

# **Nuvoton Technology Corporation**

## **2H'16 Investor Conference**

**February 7, 2017**



# 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 2016 Business Results & 2017 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 (2H16)

Selected Items from Statement of Comprehensive Income.

	4Q'16		3Q'16		2H'16		2H'15		YoY change	
Unit: NT\$ M	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Revenue	2,105	100	2,150	100	4,254	100	3,757	100	497	13
Gross Profit	846	40	851	40	1,697	40	1,535	41	161	11
Operating Income	131	6	146	7	276	6	224	6	52	23
Net Non-Operating Income	6	0	17	1	23	1	33	1	(10)	(30)
Income before Income Tax	136	6	163	8	299	7	257	7	42	17
Net Income	130	6	144	7	274	6	213	6	61	29
EPS (NTD)	0.63		0.69		1.32		1.03		0.29	

Note: Weighted average outstanding shares were 207.5M units in 2H'16.

# Nuvoton Consolidated Statement of Comprehensive Income

Selected Items from Statement of Comprehensive Income.

	Y2016		Y2015		YoY change	
Unit: NT\$ M	Amount	%	Amount	%	Amount	%
Net Revenue	8,329	100	7,313	100	1,016	14
Gross Profit	3,408	41	3,050	42	359	12
Operating Income	605	8	486	7	119	24
Net Non-Operating Income	104	1	86	1	18	21
Income before Income Tax	709	9	572	8	137	24
Net Income	613	8	469	6	144	31
EPS (NTD)	2.95		2.26		0.69	

Note: Weighted average outstanding shares were 207.5M units in 2H'16.

# Nuvoton Consolidated Balance Sheet

Selected Items from Balance Sheet.

	Dec 31 '16		Jun 30 '16		HoH change	
Unit: NT\$ M	Amount	%	Amount	%	Amount	%
Cash & Cash Equivalents	1,899	32	2,233	38	(335)	(15)
Accounts Receivable	827	14	705	12	121	17
Other Receivable	257	4	236	4	21	9
Inventories	1,178	20	1,194	20	(15)	(1)
Long-Term Investments	452	8	451	7	2	0
Property, Plant and Equipment	588	10	519	9	69	13
Total Assets	5,898	100	5,920	100	(22)	(0)
Current Liabilities	1,950	33	2,213	38	(264)	(12)
Non-Current Liabilities	570	10	555	9	15	3
Total Liabilities	2,520	43	2,769	47	(249)	(9)
Total Equity	3,378	57	3,151	53	227	7
Current Ratio	2.25		2.01			
Debt/Equity Ratio	0.75		0.88			

# Nuvoton Consolidated Statement of Cash Flows

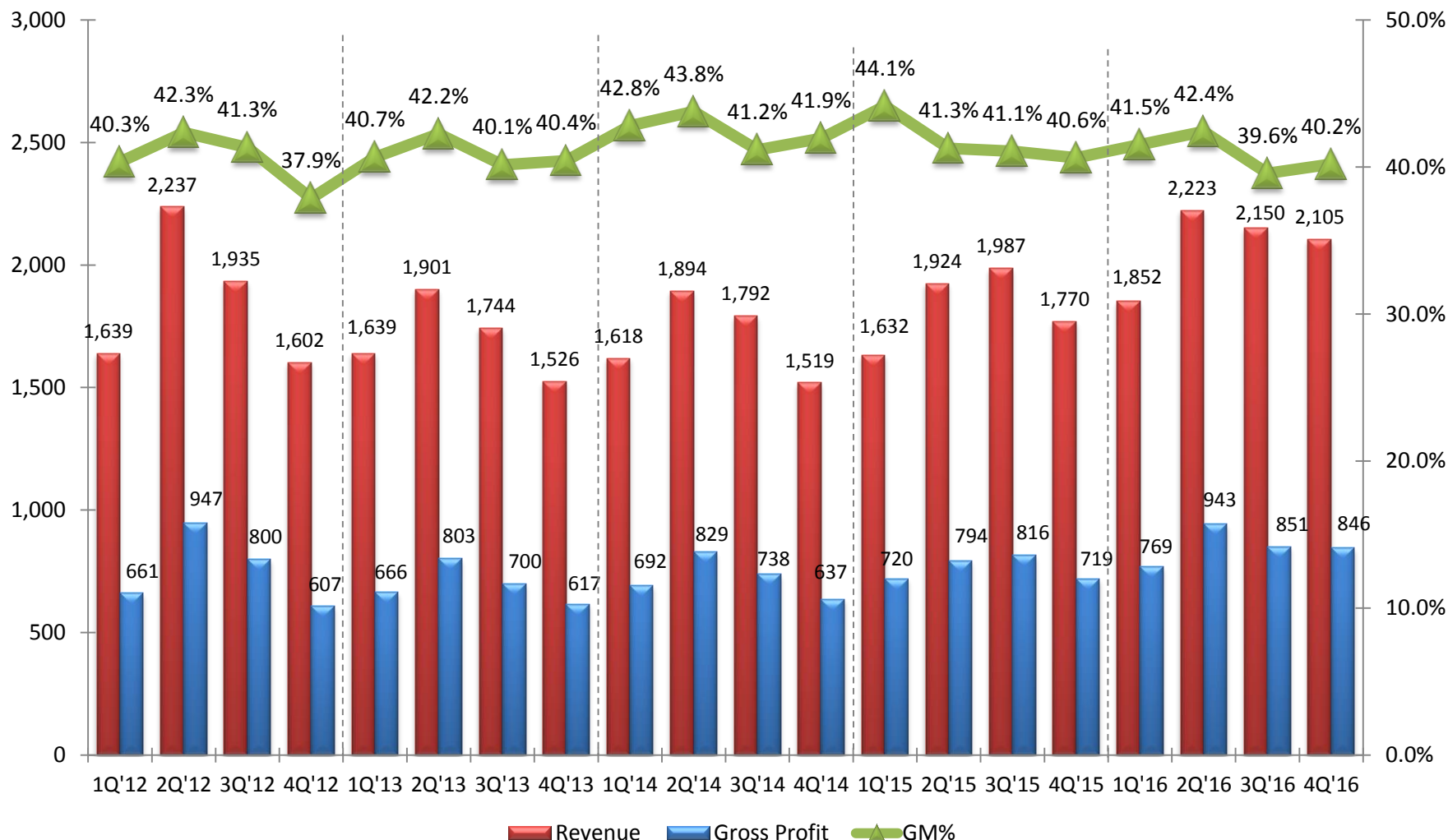
	2H'16	1H'16	HoH change
Unit: NT\$ M	Amount	Amount	Amount
Cash Flows from Operating Activities	218	515	(297)
Cash Flows from Investing Activities	(169)	(92)	(77)
Cash Flows from Financing Activities	(374)	0	(374)
Cash & Cash Equivalents	1,899	2,233	(334)



# Nuvoton Revenue and GM Trend - Consolidated

Revenue/Gross Profit (NT\$ M)

Gross Margin Rate

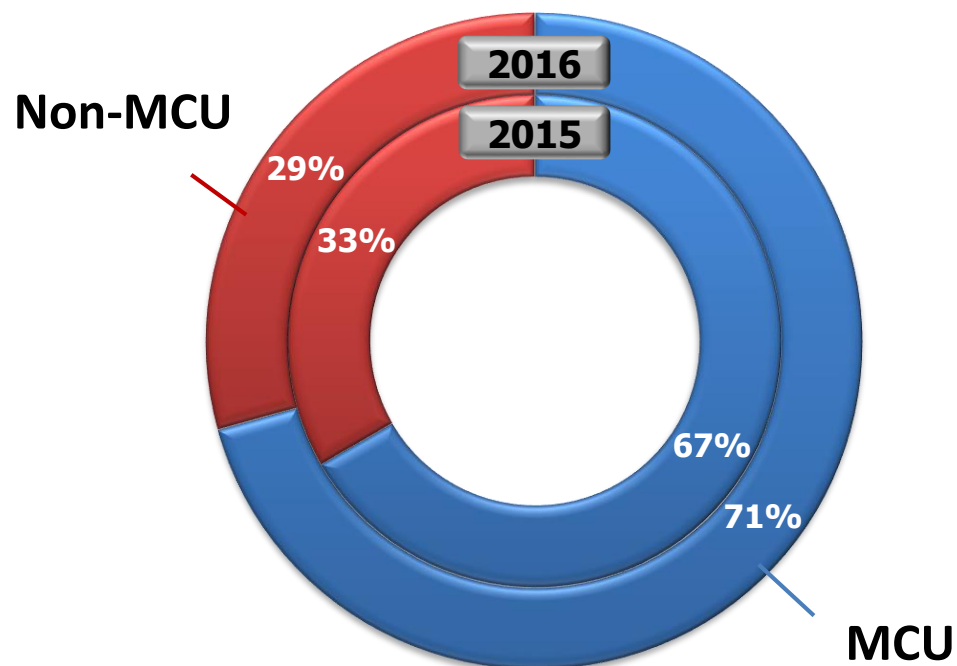




# **Nuvoton 2016 Business Results & 2017 Business Outlook Update**

- 2016 Revenue by Product
- 2016 Revenue by Application
- Nuvoton 2016 Business Results
- Nuvoton 2017 Business Outlook



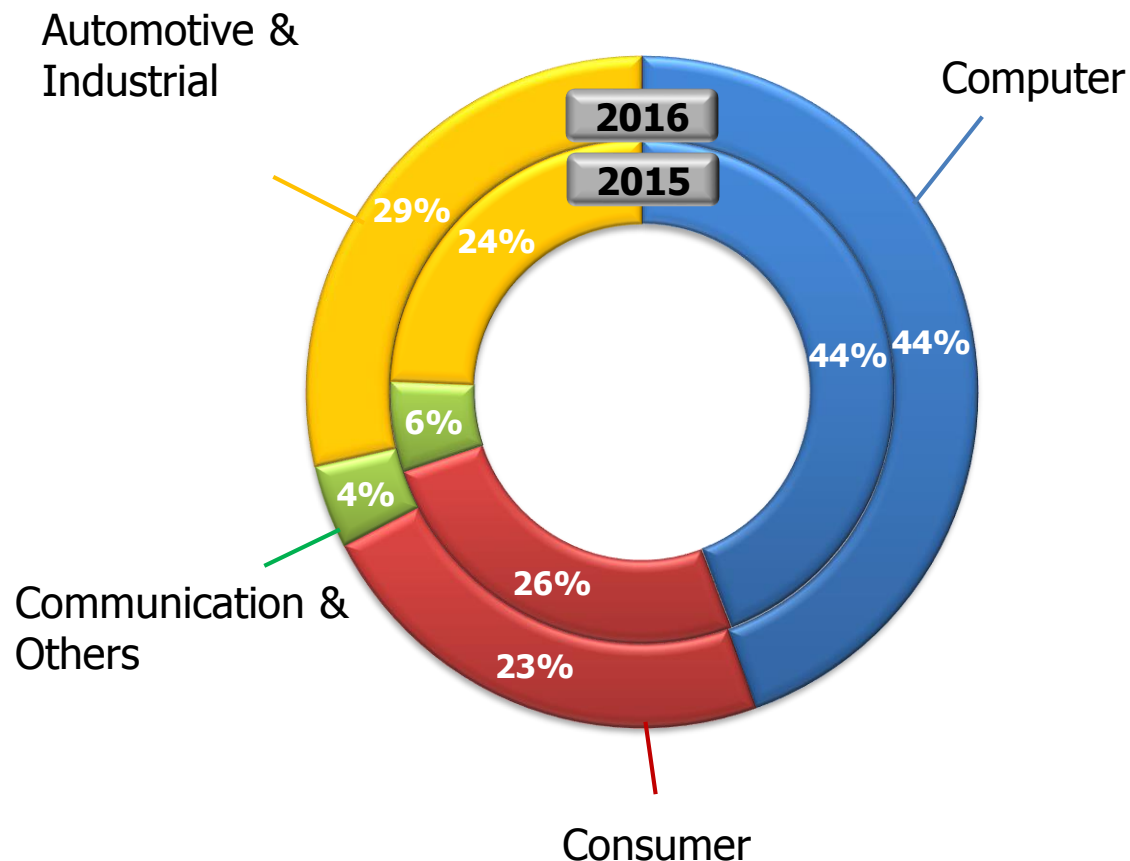
# 2016 Revenue by Product







YoY%		
	MCU	4%
	Non-MCU	-4%

Note: Foundry revenue was not included in the numbers .

# 2016 Revenue by Application



	YoY%	
	Computer	0%
	Consumer	-3%
	Communication & Others	-2%
	Automotive & Industrial	4%

Note: Foundry revenue was not included in the numbers .

# Nuvoton 2016 Business Results(1)

**2016 YoY :Revenue + 13.9% ; Gross Margin Rate -0.8 % ; EPS + 0.69**

- **Key for Revenue YoY Increase**

- Growth of ARM® Cortex® - M0 32-bit MCU Applying on Selected and Mass Market Application
- Growth of ARM® Cortex® - M4 32-bit MCU and ARM® 9 SoC applying on Industrial Control
- Shipment of TPM 2.0 IC for Desktop, NB and Server
- Shipment of Power IC and SIO/EC for Intel® Skylake and Kabylake Platform

- **Key for Gross Margin Rate YoY Decrease**

- Product Mix and Inventory Adjustment

# Nuvoton 2016 Business Results(2)

- **2016 Main Achievements**

- Shipment of ARM® Cortex® - M0 32-bit MCU for Emerging and Mass Market Application
- Shipment of ARM® Cortex® - M4 32-bit MCU and ARM® 9 SoC for Industrial Control
- Shipment of Ultra-Low Power Audio CODEC for Tablet and Chromebook
- Shipment of USB Type-C Digital Audio Dongle for Mobile Device
- Mass Production of EC for Chromebook
- Mass Production of ARM® Cortex® - M4 Based SIO/EC, TPM and Power IC for Intel® Skylake and Kabylake Platform
- The World's First TPM 2.0 IC Provider with FIPS, Common Criteria EAL4+ and TCG Certification
- Mass Production of 0.35um 40V BCD Process for Power IC (Foundry Service)

# Nuvoton 2017 Business Outlook

- **New Products**

- ARM® Cortex® - M MCU for High-performance and Low-power Series
- Audio CODEC for PC Stick, Chromebook and IP Camera
- Audio IC for Smart Amplifier
- New Computer IC for Intel® Purley Server Platform and Gaming PC

- **New Foundry Service Processes**

- 0.35um 140V/600V HVIC and Low Ron UHV Process for Motor Driver
- 0.35um 60V and 80V BCD Process for Power IC

# Questions & Answers

- Company website  
Nuvoton: [www.nuvoton.com](http://www.nuvoton.com)

