

Q4 FY19

Hon Hai Precision Industry 4Q19 Performance Review

March 30, 2020

Safe Harbor Notice

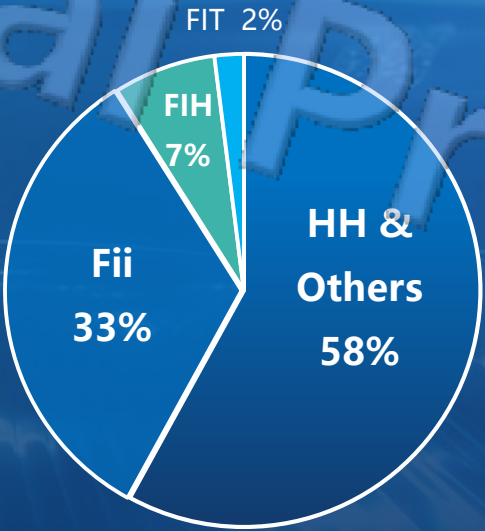
- Hon Hai Precision Industry's statements of its current expectations are forward looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- Except as required by law, we undertake no obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Hon Hai Group 2019 Q4 Financial Results Break-down

■ Ownership percentage of each subsidiary



■ Revenue (2019 Q4)



Revenue

2019 Consolidated Statements of Income

(NTD in millions)	2019	2018	YoY
Revenues	5,342,811	5,293,803	1%
Gross Profit	315,868	332,030	-5%
Operating Income	114,897	136,147	-16%
Total Non-Op. Income and Expenses	48,981	34,105	44%
Income Before Tax	163,878	170,251	-4%
Income Tax Expense	31,693	40,416	-22%
CNIS	115,309	129,065	-11%
Earnings Per Share (NTD)	8.32	8.03	4%
Gross Profit Margin	5.91%	6.27%	
Operating Profit Margin	2.15%	2.57%	
Profit Margin	2.16%	2.44%	

2019 Q4 Financial Statements

1. Consolidated Statements of Income

(NTD in millions)	Q419	Q319	QoQ	Q418	YoY
Revenues	1,740,932	1,387,792	25%	1,809,898	-4%
Gross Profit	112,577	83,382	35%	126,759	-11%
Operating Income	49,748	33,491	49%	64,280	-23%
Total Non-Op. Income and Expenses	13,036	8,566	52%	10,845	20%
Income Before Tax	62,784	42,057	49%	75,125	-16%
Income Tax Expense	(6,607)	(8,240)	-20%	(11,232)	-41%
CNIS	47,766	30,664	56%	62,619	-24%
Earnings Per Share (NTD)	3.45	2.21	56%	4.52	-24%
Gross Profit Margin	6.47%	6.01%		7.00%	
Operating Profit Margin	2.86%	2.41%		3.55%	
Profit Margin	2.74%	2.21%		3.46%	

2019 Q4 Financial Statements

2.

Consolidated Balance Sheet

(NTD in millions)	2019.12.31	2019.9.30	QoQ	2018.12.31	YoY
Cash, Cash Equivalent	857,864	788,553	9%	788,662	9%
Net Account Receivable	1,032,033	1,026,076	1%	1,057,536	-2%
Inventory	515,772	690,817	-25%	625,026	-17%
Investments Accounted for Using the Equity Method	168,632	170,026	-1%	160,317	5%
Property, Plant and Equipment	287,523	272,040	6%	277,860	3%
Total Assets	3,320,942	3,415,082	-3%	3,381,355	-2%
Accounts Payable	906,188	1,018,560	-11%	948,023	-4%
Bonds Payable	175,505	181,220	-3%	178,795	-2%
Total Liabilities	1,921,316	2,073,983	-7%	2,048,922	-6%
Total Equity	1,399,625	1,341,099	4%	1,332,434	5%
Net Cash	228,671	138,869		79,490	
AR Turnover Days	53.50	58		52	
Days Sales of Inventory	34.92	46		37	
AP Turnover days	53.19	59		52	
Cash Cycle	35.23	45		37	
Debt Asset Ratio	58%	61%		61%	

2019 Q4 Financial Statements

3.

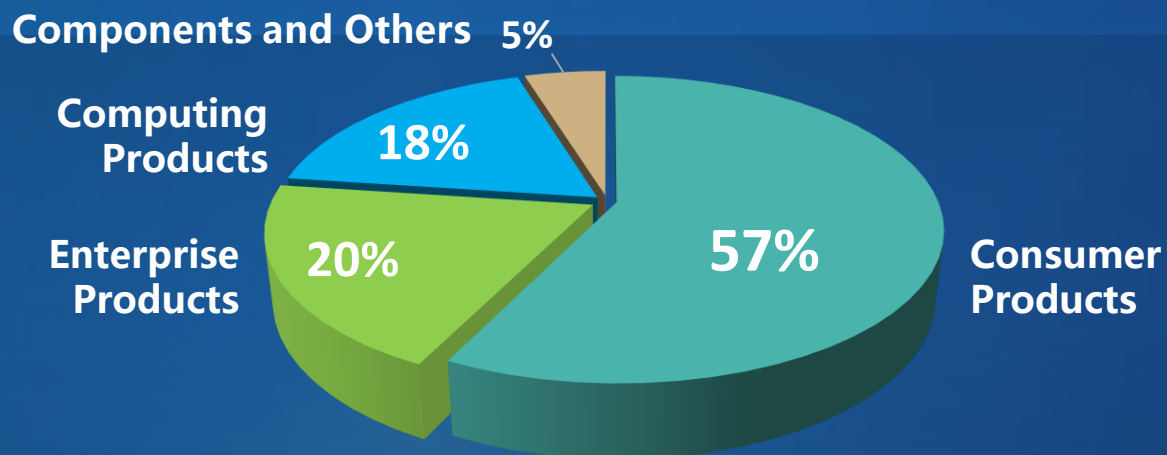
Consolidated Statement of Cash Flow

(NTD in millions)	2019.1.1~12.31	2018.1.1~12.31
Cash Provided by (Used in) Operating Activities	248,018	(40,156)
Cash Provided by (Used in) Investing Activities	70,584	71,431
Cash Provided by (Used in) Financing Activities	(218,095)	118,970
Capital Expenditures	(77,521)	(65,533)
Free Cash Flow (FCF) ¹	170,496	(105,689)

¹ Free Cash Flow = Cash provided by (used in) operating activities–Capital Expenses

2019 Q4 Performance Review

2019 Q4 Financial Results Break-down



Consumer Products



■ Smart phone, TV, Game Console

Enterprise Products



■ Server, Networking

Computing Products



■ Computer, Tablet

Components and Others



■ Connector, Mechanical parts, Service and Others

QoQ

In-line

In-line

Better-than-expected

Below expectations

YoY

In-line

In-line

In-line

Below expectations

Fii Systems



2019 Q4

- Revenue NTD\$ 576.5 Bn, YoY -2%
- Profit NTD\$ 37.7 Bn, YoY +18%

Q4 Revenue



Q4 Profit



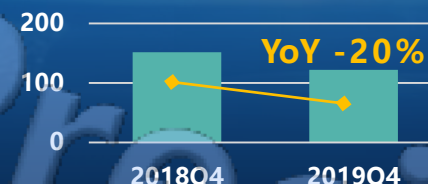
FIH Systems



2019 Q4

- Revenue NTD\$ 122 Bn, YoY -20%
- Profit NTD\$ 1.6 Bn

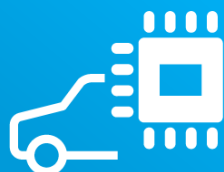
Q4 Revenue



Q4 Profit



FIT Systems



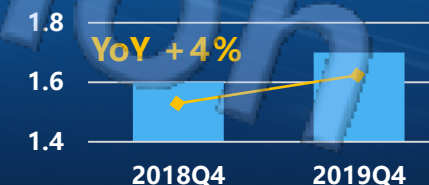
2019 Q4

- Revenue NTD\$ 40.6 Bn, YoY +5%
- Profit NTD\$ 1.7 Bn, YoY +4%

Q4 Revenue



Q4 Profit



Thank You

Hon Hai Precision