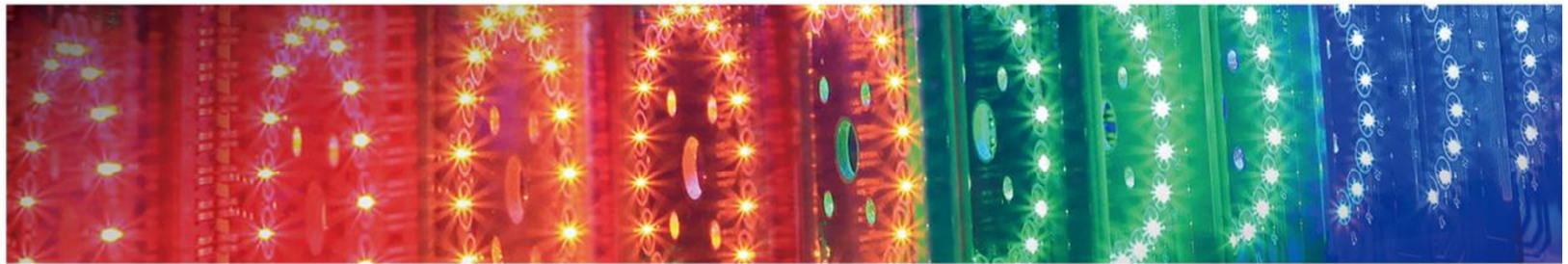


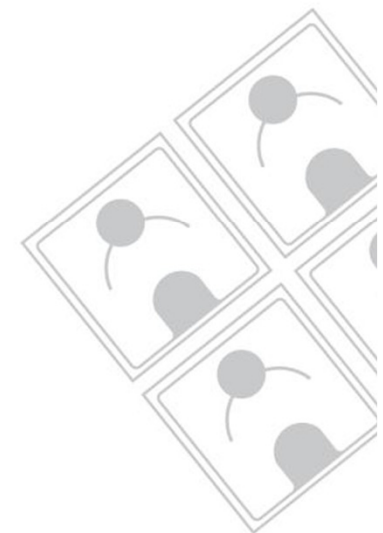
EPISTAR 2448



Actualize LED Potential

- Co-activation Service Model
- Full Spectrum LED Chips Portfolio
- Chip Solution for Various Applications

2018.03.15 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\$ 373 M)

Products :

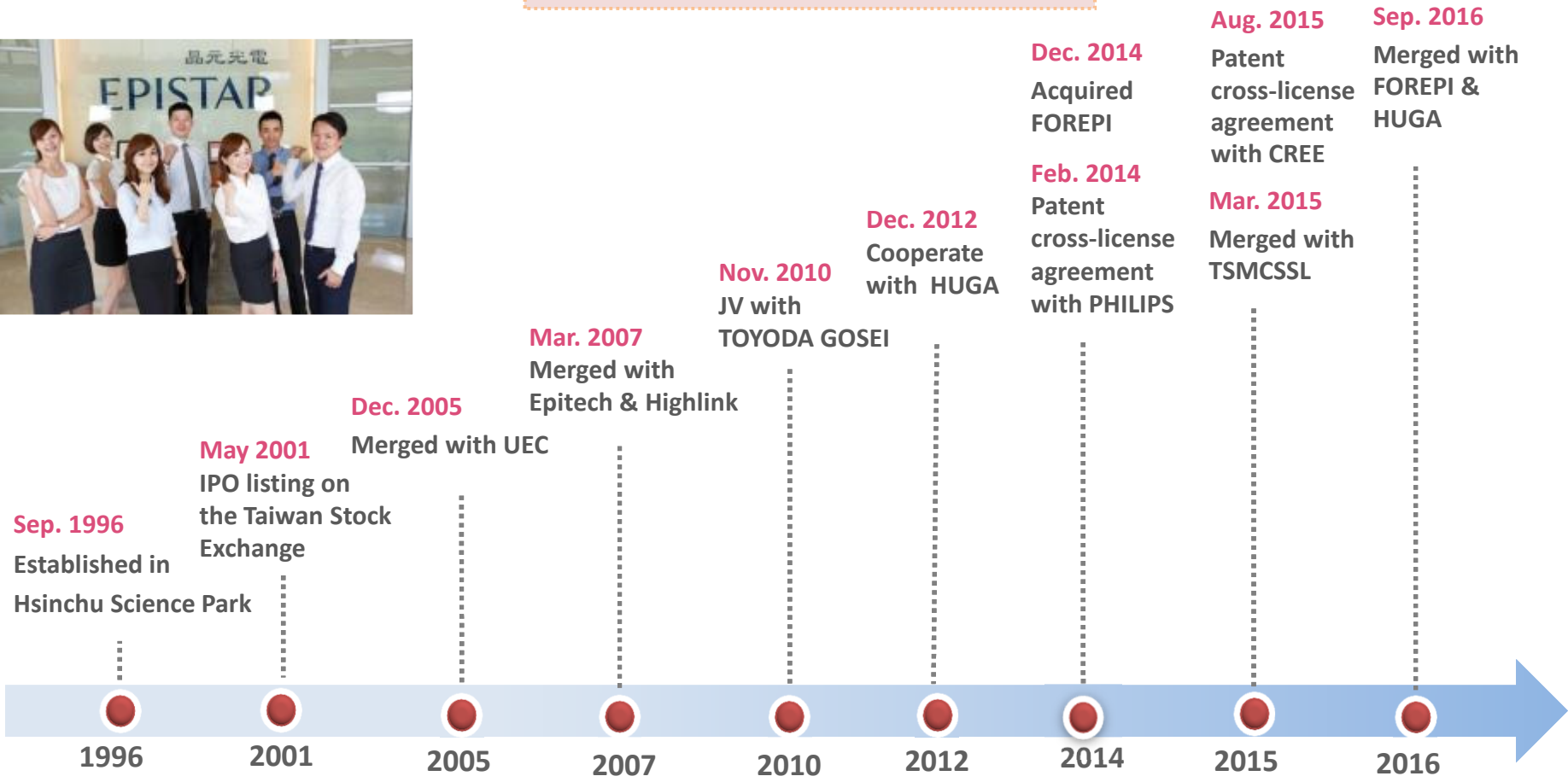
- AlGaInP LED EPI-wafers and chips
- InGaN LED EPI-wafers and chips
- UV / Infrared LED chips
- VCSEL Foundry Services
- III-V solar cells

Employee : 4,011 staff (update: Feb , 2018)

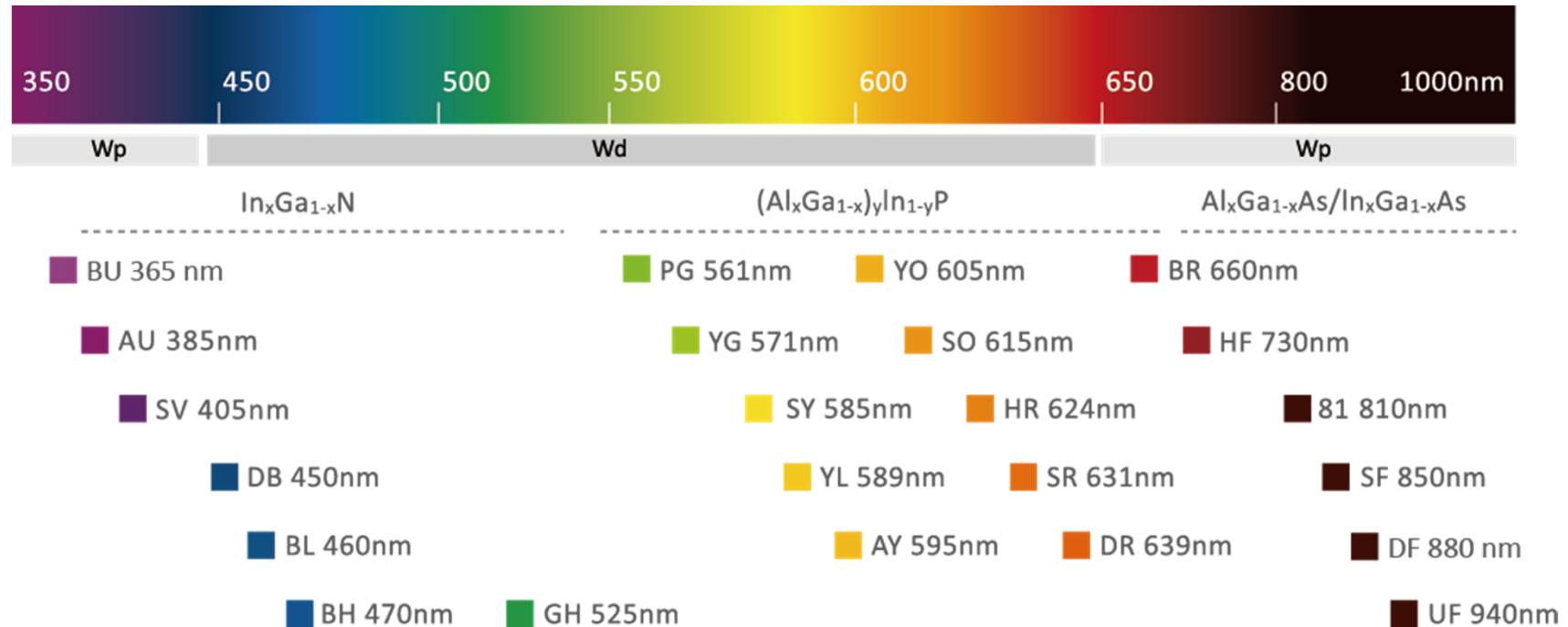


History & Milestones

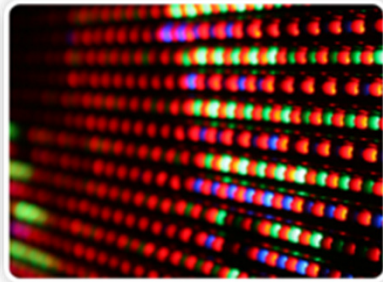
Corporate Achievement



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, 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.

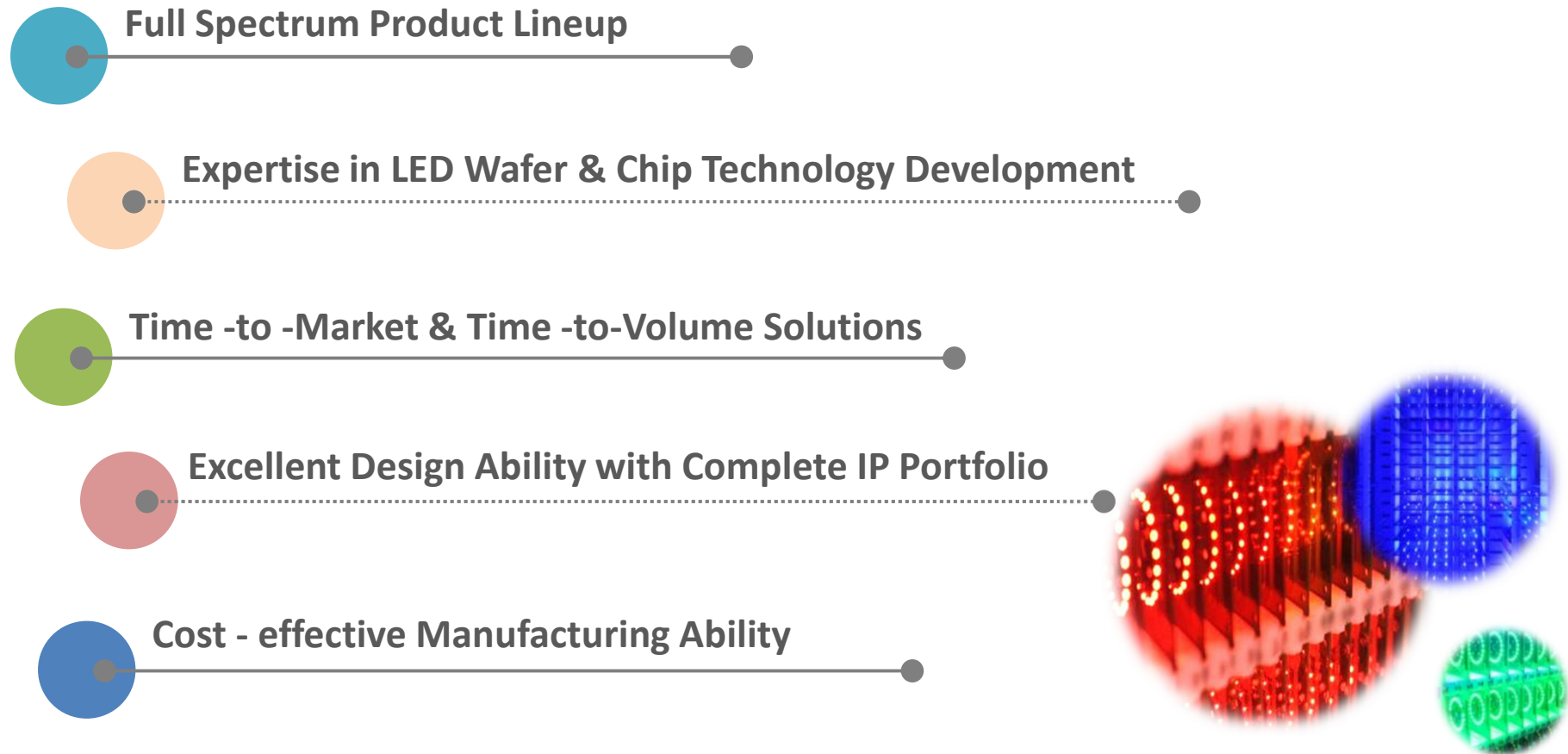


EPISTAR LAB

	Taiwan	USA	China	Europe	Japan	Korea	Others	Total
Issued	1,208	1,245	760	137	246	162	27	3,785
Pending	246	222	236	90	51	50	54	949
Total	1,454	1,467	996	227	297	212	81	4,734

Update: Feb., 2018

Core Strengths



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	2017.12.31		2017.09.30		2016.12.31	
	Amount	%	Amount	%	Amount	%
Cash & Marketable Securities	7.2	10.7%	5.8	8.6%	6.7	9.7%
Accounts Receivable	11.3	16.9%	12.8	18.9%	10.5	15.2%
Inventory	4.8	7.2%	4.7	7.0%	4.4	6.4%
Long-Term Investment	2.8	4.2%	2.8	4.1%	2.7	3.9%
Net PP&E	24.3	36.3%	25.0	37.0%	27.3	39.5%
Total Assets	67.0	100.0%	67.6	100.0%	69.1	100.0%
Current Liabilities	9.7	14.5%	10.1	14.9%	10.2	14.8%
Long-Term Interest-bearing Debt	2.1	3.1%	3.0	4.4%	5.7	8.2%
Total Liabilities	14.0	20.9%	15.3	22.6%	18.1	26.2%
Total Shareholders' Equity	53.0	79.1%	52.3	77.4%	51.0	73.8%

2017 4Q Income QoQ Comparison

(In NT millions except otherwise noted)	4Q 2017		3Q 2017		QoQ	
	Amount	%	Amount	%	Amount	%
Sales revenue	5,937	100.0	6,958	100.0	(1,021)	(14.7)
Gross profit	1,284	21.6	1,658	23.8	(374)	(22.6)
Operating expenses	(921)	(15.5)	(864)	(12.4)	57	6.6
Net other income and expenses	54	0.9	57	0.8	(3)	(5.3)
Operating Profit	417	7.0	851	12.2	(434)	(51.0)
Net currency exchange (loss)gains	(79)	(1.3)	86	1.2	165	191.9
Interest expense	(88)	(1.5)	(48)	(0.7)	40	83.0
Other net non-operating income and expenses	(12)	(0.2)	84	1.2	96	114.3
Profit (loss) before income tax	238	4.0	973	14.0	(735)	(75.5)
Profit (loss) for the period	363	6.1	812	11.7	(449)	(55.3)
EPS(NT\$)	0.37		0.75		(0.38)	(50.8)

2017 1Q~4Q Income YoY Comparison

(In NT millions except otherwise noted)	2017Y		2016Y		YoY	
	Amount	%	Amount	%	Amount	%
Sales revenue	25,271	100.0	25,539	100.0	(268)	(1.0)
Gross profit	5,461	21.6	1,916	7.5	3,545	185.0
Operating expenses	(3,368)	(13.3)	(3,428)	(13.4)	(60)	(1.8)
Net other income and expenses	214	0.8	256	1.0	(42)	(16.4)
Operating profit (loss)	2,307	9.1	(1,256)	(4.9)	3,563	283.7
Net currency exchange (loss)gains	(447)	(1.8)	(379)	(1.5)	68	17.9
Interest expense	(234)	(0.9)	(392)	(1.5)	(158)	(40.3)
Other net non-operating income and expenses	298	1.2	(1,728)	(6.8)	2,026	117.2
Profit (loss) before income tax	1,924	7.6	(3,755)	(14.7)	5,679	151.2
Profit (loss) for the period	1,686	6.7	(4,013)	(15.7)	5,699	142.0
EPS(NT\$)	1.55		(3.33)		4.88	146.5

EPISTAR

LED'S BRIGHTEST LINK

We Actualize LED Potential

