

104 Corporation Reports Second Quarter 2018 After-Tax EPS of NT\$ 2.47

Taipei, Taiwan, R.O.C., August 14, 2018 --- 104 Corporation (TSE:3130), a leading provider of integrated human resource services in Taiwan, announced today the reviewed financial statements for the second quarter of 2018. Its consolidated operating revenue for the second quarter of 2018 amounted to NT\$ 415 million with a 5.07% year-over-year increase. The operating income and pre-tax income decreased by 5.27% and 2.1% comparing to the same period of 2017 to NT\$ 94 million and NT\$ 102 million, respectively. The net income decreased by 5.26% to NT\$ 82 million on a year-over-year basis. EPS after tax for the second quarter of 2018 decreased year-over-year to NT\$ 2.47 from NT\$ 2.61.

The consolidated operating revenue for the first half of 2018 reached NT\$ 782 million, with a 3.5% increase compared to the same period in 2017. The accumulated operating income and pre-tax income decreased year-over-year by 5.14% and 4.26% to NT\$ 166 million and NT\$ 180 million, respectively. The accumulated net income was NT\$ 145 million with an 8% year-over-year decrease. EPS after tax for the first half of 2018 decreased year-over-year to NT\$ 4.37 from NT\$ 4.77, accordingly. As of June 30, 2018, cash and cash equivalents reached NT\$ 2,207 million on the consolidated balance sheets.

The decreases of net income above were mainly affected by the increase in operating expenses for optimizing existing services and accelerating new product development, as well as by the increase in income tax expenses caused by the raised corporate income tax rate accordingly.

Consolidated Statements of Comprehensive Income (unit: NT\$'000, except for EPS)

	Q2 2018	Q2 2017	YoY (%)
Operating Revenue	414,945	394,909	5.07%
Operating Costs	41,256	36,439	13.22%
Gross Profit	373,689	358,470	4.25%
Operating Expenses	279,474	259,016	7.90%
Operating Income	94,215	99,454	-5.27%
Non-Operating Income and Expenses	8,023	4,976	61.23%
Income Before Income Tax	102,238	104,430	-2.10%
Less: Income Tax Expenses	20,229	17,869	13.21%
Net Income	82,009	86,561	-5.26%
Other Comprehensive Income (Loss)	-704	996	-170.68%
Total Comprehensive Income	81,305	87,557	-7.14%
Net Income Attributable to Shareholders of the Company	81,941	86,342	-5.10%
Net Income Attributable to Non-Controlling Interests	68	219	-68.95%
Earnings Per Share	2.47	2.61	-5.36%

Consolidated Statements of Comprehensive Income(Cumulative) (unit: NT\$'000, except for EPS)

	H1 2018	H1 2017	YoY (%)
Operating Revenue	782,063	755,590	3.50%
Operating Costs	79,056	69,419	13.88%
Gross Profit	703,007	686,171	2.45%
Operating Expenses	536,654	510,796	5.06%
Operating Income	166,353	175,375	-5.14%
Non-Operating Income and Expenses	13,177	12,144	8.51%
Income Before Income Tax	179,530	187,519	-4.26%
Less: Income Tax Expenses	34,454	29,824	15.52%
Net Income	145,076	157,695	-8.00%
Other Comprehensive Income (Loss)	409	-1,679	-124.36%
Total Comprehensive Income	145,485	156,016	-6.75%
Net Income Attributable to Shareholders of the Company	144,987	157,811	-8.13%
Net Income Attributable to Non-Controlling Interests	89	-116	-176.72%
Earnings Per Share	4.37	4.77	-8.39%

Consolidated Balance Sheets

(unit: NT\$'000)

	30 June, 2018		30 June, 2017	
Cash and Cash Equivalents	2,206,523	87%	2,192,124	87%
Notes Receivable and Accounts Receivable, Net	57,807	2%	43,652	2%
Total Current Assets	2,290,125	90%	2,258,996	90%
Property, Plant and Equipment	212,767	9%	217,026	9%
Total Assets	2,531,956	100%	2,506,164	100%
Contract Liability- Current	446,339	18%	-	-
Notes Payable, Accounts Payable, and Other Payables	605,351	24%	612,334	24%
Deferred Revenue	-	-	423,832	17%
Total Current Liabilities	1,161,026	46%	1,129,201	45%
Total Liabilities	1,167,578	46%	1,132,994	45%
Total Equity	1,364,378	54%	1,373,170	55%

Consolidated Statements of Cash Flows

(unit: NT\$'000)

	H1 2018	H1 2017
Net Cash Flows from Operating Activities	179,203	222,676
Income Before Tax	179,530	187,519
Depreciation and Amortization Expenses	23,019	29,015
Other Operating Sources (Uses)	-23,346	6,142
Net Cash Flows Used in Investing Activities	-16,483	-17,715
Acquisition/Disposal of Property, Plant and Equipment	-13,196	-17,122
Acquisition of Intangible Assets	-2,796	-1,026
Other Investing Sources (Uses)	-491	433
Cash and Cash Equivalents at End of Period	2,206,523	2,192,124

About 104 Corporation

104 Corporation, headquartered in Taipei, has been a leading provider of integrated human resource services in Taiwan since 1996. 104 Corporation was listed on the Taiwan Stock Exchange in 2006 and has expanded its service coverage to China since 2007. In pursuing industrial innovation with C.M.O.S. (Cloud-based, Mobile Apps, Open platforms, and Social media) as core concepts, 104 Corporation provides a variety of human resources-related services and management solutions, including online recruitment services, a career social platform, career-related value-added services, as well as executive search, HR Portal, HR Academy, competency testing, and other complementary HR consulting services. 104 Corporation established its Social Enterprise Division in 2014 to provide innovative services, such as WOW and Cicisasa. In 2015, the Company established 104careu Bank to develop a health care platform for middle-aged and elderly people to fulfil its goals concerning corporate social responsibility. For more information, please visit: corp.104.com.tw.

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