
Nan Ya Plastics
2019 1H
Operations & Performance

September 2019



Agenda

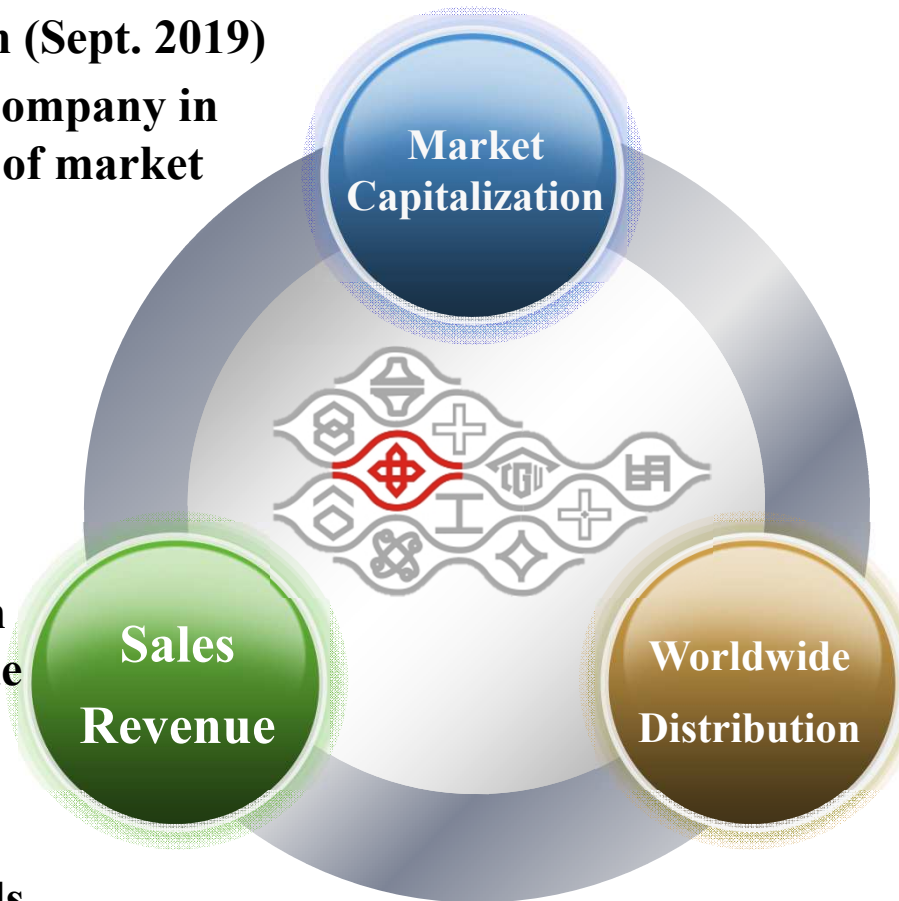
- **Overview**
- **Financial Highlights**
- **Capacity Expansion Plan**
- **Q & A**



Overview

Highlights

- **Market Capitalization**
NT\$ 533.7 billion (Sept. 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 100**
 - 53 in Taiwan
 - 41 in China
 - 5 in US
 - 1 in Indonesia

- **Number of Employees 34,536**



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

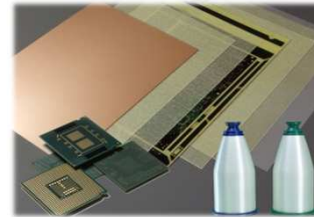
Polyesters

1969



Electronics
& Nan Ya PCB Co.

1986



Investing in
China

1996



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



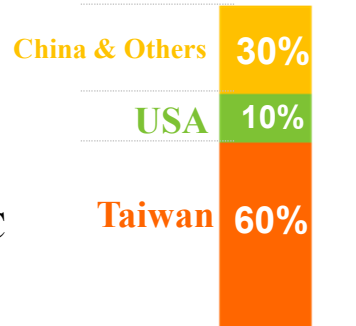
Overview

Major Businesses

Sales breakdown in 2018

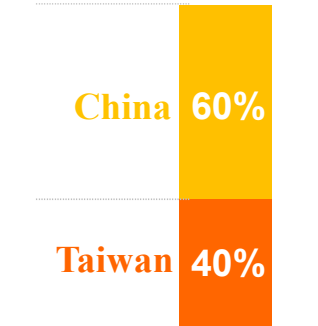
Plastics 14%

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



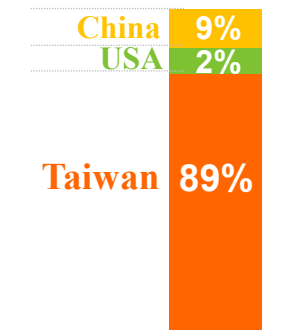
Electronics 35%

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



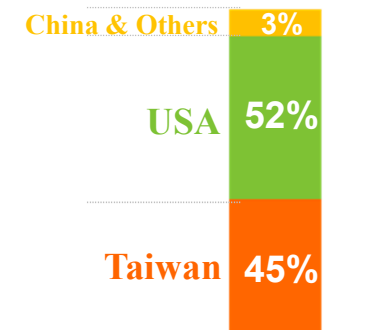
Chemicals 29%

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



Polyesters 20%

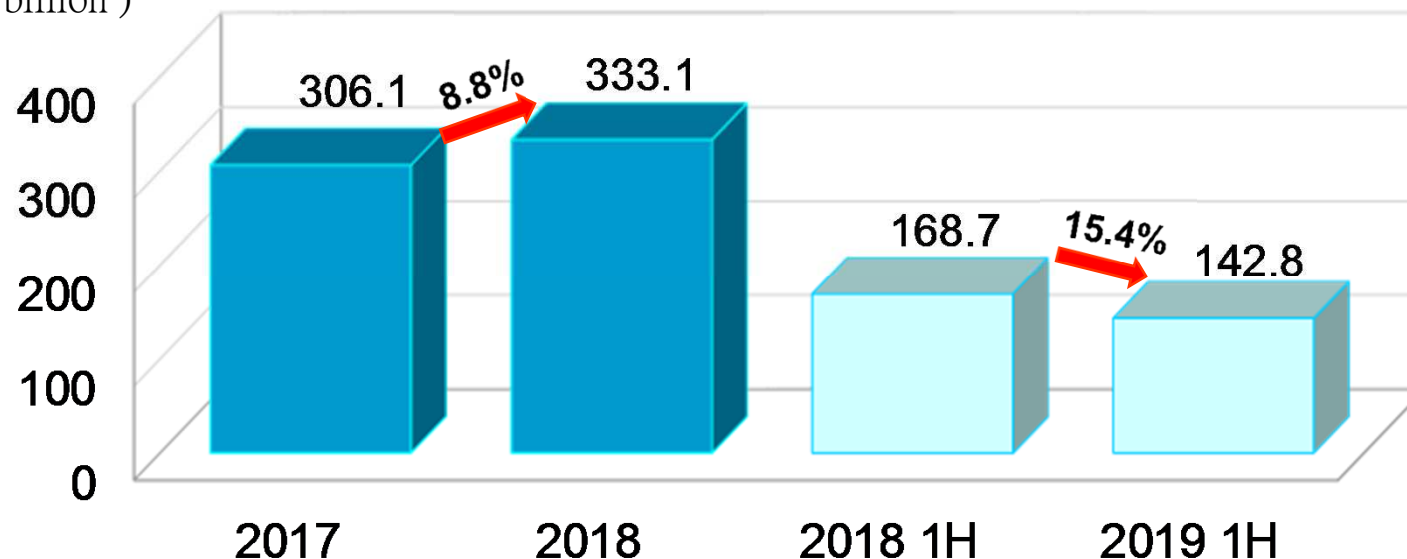
Polyester Staple Fiber, PET Resin, Filament, PET Film



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

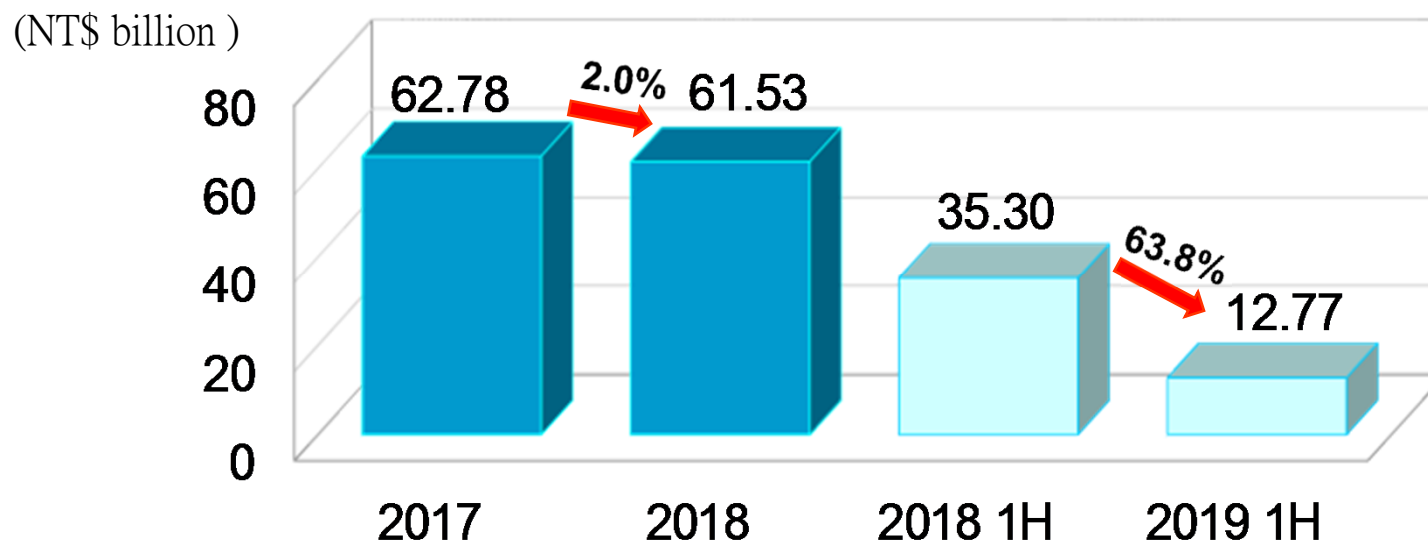
- **Revenue in 2019 1H decreased 15.4% YoY due to :**

Economic growth slows down, the market consumption confidence is insufficient and the revenue of chemical, electronic material and polyester 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 1H pre-tax income decreased 63.8% YoY due to :**

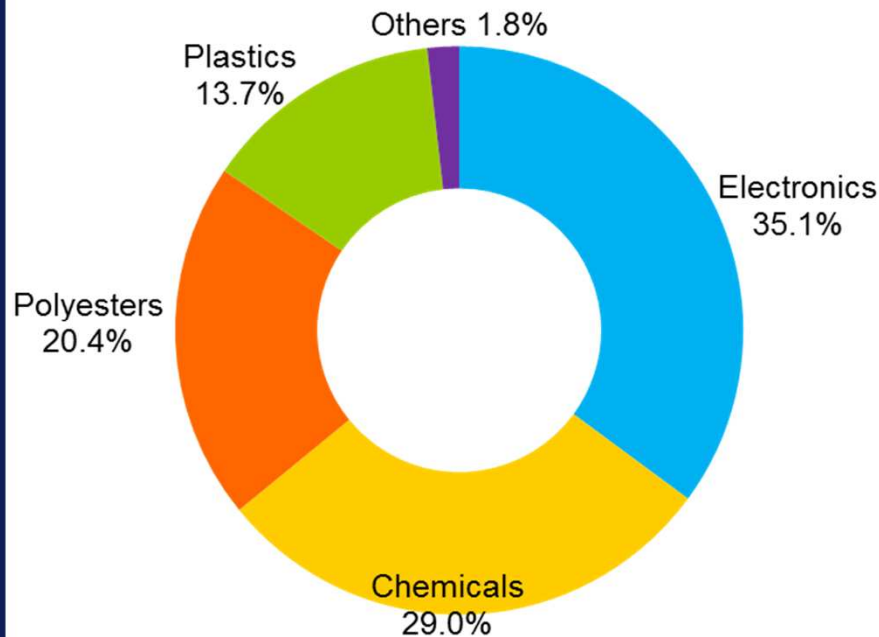
1. Operating income decreased 74.4% YoY, consumption demand shrank and profit of chemical and electronic material products decreased
2. Equity income decreased NT\$9.9bn YoY :
(1) FPCC -NT\$6.1bn (2) Nanya Tech -NT\$3.6bn



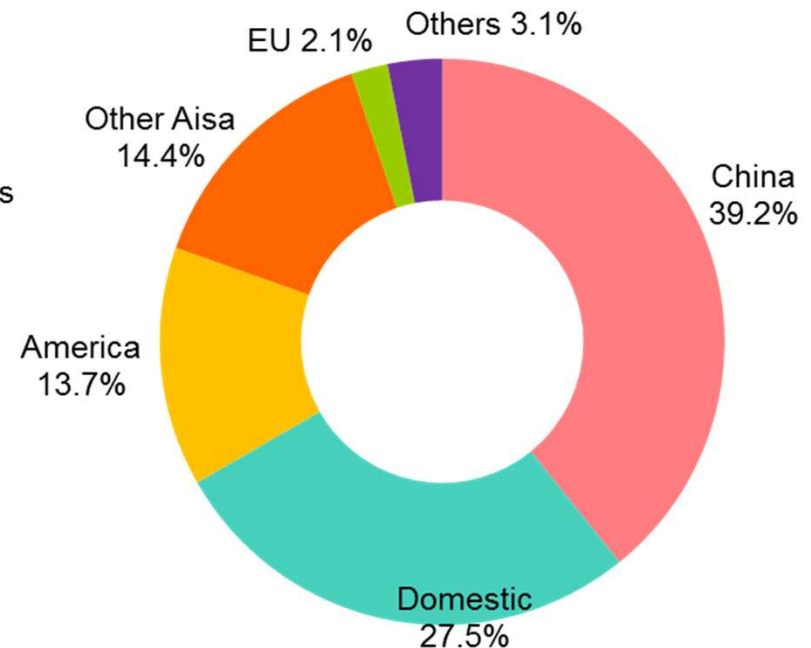
Financial Highlights

Revenue Breakdown

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



**2018 Sales Breakdown
by Geography**



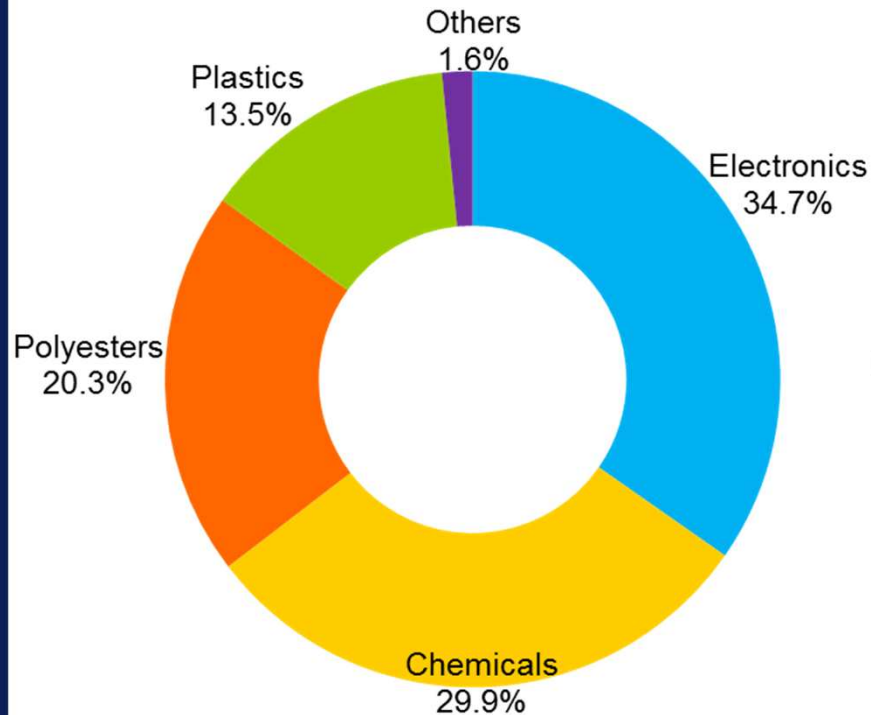
- Revenue of polyesters, chemicals and electronic materials increased due to the strong demand, the sales volume and price raised up
- Revenue in the next few years is still mainly driven by chemicals and electronic materials
- Mainland China remains the most important market, accounting for 54% of total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



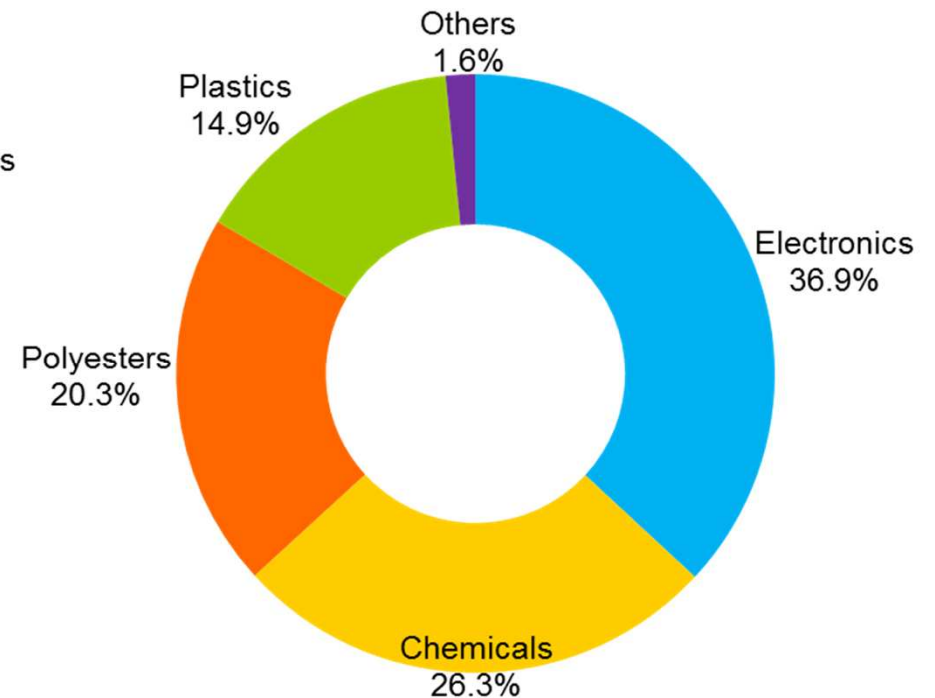
Financial Highlights

Revenue Breakdown by Product Segment

**2018 1H Net Sales
NT\$ 168.7 billion**



**2019 1H Net Sales
NT\$ 142.8 billion**



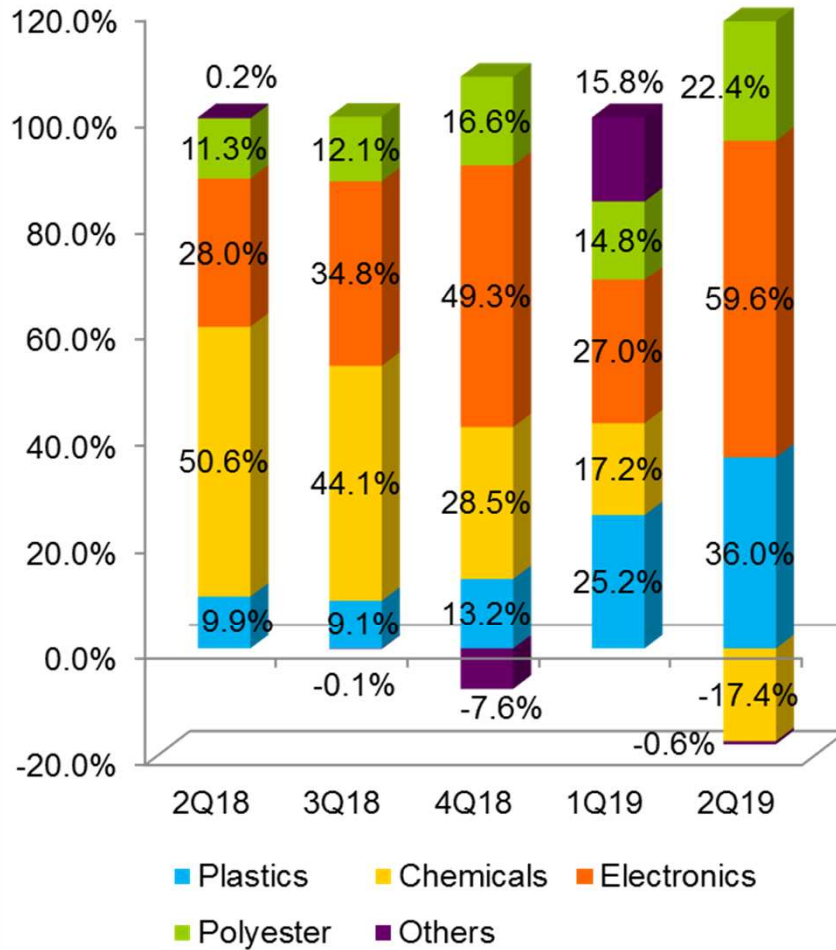
- Revenue in 2019 1H decreased 15.4% YoY
- Economic growth slows down, the market consumption confidence is insufficient and the revenue of chemical, electronic material and polyester products is not as good as last year.



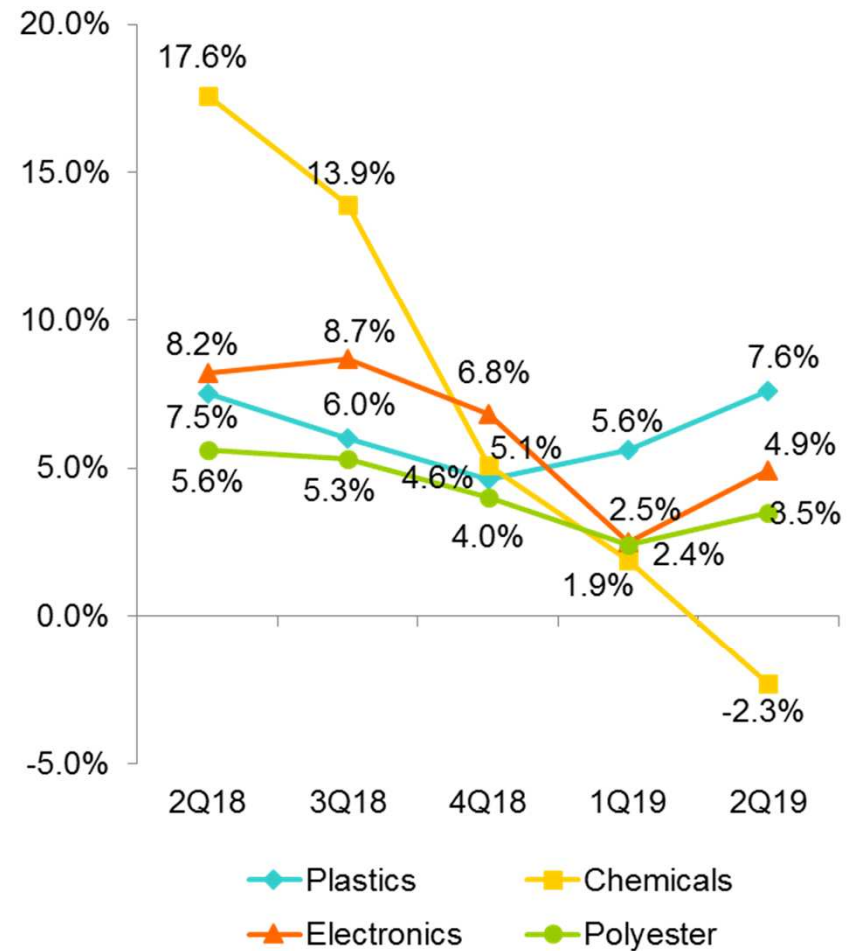
Financial Highlights

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	PP Synthetic Paper	KMT	65	22	34	2019/9
	Copper Foil	KMT	36	18	50	2020/3
	Polyester Film	KMT	94	14	15	2020/5
	Polyester Release Film (4 th coating machine)	KM ²	240,000	120,000	50	2019/9
	Polyester Release Film (5 th set)	KM ²	240,000	123,600	52	2020/11
Mainland China	PVC Leather	KYD	32,400	9,000	28	2019/11
	Aluminum Laminated Foil	KM ²	0	13,536	100	2020/6
	PVC Decorative Film	KYD	19,200	12,000	63	2021/10
	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
	BPA	KMT	130	130	100	2021/11
USA	EG	KMT	360	828	230	2020/3



THE END

