



INTERNATIONAL GAMES SYSTEM CO., LTD
Conference call, 2018

Aug 14th 2018

- This document and any oral presentation accompanying it has been prepared in good faith. IGS shall not be held liable for updating or modifying this presentation and accompanying information, including but not limited to all forward-looking statements and the future prospects due to the occurrence of any new events or conditions.
- Investors shall take the aforementioned forward-looking statements as the data subject to amendments rather than legally binding commitments. The financial, business and Q&A data disclosed in this presentation may vary from the actual results in the future due to some significant contingencies such as changes in market demand, industry competition, regulatory requirements, fluctuations in exchange rate and other risk factors which this company has no way to control.

1. Company overview	4
2. Operational performance	6
3. Key events in 2018	9
4. Future prospects	13

1. Company overview

Company overview



Paid-up capital:
TWD 700 million

TPEX: 3293

Enlisted on: 2006/7/12

Number of Employees:
874

Number of R&D
personnel: 651

Share of R&D
personnel: 74%



Major business segments

- Arcade games
- Online games/ mobile games
- Oversea licensing/ publishing

2. Operational performance

Operational performance 2018



(in thousand TWD)	2017	2017H1	2018H1
Net revenue	3,313,694	1,643,588	1,459,016
Gross profit %	85	84	88
Net income	906,511	401,025	414,845
Earnings per share (TWD)	12.97	5.74	5.90

Major product lines 2018



Three Major product lines	Representative products	Product mix 2017	Product mix 2018H1
Arcade games (Arcade Division)	Amusement	41%	32%
	Chess and poker		
Mobile games (Arcade Division)	Golden Ho-Yeah	32%	33%
	Good Luck 777		
Mobile games (Online Division)	Chess and poker recreation	27%	35%
	Network RPG		
	Total	100%	100%

3. Key events in 2018

- ◆ During 10th ~12th May in GTI Asia Taipei Expo, IGS unveiled 35 arcade games and 4 mobile applications. Everything was there including the VR car racing game popular nowadays and the ticket redemption machines loved by all age groups, full of featured, creative and amazing game play.



- ◆ Two kinds of fish games on PC platform cooperated with Tencent :
 - Fish Gamer : There are royalties from first quarter.
 - Ocean Treasure : This game is available on Tencent's PC platform from June 29. Tencent would increase stably the amount of players by month.
- ◆ Ocean king is a famous IP of IGS. We converted from the past Arcade version to the PC version now. That Ocean Treasure officially available on the website is an important milestone for us. We also licensed the mainland operators mobile version in the second quarter and hope to have significant performance in the fourth quarter.
- ◆ The above three projects (Fish Gamer, Ocean Treasure, and Ocean King mobile) are expecting to bring more than 10 million NTD revenue per month from this August.

- ◆ Knights of valor (mobile game, cooperated with Enjoymi technology) :
 - Knights of valor is another famous IP of IGS. This game's operating data is getting better since we license to Enjoymi technology. It also has significant breakthrough in monthly revenue until the second quarter of this year.
 - We would focus on operating and advertizing activities in the third quarter and focus on the publish of the second edition. We expect to have obvious revenue contribution in the fourth quarter.

4. Future prospects

- **Arcade games**

The focus will be kept in three major markets: China, S.A.E. and the United States .

- **Mobile games by the Arcade Division:**

The focus will be kept in two major applications: Golden Ho-Yeah, Good Luck777 and overseas authorization. In the second half of the year, we will speed up the adjustment of licensed IP games and make a specific contribution to revenue as soon as possible.

- **Mobile games by the Online Division**

The focus will be kept in two major applications: Star Mahjong and ManganDahen .

IGS®

Q&A