

# Nuvoton Technology Corporation

## 1H'17 Investor Conference

July 28, 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.
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- 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'17 Business Results & 2H'17 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 (1H'17)

Selected Items from Statement of Comprehensive Income.

	2Q'17		1Q'17		1H'17		1H'16		YoY	
Unit: NT\$ M	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Net Revenue	2,406	100	2,123	100	4,529	100	4,075	100	454	11
Gross Profit	992	41	806	38	1,799	40	1,712	42	87	5
Operating Income	227	9	109	5	335	8	329	8	6	2
Net Non-Operating Income	60	3	2	0	62	1	81	2	(19)	(24)
Income before Income Tax	286	12	111	5	397	9	410	10	(13)	(3)
Net Income	248	10	91	4	339	7	339	8	0	0
EPS (NTD)	1.19		0.44		1.63		1.63		0	

Note: Weighted average outstanding shares were 207.5M units in 1H'17.

# Nuvoton Consolidated Balance Sheet

Selected Items from Balance Sheet.

	Jun 30 '17		Dec 31 '16		HoH	
Unit: NT\$ M	Amount	%	Amount	%	Amount	%
Cash & Cash Equivalents	1,551	25	1,899	32	(348)	(18)
Accounts Receivable	967	16	827	14	140	17
Other Receivable	248	4	257	4	(9)	(4)
Inventories	1,537	25	1,178	20	359	31
Long-Term Investments	545	9	452	8	93	21
Property, Plant and Equipment	685	11	588	10	97	17
Total Assets	6,193	100	5,898	100	295	5
Current Liabilities	2,370	38	1,950	33	420	22
Non-Current Liabilities	532	9	570	10	(38)	(7)
Total Liabilities	2,902	47	2,520	43	382	15
Total Equity	3,291	53	3,378	57	(87)	(3)
Current Ratio	1.91		2.25			
Debt/Equity Ratio	0.88		0.75			

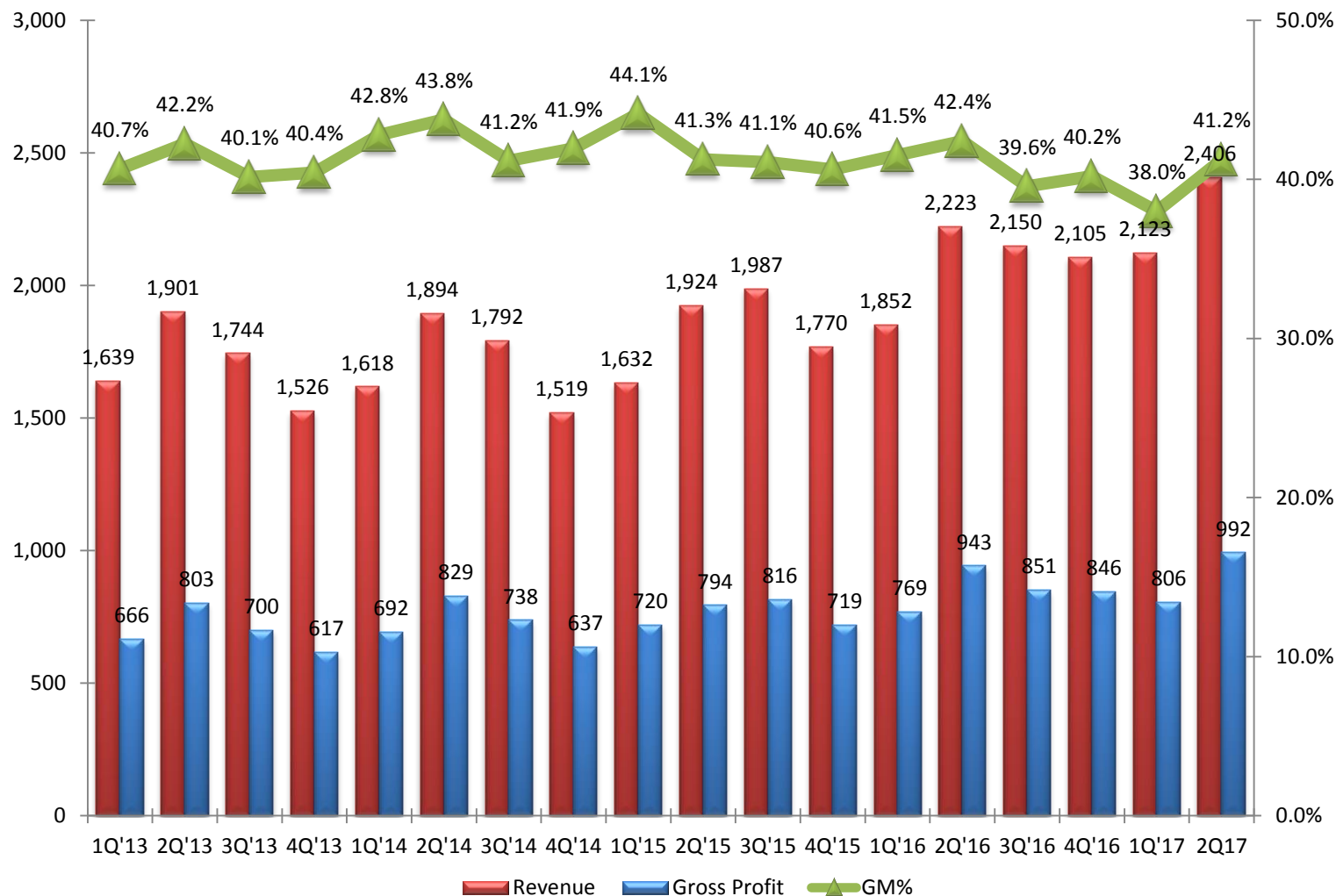
# Nuvoton Consolidated Statement of Cash Flows

	1H'17	2H'16	HoH
Unit: NT\$ M	Amount	Amount	Amount
Cash Flows from Operating Activities	(117)	218	(335)
Cash Flows from Investing Activities	(209)	(169)	(40)
Cash Flows from Financing Activities	0	(374)	374
Cash & Cash Equivalents	1,551	1,899	(348)

# Nuvoton Revenue and GM Trend - Consolidated

Revenue/Gross Profit (NT\$ M)

Gross Margin Rate



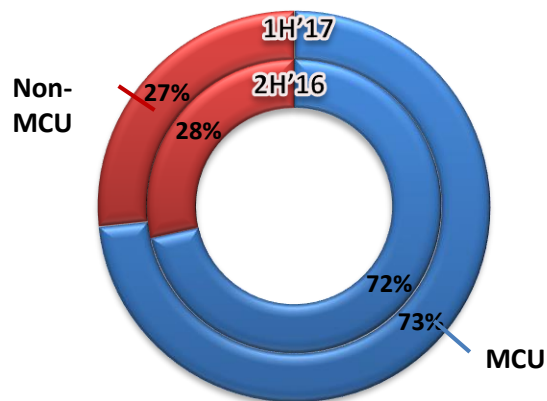




# **Nuvoton 1H'17 Business Results & 2H'17 Business Outlook**

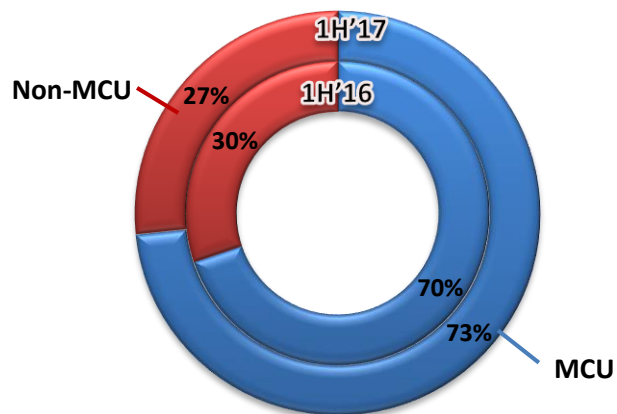
- **1H'17 Revenue by Product**
- **1H'17 Revenue by Application**
- **Nuvoton 1H'17 Business Results**
- **Nuvoton 2H'17 Business Outlook**





# 1H'17 Revenue by Product



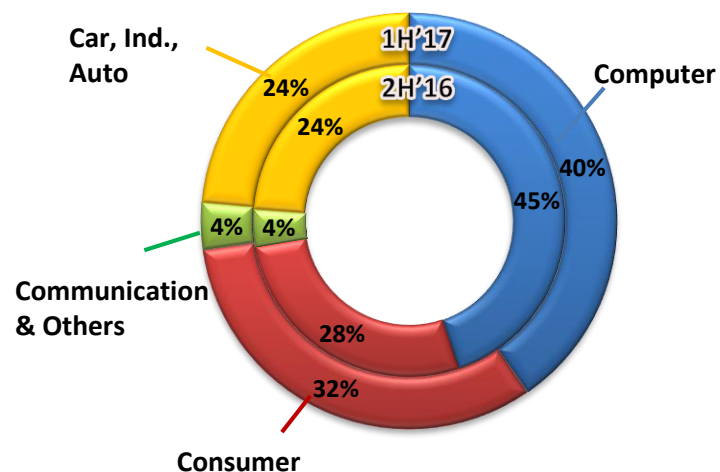
HoH %		
	MCU	1%
	Non-MCU	-1%







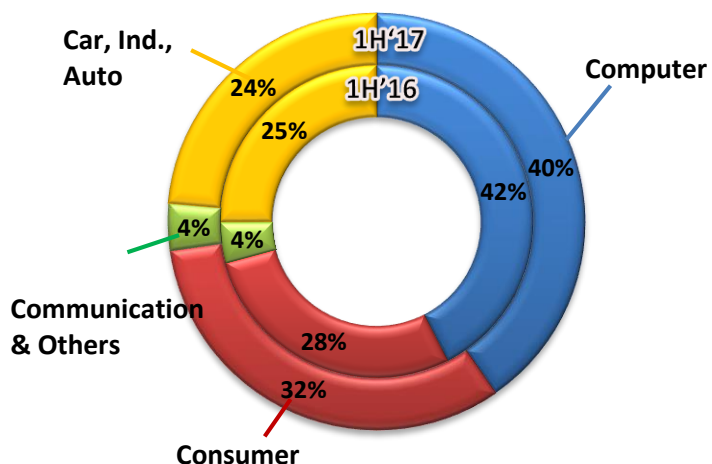
YoY %		
	MCU	3%
	Non-MCU	-3%





Note: Foundry revenue was not included in the numbers .

# 1H'17 Revenue by Application



HoH %		
	Computer	-5%
	Consumer	4%
	Communication & Others	0%
	Car, Industry & Auto	0%



YoY %		
	Computer	-2%
	Consumer	4%
	Communication & Others	0%
	Car, Industry & Auto	-1%

Note: Foundry revenue was not included in the numbers .

# Nuvoton 1H'17 Business Results(1)

**1H'17 YoY :Revenue + 11.1% ; Gross Margin Rate -2.3 %**

- **Key reasons 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
  - Shipments of TPM 2.0 for Desktop, Laptop
  - Shipments of Power IC for Intel Kabylake Platform and EC for Chromebook
- **Key reasons for Gross Margin Rate YoY Decrease**
  - Product Mix and Foreign Exchange

# Nuvoton 1H'17 Business Results(2)

- **1H'17 Main Achievements**

- Shipments of ARM® Cortex® - M0 32-bit MCU for Emerging and Mass Market Application
- Shipments of ARM® Cortex® - M4 32-bit MCU and ARM® 9 SoC for Industrial Control
- Shipments of Audio CODEC for Tablet and Chromebook
- Shipments of EC for Chromebook, TPM 2.0 and Power IC for Intel Kabylake Platform
- Mass Production of 0.35um 80V BCD Process for Power IC (Foundry Service)

# Nuvoton 2H'17 Business Outlook

- **New Products**

- ARM® Cortex® - M MCU applying on HMI, IoT Security and Industry Control
- Audio IC for Smart Amplifier in Mobile phone and PC
- BMC for Intel Purley Server Platform and EC for Chromebook

- **New Foundry Service Processes**

- 0.35um 140V/600V HVIC Motor Driver
- GaN on Si Development

# Questions & Answers

Company website

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

