

## 奇景光電公佈自結 2014 年第二季合併財務報表 及第三季展望

2014 年第二季營收、毛利率及每 ADS 盈餘 均符合法說預估 預估第三季營收成長 10%至 15% 毛利率小漲

- 2014 年第二季，營收淨額為 1 億 9,640 萬美元，較上一季增加 0.9%；第二季毛利率為 24.2%，較上一季 24.7%減少 0.5 個百分點，皆符合法說會預估
- 2014 年第二季，非驅動 IC 產品營收淨額，較去年同期大幅增加 21.6%，占營收比例 19.6%，創歷史新高
- 2014 年第二季稅後淨利為 2,410 萬美元，較去年同期 1,940 萬美元增加 24.6 個百分點；每 ADS 盈餘為 14.0 美分(約新台幣 4.22 元)，較去年同期 11.2 美分(約新台幣 3.33 元)增加 24.5 個百分點
- 預估 2014 年第三季，營收較第二季成長 10%至 15%，毛利率小漲，每 ADS 盈餘為 10.2 至 11.7 美分(約新台幣 3.07 至 3.53 元)之間
- 扣除固定於第三季發放的年度員工限制型股份獎勵，每 ADS 盈餘為 6.0 至 7.5 美分 (約新台幣 1.81 至 2.26 元\*)之間。

[台南，2014 年 8 月 7 日] 奇景(納斯達克代號: HIMX) 今日公佈自結 2014 年第二季合併財務報表，及第三季的展望。奇景 2014 年第二季營收淨額、毛利率及每 ADS 盈餘均符合法說會預估。

奇景 2014 年第二季營收淨額為 1 億 9,640 萬美元(約新台幣 59 億 1,800 萬元\*)，較去年同期 2 億零 700 萬美元(約新台幣 61 億 5,800 萬元\*\*)減少 5.1%，較上一季 1 億 9,460 萬美元(約新台幣 58 億 6,800 萬元\*\*)增加 0.9%。第二季毛利率為 24.2%，較去年同期 24.6%減少 0.4 個百分點，較上一季 24.7%減少 0.5 個百分點。

2014 年第二季稅後淨利為 2,410 萬美元 (約新台幣 7 億 2,700 萬元\*)，去年同期為 1,940 萬美元 (約新台幣 5 億 7,600 萬元\*\*)，上一季為 1,570 萬美元 (約新台幣 4 億 7,400 萬元\*\*)。第二季每 ADS 盈餘為 14.0 美分(約新台幣 4.22 元\*)，去年同期為 11.2 美分(約新台幣 3.33 元\*\*)，上一季為 9.1 美分(約新台幣 2.74 元\*\*)。第二季稅後淨利及每 ADS 盈餘皆較去年同期與上一季增加，主要原因是奇景出售策略性投資持股，總處分利益約 1,240 萬美元，在今年第二季認列投資收益 1,070 萬美元的結果。

2014 年第二季本業營收不如往年第二季強勁，主因是上季法說會所提，韓國終端品牌客戶調整庫存所致。然而，在第三季，奇景看到所有產品類別均強勁成長，包括大尺寸、中小尺寸驅動 IC 產品及非驅動 IC 產品，加上韓國終端品牌客戶需求亦強勁反彈。

奇景表示，2014 年第二季毛利率較上一季微幅下降，主因是上季法說會已預告，中國智慧型手機市場激烈價格競爭所導致。此外，由於 CMOS 影像感測器目前出貨主力仍是舊世代產品，成本偏高，亦造成奇景第二季整體毛利率下降。奇景預期在第三季，CMOS 影像感測器新世代產品及智慧型手機驅動 IC 的營收將增加，但依然會面臨市場殺價競爭的壓力。

2014 年第二季大尺寸驅動 IC 產品營收淨額為 5,080 萬美元(約新台幣 15 億 3,100 萬元\*)，較去年同期減少 21.1%，較上一季增加 4.5%，占第二季營收比例為 25.9%，此比例上一季為 25.0%，去年同期為 31.1%。大尺寸較上一季營收小幅成長，主要是新客戶與現有客戶出貨量增加的結果。

奇景第三季大尺寸驅動 IC 營收增加，電視是主要成長項目。這是奇景自 2012 年第四季大尺寸驅動 IC 產品轉趨黯淡以來，第一次季營收較去年同期恢復成長。奇景大尺寸成長動能主要來自台灣及韓國新開發客戶需求增加，加上所有中國面板客戶的電視面板需求成長、不斷擴充產能，其中最主要是 4K 電視日益普及。正如過去幾季奇景法說會所預期，4K 電視的滲透率及接受度在今年全面提升，奇景預期第三季 4K 電視出貨量將較上季增加一倍以上，此成長動能亦將延伸至 2015 年。儘管大尺寸已是一個成熟且具競爭性的市場，奇景藉由不斷創新、開發新技術，持續得到新客戶商機，強化奇景的大尺寸驅動 IC 產品業務。奇景對未來大尺寸驅動 IC 產品營收重回成長趨勢深具信心。

2014 年第二季中小尺寸驅動 IC 產品營收淨額為 1 億零 700 萬美元(約新台幣 32 億 2,400 萬元\*)，較去年同期減少 3.5%，較上一季下降 3.5%，占營收比例 54.5%，此比例上一季為 56.9%，去年同期為 53.6%。中小尺寸較上一季營收微幅下降，主因是奇景的韓國終端品牌客戶大幅調整庫存所致。

奇景的中小尺寸驅動 IC 產品，主要包括智慧型手機、平板電腦及車用顯示器。2014 年第三季奇景的智慧型手機營收已開始強勁反彈，這是由於韓國終端品牌客戶顯著改善庫存、開始恢復下單的結果。奇景亦預見從第三季開始，中國高階智慧型手機市場將大幅成長。儘管競爭依舊激烈，在中小尺寸驅動 IC 產品，奇景仍擁有高市占率。HD720 是目前中國市場高階智慧型手機的主流，奇景推出的 HD720 新機種非常具有競爭力，在中國市占率大有斬獲，並已獲多家中國及其他國家客戶導入。

至於中小尺寸驅動 IC 產品中的平板電腦與車用顯示器，奇景預期 2014 年第三季平板電腦季營收將下降，最主要是由於中國白牌市場需求減少，此因中國白牌市場出口到第三世界國家的數量趨緩，以及政府祭出緊縮政策，迫使弱小業者退出市場。平板電腦在第三季需求減緩的另一個原因，可能是消費者行為改變，某些消費者轉向購買螢幕尺寸接近平板電腦的大螢幕智慧型手機。奇景同時預見 2014 年第三季，車用顯示器的驅動 IC 將繼續穩定成長。總結起來，雖然平板電腦需求下降，但因智慧型手機強勁反彈，第三季中小尺寸驅動 IC 產品營收，將較上一季小幅成長。奇景對 2014 年下半年中小尺寸驅動 IC 產品營收仍樂觀看待，並相信將會持續成長。

奇景 2014 年第二季非驅動 IC 產品中，以 CMOS 影像感測器、時序控制 IC (TCON, Timing Controller)、觸控 IC、電源管理 IC、客製化 IC 等產品表現最好。營收淨額為 3,860 萬美元(約新台幣 11 億 6,300 萬元\*)，較去年同期大幅成長 21.6%，較上一季增加 9.7%，占營收比例 19.6%，創歷史新高。去年同期此比例為 15.3%，上一季為 18.1%。進入第三季，CMOS 影像感測器、時序控制 IC (TCON, Timing Controller)及觸控 IC 營收將顯著成長，預期非驅動 IC 產品營收將較上季成長接近 20%，2015 年亦將延續成長動能。

在 2014 年第二季，奇景的 CMOS 影像感測器營收顯著成長，較上一季成長超過 20%，其中，二百萬及五百萬畫素產品，持續出貨給國際品牌及中國白牌客戶，導致營收大幅增加。奇景預期高階的八百萬畫素 CMOS 影像感測器新產品，將於 2014 年第三季開始小量出貨。同時，日前推出第一個一千三百萬畫素 CMOS 影像感測器新產品，讓奇景在此少數參與者領域中展現技術領先地位。此外，經過多年耕耘，在汽車及安防監控應用上，奇景的 CMOS 影像感測器已經具備高度競爭力的產品線。這兩個領域都是規模龐大、獲利高且成長快速的市場，同時，由於需要特殊專業技術，因此進入門檻極高。整體而言，奇景預期，CMOS 影像感測器產品線在 2014 年營收將較前一年成長一倍以上。

不過，由於奇景的 CMOS 影像感測器推出新世代產品，讓客戶導入取代成本較高的舊世代產品，新舊產品的交替時間有些延遲，對最近幾季整體毛利率造成負面影響。奇景目前策略是提升出貨量及提高市占率，如果成功讓客戶進行導入並取代成本較高的舊世代產品，毛利率將得到改善。奇景相信，未來影像感測器在汽車及安防監控應用上，將顯著提升毛利率。

奇景由於擁有獨特的晶圓級鏡頭(wafer level optics, 簡稱WLO)技術，對各種客製化應用的感測器長期展望非常興奮，正與多家一線頂級客戶，共同開發領先業界的晶圓級鏡頭，應用在穿戴式裝置的三個未來令人興奮的產品領域，分別是陣列相機鏡頭(array camera)、微型顯示器導光板(microdisplay light guide) 及各式客製應用感測器(CMOS sensor)。這些技術研發，奇景目前既有的CMOS影像感測器、LCOS微投影及影像處理技術各團隊都會參與。奇景也是目前業界唯一有能力提供此領域全方位解決方案的技術領導者。此項成果歸功於奇景多年來致力於涵蓋影像處理相關的技術研發，才造就如此獨特產品組合。

奇景的觸控 IC 在 2014 年第三季將顯著成長，營收較第二季倍增。奇景預期，觸控 IC 產品在 2014 年下半年將強勁成長，主因是奇景在國際及中國市場都成功導入許多新案。除了傳統觸控面板市場市占率快速成長外，奇景同時持續與 TFT-LCD 領導廠商緊密合作，共同研發新一代內嵌式 (in-cell) 及外掛式 (on-cell) 觸控面板新技術，將有助奇景未來在觸控 IC 領域取得領先優勢。

LCOS 微投影業務一直是奇景令人興奮但充滿動態能量的新領域。雖然奇景不能具體說明個別客戶進展，但奇景持續與多家頂尖品牌客戶進行新產品開發，並提供客製化新設計，收取開發收入。

經歷一段漫長合作與研發後，奇景很高興能公開宣布，聯想已成為奇景穿戴式裝置的合作夥伴。奇景提供聯想 LCOS 微投影顯示器，應用在多種穿戴式裝置產品上。奇景並強調此項訊息宣布已事先獲得聯想授權允許。

此外，在2014年6月，奇景推出最新正面照光LCOS專利新技術，在美國聖地牙哥國際資訊顯示學會專業顯示器展「2014顯示周」首度展出。這項集成式的LCOS光學模組，簡稱為「正面照光LCOS」(“Front-Lit™ LCOS”)，是目前頭戴式顯示器產業最重大的技術突破。奇景全新的正面照光LCOS模組，將傳統典型光學引擎內的兩個主要功能，成功整合到LCOS微顯示器模組內，優勢是可縮小光學引擎的尺寸，並大為改善其功耗。目前，奇景正在與多家一線頂級客戶，將正面照光LCOS獨特技術應用在頭戴式顯示器產品。這些一線頂級客戶在測試過其他競爭者技術後，仍選擇使用奇景卓越性能及尖端技術的正面照光LCOS。

在2014年第二季，奇景宣布每單位ADS27美分的現金股息，總金額為4,600萬美元。該股息已於七月底全數發放。奇景的現金股息，主要是以前一年度財務績效作為發放的基礎。奇景今年的現金股息發放比例為去年淨利的75%，充分展現奇景對長期獲利展望的信心。

為了掌握未來市場先機，奇景一向高度重視技術研發，第三季營業費用極可能較去年同期增加20%，其中研發費用支出占大宗，這對奇景的長期發展至為重要，但短期勢將影響奇景整體獲利。

奇景預估，2014年第三季營收較第二季成長10%至15%，毛利率小漲，每ADS盈餘為10.2至11.7美分(約新台幣3.07\*至3.53\*元)之間。

奇景一如往年，將在第三季發放年度員工限制型股份獎勵，發放金額取決於未來董事會之決議，目前預估在1,400萬美元至1,500萬美元之間。此員工獎勵將在九月底發放，並已列入預估第三季每ADS盈餘時之考量。其中約58%將在九月底立即費用化，並列為第三季營業費用。如扣除股票酬勞費用及購併相關費用，奇景預估第三季每ADS盈餘為6.0至7.5美分(約新台幣1.81至2.26元\*)之間。

截至2014年6月30日止，奇景期末流通在外股數為約當1億7,050萬單位ADS。與2014年第一季底維持不變。計算稀釋每股盈餘的股數基礎為約當1億7,210萬單位ADS。

*本季依美國會計準則，(不含股票酬勞費用及購併相關費用)毛利率、營業利益率及淨利率之調節表，以及每ADS盈餘之調節表請參考本新聞稿後之附件。*

### 線上法說會細節

網路 [www.himax.com.tw](http://www.himax.com.tw) 及電話收聽重播，將自線上法說會結束後兩小時開始，至台灣時間2014年8月15日星期五中午12點(美國東部日光節約時間8月14日午夜12點)結束，重播電話專線為+1-877-870-5176(美國本土)或+1-858-384-5517(美國以外)。重播確認ID號碼為13586400。至台灣時間2015年8月7日為止，線上法說會的網路線上收聽連結，可透過ViaVid網路廣播連結<http://public.viavid.com/index.php?id=109925>，或是<http://www.viavid.net> 收聽。

### 關於奇景光電：

奇景光電股份有限公司(納斯達克代號：HIMX)為一個專注於影像顯示處理技術之IC設計公司。本公司係全球顯示器驅動IC與時序控制IC領先廠商，產品應用於電視、筆記型電腦、桌上型電腦、手機、平板電腦、數位相機、汽車導航以及其他多種消費性電子產品。奇景光電的其他產品並包含觸控面板控制IC、手持式與頭戴式矽控液晶光閥(LCOS)微型投影解決方案、LED驅動IC、電源管理IC、監視器及投影機控制晶片、客製化影像處理晶片解決方案及提供矽智權的授權等。奇景光電亦提供數位相機解決方案，包括CMOS影像感測IC及晶圓級鏡頭，這些產品已被廣泛地應用在手機、平板電腦、筆記型電腦、電視、網路攝影機、汽車、保全及醫療器材等。奇景光電設立於2001年，總部位於台灣台南，目前員工人數約1,600人，分佈於台南、新竹、台北、中國、韓國、日本與美國。至2014年6月30日為止，奇景光電在全球已取得2,377項專利，尚有907項專利正在申請中，產品應用於全球各種消費性電子品牌產品，技術領先並維持影像顯示處理技術半導體解決方案領導廠商的地位。

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**Himax Technologies, Inc.**  
**Unaudited Condensed Consolidated Statements of Income**  
(These interim financials do not fully comply with US GAAP because they omit all interim disclosure required by US GAAP)  
(Amounts in Thousands of U.S. Dollars, Except Per Share Data)

	Three Months Ended June 30,		Three Months Ended March 31,
	2014	2013	2014
<b>Revenues:</b>			
Revenues from third parties, net	\$ 196,404	\$ 164,421	\$ 194,642
Revenues from related parties, net	-	42,536	-
	<b>196,404</b>	<b>206,957</b>	<b>194,642</b>
<b>Costs and expenses:</b>			
Cost of revenues	148,952	156,038	146,620
Research and development	20,220	18,847	20,454
General and administrative	4,506	4,253	4,270
Sales and marketing	4,296	4,078	4,195
<b>Total costs and expenses</b>	<b>177,974</b>	<b>183,216</b>	<b>175,539</b>
<b>Operating income</b>	<b>18,430</b>	<b>23,741</b>	<b>19,103</b>
<b>Non operating income (loss):</b>			
Interest income	213	256	123
Gains (losses) on sale of securities, net	10,749	3	(242)
Equity in income (losses) of equity method investees	5	(64)	(75)
Foreign exchange gains (losses), net	(18)	217	253
Interest expense	(117)	(82)	(113)
Other income, net	81	29	3
	10,913	359	(51)
<b>Earnings before income taxes</b>	29,343	24,100	19,052
Income tax expense	6,156	6,026	3,620
<b>Net income</b>	23,187	18,074	15,432
<b>Net loss attributable to noncontrolling interests</b>	925	1,276	282
<b>Net income attributable to Himax stockholders</b>	<b>\$ 24,112</b>	<b>\$ 19,350</b>	<b>\$ 15,714</b>
<b>Basic earnings per ADS attributable to Himax stockholders</b>	<b>\$ 0.141</b>	<b>\$ 0.114</b>	<b>\$ 0.092</b>
<b>Diluted earnings per ADS attributable to Himax stockholders</b>	<b>\$ 0.140</b>	<b>\$ 0.112</b>	<b>\$ 0.091</b>
<b>Basic Weighted Average Outstanding ADS</b>	<b>170,920</b>	<b>169,970</b>	<b>170,920</b>
<b>Diluted Weighted Average Outstanding ADS</b>	<b>172,139</b>	<b>172,029</b>	<b>172,234</b>

**Himax Technologies, Inc.**  
**Unaudited Condensed Consolidated Statements of Income**  
(Amounts in Thousands of U.S. Dollars, Except Per Share Data)

	<b>Six Months Ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
<b>Revenues:</b>		
Revenues from third parties, net	\$ 391,046	\$ 296,138
Revenues from related parties, net	-	86,555
	<b>391,046</b>	<b>382,693</b>
<b>Costs and expenses:</b>		
Cost of revenues	295,572	288,589
Research and development	40,674	37,741
General and administrative	8,776	8,182
Sales and marketing	8,491	7,689
<b>Total costs and expenses</b>	<b>353,513</b>	<b>342,201</b>
<b>Operating income</b>	<b>37,533</b>	<b>40,492</b>
<b>Non operating income:</b>		
Interest income	336	270
Gains on sale of securities, net	10,507	1
Equity in losses of equity method investees	(70)	(191)
Foreign exchange gains, net	235	415
Interest expense	(230)	(162)
Other income, net	84	45
	10,862	378
<b>Earnings before income taxes</b>	48,395	40,870
Income tax expense	9,776	10,218
<b>Net income</b>	38,619	30,652
<b>Net loss attributable to noncontrolling interests</b>	1,207	2,730
<b>Net income attributable to Himax stockholders</b>	<b>\$ 39,826</b>	<b>\$ 33,382</b>
<b>Basic earnings per ADS attributable to Himax stockholders</b>	<b>\$ 0.233</b>	<b>\$ 0.196</b>
<b>Diluted earnings per ADS attributable to Himax stockholders</b>	<b>\$ 0.231</b>	<b>\$ 0.194</b>
<b>Basic Weighted Average Outstanding ADS</b>	170,920	169,970
<b>Diluted Weighted Average Outstanding ADS</b>	172,199	171,879

**Himax Technologies, Inc.**  
**Unaudited Supplemental Financial Information**  
**(Amounts in Thousands of U.S. Dollars)**

<b>The amount of share-based compensation included in applicable statements of income categories is summarized as follows:</b>	<b>Three Months Ended June 30,</b>		<b>Three Months Ended March 31,</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>
Share-based compensation			
Cost of revenues	\$ 15	\$ 15	\$ 15
Research and development	228	305	228
General and administrative	50	57	50
Sales and marketing	57	73	57
Income tax benefit	(85)	(138)	(83)
Total	\$ 265	\$ 312	\$ 267

**The amount of acquisition-related charges included in applicable statements of income categories is summarized as follows:**

Acquisition-related charges			
Research and development	\$ 194	\$ 435	\$ 268
Sales and marketing	-	289	96
Income tax benefit	(83)	(294)	(125)
Total	\$ 111	\$ 430	\$ 239

**Himax Technologies, Inc.**  
**Unaudited Supplemental Financial Information**  
**(Amounts in Thousands of U.S. Dollars)**

**The amount of share-based compensation included in applicable statements of income categories is summarized as follows:**

	<b>Six Months Ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
Share-based compensation		
Cost of revenues	\$ 30	\$ 30
Research and development	456	617
General and administrative	100	113
Sales and marketing	114	146
Income tax benefit	(168)	(214)
Total	\$ 532	\$ 692

**The amount of acquisition-related charges included in applicable statements of income categories is summarized as follows:**

Acquisition-related charges		
Research and development	\$ 462	\$ 875
Sales and marketing	96	578
Income tax benefit	(208)	(419)
Total	\$ 350	\$ 1,034



**Himax Technologies, Inc.**  
**GAAP Unaudited Condensed Consolidated Balance Sheets**  
(Amounts in Thousands of U.S. Dollars, Except Per Share Data)

	<u>June 30, 2014</u>	<u>March 31, 2014</u>	<u>December 31, 2013</u>
<b>Assets</b>			
<b>Current assets:</b>			
Cash and cash equivalents	\$ 169,799	\$ 138,888	\$ 127,320
Restricted cash and cash equivalents	108,393	108,336	108,399
Investments in marketable securities available-for-sale	3,133	784	788
Accounts receivable, less allowance for doubtful accounts, sales returns and discounts	199,003	204,472	200,725
Inventories	166,332	172,335	177,399
Deferred income taxes	8,364	8,965	9,974
Prepaid expenses and other current assets	12,275	13,721	15,052
<b>Total current assets</b>	<b>\$ 667,299</b>	<b>\$ 647,501</b>	<b>\$ 639,657</b>
<b>Investment securities</b>	<b>\$ 12,688</b>	<b>\$ 16,688</b>	<b>\$ 21,877</b>
<b>Equity method investments</b>	<b>118</b>	<b>111</b>	<b>190</b>
<b>Property, plant and equipment, net</b>	<b>59,747</b>	<b>59,063</b>	<b>60,588</b>
<b>Deferred income taxes</b>	<b>2,297</b>	<b>2,172</b>	<b>2,135</b>
<b>Goodwill</b>	<b>28,138</b>	<b>28,138</b>	<b>28,138</b>
<b>Other intangible assets, net</b>	<b>4,672</b>	<b>4,868</b>	<b>5,234</b>
<b>Other assets</b>	<b>1,657</b>	<b>1,503</b>	<b>1,508</b>
	<u>109,317</u>	<u>112,543</u>	<u>119,670</u>
<b>Total assets</b>	<b>\$ 776,616</b>	<b>\$ 760,044</b>	<b>\$ 759,327</b>
<b>Liabilities, Redeemable noncontrolling interest and Equity</b>			
<b>Current liabilities:</b>			
Short-term debts	\$ 105,500	\$ 105,500	\$ 105,500
Accounts payable	135,870	139,112	151,290
Income taxes payable	14,852	19,180	16,932
Other accrued expenses and other current liabilities	72,449	25,404	30,111
<b>Total current liabilities</b>	<b>\$ 328,671</b>	<b>\$ 289,196</b>	<b>\$ 303,833</b>
<b>Other liabilities</b>	<b>2,913</b>	<b>2,899</b>	<b>3,279</b>
<b>Total liabilities</b>	<b>\$ 331,584</b>	<b>\$ 292,095</b>	<b>\$ 307,112</b>
<b>Redeemable noncontrolling interest</b>	<b>\$ 3,656</b>	<b>\$ 3,656</b>	<b>\$ 3,656</b>
<b>Equity</b>			
<b>Himax stockholders' equity:</b>			
Ordinary shares, US\$0.3 par value, 1,000,000,000 shares authorized; 356,699,482 shares issued and 341,049,418 shares outstanding	\$ 107,010	\$ 107,010	\$ 107,010
Additional paid-in capital	107,439	106,997	106,636
Treasury shares, at cost (15,650,064 shares)	(11,120)	(11,120)	(11,120)
Accumulated other comprehensive loss	(406)	(471)	(412)
Unappropriated retained earnings	241,494	263,424	247,710
<b>Himax stockholders' equity</b>	<b>\$ 444,417</b>	<b>\$ 465,840</b>	<b>\$ 449,824</b>
<b>Noncontrolling interests</b>	<b>(3,041)</b>	<b>(1,547)</b>	<b>(1,265)</b>
<b>Total equity</b>	<b>\$ 441,376</b>	<b>\$ 464,293</b>	<b>\$ 448,559</b>
<b>Total liabilities, redeemable noncontrolling interest and equity</b>	<b>\$ 776,616</b>	<b>\$ 760,044</b>	<b>\$ 759,327</b>

**Himax Technologies, Inc.**  
**Unaudited Condensed Consolidated Statements of Cash Flows**  
(Amounts in Thousands of U.S. Dollars)

	<b>Three Months Ended June 30,</b>		<b>Three Months Ended March 31,</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>
<b>Cash flows from operating activities:</b>			
Net income	\$ 23,187	\$ 18,074	\$ 15,432
Adjustments to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	3,520	3,554	3,619
Provision for allowance for doubtful accounts	---	173	---
Share-based compensation expenses	350	450	350
Loss (gain) on disposal of investment securities, net	(10,743)	---	241
Loss (gain) on disposal of marketable securities, net	(6)	(3)	1
Issuance of new shares by subsidiary for royalties	---	49	---
Equity in losses (income) of equity method investees	(5)	64	75
Deferred income tax expense	479	1,112	927
Inventories write downs	1,683	2,289	1,735
Changes in operating assets and liabilities:			
Accounts receivable	5,482	(82,769)	(3,765)
Accounts receivable from related parties	---	53,297	---
Inventories	4,320	(6,881)	3,329
Prepaid expenses and other current assets	1,447	(3,281)	1,328
Accounts payable	(3,242)	6,187	(12,178)
Income taxes payable	(4,328)	2,425	2,249
Other accrued expenses and other current liabilities	740	2,606	(4,037)
Other liabilities	1	---	(1)
<b>Net cash provided by (used in) operating activities</b>	<u>22,885</u>	<u>(2,654)</u>	<u>9,305</u>
<b>Cash flows from investing activities:</b>			
Purchase of property and equipment	(3,781)	(6,021)	(2,709)
Purchase of available-for-sale marketable securities	(9,180)	(9,060)	(3,311)
Disposal of available-for-sale marketable securities	6,856	9,063	3,305
Disposal of investment securities	14,743	---	4,948
Release (pledge) of restricted cash equivalents and marketable securities	(61)	(2,879)	66
Increase in other assets	(114)	(255)	(6)
<b>Net cash provided by (used in) investing activities</b>	<u>8,463</u>	<u>(9,152)</u>	<u>2,293</u>

**Himax Technologies, Inc.**  
**Unaudited Condensed Consolidated Statements of Cash Flows**  
(Amounts in Thousands of U.S. Dollars)

	Three Months Ended June 30,	Three Months Ended March 31,
	2014	2013 2014
<b>Cash flows from financing activities:</b>		
Proceeds from disposal of subsidiary shares to noncontrolling interests by Himax Technologies Limited	83	---
Proceeds from disposal of subsidiary shares to noncontrolling interests by Himax Imaging, Inc.	8	10
Purchase of subsidiary shares from noncontrolling interests	(567)	---
Proceeds from borrowing of short-term debts	---	145,320
Repayment of short-term debts	---	(145,320)
<b>Net cash provided by (used in) financing activities</b>	<b>(476)</b>	<b>10</b>
<b>Effect of foreign currency exchange rate changes on cash and cash equivalents</b>	<b>39</b>	<b>(40)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>30,911</b>	<b>11,568</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>138,888</b>	<b>127,320</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 169,799</b>	<b>\$ 138,888</b>
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid during the period for:		
Interest expense	<b>\$ 117</b>	<b>\$ 82</b>
Income taxes	<b>\$ 10,418</b>	<b>\$ 2,647</b>
<b>Supplemental disclosures of non-cash investing and financing activities:</b>		
Dividend Payable	<b>\$ 46,042</b>	<b>\$ 42,394</b>

**Himax Technologies, Inc.**  
**Unaudited Condensed Consolidated Statements of Cash Flows**  
(Amounts in Thousands of U.S. Dollars)

	<b>Six Months Ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
<b>Cash flows from operating activities:</b>		
Net income	\$ 38,619	\$ 30,652
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,139	6,709
Provision for allowance for doubtful accounts	---	173
Share-based compensation expenses	700	906
Gain on disposal of investment securities, net	(10,502)	---
Gain on disposal of marketable securities, net	(5)	(1)
Loss on disposal of property and equity	---	87
Issuance of new shares by subsidiary for royalties	---	49
Equity in losses of equity method investees	70	191
Deferred income tax expense	1,406	2,817
Inventories write downs	3,418	4,718
Changes in operating assets and liabilities:		
Accounts receivable	1,717	(83,669)
Accounts receivable from related parties	---	73,267
Inventories	7,649	(30,970)
Prepaid expenses and other current assets	2,775	(3,177)
Accounts payable	(15,420)	19,874
Income taxes payable	(2,079)	4,524
Other accrued expenses and other current liabilities	(3,297)	645
Other liabilities	---	(55)
<b>Net cash provided by operating activities</b>	<b>32,190</b>	<b>26,740</b>
<b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(6,490)	(10,735)
Purchase of available-for-sale marketable securities	(12,491)	(11,086)
Disposal of available-for-sale marketable securities	10,161	11,087
Purchase of investment securities	---	(5,189)
Disposal of investment securities	19,691	---
Release (pledge) of restricted cash equivalents and marketable securities	5	(2,875)
Increase in other assets	(120)	(239)
<b>Net cash provided by (used in) investing activities</b>	<b>10,756</b>	<b>(19,037)</b>

**Himax Technologies, Inc.**  
**Unaudited Condensed Consolidated Statements of Cash Flows**  
(Amounts in Thousands of U.S. Dollars)

	<b>Six Months Ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issuance of new shares by subsidiaries	---	390
Proceeds from disposal of subsidiary shares to noncontrolling interests by Himax Technologies Limited	83	---
Proceeds from disposal of subsidiary shares to noncontrolling interests by Himax Imaging, Inc.	18	78
Purchase of subsidiary shares from noncontrolling interests	(567)	---
Proceeds from borrowing of short-term debts	86,500	218,320
Repayment of short-term debts	(86,500)	(218,320)
<b>Net cash provided by (used in) financing activities</b>	<b>(466)</b>	<b>468</b>
<b>Effect of foreign currency exchange rate changes on cash and cash equivalents</b>	<b>(1)</b>	<b>42</b>
<b>Net increase in cash and cash equivalents</b>	<b>42,479</b>	<b>8,213</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>127,320</b>	<b>138,737</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 169,799</b>	<b>\$ 146,950</b>
 <b>Supplemental disclosures of cash flow information:</b>		
Cash paid during the period for:		
Interest expense	<b>\$ 230</b>	<b>\$ 162</b>
Income taxes	<b>\$ 10,899</b>	<b>\$ 2,779</b>
 <b>Supplemental disclosures of non-cash financing activities:</b>		
Dividend Payable	<b>\$ 46,042</b>	<b>\$ 42,394</b>

**Himax Technologies, Inc.**  
**Non-GAAP Unaudited Supplemental Data – Reconciliation Schedule**  
**(Amounts in Thousands of U.S. Dollars)**

**Gross Margin, Operating Margin and Net Margin Excluding Share-based Compensation and Acquisition-Related Charges:**

	<b>Three Months Ended June 30,</b>		<b>Three Months Ended March 31,</b>
	<b>2014</b>	<b>2013</b>	<b>2014</b>
Revenues	\$ 196,404	\$ 206,957	\$ 194,642
Gross profit	47,452	50,919	48,022
Add: Share-based compensation – Cost of revenues	15	15	15
Gross profit excluding share-based compensation	47,467	50,934	48,037
Gross margin excluding share-based compensation	24.2%	24.6%	24.7%
Operating income	18,430	23,741	19,103
Add: Share-based compensation	350	450	350
Operating income excluding share-based compensation	18,780	24,191	19,453
Add: Acquisition-related charges –Intangible assets amortization	194	724	364
Operating income excluding share-based compensation and acquisition-related charges	18,974	24,915	19,817
Operating margin excluding share-based compensation and acquisition-related charges	9.7%	12.0%	10.2%
Net income attributable to Himax stockholders	24,112	19,350	15,714
Add: Share-based compensation, net of tax	265	312	267
Add: Acquisition-related charges, net of tax	111	430	239
Net income attributable to Himax stockholders excluding share-based compensation and acquisition-related charges	24,488	20,092	16,220
Net margin attributable to Himax stockholders excluding share-based compensation and acquisition-related charges	12.5%	9.7%	8.3%

\*Gross margin excluding share-based compensation equals gross profit excluding share-based compensation divided by revenues

\*Operating margin excluding share-based compensation and acquisition-related charges equals operating income excluding share-based compensation and acquisition-related charges divided by revenues

\*Net margin attributable to Himax stockholders excluding share-based compensation and acquisition-related charges equals net income attributable to Himax stockholders excluding share-based compensation and acquisition-related charges divided by revenues

**Himax Technologies, Inc.**  
**Non-GAAP Unaudited Supplemental Data – Reconciliation Schedule**  
(Amounts in Thousands of U.S. Dollars)

**Gross Margin, Operating Margin and Net Margin Excluding Share-based Compensation and Acquisition-Related Charges:**

	<b>Six Months Ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
Revenues	\$ 391,046	\$ 382,693
Gross profit	95,474	94,104
Add: Share-based compensation – Cost of revenues	30	30
Gross profit excluding share-based compensation	95,504	94,134
Gross margin excluding share-based compensation	24.4%	24.6%
Operating income	37,533	40,492
Add: Share-based compensation	700	906
Operating income excluding share-based compensation	38,233	41,398
Add: Acquisition-related charges –Intangible assets amortization	558	1,453
Operating income excluding share-based compensation and acquisition-related charges	38,791	42,851
Operating margin excluding share-based compensation and acquisition-related charges	9.9%	11.2%
Net income attributable to Himax stockholders	39,826	33,382
Add: Share-based compensation, net of tax	532	692
Add: Acquisition-related charges, net of tax	350	1,034
Net income attributable to Himax stockholders excluding share-based compensation and acquisition-related charges	40,708	35,108
Net margin attributable to Himax stockholders excluding share-based compensation and acquisition-related charges	10.4%	9.2%

\*Gross margin excluding share-based compensation equals gross profit excluding share-based compensation divided by revenues

\*Operating margin excluding share-based compensation and acquisition-related charges equals operating income excluding share-based compensation and acquisition-related charges divided by revenues

\*Net margin attributable to Himax stockholders excluding share-based compensation and acquisition-related charges equals net income attributable to Himax stockholders excluding share-based compensation and acquisition-related charges divided by revenues

**Diluted Earnings Per ADS Attributable to Himax stockholders Excluding Share-based Compensation and Acquisition-Related Charges:**

	<b>Three Months Ended June 30, 2014</b>	<b>Six Months Ended June 30, 2014</b>
Diluted GAAP earning per ADS attributable to Himax stockholders	\$0.140	\$0.231
Add: Share-based compensation per ADS	\$0.002	\$0.003
Add: Acquisition-related charges per ADS	\$0.001	\$0.002
Diluted non-GAAP earning per ADS attributable to Himax stockholders excluding share-based compensation and acquisition-related charges	\$0.142	\$0.236

Numbers do not add up due to rounding