
Nan Ya Plastics
Year 2018
Operations & Performance

Mar. 2019



Agenda

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



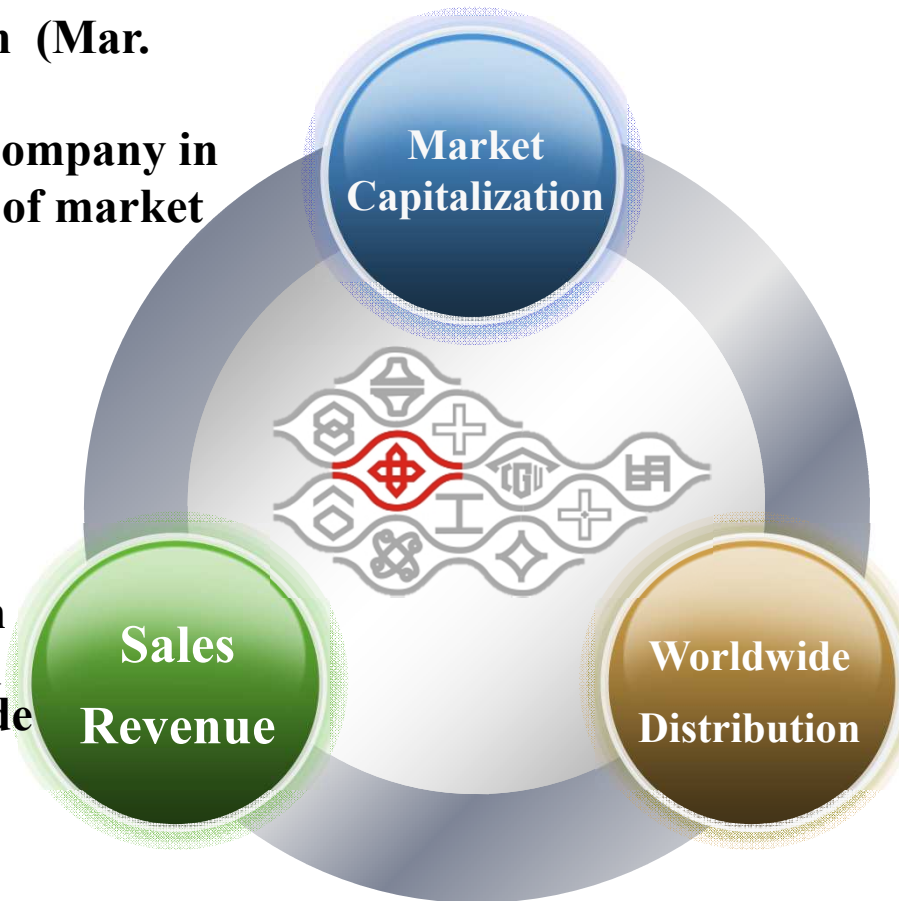
Overview

Highlights

- **Market Capitalization**
NT\$ 601.1 billion (Mar. 2019)
- **The 8th largest company in Taiwan in terms of market capitalization**

- **NT\$ 333.1 billion**
(Y2018, unaudited number, not include Nanya Tech. Co.)

- **Sales breakdown**
 - 14% in plastics
 - 29% in chemicals
 - 35% in electronics
 - 20% in polyesters

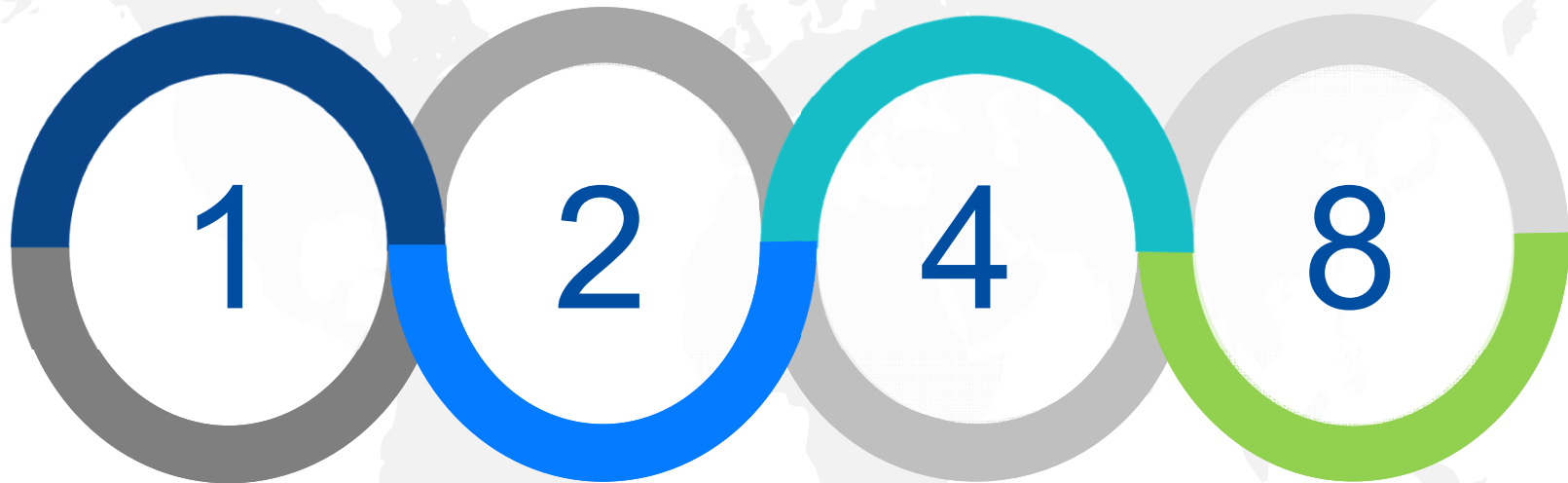


- **Total number of Plants 99**
 - 53 in Taiwan
 - 41 in China
 - 5 in US
- **Number of Employees 32,762**



Overview

Leading market positions for capacity



- Plastics processing
- Epoxy resin
- Glass yarn
- Glass fabrics cloth

- Copper foil
- Copper clad laminates

■ EG

■ Polyesters



Overview

History



Plastics Processing

1958



Nan Ya USA
& America Co.

1979

- Texas
- Louisiana
- South Carolina



Nanya Tech Co.

1995



Chemicals

1999

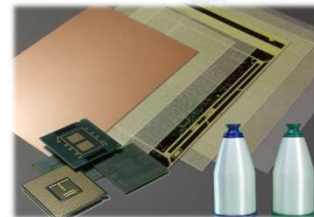
Polyesters

1969



Electronics
& Nan Ya PCB Co.

1986



Investing in
China

1996



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



Overview

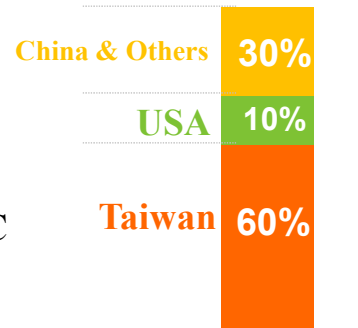
Major Businesses



Plastics

14%

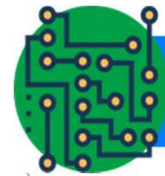
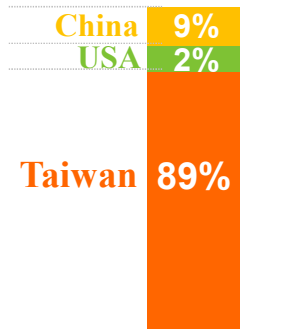
PVC Sheeting, PVC Rigid Film, PU Leather, PVC Rigid Pipe & Fittings, Window & Door Frames, Films, Engineering and PVC Compounds, PP Synthetic Paper



Chemicals

29%

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

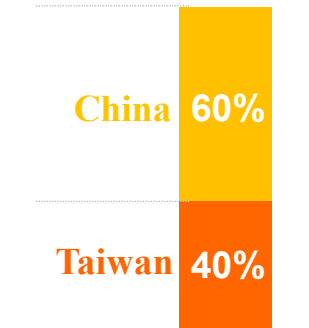


Sales breakdown in 2018(Unaudited number)

Electronics

35%

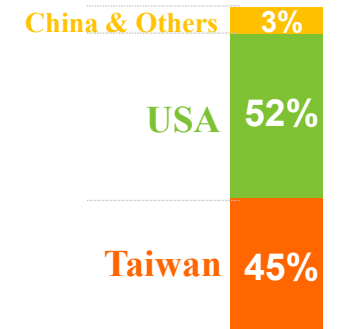
Glass Yarn, Glass Fabrics cloth, Epoxy Resin, Copper Foil, Copper Clad Laminate, Printed Circuit Board



Polyesters

20%

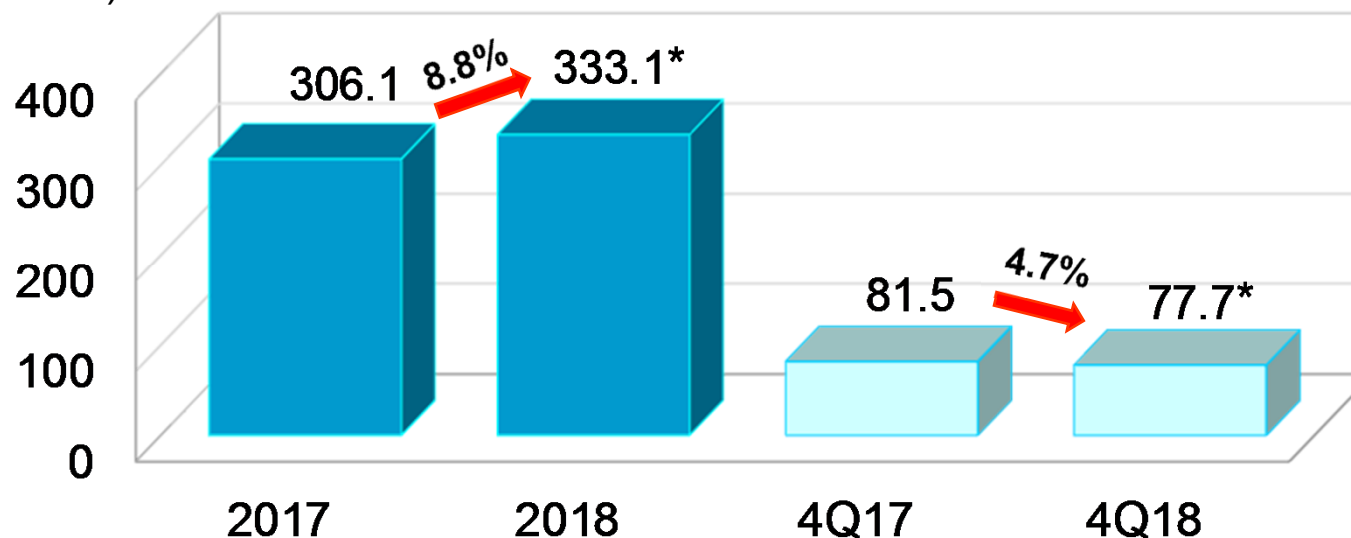
Polyester Staple Fiber, PET Resin, Filament, PET Film



Financial Highlights

Consolidated Revenue (IFRS)

(NT\$ billion)



- **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 2018 4Q decreased 4.7% YoY due to :**

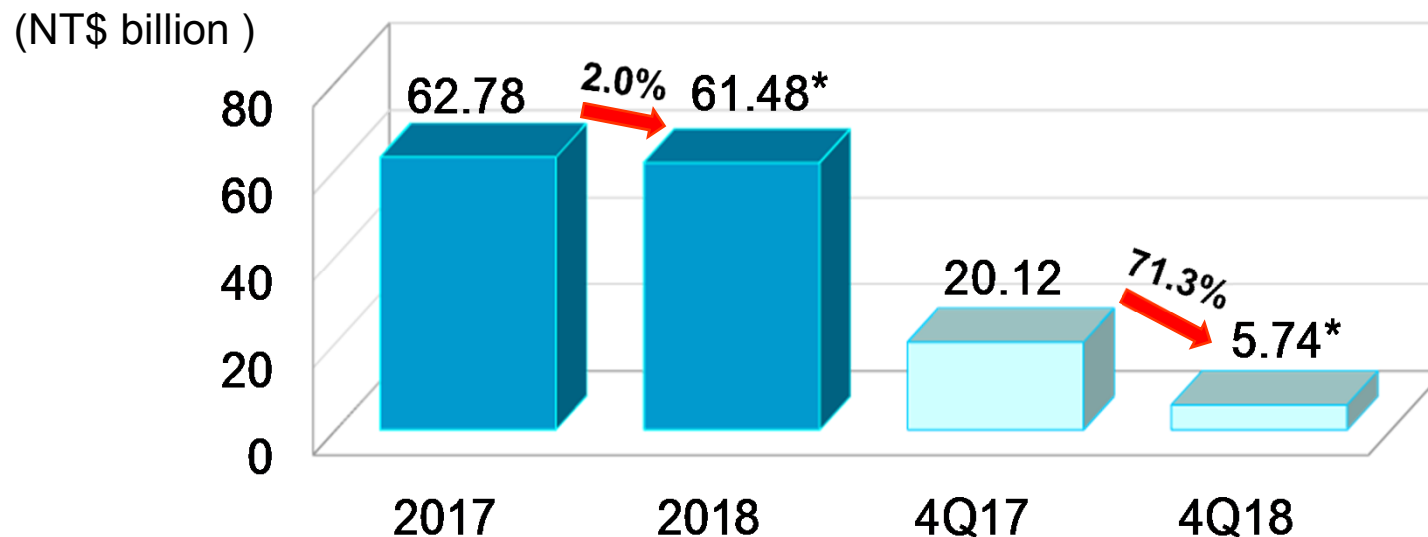
US-China trade disputes, the impact of falling international crude oil prices, selling prices and sales volume decreased

*Unaudited number



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

■ 2018 4Q pre-tax income decreased 71.3% YoY due to :

1. Operating income decreased 52.1% YoY, oil prices fell rapidly, and chemical products profit decreased
2. Equity income decreased NT\$10.9bn YoY :
(1) FPCC -NT\$6.3bn (2) Nanya Tech -NT\$4.6bn

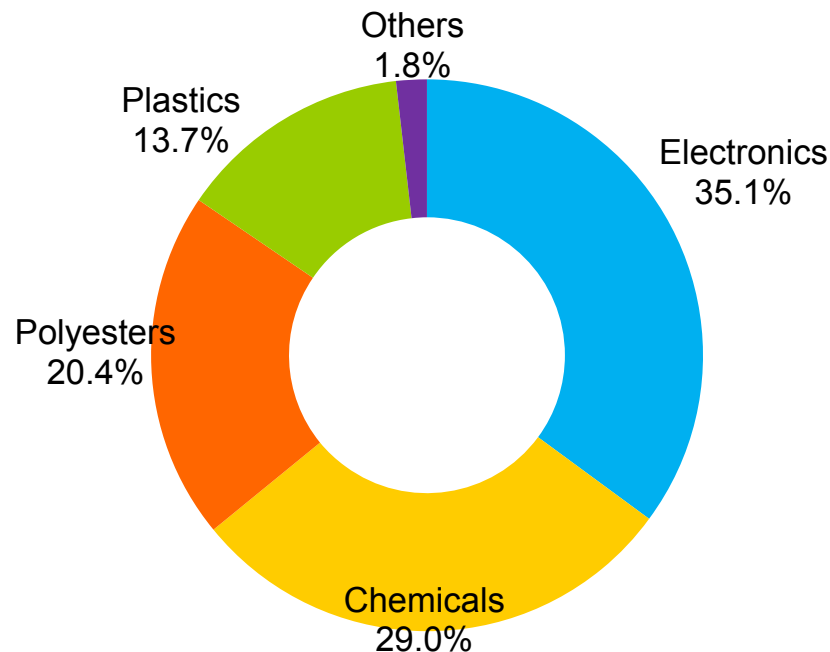
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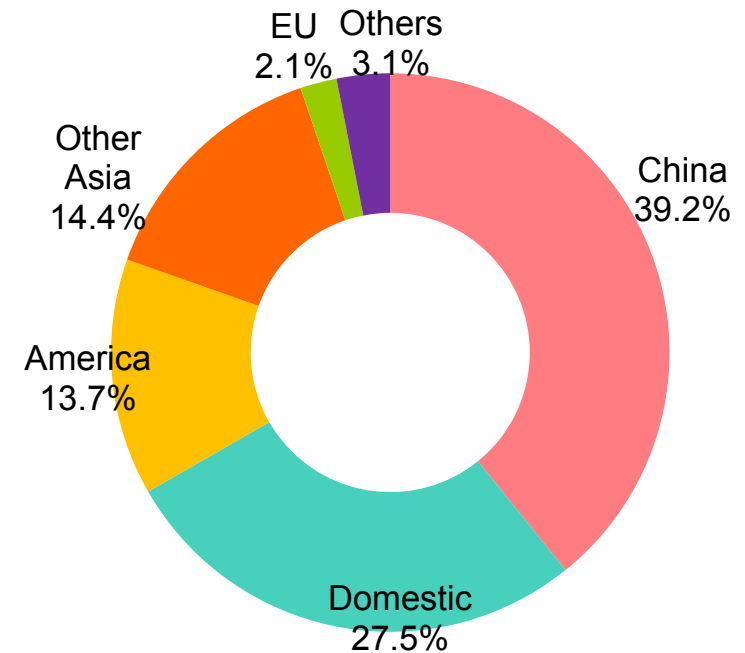
Financial Highlights

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
- 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 54% of total overseas in 2018

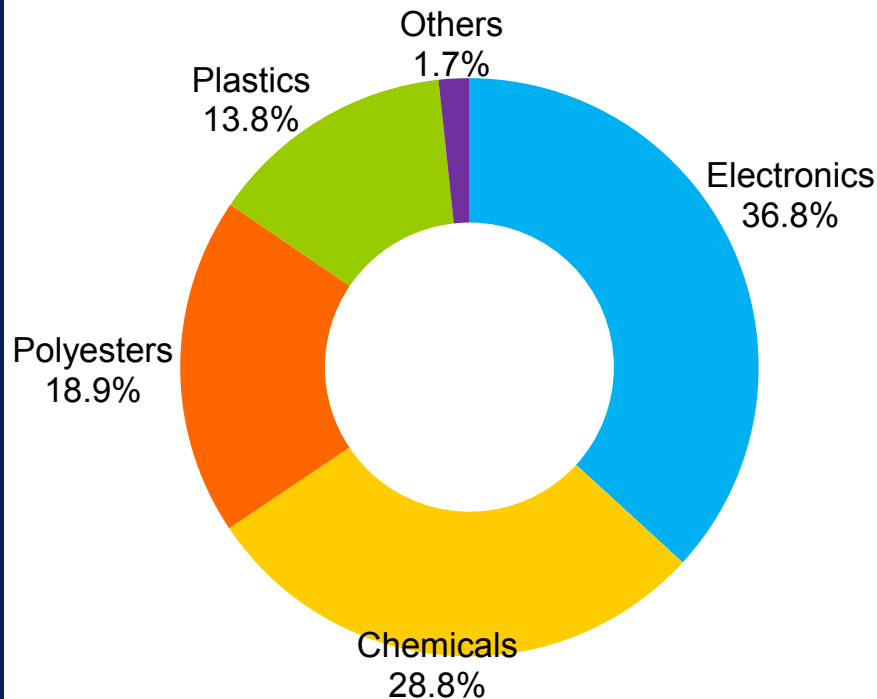
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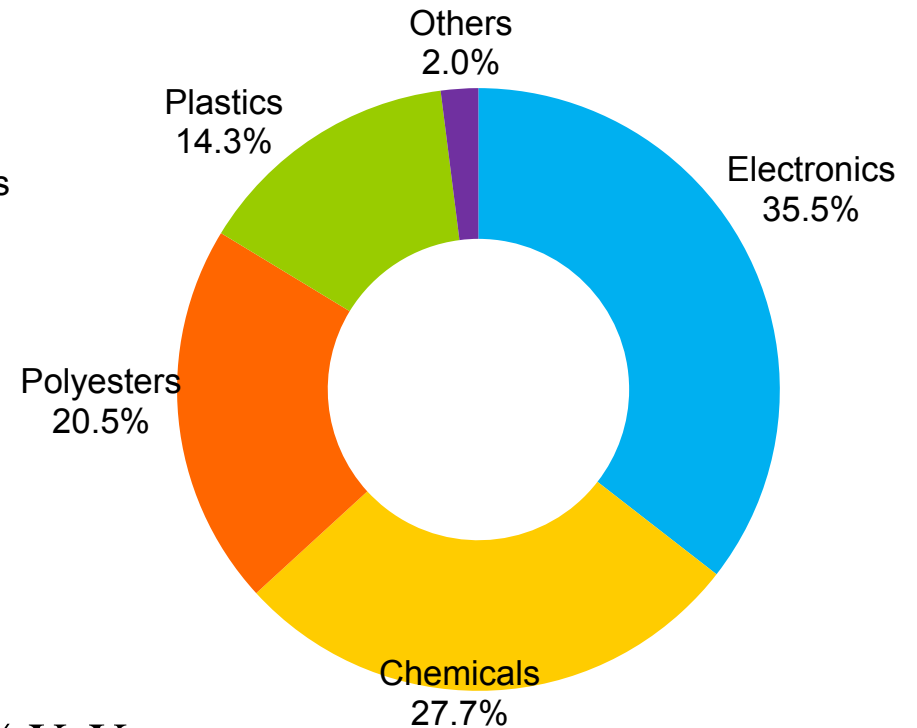
Financial Highlights

Revenue Breakdown by Product Segment

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



**2018 4Q Net Sales
NT\$ 77.7 billion***



- Revenue in 2018 4Q decreased 4.7% YoY
- US-China trade disputes and international crude oil prices fall, chemical and electronics revenues decreased

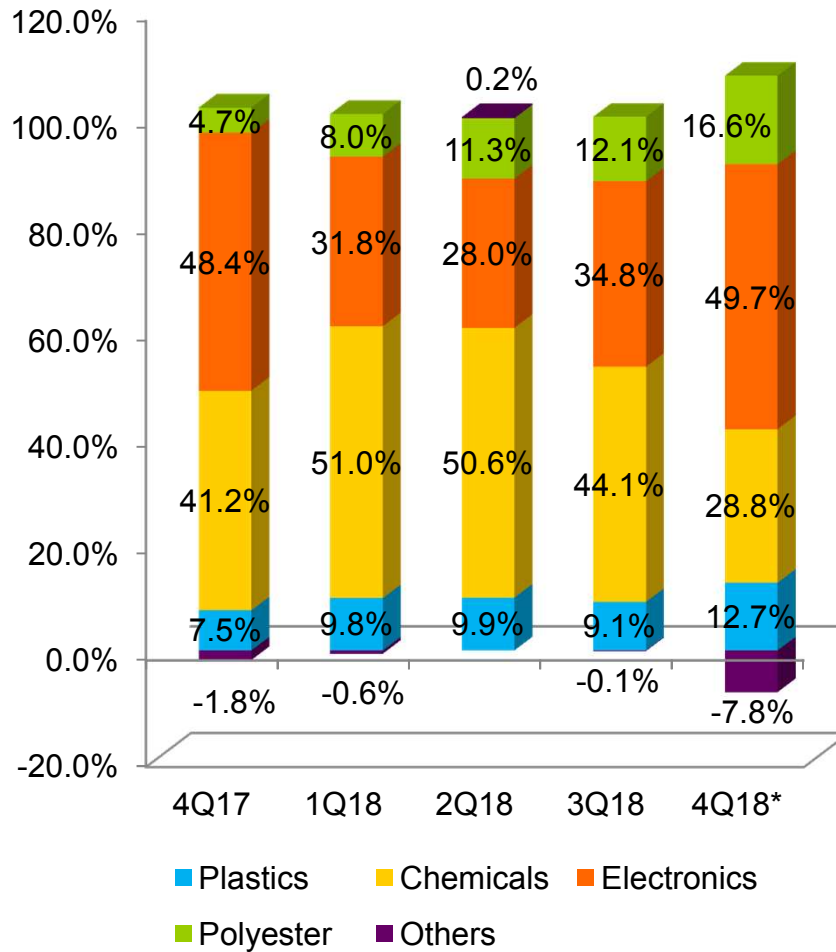
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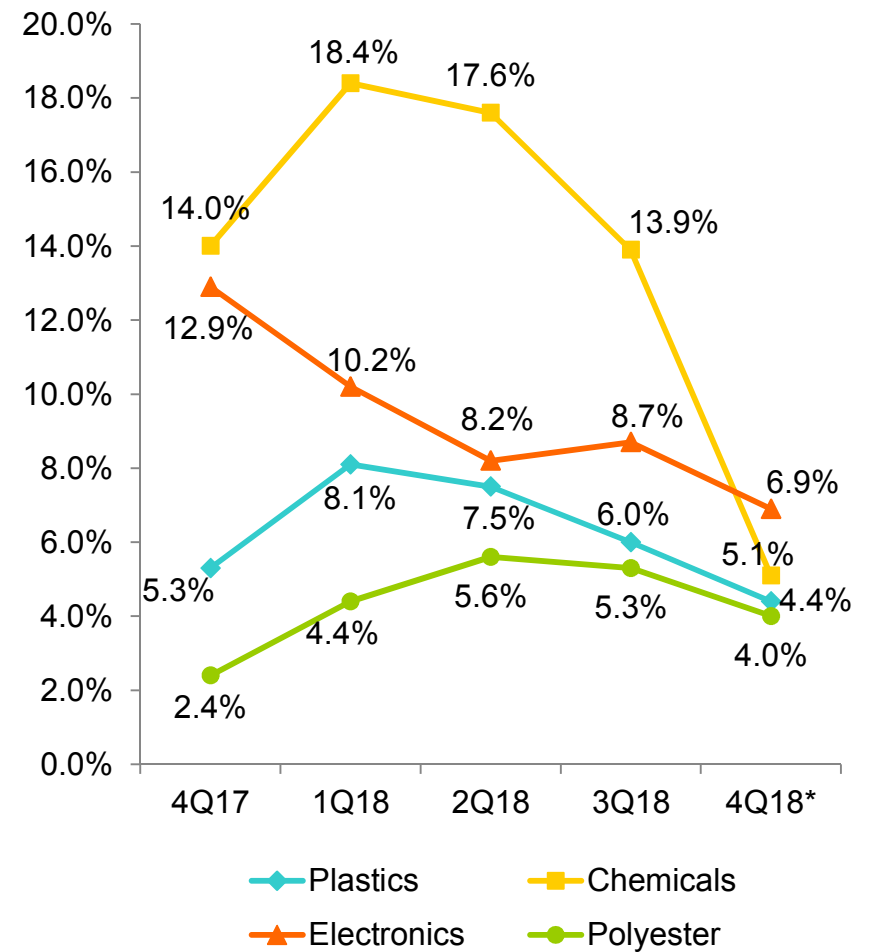
Financial Highlights

Operating Profits Breakdown by Product Segment

Operating Profits



Operating Margins



*Unaudited number



Business Overview

Capacity Expansion Plan

Area	Product	Unit	Annual Capacity			Completion Date
			current	Expansion	Increase%	
Taiwan	Pepa Synthetic Paper	KMT	65	22	34	2019/5
	Copper Foil	KMT	36	18	50	2020/1
	PET Film	KMT	95	14	15	2020/5
	Polyester Release Film	KM ²	240,000	120,000	50	2019/9
Mainland China	PVC Leather	KYD	32,400	9,000	28	2019/9
	Aluminum Laminated Foil	KM ²	0	13,536	100	2020/1
	Copper clad laminate	KSH	12,000	13,200	110	2021/7
	Prepreg	KM	24,000	28,800	120	2021/7
	Glass Fabrics cloth	KM	0	102,000	100	2021/7
USA	EG	KMT	360	828	230	2020/3



THE END

