

1Q19 Operating Results

May 8, 2019

Financial Review

1Q19 Income Statement & QoQ/YoY Comparison

Unit: NT\$ million	1Q19		4Q18		QoQ % Change	1Q18		YoY % Change
	AMT	%	AMT	%		AMT	%	
Net Sales	4,201	100.0	4,604	100.0	(8.8)	4,982	100.0	(15.7)
Cost of Goods Sold - Product	3,036	72.3	3,225	70.1	(5.9)	3,537	71.0	(14.2)
Gross Profit 1	1,165	27.7	1,379	29.9	(15.5)	1,446	29.0	(19.4)
Inventory Related Gain/(Loss)	30	0.7	(33)	(0.7)		(12)	(0.2)	
Gross Profit 2	1,195	28.4	1,346	29.2	(11.2)	1,434	28.8	(16.7)
Operating Expenses	1,293	30.8	1,287	28.0	0.5	1,373	27.6	(5.8)
Operating Income	(98)	(2.3)	58	1.3		61	1.2	
Total Non-Op. Inc. (Loss)	(1)	0.0	146	3.2		2	0.0	
Income Before Tax	(99)	(2.4)	204	4.4		63	1.2	
Tax (Exp.) / Income	(50)	(1.2)	(45)	(1.0)		(33)	(0.7)	
Net Income	(149)	(3.6)	159	3.4		30	0.5	
Non-controlling Interests	(19)	(0.4)	(17)	(0.3)		(17)	(0.3)	
Consolidated Income	(168)	(4.0)	142	3.1		13	0.3	
EPS (NT\$)- Per Weighted-Avg. Capital of NT\$6,520M	(0.26)		0.21			0.02		

*The numbers are consolidated and the net income is audited/reviewed.

**Weighted-Avg. Capital adjusted for treasury shares.

1Q19 Non-op Income/Loss & QoQ Comparison

Unit : NT\$ million	1Q19	4Q18
Investment Income	5	118
Sub./Aff.	5	16
Capital Gain	0	102
FX Gain/(Loss)	(11)	13
Fin. Income/(Exp.) & Other	5	15
Total Non-op Income/Loss	(1)	146

* The numbers are consolidated and the net income is audited/reviewed.

3/31/2019 Balance Sheet & QoQ Comparison

Unit: NT\$ million	3/31/19 AMT	%	12/31/18 AMT	%	QoQ % Change
Cash & S-T Investment	3,837	22.6	4,433	25.2	(13.4)
Account Receivable	3,742	22.0	4,279	24.3	(12.5)
Inventory	2,992	17.6	3,112	17.7	(3.9)
Long-term Investments	2,752	16.2	2,690	15.3	2.3
Total Assets	16,989	100.0	17,607	100.0	(3.5)
Accounts Payable	2,992	17.6	3,522	20.0	(15.0)
Current Liabilities	6,608	38.9	7,663	43.5	(13.8)
Common Stock	6,520	38.4	6,520	37.0	0.0
Stockholders' Equity	9,124	53.7	9,199	52.2	(0.8)

*The numbers are consolidated and the net income is audited/reviewed.

**Weighted-Avg. Capital adjusted for treasury shares.

Key Financial Ratios

Unit: % , days	1Q19	4Q18	3Q18	2Q18	1Q18
**Days A/R	80	80	88	87	83
**Days Inventory	80	83	84	81	73
**Days A/P	87	91	96	105	89
Cash Cycle	74	72	76	63	68
Current Ratio	1.67	1.61	1.61	1.57	1.59
Debt/Equity Ratio	0.81	0.87	0.84	0.90	0.83
***Net Debt/Equity Ratio	0.40	0.39	0.48	0.52	0.47
ROE	-7.4	6.16	0.24	-2.4	0.6

The numbers are based on consolidated numbers and the net income is audited.

** Annualized

*** Net of Cash & S-T investment

Quarterly Revenue by Region

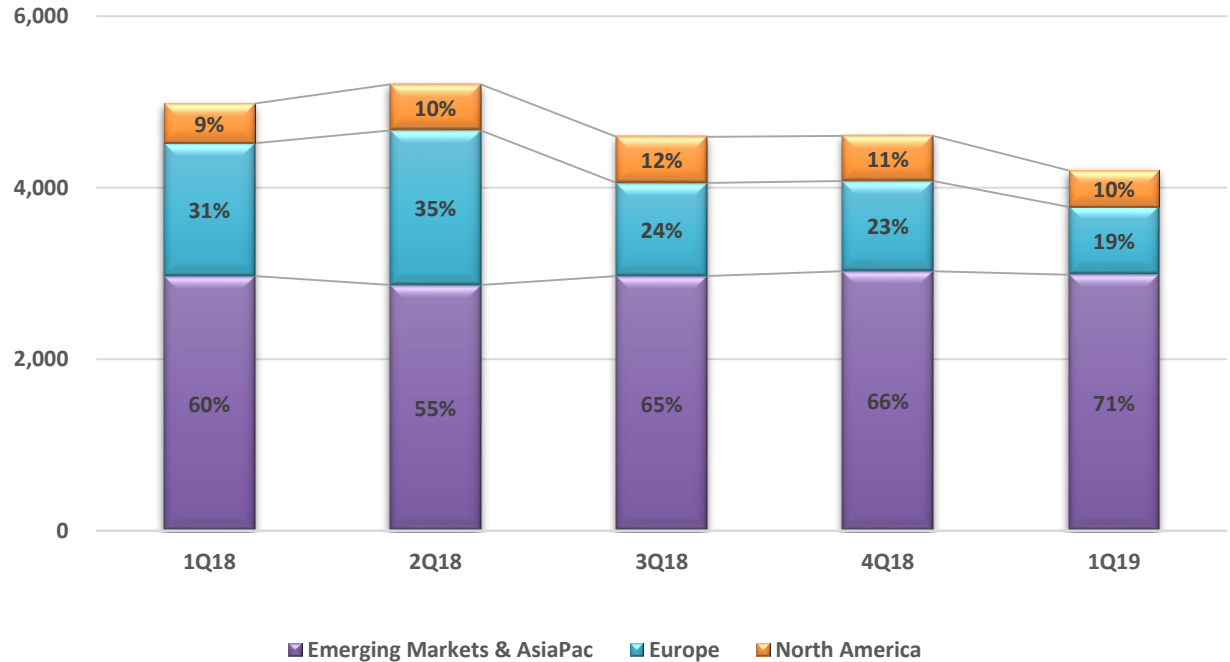
In NT\$, down 8.8% QoQ, down 15.7% YoY

- N.A. down 19.4% QoQ, down 8.4% YoY
- Europe down 24.7% QoQ, down 48.9% YoY
- Emerging Mkts & APac down 1.4% QoQ, up 0.5% YoY

In US\$, down 8.4% QoQ, down 19.7% YoY

- N.A. down 19.3% QoQ, down 12.7% YoY
- Europe down 23.7% QoQ, down 51.4% YoY
- Emerging Mkts & APac down 1.2% QoQ, down 4.3% YoY

NT\$ mln



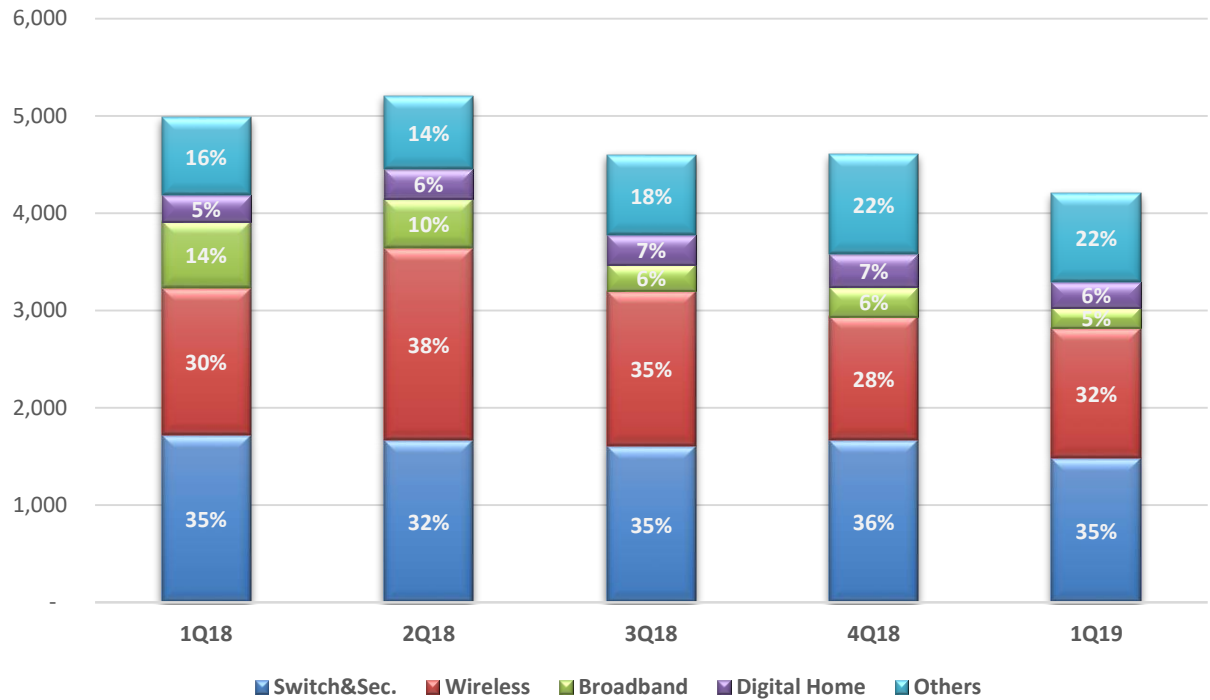
Quarterly Revenue by Product

In NT\$ terms:

- Switch down 11.3% QoQ, down 14.2% YoY
- Wireless up 5.2% QoQ, down 11.4% YoY
- B.B. down 28.5% QoQ, down 68.8% YoY
- D.H. down 21.5% QoQ, down 0.6% YoY

In US\$ terms:

- Switch down 10.9% QoQ, down 18.2% YoY
- Wireless up 5.6% QoQ, down 15.8% YoY
- B.B. down 28.9% QoQ, down 70.4% YoY
- D.H. down 33.3% QoQ, down 5.5% YoY



Safe Harbor Statement

All numbers are consolidated. Except for statements in respect of historical matters, the statements contained in this release are "forward-looking statements" within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. Such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual performance, financial condition or results of operations of D-Link Corporation to be materially different from any future performance, financial condition or results of operations implied by such forward-looking statements.