
Nan Ya Plastics
2015 3Q
Operations & Performance

Nov. 2015



Agenda

- **Overview**
- **Financial Highlights**
- **Capacity Expansion Plan**
- **Q & A**



Overview

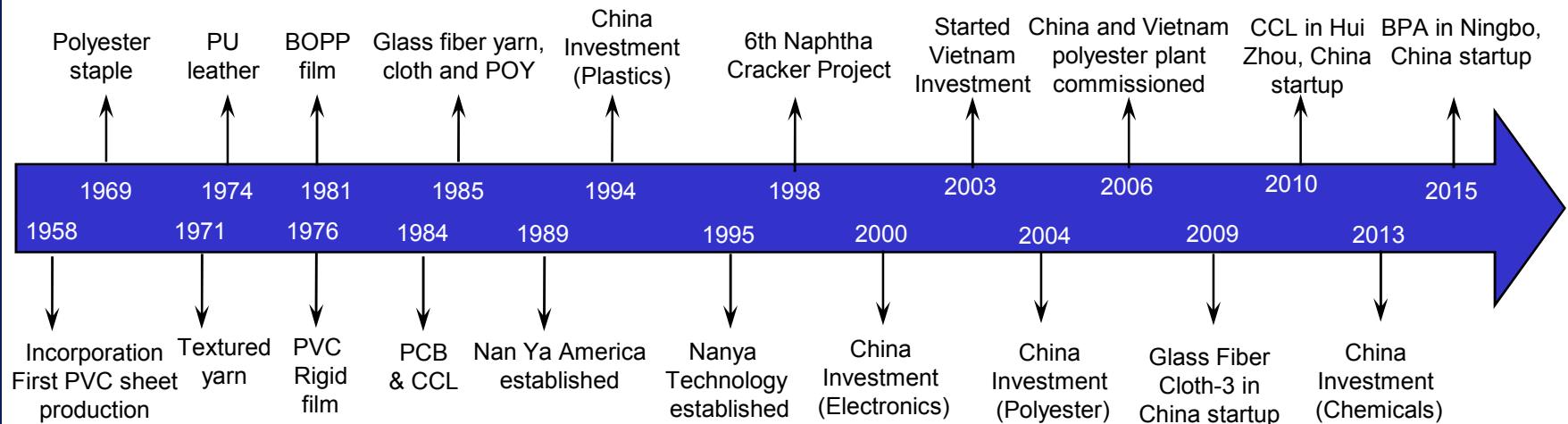
Highlights

- **Member of the Formosa Plastics Group (FPG)**
- **The 7th largest private company in Taiwan in terms of market capitalization**
- **2014 consolidated annual revenue of NT\$ 325.5 billion with 4 major businesses: sales breakdown - 15% in plastics, 28% in chemicals, 31% in electronic materials, and 21% in fibers**
- **Market capitalization of NT\$ 484.5 billion (Nov. 2015)**
- **Manufacturing plant numbers: 49 in Taiwan, 41 in China, and 5 in the USA.**
- **Leading market positions**
 - ❖ **World's #1 manufacturer of secondary plastics**
 - ❖ **World's #1 manufacturer of copper clad laminates**
 - ❖ **World's #6 manufacturer of polyester fibers**
 - ❖ **World's #4 manufacturer of Mono Ethylene Glycol**



Overview

History

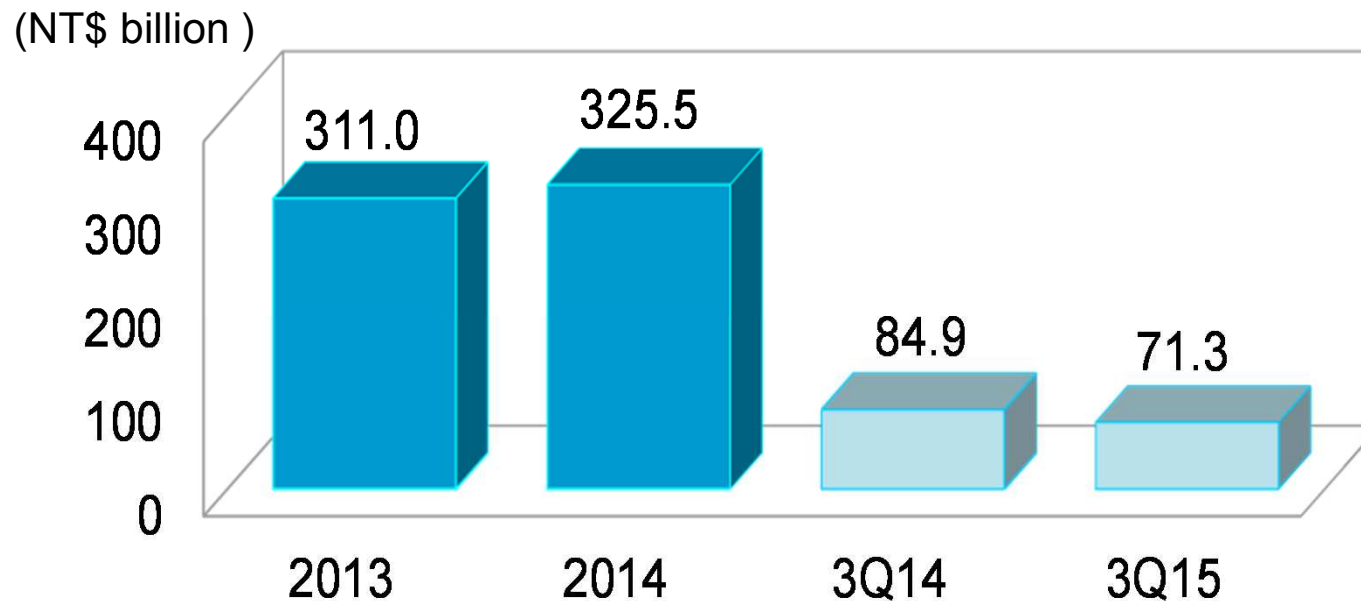


- **1950's - 1960's : Production of PVC secondary plastics in Taiwan**
- **1970's : Began manufacturing polyester fiber, expanding scale and varieties of plastics processing products**
- **1980's : Entered electronics business, growth in polyester and plastics**
- **1990's : Plastics and polyester facilities in the US commissioned, manufacturing of plastics initiated in China, construction of specialty chemicals in No. 6 Naphtha Cracker Project completed, and subsidiary for DRAM manufacturing started production**
- **2000's : Production facilities for electronic materials in China commissioned, and started mass production of polyester in China and Vietnam**
- **2013's : Chemicals facility in China commissioned, and started mass production of plasticizer**
- **2015's : Started mass production of BPA in China**



Financial Highlights

Consolidated Revenue (IFRS)



- **Revenue in 2014 increased 4.7% YoY due to:**

- Sales increased largely from electronic materials

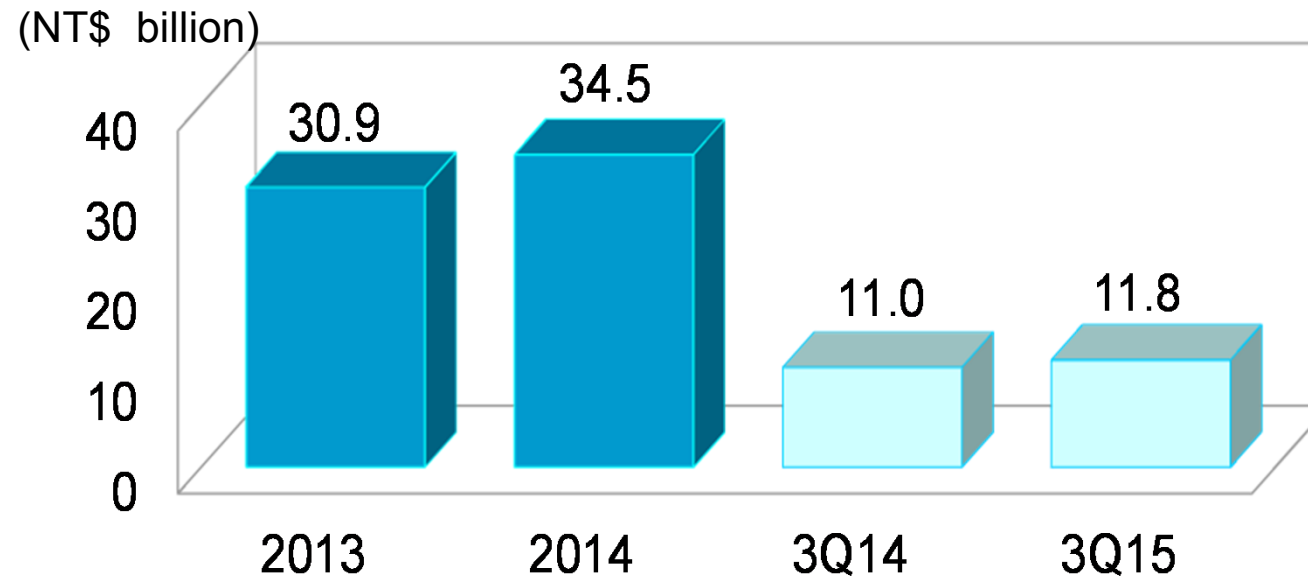
- **Revenue in 2015 3Q decreased 16.0% YoY due to :**

- Prices of products generally went down but sales volumes were increased



Financial Highlights

Pre-tax Income



■ **11.5% YoY increase in 2014 pre-tax income due to:**

1. Sales volume increase of electronic materials from higher capacity utilization and developing value-added products
2. Equity income increased by NT\$3.8bn YoY : (1) Nanya Tech +NT\$7.6bn
(2) FPCC -NT\$4.3bn

■ **2015 3Q pre-tax income increased by 8.0% YoY due to :**

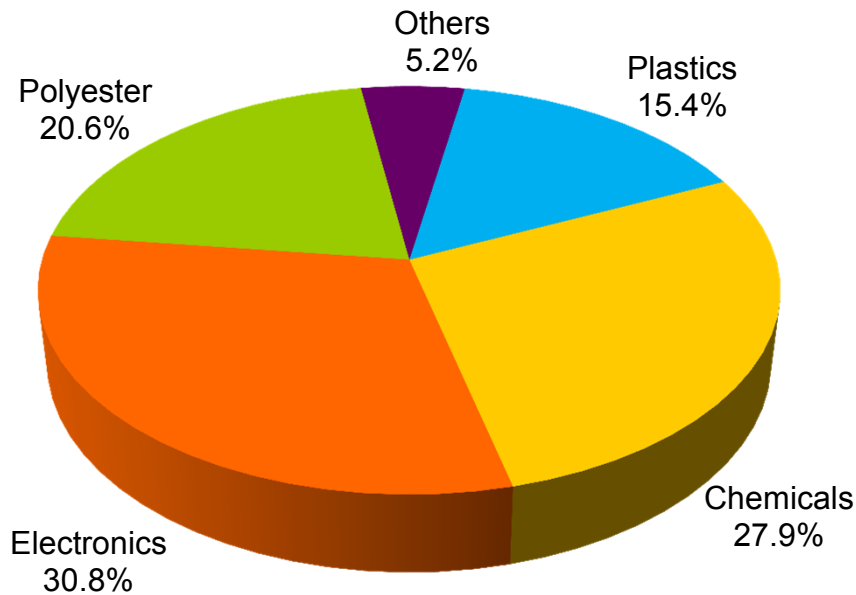
1. Exchange gains +NT1.7bn
2. Equity income decreased by NT\$0.7bn YoY : (1) Nanya Tech -NT\$1.1bn
(2) FPCC +NT\$0.5bn



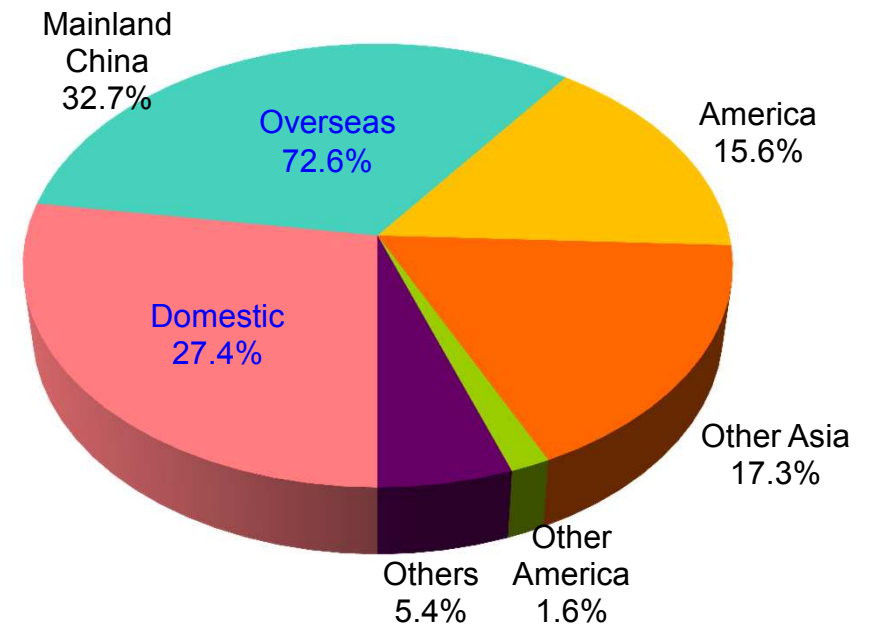
Financial Highlights

Revenue Breakdown

**2014 Net Sales
NT\$ 325.5 billion**



**2014 Sales Breakdown
by Geography**



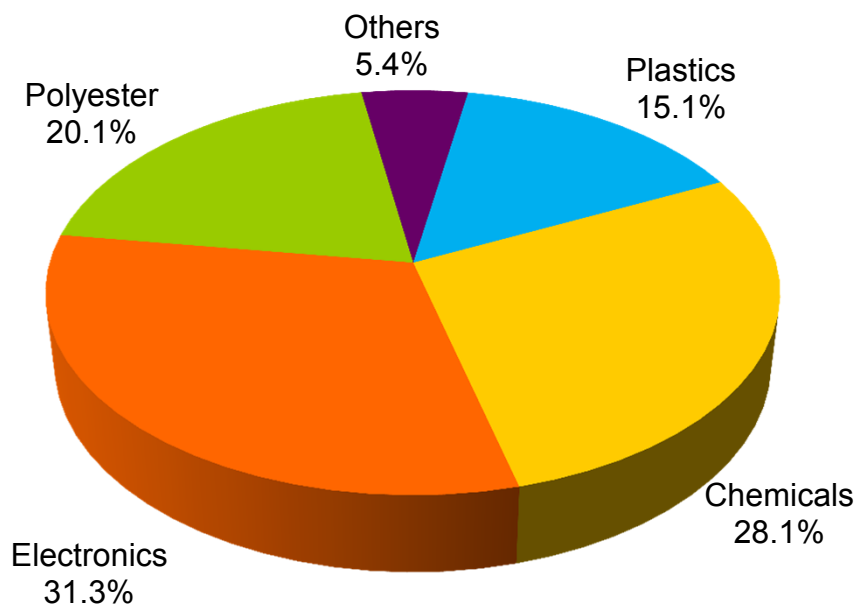
- Revenue of electronic materials increased 18% YoY in 2014 mainly from sales volume increase
- Main revenue contribution in the next few years is still driven by chemicals and electronic materials
- Mainland China remains the most important market, accounting for 45% of total overseas in 2014



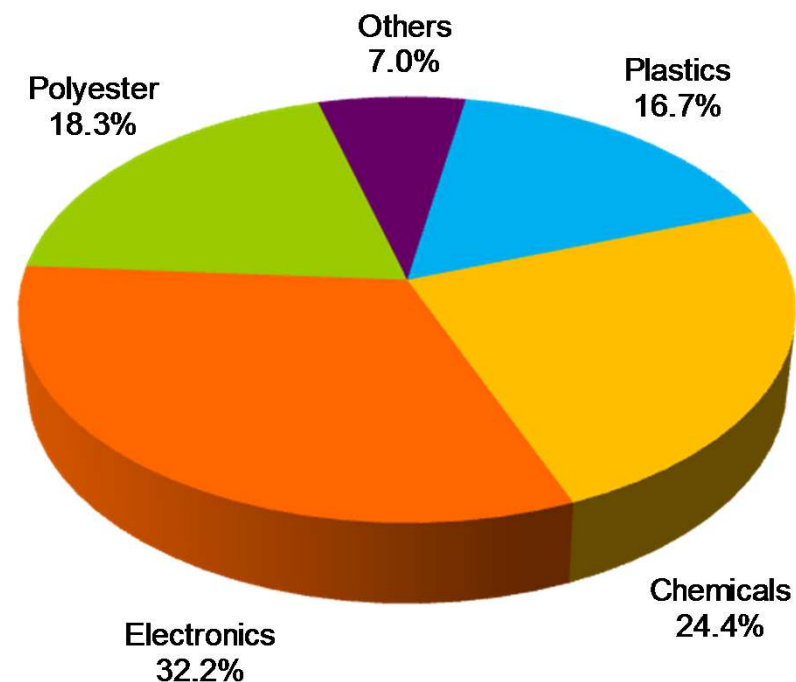
Financial Highlights

Revenue Breakdown by Product Segment

**2014 3Q Net Sales
NT\$ 84.9 billion**



**2015 3Q Net Sales
NT\$ 71.3 billion**



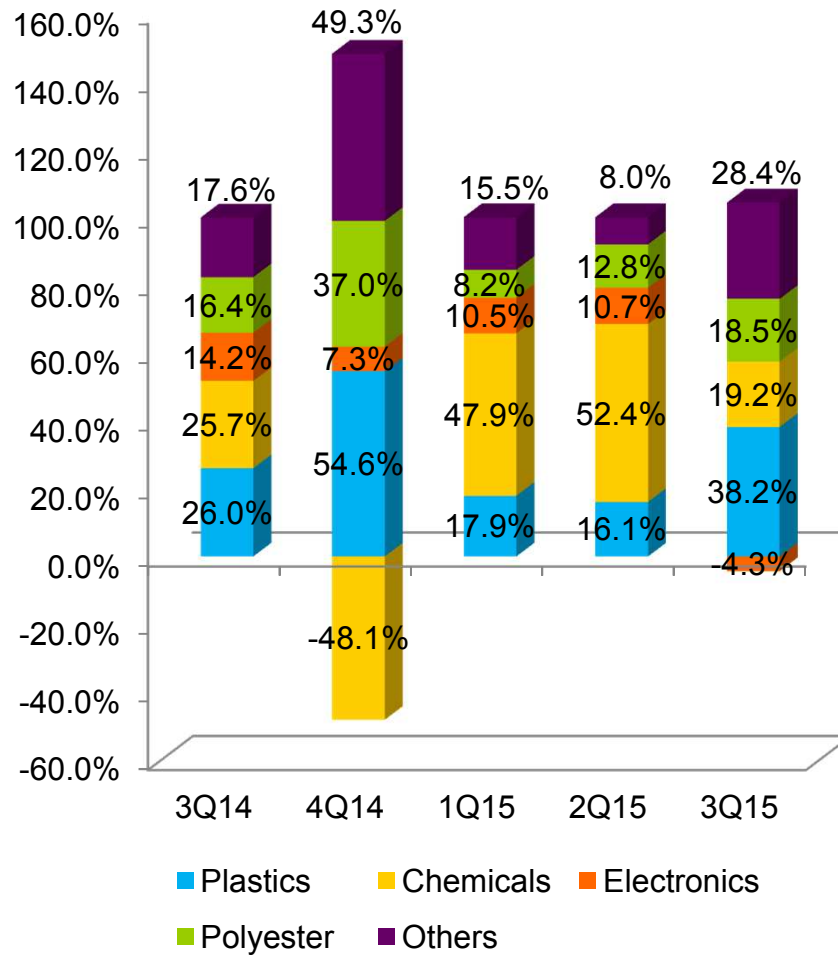
- Revenue in 2015 3Q decreased 16.0% YoY, due to prices of products generally went down
- Revenue proportion from chemicals decreased, mainly due to oil prices fell sharply, causing the prices of chemicals declined at the same time



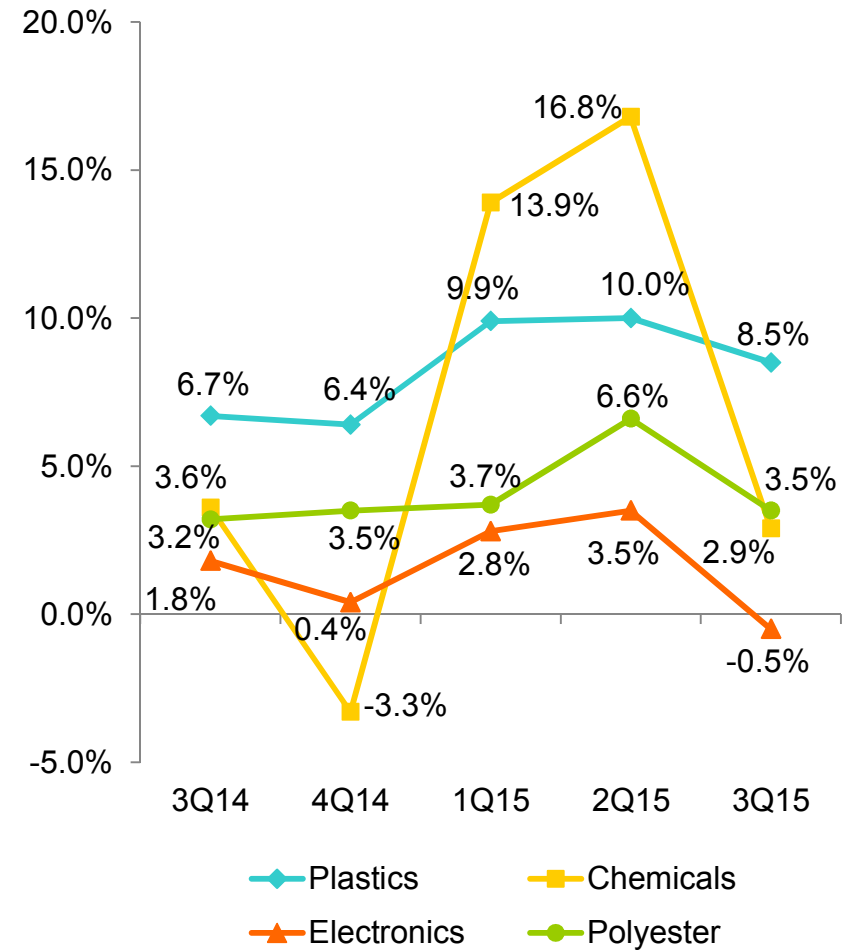
Financial Highlights

Operating Profits Breakdown by Product Segment

Operating Profits



Operating Margins



Business Overview

Capacity Expansion Plan

Main Products	Capacity (p.a.)	Expansion (p.a.)	Completion Date	Capacity Increase (%)
PVC Rigid Pipes				
Xiamen	44,000 MT	4,700 MT	02/2016	11%
PVC Film				
Hui Zhou	-	6,000 MT	01/2016	-
PCB				
Kun Shan	19,620,000 SQFT	4,200,000 SQFT	03/2016	21%
Copper Foil				
Kun Shan	45,600 MT	9,600 MT	01/2016	21%
Film				
Taiwan	72,600 MT	36,000 MT	02/2016	50%
EG				
USA	360,000 MT	828,000 MT	07/2018	230%
A-PET Sheet				
USA	6,000 MT	6,000 MT	12/2015	100%



THE END

