chip

- Industry 4.0 Best Practice - Lighthouse Factory
- MCD & PCD cutters for mobile phone total solutions
- Smart Tool Holder with sensors

- World's first five-camera smart phone
- Flexible panel smartphone capable of withstanding 300,000 folds
- Robohon with smart home integration

- 120p 8K Commercial camera
- 8K Video Camera
- World's first 70 inch 8K touch screen/8K museum
- 240Hz Gaming panel

- 8K IP recording/decoding technology
- 8K video upscaling technology
- 8K+5G patent plan

- 8K resolution image inspection for industrial applications
- Comprehensive range of industrial Internet core equipment
- 400G Optical transceiver module

Our Commitment

Mr. Liu, Young-Way

Hon Hai's Responsibility as a Global Citizen

Environmental awareness – recognized as a *Clean Energy Supplier* by Apple

Renovated **164**
environmental protection
facilities

100% waste conversion
rate

3.75% Wastewater
reclamation rate –
8% of total water use



Total installed capacity of
solar power reached **215
MW**

Solar and wind power
usage reached **510
million kWh**

Clean energy accounted
for **5.71%** of total energy

Transparency



**Semi-annual
Investor Conference**



**Enhance
IR system**
Alex Yang



**Immediate
communication**
ir@foxconn.com

Your Best Choice



Worldwide Cross-Industry

Agile team
scaling over NT \$5 Trillion



Cutting-Edge Core Technologies

Vertical Integration



Create Shareholder Value

Our Guiding Principle

Thank you

