

Taiflex Scientific Co., Ltd.

2016 – Q4 Result



TAIFLEX SCIENTIFIC CO., LTD.
台虹科技股份有限公司

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4Q16 Finance Highlights

| NTD('million) | Actual | QoQ | YoY |
|-------------------------------|--------|-----------|-----------|
| Consolidated Revenue | 2,938 | 20.4% | 1.0% |
| Electronic Materials | 1,836 | (4.0%) | 22.9% |
| PV Back sheet | 1,060 | 101.6% | (24.8%) |
| Consolidated Gross Margin | 18.1% | 0.1 ppt | (2.0 ppt) |
| Consolidated Operating Profit | 8.7% | (1.0 ppt) | (1.3 ppt) |
| Net Profit | 190 | 38.1% | 46.1% |
| EPS(NTD dollars) | 0.89 | 32.8% | 39.1% |

NOTE: Financial amount of 4Q16 were audited by CPA

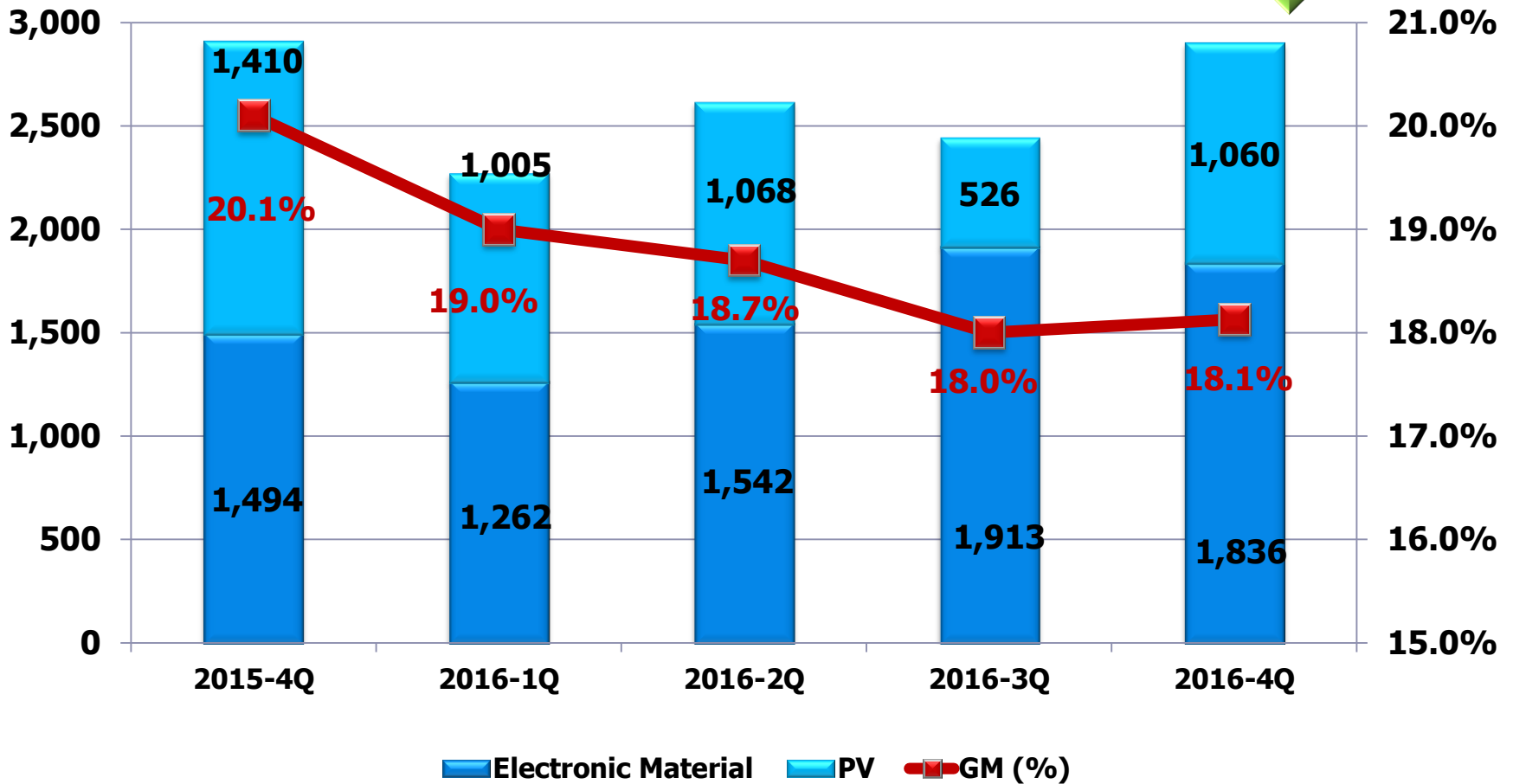
2016 Finance Highlights

| NTD('million) | Actual | YoY |
|-------------------------------|--------|-----------|
| Consolidated Revenue | 10,284 | 0.2% |
| Electronic Materials | 6,553 | 15.3% |
| PV Back sheet | 3,659 | (18.5%) |
| Consolidated Gross Margin | 18.4% | (2.6 ppt) |
| Consolidated Operating Profit | 9.3% | (0.9 ppt) |
| Net Profit | 580 | (20.6%) |
| EPS(NTD dollars) | 2.81 | (20.6%) |

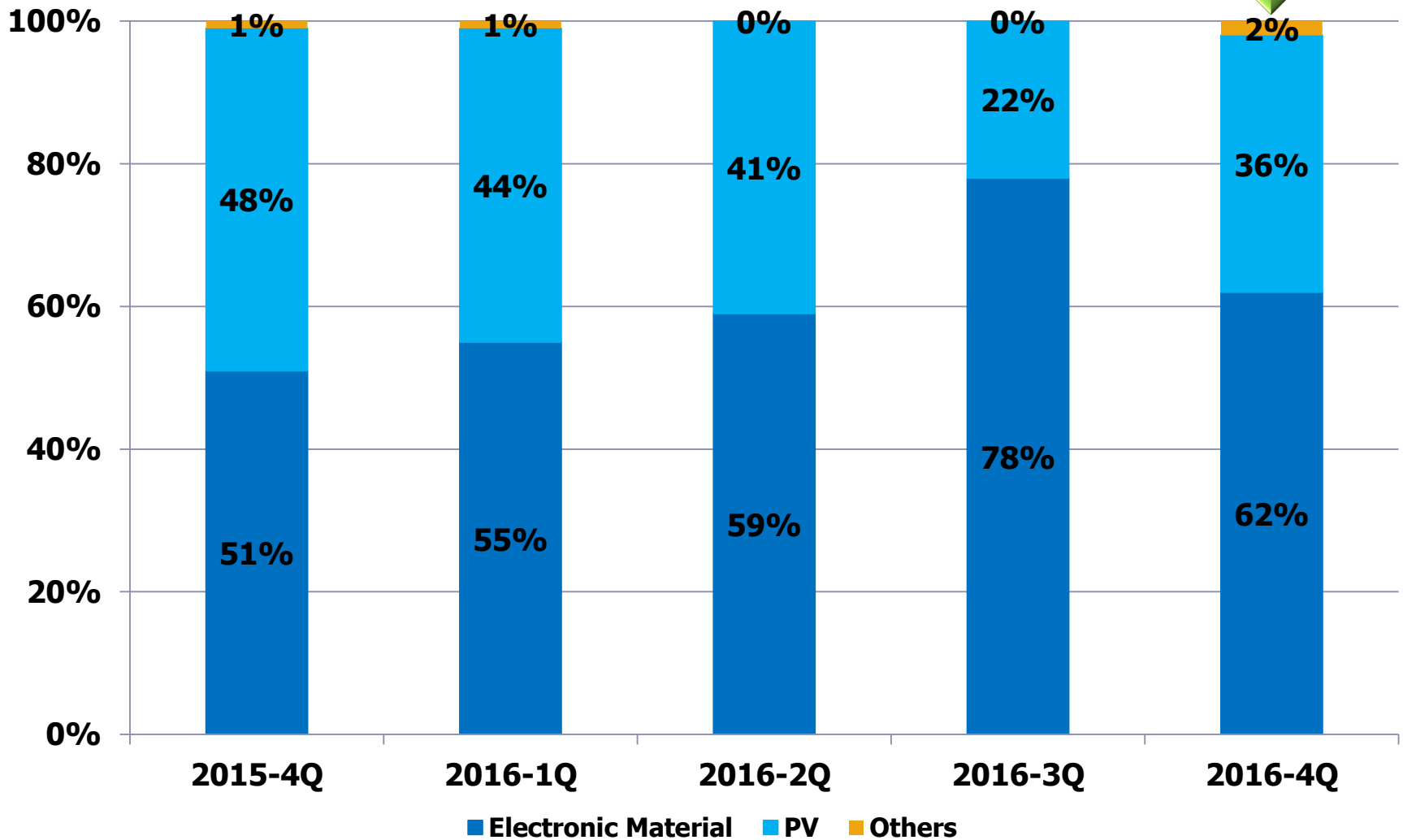
NOTE: Financial amount of 2016 were audited by CPA

Sales Breakdown (1/2)

Unit: NT\$Million



Sales Breakdown (2/2)



Consolidated IS – by Quarterly

| NTD ('million) | 2015-4Q | 2016-1Q | 2016-2Q | 2016-3Q | 2016-4Q | QoQ | YoY |
|-------------------|---------|---------|---------|---------|---------|-------|---------|
| Net Revenue | 2,909 | 2,283 | 2,622 | 2,440 | 2,938 | 20.4% | 1.0% |
| Gross Margin | 586 | 433 | 490 | 440 | 533 | 21.1% | (9.1%) |
| Operating Expense | 292 | 216 | 249 | 201 | 276 | 37.3% | (5.7%) |
| Operating Profit | 294 | 217 | 241 | 239 | 257 | 7.6% | (12.5%) |
| Profit before tax | 157 | 152 | 160 | 151 | 220 | 45.9% | 40.0% |
| Net Profit | 130 | 121 | 132 | 137 | 190 | 38.1% | 46.1% |
| EPS (NTD dollars) | 0.64 | 0.60 | 0.65 | 0.67 | 0.89 | 32.8% | 39.1% |

NOTE: Financial amount of 4Q16 were audited by CPA.

Consolidated Income Statement

| NTD('million) | 2013 | 2014 | 2015 | 2016 | YoY |
|-------------------|--------|--------|--------|--------|---------|
| Net Revenue | 10,138 | 10,128 | 10,268 | 10,284 | 0.2% |
| Gross Margin | 2,169 | 2,256 | 2,165 | 1,896 | (12.4%) |
| Operating Expense | 1,057 | 1,247 | 1,116 | 941 | (15.7%) |
| Operating Profit | 1,112 | 1,009 | 1,049 | 955 | (9.0%) |
| Profit before tax | 1,279 | 1,107 | 867 | 683 | (21.2%) |
| Net Profit | 1,005 | 882 | 730 | 580 | (20.5%) |
| EPS (dollars) | 4.96 | 4.32 | 3.54 | 2.81 | (20.6%) |

NOTE: Financial amount of 2016 were audited by CPA.

Non-operating income and expenses

| NTD('million) | 2015 | 2016 |
|---|-------|-------|
| Net foreign exchange gain (loss) | (112) | (217) |
| Other income | 45 | 25 |
| Gain (loss) of financial assets (liabilities) at fair value through profit or loss | 6 | 26 |
| Other gains and losses | (52) | (13) |
| Finance costs | (69) | (92) |
| Total Non-operating income and expenses | (182) | (271) |

NOTE: Financial amount of 2016 were audited by CPA.

Consolidated Balance Sheet

| NTD('million) | 2013 | 2014 | 2015 | 2016 |
|---------------------|--------|--------|--------|--------|
| Cash | 3,529 | 3,406 | 2,729 | 2,982 |
| Accounts Receivable | 4,191 | 4,684 | 4,506 | 4,341 |
| Inventories | 957 | 926 | 1,116 | 1,132 |
| Total Assets | 11,595 | 12,183 | 11,879 | 11,798 |
| Short-term Loans | 1,051 | 1,219 | 881 | 940 |
| Accounts Payable | 2,071 | 2,430 | 2,578 | 2,872 |
| Current Liabilities | 3,282 | 3,837 | 3,866 | 3,939 |
| Total Liability | 5,191 | 5,427 | 5,060 | 5,032 |
| Total Equity | 6,404 | 6,756 | 6,819 | 6,766 |

NOTE: Financial amount of 4Q16 were audited by CPA.

Statement of Cash Flows

| NTD('million) | 2013 | 2014 | 2015 | 2016 |
|--|---------|-------|---------|-------|
| Depreciation and Amortization Expenses | 256 | 282 | 304 | 302 |
| Decrease (Increase) in Inventories | 40 | 36 | (122) | (29) |
| Decrease (Increase) in Receivables | (1,255) | (830) | 81 | 465 |
| Increase (Decrease) in Payables | 613 | 386 | 82 | 318 |
| Net Cash Generated by Operating Activities | 867 | 1,009 | 971 | 1,496 |
| Capital Expenditures | (458) | (308) | (497) | (471) |
| Net Cash Used in Investing Activities | (356) | (367) | (560) | (367) |
| Net Cash Generated by (Used in) Financing Activities | 416 | (805) | (1,076) | (766) |
| Cash and Cash Equivalents, End of Period | 3,529 | 3,406 | 2,729 | 2,982 |

NOTE: Financial amount of 2016 were audited by CPA.

Thank You!

