



Himax

Human Interface and Display Technologies

Nasdaq : HIMX

May 2019 INVESTOR PRESENTATION



Forward Looking Statements



Factors that could cause actual events or results to differ materially include, but not limited to, general business and economic conditions and the state of the semiconductor industry; market acceptance and competitiveness of the driver and non-driver products developed by the Company; demand for end-use applications products; reliance on a small group of principal customers; the uncertainty of continued success in technological innovations; our ability to develop and protect our intellectual property; pricing pressures including declines in average selling prices; changes in customer order patterns; changes in estimated full-year effective tax rate; shortages in supply of key components; changes in environmental laws and regulations; exchange rate fluctuations; regulatory approvals for further investments in our subsidiaries; our ability to collect accounts receivable and manage inventory and other risks described from time to time in the Company's SEC filings, including those risks identified in the section entitled "Risk Factors" in its Form 20-F for the year ended December 31, 2018 filed with the SEC, as may be amended. Images of devices depicted in this presentation may be representative of those in which Himax has specification, or for reference-only and may not be associated with actual bill-of-material or design-win in the displayed image. Any association of such, without a confirmed disclosure of such by the Company or the Company's customer are coincidental. Himax is under strict customer disclosure guidelines on the release of such information.

Recognized Industry Leader



For the last 30 years, we have worked with leading OEMs to develop and the most recognized imaging and human interfacing technologies.

1990s

Founder B.S. Wu pioneers flat panel technologies at Chimei Electronics as CTO



2000s

Chairman Wu establishes Himax to meet DDIC demand for large panels and fast-growing medium and small panels



2010s

Himax gains market share with design wins with leading technology products companies, worldwide

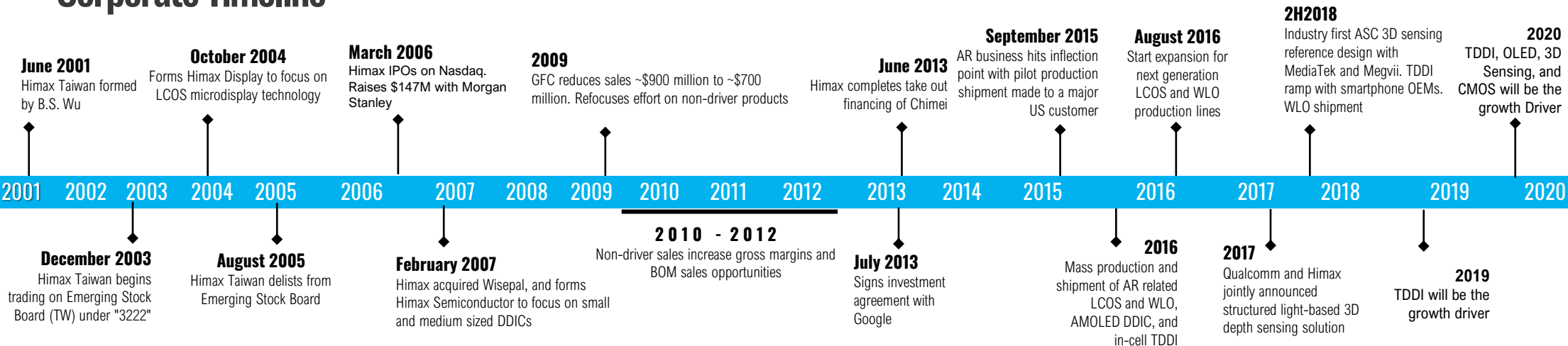


2018 and Beyond

Himax leads WLO shipment and development with North American OEM customer, 3D sensing for Android. LCOS advancements for AR & HUD, CMOS for Notebook, and WLO integration keep Himax at the forefront of AR/VR product design and pending product releases.



Corporate Timeline



Leading Imaging and Human Interfacing Technology Innovator

- Global display driver player with a wide range of display technologies for panels of all sizes
- Thousands of patents for Himax's IP and designs
- Imaging technology and human interfacing total-solution provider

Diversified Base of Customers and Revenues

- DDIC market share leader
- Penetration throughout all display market segments and with a leading position in several segments, including automotive
- Revenues from traditional large and small/medium now diversified to TDDI, WLO/CIS and LCOS microdisplays
- Top-tier partnerships with major U.S. and Asian AP platform providers, device makers, and the world's biggest tech names
- Non-driver product lines expected to improve corporate profit margin and further diversify customer base

Operational and Public Market Performances

- Long-term profitability potential with no fundraising since IPO
- Disciplined cost control
- Stable cash flow
- Committed to high dividend payout ratio

Innovative New Products Capturing Growth Markets

- Integration of AMOLED and TDDI technologies fuel growth for core, display driver ICs
- Himax's WLO, CMOS & 3D image sensors, LCOS microdisplay's leading specs and continued design wins position us at the forefront of new AR/VR, IoT, Automotive LIDAR, HUD, Medical Devices, Robotics development and future product releases.

Visionary Management Team

HIMX

Nasdaq Listed

Fiscal Year **December 31**

Last-Traded Price (05/08/19) **\$3.35**

Basic and Diluted Weighted Ave. Out. ADS **172.6M**

Equivalent ADS Out **172.1M**

Market Capitalization (05/08/19) **\$576.7M**

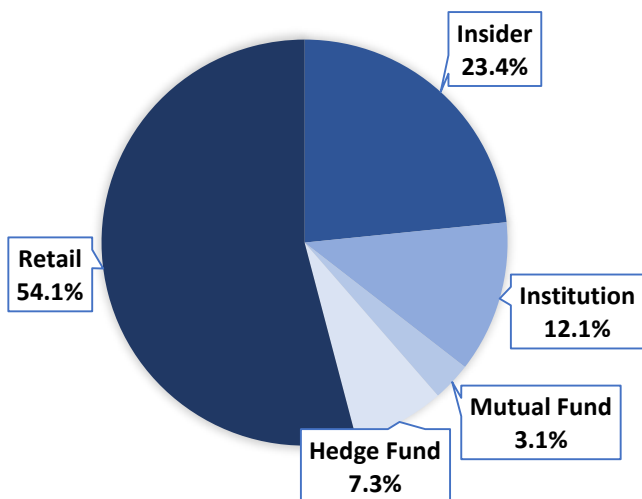
50-Day Avg. Daily Volume (05/08/19) **1.1M**

Annualized Dividend **\$0.10**

Insider Ownership* **23.4%**

* Insider ownership includes executives and board members

SHAREHOLDER TYPE



Date: As of March. 31, 2019

12 Month Trading Chart



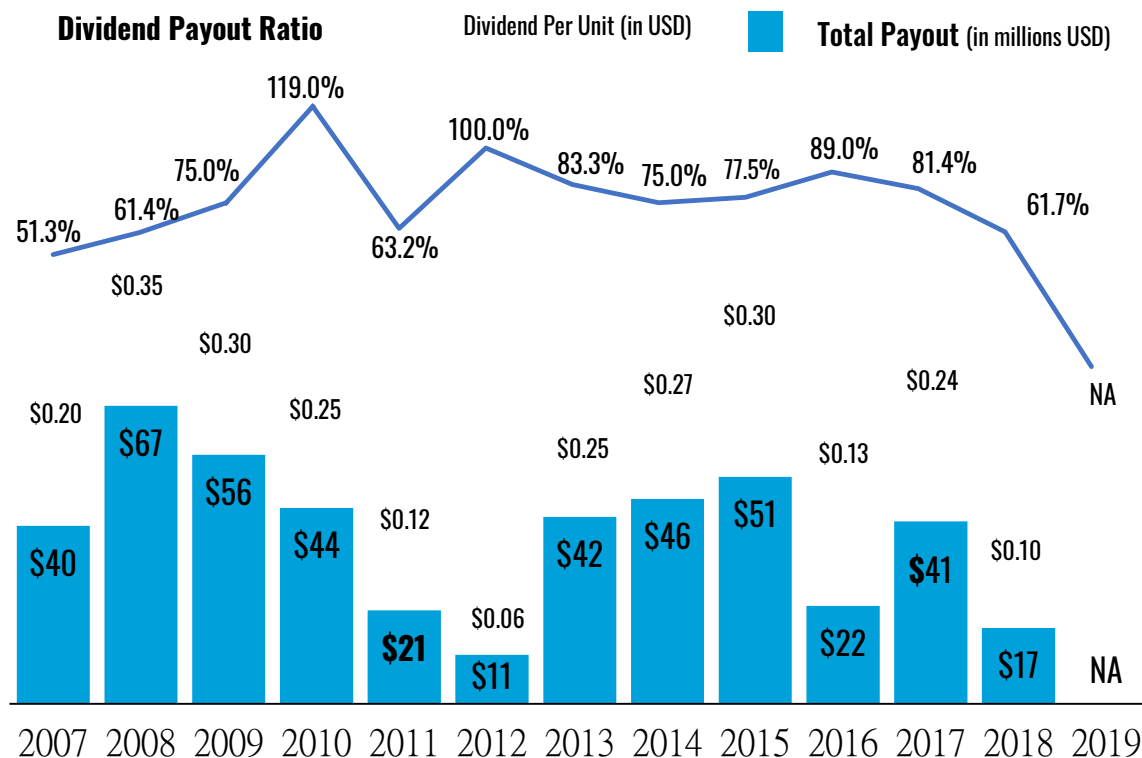
Analysts

Credit Suisse
 Lake Street Capital Markets
 Mizuho Securities Asia Ltd
 Nomura Securities
 Northland Securities, Inc.
 Roth Capital Partners, LLC

Jerry Su
 Jaeson Schmidt
 Kevin Wang
 Donnie Teng
 Tim Savageaux
 Suji Desilva

Himax Dividend and Policy

- Distributed a total of **\$458** million of cash dividend since IPO
- Typically pays out annual cash dividend at approximately the middle of the current calendar year based on prior year's profitability, e.g., 2018 dividend payouts in July is for fiscal year 2017.
- In 2019, Himax will not pay an annual cash dividend for fiscal year 2018. The decision was made with full consideration of Himax's 2019 operations and capital requirement to support its future growth and to drive gains in market share.

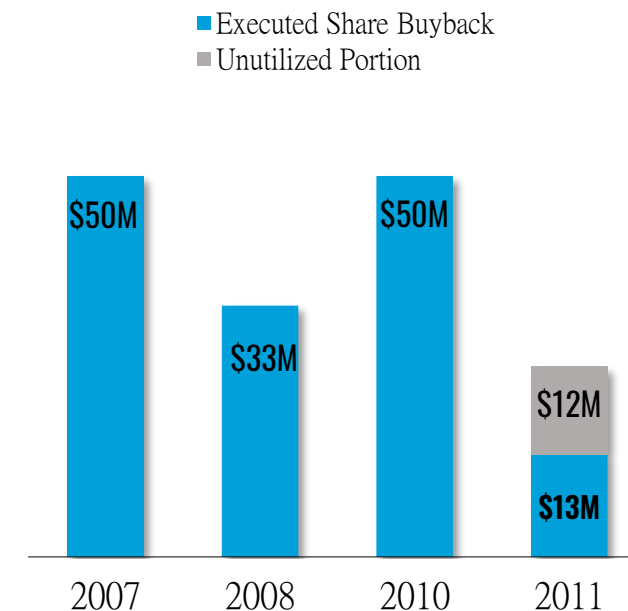


Yield	4.0%	7.0%	10.4%	9.1%	5.9%	3.4%	4.4%	4.1%	4.8%	1.4%	2.9%	1.3%
EPS	0.57	0.40	0.21	0.19	0.06	0.30	0.36	0.39	0.15	0.30	0.16	0.05

Himax Share Buyback

- Initiated four share buyback programs totaling \$158 million since 2007
- Repurchased a total of 46.5 million ADSs through March 31, 2019 at average purchase price per ADS: \$3.15

Executed Share Buybacks from 2007-2018 (in millions USD)



\$604 MILLION HAS BEEN RETURNED TO SHAREHOLDERS INCLUDING DIVIDENDS AND SHARE BUY BACKS SINCE IPO

* On 11/30/2018 Himax chairman announced share purchase plan. Chairman Dr. Biing-Seng Wu intends to use his personal funds to purchase up to approximately \$5 million of the Company's American Depository Shares ("ADSs") in the open market, subject to market conditions and other factors.

Summary and Guidance



	1Q2019**	4Q2018**	1Q2018**	YoY	QoQ
Revenues	\$163.3M	\$191.0M	\$162.9M	+0.3%	-14.5%
Gross Margin (%)	22.6%	24.3%	22.5%	+0.1%	-1.7%
IFRS Profit (loss)	(\$2.3M)	\$8.5M*	(\$2.8M)	+18.0%	-127.4%
IFRS Earnings (loss) per ADS	(\$0.013)	\$0.049*	(\$0.016)	+18.0%	-127.4%
Non-IFRS Profit (loss)	(\$2.0M)	\$8.7M	(\$2.6M)	+24.0%	-122.5%
Non-IFRS Earnings (loss) per ADS	(\$0.011)	\$0.05	(\$0.015)	+24.0%	-122.5%

FOR THE FULL YEAR 2018**

Revenues	\$723.6M
Gross Margin (%)	23.3%
IFRS Profit	\$8.6M*
IFRS Earnings per ADS	\$0.05*
Non-IFRS Profit	\$12.9M
Non-IFRS Earnings per ADS	\$0.075

2Q2019 Guidance**

Revenues	To be up around 2% to 7% sequentially
Gross Margin (%)	To be around 19.5% to 20.0%, depending on final product mix
IFRS Loss	To be around 2.0 to 3.5 cents per diluted ADS
Non-IFRS Loss	To be around 1.8 to 3.3 cents per diluted ADS

*2018 Q4 included a revaluation gain on investment of 1.7 cents and FY2018 1.2 cents

**Beginning January 1, 2018, adopting International Financial Reporting Standards ("IFRS") to prepare consolidated financial statements; adjusting comparative period information in accordance with IFRS

- Fabless semiconductor company with world leading visual imaging processing technologies
- Global market leader in TFT-LCD display driver and timing controller ICs
- 200+ customers across Taiwan, China, Japan, Korea, U.S. and Europe
- 2,965 patents granted and 517 patents pending approval worldwide as of March 31, 2019
- NASDAQ-listed since March 2006 (HIMX)
- Around 2,200 employees worldwide; more than 90% are engineers
- Headquartered in Tainan, Taiwan with 9 R&D centers in Taiwan, China, Korea, Israel and U.S., out of a total of 24 offices across Taiwan, China, Japan, Korea, Israel and U.S.

Himax's Global Reach



HEADQUARTERS
Tainan, Taiwan



Nasdaq Listed
Himax Technologies, Inc.



Himax Technologies, LTD.

- TFT-LCD Driver, EPD Driver, Micro LED Driver and AMOLED Driver
- TCON and Bridge IC
- Touch Controllers
- Pure in-cell Touch (TDDI)
- ASIC Service and IP Licensing
- Power Management ICs, P-Gamma OP, Level Shifter and LED Driver
- Wafer Level Optics and 3D sensing modules
- Light guide
- In-house Color Filter Fab for LCOS and CIS



Himax Display, Inc.

- LCOS Modules for Head-Mounted Display, Head-up Display and Pico-projector Applications
- Phase Modulation for Communication and Holographic Displays



Himax Imaging, LTD.

- CMOS Image sensors



Himax

**Our Technologies Are
Used by Consumer Brands Worldwide**





We are a leader in display driver ICs used to enable flat panel display in TFT and Touch in large, small and medium-sized display panels

MARKETS WE SERVE

Smartphones, Tablets, Monitors, Notebooks, TVs, Automotive Gaming, Education, Healthcare plus 100's more applications for markets and business that use flat panel displays.

In what devices can you find Himax DDIC technologies

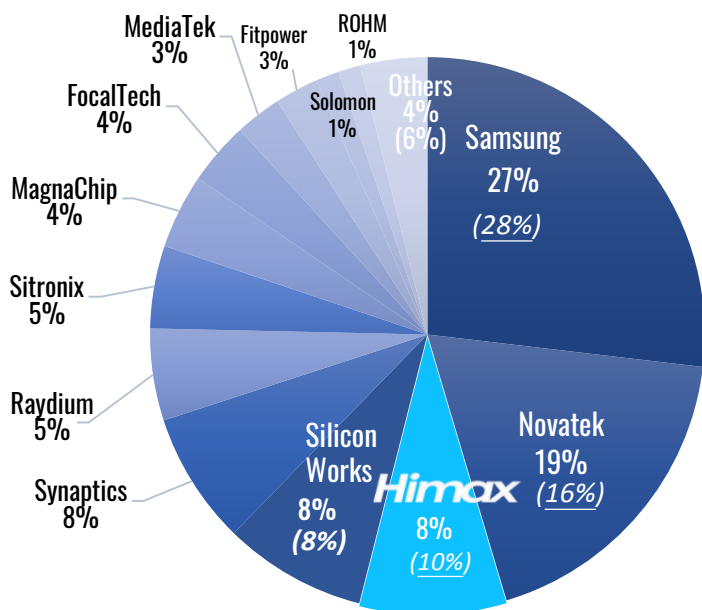


Who uses Himax DDICs



2018 Q4 Driver Market Share

(3Q18 Market Share %, Revenue)



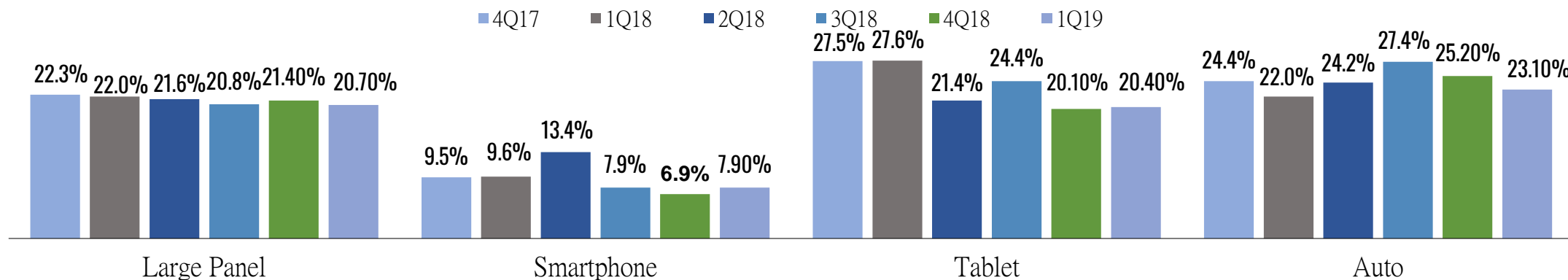
Source: IHS (Supply and company estimates)
(This covers TFT-LCD and OLED DDICs)

We have the ability to provide a complete solution of image processing technologies and leverage our expertise in mobile devices and other mass-market technology releases

- Large display driver IC business continue to benefit from Chinese panel customers' capacity expansion and China's localization policy
- Strong market share in fastest-moving consumer devices
- Leading market share in auto applications
- AMOLED is a long-term growth driver beyond 2020
- Major design-win into Auto OLED DDIC in 2019

HIMX'S Strong Driver IC Market Share in Mass Market Devices

(Shipment)



Source: IHS (Supply 2018 Q3 data, IDC and Company Estimates (This covers TFT-LCD DDICs))



We design technologies for touch sensor displays including in-cell touch and the fast-growing segment of Display Driver Integration (TDDI) single-chips

MARKETS WE SERVE

Beginning with smartphones, will expand to tablet, laptops, automotive, and many other consumer electronic devices going forward

- Expect smartphone business growth in 2019 and beyond due to major addition of TDDI capacity and new shipment to major Tier-1 China and Korean OEMs
- New penetration of TDDI is refreshing smartphone life cycle starting end of 2016, major growth driver for 2019 and beyond
- Higher ASP & higher margin versus traditional discrete driver ICs

In what devices can you find Himax TDDI technologies



A-Si HD+ Smartphone



LTPS FHD+ and HD+ Smartphone



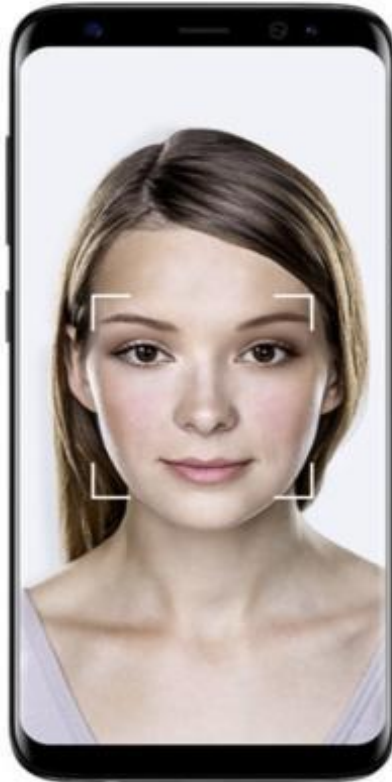
8" Tablet PC, In-cell TDDI



Tablet PC & Smart Speaker

Who uses Himax Touch and TDDI Technologies





We offer industry leading WLO design know-how and mass production expertise for 3D sensing solutions which cover structured light, active stereo camera (ASC) and ToF. Our CMOS image sensors include near infrared (NIR) sensors for 3D sensing and ultra-low power computer vision, Always-on-Sensor (AoS™), and customized sensors for optical finger print solutions

Wafer Level Optics (WLO)

Integrated Optics High Accuracy
Scalability In Production

Best For IoT/Smart Sensing

Eye Tracking & Gesture Control
3D Depth Sensing

Waveguide for AR

Key technology to enable holographic imaging for AR goggle devices

MARKETS WE SERVE

Smartphones, Consumer Electronics, Tablet, TV, Entertainment, Automotive, IoT, Gaming, Education, Healthcare plus many more..

Who uses Himax WLO and CMOS technologies



LCoS Microdisplays



We are the leader and long-term innovator of Liquid Crystal on Silicon (LCoS) displays and the only company capable of high-volume production runs of LCoS displays for the launch of mass-market devices.

Our Front Lit LCoS Technology Advantages

- Compact Form Factor
- Brightness
- Power Efficiency
- MP Efficiency & Readiness
- Contains lightguide performance enabling OEM to simplify light guide design
- Lower cost

MARKETS WE SERVE

Consumer, Shopping, Search, Gaming, Sports, AR/VR smart glasses, Automotive Heads Up Displays, Tier-1 OEM's market leading AR Glasses



Who uses Himax LCoS micro display technologies



DISPLAY DRIVERS



WAFER LEVEL OPTICS



CMOS IMAGE SENSORS



ASIC SERVICE & IP LICENSING



LCOS MICRODISPLAYS



TOUCH PANEL CONTROLLERS



POWER MANAGEMENT IC & LED DRIVERS



TIMING CONTROLLERS

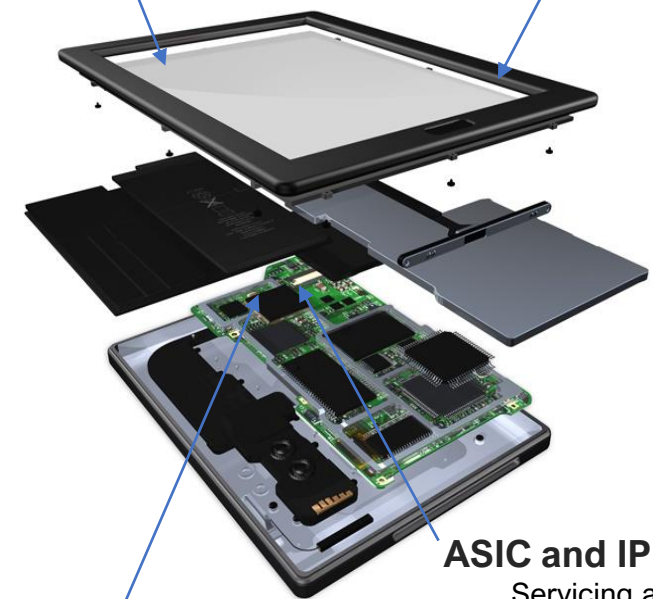


We are In Displays

- Display Driver
- TCON
- PMIC
- LED Driver
- P-gamma OP

On Touch Panels

- Controller IC



- In Camera Modules
- CMOS Image Sensor
- Wafer Level Optics

- ASIC and IP
- Servicing and licensing



- In AR Devices
- LCOS, WLO



- In VR Devices
- OLED SOC

Fabless Manufacturing Expertise



Display Driver

Wafer Fabrication



Gold Bumping



Processed Tape



Chip Probe Testing



Assembly and Testing



CMOS Image Sensor Back-end

Package



Chip Probe Testing



FT



RW



SOC

Chip Probe Testing



Package



FT





Himax

Market Opportunities by Product Application and Himax Strategies

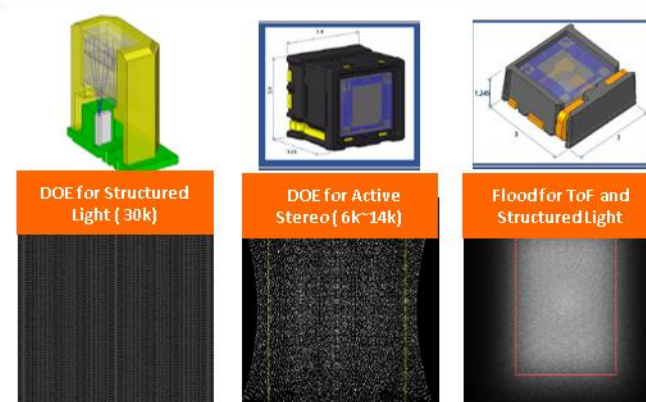
Market Trends

- Wafer-Level Optics (WLO) remains the best technology for structured light, active stereo camera (ASC) and Time-of-Flight (ToF) 3D sensing
- Very few companies can provide advanced WLO solutions to achieve optical high efficiency, small form factors, and eye safety regulations for consumer devices
- 3D sensing adoption is expected to be wider for android smartphones and IoT starting 2019 and beyond.
- Ultra low power Always-On Sensor (AoS) for IoT, smart home, smart building, surveillance, and AR/VR

Himax Strategies and Market Position

- WLO: Exceptional design know-how and mass production expertise deliver consistent product quality and high yields for WLO anchor customer's large-scale adoption; Progress of the ongoing R&D projects with the anchor customer for their next generation products has been encouraging
- Himax participated in most OEMs' ongoing 3D sensing projects covering structured light, ASC and ToF, where Himax provides a total solution, or just the projector or critical optics inside the 3D sensing module, of which WLO optics is a major component
- We continue to participate in most of the smartphone OEMs' ongoing 3D sensing projects covering structured light and time-of-flight (ToF), focusing on transmitter module by leveraging our WLO related expertise
- We have completed the feasibility study for our Gen 2 SLiM™ solutions covering detailed specifications, performance and cost. We are seeking feedback from Android smartphone OEMs to determine the way forward for our 3D sensing total solution strategy
- 3D sensing will be the largest growth opportunity for Himax in the long term
- CIS include near infrared (NIR) sensors for 3D sensing and ultra-low power computer vision Always-on-Sensor (AoS™) for 'smart building' and security applications, next generation notebook

Himax WLO for 3D Sensing



Wafer Level Process

Integrated Optics
High Accuracy
Scalability In Production



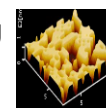
Mini Package

Ultra Small Size & Package



Best For IoT/Smart Sensing

Eye Tracking & Gesture Control
3D Depth Sensing

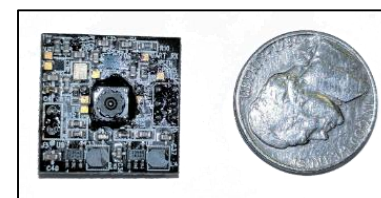
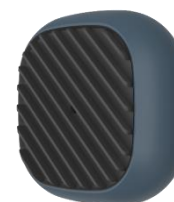


Wave-Guide For AR Devices

Help Create Holographic Images
The Key Interface of AR



Ultra Low Power Sensor Applications



Market Trends

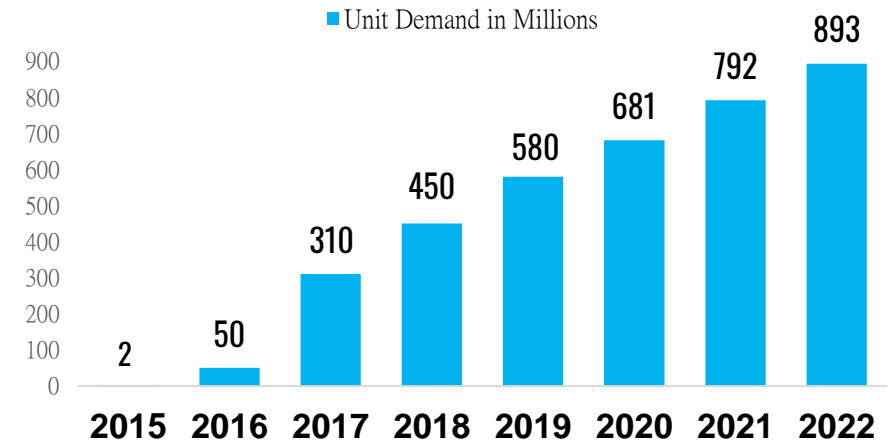
- Expect higher TDDI penetration in smartphones going forward and continued growth
- Full screen 18:9 aspect ratio displays becoming the trend
- OEMs are meeting consumer demand for slimmer phones
- New penetration of TDDI is refreshing smartphone life cycle, creating higher dollar content and margin opportunities
- Higher penetration in 2019, new designs
- More competition starting 2019

Himax Strategies and Market Position

TDDI pure in-cell solution

- Numerous design-wins with top-tier smartphone makers and most panel makers in China
- New generation FHD+ TDDI with COF package to enable super-slim bezel design for premium smartphone models
- New FHD+ COG TDDI solution enabling narrow bezel panel design without the usage of COF is cost efficient and avoiding supply constraint
- The world's first TDDI design-wins for automotive applications with mass production target of late 2019 to 2020
- Higher ASP and better margin than traditional driver IC
- TDDI will be the biggest growth driver for Himax in 2019

TDDI Demand Forecast 2015-2022 In Millions of Units (IHS Market, 2019)



TDDI Technology Enables OEMs to Manufacture Thinner, Better and Less Expensive Phones



Display Driver IC (DDIC)

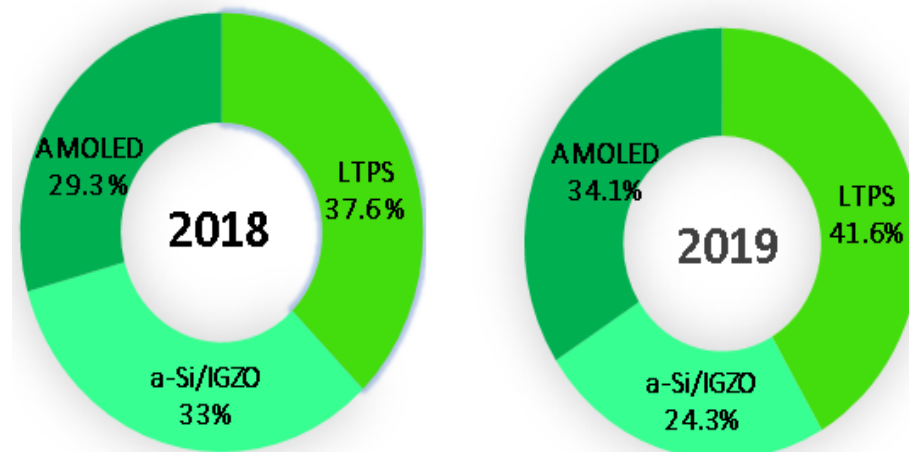
Market Trends

- Chinese panel manufacturers are aggressive with new Gen 8 and above TFT-LCD and OLED capacity expansion with a special focus on advanced display technologies
- Leading Chinese panel makers' shipments continue to dominate in the No. 1 position of its total TFT-LCD capacity
- Chinese TV manufacturers started to in-source while Chinese panel manufactures begin exporting
- 4K TV penetration accelerates and 8K TV has emerged
- Industry-wide foundry capacity contains LDDIC and TDDI for smartphones, and a new emergence of a capacity constraint in LDDIC packaging looms
- Demands for more sophisticated and higher performing displays are still rising in the automotive segment

Himax Strategies and Market Position

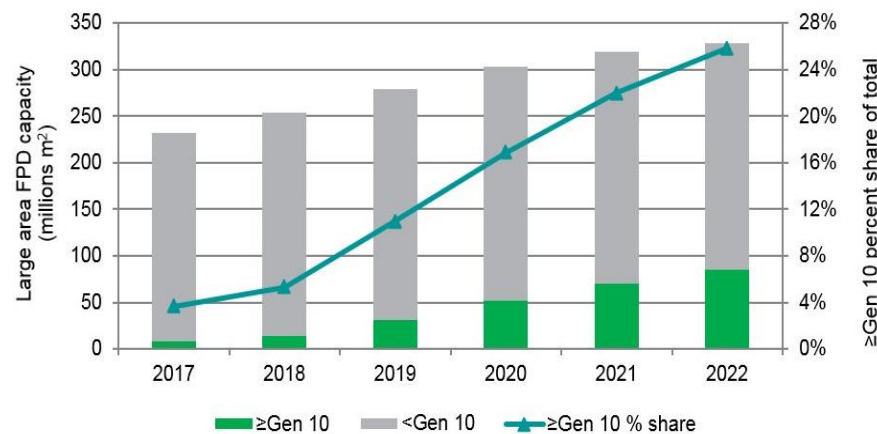
- Leading market share in China
- Increased shipments of 4K solutions and collaboration with major panel makers on the development of next generation 8K TVs
- Seeing continued strength in customer demand, ramping of new foundry
- Next generation display for automotive: Himax is the leader in key technologies such as TDDI, AMOLED and local dimming timing controller
- 8K TV is a strategic area for Himax due to its higher display driver and Tcon content and high technical barrier of entry

Continual Progression to Higher Resolution Displays and AMOLED



Wits View 02/2019

China Takes a Leading Role in Display Panel Manufacturing and DDIC Demand



Source: THE MARKET

© 2017 THE MARKET

LCoS Microdisplays

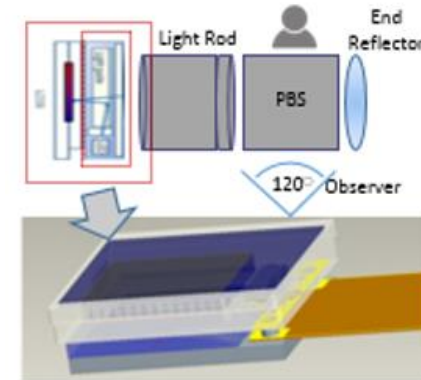


Market Trends

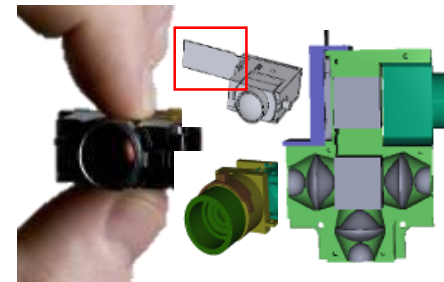
- Many top name multinationals or start-ups are investing heavily to develop the AR ecosystem; applications, software, operating systems, system electronics, and optics
- Limited companies provide the combination of R&D, joint development and manufacturing expertise
- Significant barrier of entry to new market entrants and existing technology companies without scalable manufacturing

Himax Strategies and Market Position

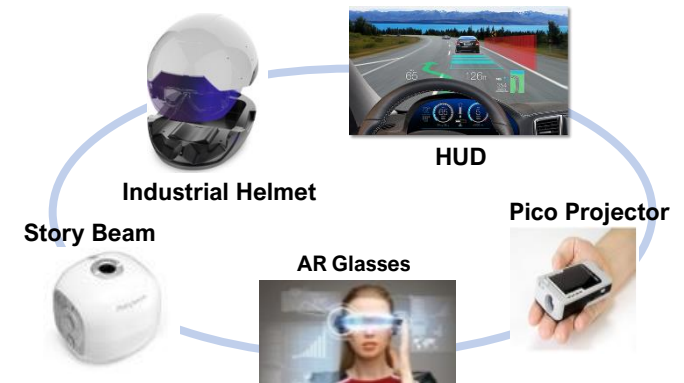
- The leader in microdisplays with patent-protected technology, in-house facilities and shipping record of >2M units
- Focus on AR goggle devices and HUD for automotive applications
- List of AR goggle device customers covers many of the world's biggest tech names
- Close collaboration with Tier 1 AR glasses device manufacturers
- Design-wins of high-end HUD for the automotive sector
- LCoS is one of the mainstream technology for AR goggle devices
- LCoS represents a long-term growth opportunity for Himax



- Front Lit LCOS Advantages**
- Compact Form Factor
 - Brightness
 - Power Efficiency
 - MP Efficiency & Readiness



Optical Engine with LCoS Module



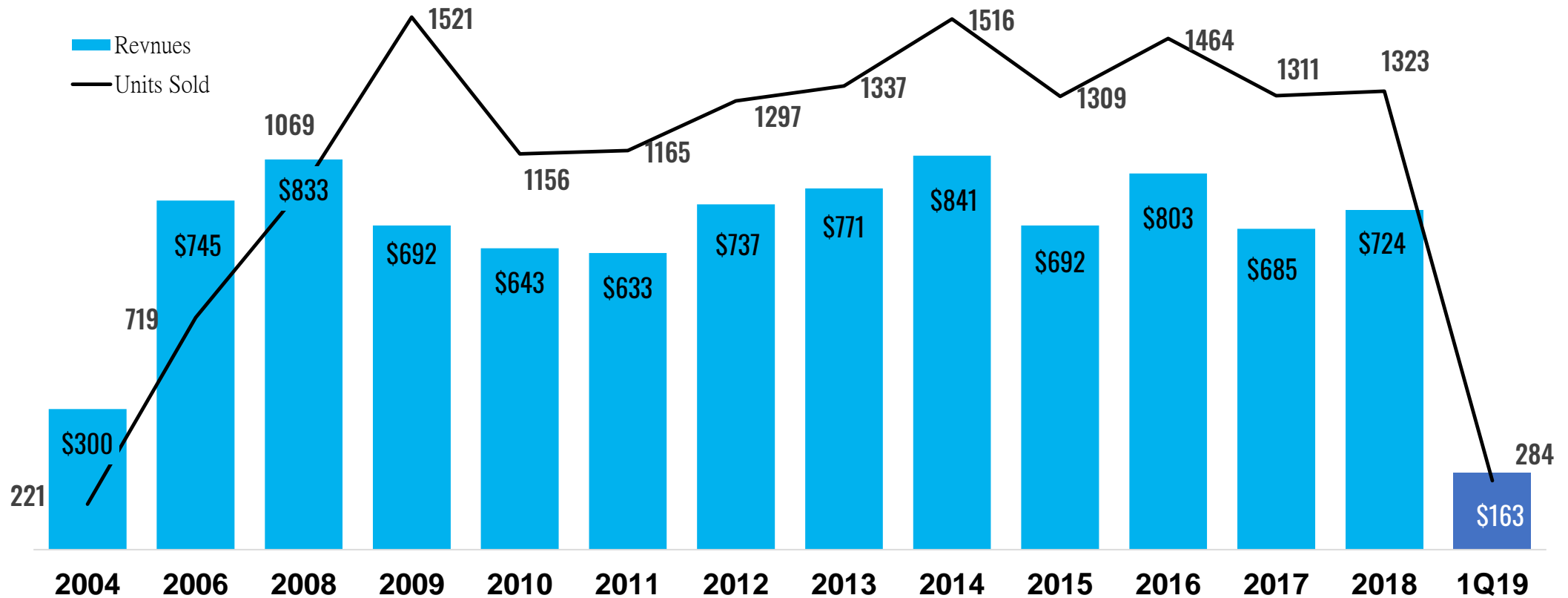


2019 YTD Financial Review



We are One of the Leading Semiconductor Companies in the World

Unit Sales and Revenues (in millions of units and millions of \$USD)



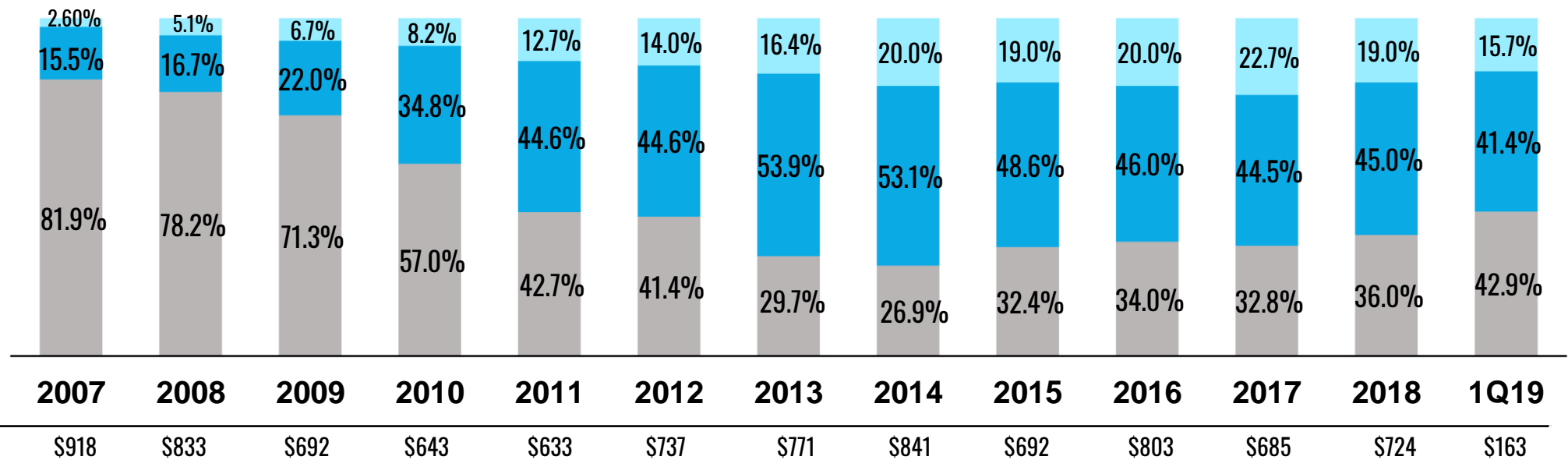
A Balanced Product Mix...



- Global market share leader in large, small and medium-sized panel driver ICs
- Market leader in 3D sensing – Structured light, active stereoscopic and ToF
- Increasing non-driver sales diversifies customer base, improves product mix and lifts gross margin
- Innovative technologies in advanced Wafer Level Optics, CIS and LCOS microdisplays
 - GM & OPM significantly higher than corporate average
 - Phenomenal ROI
 - AR technology provider of choice
- Total solution & component provider

Category Product Mix

■ Large Panel Drivers ■ S/M Panel Drivers ■ Non-Driver



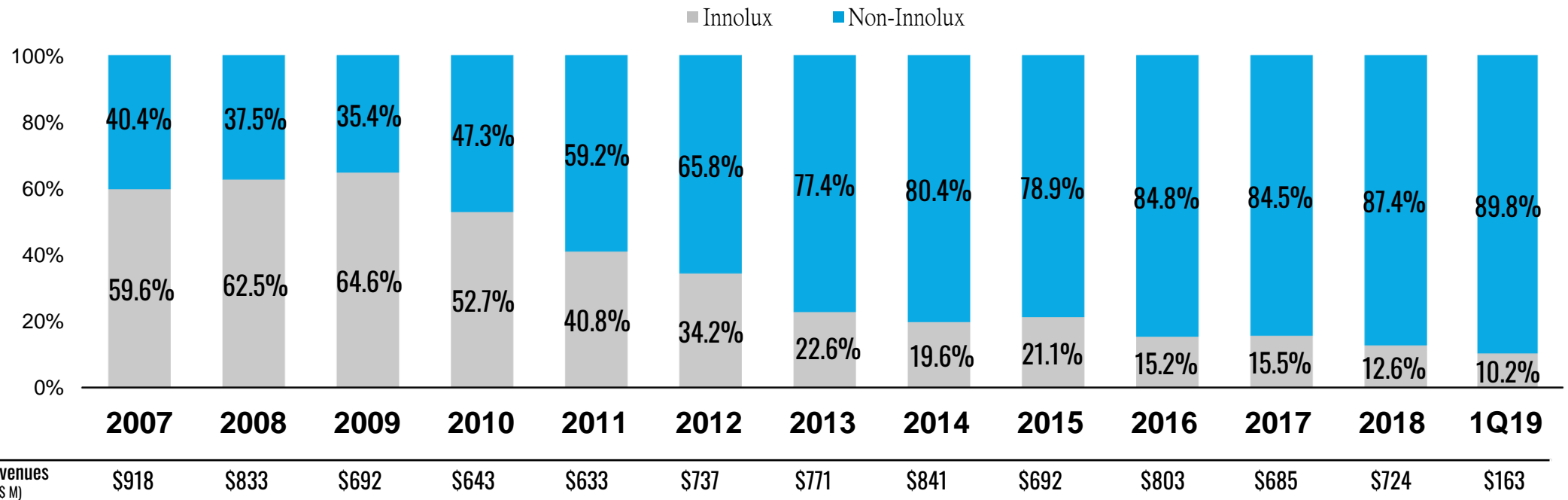
...and a Diversified Customer Base



Largely reduced dependence on one single customer, Innolux.

- Diversifying product revenues by non-driver product wins and leveraging existing customers
- Innolux disposed of its entire equity holding in Himax on June 19th, 2013, ending its status as Himax's related party
- Growing shipment to new panel manufacturer customers in China, Korea and Taiwan since 2013
- Market share leadership in core driver IC business
- Benefiting from China localization, capacity expansion
- Expanding customer base to include many global top tier tech companies for new TDDI, OLED technology, LCOS microdisplay, Wafer Level Optics, 3D sensing and CMOS image sensors

Customer Diversification

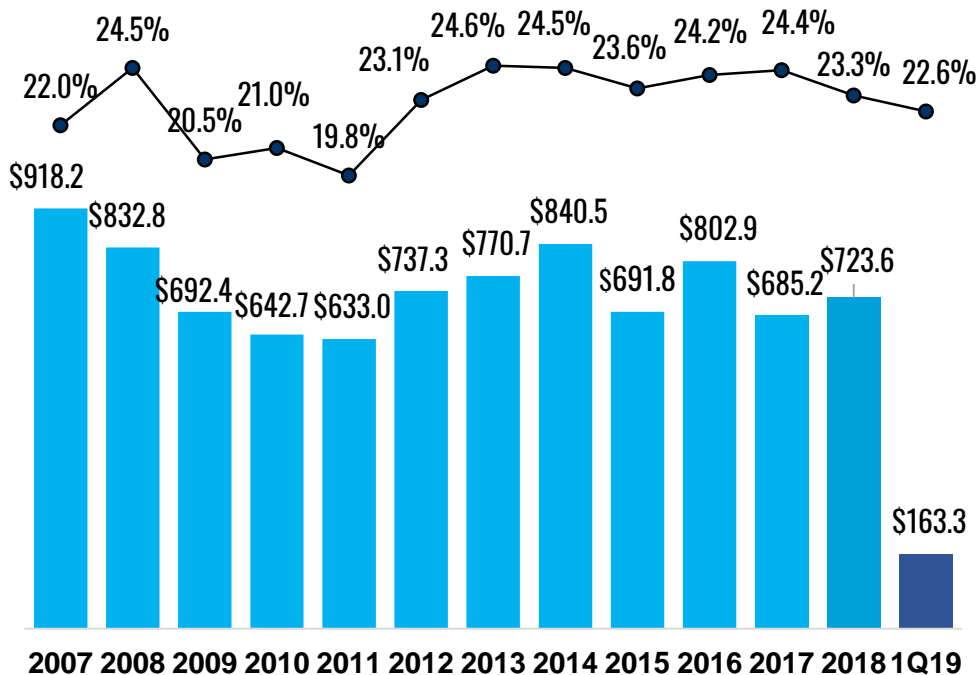


Gross Margin is a Key Business Focus



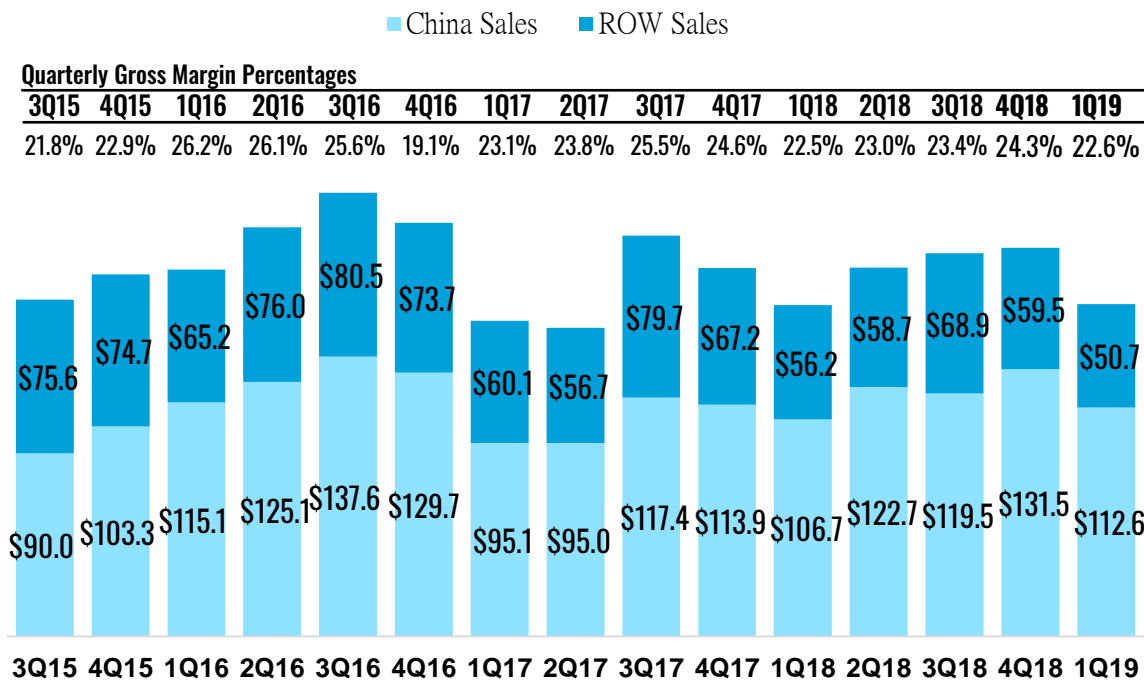
Revenues & Gross Margin %

US\$M in Revenues and Gross Margin % of Sale



Geographical Revenue Mix & Quarterly GM

US\$M in Revenues and Quarterly Gross Margins



Better product mix lifts blended margin

- Successful transformation since 2011
- Revenues growth and improved gross margin in 2016 due to product mix
- Positive about long term growth

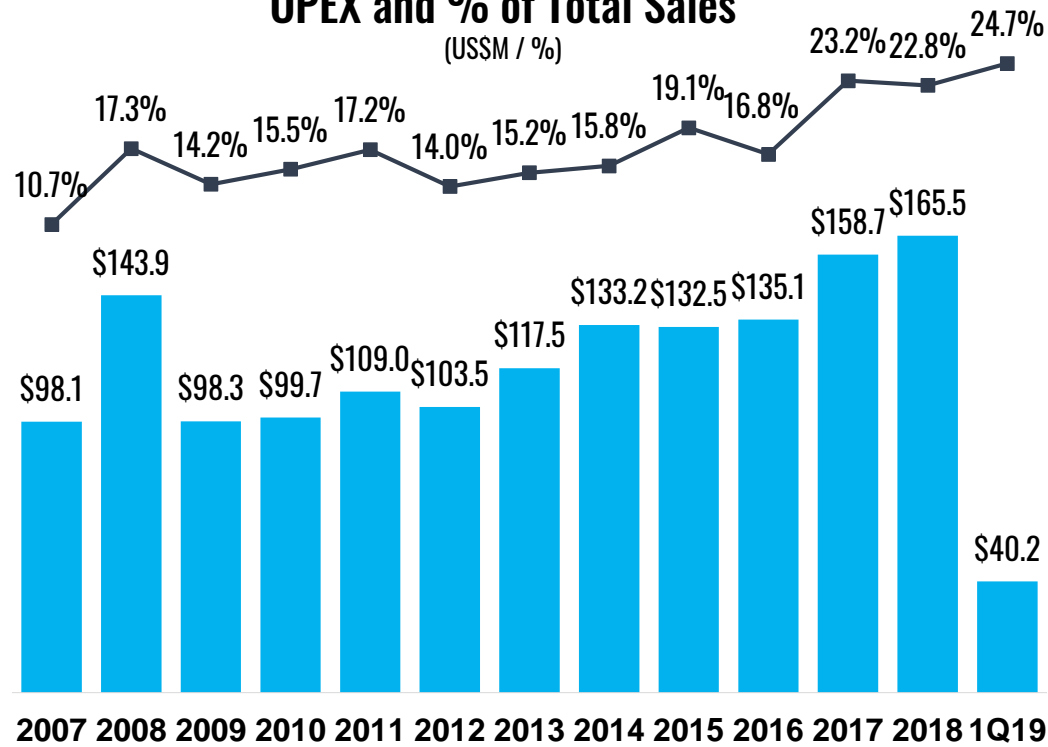
- GM retraction in 2015: higher mix of China sales and competitive pricing in the LDDIC market
- GM improvement in 2016
 - Resolution migration improved GM of SMDDIC
 - Favorable product mix with higher non-driver sales %: LCOS and WLO sales growth
 - Lower GM in 4Q16 due to an additional inventory write-down
- Improved GM in 2H vs. 1H in 2017 driven by more favorable product mix which due primarily to WLO shipments starting in July, 2017, and the one-off customer reimbursements related to AR goggle device business in Q3
- 1Q19 GM declined due to product mix change

OPEX and the Bottom Line



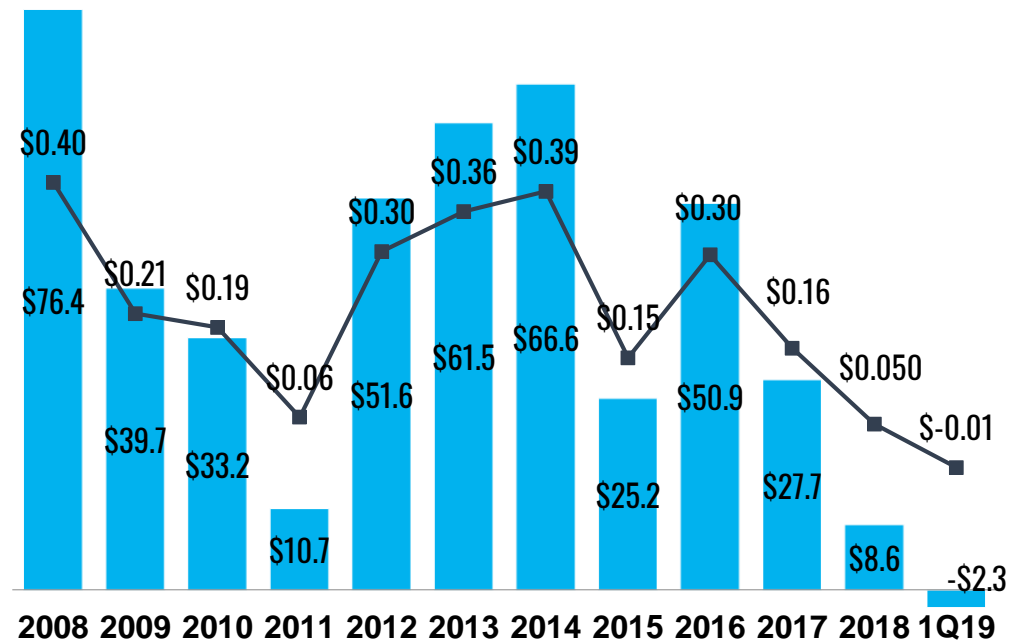
OPEX and % of Total Sales

(US\$M / %)



Profit and EPS

(US\$M / US\$)

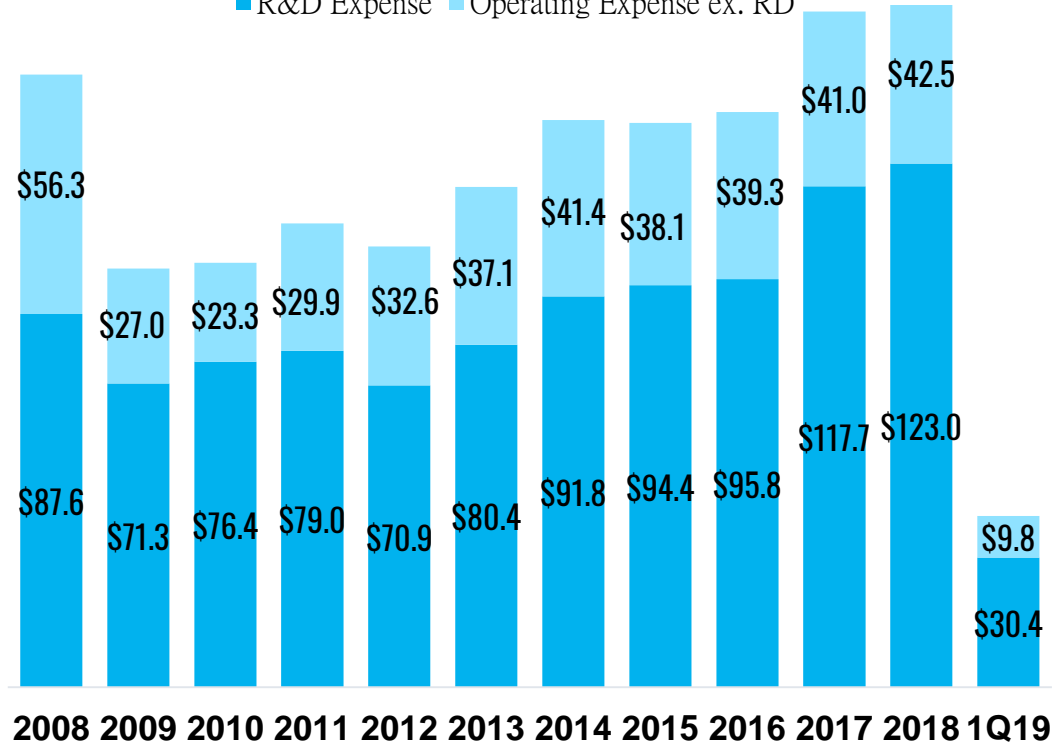


Revenues \$918 \$833 \$692 \$643 \$633 \$737 \$771 \$841 \$692 \$803 \$685 \$724 \$163

- Completion of the new building in 2018: house additional WLO capacity, the new active alignment equipment, and extra office spaces
- Higher capex to meet the demands of 3D sensing total solution or projector module or optics
- Continue committing on R&D and customer engineering on our strategic growth area that will bring in handsome return in the next few years
- Profitability decline in 2019 due to product mix change, weaker market demand, competition, lower ASP and higher costs

Operating and R&D Expenses (in millions USD)

■ R&D Expense ■ Operating Expense ex. RD

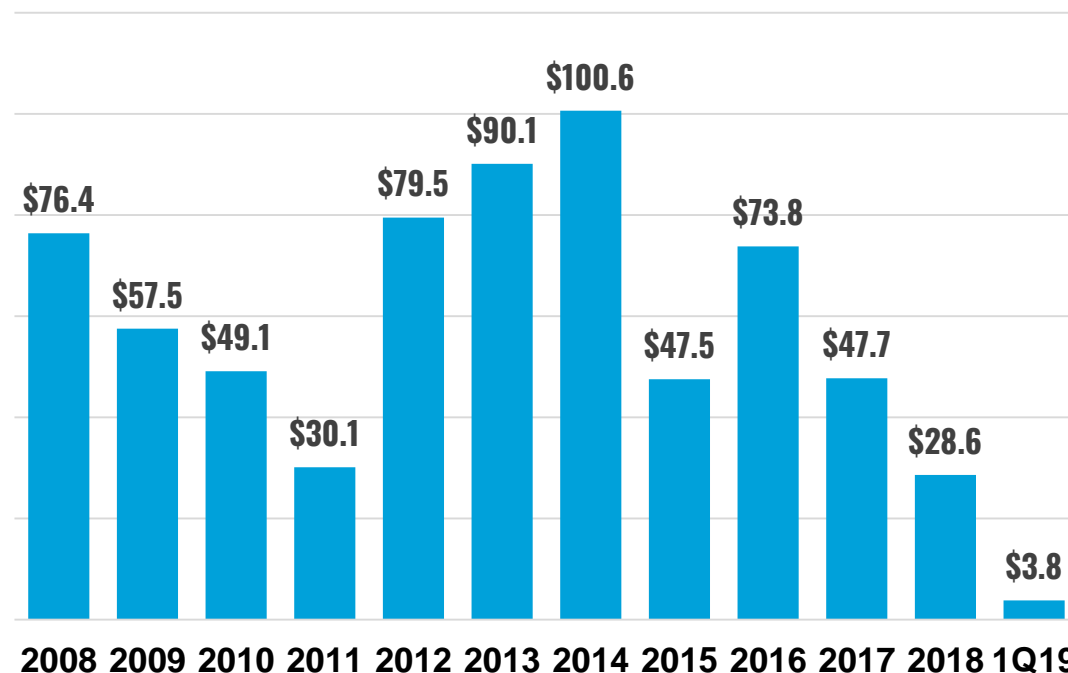


Total Operating and R&D Expense

\$143.9 \$98.3 \$99.7 \$108.9 \$103.5 \$117.5 \$133.2 \$132.5 \$135.1 \$158.7 \$165.5 \$40.2

- Continue investing heavily on R&D and customer engineering on our strategic growth areas including WLO, CIS, TDDI and AMOLED; OPEX in 2018 vs. 2017 up 4.3%
- 2014, 2015, 2016, 2017 and 2018 OPEX include share-based compensation \$11.1mn, \$6.2mn, \$10.2mn, \$6.9mn and \$4.1mn

EBITDA (in millions USD)



- Robust profit growth in 2016 as a result of revenue growth and GM enhancement from new product
- Short-term profit setbacks continue into 2019 caused by lower gross margin due to product mix change
- Positive profitability outlook in the long term

Income Statement



Himax Technologies, Inc.
Consolidated Statements of Profit or Loss (Unaudited)

For the Fiscal Period Ended	<u>1Q-2019</u> (Unaudited)	<u>1Q-2018</u> (Unaudited)	<u>4Q-2018</u> (Unaudited)	<u>Y2018</u> (Audited)	<u>Y2017</u> (Audited)
Revenues	\$163,334	\$162,851	\$191,006	\$723,605	\$685,167
Cost of revenues	126,469	126,254	144,624	554,690	518,142
Gross profit	36,865	36,597	46,382	168,915	167,025
Gross margin	22.6%	22.5%	24.3%	23.3%	24.4%
Operating expenses					
Research and development	30,357	30,040	30,424	123,037	117,662
General and administrative	5,522	4,906	5,650	21,823	20,461
Sales and marketing	4,363	4,895	4,969	20,670	20,543
Total operating expenses	40,242	39,841	41,043	165,530	158,666
Operating income (loss)	(3,377)	(3,244)	5,339	3,385	8,359
Non-operating income (loss)	410	(800)	3,877	3,635	21,733
Profit (loss) before income taxes	(2,967)	(4,044)	9,216	7,020	30,092
Income tax expense	0	(728)	1,390	994	4,554
Profit (loss) for the period	(2,967)	(3,316)	7,826	6,026	25,538
Add: Loss attributable to noncontrolling interests	648	487	637	2,543	2,142
Profit (loss) attributable to Himax stockholders	(\$2,319)	(\$2,829)	\$8,463	\$8,569	\$27,680
Non-IFRS Profit (loss) attributable to Himax stockholders	(\$1,956)	(\$2,575)	\$8,710	\$12,907	\$33,889
IFRS earnings (loss) per ADS attributable to Himax stockholders (in cents)					
Basic	(1.3)	(1.6)	4.9	5.0	16.1
Diluted	(1.3)	(1.6)	4.9	5.0	16.1
Non-IFRS earnings (loss) per ADS attributable to Himax stockholders (in cents)					
Basic	(1.1)	(1.5)	5.0	7.5	19.7
Diluted	(1.1)	(1.5)	5.0	7.5	19.7

Balance Sheet



	<u>March 31, 2019</u> (Unaudited)	<u>December 31,</u> <u>2018</u>	<u>March 31, 2018</u> (Unaudited)
<u>Assets</u>			
Current Assets:			
Cash and cash equivalents	\$96,753	\$106,437	\$139,806
Financial assets at amortized cost	11,476	11,229	11,753
Financial assets at fair value through profit or loss	0	0	361
Accounts receivable, net	176,152	189,279	166,603
Inventories	189,317	162,561	147,962
Restricted deposit	164,324	164,326	147,000
Other current assets	26,899	20,583	23,169
Total current assets	664,921	654,415	636,654
Financial assets at fair value through profit or loss	9,750	9,768	1,600
Financial assets at fair value through other comprehensive income	776	791	1,522
Equity method investment	4,130	4,064	9,905
Property, plant and equipment, net	118,759	111,067	95,953
Goodwill	28,138	28,138	28,138
Other Assets	27,679	28,435	20,286
Total Assets	\$854,153	\$836,678	\$794,058
<u>Liabilities and Equity</u>			
Current liabilities:			
Unsecured borrowings	\$40,000	\$20,000	\$0
Secured borrowings*	164,000	164,000	147,000
Accounts payable	147,281	150,500	134,970
Other current liabilities	56,414	56,655	56,441
Total current liabilities	407,695	391,155	338,411
Other liabilities	7,108	3,236	4,956
Himax stockholders' equity	444,260	446,548	452,917
Noncontrolling interest	(4,910)	(4,261)	(2,226)
Total Liabilities and Equity	\$854,153	\$836,678	\$794,058

* Short-term borrowings is guaranteed by restricted deposit

Cash Flow Statement



	1Q-2019 (Unaudited)	4Q-2018 (Unaudited)	2018FY (Audited)	2017FY (Audited)
Profit (loss) for the period	(\$2,967)	\$7,826	\$6,026	\$25,538
Depreciation and amortization	6,320	4,869	20,327	16,680
Expected credit loss recognized on accounts receivable	0	100	290	155
Share-based compensation expenses	19	19	408	997
Gain on disposals of property, plant and equipment	(6)	0	0	(26)
Gain on re-measurement of the pre-existing relationships in a business	0	0	(1,662)	0
Changes in fair value of financial assets at fair value through profit or loss	17	(2,104)	(2,036)	(23,226)
Interest income	(562)	(605)	(2,429)	(2,225)
Finance costs	476	337	1,232	878
Income tax expense	0	1,390	994	4,554
Share of losses (profits) of associates	(41)	(1,397)	1,095	1,200
Inventories write downs	4,750	6,003	17,724	12,298
Foreign currency exchange losses of financial assets	(91)	9	294	0
	7,915	16,447	42,263	36,823
Changes in:				
Decrease (increase) in accounts receivable	12,862	(1,766)	(794)	(1,665)
Decrease (increase) in inventories	(31,506)	(22,752)	(45,085)	2,250
Increase (decrease) in accounts payable	(3,219)	8,947	10,567	(2,336)
Others	(7,858)	2,204	253	7,404
Cash generated from operating activities	(21,806)	3,080	7,204	42,476
Interest received	257	916	2,361	2,165
Interest paid	(462)	(216)	(877)	(565)
Income tax paid	(41)	(1,445)	(4,679)	(14,683)
Net cash provided by (used in) operating activities	(\$22,052)	\$2,335	\$4,009	\$29,393
Acquisitions of property, plant and equipment	(6,260)	(5,218)	(49,672)	(39,292)
Acquisitions of financial assets at amortized cost	(881)	(737)	(4,766)	(5,572)
Proceeds from disposal of financial assets at amortized cost	803	1,556	3,514	744
Acquisitions of financial assets at fair value through profit or loss	(8,095)	(7,644)	(26,277)	(41,523)
Proceeds from disposals of financial assets at fair value through profit or loss	8,086	7,626	48,764	56,375
Others	(711)	(2,539)	(9,829)	(5,820)
Net cash used in investing activities	(\$7,058)	(\$6,956)	(\$38,266)	(\$35,088)
Payments of cash dividends	0	0	(17,210)	(41,281)
Pledge of restricted deposit	0	0	(17,000)	(9,000)
Proceeds from unsecured borrowings	40,000	20,000	40,000	151,161
Repayments of unsecured borrowings	(20,000)	0	(20,000)	(142,161)
Proceeds from secured borrowings	37,000	27,000	91,000	0
Repayments of secured borrowings	(37,000)	(27,000)	(74,000)	0
Others	(504)	0	11	67
Net cash provided by (used in) financing activities	\$19,496	\$20,000	\$2,801	(\$41,214)
Effect of foreign currency exchange rate changes	(70)	112	(130)	480
Net increase (decrease) in cash and cash equivalents	(\$9,684)	\$15,491	(\$31,586)	(\$46,429)
Cash and cash equivalents at beginning of period	\$106,437	\$90,946	\$138,023	\$184,452
Cash and cash equivalents at end of period	\$96,753	\$106,437	\$106,437	\$138,023



Dr. Biing-Seng Wu, Chairman of the Board - Dr. Wu, the founder of Himax, previously served as President, CEO and a Director of Himax Taiwan. As a pioneer of TFT-LCD panel industry in Taiwan, Dr. Wu has been active in the TFT-LCD panel industry for over 20 years. With 61 patents related to Flat Panel Display granted worldwide, Dr. Wu has made significant contributions to Taiwan panel industry including the completion and operation of Taiwan's very first TFT-LCD plant, the winner of Outstanding Industry Contribution Award at the Gold Panel Awards 2009 from Ministry of Economic Affairs, etc. Dr. Wu holds a B.S. degree, an M.S. Degree and a Ph.D. Degree in Electrical Engineering from National Cheng Kung University. With well-recognized outstanding research and development capabilities, Dr. Wu received numerous awards including National Invention Award of Taiwan from Taiwan Executive Yuan in 1992, Research Achievement Awards from Industrial Technology Research Institute for two consecutive years in 1992 and 1993, ERSO Award from Pan Wen Yuan Foundation in 2008, etc.



Jordan Wu, President, CEO and Director- Mr. Wu, co-founder of Himax, previously served as the Chairman of the Board of Himax Taiwan since April 2003. Prior to joining Himax Taiwan, he served as CEO of TV Plus Technologies, Inc. and CFO and Executive Director of DVN Holdings Ltd. in Hong Kong. Mr. Wu holds a B.S. degree in Mechanical Engineering from National Taiwan University and an M.B.A. degree from the University of Rochester.



Jackie Chang, Chief Financial Officer - Before joining Himax, Ms. Chang was the CFO of Castlink Corporation and VP of Finance and Operations for PlayHut, Inc. Prior to that, Ms. Chang was General Manager -Treasury Control for Nissan North America. She held several positions in Nissan North America during 1994 -2006 including finance, treasury planning, operations and accounting. She holds a BBA in Accounting from the National Chung-Hsing University in Taiwan and an MBA in Finance from Memphis State University.



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