

Nuvoton Technology Corporation

1H'19 Investor Conference

July 26, 2019



Safe Harbor Notice

- We have made forward-looking statements in this presentation. Our forward-looking statements contain information regarding, among other things, our financial condition, future expansion plans and business strategies. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projects are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about us.
- We undertake no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future event or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this conference might not occur and our actual results could differ materially from those anticipated in these forward-looking statements.
- The information contained herein shall also not constitute an offer to sell or a solicitation of an offer to buy the company's securities nor shall there be any sale of such securities in any state or country in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or country.

Agenda

- **Nuvoton Financial Results**
- **Nuvoton 1H'19 Business Results & 2H'19 Business Outlook**
- **Q&A**

Nuvoton Financial Results

- **Nuvoton Consolidated Statement of Comprehensive Income**
- **Nuvoton Consolidated Balance Sheet**
- **Nuvoton Consolidated Statement of Cash Flows**
- **Nuvoton Revenue and GM Trend - Consolidated**



Nuvoton Consolidated Statement of Comprehensive Income

Selected Items from Statement of Comprehensive Income.

	2Q'19		1Q'19		1H'19		1H'18		YoY	
Unit: NT\$ M	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Revenue	2,584	100	2,050	100	4,634	100	4,927	100	(293)	(6)
Gross Profit	1,042	40	792	39	1,834	40	1,897	39	(63)	(3)
Operating Income	146	5	38	2	184	4	335	7	(151)	(45)
Net Non-Operating Income	72	3	2	0	74	1	80	1	(6)	(8)
Income before Income Tax	218	8	40	2	258	5	414	8	(156)	(38)
Net Income	184	7	30	2	214	4	361	7	(147)	(41)
EPS (NTD)	0.88		0.15		1.03		1.74		(0.71)	

Note: Weighted average outstanding shares were 207.5M units in 1H'19.

Nuvoton Consolidated Balance Sheet

Selected Items from Balance Sheet.

	Jun 30 '19		Dec 31 '18		HoH	
Unit: NT\$ M	Amount	%	Amount	%	Amount	%
Cash & Cash Equivalents	1,653	24	1,544	25	109	7
Accounts Receivable	1,052	15	997	16	55	6
Other Receivable	194	3	181	3	13	7
Inventories	1,537	23	1,561	26	(24)	(2)
Long-Term Investments	521	7	539	9	(18)	(3)
Property, Plant and Equipment(including R.O.U)	1,345	20	748	12	597	80
Others	533	8	548	9	(15)	(3)
Total Assets	6,835	100	6,117	100	718	12
Current Liabilities	2,506	36	1,915	31	591	31
Non-Current Liabilities	866	13	468	8	398	85
Total Liabilities	3,372	49	2,383	39	989	42
Total Equity	3,463	51	3,734	61	(271)	(7)
Current Ratio	1.83		2.33			
Debt/Equity Ratio	0.97		0.64			

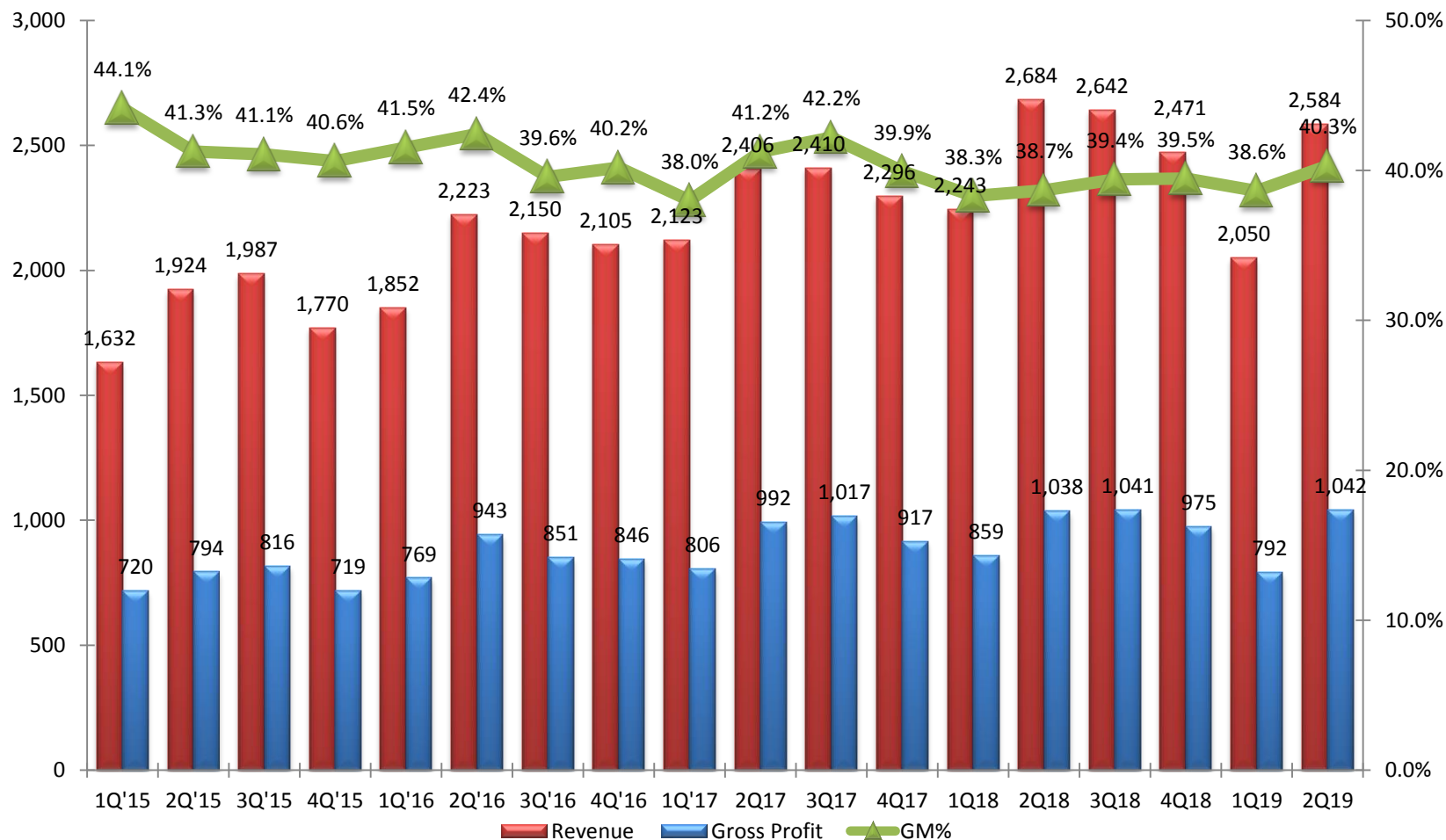
Nuvoton Consolidated Statement of Cash Flows

	1H'19	2H'18	HoH
Unit: NT\$ M	Amount	Amount	Amount
Cash Flows from Operating Activities	272	545	(273)
Cash Flows from Investing Activities	(134)	(107)	(27)
Cash Flows from Financing Activities	(47)	(519)	472
Cash & Cash Equivalents	1,653	1,544	109

Nuvoton Revenue and GM Trend - Consolidated

Revenue/Gross Profit (NT\$ M)

Gross Margin Rate

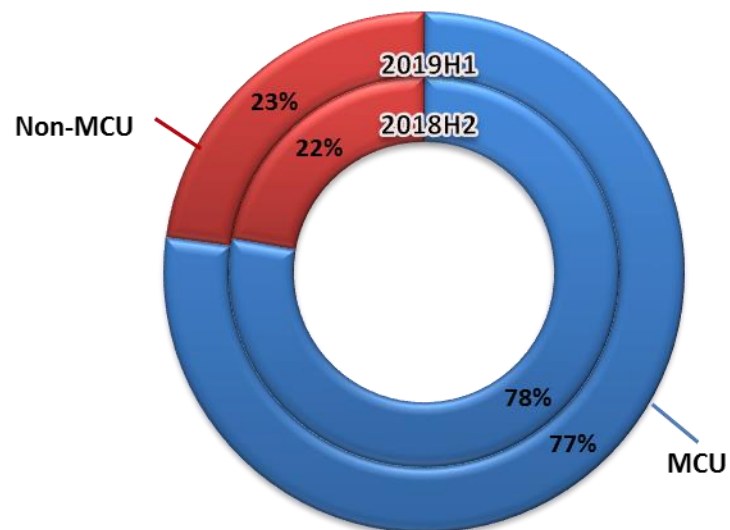




Nuvoton 1H'19 Business Results & 2H'19 Business Outlook

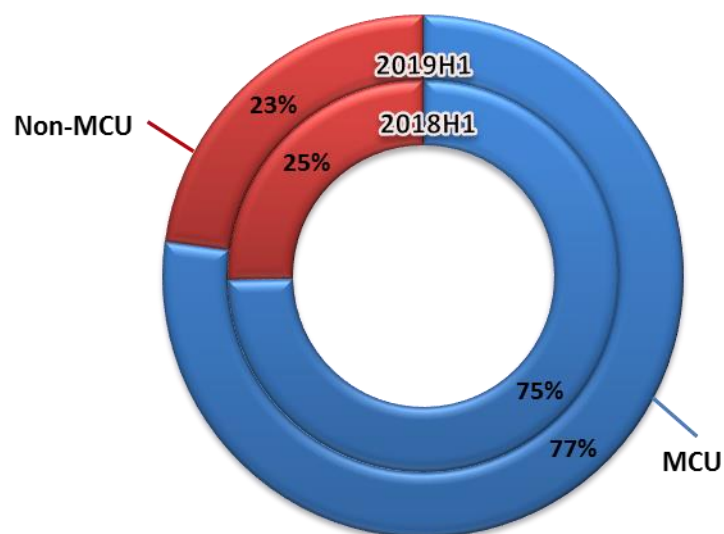
- **1H'19 Revenue by Product**
- **1H'19 Revenue by Application**
- **Nuvoton 1H'19 Business Results**
- **Nuvoton 2H'19 Business Outlook**





1H'19 Revenue by Product



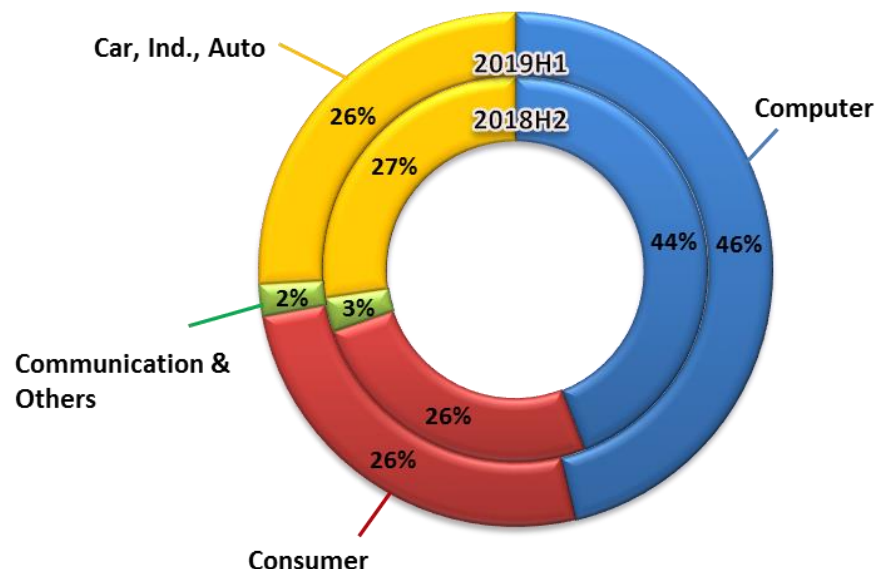
HoH %		
	MCU	-1%
	Non-MCU	1%







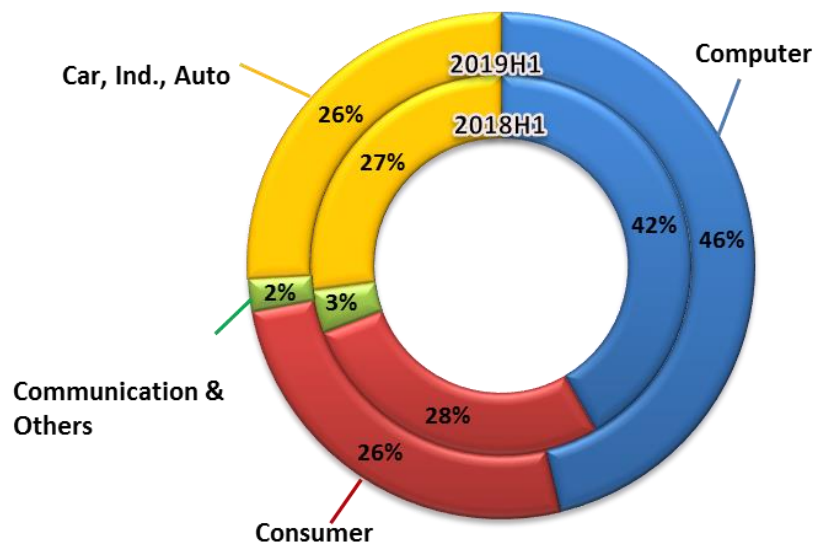
YoY %		
	MCU	2%
	Non-MCU	-2%

Note: Foundry revenue was not included in the numbers .

1H'19 Revenue by Application



HoH %		
	Computer	2%
	Consumer	0%
	Communication & Others	-1%
	Car, Industry & Auto	-1%



YoY %		
	Computer	4%
	Consumer	-2%
	Communication & Others	-1%
	Car, Industry & Auto	-1%

Note: Foundry revenue was not included in the numbers .

Nuvoton 1H'19 Business Results (1)

1H'19 YoY : Revenue – 5.9%, Gross Margin + 1.08%, EPS - 0.71

- **Key reasons for Revenue YoY Decrease**
 - Influence of trade war between US and China
 - Market demand slowdown
- **Key reason for Gross Margin YoY Increase**
 - Product Mix

Nuvoton 1H'19 Business Results (2)

- **1H'19 Main Achievements**

- Released 7 new series microcontrollers and microprocessors. – MS51/ML51/M031/M251/ M261/M480/NUC980 to provide a rich portfolio based on 8051, M0, M23, M4 and ARM9 processor core
- NuMicro® M2351 Series is the first Arm® Cortex®-M23 based MCUs that has been both PSA Certified™ Level 1 and PSA Functional API Certified
- Shipments of “Speech/Midi synthesis with controller” N589 series product

Nuvoton 1H'19 Business Results (3)

- **1H'19 Main Achievements**
 - Shipments of BMC product, supports Intel Purley server platforms, integrating highest performance duo-core Arm® Cortex® A9 processor
 - Joined the “RunBMC” demonstration at the Open Compute Project (OCP) Summit to provide customers a modular solution for rapid design-in
 - The contributions from LED lighting and Charger of Power management (Foundry Service)

Nuvoton 2H'19 Business Outlook(1)

- **New Products and Developments**

- NuMicro Arm® Cortex®-M4 based M480 new MCU series for high processing power industry control applications
- NuMaker IoT Platform provides integrated solutions including sensors and connectivity modules for gateway and IoT nodes, based on Arm Mbed, Amazon FreeRTOS, and IoT platform to connect to cloud
- High performance Arm® Cortex® M4 based Audio MCU for smart home voice recognition applications
- OpenBMC firmware stack support for cloud service end-customer

Nuvoton 2H'19 Business Outlook(2)

- **New Foundry Service Processes**
 - Mass production of UHV process
 - Development of new generation BCD process
 - Developing new customers of Half bridge HV IC process

Questions & Answers

Company website

Nuvoton: www.nuvoton.com

