

EPISTAR

2448



Actualize LED Potential



..... Co-activation Service Model

..... Full Spectrum LED Chips Portfolio

..... Chip Solution for Various Applications

2018.01.09 update

Safe Harbor Notice

- This Presentation contains forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.
- Although we believe the expectations reflected in such forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be attained. These forward-looking statements speak only as of the date of this release. Epistar expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements, whether as a result of new information, future events, or otherwise.

Quick Glance at Epistar

Founded : September 1996

Chairman : Dr. B. J. Lee

President : Dr. M. J. Jou

Paid-in Capital : NTD 10.9 Billions (~ US\$ 334 M)

Products :

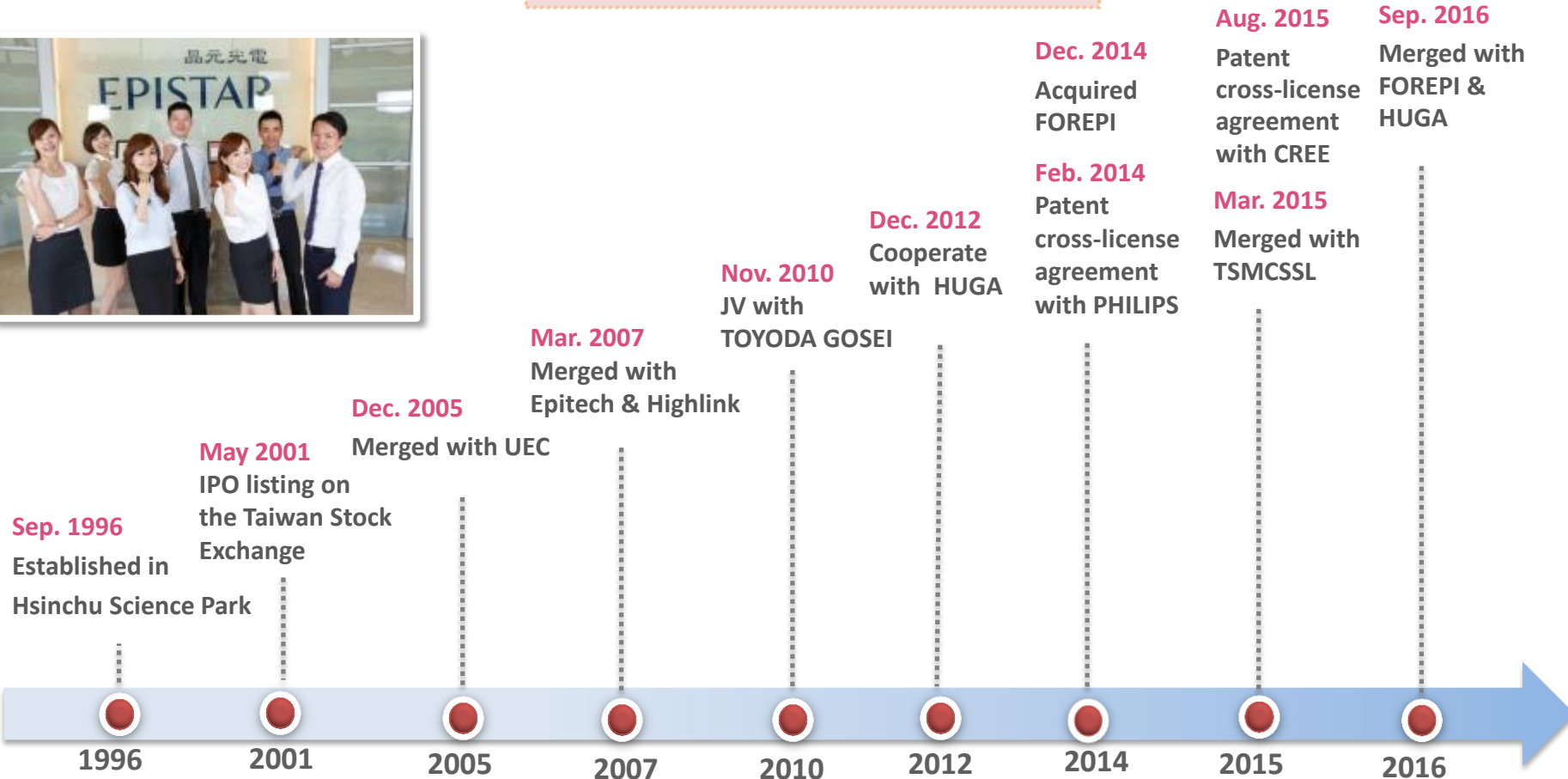
- AlGaInP LED EPI-wafers and chips
- InGaN LED EPI-wafers and chips
- UV / Infrared LED chips
- VCSEL Foundry Services
- III-V solar cells

Employee : 4,037 staff (update: Dec , 2017)

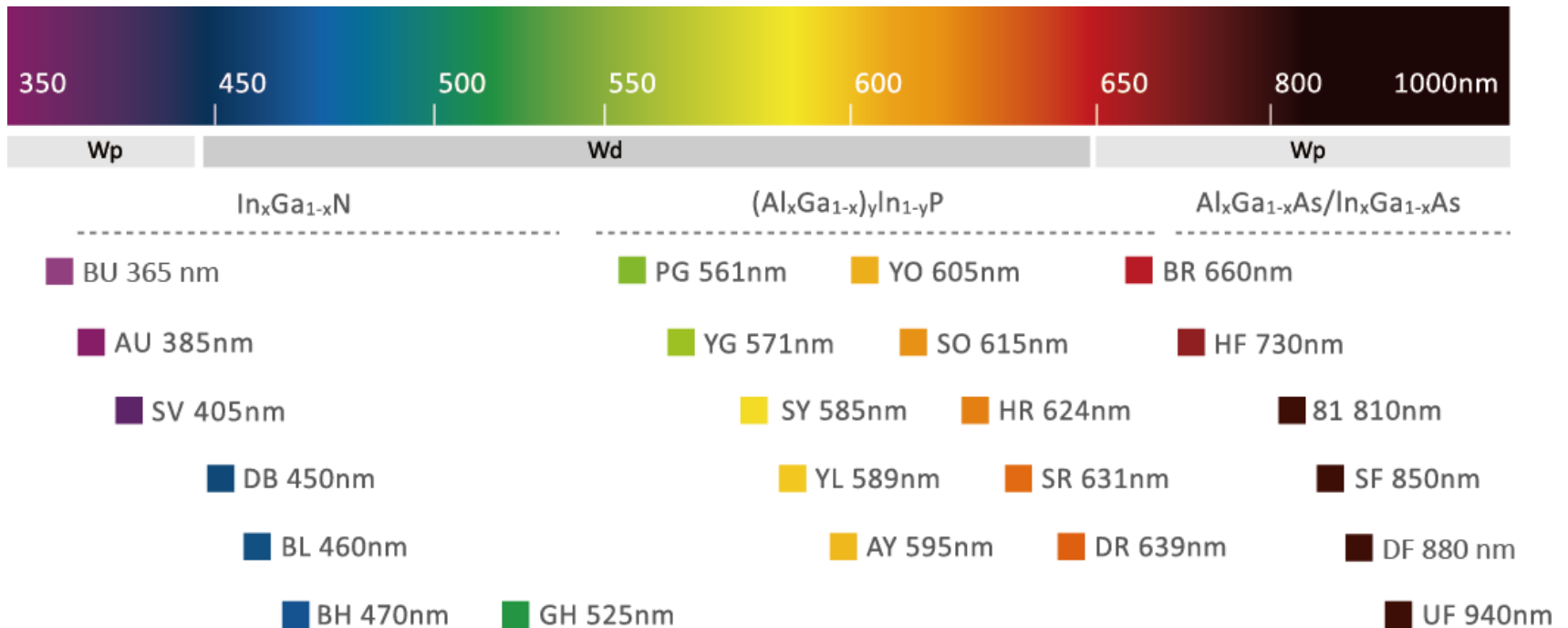


History & Milestones

Corporate Achievement



Full Spectrum Product Portfolio



Chip Solutions for Various Applications



➤ Lamp / PLCC / SMD
HRAX12/BA14A/GA14A



➤ Lamp / PLCC
M10J, V13, F28B, F45G
PN12D, PN14D, PX42C



➤ Side View / PLCC
F08C, F08H, F09Q, F26K
F30C, PE38E, PE42C



➤ PLCC / Emitter / COB
KE08D, F09F, F38A, F45G
FA20B, FD17A, PX42B,
PX42C



➤ Chip LED / Side View
PLCC / Flash LED
PE26F, PE35B, PE38B
PE45B



➤ Sensor
SFPN10/SFPN14
DFPN10/DFPN14
UFPN10/UFPN14



➤ Lamp / PLCC / SMD
SFPN28/SFPN35/SFPN42D
UFPN42A



➤ Super Flux / SMD
BRPN20D/BRPN42D
HFPN20B/HFPN42B

Superior R&D Capabilities

EPISTAR LAB

EPISTAR LAB, established in 1996, has been focusing on developing and perfecting the mass production of LED chips to popularize all kinds of LED applications. Today the LED technologies and innovations are further enhanced by our dedicated research center- the EPISTAR LAB.

Over 3,700 patents are filed because of over 200 R&D engineers' contribution in EPISTAR LAB.

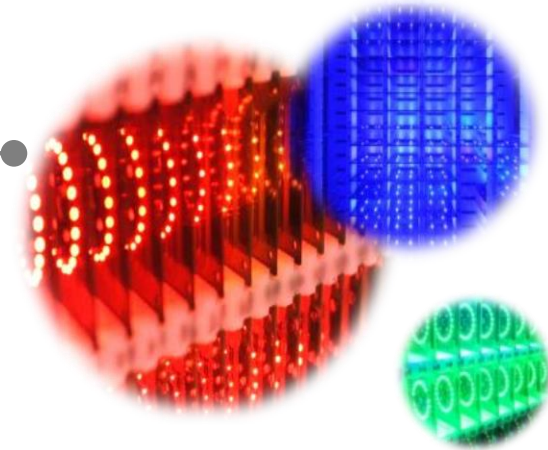

EPISTAR LAB

	Taiwan	USA	China	Europe	Japan	Korea	Others	Total
Issued	1,194	1,212	749	134	244	161	27	3,721
Pending	245	216	237	85	49	47	57	936
Total	1,439	1,428	986	219	293	208	84	4,657

Update: Dec., 2017

Core Strengths

- Full Spectrum Product Lineup
- Expertise in LED Wafer & Chip Technology Development
- Time -to -Market & Time -to-Volume Solutions
- Excellent Design Ability with Complete IP Portfolio
- Cost - effective Manufacturing Ability



Corporate Social Responsibility



Our Key Focuses are :

1. Corporate Operations and Management
2. Environmental Sustainability
(Green Productions and Products)
3. Employee Relationship Management
(Employee Relations, Safety, Training, Responsibility, Health)
4. Supply Chain Management
5. Social Charitable Activities

Epistar's Corporate Social Responsibility Report is issued on June 30th every year. Please visit our website for more information. www.epistar.com

Balance Sheets

(In NT billions excepted otherwise noted)

Selected Items from Balance Sheets	2017.09.30		2017.06.30		2016.09.30	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	5.8	8.6%	5.2	7.9%	6.1	8.6%
Accounts Receivable	12.8	18.9%	11.5	17.4%	10.3	14.5%
Inventory	4.7	7.0%	4.6	7.0%	4.5	6.3%
Long-Term Investment	2.8	4.1%	2.8	4.2%	2.9	4.1%
Net PP&E	25.0	37.0%	25.5	38.6%	29.3	41.3%
Total Assets	67.6	100.0%	66.0	100.0%	70.9	100.0%
Current Liabilities	10.1	14.9%	8.6	13.0%	11.3	15.9%
Long-Term Interest-bearing Debt	3.0	4.4%	3.8	5.8%	6.0	8.5%
Total Liabilities	15.3	22.6%	14.6	22.1%	19.5	27.5%
Total Shareholders' Equity	52.3	77.4%	51.4	77.9%	51.4	72.5%

2017 3Q Income QoQ Comparison

(In NT millions except otherwise noted)	3Q 2017		2Q 2017		QoQ	
	Amount	%	Amount	%	Amount	%
Sales revenue	6,958	100.0	6,645	100.0	313	4.7
Gross profit	1,658	23.8	1,388	20.9	270	19.5
Operating expenses	(864)	(12.4)	(817)	(12.3)	47	5.8
Net other income and expenses	57	0.8	50	0.7	7	14.0
Operating Profit	851	12.2	621	9.3	230	37.0
Impairment losses on assets	(20)	(0.3)	(4)	(0.1)	16	400.0
Other net non-operating income and expenses	142	2.0	315	4.7	(173)	(54.9)
Profit (loss) before income tax	973	13.9	932	13.9	41	4.4
Profit (loss) for the period	812	11.7	795	12.0	17	2.1
EPS(NT\$)	0.75		0.69		0.07	10.0

2017 1Q~3Q Income YoY Comparison

(In NT millions except otherwise noted)	1Q~3Q 2017		1Q~3Q 2016		YoY	
	Amount	%	Amount	%	Amount	%
Sales revenue	19,333	100.0	19,205	100.0	128	0.7
Gross profit	4,176	21.6	750	3.9	3,426	456.8
Operating expenses	(2,447)	(12.6)	(2,625)	(13.7)	(178)	(6.8)
Net other income and expenses	160	0.8	194	1.0	(34)	(17.5)
Operating profit (loss)	1,889	9.8	(1,680)	(8.7)	3,569	212.4
Bonds evaluation net profit or Loss and recovered (Loss)	0	0.0	(142)	(0.7)	(142)	(100.0)
Disaster loss	0	0.0	(416)	(2.2)	(416)	(100.0)
Disaster insurance claims income	0	0.0	300	1.60	(300)	(100.0)
Impairment losses on assets	(29)	(0.2)	(473)	(2.5)	(444)	(94.0)
Other net non-operating income and expenses	(175)	(0.9)	(1,006)	(5.2)	(831)	(82.6)
Profit (loss) before income tax	1,685	8.7	(3,417)	(17.7)	5,102	149.3
Profit (loss) for the period	1,323	6.8	(3,594)	(18.7)	4,917	136.8
EPS(NT\$)	1.18		(3.18)		4.36	137.1

We Actualize LED Potential

