
Nan Ya Plastics
2018 1Q
Operations & Performance

June 2018



Agenda

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



Overview

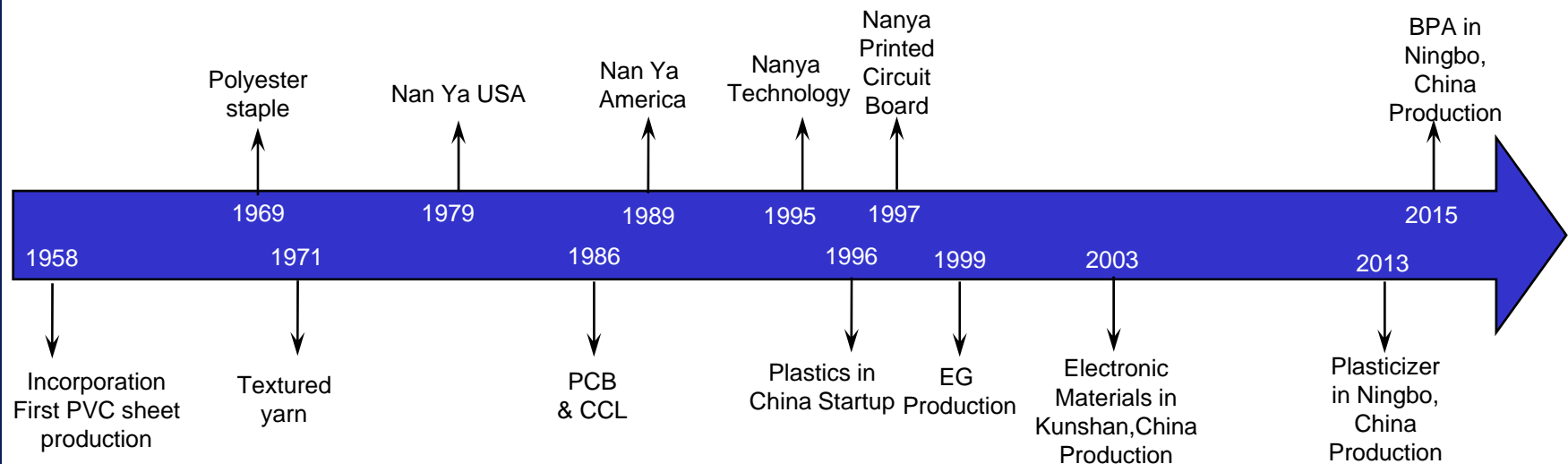
Highlights

- **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\$ 657 billion(June 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

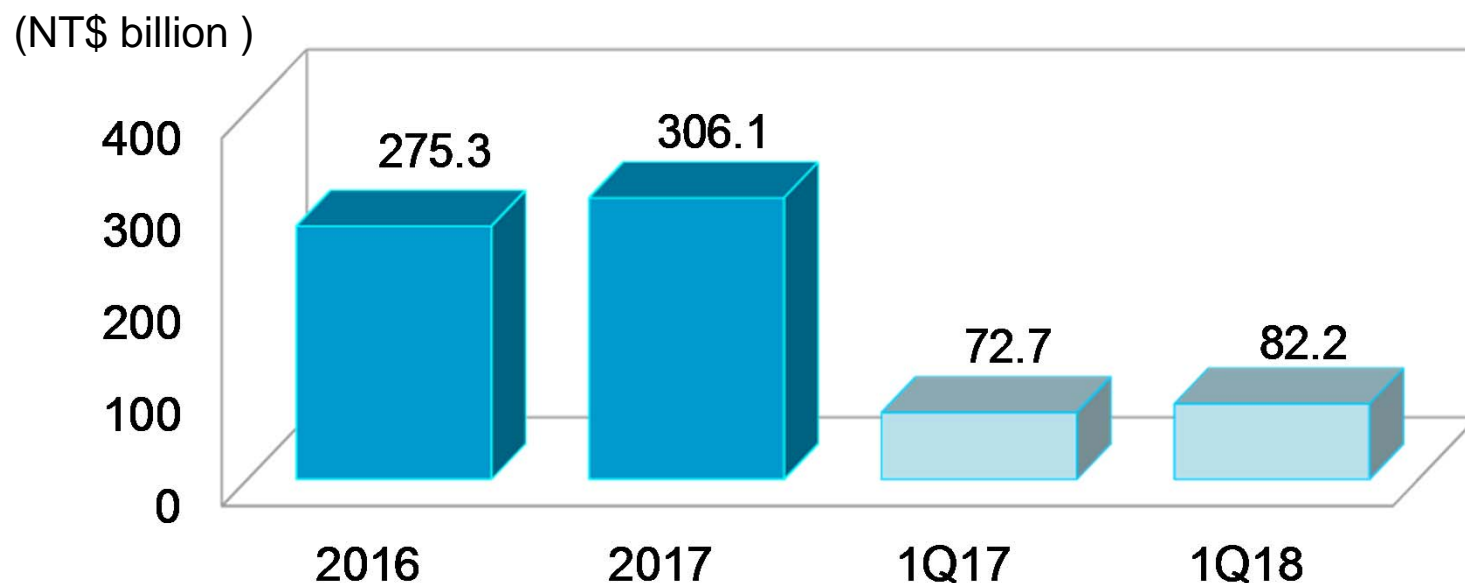


- **1958** : Company was founded, Starting production of PVC secondary plastics in Taiwan
- **1969** : Began manufacturing polyester fiber
- **1979** : Nan Ya Plastics Corp., USA established in U.S.A., starting production of plastic products
- **1986** : Entered electronics business, production of PCB & 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)

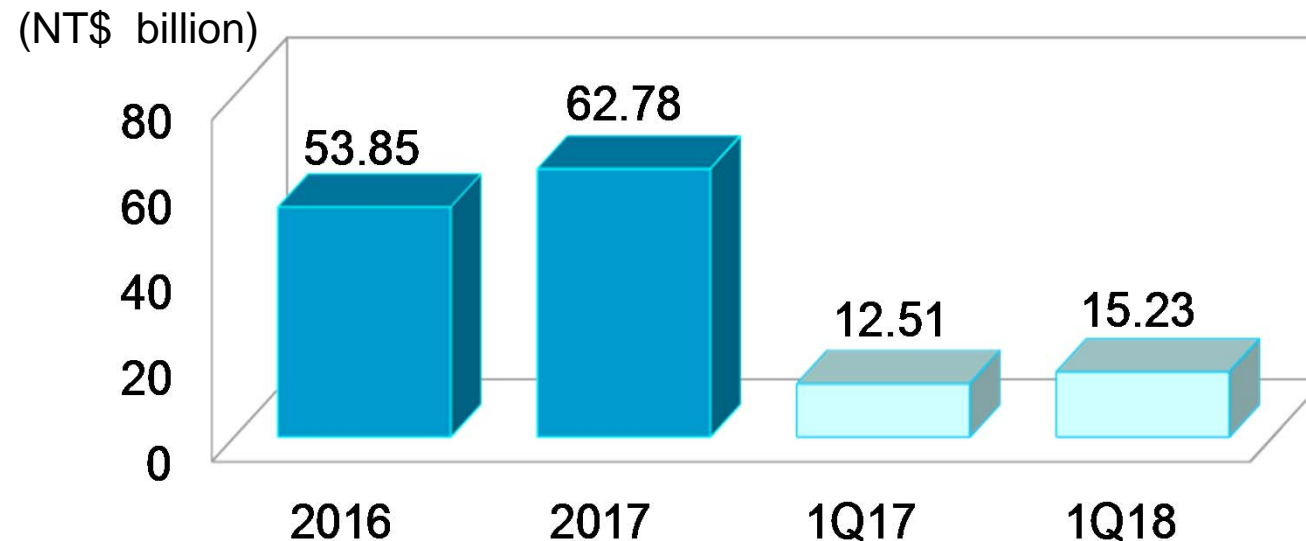


- **Revenue in 2017 increased 11.2% YoY due to:**
Demand for chemicals and electronic materials increased, the sales volume and price raised up
- **Revenue in 2018 1Q increased 13.1% YoY due to :**
Higher demand for chemicals, prices improved driven by the rising of oil price



Financial Highlights

Pre-tax Income



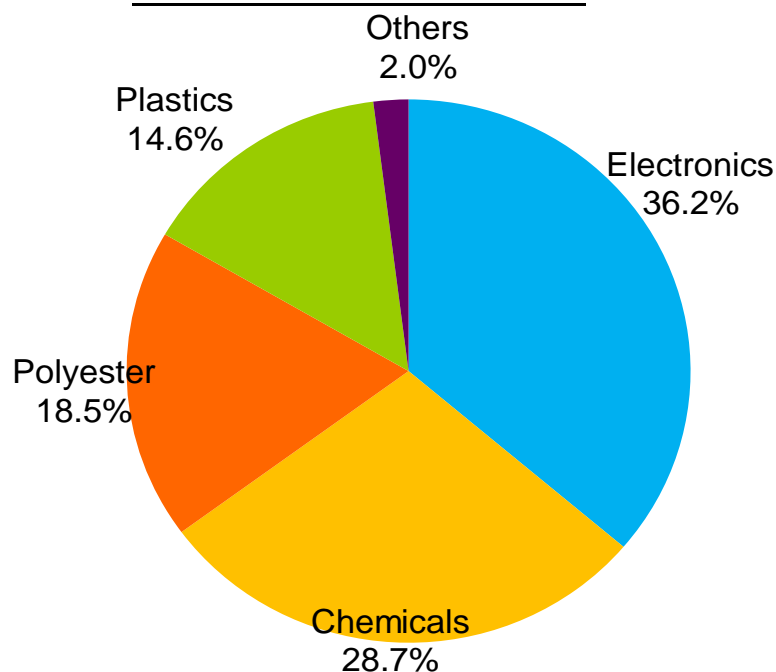
- **16.6% YoY increase in 2017 pre-tax income due to:**
 1. Profit from chemicals and electronic materials increased significantly
 2. Equity income increased by NT\$4.0bn YoY :
 - (1) Nanya Tech +NT\$5.1bn
 - (2) MLP -NT\$0.9bn
- **2018 Q1 pre-tax income increased by 21.8% YoY due to :**
 1. Core business income increased by 46% YoY, mainly due to sales volume and price increased of chemicals
 2. Equity income increased by NT\$0.5bn YoY :
 - (1) Nanya Tech +NT\$1.1bn
 - (2) FPCC -NT\$1.0bn
 - (3) FHC +NT\$0.3bn



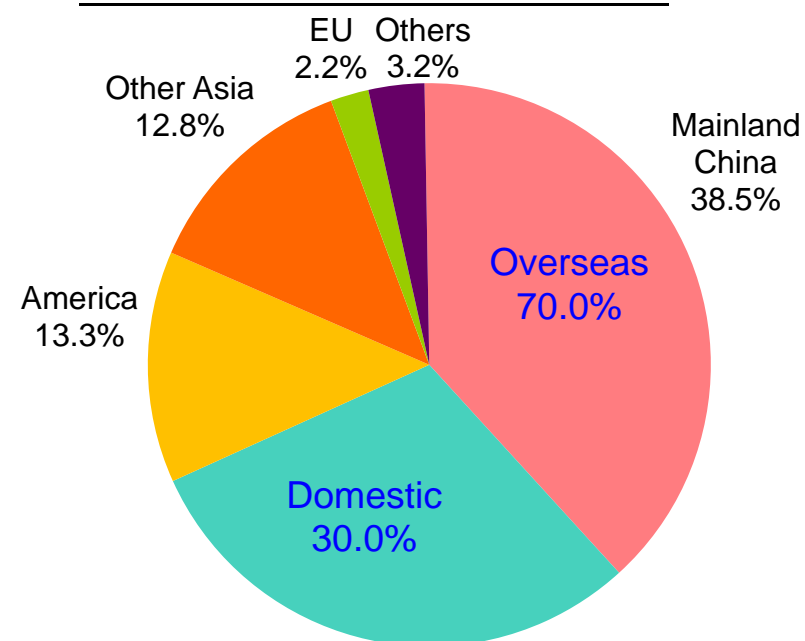
Financial Highlights

Revenue Breakdown

2017 Net Sales
NT\$ 306.1 billion



2017 Sales Breakdown
by Geography



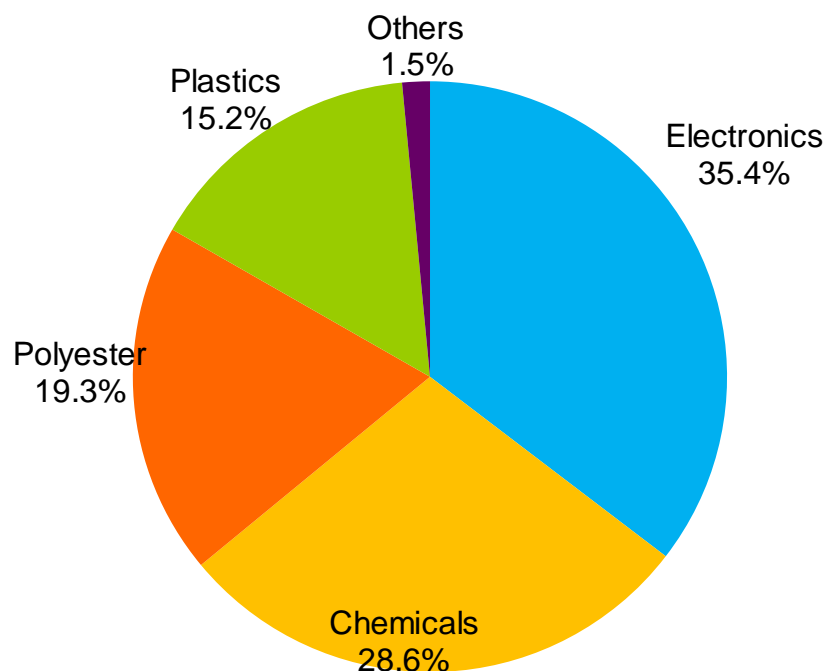
- Revenue of chemicals and electronic materials increased due to the strong demand, the sales volume and price raised up
- Main revenue contribution in the next few years is still driven by chemicals and electronic materials
- Mainland China remains the most important market, accounting for 55% of total overseas in 2017



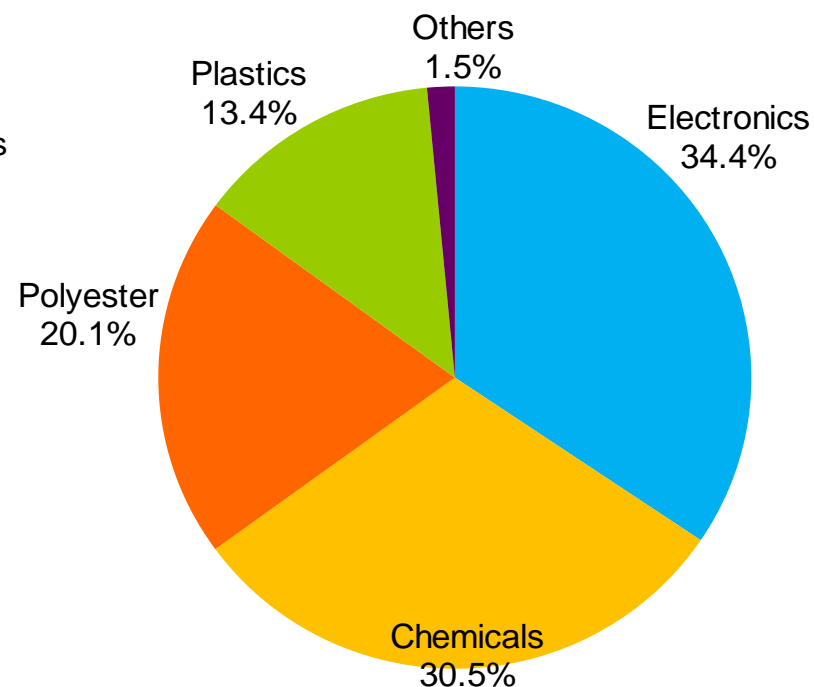
Financial Highlights

Revenue Breakdown by Product Segment

2017 1Q Net Sales
NT\$ 72.7 billion



2018 1Q Net Sales
NT\$ 82.2 billion



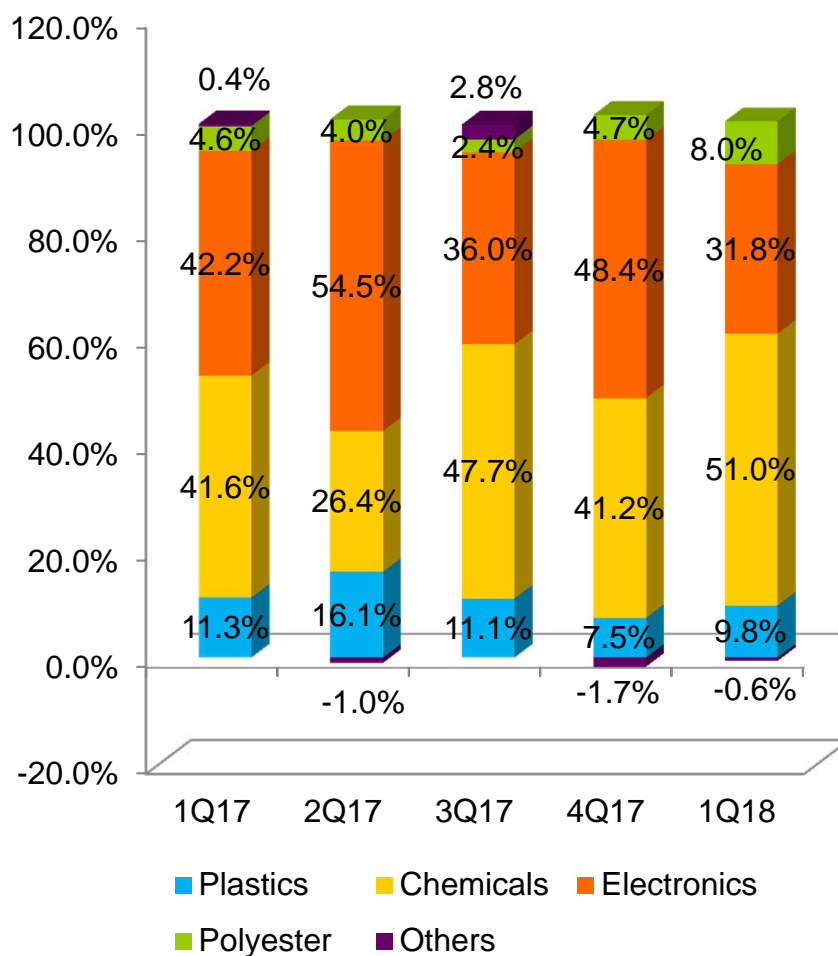
- Revenue in 2018 1Q increased 13.1% YoY
- Prices and sales volume of chemicals rose, mainly due to increased demand and oil price raised up



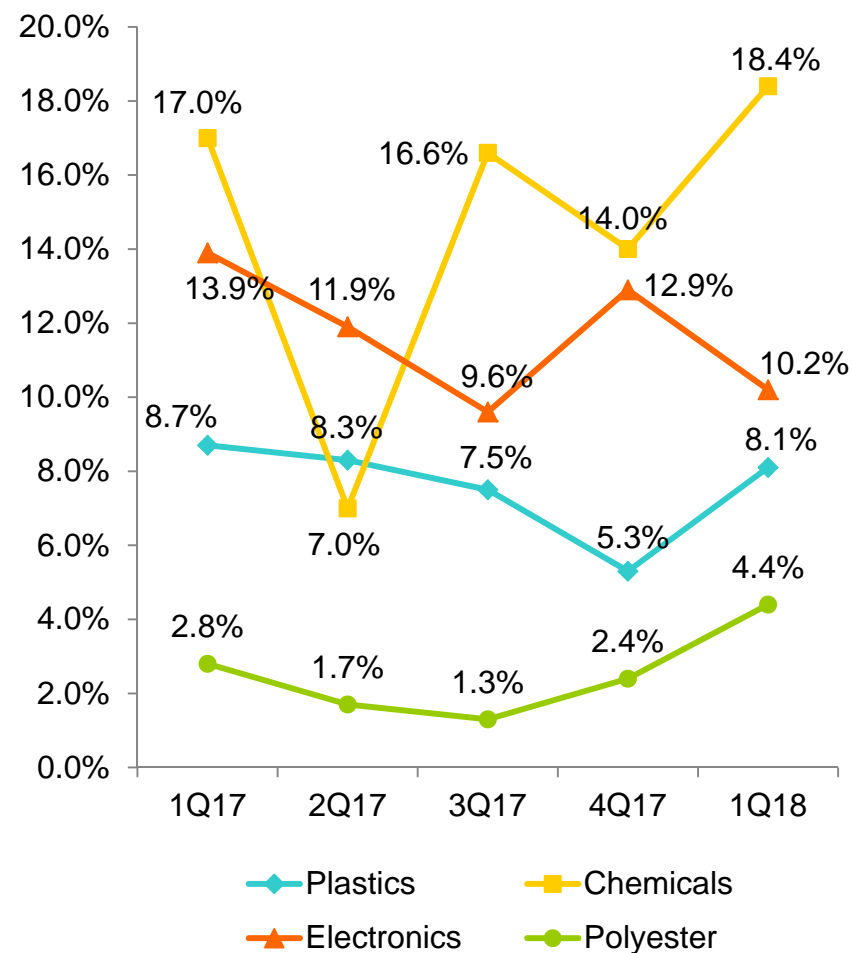
Financial Highlights

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	9,000 KYD	11/2019	28%
Aluminium Laminated Foil				
Nantong	—	13,536 KM ²	06/2019	100%
Copper clad laminate				
Huizhou	12,000 KSH	13,200 KSH	07/2020	110%
Glass Fabrics cloth				
Huizhou	—	102,000 KM	07/2020	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	36,000 MT	18,000 MT	07/2019	50%
PET Film				
Taiwan	108,000 MT	13,000 MT	02/2020	12%
Polyester Release Film				
Taiwan	144,000 KM ²	156,000 KM ²	06/2019	108%



THE END

