

104 Corporation Reports Second Quarter 2019 After-Tax EPS of NT\$ 2.45

Taipei, Taiwan, R.O.C., August 14, 2019 --- 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 2019. Its consolidated operating revenue for the second quarter of 2019 amounted to NT\$ 431 million with a 3.75% year-over-year increase. The operating income and pre-tax income increased by 4.05% and slightly decreased by 0.04% comparing to the same period of 2018 to NT\$ 98 million and NT\$ 102 million, respectively. The net income slightly increased by 0.15% to NT\$ 82 million on a year-over-year basis. EPS after tax for the second quarter of 2019 decreased year-over-year to NT\$ 2.45 from NT\$ 2.47.

The consolidated operating revenue for the first half of 2019 reached NT\$ 808 million, with a 3.31% increase compared to the same period in 2018. The accumulated operating income and pre-tax income decreased year-over-year by 3.51% and 7.23% to NT\$ 161 million and NT\$ 167 million, respectively. The accumulated net income was NT\$ 140 million with an 3.72% year-over-year decrease. EPS after tax for the first half of 2019 decreased year-over-year to NT\$ 4.21 from NT\$ 4.37, accordingly. As of June 30, 2019, cash and cash equivalents reached NT\$ 2,213 million on the consolidated balance sheets.

The company continued putting manpower into the optimization of job matching and recommendation mechanism, the websites upgrades and, the development of the next-generation HR solution for the first half of 2019. With the effective budget control and the revenue increase, of which, driven by the growth of client numbers in online business group, the operating income and pre-tax income of second quarter have outperformed over first quarter of 2019.

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

	Q2 2019	Q2 2018	YoY (%)
Operating Revenue	430,521	414,945	3.75%
Operating Costs	41,752	41,256	1.20%
Gross Profit	388,769	373,689	4.04%
Operating Expenses	290,737	279,474	4.03%
Operating Income	98,032	94,215	4.05%
Non-Operating Income and Expenses	4,160	8,023	-48.15%
Income Before Income Tax	102,192	102,238	-0.04%
Less: Income Tax Expenses	20,060	20,229	-0.84%
Net Income	82,132	82,009	0.15%
Other Comprehensive Loss	-755	-704	7.24%
Total Comprehensive Income	81,377	81,305	0.09%
Net Income Attributable to Shareholders of the Company	81,375	81,941	-0.69%
Net Income Attributable to Non-Controlling Interests	757	68	1013.24%
Earnings Per Share	2.45	2.47	-0.81%

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

	H1 2019	H1 2018	YoY (%)
Operating Revenue	807,963	782,063	3.31%
Operating Costs	81,998	79,056	3.72%
Gross Profit	725,965	703,007	3.27%
Operating Expenses	565,443	536,654	5.36%
Operating Income	160,522	166,353	-3.51%
Non-Operating Income and Expenses	6,023	13,177	-54.29%
Income Before Income Tax	166,545	179,530	-7.23%
Less: Income Tax Expenses	26,860	34,454	-22.04%
Net Income	139,685	145,076	-3.72%
Other Comprehensive Income	631	409	54.28%
Total Comprehensive Income	140,316	145,485	-3.55%
Net Income Attributable to Shareholders of the Company	139,608	144,987	-3.71%
Net Income Attributable to Non-Controlling Interests	77	89	-13.48%
Earnings Per Share	4.21	4.37	-3.66%

Consolidated Balance Sheets

(unit: NT\$'000)

	30 June, 2019		30 June, 2018	
Cash and Cash Equivalents	2,212,903	83%	2,206,523	87%
Notes Receivable and Accounts Receivable, Net	60,516	2%	57,807	2%
Total Current Assets	2,301,990	87%	2,290,125	90%
Property, Plant and Equipment	229,412	8%	212,767	9%
Right-of-Use Assets	96,998	4%	-	-
Total Assets	2,660,965	100%	2,531,956	100%
Contract Liability- Current	497,905	19%	446,339	18%
Notes Payable, Accounts Payable, and Other Payables	592,430	22%	605,351	24%
Lease Liability - Current	32,042	1%	-	-
Total Current Liabilities	1,232,009	46%	1,161,026	46%
Lease Liability - Non-Current	65,337	3%	-	-
Total Liabilities	1,302,232	49%	1,167,578	46%
Total Equity	1,358,733	51%	1,364,378	54%

Consolidated Statements of Cash Flows

(unit: NT\$'000)

	H1 2019	H1 2018
Net Cash Flows from Operating Activities	191,999	179,203
Income Before Tax	166,545	179,530
Depreciation and Amortization Expenses	40,757	23,019
Other Operating Uses	-15,303	-23,346
Net Cash Flows Used in Investing Activities	-34,709	-16,483
Acquisition/Disposal of Property, Plant and Equipment	-44,763	-13,196
Acquisition of Intangible Assets	-370	-2,796
Decrease in Other Receivables	11,372	-
Other Investing Uses	-948	-491
Net Cash Flows Used in Financing Activities	-17,608	-
Repayments of Lease Liabilities	-17,608	-
Cash and Cash Equivalents at End of Period	2,212,903	2,206,523

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 Star and WOW, which are platforms for children to explore and thus find their talents. 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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