



AU Optronics Corp. Second Quarter 2021 Results Investor Conference

Jul. 29, 2021

Safe Harbor Notice



- The statements included in this presentation that are not historical in nature are “forward-looking statements”. These forward-looking statements, which may include statements regarding AU Optronics’ future results of operations, financial condition or business prospects, are subject to significant risks and uncertainties and are based on AU Optronics’ current expectations.
- Actual results may differ materially from those expressed or implied in these forward-looking statements for a variety of reasons, including, among other things: the cyclical nature of our industry; our dependence on introducing new products on a timely basis; our dependence on growth in the demand for our products; our ability to compete effectively; our ability to successfully expand our capacity; our dependence on key personnel; general economic and political conditions, including those related to the TFT-LCD industry; possible disruptions in commercial activities caused by natural and human-induced disasters, including terrorist activity and armed conflict; and fluctuations in foreign currency exchange rates.
- Our forward-looking statements at any particular time does not create any duty of disclosure beyond that which is imposed by law, and we expressly disclaim any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Statement of Comprehensive Income



Selected Items from Statement of Comprehensive Income

Amount : NT\$ Million

	2Q21		1Q21		QoQ %	2Q20	
Net Sales	95,655	100.0%	82,941	100.0%	15.3%	63,500	100.0%
Cost of Goods Sold	(68,166)	(71.3%)	(64,678)	(78.0%)	5.4%	(61,785)	(97.3%)
Gross Profit	27,489	28.7%	18,263	22.0%	50.5%	1,715	2.7%
Operating Expenses	(7,204)	(7.5%)	(6,245)	(7.5%)	15.4%	(5,119)	(8.1%)
Operating Profit(Loss)	20,285	21.2%	12,018	14.5%	68.8%	(3,404)	(5.4%)
Net Non-operating Income(Expenses)	543	0.6%	613	0.7%	(11.3%)	408	0.6%
Profit(Loss) before Tax	20,828	21.8%	12,631	15.2%	64.9%	(2,996)	(4.7%)
Net Profit(Loss)	19,862	20.8%	11,842	14.3%	67.7%	(3,202)	(5.0%)
Net Profit Attributable to Owners of Company	19,531	20.4%	11,834	14.3%	65.0%	(2,961)	(4.7%)
Basic EPS (NT\$)^(a)	2.06		1.25		64.8%	(0.31)	
Operating Profit + D&A	28,758	30.1%	20,605	24.8%	39.6%	5,470	8.6%
Area Shipments (K m²)	6,403		6,354		0.8%	6,387	

- a) Basic EPS was calculated based on the weighted average outstanding shares of the reporting quarter. The weighted average outstanding shares were 9,503m shares, 9,500m shares and 9,499m shares for 2Q21, 1Q21 and 2Q20, respectively.

Consolidated Balance Sheet Highlights



Amount : NT\$ Million

	2Q21	1Q21	QoQ %	2Q20
Cash and Cash Equivalents	99,551	103,784	(4.1%)	72,155
Inventory	31,413	29,070	8.1%	26,660
Short Term Debt^(a)	19,887	23,458	(15.2%)	15,092
Long Term Debt	84,215	92,134	(8.6%)	105,050
Equity	221,843	202,916	9.3%	176,304
Total Assets	443,668	429,949	3.2%	385,417
Inventory Turnover (Days)^(b)	40	39		40
Net Debt to Equity^(c)	2.1%	5.8%		27.2%

a) Short term debt refers to all interest bearing debt maturing within one year.

b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days.

c) Net Debt to Equity = (Short Term Debt + Long Term Debt - Cash and Cash Equivalents) / Equity.

Consolidated Cash Flow Highlights

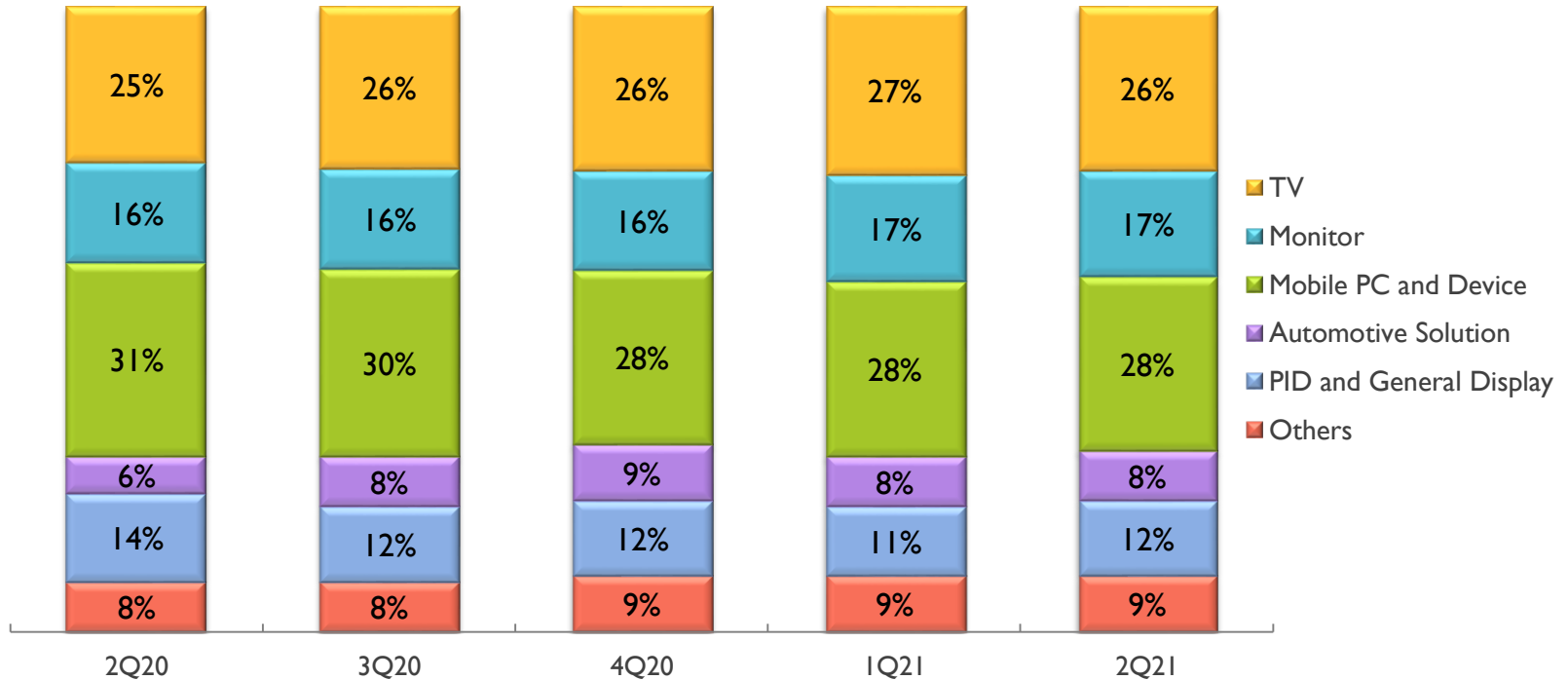


Amount : NT\$ Million

	2Q21	1Q21	QoQ
From Operating Activities	21,271	20,994	277
Profit before Tax	20,828	12,631	8,197
Depreciation & Amortization	8,473	8,586	(114)
Net Change in Working Capital	(7,732)	1,254	(8,986)
From Investing Activities	(13,139)	(4,933)	(8,206)
Capital Expenditure	(3,231)	(3,300)	70
From Financing Activities	(11,419)	(2,380)	(9,039)
Net Change in Debt	(11,265)	(2,282)	(8,983)
Net Change in Cash^(a)	(4,232)	13,509	(17,741)

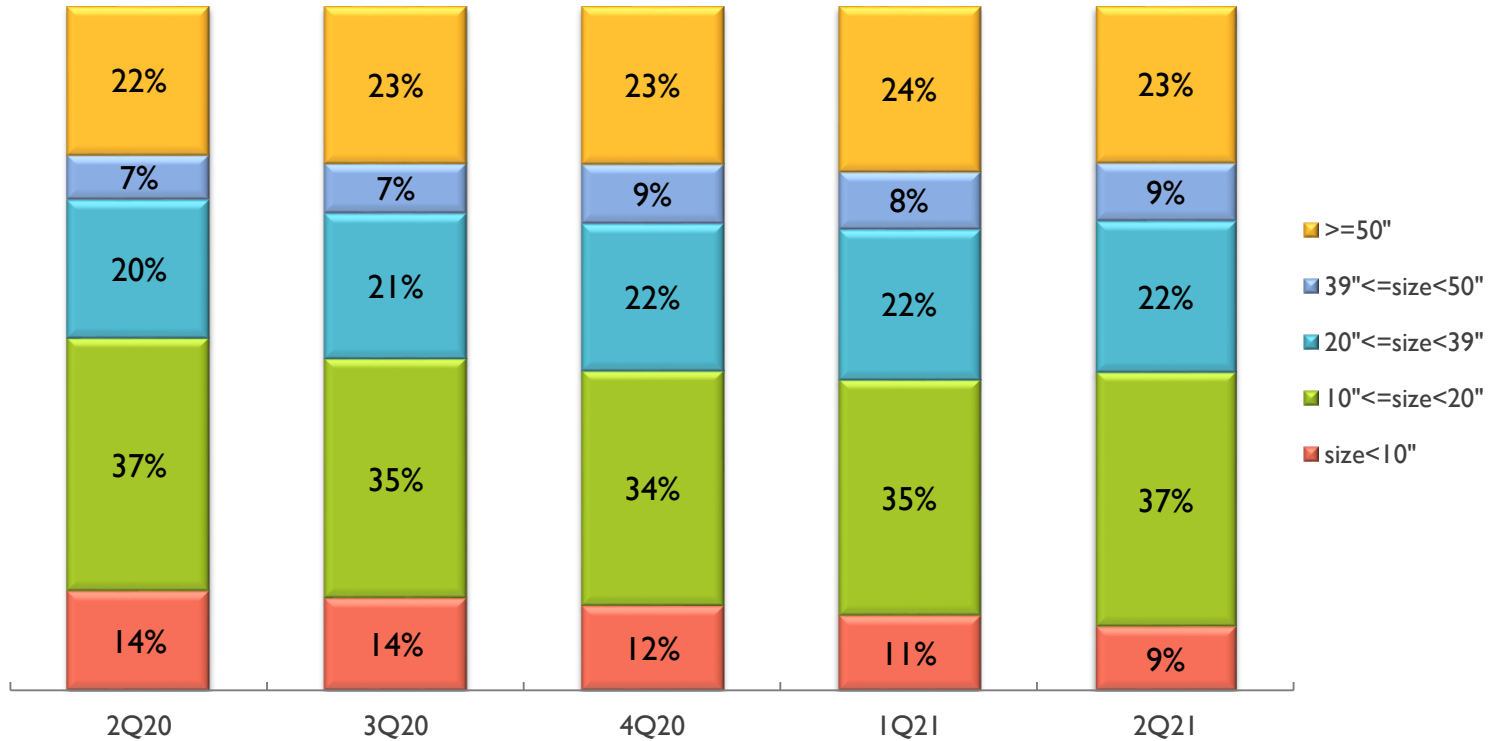
- a) In addition to cash generated from operating, investing and financing activities, net change in cash also include effect on currency exchange of foreign subsidiaries.

Revenue Breakdown



- Mobile PC and Device: including displays for notebook, tablet and mobile phones.
- PID and General Display: including displays for public information(PID), industrial PC, ATM, POS, pachinko and medical equipment.
- Others: including System & Solution, New Business, Energy and etc.

Display Revenue Breakdown by Size

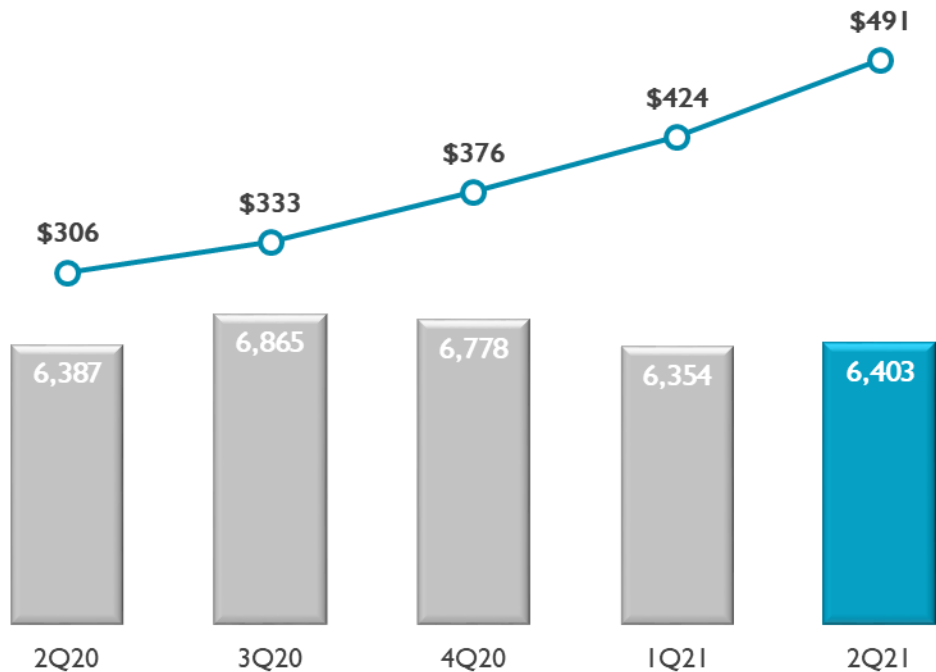


Consolidated Shipments & ASP by Area



■ Shipments in square meter (K m²) ○ ASP per square meter

Unit: K m², USD/m²



- ASP per square meter in US\$ was translated from NT\$ based on exchange rates announced by one of AUO's main banks.

3Q2021 Business Outlook



Based on our current business outlook, the Company expects:

- Area shipment to be up by low single digit % QoQ, driven by solid IT demand along with strong recovery from commercial applications
- Blended ASP (USD/square meter) to be up by mid single digit % QoQ, with better product mix toward higher end models
- Loading rates to be maintained at high levels

– The above is our current best forecast based on current business outlook and may vary depending on the actual market supply, demand and economic conditions.

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AU OPTRONICS CORP. AND SUBSIDIARIES

Consolidated Condensed Statements of Comprehensive Income

For the Three Months Ended June 30, 2021 and 2020 and March 31, 2021

(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD) except for per share amounts and shares outstanding)



	Year over Year Comparison					Sequential Comparison				
	2Q21		%	2Q20		2Q21		%	1Q21	
	USD	NTD		NTD	YoY%	USD	NTD		NTD	QoQ%
Net Sales	3,427	95,655	100.0	63,500	50.6	3,427	95,655	100.0	82,941	15.3
Cost of Goods Sold	2,442	68,166	71.3	61,785	10.3	2,442	68,166	71.3	64,678	5.4
Gross Profit	985	27,489	28.7	1,715	1,502.7	985	27,489	28.7	18,263	50.5
Operating Expenses	258	7,204	7.5	5,119	40.7	258	7,204	7.5	6,245	15.4
Operating Profit(Loss)	727	20,285	21.2	(3,404)	-	727	20,285	21.2	12,018	68.8
Net Non-operating Income(Expenses)	19	543	0.6	408	33.1	19	543	0.6	613	(11.3)
Profit(Loss) before Income Tax	746	20,828	21.8	(2,996)	-	746	20,828	21.8	12,631	64.9
Income Tax Benefit(Expense)	(35)	(966)	(1.0)	(206)	367.8	(35)	(966)	(1.0)	(789)	22.4
Net Profit(Loss)	712	19,862	20.8	(3,202)	-	712	19,862	20.8	11,842	67.7
Other Comprehensive Income(Loss)	(38)	(1,054)	(1.1)	(21)	(4,937.9)	(38)	(1,054)	(1.1)	(99)	(970.0)
Total Comprehensive Income(Loss)	674	18,808	19.7	(3,223)	-	674	18,808	19.7	11,743	60.2
Net Profit(Loss) Attributable to:										
Owners of Company	700	19,531	20.4	(2,961)	-	700	19,531	20.4	11,834	65.0
Non-Controlling Interests	12	332	0.3	(241)	-	12	332	0.3	7	4,365.5
Net Profit(Loss)	712	19,862	20.8	(3,202)	-	712	19,862	20.8	11,842	67.7
Total Comprehensive Income(Loss) Attributable to:										
Owners of Company	665	18,566	19.4	(2,832)	-	665	18,566	19.4	11,815	57.1
Non-Controlling Interests	9	243	0.3	(391)	-	9	243	0.3	(72)	-
Total Comprehensive Income(Loss)	674	18,808	19.7	(3,223)	-	674	18,808	19.7	11,743	60.2
Basic Earnings Per Share	0.074	2.06		(0.31)		0.074	2.06		1.25	
Basic Earnings Per ADS ⁽²⁾	0.736	20.55		(3.12)		0.736	20.55		12.46	
Weighted-Average Shares Outstanding ('M)		9,503		9,499			9,503		9,500	

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 27.91 per USD as of June 30, 2021

(2) 1 ADS equals 10 common shares

AU OPTRONICS CORP. AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Period Ended June 30, 2021 and 2020

(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD) except for per share amounts and shares outstanding)



	Year over Year Comparison				
	USD	IH 2021		IH 2020	
		NTD	%	NTD	YoY%
Net Sales	6,399	178,596	100.0	117,190	52.4
Cost of Goods Sold	4,760	132,844	74.4	115,830	14.7
Gross Profit	1,639	45,752	25.6	1,361	3,262.8
Operating Expenses	482	13,449	7.5	10,211	31.7
Operating Profit(Loss)	1,157	32,303	18.1	(8,851)	-
Net Non-operating Income(Expenses)	41	1,156	0.6	200	476.7
Profit(Loss) before Income Tax	1,199	33,459	18.7	(8,650)	-
Income Tax Benefit(Expense)	(63)	(1,755)	(1.0)	(330)	431.3
Net Profit(Loss)	1,136	31,704	17.8	(8,981)	-
Other Comprehensive Income(Loss)	(41)	(1,153)	(0.6)	(2,716)	57.6
Total Comprehensive Income(Loss)	1,095	30,551	17.1	(11,696)	-
Net Profit(Loss) Attributable to:					
Owners of Company	1,124	31,365	17.6	(7,953)	-
Non-Controlling Interests	12	339	0.2	(1,028)	-
Net Profit(Loss)	1,136	31,704	17.8	(8,981)	-
Total Comprehensive Income(Loss) Attributable to:					
Owners of Company	1,089	30,381	17.0	(10,412)	-
Non-Controlling Interests	6	171	0.1	(1,285)	-
Total Comprehensive Income(Loss)	1,095	30,551	17.1	(11,696)	-
Basic Earnings Per Share	0.12	3.30		(0.84)	
Basic Earnings Per ADS ⁽²⁾	1.18	33.01		(8.37)	
Weighted-Average Shares Outstanding ('M)		9,502		9,499	

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 27.91 per USD as of June 30, 2021

(2) 1 ADS equals 10 common shares

AU OPTRONICS CORP. AND SUBSIDIARIES

Consolidated Condensed Balance Sheets

June 30, 2021 and 2020

(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD))



ASSETS	June 30, 2021			June 30, 2020		YoY	
	USD	NTD	%	NTD	%	NTD	%
Cash and Cash Equivalents	3,567	99,551	22.4	72,155	18.7	27,396	38.0
Notes & Accounts Receivables	2,249	62,762	14.1	36,971	9.6	25,791	69.8
Other Current Financial Assets	418	11,661	2.6	2,989	0.8	8,672	290.2
Inventories	1,125	31,413	7.1	26,660	6.9	4,753	17.8
Other Current Assets	155	4,327	1.0	3,784	1.0	543	14.3
Total Current Assets	7,514	209,714	47.3	142,559	37.0	67,155	47.1
Long-term Investments	826	23,055	5.2	14,546	3.8	8,509	58.5
Net Fixed Assets	6,310	176,100	39.7	194,925	50.6	(18,825)	(9.7)
Right-of-use Assets	391	10,926	2.5	11,648	3.0	(723)	(6.2)
Other Non-Current Assets	855	23,874	5.4	21,739	5.6	2,135	9.8
Total Non-Current Assets	8,382	233,955	52.7	242,859	63.0	(8,904)	(3.7)
Total Assets	15,896	443,668	100.0	385,417	100.0	58,251	15.1
LIABILITIES							
Short-term Borrowings	2	52	0.0	940	0.2	(888)	(94.5)
Notes & Accounts Payable	2,032	56,716	12.8	48,184	12.5	8,531	17.7
Current Installments of Long-term Borrowings	711	19,835	4.5	14,152	3.7	5,683	40.2
Current Financial Liabilities	7	190	0.0	107	0.0	83	77.9
Accrued Expense & Other Current Liabilities	1,148	32,053	7.2	20,711	5.4	11,341	54.8
Machinery and Equipment Payable	118	3,282	0.7	4,184	1.1	(902)	(21.6)
Total Current Liabilities	4,017	112,127	25.3	88,278	22.9	23,849	27.0
Long-term Borrowings	3,017	84,215	19.0	105,050	27.3	(20,834)	(19.8)
Other Non-Current Liabilities	913	25,483	5.7	15,785	4.1	9,698	61.4
Total Non-Current Liabilities	3,930	109,699	24.7	120,835	31.4	(11,136)	(9.2)
Total Liabilities	7,948	221,826	50.0	209,113	54.3	12,713	6.1
EQUITY							
Common Stock	3,448	96,242	21.7	96,242	25.0	0	0.0
Capital Surplus	2,164	60,388	13.6	60,568	15.7	(180)	(0.3)
Retained Earnings	2,091	58,361	13.2	14,951	3.9	43,410	290.3
Other Equity	(152)	(4,245)	(1.0)	(4,465)	(1.2)	220	4.9
Treasury Shares	(35)	(981)	(0.2)	(1,013)	(0.3)	32	3.2
Non-Controlling Interests	433	12,077	2.7	10,020	2.6	2,057	20.5
Total Equity	7,949	221,843	50.0	176,304	45.7	45,539	25.8
Total Liabilities & Equity	15,896	443,668	100.0	385,417	100.0	58,251	15.1

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 27.91 per USD as of June 30, 2021

AU OPTRONICS CORP. AND SUBSIDIARIES
Consolidated Condensed Cash Flow Statements
For the Period Ended June 30, 2021 and 2020

(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD))



	IH 2021		IH 2020
	USD	NTD	NTD
Cash Flow from Operating Activities:			
Profit(Loss) before Income Taxes	1,199	33,459	(8,650)
Depreciation & Amortization	611	17,059	17,933
Share of Profit of Equity-Accounted Investees	(41)	(1,156)	(77)
Changes in Working Capital	(232)	(6,479)	(12,065)
Changes in Others	(22)	(618)	(315)
Net Cash Provided by (Used in) Operating Activities	1,514	42,266	(3,175)
Cash Flow from Investing Activities:			
Acquisitions of Financial Assets Measured at Fair Value	(11)	(313)	(942)
Disposals of Financial Assets Measured at Fair Value	20	553	1,499
Acquisitions of Financial Assets Measured at Amortized Cost	(368)	(10,259)	0
Acquisitions of Equity-Accounted Investees	(86)	(2,410)	(2,534)
Disposals of Equity-Accounted Investees	2	61	84
Acquisitions of Property, Plant and Equipment	(234)	(6,531)	(9,037)
Disposals of Property, Plant and Equipment	4	117	70
Decrease(Increase) in Other Financial Assets	(1)	(30)	22
Increase in Receipts in Advance-Disposal of Assets	17	464	0
Decrease(Increase) in Intangible Assets	(1)	(38)	0
Decrease(Increase) in Other Assets	3	80	93
Net Cash Inflow Arising from Acquisition of Subsidiaries	8	228	0
Net Cash Inflow Resulting from Disposal of Subsidiaries	0	5	0
Net Cash Outflow Arising from Acquisition of Business	0	0	(189)
Net Cash Provided by (Used in) Investing Activities	(648)	(18,072)	(10,935)
Cash Flow from Financing Activities:			
Increase(Decrease) in Short-term Borrowings	(5)	(148)	(752)
Increase(Decrease) in Long-term Borrowings	(480)	(13,399)	7,768
Payment of Lease Liabilities	(10)	(285)	(338)
Increase(Decrease) in Guarantee Deposits	(1)	(32)	4
Treasury Shares Sold to Employees	1	32	0
Changes in Non-Controlling Interests and Others	1	33	(0)
Net Cash Provided by (Used in) Financing Activities	(494)	(13,799)	6,682
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(40)	(1,117)	(867)
Net Increase(Decrease) in Cash and Cash Equivalents	332	9,277	(8,294)
Cash and Cash Equivalents at Beginning of Period	3,234	90,275	80,450
Cash and Cash Equivalents at End of Period	3,567	99,551	72,155

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 27.91 per USD as of June 30, 2021

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