
Nan Ya Plastics
2018 3Q
Operations & Performance

Nov. 2018



Agenda

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

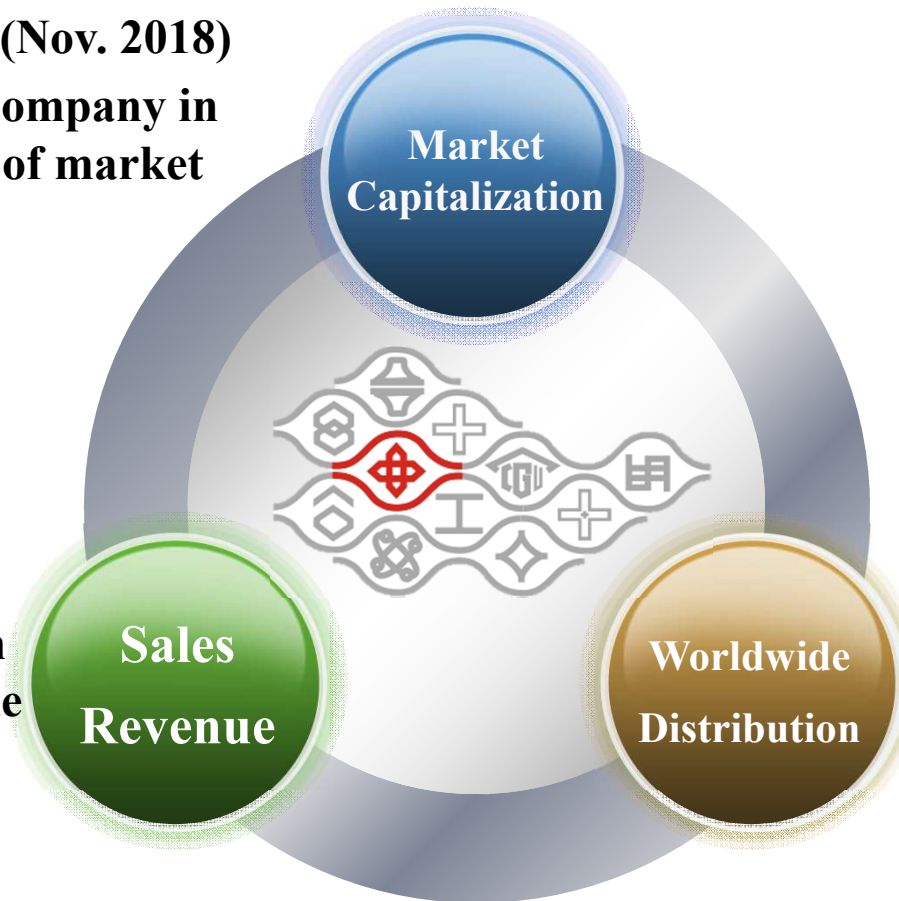


Overview

Highlights

- **Market Capitalization**
NT\$ 608 billion (Nov. 2018)
- **The 8th largest company in Taiwan in terms of market capitalization**

- **NT\$ 306.1 billion (Y2017, not include Nanya Tech. Co.)**
- **Sales breakdown**
 - 15% in plastics
 - 29% in chemicals
 - 36% in electronics
 - 19% in polyesters



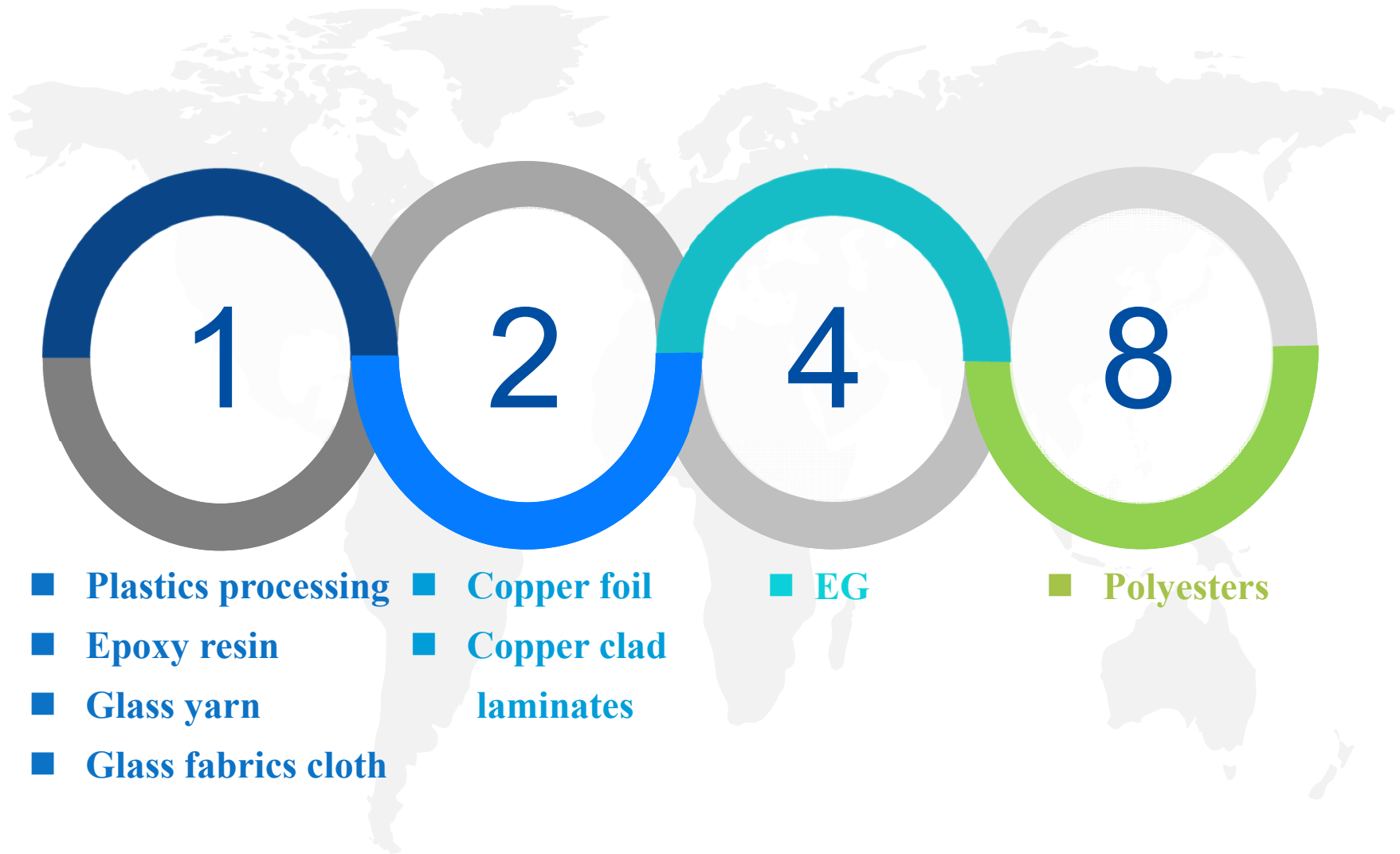
- **Plant numbers**
 - 53 in Taiwan
 - 41 in China
 - 5 in US

Total number of Plants 99
Number of Employees 33,430



Overview

Leading market positions for capacity



Overview

History



Plastics Processing

1958



Nan Ya USA
& America Co.

1979

- Texas
- Louisiana
- South Carolina



Nanya Tech Co.

1995



Chemicals

1999

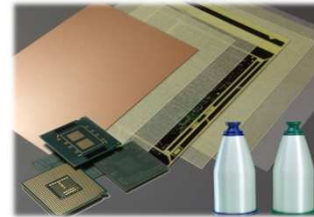
Polyesters

1969



Electronics
& Nan Ya PCB Co.

1986



Investing in
China

1996



- Xiamen
- Guangzhou
- Nantong
- Kunshan
- Huizhou
- Ningbo



Overview

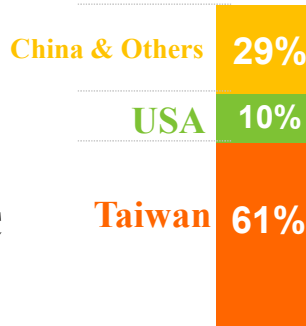
Major Businesses



Plastics

15%

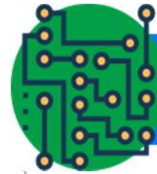
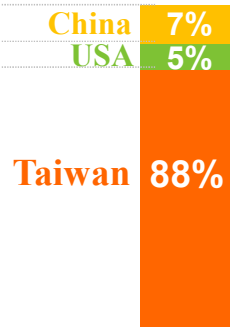
PVC Sheeting, PVC Rigid Film, PU Leather, PVC Rigid Pipe & Fittings, Window & Door Frames, Films, Engineering and PVC Compounds, PP Synthetic Paper



Chemicals

29%

EG, BPA, 1,4BG, DEHP, PA, 2EH, INA, MA

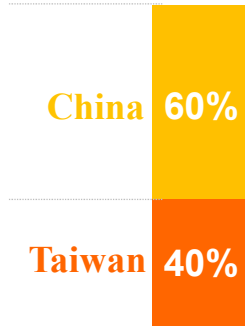


Sales breakdown in 2017

Electronics

36%

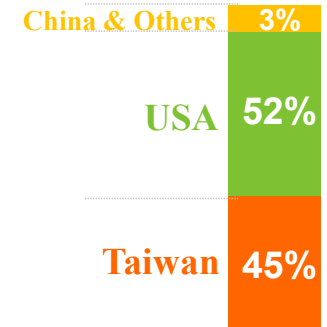
Glass Yarn, Glass Fabrics cloth, Epoxy Resin, Copper Foil, Copper Clad Laminate, Printed Circuit Board



Polyesters

19%

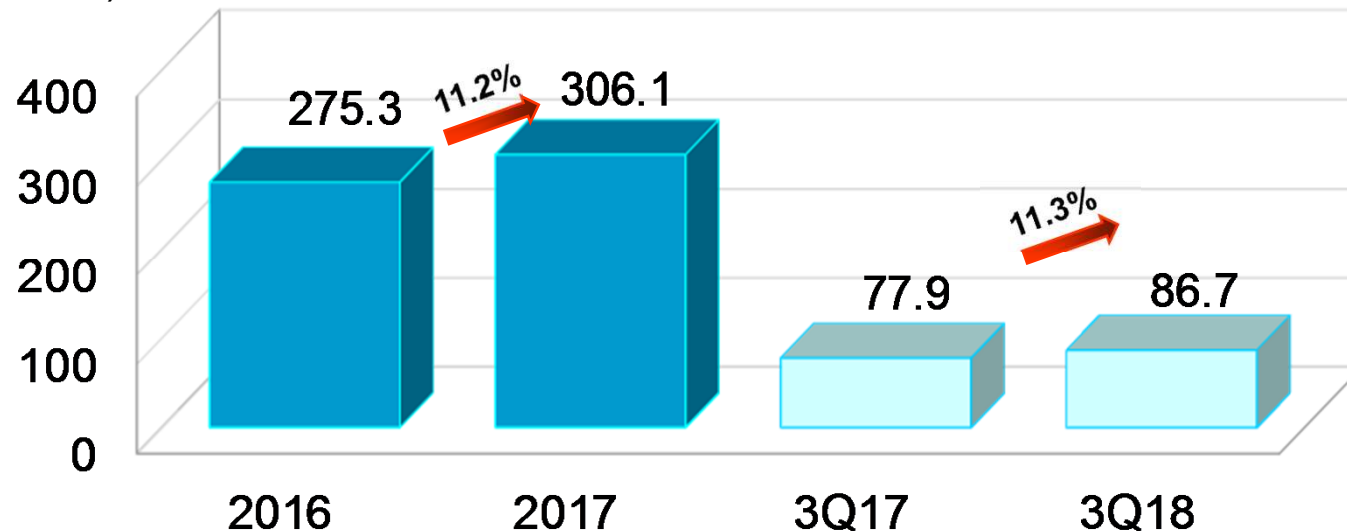
Polyester Staple Fiber, PET Resin, Filament, PET Film



Financial Highlights

Consolidated Revenue (IFRS)

(NT\$ billion)



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

Prices of chemicals and electronic materials had risen sharply, and the revenue raised significantly

- **Revenue in 2018 3Q increased 11.3% YoY due to :**

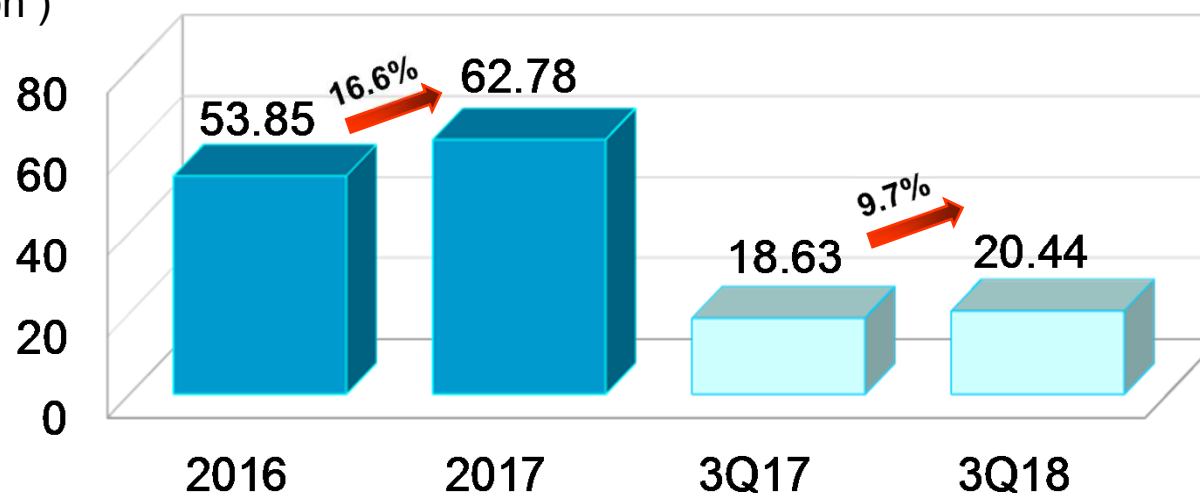
Industry market conditions improved significantly, crude oil prices rise, pushing the price of finished goods also raised up



Financial Highlights

Pre-tax Income

(NT\$ billion)



- **16.6% YoY increase in 2017 pre-tax income due to:**

1. Profit from chemicals and electronic materials increased significantly
2. Equity income increased NT\$4.0bn YoY :
 - (1) Nanya Tech +NT\$5.1bn
 - (2) MLP -NT\$0.9bn

- **2018 3Q pre-tax income increased 9.7% YoY due to :**

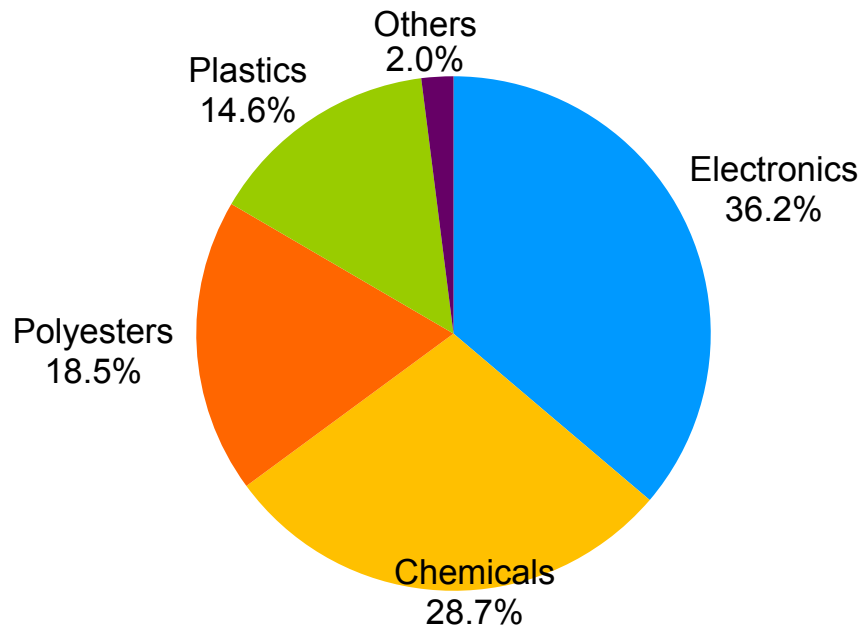
1. Operating income increased 0.4% YoY, mainly due to sales price of polyesters increased
2. Equity income increased NT\$0.7bn YoY :
 - (1) Nanya Tech +NT\$1.0bn
 - (2) FPCC -NT\$0.4bn



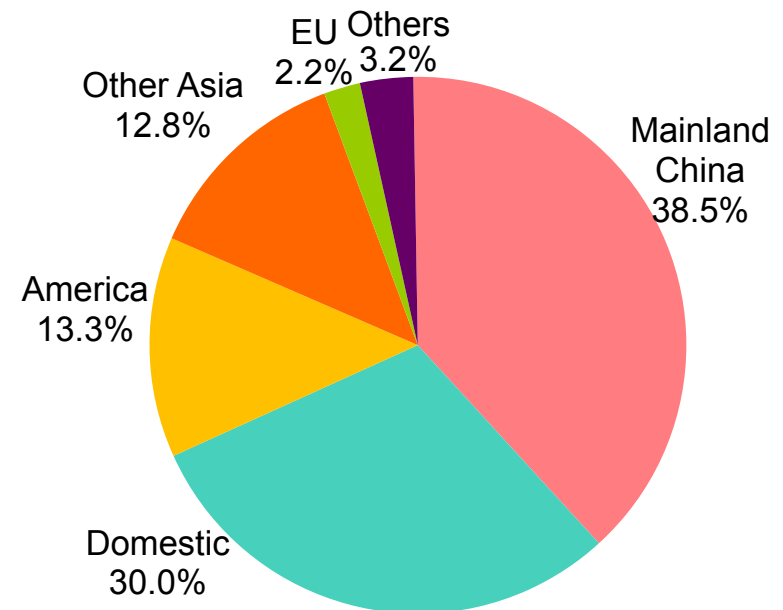
Financial Highlights

Revenue Breakdown

2017 Net Sales
NT\$ 306.1 billion



2017 Sales Breakdown
by Geography



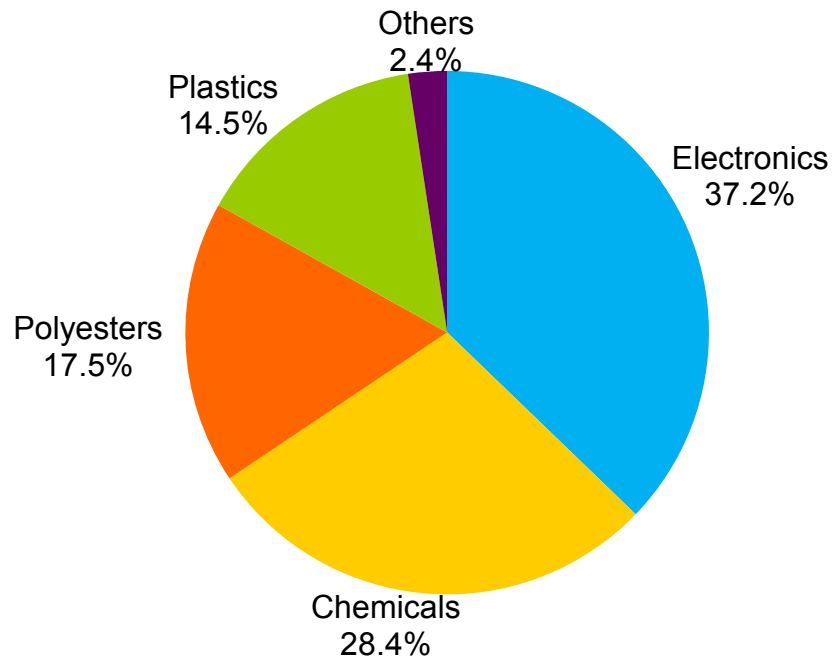
- Revenue of chemicals and electronic materials increased due to the strong demand, the sales volume and price raised up
- Main revenue contribution in the next few years is still driven by chemicals and electronic materials
- Mainland China remains the most important market, accounting for 55% of total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



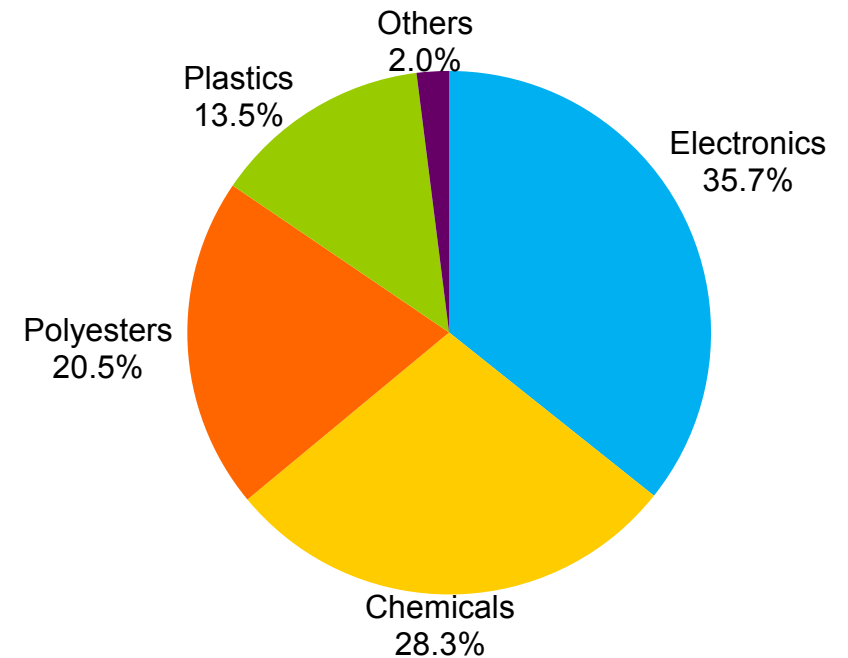
Financial Highlights

Revenue Breakdown by Product Segment

**2017 3Q Net Sales
NT\$ 77.9 billion**



**2018 3Q Net Sales
NT\$ 86.7 billion**



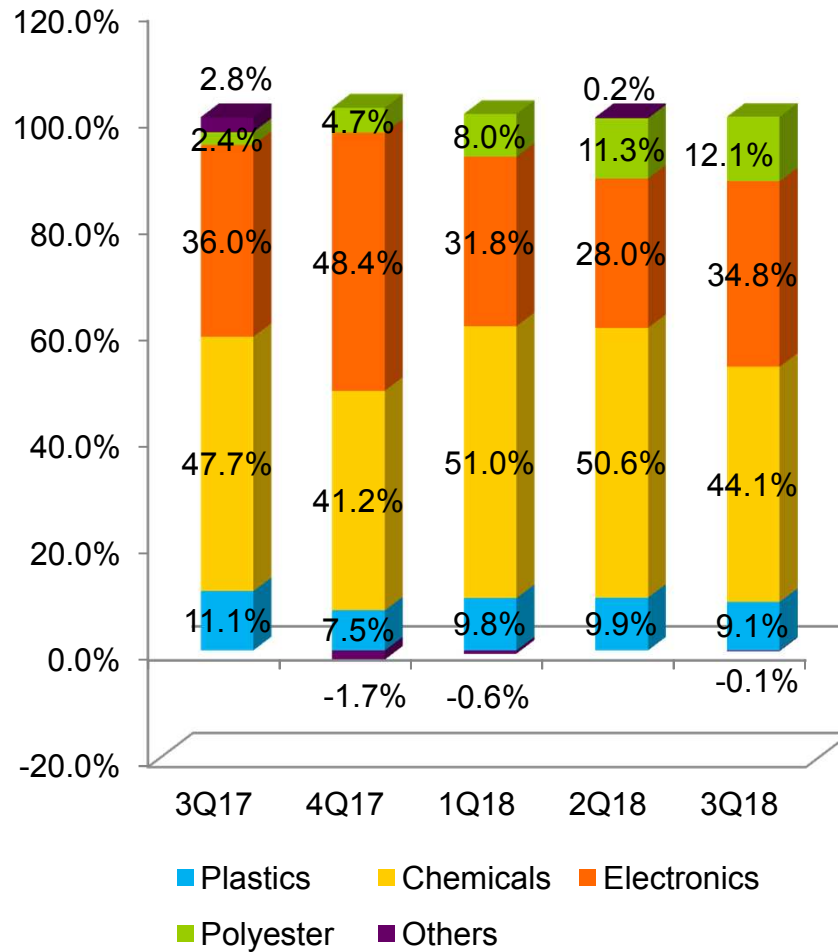
- Revenue in 2018 3Q increased 11.3% YoY
- Demand of chemicals and polyesters grow up, raw material costs increased pushing sales price raised up



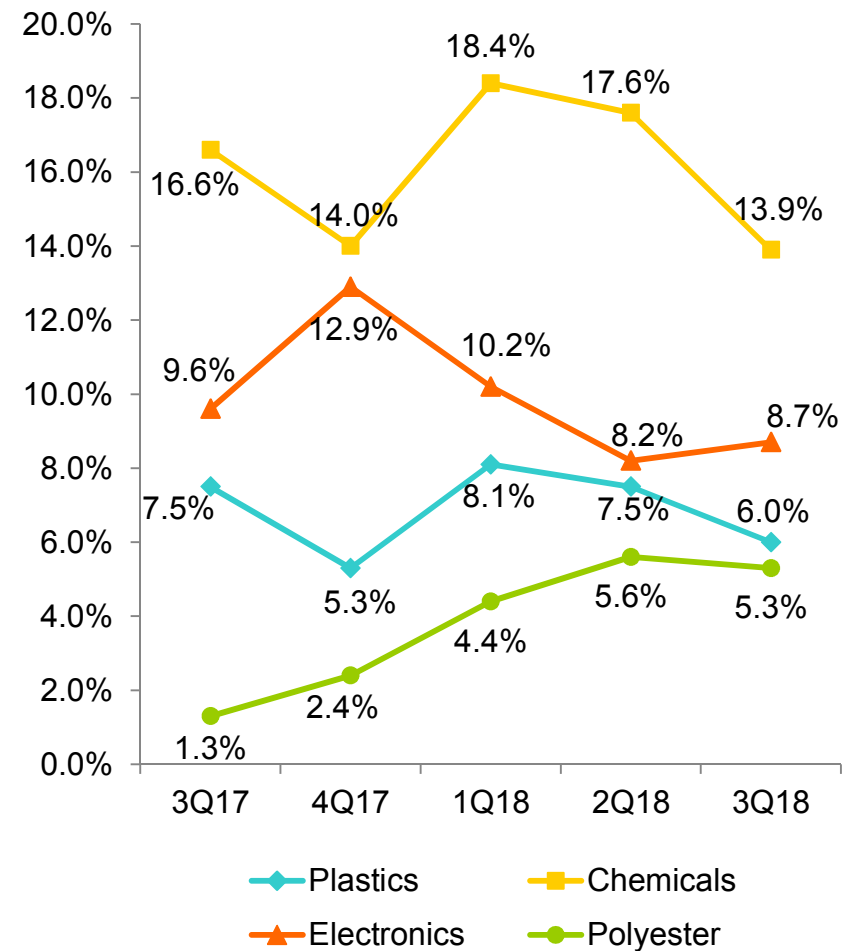
Financial Highlights

Operating Profits Breakdown by Product Segment

Operating Profits



Operating Margins



Business Overview

Capacity Expansion Plan

Area	Product	Unit	Annual Capacity			Completion Date
			current	Expansion	Increase%	
Taiwan	Pepa Synthetic Paper	KMT	65	22	34	2019/3
	Copper Foil	KMT	36	18	50	2019/7
	PET Film	KMT	108	13	12	2020/5
	Polyester Release Film	KM ²	144,000	156,000	108	2019/9
Mainland China	PVC Leather	KYD	32,400	9,000	28	2019/9
	Aluminium Laminated Foil	KM ²	0	13,536	100	2020/1
	Copper clad laminate	KSH	12,000	13,200	110	2020/7
	Prepreg	KM	24,000	28,800	120	2020/7
	Glass Fabrics cloth	KM	0	102,000	100	2020/7
USA	EG	KMT	360	828	230	2019/12
	Composite PVC Door Frame	KMT	0	9	100	2018/12



THE END

