

Taiflex Scientific Co., Ltd.

2018 – Q2 Result



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

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2Q18 Finance Highlights

NTD ('million)	Actual	QoQ	YoY
Consolidated Revenue	2,386	19.3%	-14.1%
Electronic Materials	2,021	25.8%	24.3%
PV Back sheet	361	-13.0%	-68.5%
Net Profit	158	62.7%	-18.7%
EPS (NTD dollars)	0.76	65.2%	-19.1%
GM%	22.2%	2.5ppt	4.9ppt
OP%	10.2%	1.2ppt	2.0ppt

NOTE: Financial amount of 2Q18 were reviewed by CPA

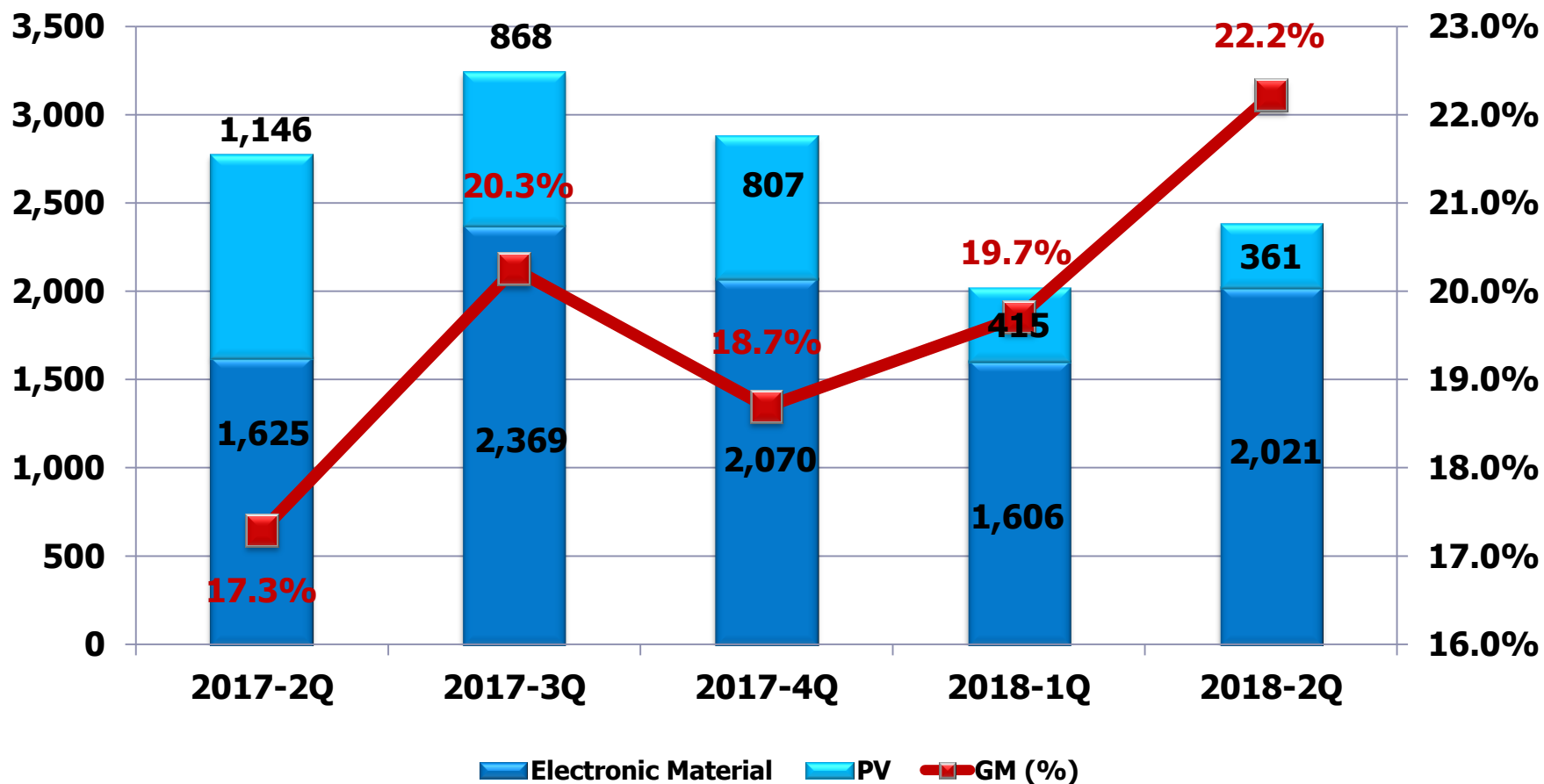
1H18 Finance Highlights

NTD ('million)	Actual	YoY
Consolidated Revenue	4,385	-13.8%
Electronic Materials	3,627	22.3%
PV Back sheet	776	-63.3%
Net Profit	255	-13.2%
EPS (NTD dollars)	1.22	-14.1%
GM%	21.1%	2.5ppt
OP%	9.7%	0.6ppt

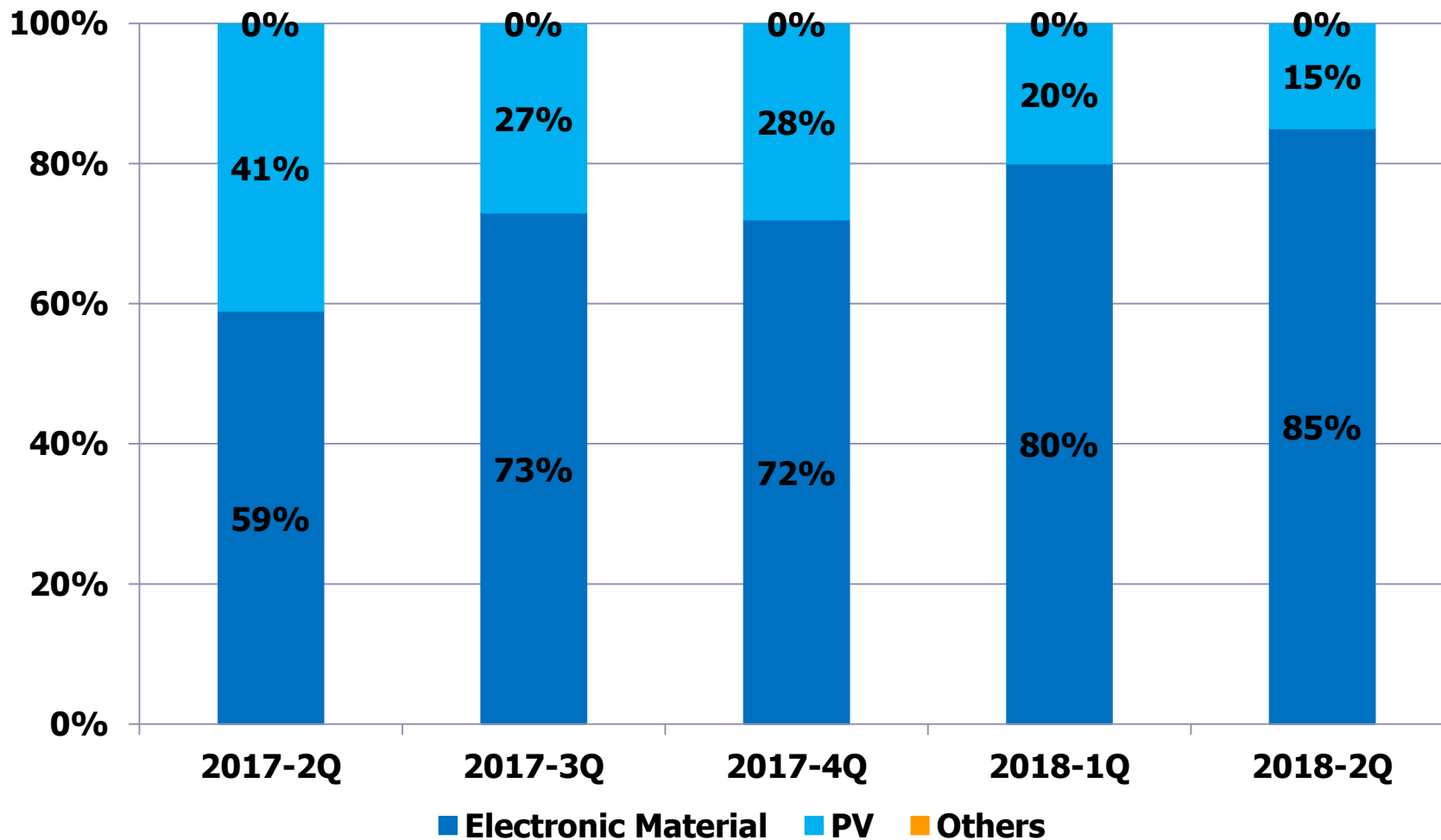
NOTE: Financial amount of 1H18 were reviewed by CPA

Sales Breakdown (1/2)

Unit: NT\$ Million



Sales Breakdown (2/2)



Consolidated IS – by Quarterly

NTD ('million)	2017-2Q	2017-3Q	2017-4Q	2018-1Q	2018-2Q	QoQ	YoY
Net Revenue	2,777	3,224	2,879	2,000	2,386	19.3%	-14.1%
Gross Profit	480	653	538	394	530	34.5%	10.4%
Operating Expense	251	319	343	215	286	33.3%	14.2%
Operating Profit	230	334	195	180	244	35.8%	6.2%
Profit before tax	260	367	192	151	216	42.7%	-16.9%
Net Profit	194	280	161	97	158	62.7%	-18.7%
EPS (NTD dollars)	0.94	1.36	0.77	0.46	0.76	65.2%	-19.1%
Gross Margin	17.3%	20.2%	18.7%	19.7%	22.2%	2.5ppt	4.9ppt
Operating Margin	8.3%	10.4%	6.8%	9.0%	10.2%	1.2ppt	2.0ppt
Net Margin	7.0%	8.7%	5.6%	4.8%	6.6%	1.8ppt	-0.4ppt
Tax rate	25.0%	22.1%	13.0%	35.1%	25.6%	-9.5ppt	0.5ppt

NOTE: Financial amount of 2Q18 were reviewed by CPA.

Consolidated Balance Sheet

NTD('million)	2015	2016	2017	2018-2Q
Cash	2,729	2,982	1,934	1,596
Accounts Receivable	4,506	4,341	4,776	4,925
Inventories	1,116	1,132	1,626	2,014
Total Assets	11,879	11,798	11,733	12,016
Short-term Loans	881	940	657	1,245
Accounts Payable	2,578	2,872	3,084	2,935
Current Liabilities	3,866	3,939	3,920	4,343
Total Liability	5,060	5,032	4,494	5,021
Total Equity	6,819	6,766	7,239	6,995

NOTE: Financial amount of 2Q18 were reviewed by CPA.

Statement of Cash Flows

NTD('million)	2015	2016	2017	2018-1H
Depreciation and Amortization Expenses	304	302	302	157
Decrease (Increase) in Inventories	(122)	(29)	(534)	(394)
Decrease (Increase) in Receivables	81	465	(455)	(102)
Increase (Decrease) in Payables	82	318	203	(657)
Net Cash Generated by Operating Activities	971	1,496	424	(832)
Capital Expenditures	(497)	(471)	(380)	(182)
Net Cash Used in Investing Activities	(560)	(367)	(364)	(175)
Net Cash Generated by (Used in) Financing Activities	(1,076)	(766)	(1,096)	660
Cash and Cash Equivalents, End of Period	2,729	2,982	1,934	1,596

NOTE: Financial amount of 1H18 were reviewed by CPA.

3Q18 Business Guidance

NTD ('million)	Guidance	QoQ	YoY
Consolidated Revenue	2,500-3,100	17.7%	-12.9%
Electronic Materials	2,300-2,800	27.1%	8.4%
PV Back sheet	100-300	-44.6%	-77.0%
Consolidated Gross Margin	23 ±2%	0.8ppt	2.8ppt
Consolidated Operating Profit	12 ±2%	1.8ppt	1.6ppt

NOTE : QoQ & YoY are calculated by the median of expected revenue.

Thank You!

