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**Nan Ya Plastics**  
**2015 1H**  
**Operations & Performance**

**Sept. 2015**



# Agenda

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



# Overview

## Highlights

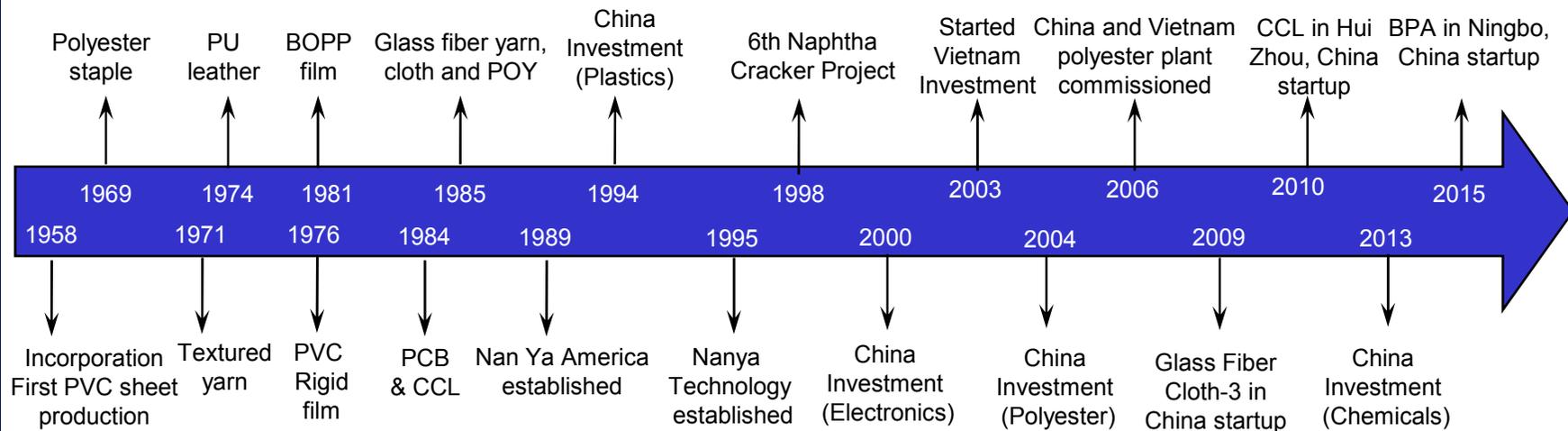
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- **Member of the Formosa Plastics Group (FPG)**
- **The 7th largest private company in Taiwan in terms of market capitalization**
- **2014 consolidated annual revenue of NT\$ 325.5 billion with 4 major businesses: sales breakdown - 15% in plastics, 28% in chemicals, 31% in electronic materials, and 21% in fibers**
- **Market capitalization of NT\$ 452 billion(Sept. 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

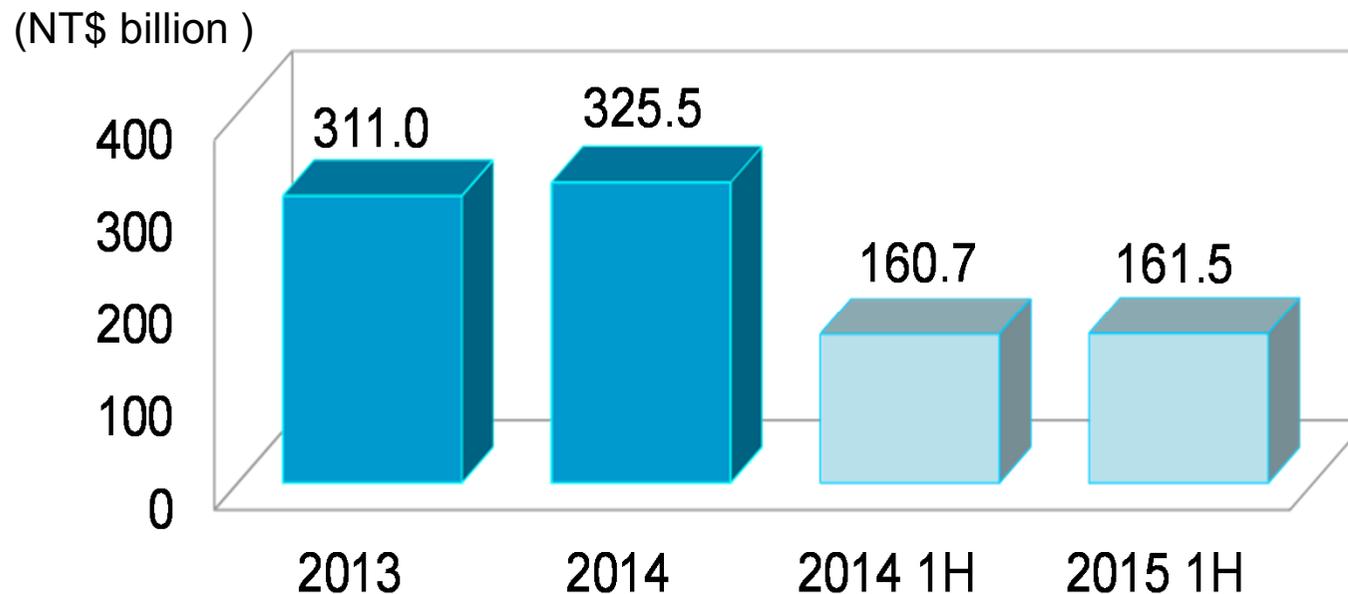


- **1950's - 1960's : Production of PVC secondary plastics in Taiwan**
- **1970's : Began manufacturing polyester fiber, expanding scale and varieties of plastics processing products**
- **1980's : Entered electronics business, growth in polyester and plastics**
- **1990's : Plastics and polyester facilities 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

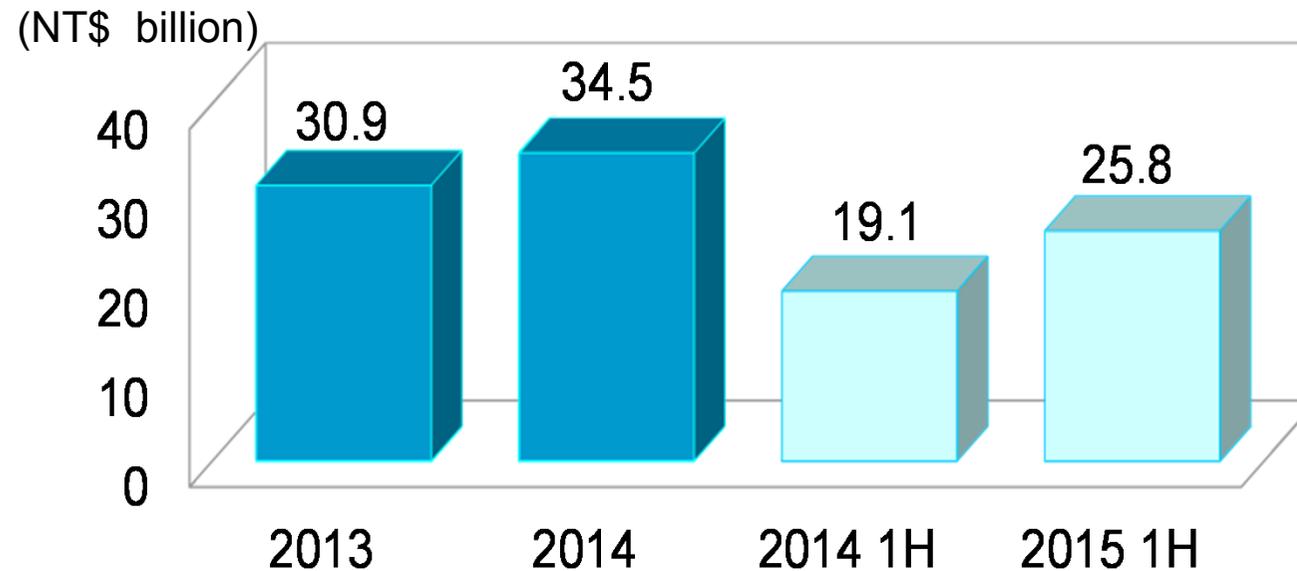
- **Revenue in 2015 1H increased 0.5% YoY due to :**

- Prices of products generally went down but sales volumes were all 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 1H pre-tax income increased by 34.8% YoY due to :**

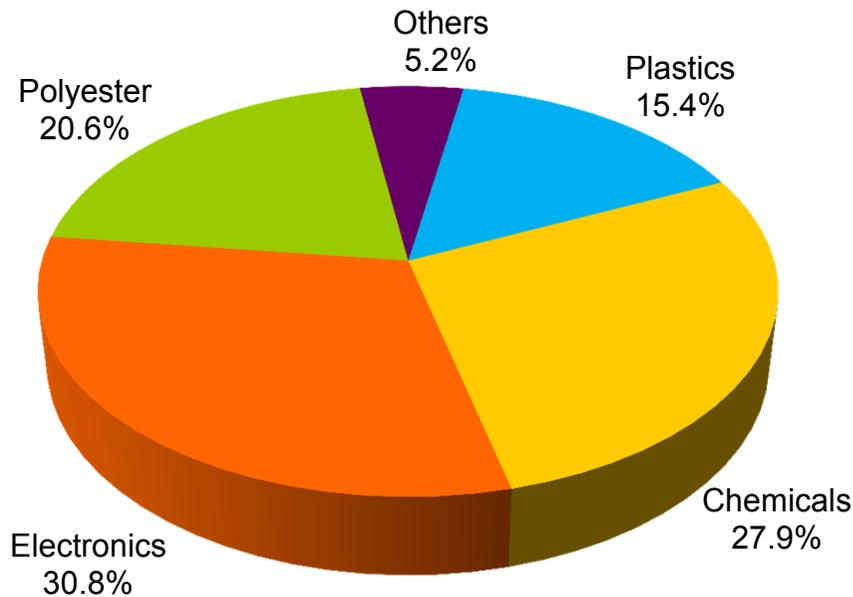
1. Core business profit increased by 131.5% YoY mainly from chemicals sales volume raised up
2. Equity income increased by NT\$2bn YoY : (1) Nanya Tech -NT\$0.7bn  
(2) FPCC +NT\$2.5bn



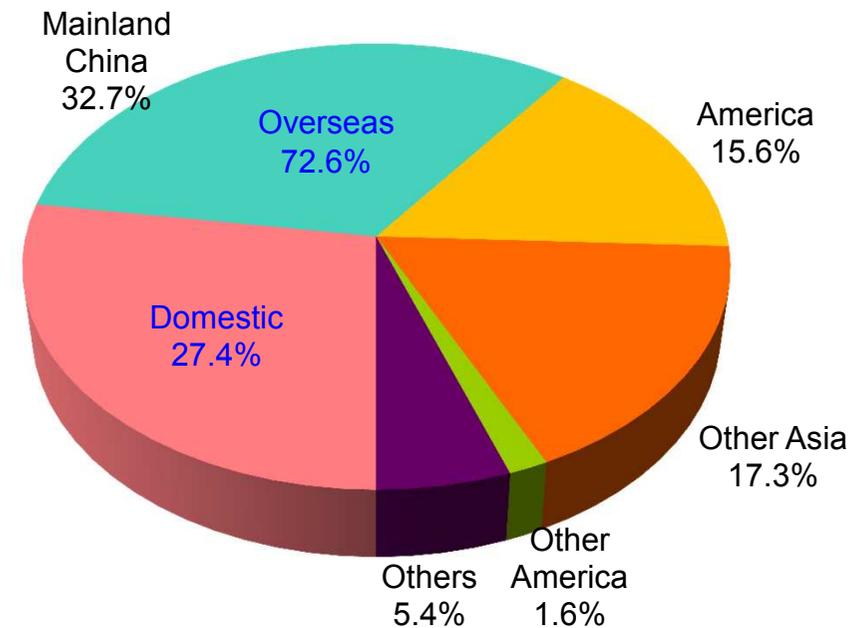
# Financial Highlights

## Revenue Breakdown

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



**2014 Sales Breakdown  
by Geography**



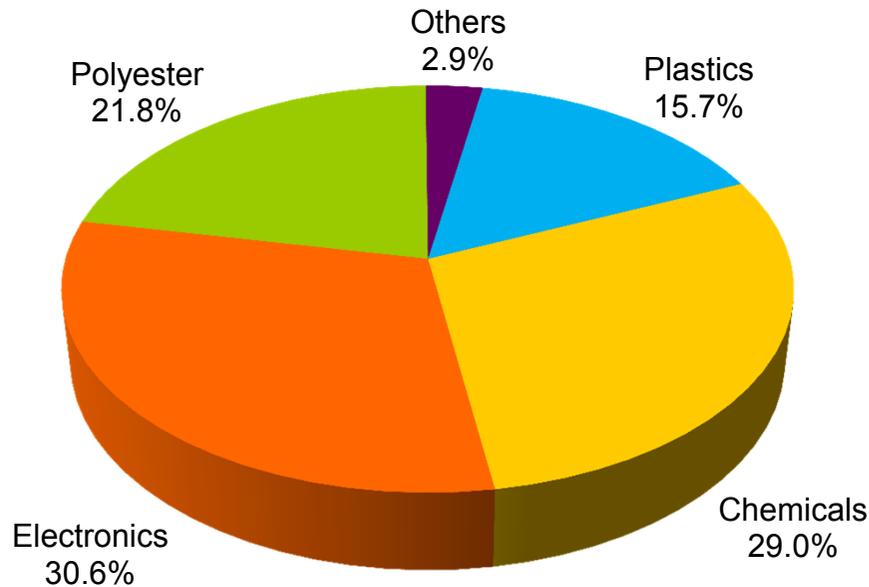
- Revenue of electronic materials increased 18% YoY in 2014 mainly from sales volume increase
- Main revenue contribution in the next few years is still driven by chemicals and electronic materials
- Mainland China remains the most important market, accounting for 45% of total overseas in 2014



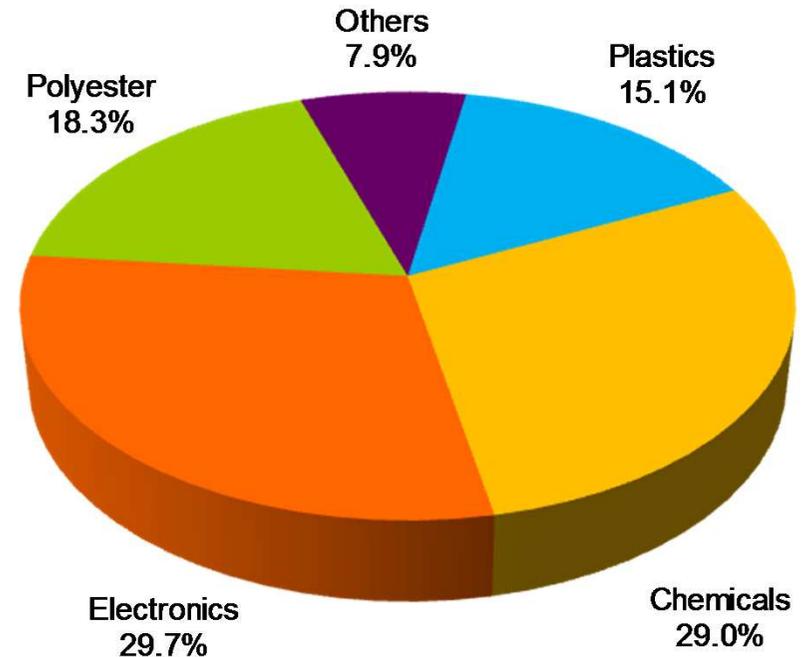
# Financial Highlights

## Revenue Breakdown by Product Segment

**2014 1H Net Sales  
NT\$ 160.7 billion**



**2015 1H Net Sales  
NT\$ 161.5 billion**



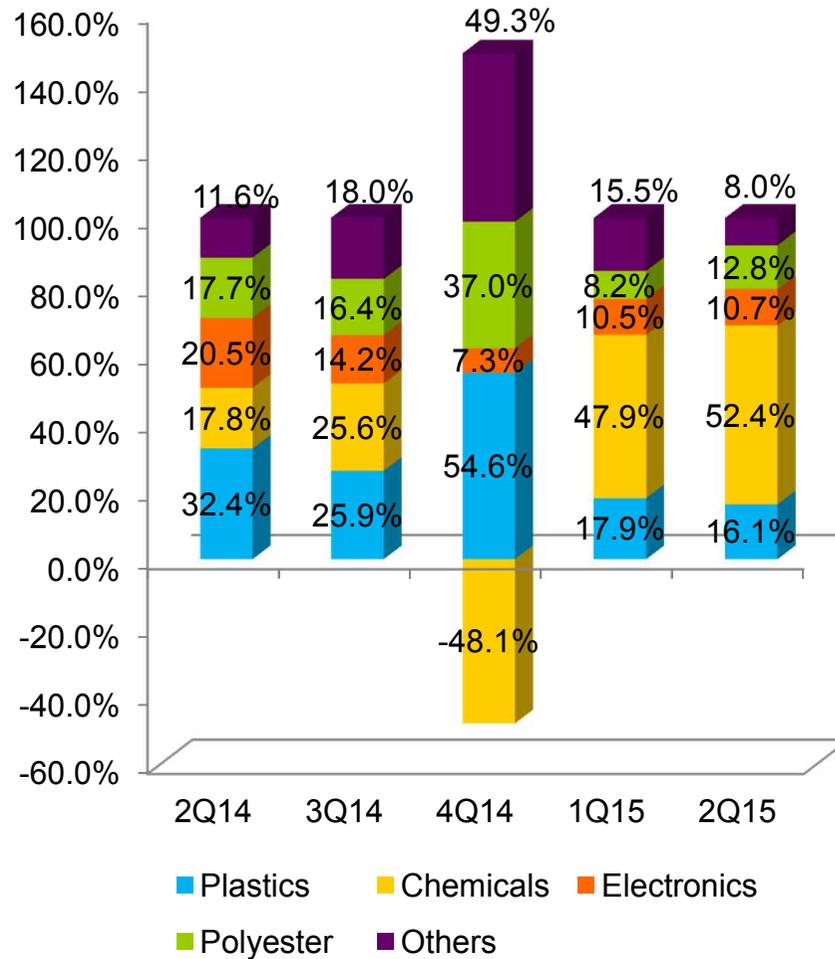
- Revenue in 2015 1H increased 0.5% YoY
- Prices of products generally went down but sales volumes were all increased



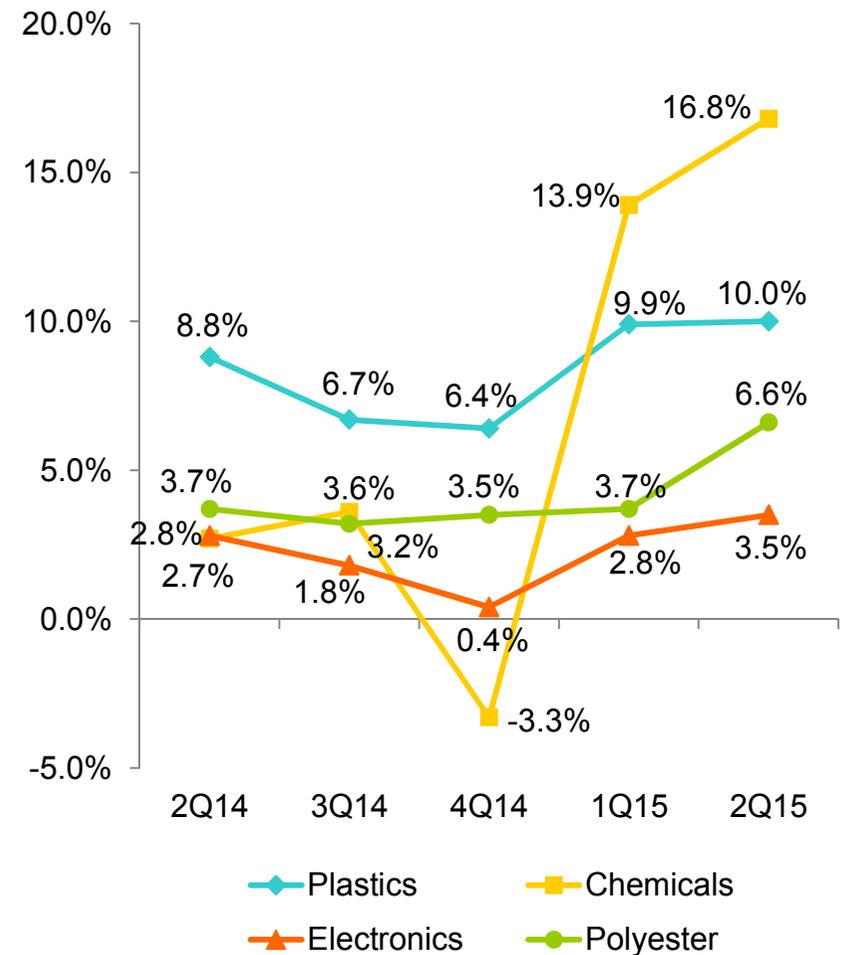
# Financial Highlights

## 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 (%)
<b>PVC Rigid Pipes</b>				
Xiamen	44,000 MT	4,700 MT	12/2015	11%
<b>PVC Film</b>				
Hui Zhou	-	6,000 MT	10/2015	-
<b>PCB</b>				
Kun Shan	19,620,000 SQFT	4,200,000 SQFT	12/2015	21%
<b>Copper Foil</b>				
Kun Shan	45,600 MT	9,600 MT	01/2016	21%
<b>Film</b>				
Taiwan	72,600 MT	36,000 MT	12/2015	50%
<b>EG</b>				
USA	360,000 MT	828,000 MT	07/2018	230%
<b>A-PET Sheet</b>				
USA	6,000 MT	6,000 MT	11/2015	100%



THE END

