
Nan Ya Plastics

2019 3Q

Operations & Performance

Nov. 2019



Agenda

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

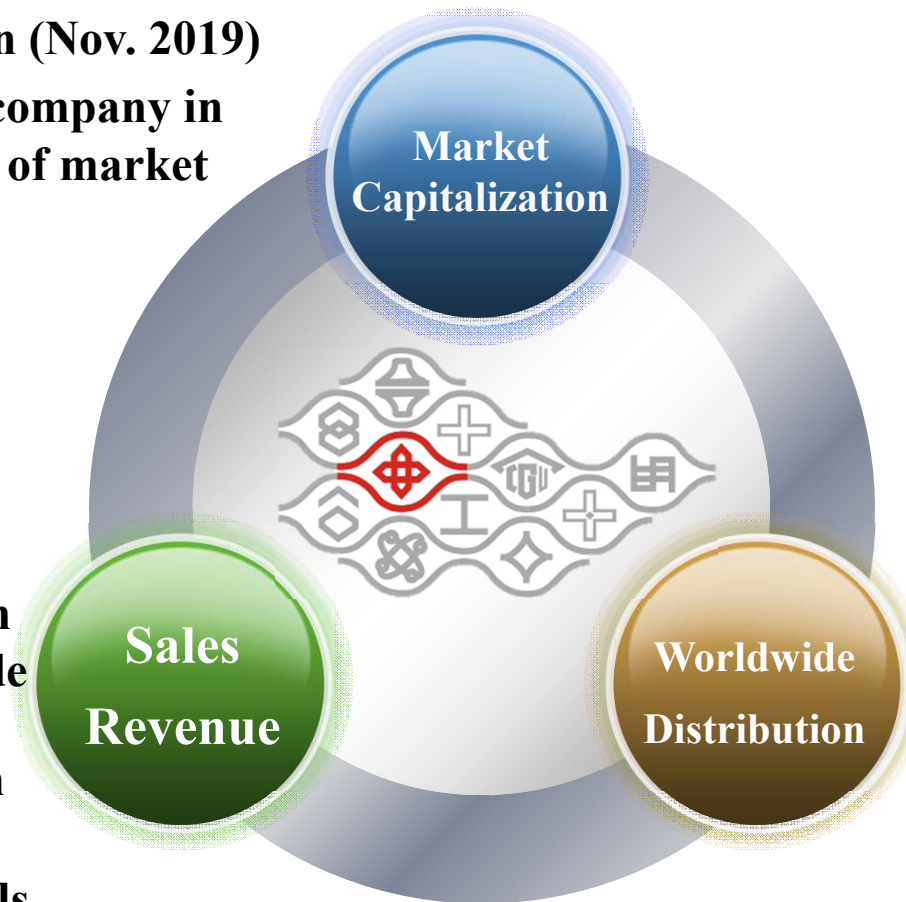


Overview

Highlights

- **Market Capitalization**
NT\$ 569.4 billion (Nov. 2019)
- **The 8th 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

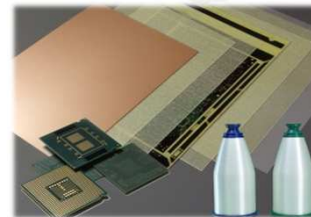
Polyesters

1969



Electronics
& Nan Ya PCB Co.

1986



Investing in
China

1996

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



Overview

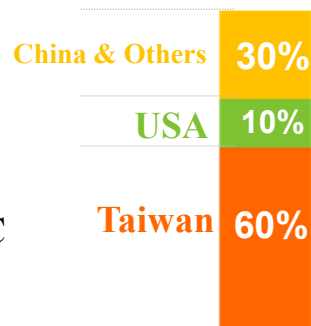
Major Businesses



Plastics

14%

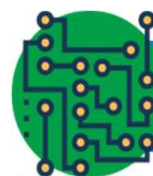
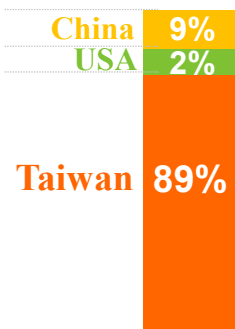
PVC Sheeting, PVC Rigid Film, PU Leather, PVC Rigid Pipe & Fittings, Window & Door Frames, Films, Engineering and PVC Compounds, PP Synthetic Paper



Chemicals

29%

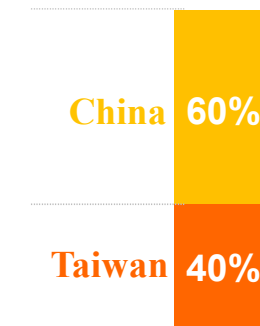
EG, BPA, 1,4BG, Plasticizer, PA, 2EH, INA, MA



Electronics

35%

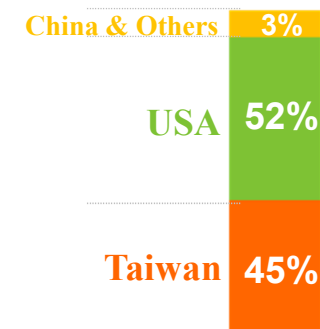
Glass Yarn, Glass Fabrics Cloth, Epoxy Resin, Copper Foil, Copper Clad Laminate, Printed Circuit Board



Polyesters

20%

Polyester Staple Fiber, PET Resin, Filament, PET Film



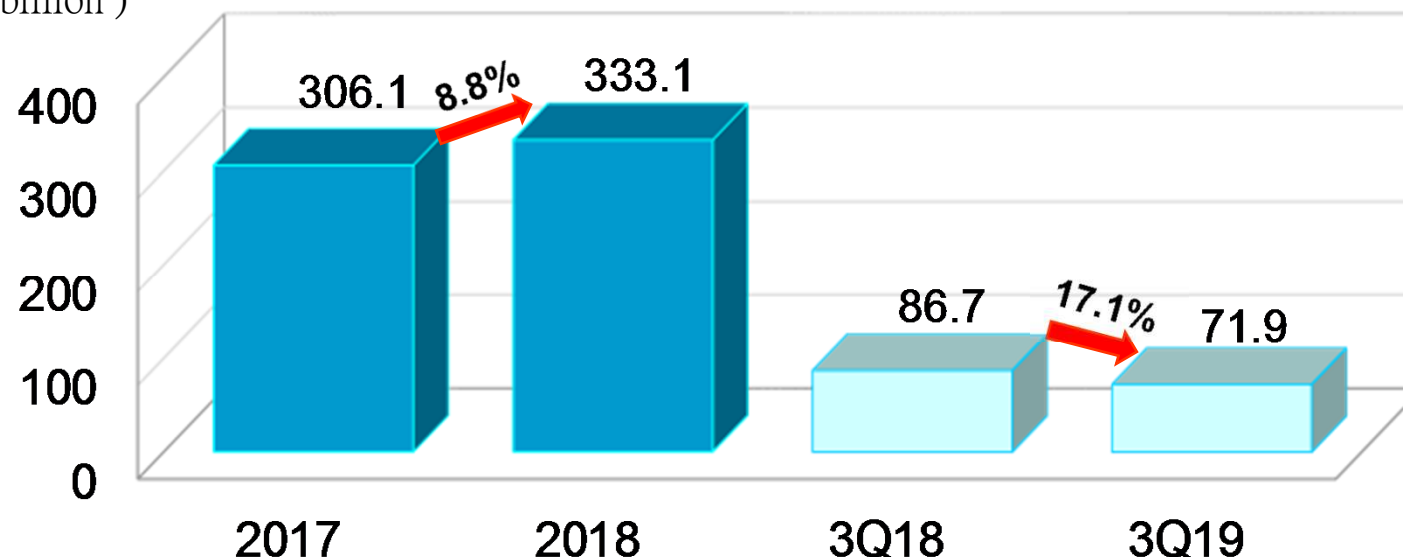
Sales breakdown in 2018



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.

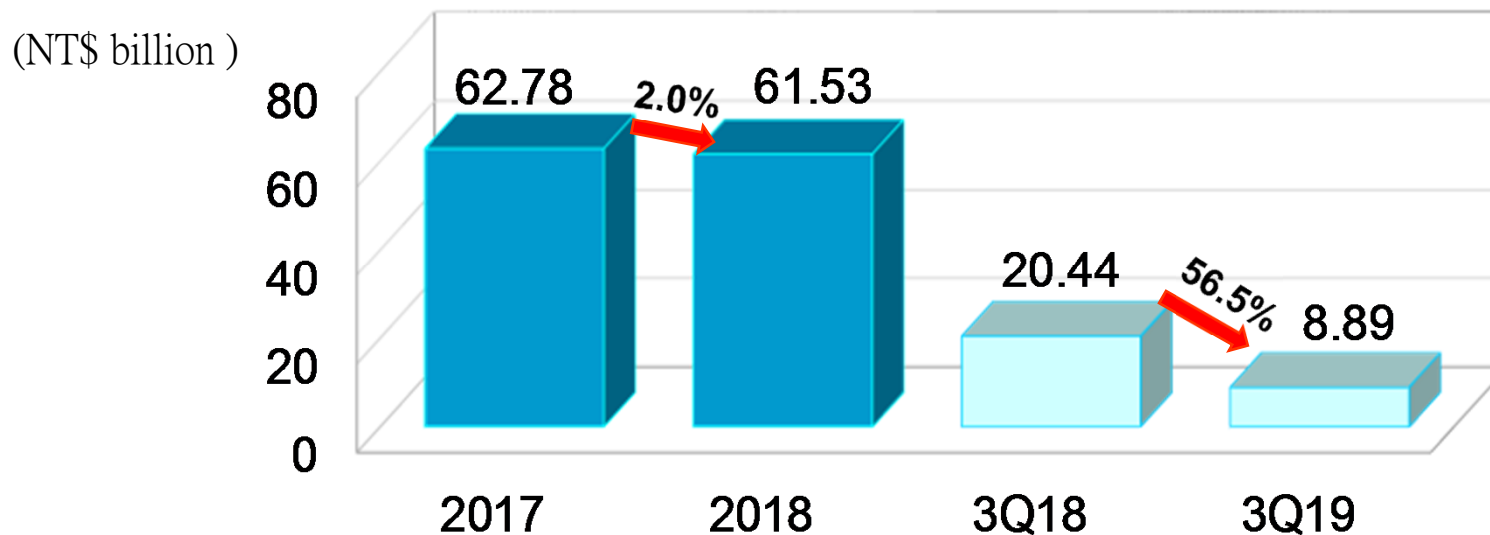
- **Revenue in 2019 3Q decreased 17.1% YoY due to :**

Economic growth slowed down this year, the consumption demand shrank significantly, resulting the revenue of various products was not as good as last year and among which chemical products EG and BPA decreased the most.



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 3Q pre-tax income decreased 56.5% YoY due to :**

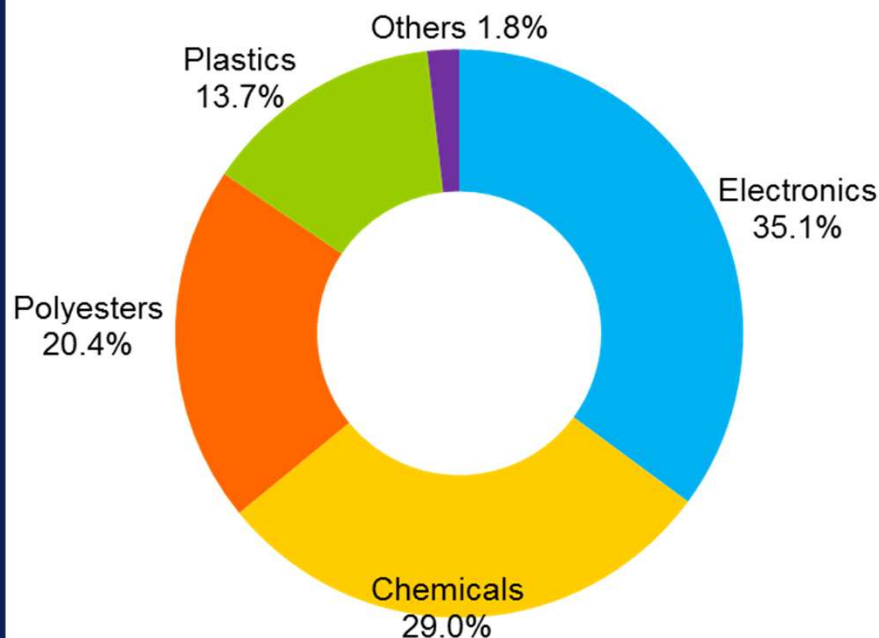
1. Operating income decreased 74.4% YoY. The decline in chemical products (etc. EG) was the most and was mainly due to the sales price of the products dropped greater than the raw materials, resulting in a sharp decline in profit. In addition, the profit of electronic materials was not as good as last year.
2. Equity income decreased NT\$4.9bn YoY :
(1) Nanya Tech -NT\$3.1bn (2) FPCC -NT\$1.9bn



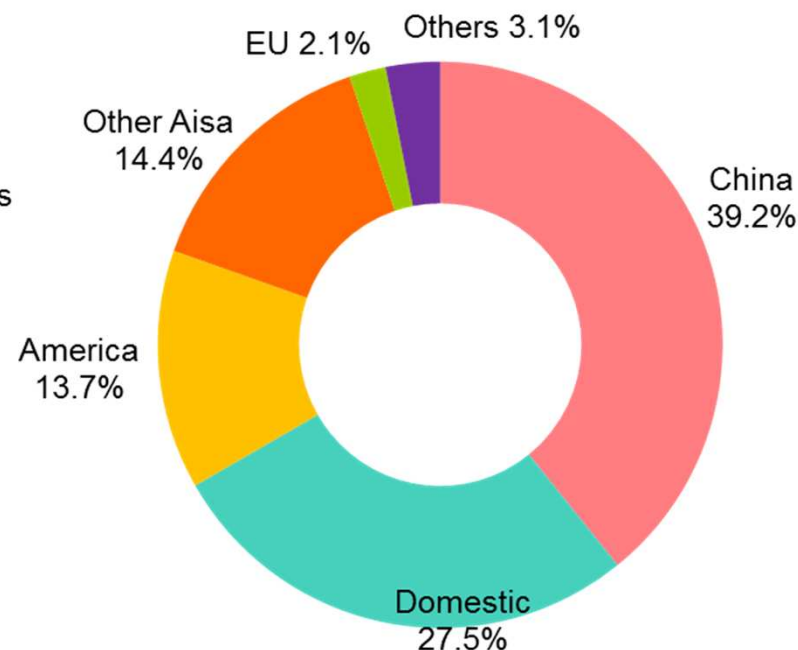
Financial Highlights

Revenue Breakdown

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



**2018 Sales Breakdown
by Geography**



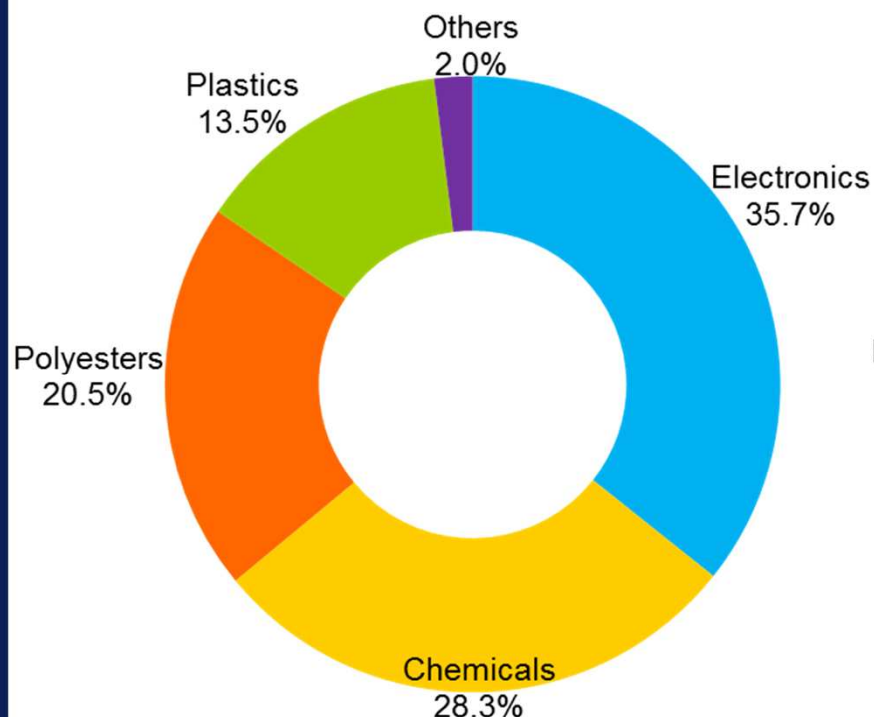
- Revenue of polyesters, chemicals and electronic materials increased due to the strong demand, the sales volume and price raised up
- Revenue in the next few years is still mainly driven by chemicals and electronic materials
- Mainland China remains the most important market, accounting for 54% of total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



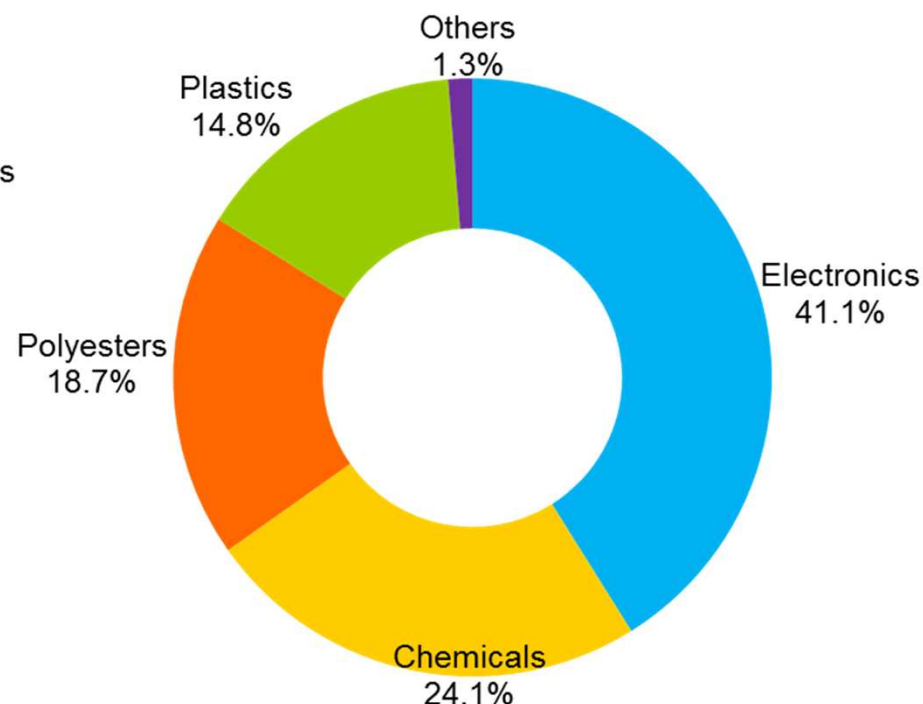
Financial Highlights

Revenue Breakdown by Product Segment

2018 3Q Net Sales
NT\$ 86.7 billion



2019 3Q Net Sales
NT\$ 71.9 billion



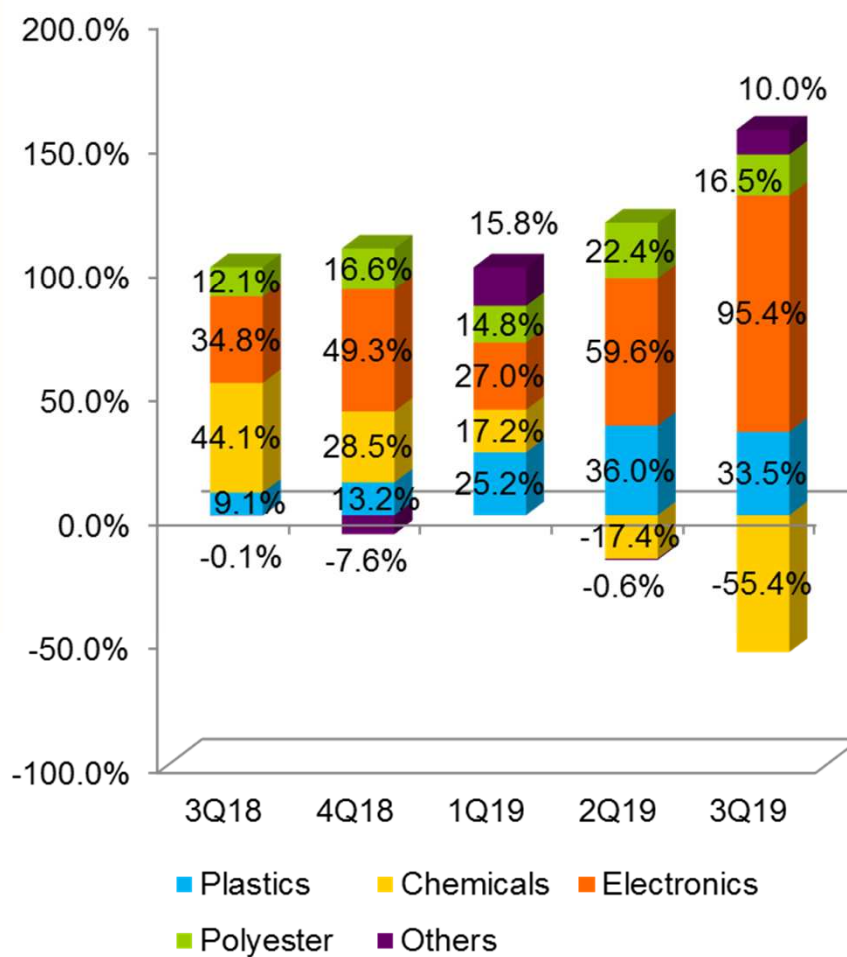
- Revenue in 2019 3Q decreased 17.1% YoY
- Economic growth slowed down this year, the consumption demand shrank significantly, resulting the revenue of various products was not as good as last year and among which chemical products EG and BPA decreased the most.



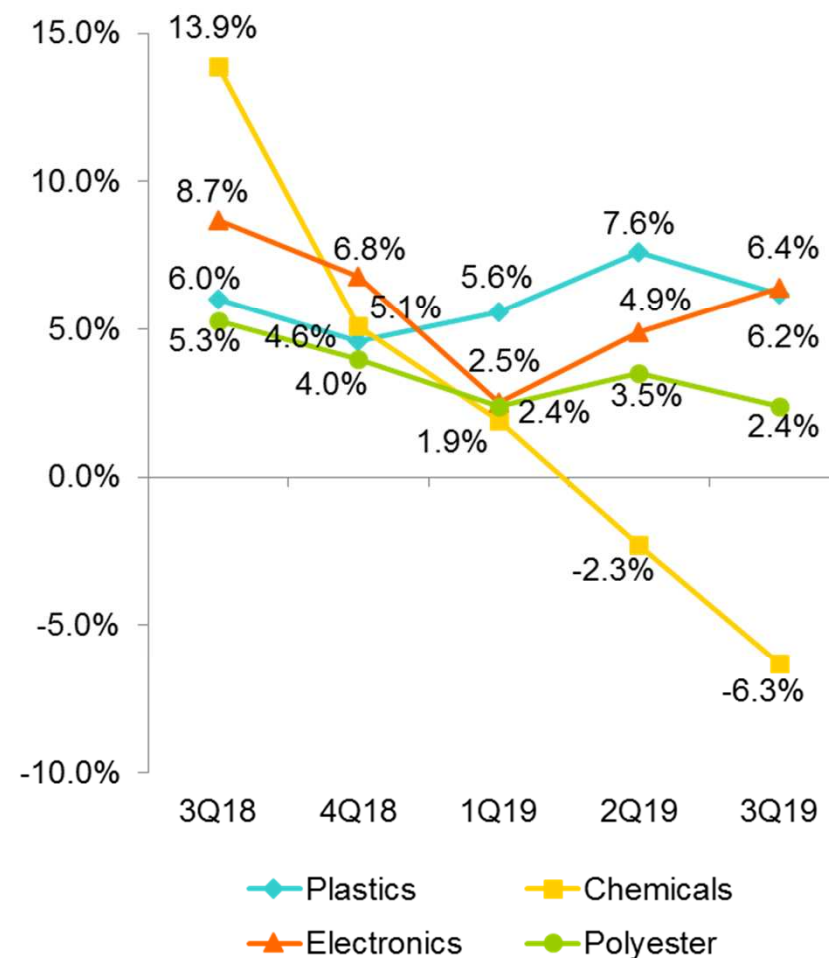
Financial Highlights

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	2020/2
	Copper Foil	KMT	34	18	53	2020/3
	Polyester Film	KMT	94	14	15	2020/6
	Polyester Release Film (4 th coating machine)	KM ²	240,000	120,000	50	2019/12
	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	2019/12
	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	2022/12
	Prepreg	KM	24,000	28,800	120	2022/12
	Glass Fabrics Cloth	KM	0	102,000	100	2022/12
	PCB	KSF	17,496	271	2	2021/2
	BPA	KMT	130	130	100	2021/11
USA	EG	KMT	360	828	230	2020/3



THE END

