AU Optronics Corp.
Third Quarter 2020 Results
Investor Conference

Oct. 29, 2020

Safe Harbor Notice

- The statements included in this presentation that are not historical in nature are "forward-looking statements" within the meaning of Section 27A of the United States Securities Act of 1933 and Section 21E of the United States Securities Exchange Act of 1934. 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.

- Beginning on January 1, 2013, we have adopted the International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") to the extent endorsed by the ROC Financial Supervisory Commission ("FSC") ("Taiwan IFRS") for reporting our annual and interim consolidated financial statements in the ROC in accordance with the requirements of the FSC. All financial information contained herewithin is presented in conformity with Taiwan IFRS. Readers should be cautioned that Taiwan IFRS differs in many material respects from IFRS including to the extent that any new or amended standards or interpretations applicable under IFRS may not be timely endorsed by the FSC.

- Our release of financial forecasts and 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 forecasts or 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

	3Q20		2Q20		QoQ %	3Q19	
Net Sales	**73,230**	**100.0%**	**63,500**	**100.0%**	**15.3%**	**70,053**	**100.0%**
Cost of Goods Sold	(65,473)	(89.4%)	(61,785)	(97.3%)	6.0%	(70,325)	(100.4%)
Gross Profit(Loss)	**7,757**	**10.6%**	**1,715**	**2.7%**	**352.3%**	**(272)**	**(0.4%)**
Operating Expenses	(5,105)	(7.0%)	(5,119)	(8.1%)	(0.3%)	(5,165)	(7.4%)
Operating Profit(Loss)	**2,652**	**3.6%**	**(3,404)**	**(5.4%)**	**-**	**(5,437)**	**(7.8%)**
Net Non-operating Income(Expenses)	427	0.6%	408	0.6%	4.5%	720	1.0%
Profit(Loss) before Tax	**3,079**	**4.2%**	**(2,996)**	**(4.7%)**	**-**	**(4,717)**	**(6.7%)**
Net Profit(Loss)	**3,010**	**4.1%**	**(3,202)**	**(5.0%)**	**-**	**(4,737)**	**(6.8%)**
Net Profit Attributable to Owners of Company	**2,894**	**4.0%**	**(2,961)**	**(4.7%)**	**-**	**(3,987)**	**(5.7%)**
Basic EPS (NT$)[(a)]	**0.30**		**(0.31)**		**-**	**(0.41)**	
Operating Profit + D&A	**11,398**	**15.6%**	**5,470**	**8.6%**	**108.4%**	**3,509**	**5.0%**
Display Segment Information:							
Net Sales	70,960	100.0%	61,583	100.0%	15.2%	67,284	100.0%
Operating Profit(Loss)	2,524	3.6%	(3,350)	(5.4%)	-	(5,178)	(7.7%)
Operating Profit + D&A	11,128	15.7%	5,378	8.7%	106.9%	3,520	5.2%
Unit Shipments (mn)[(b)]							
Large Size Panels	**33.8**		**30.7**		**10.2%**	**28.7**	
Small & Medium Size Panels	**30.1**		**29.1**		**3.3%**	**35.6**	

a) Basic EPS was calculated based on the weighted average outstanding shares of the reporting quarter. The weighted average outstanding shares were 9,499m shares, 9,499m shares and 9,623m shares for 20Q3, 20Q2 and 19Q3, respectively.

b) Large size refers to panels that are 10 inches and above

Consolidated Balance Sheet Highlights

Amount : NT$ Million

	3Q20	2Q20	QoQ %	3Q19
Cash and Cash Equivalents[(a)]	78,300	72,155	8.5%	71,149
Inventory	26,746	26,660	0.3%	25,435
Short Term Debt[(b)]	13,238	15,092	(12.3%)	9,250
Long Term Debt	106,154	105,050	1.1%	98,378
Equity	180,235	176,304	2.2%	198,531
Total Assets	394,044	385,417	2.2%	407,291
Inventory Turnover (Days)[(c)]	**37**	**40**		**34**
Net Debt to Equity[(d)]	**22.8%**	**27.2%**		**18.4%**

a) Excluding time deposit with maturity longer than 3 months (NT$0m in 3Q20, 2Q20 and 3Q19)
b) Short term debt refers to all interest bearing debt maturing within one year
c) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days
d) Net Debt to Equity = (Short Term Debt + Long Term Debt - Cash and Cash Equivalents) / Equity

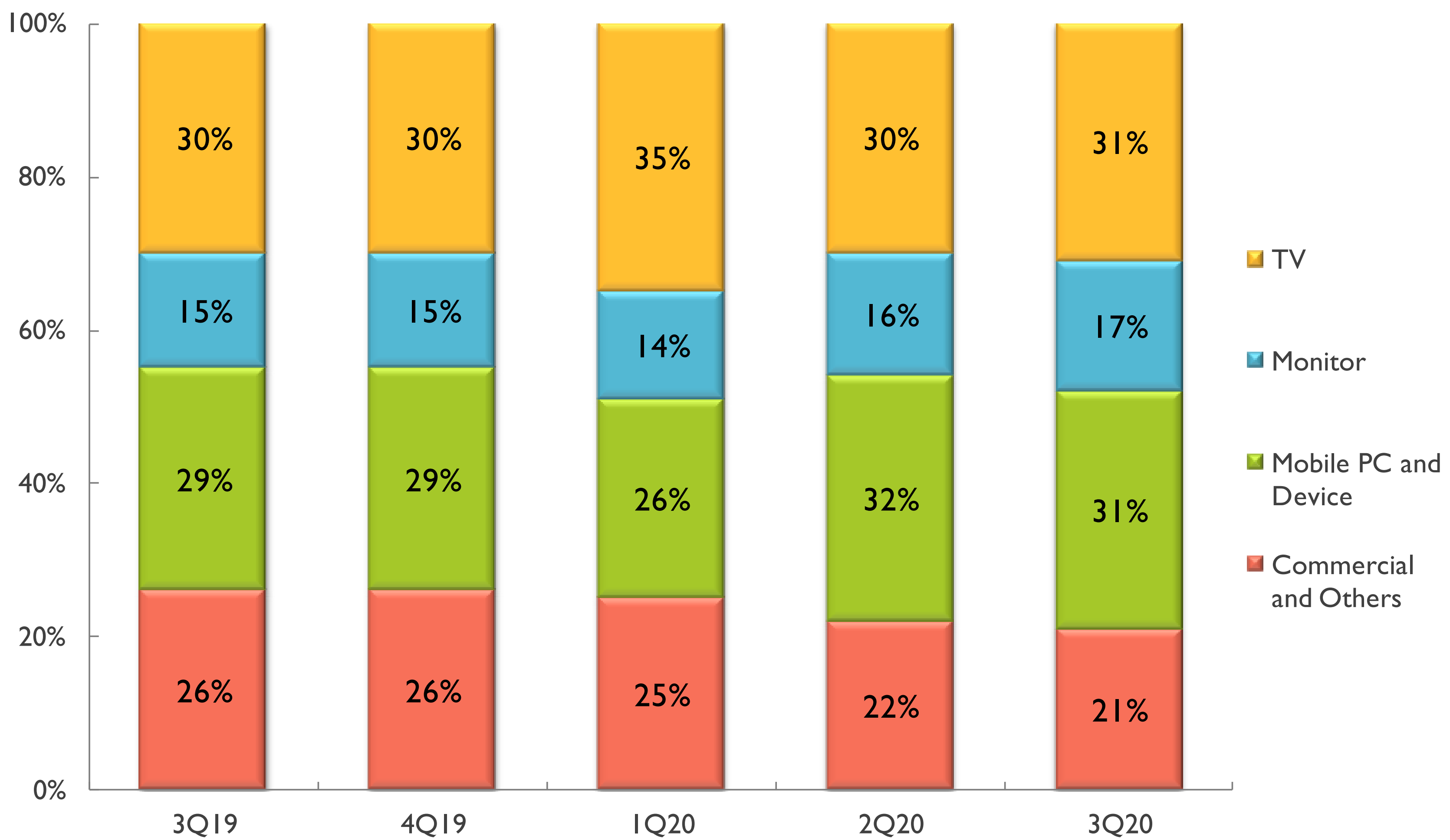
Consolidated Cash Flow Highlights

Amount : NT$ Million

	3Q20	2Q20	QoQ
From Operating Activities	**10,154**	**552**	**9,602**
Profit(Loss) before Tax	3,079	(2,996)	6,075
Depreciation & Amortization	8,746	8,874	(128)
Net Change in Working Capital	(1,657)	(5,157)	3,501
From Investing Activities	**(2,879)**	**(3,306)**	**427**
Capital Expenditure	(3,239)	(3,761)	522
From Financing Activities	**(1,026)**	**(1,086)**	**60**
Net Change in Debt	(909)	(923)	14
Net Change in Cash[a]	**6,145**	**(4,633)**	**10,778**

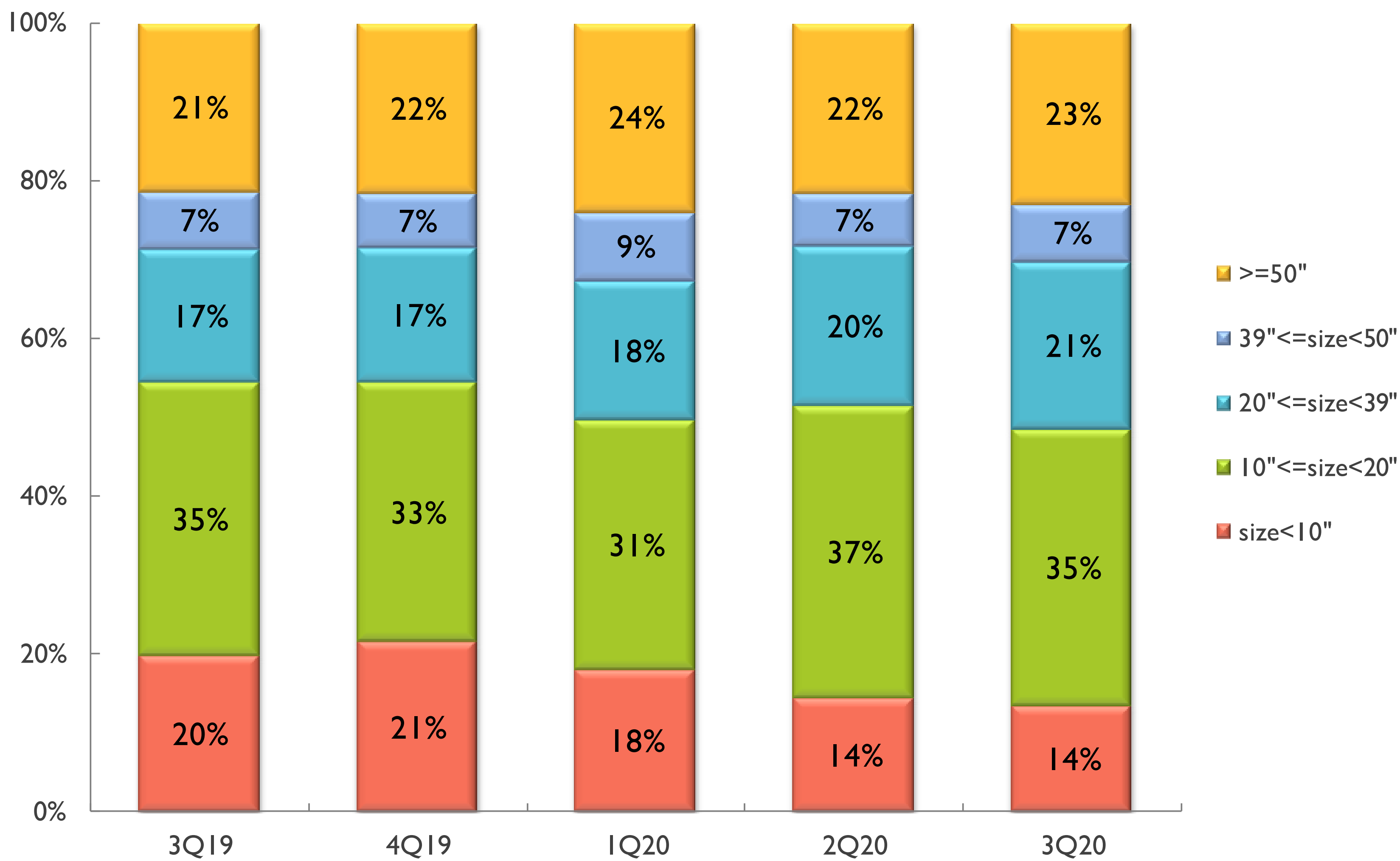
a) In addition to cash generated from operating, investing and financing activities, net change in cash also include effect on currency exchange of foreign subsidiaries

Display Revenue Breakdown by Application



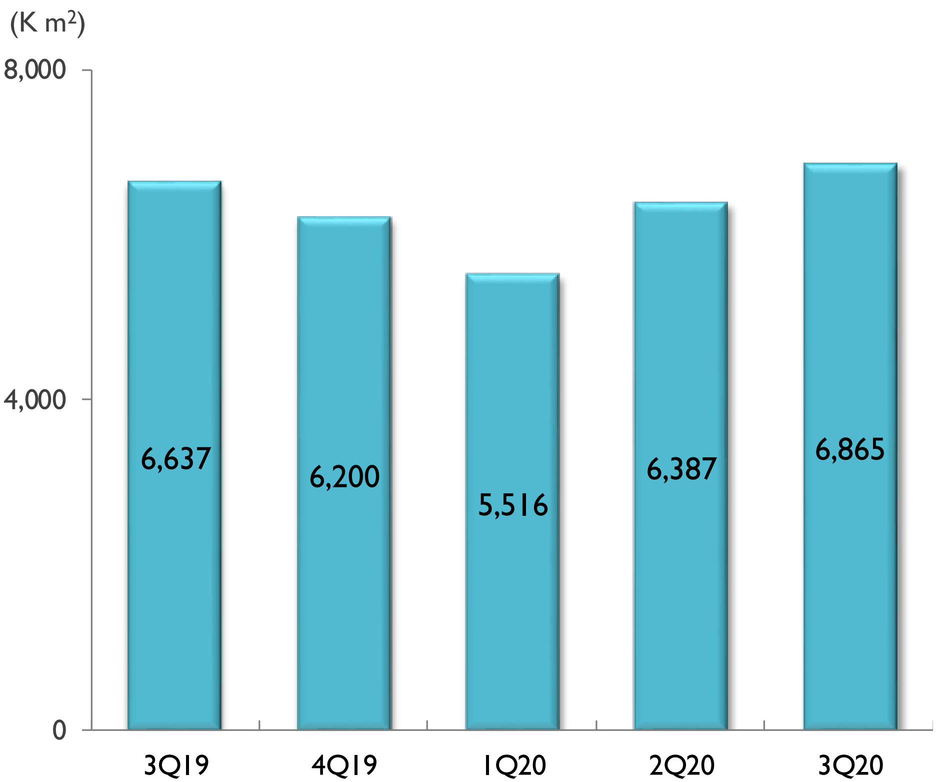
- Mobile PC and Device: including displays for notebook, tablet and mobile phones.
- Commercial and Others: including displays for automobile, industrial PC, ATM, point of sale (POS), pachinko, medical equipment, and etc.

Display Revenue Breakdown by Size

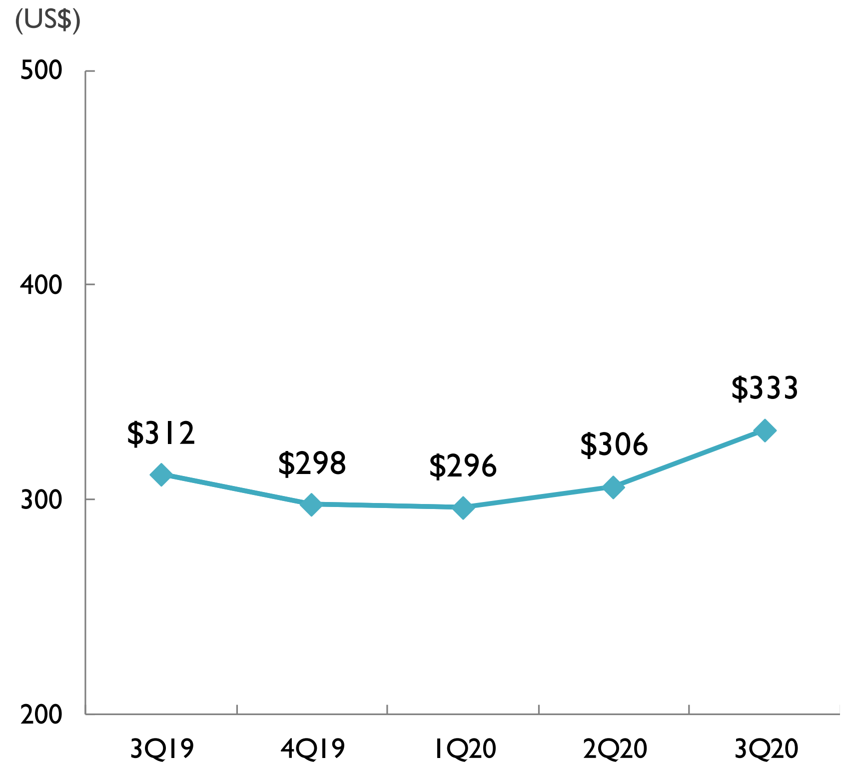


Consolidated Shipments & ASP by Area

Shipments in square meter

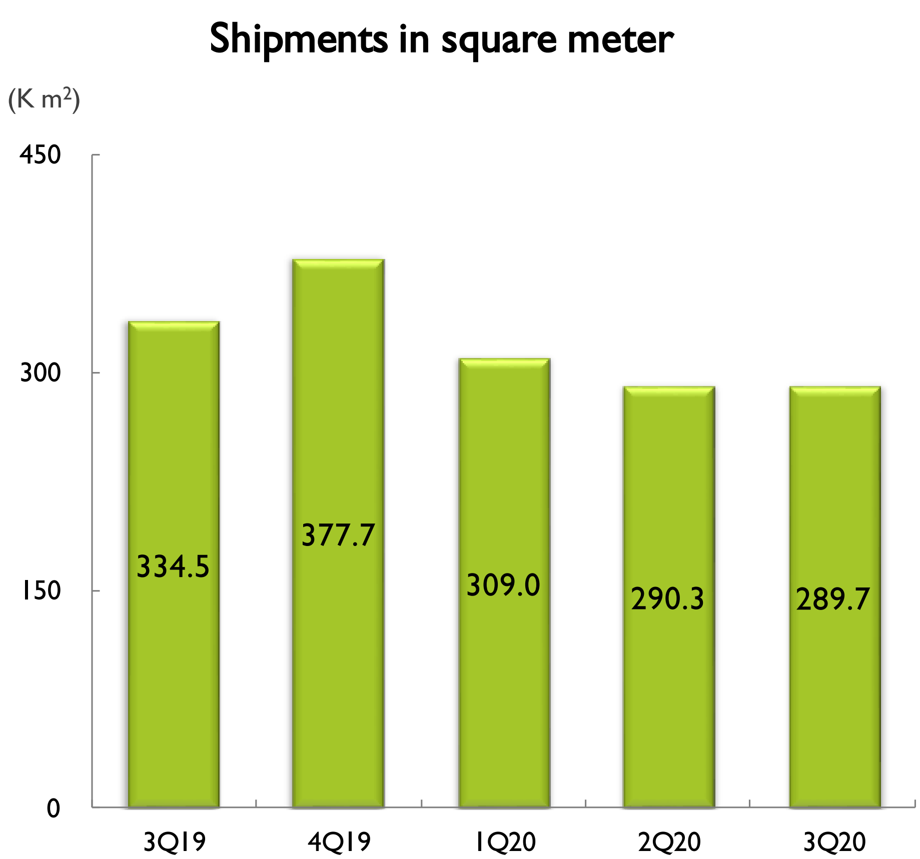


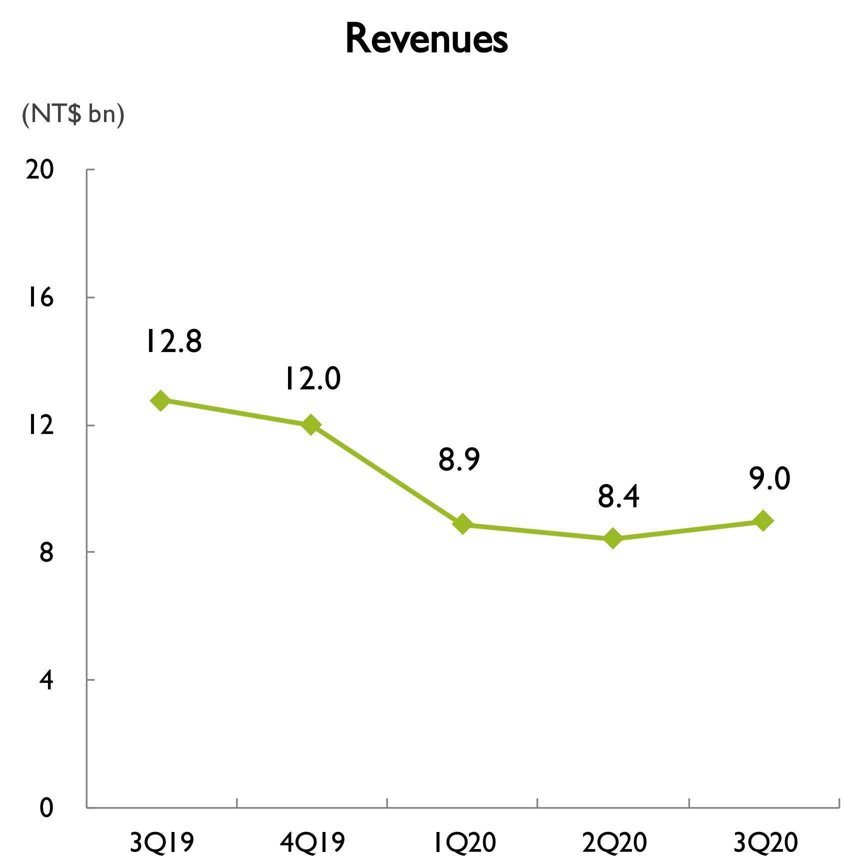
ASP per square meter



– ASP per square meter in US$ was translated from NT$ based on average exchange rates announced by Customs Administration, Ministry of Finance of each respective quarter

Consolidated Small & Medium Panel Shipments by Area & Revenues





– Small & Medium size refers to panels that are under 10 inches

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AU OPTRONICS CORP. AND SUBSIDIARIES

Consolidated Condensed Statements of Comprehensive Income

For the Three Months Ended September 30, 2020 and 2019 and June 30, 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					Sequential Comparison				
	3Q20			3Q19		3Q20			2Q20	
	USD	NTD	%	NTD	YoY%	USD	NTD	%	NTD	QoQ%
Net Sales	2,530	73,230	100.0	70,053	4.5	2,530	73,230	100.0	63,500	15.3
Cost of Goods Sold	2,262	65,473	89.4	70,325	(6.9)	2,262	65,473	89.4	61,785	6.0
Gross Profit(Loss)	268	7,757	10.6	(272)	-	268	7,757	10.6	1,715	352.3
Operating Expenses	176	5,105	7.0	5,165	(1.2)	176	5,105	7.0	5,119	(0.3)
Operating Profit(Loss)	92	2,652	3.6	(5,437)	-	92	2,652	3.6	(3,404)	-
Net Non-operating Income(Expenses)	15	427	0.6	720	(40.8)	15	427	0.6	408	4.5
Profit(Loss) before Income Tax	106	3,079	4.2	(4,717)	-	106	3,079	4.2	(2,996)	-
Income Tax Benefit(Expense)	(2)	(69)	(0.1)	(20)	(236.7)	(2)	(69)	(0.1)	(206)	66.8
Net Profit(Loss)	104	3,010	4.1	(4,737)	-	104	3,010	4.1	(3,202)	-
Other Comprehensive Income(Loss)	32	912	1.2	(1,503)	-	32	912	1.2	(21)	-
Total Comprehensive Income(Loss)	135	3,922	5.4	(6,240)	-	135	3,922	5.4	(3,223)	-
Net Profit(Loss) Attributable to:										
Owners of Company	100	2,894	4.0	(3,987)	-	100	2,894	4.0	(2,961)	-
Non-Controlling Interests	4	117	0.2	(750)	-	4	117	0.2	(241)	-
Net Profit(Loss)	104	3,010	4.1	(4,737)	-	104	3,010	4.1	(3,202)	-
Total Comprehensive Income(Loss) Attributable to:										
Owners of Company	126	3,639	5.0	(5,068)	-	126	3,639	5.0	(2,832)	-
Non-Controlling Interests	10	283	0.4	(1,173)	-	10	283	0.4	(391)	-
Total Comprehensive Income(Loss)	135	3,922	5.4	(6,240)	-	135	3,922	5.4	(3,223)	-
Basic Earnings Per Share	0.011	0.30		(0.41)		0.011	0.30		(0.31)	
Basic Earnings Per ADS(2)	0.105	3.05		(4.14)		0.105	3.05		(3.12)	
Weighted-Average Shares Outstanding ('M)		9,499		9,623			9,499		9,499	

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 28.95 per USD as of September 30, 2020

(2) 1 ADS equals 10 common shares

AU OPTRONICS CORP. AND SUBSIDIARIES
Consolidated Condensed Statements of Comprehensive Income
For the Period Ended September 30, 2020 and 2019

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

	Year over Year Comparison				
	Nine Months 2020			Nine Months 2019	
	USD	NTD	%	NTD	YoY%
Net Sales	6,578	190,420	100.0	206,823	(7.9)
Cost of Goods Sold	6,263	181,303	95.2	204,869	(11.5)
Gross Profit	315	9,118	4.8	1,954	366.6
Operating Expenses	529	15,316	8.0	15,912	(3.7)
Operating Profit(Loss)	(214)	(6,198)	(3.3)	(13,957)	55.6
Net Non-operating Income(Expenses)	22	627	0.3	2,055	(69.5)
Profit(Loss) before Income Tax	(192)	(5,571)	(2.9)	(11,903)	53.2
Income Tax Benefit(Expense)	(14)	(399)	(0.2)	(555)	28.2
Net Profit(Loss)	(206)	(5,970)	(3.1)	(12,458)	52.1
Other Comprehensive Income(Loss)	(62)	(1,804)	(0.9)	(765)	(135.7)
Total Comprehensive Income(Loss)	(269)	(7,774)	(4.1)	(13,223)	41.2
Net Profit(Loss) Attributable to:					
Owners of Company	(175)	(5,059)	(2.7)	(10,357)	51.2
Non-Controlling Interests	(31)	(911)	(0.5)	(2,101)	56.6
Net Profit(Loss)	(206)	(5,970)	(3.1)	(12,458)	52.1
Total Comprehensive Income(Loss) Attributable to:					
Owners of Company	(234)	(6,772)	(3.6)	(10,807)	37.3
Non-Controlling Interests	(35)	(1,002)	(0.5)	(2,416)	58.5
Total Comprehensive Income(Loss)	(269)	(7,774)	(4.1)	(13,223)	41.2
Basic Earnings Per Share	(0.02)	(0.53)		(1.08)	
Basic Earnings Per ADS(2)	(0.18)	(5.33)		(10.76)	
Weighted-Average Shares Outstanding ('M)		9,499		9,624	

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 28.95 per USD as of September 30, 2020

(2) 1 ADS equals 10 common shares

AU OPTRONICS CORP. AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
September 30, 2020 and 2019
(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD))

	September 30, 2020			September 30, 2019		YoY	
ASSETS	USD	NTD	%	NTD	%	NTD	%
Cash and Cash Equivalents	2,705	78,300	19.9	71,149	17.5	7,151	10.1
Notes & Accounts Receivables	1,546	44,753	11.4	39,620	9.7	5,133	13.0
Other Current Financial Assets	73	2,107	0.5	4,599	1.1	(2,491)	(54.2)
Inventories	924	26,746	6.8	25,435	6.2	1,311	5.2
Other Current Assets	136	3,940	1.0	4,221	1.0	(281)	(6.7)
Total Current Assets	5,383	155,846	39.6	145,025	35.6	10,821	7.5
Long-term Investments	515	14,899	3.8	13,688	3.4	1,211	8.8
Net Fixed Assets	6,577	190,399	48.3	213,038	52.3	(22,639)	(10.6)
Right-of-use Assets	396	11,479	2.9	12,442	3.1	(964)	(7.7)
Other Non-Current Assets	740	21,421	5.4	23,098	5.7	(1,677)	(7.3)
Total Non-Current Assets	8,228	238,198	60.4	262,266	64.4	(24,068)	(9.2)
Total Assets	13,611	394,044	100.0	407,291	100.0	(13,247)	(3.3)
LIABILITIES							
Short-term Borrowings	3	100	0.0	1,237	0.3	(1,137)	(91.9)
Notes & Accounts Payable	1,801	52,133	13.2	55,232	13.6	(3,098)	(5.6)
Current Installments of Long-term Borrowings	454	13,138	3.3	8,013	2.0	5,125	64.0
Current Financial Liabilities	1	40	0.0	70	0.0	(30)	(43.2)
Accrued Expense & Other Current Liabilities	774	22,409	5.7	21,961	5.4	449	2.0
Machinery and Equipment Payable	140	4,060	1.0	6,452	1.6	(2,391)	(37.1)
Total Current Liabilities	3,174	91,881	23.3	92,963	22.8	(1,083)	(1.2)
Long-term Borrowings	3,667	106,154	26.9	98,378	24.2	7,776	7.9
Other Non-Current Liabilities	545	15,773	4.0	17,418	4.3	(1,645)	(9.4)
Total Non-Current Liabilities	4,212	121,928	30.9	115,796	28.4	6,132	5.3
Total Liabilities	7,385	213,808	54.3	208,760	51.3	5,049	2.4
EQUITY							
Common Stock	3,324	96,242	24.4	96,242	23.6	0	0.0
Capital Surplus	2,092	60,577	15.4	60,463	14.8	114	0.2
Retained Earnings	616	17,845	4.5	31,677	7.8	(13,832)	(43.7)
Other Equity	(128)	(3,719)	(0.9)	(1,297)	(0.3)	(2,421)	(186.7)
Treasury Shares	(35)	(1,013)	(0.3)	(235)	(0.1)	(779)	(331.7)
Non-Controlling Interests	356	10,303	2.6	11,681	2.9	(1,378)	(11.8)
Total Equity	6,226	180,235	45.7	198,531	48.7	(18,296)	(9.2)
Total Liabilities & Equity	13,611	394,044	100.0	407,291	100.0	(13,247)	(3.3)

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 28.95 per USD as of September 30, 2020

(2) Cash and Cash Equivalents excluding time deposit with maturity longer than 3 months

AU OPTRONICS CORP. AND SUBSIDIARIES
Consolidated Condensed Cash Flow Statements
For the Period Ended September 30, 2020 and 2019
(Expressed in Millions of New Taiwan Dollars (NTD) and US Dollars (USD))

	Nine Months 2020		Nine Months 2019
	USD	NTD	NTD
Cash Flow from Operating Activities:			
Profit(Loss) before Income Taxes	(192)	(5,571)	(11,903)
Depreciation & Amortization	922	26,679	27,157
Share of Profit of Equity-Accounted Investees	(2)	(49)	(253)
Changes in Working Capital	(474)	(13,722)	(1,979)
Changes in Others	(12)	(357)	(2,162)
Net Cash Provided(Used) by Operating Activities	241	6,979	10,860
Cash Flow from Investing Activities:			
Acquisitions of Financial Assets Measured at Fair Value	(64)	(1,851)	(2,663)
Disposals of Financial Assets Measured at Fair Value	67	1,941	2,911
Acquisitions of Equity-Accounted Investees	(90)	(2,599)	0
Disposals of Equity-Accounted Investees	33	957	0
Acquisitions of Property, Plant and Equipment	(424)	(12,276)	(23,554)
Disposals of Property, Plant and Equipment	4	106	138
Decrease(Increase) in Other Financial Assets	0	3	56
Decrease(Increase) in Other Assets	5	157	14
Net Cash Outflow Arising from Acquisition of Business	(9)	(253)	0
Net Cash Provided(Used) in Investing Activities	(477)	(13,813)	(23,098)
Cash Flow from Financing Activities:			
Increase(Decrease) in Short-term Borrowings	(56)	(1,615)	697
Increase(Decrease) in Long-term Borrowings	267	7,723	20,527
Payment of Lease Liabilities	(16)	(450)	(520)
Increase(Decrease) in Guarantee Deposits	(0)	(1)	8
Cash Dividends	0	0	(4,812)
Payments to Acquire Treasury Shares	0	0	(235)
Changes in Non-Controlling Interests and Others	(0)	(0)	(426)
Net Cash Provided(Used) by Financing Activities	195	5,657	15,240
Effect of Exchange Rate Changes on Cash and Cash Equivalents	(34)	(972)	(1,015)
Net Increase(Decrease) in Cash and Cash Equivalents	(74)	(2,150)	1,986
Cash and Cash Equivalents at Beginning of Period	2,779	80,450	69,163
Cash and Cash Equivalents at End of Period	2,705	78,300	71,149

Note: (1) Amounts in New Taiwan dollars were translated into US dollars at the exchange rate of NTD 28.95 per USD as of September 30, 2020

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