





Analyst Briefing

Integrated Micro-electronics Inc.

November 3, 2017

The Tower Club

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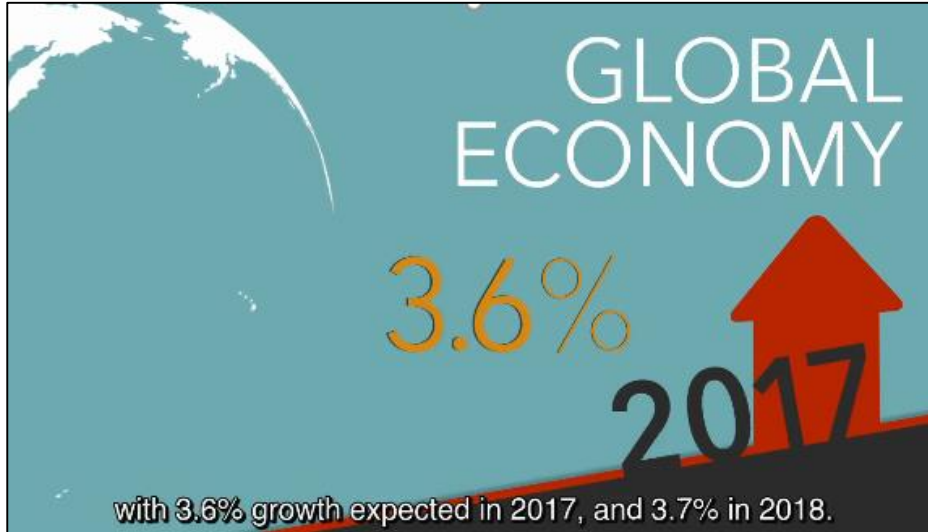
Overall Financials

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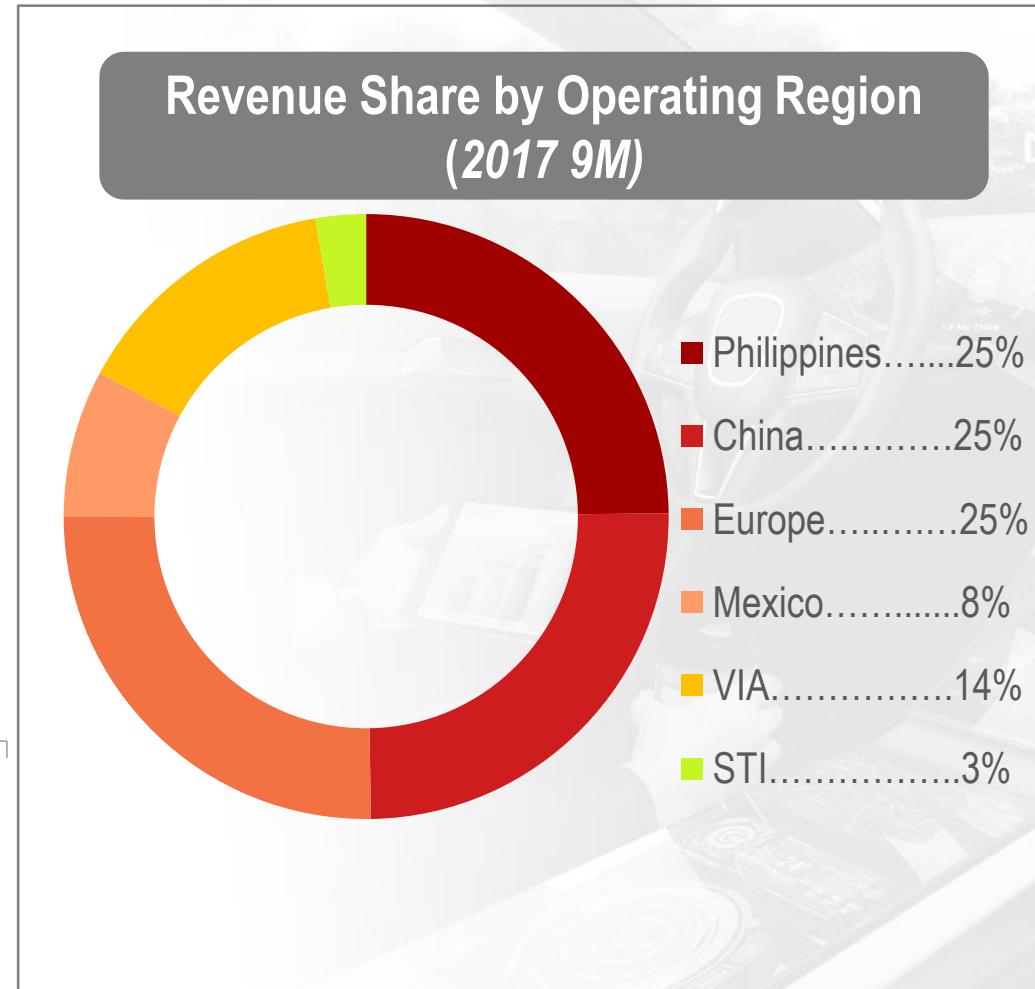
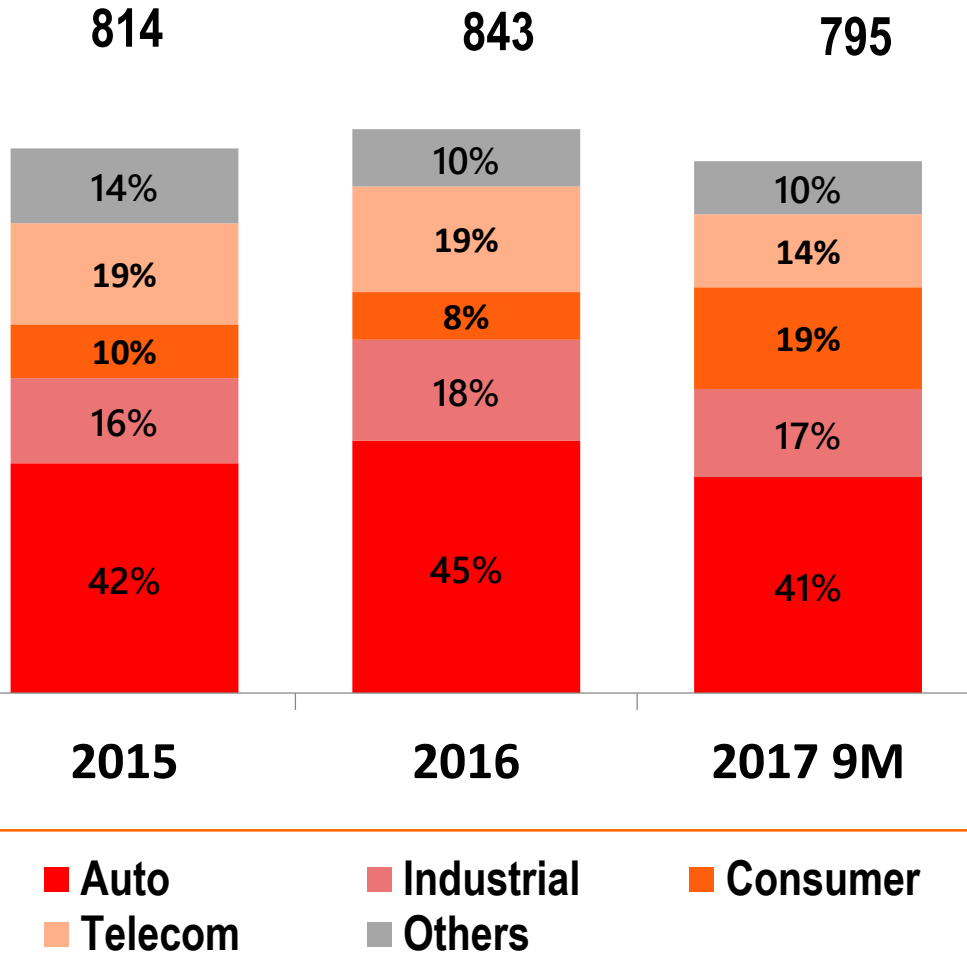
Updates per Region

V

GLOBAL ECONOMY



OUR PORTFOLIO



MARKET TRENDS



Automotive Electronics

8.5% CAGR

2016-2024

- ADAS 19.9%, CAGR 2016-2021
- Head-up-Display 28.5% CAGR 2020-2025
- Electronic Control Unit 6.6% CAGR 2017-2024
- Battery Management System 22.17% CAGR 2016-2020.

Industrial Electronics

4.5% CAGR 2016-2021

- Electronic access control system 9.3% CAGR 2016-2024
- IoT 13.2% CAGR 2016-2023
- Smart electric meter close to 9% CAGR 2016-2021

Aerospace/Defense

4.2% CAGR

2016-2021

- Avionics 6.9% CAGR 2016-2022
- Remote Satellite Sensing 5.6% CAGR 2017-2021

MARKET **DISRUPTIONS**

Rise of the EV

Age of Industry 4.0

Oil Disruption



MOBILITY

DRIVERLESS CARS
62% CAGR
2020-30

CONNECTIVITY

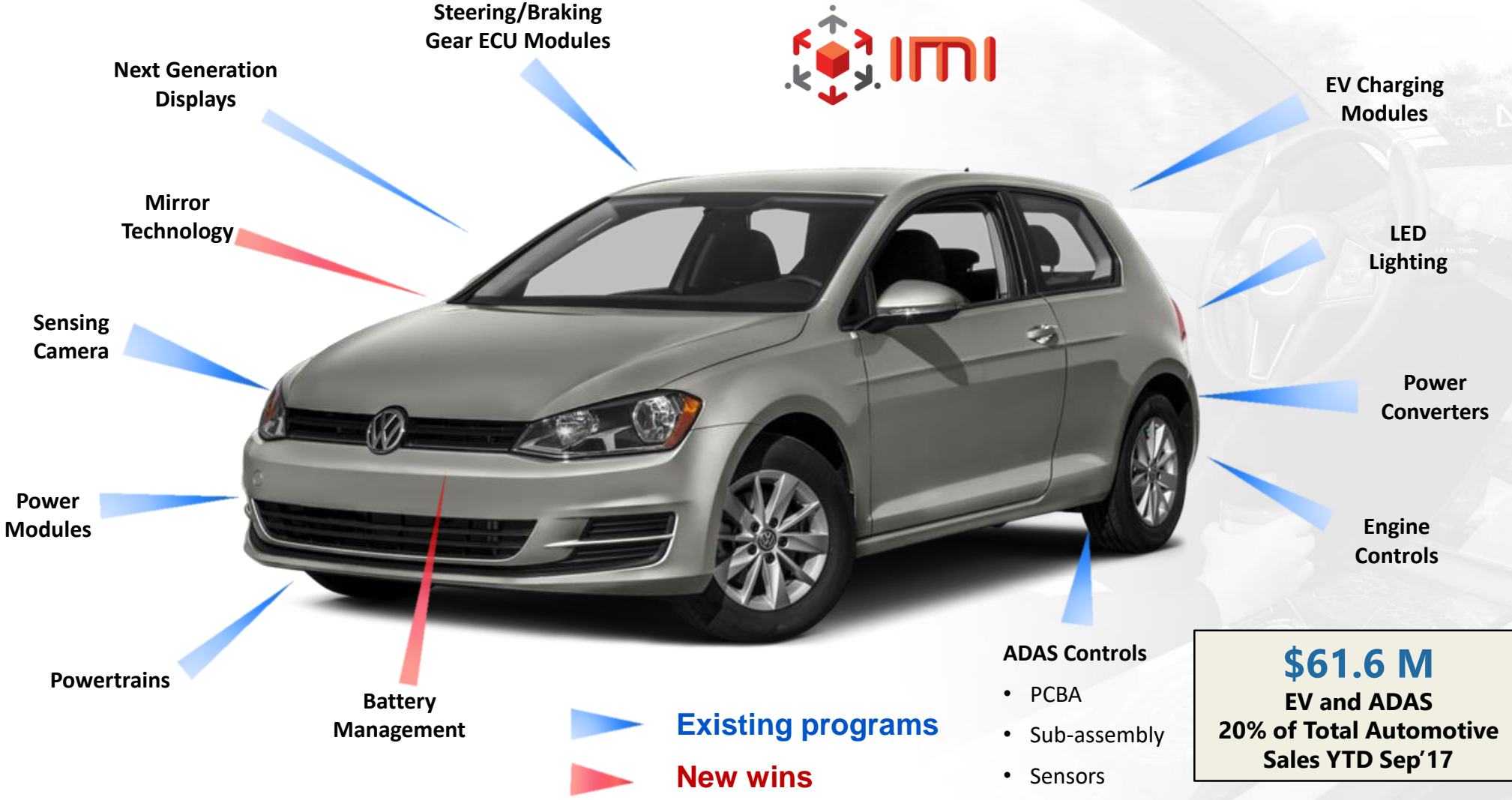
INTERNET of THINGS
17% CAGR
2020-25

SMART ENERGY

16.6% CAGR / 2016-25

RIDING MEGATRENDS

Electric and/or autonomous vehicle technologies within IMI



\$61.6 M
EV and ADAS
20% of Total Automotive Sales YTD Sep'17

Source: Integrated Micro-Electronics, Inc.

AUTOMOTIVE ELECTRONICS



KEY TRENDS

- Autonomous driving
- Connectivity
- Ride Sharing
- Electrification



MARKET DRIVERS

- Technological advancement
- Green Energy
- Implementation of regulations



FORECAST

- Advanced driver assistance system **19.9%** CAGR from 2016-2021



PERFORMANCE

- YTD Sept revenues at \$323M, increased **16%** y-o-y
- Automotive **41%** of Total IMI revenues

INDUSTRIAL ELECTRONICS



KEY TREND

- Integration of access control systems
- Sensor technology and access control as service (ACaaS)
- Development of applications using smartphones



MARKET DRIVERS

- Growing demand for security solutions
- Technological advancement
- Adoption of IoT-based systems
- Rise of Industry 4.0



FORECAST

- Electronic access control system **9.3% CAGR 2016-2024**



PERFORMANCE

- YTD Sept revenues at \$132M, increased **16% y-o-y**
- Industrial **17% of** IMI Total revenues

AEROSPACE



KEY TREND

- Satellite communication systems are becoming more capable
- User terminals becoming smaller



MARKET DRIVER

- Low-cost satellite communication devices
- Increase in demand by various end-use industries



FORECAST

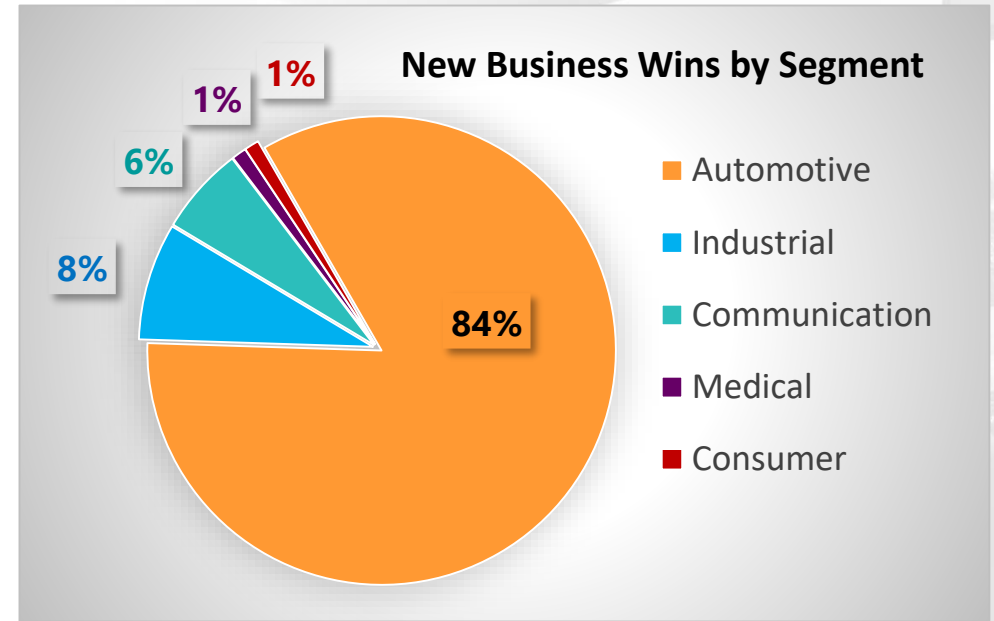
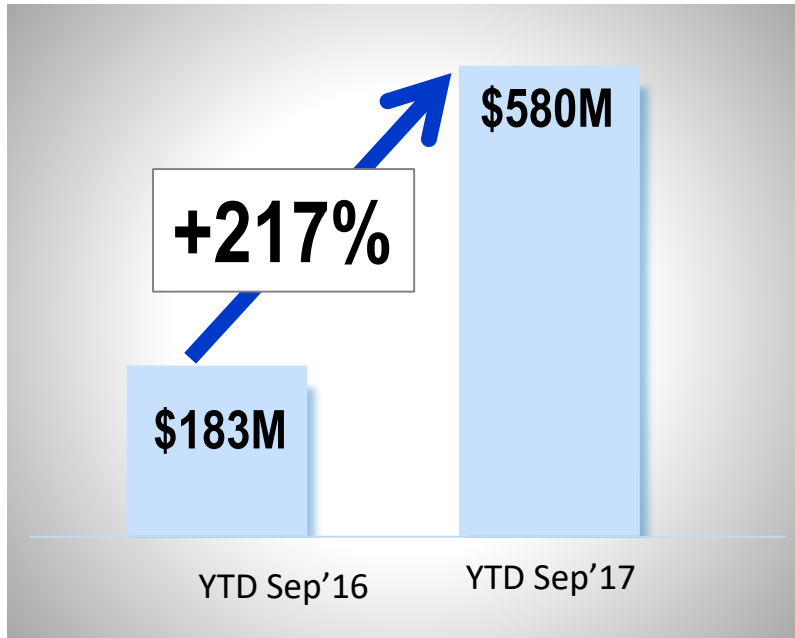
- Remote sensing satellite **5.59%** CAGR 2017-2021



PERFORMANCE

- Aerospace YTD Sep'17 revenue at \$13M, **2%** of Total IMI revenues

YEAR-TO-DATE **SEPT** WINS



ARP: Annual Revenue Potential

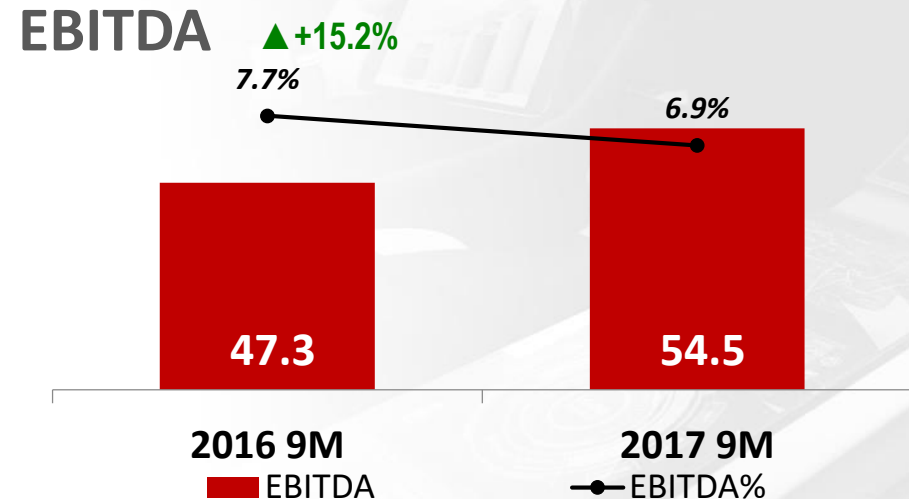
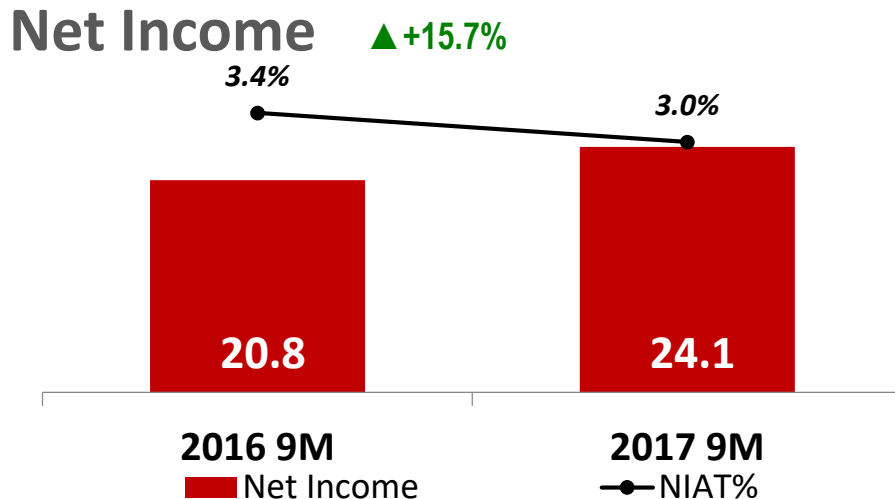
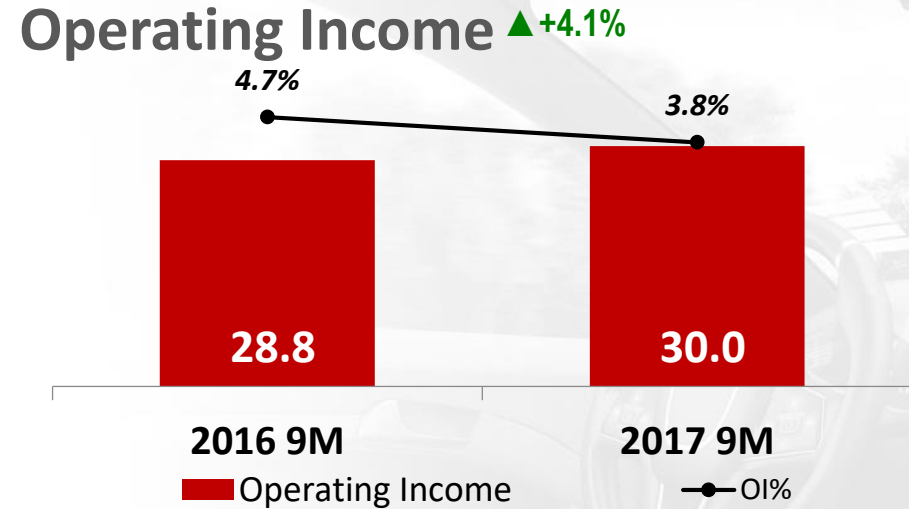
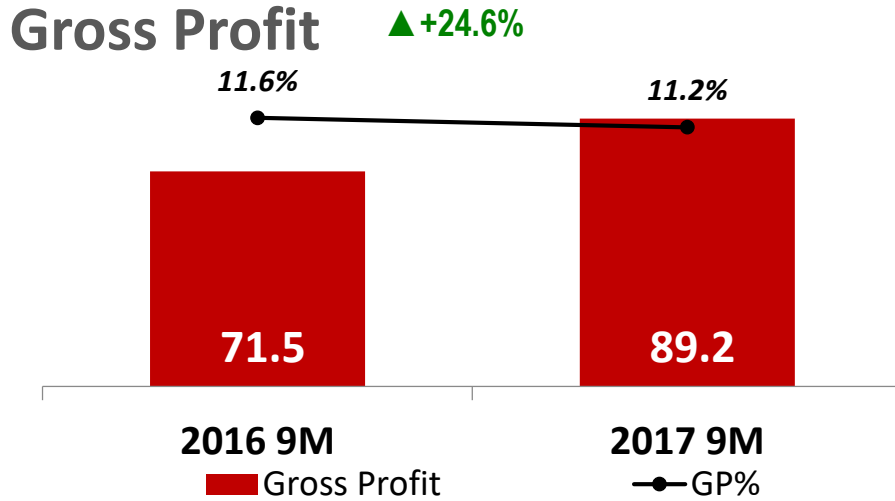
Notable Wins (Q3)	Segment	Manufacturing Site
Controls & Sensors	Automotive	China (JX)
Steering/Breaking ECU	Automotive	Mexico
Mirror technology	Automotive	Bulgaria
Power Module	Industrial / Automotive	Laguna
Battery management	Industrial / Automotive	China (CD)



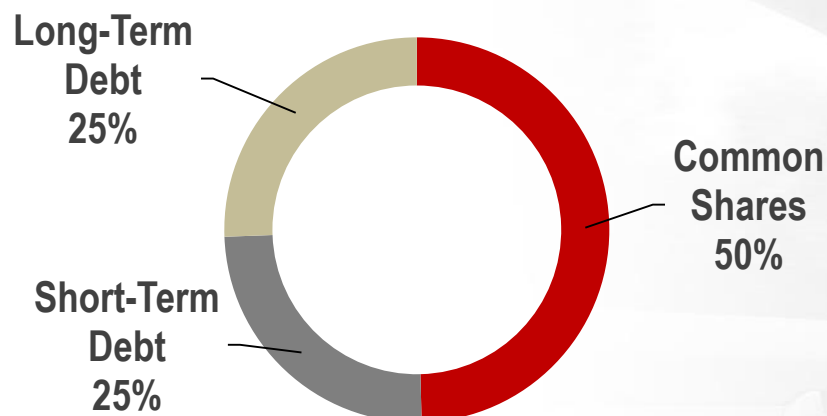
OVERALL FINANCIAL



Year on Year Profit Growth



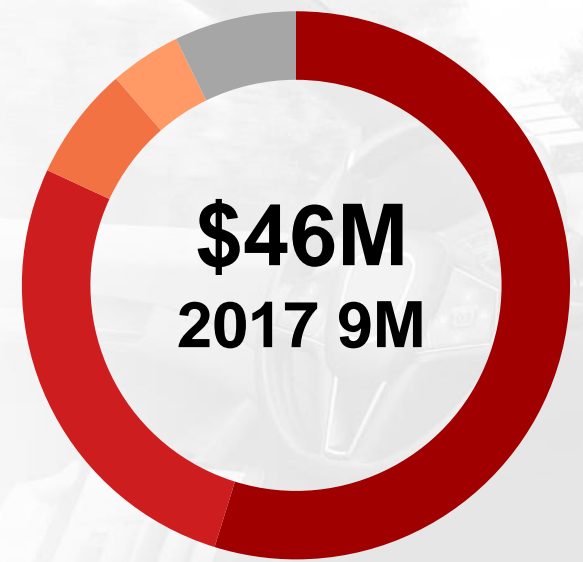
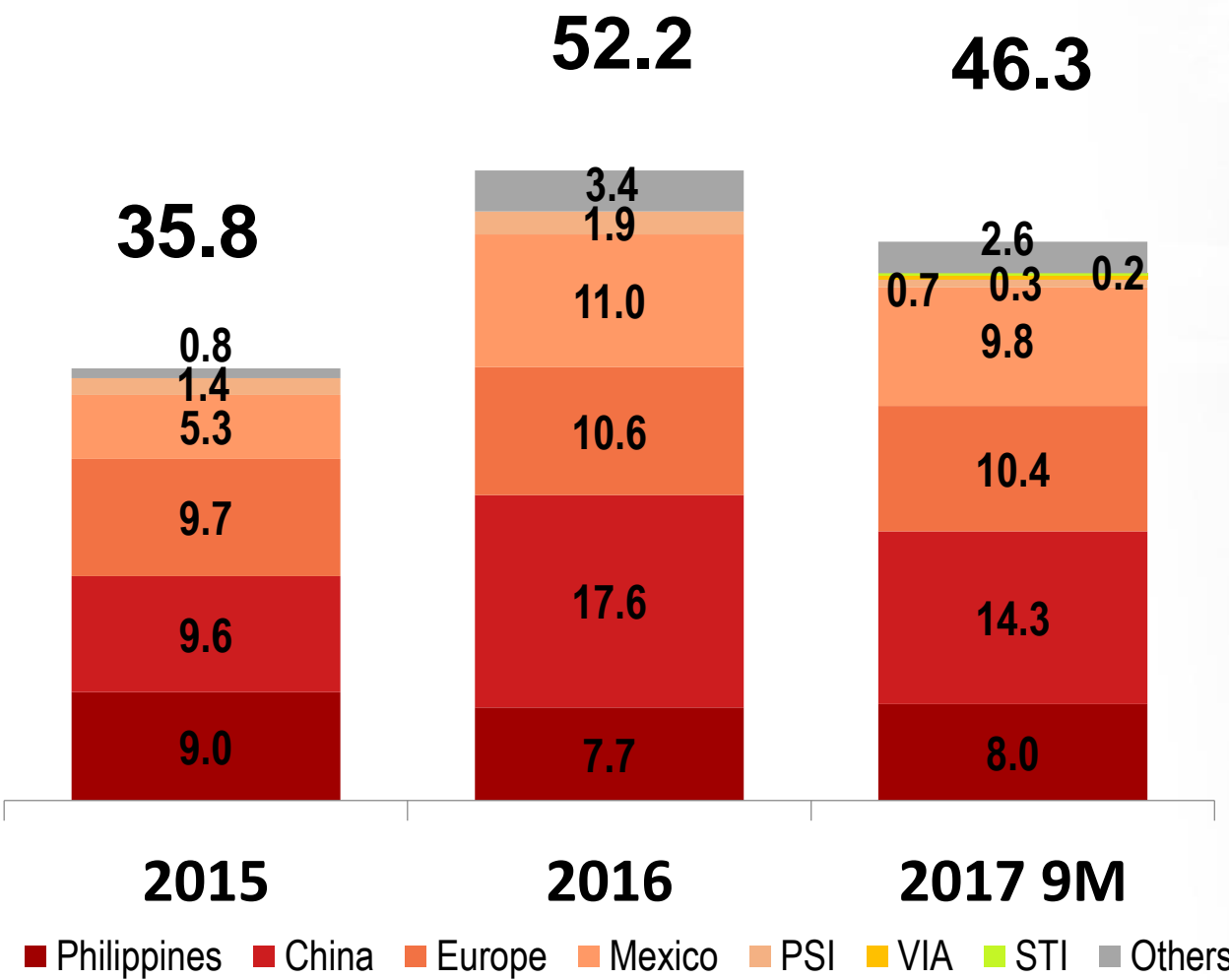
Capital Structure



(US\$ Millions)	Sept 2017
Short-term debt	128.5
Long-term debt	133.8
Total Bank Debts	257.2
Cash	62.6
Net Debt	194.6
Common Equity	256.5

Key financial ratios	Sept 2017
Current ratio	1.22
Bank Debt/Equity	1.00
Book value/share (\$)	0.138
Return on common equity (TTM)	12.6%
P/E (TTM) @ ₱18.6	18.7

Disciplined Capital Investments



- Machinery & equipment.....55%
- Construction in progress.....27%
- Furniture & fixtures.....7%
- Buildings & improvements...4%
- PPE - Others.....7%

Source: International Monetary Fund, October 2017

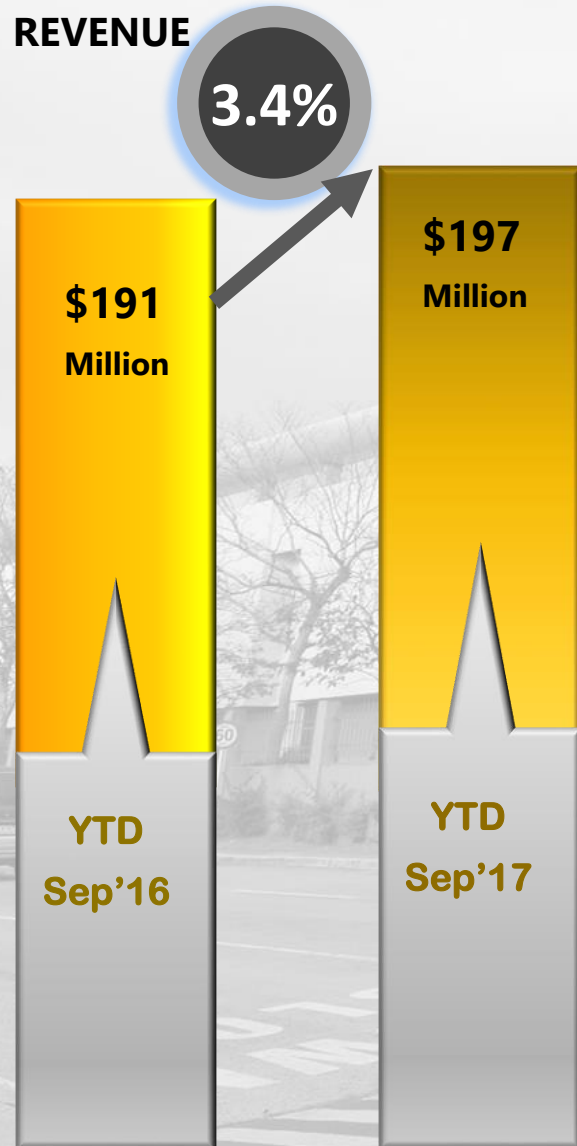


UPDATE BY REGION



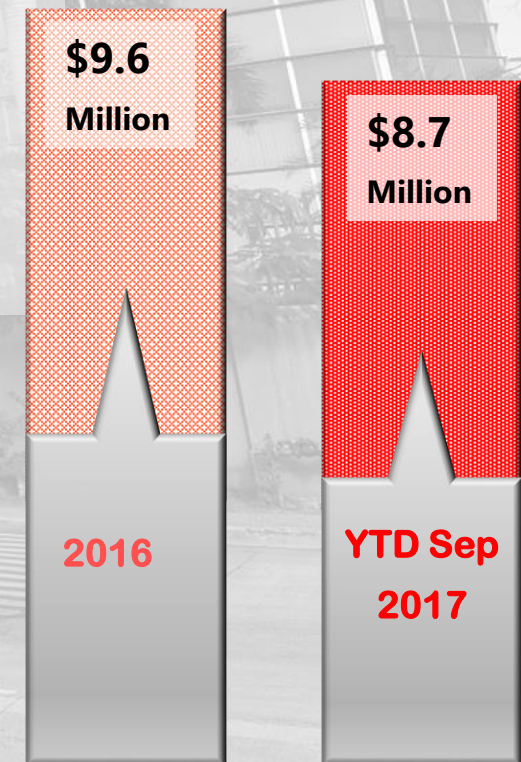
PHILIPPINES

REVENUE



- Growth fueled by industrial / automotive applications
- Start of Power Module mass production to drive further growth
- Received Excellence Awards from IMI customer of security products
- Recommended to IATF16949:2016; Passed ISO9001:2015

CAPEX



AUTOMOTIVE		
NEW WINS	ARP	MAJOR PROJECTS
4	\$1 M	ADAS
		Body Control
		Anti Fogging

CHINA

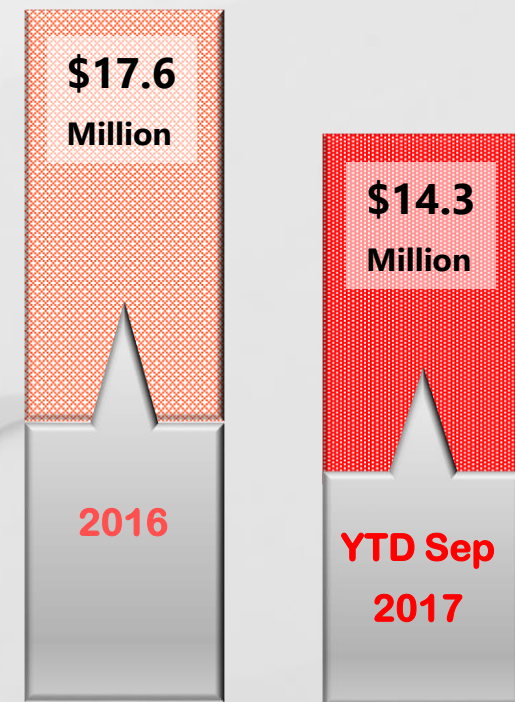
REVENUE



- 5G pilot rollout to start slow in late 2017
- Government push to increase adoption in EV
- On-going transfer of Liantang plant to Pingshan in Shenzhen

AUTOMOTIVE		
NEW WINS	ARP	MAJOR PROJECTS
15	\$20 M	ADAS
		Power Train
		Control and Sensors
		Body Control
		Lightings
		Ignition Control

CAPEX



EUROPE

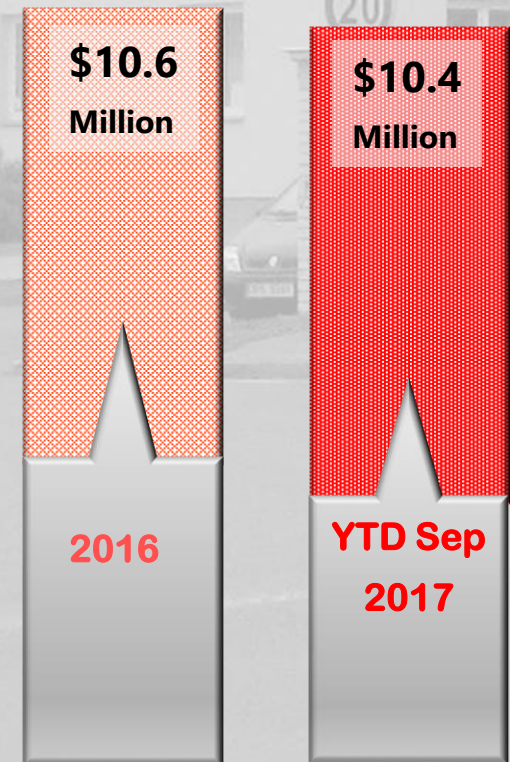
REVENUE



- Strong demand by Top 3 automotive customers in Europe
- IMI (BG) recognized as 2nd Most Profitable Company in the Machines Sector of Bulgaria
- On going construction of Serbia facility

AUTOMOTIVE		
NEW WINS	ARP	MAJOR PROJECTS
10	\$20 M	ADAS
		Body Control
		Lightings
		Engine Control

CAPEX



MEXICO

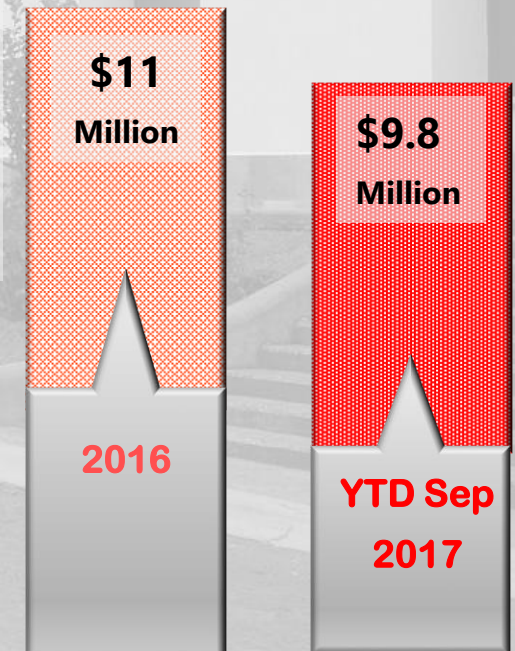
REVENUE



- Start mass production in industrial segments to complement automotive growth
- New Product Introduction
 - Automotive plastic molds for headrest and central console
 - Nano Ignition Coils, Body Controls and Oil pumps
- IMI (MX) won the 2017 National Exportation Award

AUTOMOTIVE		
NEW WINS	ARP	MAJOR PROJECTS
3	\$13 M	Body Control
		Steering/Braking

CAPEX



VIA

REVENUE
YTD Sep'17

\$115
Million

Optical bonding
Touch capabilities
Display head assembly



Automotive

Industrial & Commercial



Consumer



CAPEX
YTD Sep'17

\$0.3
Million

- 2016 full year level already reached for the 1H of 2017
- Top 2 customers in consumer segment performed the highest production volume in 2017
- Added 4 new customers in automotive display with ARP of \$8M

STI

REVENUE
YTD Sep'17

\$21
Million

Satellite Communications
Wireless Technologies



Aerospace & Defense



Industrial & Commercial



Research & Development

CAPEX
YTD Sep'17

\$0.2
Million

- New quotations ongoing for electric car chargers
- New business won for Smart Metering
- Large automotive opportunity for Electronic Logging Device (ELD) Program
- Ongoing integration with IMI



THANK YOU



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