
Nan Ya Plastics
Year 2017
Operations & Performance

Mar. 2018



Agenda

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



Overview

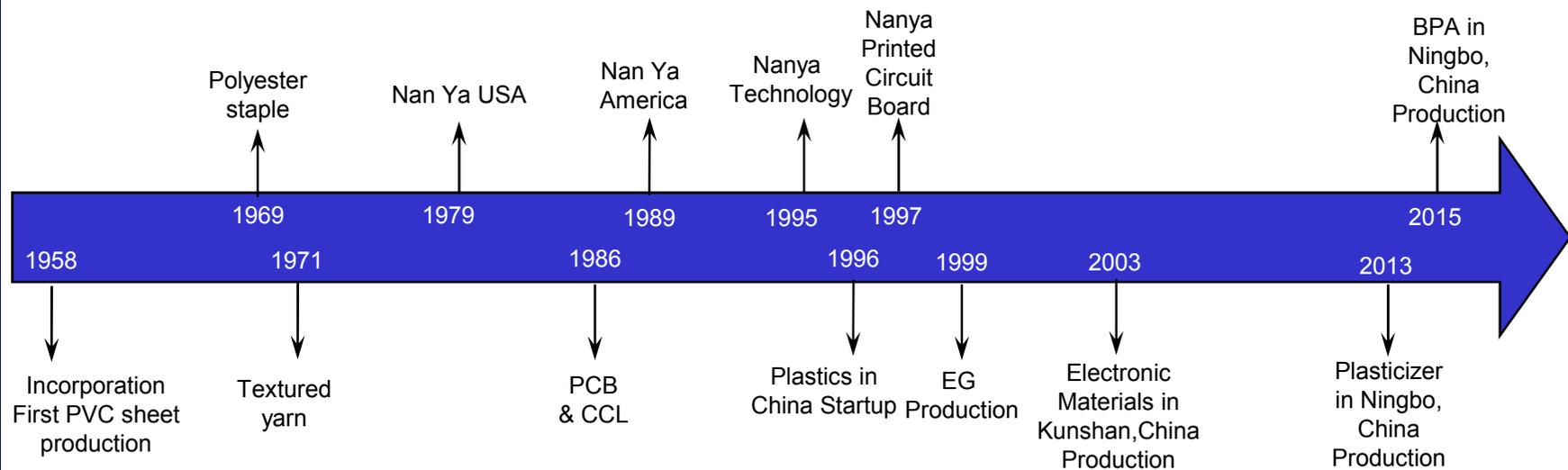
Highlights

- **Member of the Formosa Plastics Group (FPG)**
- **The 7th largest private company in Taiwan in terms of market capitalization**
- **2017 consolidated annual revenue of NT\$ 306.1 billion with 4 major businesses: sales breakdown - 15% in plastics, 29% in chemicals, 36% in electronic materials, and 19% in fibers**
- **Market capitalization of NT\$ 627 billion(Mar. 2018)**
- **Manufacturing plant numbers: 53 in Taiwan, 41 in China, and 5 in the USA.**
- **Leading market positions**
 - ❖ **World's #1 manufacturer of secondary plastics**
 - ❖ **World's #2 manufacturer of copper clad laminates**
 - ❖ **World's #4 manufacturer of Mono ethylene glycol**
 - ❖ **World's #7 manufacturer of polyester**



Overview

History

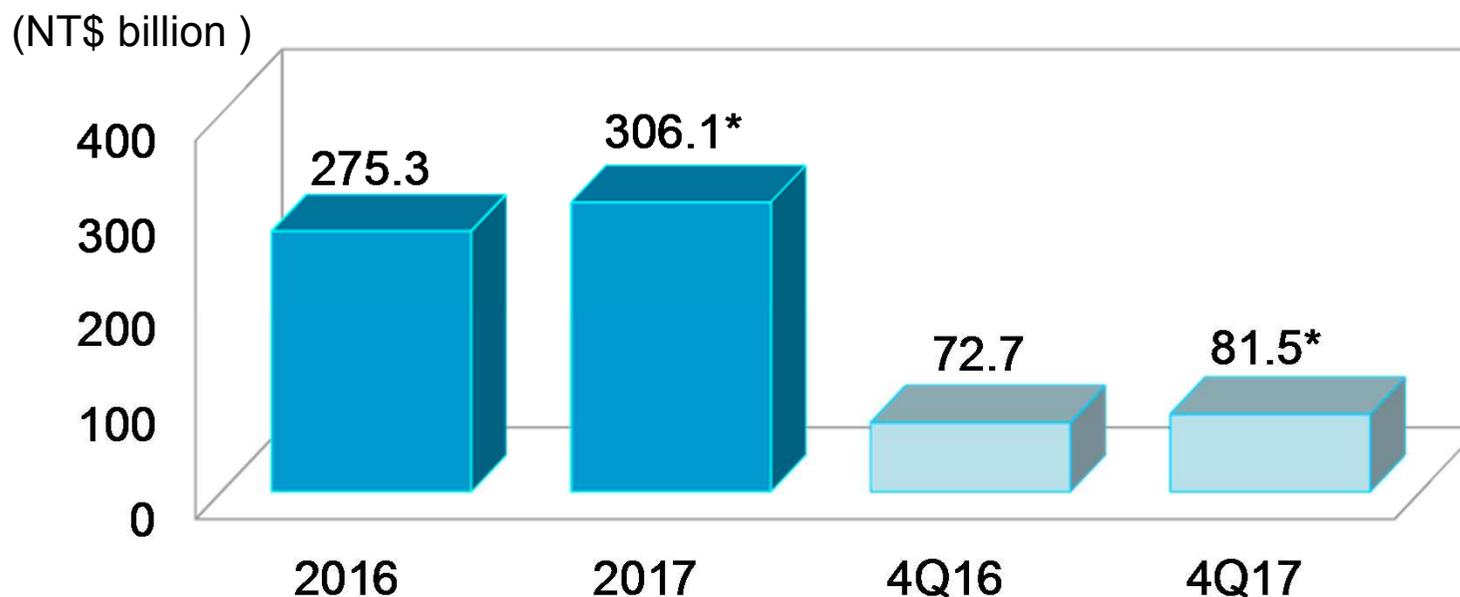


- 1958 : Company was founded, Starting production of PVC secondary plastics in Taiwan
- 1969 : Began manufacturing polyester fiber
- 1979 : Nan Ya Plastics Corp., USA established in U.S.A., starting production of plastic products
- 1986 : Entered electronics business, production of PCB & CCL
- 1989 : Nan Ya Plastics Corp., America established in U.S.A, production of polyester products
- 1995 : Invested Nanya Technology Corp. starting production of DRAM
- 1996 - 1998 : Starting production of plastics Products in Xiamen, Guangzhou, Nantong, China
- 1997 : Subsidiary Nanya Printed Circuit Board Corp. established
- 1999 : Starting production of EG
- 2003 : Starting production of Electronic Materials in Kunshan, China
- 2013 - 2015 : Starting production of Plasticizer & BPA in Ningbo, China



Financial Highlights

Consolidated Revenue (IFRS)



■ **Revenue in 2017 increased 11.2% YoY due to:**

Demand for chemicals and electronic materials increased, the sales volume and price raised up

■ **Revenue in 2017 4Q increased 12.1% YoY due to :**

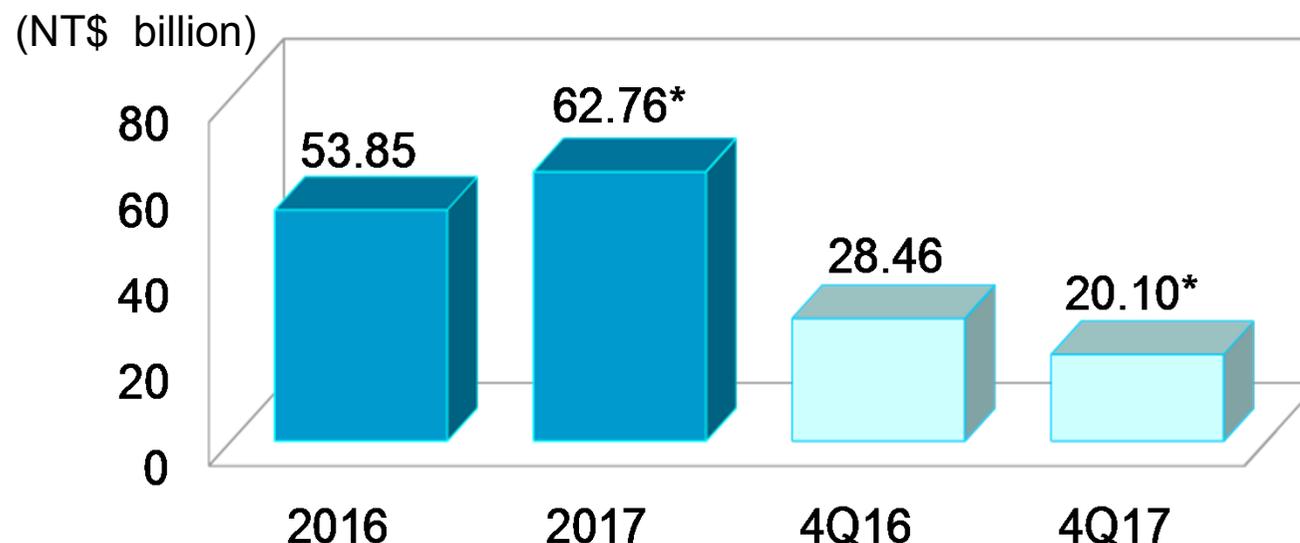
Chemicals prices improved driven by the rising of oil price, electronic materials prices remain high

*Unaudited number



Financial Highlights

Pre-tax Income



- **16.5% YoY increase in 2017 pre-tax income due to:**

1. Profit from chemicals and electronic materials increased significantly
2. Equity income increased by NT\$3.9bn YoY :
(1) Nanya Tech +NT\$5.0bn (2) MLP -NT\$0.9bn

- **2017 Q4 pre-tax income decreased by 29.4% YoY due to :**

1. Core business income increased by 105.4% YoY, no disposal of shares in 2017
2. Equity income decreased by NT\$0.2bn YoY :
(1) MLP -NT\$0.2bn

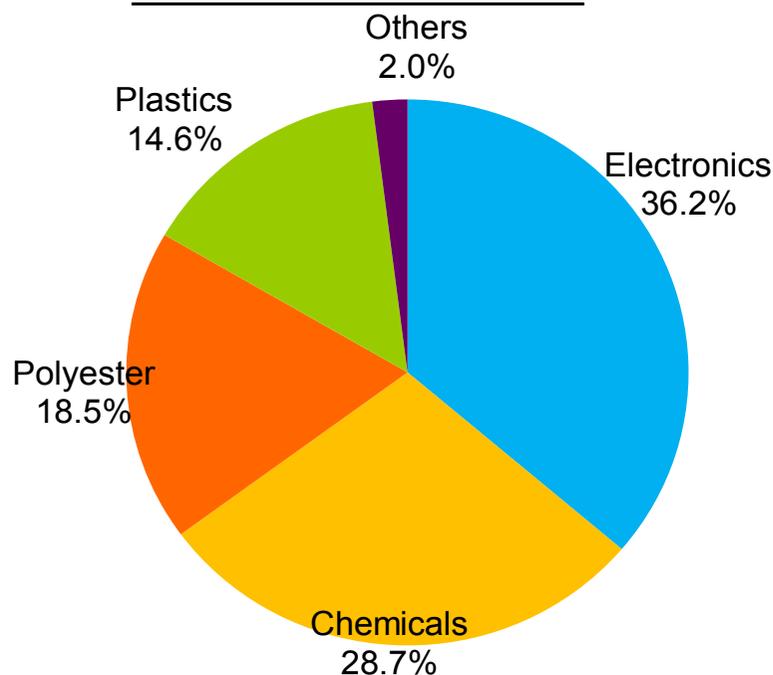
*Unaudited number



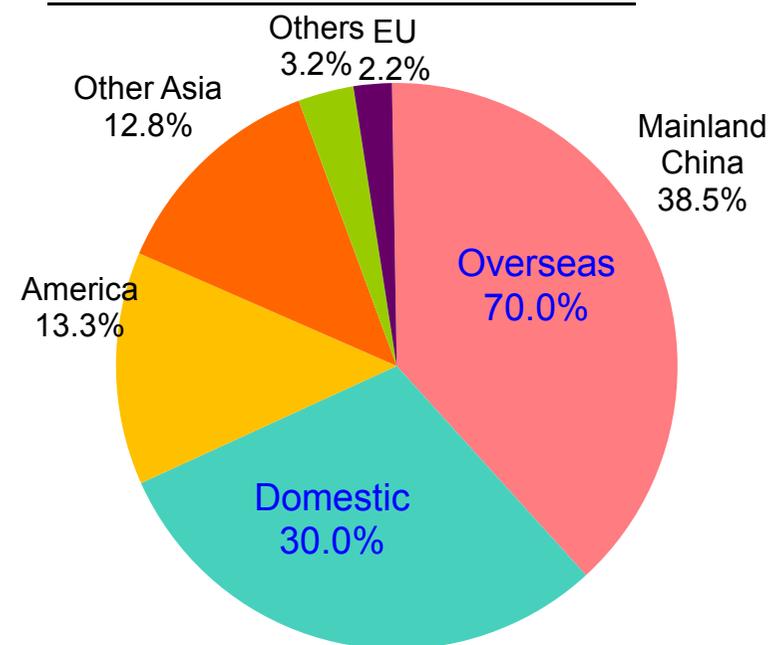
Financial Highlights

Revenue Breakdown

**2017 Net Sales
NT\$ 306.1 billion***



**2017 Sales Breakdown*
by Geography**



- Revenue of chemicals and electronic materials increased due to the strong demand, the sales volume and price raised up
- 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 55% of total overseas in 2017

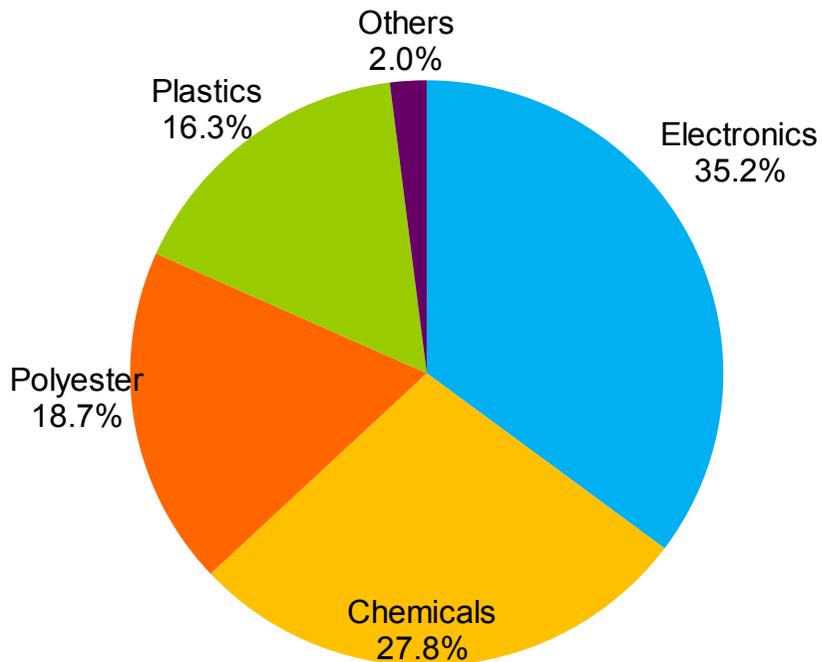
*Unaudited number



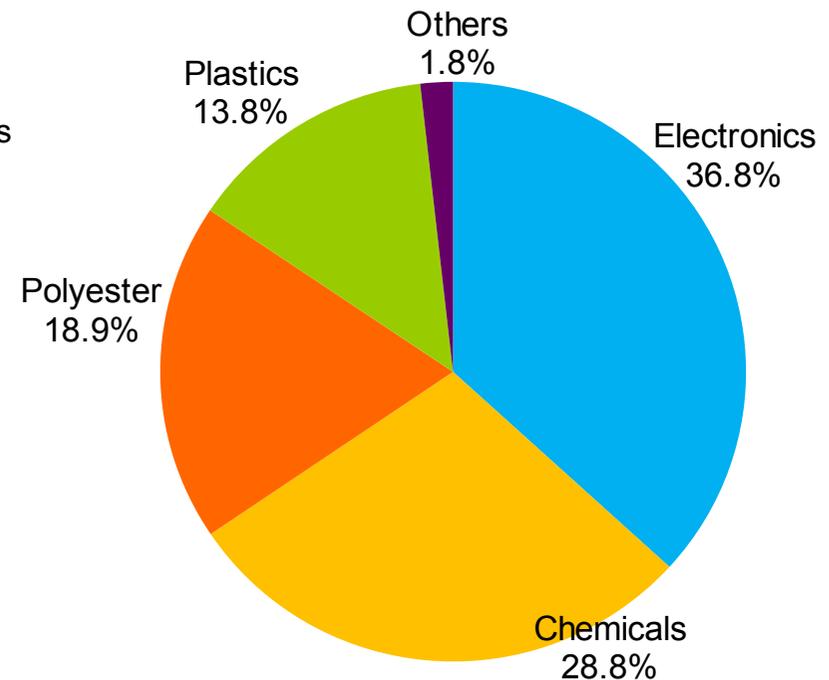
Financial Highlights

Revenue Breakdown by Product Segment

**2016 4Q Net Sales
NT\$ 72.7 billion**



**2017 4Q Net Sales
NT\$ 81.5 billion***



- Revenue in 2017 4Q increased 12.1% YoY
- Prices of chemicals and electronics materials increased mainly from oil price and feedstock of electronic materials price raised up

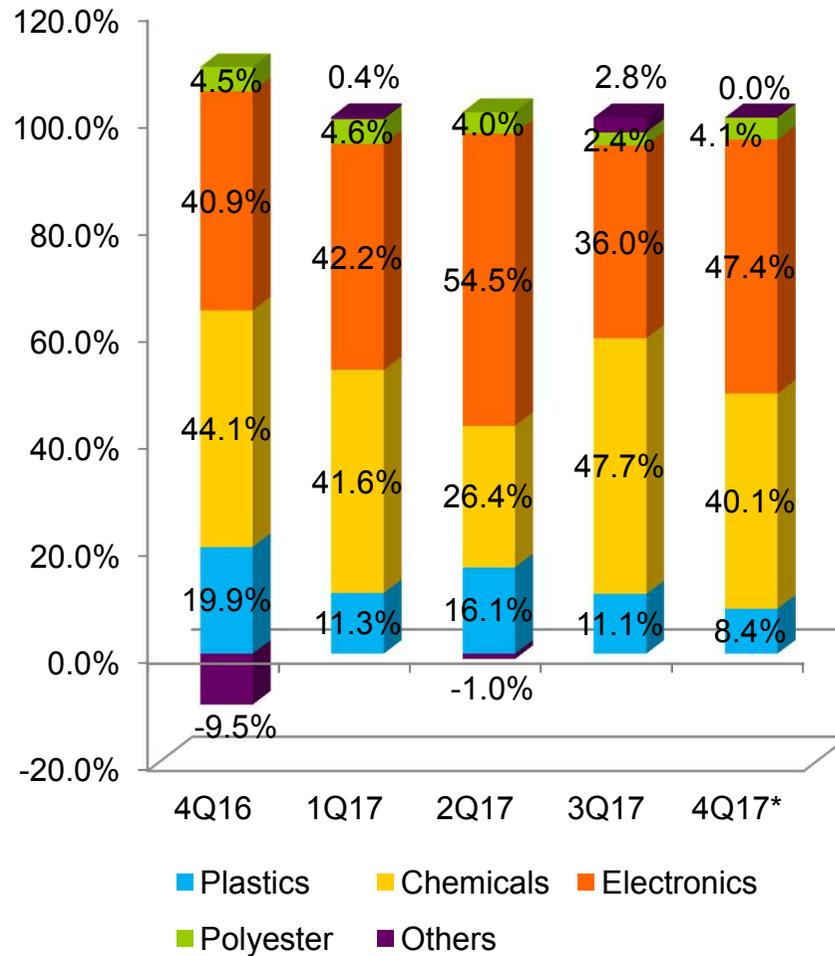
*Unaudited number



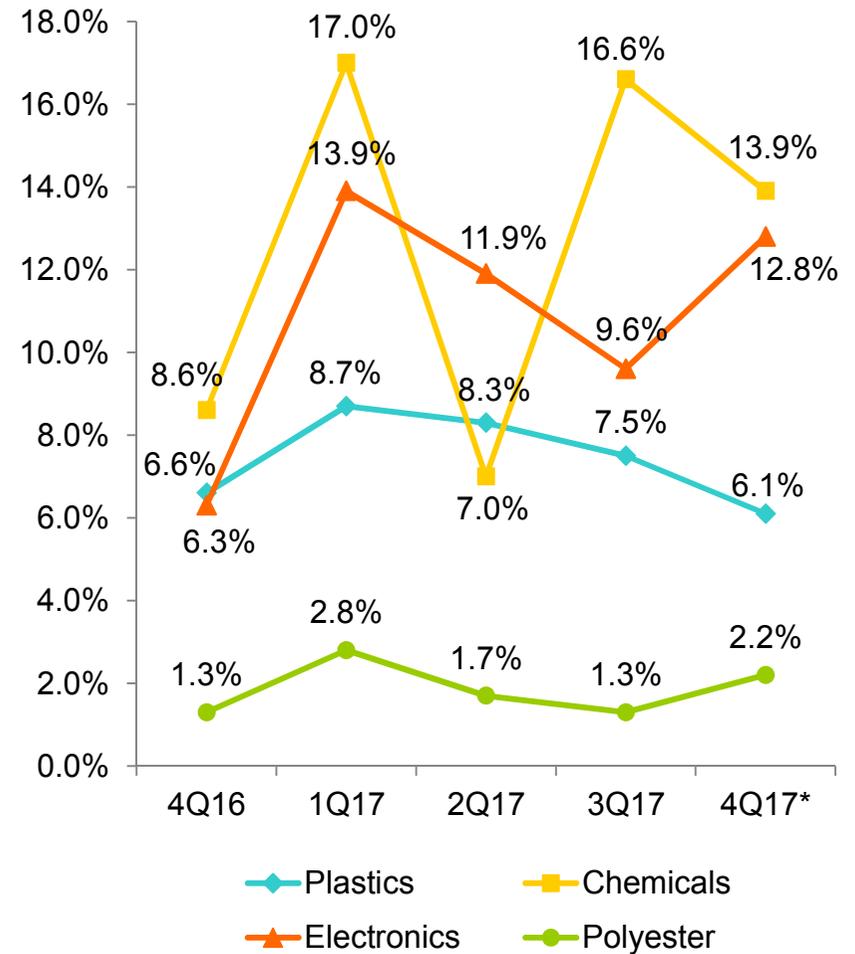
Financial Highlights

Operating Profits Breakdown by Product Segment

Operating Profits



Operating Margins



*Unaudited



Business Overview

Capacity Expansion Plan

Main Products	Capacity (p.a.)	Expansion (p.a.)	Completion Date	Capacity Increase (%)
PVC Leather				
Nantong	32,400 KYD	7,200 KYD	08/2018	22%
Aluminium Laminated Foil				
Nantong	—	12,456 KM ²	03/2019	100%
EG				
USA	360,000 MT	828,000 MT	12/2019	230%
Composite PVC Door Frame				
USA	—	8,600 MT	12/2018	100%
Pepa Synthetic Paper				
Taiwan	65,000 MT	22,000 MT	10/2018	34%
Copper Foil				
Taiwan	33,600 MT	18,000 MT	07/2019	54%
Polyester Release Film				
Taiwan	144,000 KM ²	156,000 KM ²	05/2019	108%



THE END

