
Nan Ya Plastics
Year 2019 1Q
Operations & Performance

June 2019



Agenda

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

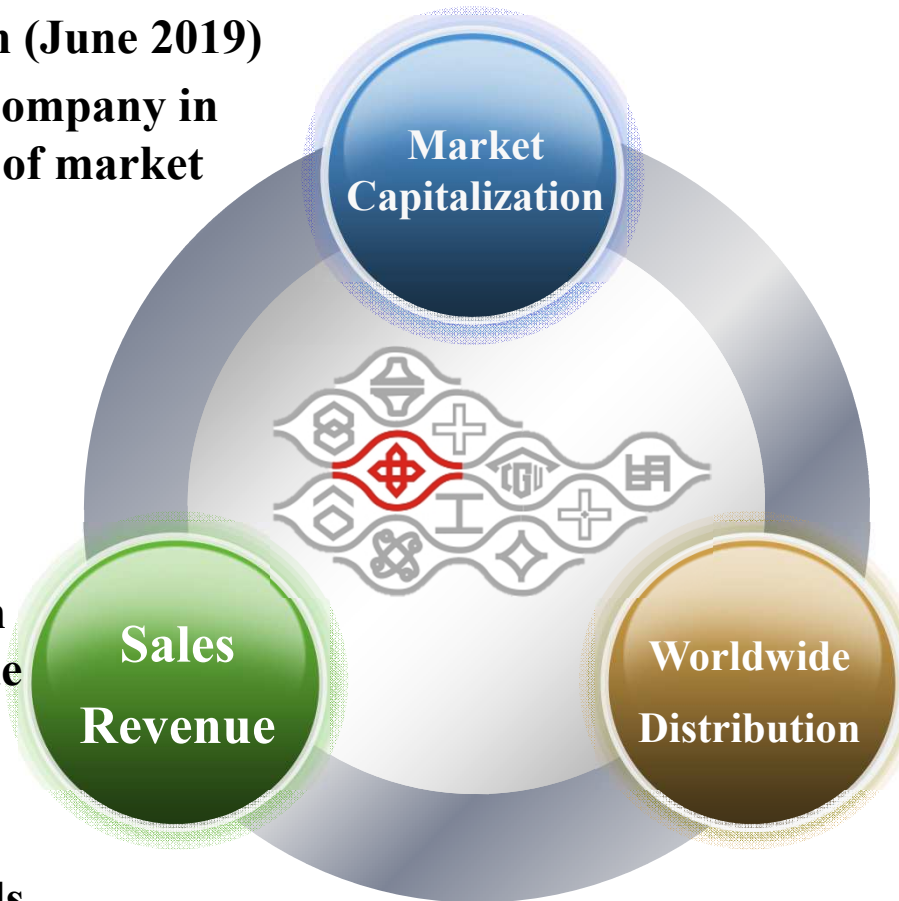


Overview

Highlights

- **Market Capitalization**
NT\$ 617.8 billion (June 2019)
- **The 7th largest company in Taiwan in terms of market capitalization**

- **NT\$ 333.1 billion (Y2018, not include Nanya Tech. Co.)**
- **Sales breakdown**
 - 14% in plastics
 - 29% in chemicals
 - 35% in electronics
 - 20% in polyesters



- **Total number of Plants 99**
 - 53 in Taiwan
 - 41 in China
 - 5 in US
- **Number of Employees 32,762**



Overview

Leading market positions for capacity



- Plastics processing
- Epoxy resin
- Glass yarn
- Glass fabrics
- Copper foil
- Copper clad laminates
- EG

※ Polyester products ranked 8th.



Overview

History



Plastics Processing

1958



Nan Ya USA
& America Co.

1979

- Texas
- Louisiana
- South Carolina



Nanya Tech Co.

1995



Chemicals

1999

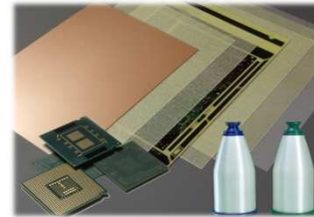
Polyesters

1969



Electronics
& Nan Ya PCB Co.

1986



Investing in
China

1996



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



Overview

Major Businesses

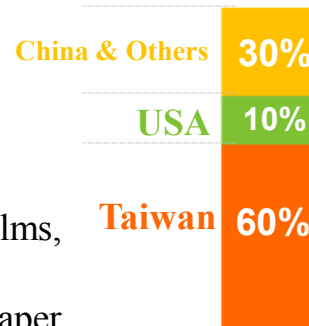
Sales breakdown in 2018



Plastics

14%

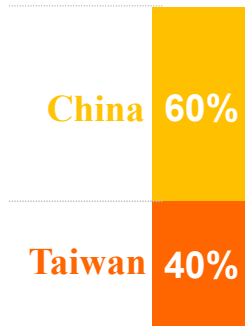
Flexible PVC Film,
Rigid Film, PU Synthetic
Leather,
PVC Rigid Pipe & Fittings,
Window & Door Frames, Films,
Engineering and PVC
Compounds, PP Synthetic Paper



Electronics

35%

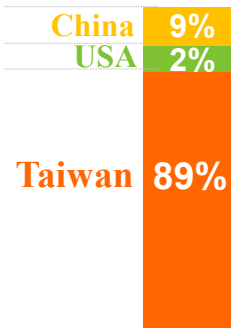
Glass Yarn, Glass Fabrics,
Epoxy Resin, Copper Foil,
Copper Clad Laminate,
Printed Circuit Board



Chemicals

29%

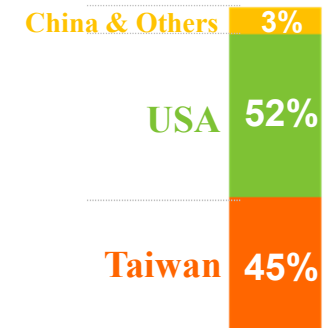
EG, BPA, 1,4BG,
Plasticizer, PA, 2EH, INA,
MA



Polyesters

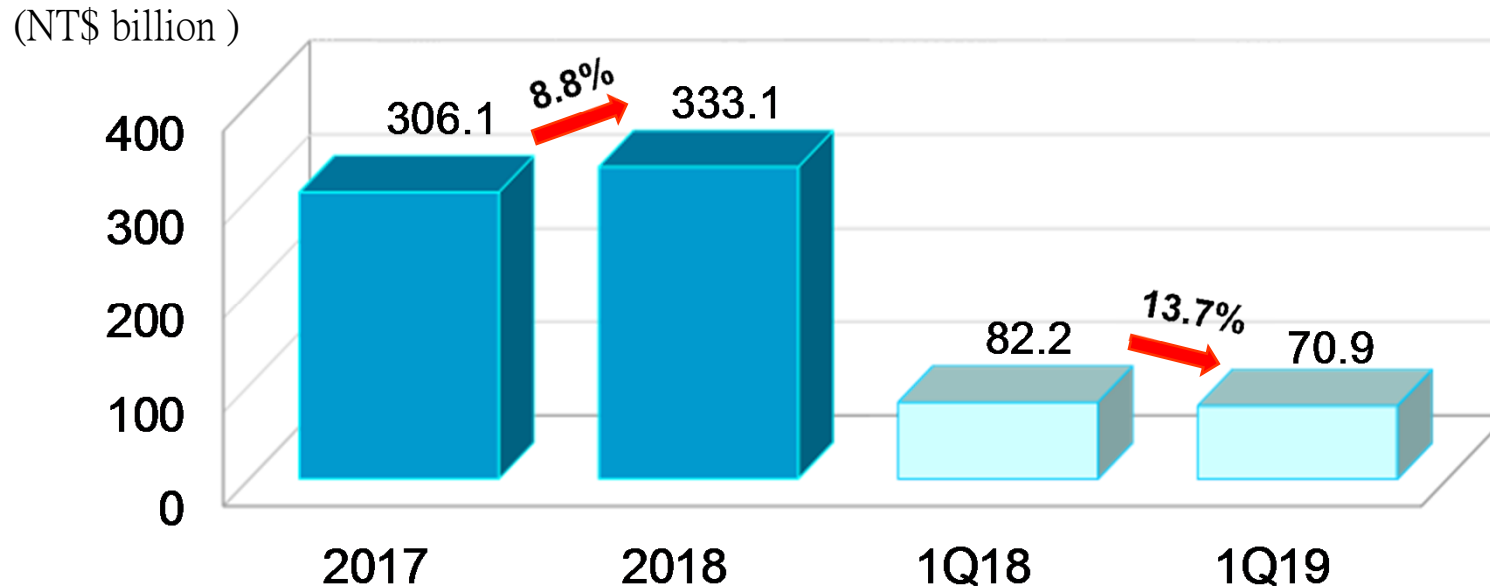
20%

Polyester Staple Fiber,
PET Resin, Filament,
PET Film, etc.



Financial Highlights

Consolidated Revenue (IFRS)



- **Revenue in 2018 increased 8.8% YoY due to:**

The rise in the price of polyester products and electronic materials, and the increase in demand for chemical products, coupled with the moderate increase in crude oil prices in the first three quarters, led to revenue increased significantly

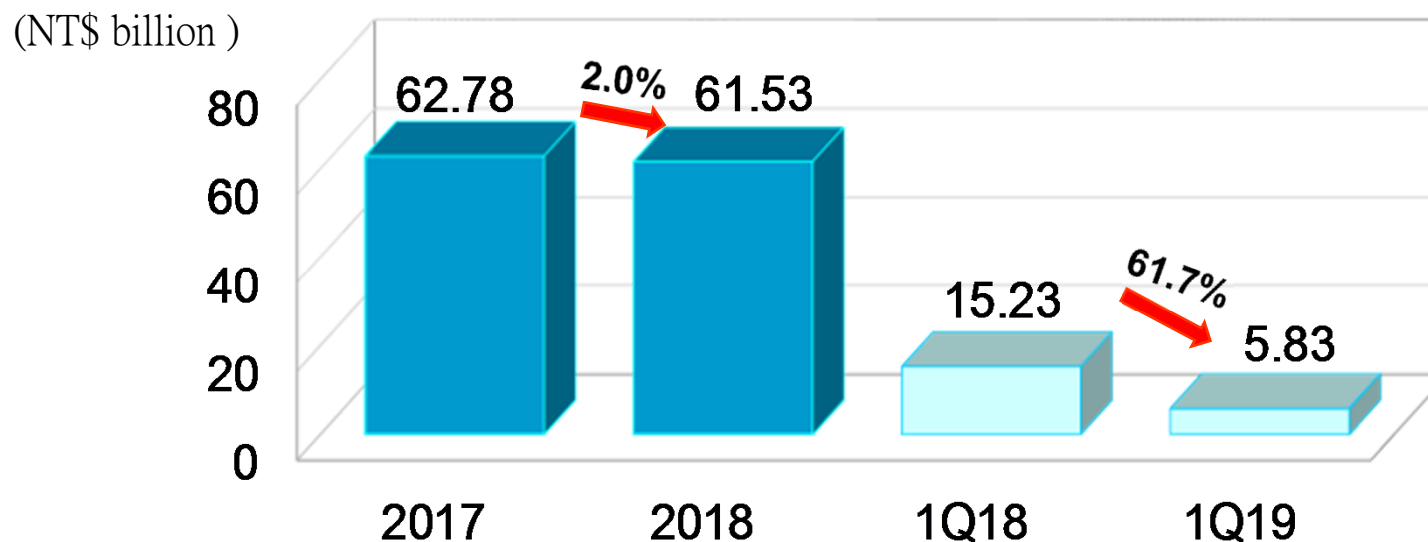
- **Revenue in 2019 1Q decreased 13.7% YoY due to :**

Overall economic environment variables increase affecting market consumption confidence; the revenue of various products is not as good as last year.



Financial Highlights

Pre-tax Income



■ 2.0% YoY decrease in 2018 pre-tax income due to:

1. 2018 4Q trade disputes and oil prices fell rapidly, profits decreased slightly
2. Equity income decreased NT\$5.4bn YoY :

(1) FPCC -NT\$4.6bn (2) Nanya Tech -NT\$1.4bn (3) NYPCB +NT\$0.9bn

■ 2019 1Q pre-tax income decreased 61.7% YoY due to :

1. Operating income decreased 74.9% YoY, oil prices fell rapidly, consumption demand shrank and profit of chemical and electronic material products decreased
2. Equity income decreased NT\$3.4bn YoY :

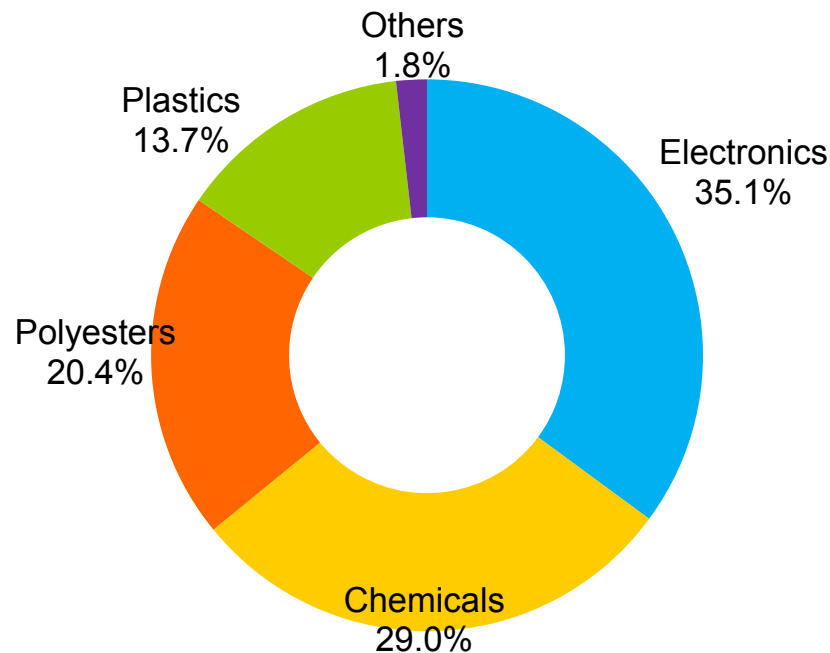
(1) FPCC -NT\$2.1bn (2) Nanya Tech -NT\$1.1bn



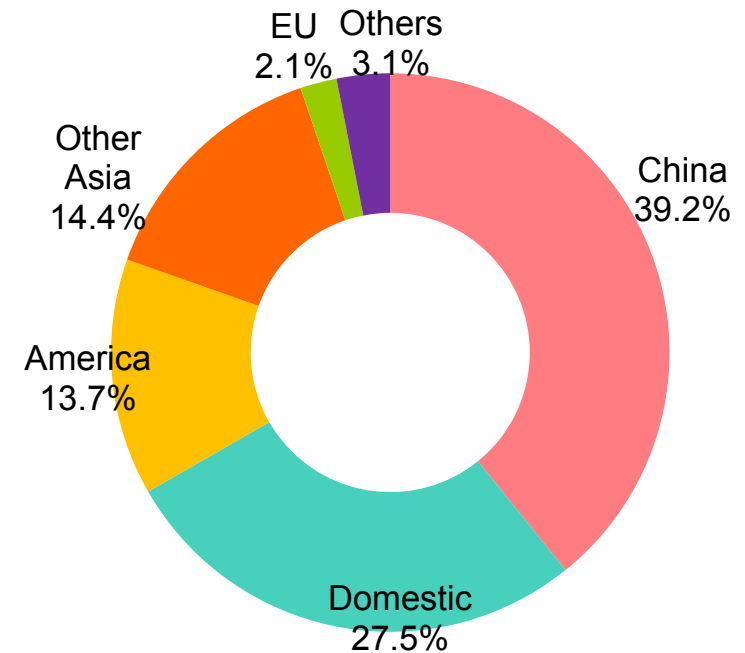
Financial Highlights

Revenue Breakdown

**2018 Net Sales
NT\$ 333.1 billion**



**2018 Sales Breakdown
by Geography**



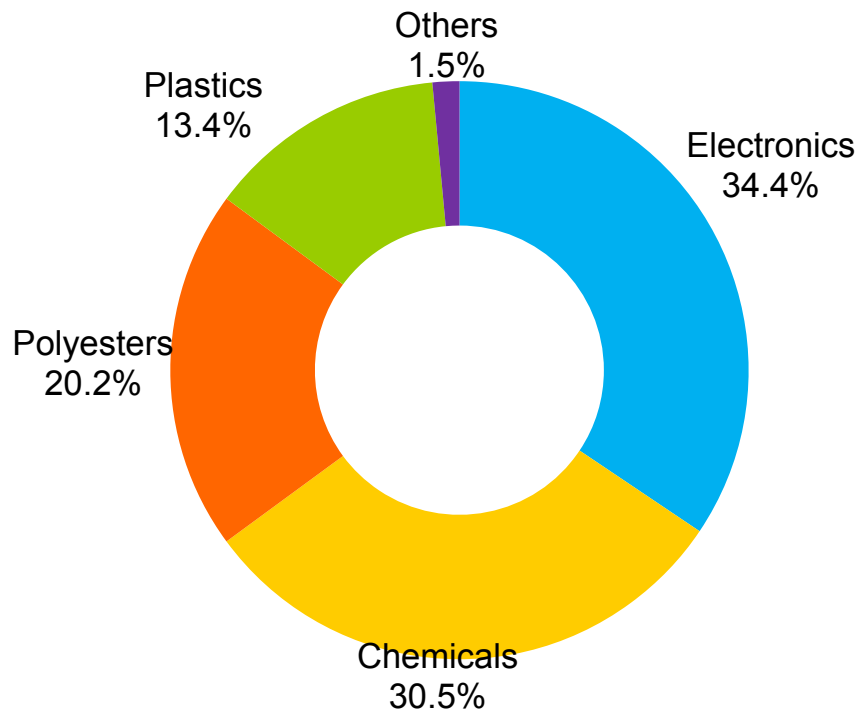
- Revenue of polyesters, chemicals and electronic materials increased due to the strong demand, the sales volume and price raised up
- Revenue in the next few years is still mainly driven by chemicals and electronic materials
- Mainland China remains the most important market, accounting for 54% of total overseas in 2018



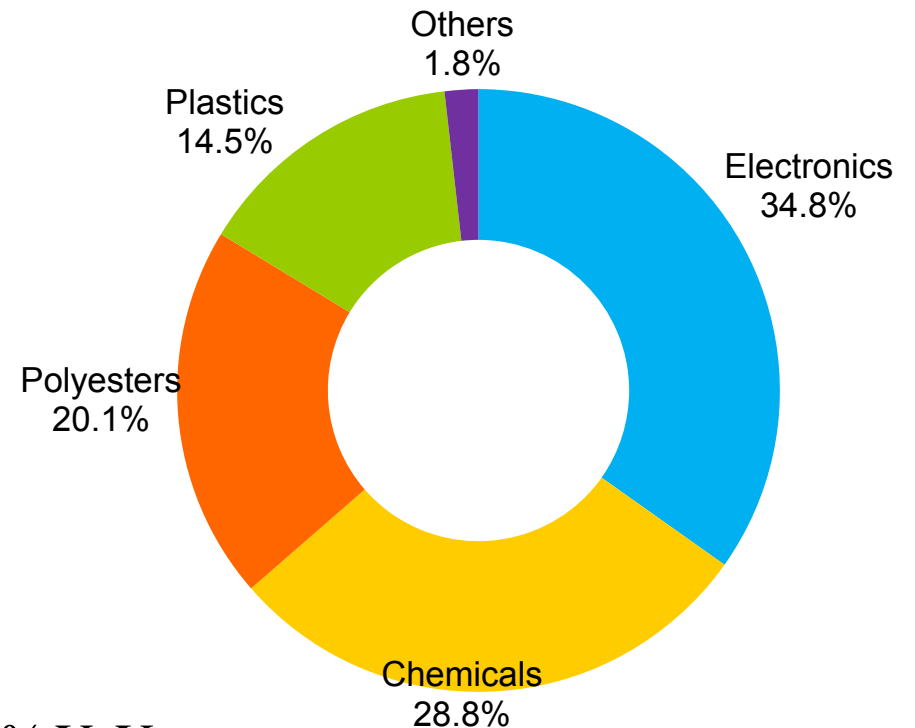
Financial Highlights

Revenue Breakdown by Product Segment

2018 1Q Net Sales
NT\$ 82.2 billion



2019 1Q Net Sales
NT\$ 70.9 billion



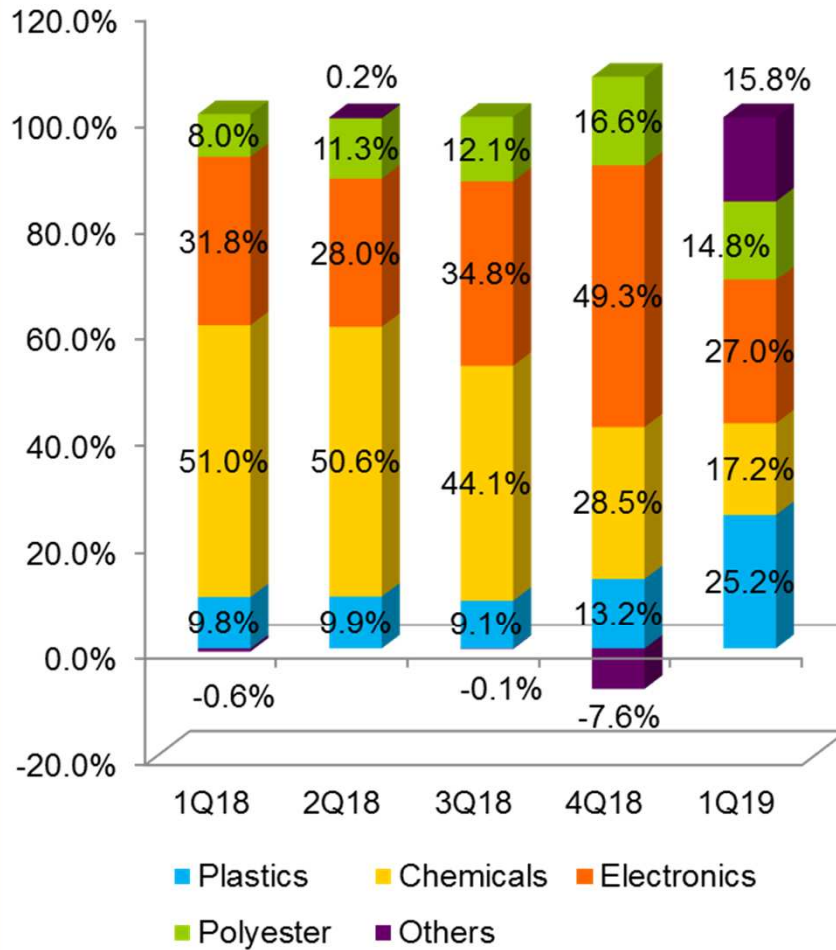
- Revenue in 2019 1Q decreased 13.7% YoY
- China-US trade disputes and international crude oil prices fall, revenue of chemical products, electronic materials and polyester products decreased



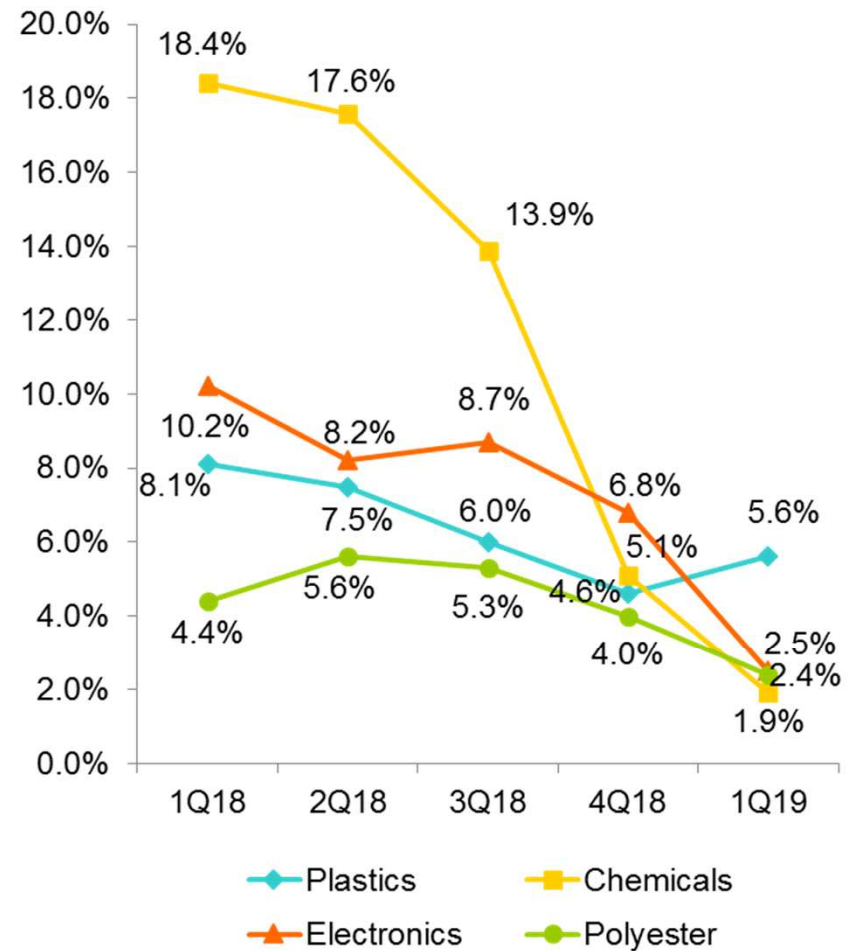
Financial Highlights

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	Chiayi	PP Synthetic Paper	KMT	65	22	34	2019/7
	Hsinkang	Copper Foil	KMT	36	18	50	2020/3
	Linkou	Polyester Film	KMT	95	14	15	2020/5
	Shulin	Polyester Release Film (4 th coating machine)	KM ²	240,000	120,000	50	2019/9
	Shulin	Polyester Release Film (5 th and 6 th set)	KM ²	240,000	288,000	120	2020/6
Mainland China	Nantong	PVC Leather	KYD	32,400	9,000	28	2019/11
	Nantong	Aluminum Laminated Foil	KM ²	0	13,536	100	2020/6
	Huizhou	Copper clad laminate	KSH	12,000	13,200	110	2021/7
	Huizhou	Prepreg	KM	24,000	28,800	120	2021/7
	Huizhou	Glass Fabrics	KM	0	102,000	100	2021/7
USA	Texas	EG	KMT	360	828	230	2020/3



THE END

