

Himax Technologies, Inc.
Form 6-K
May 09, 2007

FORM 6-K
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the month of May, 2007

Commission File Number: 000-51847

Himax Technologies, Inc.
(Translation of registrant's name into English)

No.26, Zih Lian Road, Fonghua Village,
Sinshih Township, Tainan County 744,
Taiwan, Republic of China
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes No

Indicate by check mark whether by furnishing the information contained in this Form, the Registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934:

Yes No

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

Himax Technologies, Inc.

INDEX TO EXHIBITS

Exhibit

99.1 “Himax Updates Third Quarter, Fourth Quarter and Full Year 2006 Results” dated May 9, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

HIMAX TECHNOLOGIES, INC.

By: /s/ Max Chan
Name: Max Chan
Title: Chief Financial Officer

Date: May 9th, 2007

HIMAX UPDATES THIRD QUARTER, FOURTH QUARTER AND FULL YEAR 2006 RESULTS

Himax Technologies, Inc. ("Himax" or "Company") (Nasdaq: HIMX) today updated financial results for the third quarter, fourth quarter and full year 2006 as compared to the financial results presented previously on November 7, 2006 and February 13, 2007.

Revenues remain at \$177.1 million for the third quarter, \$220.9 million for the fourth quarter and \$744.5 million for the full year 2006. Net incomes are updated to \$0.01, \$0.16 and \$0.39 per share as compared to \$0.02, \$0.15 and \$0.39 per share presented previously for the third quarter, fourth quarter and the full year 2006 respectively.

Primary changes between originally presented and updated results are noted below:

(1) operating expenses were impacted by a change in the Company's accounting treatment of its cash signing bonus plan from deferring and amortizing over a three-year period to charging as an expense in current period when paid, (2) income tax expense was decreased due primarily to a higher estimated tax exemption and the tax effect resulting from the change in the accounting treatment of the cash signing bonus plan, and (3) changes in certain classifications, e.g., the revenues between related parties and third parties in the statements of income; prepaid expenses and property and equipment in the balance sheets and reconciled items for the cash flows from operating and investing activities in the statements of cash flows.

A reconciliation of our corrected and originally presented gross margin and operating margin excluding share-based compensation, a non-GAAP financial measure, to our corrected and originally presented GAAP gross margin and GAAP operating margin, our most comparable GAAP figure, is set out in the attached reconciliation schedule.

- Tables Attached -

Himax Technologies, Inc.

Unaudited Condensed Consolidated Statements of Income

(These interim financials do not fully comply with US GAAP because they omit all interim disclosure required by US GAAP.)

(Figures in Thousands of U.S. Dollars, Except Per Share Data)

| | Three Months Ended September 30, 2006 | | Changes to the Originally Presented |
|---|--|-------------------------------|--|
| | As Corrected | As Originally Presented | |
| Revenues | | | |
| Revenues from third parties, net | \$ 88,878 | \$ 89,044 | \$ (166) |
| Revenues from related parties, net | 88,227 | 88,061 | 166 |
| | 177,105 | 177,105 | --- |
| Costs and expenses: | | | |
| Cost of revenues | 146,287 | 146,287 | --- |
| Research and development | 24,267 | 22,685 | 1,582 |
| General and administrative | 3,190 | 3,027 | 163 |
| Sales and marketing | 2,586 | 2,364 | 222 |
| Total costs and expenses | 176,330 | 174,363 | 1,967 |
| Operating income | 775 | 2,742 | (1,967) |
| Non operating income (loss): | | | |
| Interest income | 2,000 | 2,000 | --- |
| Foreign exchange losses, net | (1,298) | (1,298) | --- |
| Other income, net | 59 | 59 | --- |
| | 761 | 761 | --- |
| Income before income taxes and minority interest | 1,536 | 3,503 | (1,967) |
| Income tax benefit | (1,246) | (1,246) | --- |
| Income before minority interest | 2,782 | 4,749 | (1,967) |
| Minority interest, net of tax | (157) | (157) | --- |
| Net income | \$ 2,625 | \$ 4,592 | \$ (1,967) |
| Basic earnings per ordinary share and ADS | | | |
| | \$ 0.01 | \$ 0.02 | \$ (0.01) |
| Diluted earnings per ordinary share and ADS | | | |
| | \$ 0.01 | \$ 0.02 | \$ (0.01) |
| Basic Weighted Average Outstanding Shares | | | |
| | 197,110 | 197,110 | --- |
| Diluted Weighted Average Outstanding Shares | | | |
| | 199,729 | 199,729 | --- |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Income
(Figures in Thousands of U.S. Dollars, Except Per Share Data)

Nine Months
 Ended September 30, 2006

| | As Corrected | As Originally Presented | Changes to the Originally Presented |
|---|------------------|-------------------------------|---|
| Revenues | | | |
| Revenues from third parties, net | \$ 238,939 | \$ 239,105 | \$ (166) |
| Revenues from related parties, net | 284,700 | 284,534 | 166 |
| | 523,639 | 523,639 | --- |
| Costs and expenses: | | | |
| Cost of revenues | 422,351 | 422,351 | --- |
| Research and development | 46,772 | 45,190 | 1,582 |
| General and administrative | 6,582 | 6,419 | 163 |
| Sales and marketing | 4,690 | 4,468 | 222 |
| Total costs and expenses | 480,395 | 478,428 | 1,967 |
| Operating income | 43,244 | 45,211 | (1,967) |
| Non operating income (loss): | | | |
| Interest income | 4,048 | 4,048 | --- |
| Impairment loss on an investment | (1,500) | (1,500) | --- |
| Foreign exchange losses, net | (132) | (132) | --- |
| Interest expense | (311) | (311) | --- |
| Other income, net | 172 | 172 | --- |
| | 2,277 | 2,277 | --- |
| Income before income taxes and minority interest | 45,521 | 47,488 | (1,967) |
| Income tax expense | 1,491 | 1,491 | --- |
| Income before minority interest | 44,030 | 45,997 | (1,967) |
| Minority interest, net of tax | 59 | 59 | --- |
| Net income | \$ 44,089 | \$ 46,056 | \$ (1,967) |
| Basic earnings per ordinary share and ADS | \$ 0.23 | \$ 0.24 | \$ (0.01) |
| Diluted earnings per ordinary share and ADS | \$ 0.23 | \$ 0.24 | \$ (0.01) |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Balance Sheets
(Figures in Thousands of U.S. Dollars)

| | Sep 30, 2006 As Corrected | Sep 30, 2006 As Originally Presented | Changes to the Originally Presented |
|--|---------------------------------|---|--|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 155,594 | \$ 155,594 | \$ --- |
| Marketable securities available-for-sale | 4,072 | 4,072 | --- |
| Restricted cash equivalents and marketable securities | 31 | 31 | --- |
| Accounts receivable, less allowance for sales returns and discounts | 101,660 | 101,660 | --- |
| Accounts receivable from related parties, less allowance for sales returns and discounts | 71,530 | 71,530 | --- |
| Inventories | 106,977 | 106,977 | --- |
| Deferred income taxes | 11,202 | 11,202 | --- |
| Prepaid expenses and other current assets | 18,655 | 20,622 | (1,967) |
| Total current assets | \$ 469,721 | \$ 471,688 | \$ (1,967) |
| Property and equipment, net | 34,946 | 34,946 | --- |
| Deferred income taxes | 134 | 134 | --- |
| Intangible assets, net | 61 | 61 | --- |
| Investments in non-marketable securities | 1,723 | 1,723 | --- |
| Refundable deposits | 603 | 603 | --- |
| | 37,467 | 37,467 | --- |
| Total assets | \$ 507,188 | \$ 509,155 | \$ (1,967) |
| Liabilities, minority interest and stockholders' equity | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 106,829 | \$ 106,829 | \$ --- |
| Income tax payable | 11,783 | 11,783 | --- |
| Other accrued expenses and other current liabilities | 16,029 | 16,029 | --- |
| Total current liabilities | \$ 134,641 | \$ 134,641 | \$ --- |
| Minority interest | \$ 1,054 | \$ 1,054 | \$ --- |
| Stockholders' equity: | | | |
| Ordinary share, US\$0.0001 par value, 500,000,000 shares authorized | 19 | 19 | --- |
| Additional paid-in capital | 260,031 | 260,031 | --- |
| Accumulated other comprehensive income | 27 | 27 | --- |
| Unappropriated earnings | 111,416 | 113,383 | (1,967) |
| Total stockholders' equity | \$ 371,493 | \$ 373,460 | \$ (1,967) |
| Total liabilities, minority interest and stockholders' equity | \$ 507,188 | \$ 509,155 | \$ (1,967) |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(Figures in Thousands of U.S. Dollars)

Three Months
Ended September 30, 2006

| | As Corrected | As Originally Presented | Changes to the Originally Presented |
|---|-----------------|-------------------------------|--|
| Cash flows from operating activities: | | | |
| Net income | \$ 2,625 | \$ 4,592 | \$ (1,967) |
| Adjustments to reconcile net income to net cash used in operating activities: | | | --- |
| Depreciation and amortization | 1,119 | 1,119 | --- |
| Share-based compensation expenses | 11,456 | 11,456 | --- |
| Minority interest, net of tax | 157 | 157 | --- |
| Gain on sale of subsidiary shares, net | (11) | (11) | --- |
| Gain on sale of marketable securities, net | (12) | (12) | --- |
| Deferred income taxes | 132 | 132 | --- |
| Changes in operating assets and liabilities: | | | --- |
| Accounts receivable | (14,772) | (14,772) | --- |
| Accounts receivable from related parties | (5,096) | (5,096) | --- |
| Inventories | (7,369) | (7,369) | --- |
| Prepaid expenses and other current assets | (2,530) | (4,497) | 1,967 |
| Accounts payable | 8,815 | 8,815 | --- |
| Income tax payable | (1,075) | (1,075) | --- |
| Other accrued expenses and other current liabilities | 3,477 | 3,477 | --- |
| Net cash used in operating activities | (3,084) | (3,084) | --- |
| Cash flows from investing activities: | | | |
| Purchase of land, property and equipment | (5,691) | (5,691) | --- |
| Purchase of available-for-sales marketable securities | (10,608) | (10,608) | --- |
| Sales and maturities of available-for-sale marketable securities | 8,480 | 8,480 | --- |
| Proceeds from sale of subsidiary shares by Himax Technologies Limited | 27 | 27 | --- |
| Purchase of investments in non-marketable securities | (1,410) | (1,410) | --- |
| Purchase of subsidiary shares from minority interest | (64) | (64) | --- |
| Increase in refundable deposits | (92) | (92) | --- |
| Release of restricted cash equivalents and marketable securities | 424 | 424 | --- |
| Net cash used in investing activities | (8,934) | (8,934) | --- |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(Figures in Thousands of U.S. Dollars)

| | Three Months Ended September 30, 2006 | | Changes to the Originally Presented |
|---|---|-------------------------------|--|
| | As Corrected | As Originally Presented | |
| Cash flows from financing activities: | | | |
| Proceeds from issuance of new shares by subsidiaries | 655 | 655 | --- |
| Net cash provided by financing activities | 655 | 655 | --- |
| Effect of exchange rate changes on cash and cash equivalents | 73 | 73 | --- |
| Net decrease in cash and cash equivalents | (11,290) | (11,290) | --- |
| Cash and cash equivalents at beginning of period | 166,884 | 166,884 | --- |
| Cash and cash equivalents at end of period | \$ 155,594 | \$ 155,594 | --- |
| Supplemental disclosures of cash flow information: | | | |
| Cash paid during the period for: | | | |
| Interest | \$ --- | \$ --- | \$ --- |
| Income taxes | \$ 21 | \$ 21 | \$ --- |
| Supplemental disclosures of non-cash investing and financing activities: | | | |
| Payable for purchase of equipment and construction in progress | \$ (1,750) | \$ (1,750) | \$ --- |

Himax Technologies, Inc.**Unaudited Supplemental Data - Reconciliation Schedule****(Figures in Thousands of U.S. Dollars, Except Per Share Data)****Gross Margin and Operating Margin Excluding Share-based Compensation:**

| | Three Months Ended September 30, 2006 | | Changes to the Originally Presented |
|---|--|--|--|
| | As Corrected | As Originally Presented | |
| Revenues | \$ 177,105 | \$ 177,105 | \$ --- |
| Gross profit | 30,818 | 30,818 | --- |
| Add: Share-based compensation – Cost of revenues | 208 | 208 | --- |
| Gross profit excluding share-based compensation | 31,026 | 31,026 | --- |
| Gross margin excluding share-based compensation | 17.5% | 17.5% | --- |
| Operating income | 775 | 2,742 | (1,967) |
| Add: Share-based compensation | 11,456 | 11,456 | --- |
| Operating income excluding share-based compensation | 12,231 | 14,198 | (1,967) |
| Operating margin excluding share-based compensation | 6.9% | 8.0% | (1.1%) |

*Gross margin excluding share-based compensation equals gross profit excluding share-based compensation divided by revenues

*Operating margin excluding share-based compensation equals operating income excluding share-based compensation divided by revenues

Diluted Earnings Per Share Excluding Share-Based Compensation:

| | Three Months Ended September 30, 2006 | | Changes to the Originally Presented |
|---|--|------------------------------------|--|
| | As Corrected | As Originally Presented | |
| Diluted GAAP EPS | \$ 0.01 | \$ 0.02 | \$ (0.01) |
| Add: Estimated share-based compensation per diluted share | 0.06 | 0.06 | --- |
| Diluted non GAAP EPS excluding share-based compensation | \$ 0.07 | \$ 0.08 | \$ (0.01) |

Numbers do not add up to rounding

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Income
(Figures in Thousands of U.S. Dollars, Except Per Share Data)

| | Three Months Ended December 31, 2006 | | Changes to the Originally Presented |
|---|---|----------------------------|---|
| | As Corrected | As Originally Presented | |
| Revenues | | | |
| Revenues from third parties, net | \$ 90,947 | \$ 91,920 | \$ (973) |
| Revenues from related parties, net | 129,932 | 128,959 | 973 |
| | 220,879 | 220,879 | --- |
| Costs and expenses: | | | |
| Cost of revenues | 179,214 | 179,214 | --- |
| Research and development | 13,883 | 13,642 | 241 |
| General and administrative | 3,180 | 3,108 | 72 |
| Sales and marketing | 2,280 | 2,150 | 130 |
| Total costs and expenses | 198,557 | 198,114 | 443 |
| Operating income | 22,322 | 22,765 | (443) |
| Non operating income (loss): | | | |
| Interest income | 1,812 | 1,812 | --- |
| Foreign exchange gains (losses), net | (209) | 356 | (565) |
| Other income, net | 61 | 61 | --- |
| | 1,664 | 2,229 | (565) |
| Income before income taxes and minority interest | 23,986 | 24,994 | (1,008) |
| Income tax benefit | (6,937) | (4,211) | (2,726) |
| Income before minority interest | 30,923 | 29,205 | 1,718 |
| Minority interest, net of tax | 178 | 183 | (5) |
| Net income | \$ 31,101 | \$ 29,388 | \$ 1,713 |
| Basic earnings per ordinary share and ADS | \$ 0.16 | \$ 0.15 | \$ 0.01 |
| Diluted earnings per ordinary share and ADS | \$ 0.16 | \$ 0.15 | \$ 0.01 |
| Basic Weighted Average Outstanding Shares | 198,154 | 198,147 | 7 |
| Diluted Weighted Average Outstanding Shares | 199,419 | 199,518 | (99) |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Income
(Figures in Thousands of U.S. Dollars, Except Per Share Data)

| | Twelve Months Ended December 31, 2006 | | Changes to the Originally Presented |
|---|--|-------------------------------|--|
| | As Corrected | As Originally Presented | |
| Revenues | | | |
| Revenues from third parties, net | \$ 329,886 | \$ 331,025 | \$ (1,139) |
| Revenues from related parties, net | 414,632 | 413,493 | 1,139 |
| | 744,518 | 744,518 | --- |
| Costs and expenses: | | | |
| Cost of revenues | 601,565 | 601,565 | --- |
| Research and development | 60,655 | 58,832 | 1,823 |
| General and administrative | 9,762 | 9,527 | 235 |
| Sales and marketing | 6,970 | 6,618 | 352 |
| Total costs and expenses | 678,952 | 676,542 | 2,410 |
| Operating income | 65,566 | 67,976 | (2,410) |
| Non operating income (loss): | | | |
| Interest income | 5,860 | 5,860 | --- |
| Impairment loss on an investment | (1,500) | (1,500) | --- |
| Foreign exchange gains (losses), net | (341) | 224 | (565) |
| Interest expense | (311) | (311) | --- |
| Other income, net | 233 | 233 | --- |
| | 3,941 | 4,506 | (565) |
| Income before income taxes and minority interest | 69,507 | 72,482 | (2,975) |
| Income tax benefit | (5,446) | (2,720) | (2,726) |
| Income before minority interest | 74,953 | 75,202 | (249) |
| Minority interest, net of tax | 237 | 242 | (5) |
| Net income | \$ 75,190 | \$ 75,444 | \$ (254) |
| Basic earnings per ordinary share and ADS | \$ 0.39 | \$ 0.39 | --- |
| Diluted earnings per ordinary share and ADS | \$ 0.39 | \$ 0.39 | --- |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Balance Sheets
(Figures in Thousands of U.S. Dollars)

| | Dec 31, 2006 As Corrected | Dec 31, 2006 As Originally Presented | Changes to the Originally Presented |
|---|---------------------------------|---|--|
| Assets | | | |
| Current assets: | | | |
| Cash and cash equivalents | \$ 109,753 | \$ 109,753 | \$ --- |
| Marketable securities available-for-sale | 8,828 | 8,828 | --- |
| Restricted cash equivalents and marketable securities | 108 | 108 | --- |
| Accounts receivable, less allowance for doubtful accounts, sales returns and discounts | 112,363 | 113,521 | (1,158) |
| Accounts receivable from related parties, less allowance for doubtful accounts, sales returns and discounts | 117,254 | 116,096 | 1,158 |
| Inventories | 101,341 | 101,341 | --- |
| Deferred income taxes | 7,362 | 6,721 | 641 |
| Prepaid expenses and other current assets | 10,343 | 10,404 | (61) |
| Total current assets | \$ 467,352 | \$ 466,772 | \$ 580 |
| Property and equipment, net | 38,895 | 41,918 | (3,023) |
| Deferred income taxes | 11,405 | 11,454 | (49) |
| Intangible assets, net | 393 | 393 | --- |
| Investments in non-marketable securities | 817 | 817 | --- |
| Refundable deposits | 550 | 550 | --- |
| | 52,060 | 55,132 | (3,072) |
| Total assets | \$ 519,412 | \$ 521,904 | \$ (2,492) |
| Liabilities, minority interest and stockholders' equity | | | |
| Current liabilities: | | | |
| Accounts payable | \$ 120,407 | \$ 120,407 | \$ --- |
| Income tax payable | 12,284 | 14,385 | (2,101) |
| Other accrued expenses and other current liabilities | 21,398 | 21,274 | 124 |
| Total current liabilities | \$ 154,089 | \$ 156,066 | \$ (1,977) |
| Other liabilities | --- | 191 | (191) |
| Total liabilities | \$ 154,089 | \$ 156,257 | \$ (2,168) |
| Minority interest | \$ 1,396 | \$ 1,397 | \$ (1) |
| Stockholders' equity: | | | |
| Ordinary share, US\$0.0001 par value, 500,000,000 shares authorized | 19 | 19 | --- |
| Additional paid-in capital | 221,666 | 221,666 | --- |
| Accumulated other comprehensive loss | (275) | (207) | (68) |
| Unappropriated earnings | 142,517 | 142,772 | (255) |
| Total stockholders' equity | \$ 363,927 | \$ 364,250 | \$ (323) |
| Total liabilities, minority interest and stockholders' equity | \$ 519,412 | \$ 521,904 | \$ (2,492) |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(Figures in Thousands of U.S. Dollars)

| | Three Months | | Changes to the Originally Presented |
|--|--------------------------------|--|--|
| | Ended December 31, 2006 | | |
| | As Corrected | As Originally Presented | |
| Cash flows from operating activities: | | | |
| Net income | \$ 31,101 | \$ 29,388 | \$ 1,713 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 1,680 | 1,869 | (189) |
| Share-based compensation expenses | 1,493 | 1,493 | --- |
| Minority interest, net of tax | (178) | (183) | 5 |
| Gain on sale of subsidiary shares and investments in non-marketable securities, net | (49) | (49) | --- |
| Gain on sale of marketable securities, net | (12) | (12) | --- |
| Deferred income taxes | (7,332) | (6,842) | (490) |
| Inventories write downs | 2,050 | 2,691 | (641) |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable | (10,488) | (11,840) | 1,352 |
| Accounts receivable from related parties | (45,667) | (44,346) | (1,321) |
| Inventories | 7,527 | 6,885 | 642 |
| Prepaid expenses and other current assets | 4,125 | 6,285 | (2,160) |
| Accounts payable | 13,578 | 13,563 | 15 |
| Income tax payable | 457 | 2,601 | (2,144) |
| Other accrued expenses and other current liabilities | 3,067 | 1,327 | 1,740 |
| Net cash provided by operating activities | 1,352 | 2,830 | (1,478) |
| Cash flows from investing activities: | | | |
| Purchase of property and equipment | (4,187) | (5,628) | 1,441 |
| Purchase of available-for-sales marketable securities | (12,678) | (12,678) | --- |
| Sales and maturities of available-for-sale marketable securities | 7,940 | 7,940 | --- |
| Cash acquired in acquisition | 17 | --- | 17 |
| Proceeds from sale of subsidiary shares and investments in non-marketable securities by Himax Technologies Limited | 1,537 | 937 | 600 |
| Purchase of subsidiary shares from minority interest | (602) | (37) | (565) |
| Refund from refundable deposits | 63 | 62 | 1 |
| | (75) | (74) | (1) |

Pledge of restricted cash equivalents and
marketable securities

| | | | |
|--|---------|---------|-------|
| Net cash used in investing activities | (7,985) | (9,478) | 1,493 |
|--|---------|---------|-------|

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(Figures in Thousands of U.S. Dollars)

| | Three Months Ended December 31, 2006 | | Changes to the Originally Presented |
|--|---|--|--|
| | As Corrected | As Originally Presented | |
| Cash flows from financing activities: | | | |
| Proceeds from initial public offering, net of issuance costs | (392) | (393) | 1 |
| Acquisition of ordinary shares for retirement | (38,835) | (38,835) | --- |
| Net cash used in financing activities | (39,227) | (39,228) | 1 |
| Effect of exchange rate changes on cash and cash equivalents | 19 | 15 | 4 |
| Net decrease in cash and cash equivalents | (45,841) | (45,861) | 20 |
| Cash and cash equivalents at beginning of period | 155,594 | 155,594 | --- |
| Cash received from the acquisition of subsidiary | --- | 20 | (20) |
| Cash and cash equivalents at end of period | \$ 109,753 | \$ 109,753 | --- |
| Supplemental disclosures of cash flow information: | | | |
| Cash paid during the period for: | | | |
| Interest | \$ --- | \$ --- | \$ --- |
| Income taxes | \$ 110 | \$ 18 | \$ 92 |
| Supplemental disclosures of non-cash investing and financing activities: | | | |
| Payable for purchase of equipment and construction in progress | \$ 2,721 | \$ 4,481 | \$ (1,760) |
| Fair value of common stocks issued by Himax Display, Inc. in the acquisition of Integrated Microdisplays Limited | \$ 538 | \$ --- | \$ 538 |

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(Figures in Thousands of U.S. Dollars)

| | Twelve Months Ended December 31, 2006 | | Changes to the Originally Presented |
|--|--|-------------------------------|--|
| | As Corrected | As Originally Presented | |
| Cash flows from operating activities: | | | |
| Net income | \$ 75,190 | \$ 75,444 | \$ (254) |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | |
| Depreciation and amortization | 5,221 | 5,410 | (189) |
| Share-based compensation expenses | 15,150 | 15,150 | --- |
| Impairment loss on investments in non-marketable securities | 1,500 | 1,500 | --- |
| Loss on disposal of property and equipment | 36 | 36 | --- |
| Minority interest, net of tax | (237) | (242) | 5 |
| Gain on sale of subsidiary shares and investments in non-marketable securities, net | (137) | (137) | --- |
| Gain on sale of marketable securities, net | (60) | (60) | --- |
| Deferred income taxes | (9,556) | (9,066) | (490) |
| Inventories write downs | 5,165 | 9,417 | (4,252) |
| Changes in operating assets and liabilities: | | | |
| Accounts receivable | (31,934) | (33,286) | 1,352 |
| Accounts receivable from related parties | (47,566) | (46,245) | (1,321) |
| Inventories | (1,502) | (5,755) | 4,253 |
| Prepaid expenses and other current assets | 558 | 751 | (193) |
| Accounts payable | 14,606 | 14,591 | 15 |
| Income tax payable | (1,341) | 803 | (2,144) |
| Other accrued expenses and other current liabilities | 4,603 | 2,863 | 1,740 |
| Net cash provided by operating activities | 29,696 | 31,174 | (1,478) |
| Cash flows from investing activities: | | | |
| Purchase of property and equipment | (17,829) | (19,270) | 1,441 |
| Purchase of available-for-sales marketable securities | (31,911) | (31,911) | --- |
| Sales and maturities of available-for-sale marketable securities | 27,128 | 27,128 | --- |
| Purchase of investment in non-marketable securities | (817) | (1,410) | 593 |
| Cash acquired in acquisition | 17 | --- | 17 |
| Proceeds from sale of subsidiary shares and investments in non-marketable securities by Himax Technologies Limited | 1,142 | 1,143 | (1) |
| Purchase of subsidiary shares from minority interest | (773) | (208) | (565) |
| Refund from refundable deposits | 171 | 170 | 1 |

Edgar Filing: Himax Technologies, Inc. - Form 6-K

| | | | |
|--|----------------|-----------------|--------------|
| Release of restricted cash equivalents and marketable securities | 13,945 | 13,946 | (1) |
| Net cash used in investing activities | (8,927) | (10,412) | 1,485 |

13

Himax Technologies, Inc.
Unaudited Condensed Consolidated Statements of Cash Flows
(Figures in Thousands of U.S. Dollars)

| | Twelve Months Ended December 31, 2006 | | Changes to the Originally Presented |
|--|--|-------------------------------|--|
| | As Corrected | As Originally Presented | |
| Cash flows from financing activities: | | | |
| Proceeds from initial public offering, net of issuance costs | 147,408 | 147,407 | 1 |
| Proceeds from issuance of new shares by subsidiaries | 676 | 668 | 8 |
| Acquisition of ordinary shares for retirement | (38,835) | (38,835) | --- |
| Proceeds from borrowing of short-term debt | 11,303 | 11,303 | --- |
| Repayment of short-term debt | (38,577) | (38,577) | --- |
| Repayment of long-term debt | (89) | (89) | --- |
| Net cash provided by financing activities | 81,886 | 81,877 | 9 |
| Effect of exchange rate changes on cash and cash equivalents | 12 | 8 | 4 |
| Net Increase in cash and cash equivalents | 102,667 | 102,647 | 20 |
| Cash and cash equivalents at beginning of year | 7,086 | 7,086 | --- |
| Cash received from the acquisition of subsidiary | | 20 | (20) |
| Cash and cash equivalents at end of year | \$ 109,753 | \$ 109,753 | --- |
| Supplemental disclosures of cash flow information: | | | |
| Cash paid during the year for: | | | |
| Interest | \$ 311 | \$ 311 | \$ --- |
| Income taxes | \$ 5,695 | \$ 5,603 | \$ 92 |
| Supplemental disclosures of non-cash investing and financing activities: | | | |
| Payable for purchase of equipment and construction in progress | \$ 1,846 | \$ 3,606 | \$ (1,760) |
| Fair value of common stocks issued by Himax Display, Inc. in the acquisition of Integrated Microdisplays Limited | \$ 538 | \$ --- | \$ 538 |

Himax Technologies, Inc.
Unaudited Supplemental Data - Reconciliation Schedule
(Figures in Thousands of U.S. Dollars, Except Per Share Data)

Gross Margin and Operating Margin Excluding Share-based Compensation:

| | Three Months Ended December 31, 2006 | | Changes to the Originally Presented |
|---|---|--|--|
| | As Corrected | As Originally Presented | |
| Revenues | \$ 220,879 | \$ 220,879 | \$ --- |
| Gross profit | 41,665 | 41,665 | --- |
| Add: Share-based compensation – Cost of revenues | 25 | 25 | --- |
| Gross profit excluding share-based compensation | 41,690 | 41,690 | --- |
| Gross margin excluding share-based compensation | 18.9% | 18.9% | --- |
| Operating income | 22,322 | 22,765 | (443) |
| Add: Share-based compensation | 1,493 | 1,493 | --- |
| Operating income excluding share-based compensation | 23,815 | 24,258 | (443) |
| Operating margin excluding share-based compensation | 10.8% | 11.0% | (0.2%) |

*Gross margin excluding share-based compensation equals gross profit excluding share-based compensation divided by revenues

*Operating margin excluding share-based compensation equals operating income excluding share-based compensation divided by revenues

Diluted Earnings Per Share Excluding Share-Based Compensation and Acquisition Related Cost:

| | Three Months Ended December 31, 2006 | | Changes to the Originally Presented |
|---|---|------------------------------------|--|
| | As Corrected | As Originally Presented | |
| Diluted GAAP EPS | \$ 0.16 | \$ 0.15 | \$ 0.01 |
| Add: Estimated share-based compensation per diluted share | 0.01 | 0.01 | --- |
| Diluted non GAAP EPS excluding share-based compensation | \$ 0.16 | \$ 0.16 | \$ --- |

Numbers do not add up to rounding

