



2014 H1 Results Investor Conference

July 31, 2014

Disclaimer

Everyone's Optics

Except for historical information contained herein, the matters set forth in this presentation are forward-looking statements that are subject to significant risks and uncertainties and actual results may differ materially from those contained in any forward-looking statements.

The forward-looking statements in this release reflect the current belief of Young Optics as of the date of this release and Young Optics undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.

Income Statement(Consolidated)_QoQ

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Amount: NT\$ Million Except Per Share Data

	2Q'14		1Q'14		QoQ	2Q'13		YoY
Net Sales	1,258	100%	1,199	100%	4.9%	1,427	100%	(11.9%)
Cost of Goods Sold	(941)	(74.8%)	(916)	(76.4%)	2.7%	(1,071)	(75.0%)	(12.2%)
Gross Profit	317	25.2%	283	23.6%	11.8%	356	25.0%	(11.1%)
Operating Expenses	(281)	(22.3%)	(267)	(22.3%)	5.2%	(262)	(18.4%)	7.4%
Operating Income	36	2.9%	16	1.3%	121.0%	94	6.6%	(61.6%)
Non-operating Income, Net	19	1.5%	19	1.6%	1.3%	15	1.0%	24.7%
Income Before Tax	55	4.4%	35	2.9%	56.6%	109	7.6%	(49.5%)
Net Income	32	2.5%	22	1.9%	41.9%	69	4.8%	(53.9%)
Basic EPS (NT\$)^(a)	0.28		0.20			0.61		
EBITDA	124	9.9%	103	8.5%	21.4%	171	12.0%	(27.1%)

Prepared by YoungOptics on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares of each quarter

Income Statement(Consolidated)_Quarterly Comparison

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Amount: NT\$ Million Except Per Share Data

	2Q'14		1Q'14		4Q'13		3Q'13	
Net Sales	1,258	100%	1,199	100%	1,154	100%	1,395	100%
Cost of Goods Sold	(941)	(74.8%)	(916)	(76.4%)	(856)	(74.2%)	(1,025)	(73.5%)
Gross Profit	317	25.2%	283	23.6%	298	25.8%	370	26.5%
Operating Expenses	(281)	(22.3%)	(267)	(22.3%)	(286)	(24.8%)	(266)	(19.0%)
Operating Income	36	2.9%	16	1.3%	12	1.0%	104	7.5%
Non-operating Income, Net	19	1.5%	19	1.6%	21	1.8%	16	1.1%
Income Before Tax	55	4.4%	35	2.9%	33	2.8%	120	8.6%
Net Income	32	2.5%	22	1.9%	17	1.5%	84	6.0%
Basic EPS (NT\$)^(a)	0.28		0.20		0.13		0.74	
EBITDA	124	9.9%	103	8.5%	98	8.5%	182	13.0%

Prepared by YoungOptics on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares of each quarter

Income Statement(Consolidated)_YoY

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Amount: NT\$ Million Except Per Share Data

	2014H1		2013H1		YoY
Net Sales	2,457	100%	2,710	100%	(9.3%)
Cost of Goods Sold	(1,857)	(75.6%)	(2,023)	(74.6%)	(8.2%)
Gross Profit	600	24.4%	687	25.4%	(12.7%)
Operating Expenses	(548)	(22.3%)	(520)	(19.2%)	5.3%
Operating Income	52	2.1%	167	6.2%	(68.8%)
Non-operating Income, Net	38	1.6%	31	1.1%	23.6%
Income Before Tax	90	3.7%	198	7.3%	(54.3%)
Income tax expenses	(36)	(1.5%)	(59)	(2.2%)	39.4%
Net Income	54	2.2%	139	5.1%	(60.7%)
Basic EPS (NT\$)^(a)	0.48		1.21		
EBITDA	227	9.2%	325	12.0%	(30.2%)

Prepared by YoungOptics on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares

Balance Sheet Highlight(Consolidated)_Quarterly Comparison

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Amount: NT\$ Million

	2Q'14	1Q'14	4Q'13	3Q'13
Cash and Cash Equivalents	1,996	1,958	1,792	1,566
Notes & Accounts Receivable, Net (including related)	939	781	766	1,126
Inventory	510	441	504	442
Short Term Debt ^(a)	902	772	575	705
Equity	3,800	4,030	3,975	3,921
Total Assets	6,213	6,012	5,920	5,980
Inventory Turnover (Days) ^(b)	46	47	50	42
Debt to Assets	39%	33%	33%	34%
Return on Equity ^(c)	3%	2%	2%	9%
Net Worth Per Share (NT\$) ^(d)	33.3	35.3	34.9	34.4

Prepared by YoungOptics on a consolidated basis

(a) Short term debt = short term bank loan + current portion of long term loan

(b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

(c) Calculated by dividing the average shareholders' equity of parent company into the annualized net income during such period

(d) Based on the outstanding shares of the balance sheet date: 2Q'14(114,059,785 shares), 1Q'14(114,059,785 shares), 4Q'13(114,059,785 shares), 3Q'13(114,059,785 shares)

Balance Sheet Highlight(Consolidated)

Everyone's Optics

Amount: NT\$ Million

	2Q'14	1Q'14	QoQ	2Q'13
Cash and Cash Equivalents	1,996	1,958	2.0%	1,375
Notes & Accounts Receivable, Net (including related)	939	781	20.1%	1,263
Inventory	510	441	15.7%	501
Short Term Debt ^(a)	902	772	16.9%	475
Equity	3,800	4,030	(5.7%)	3,858
Total Assets	6,213	6,012	3.3%	5,982

Inventory Turnover (Days) ^(b)	46	47	50
Debt to Assets	39%	33%	36%
Return on Equity ^(c)	3%	2%	7%
Net Worth Per Share (NT\$) ^(d)	33.3	35.3	33.8

Prepared by YoungOptics on a consolidated basis

(a) Short term debt = short term bank loan + current portion of long term loan

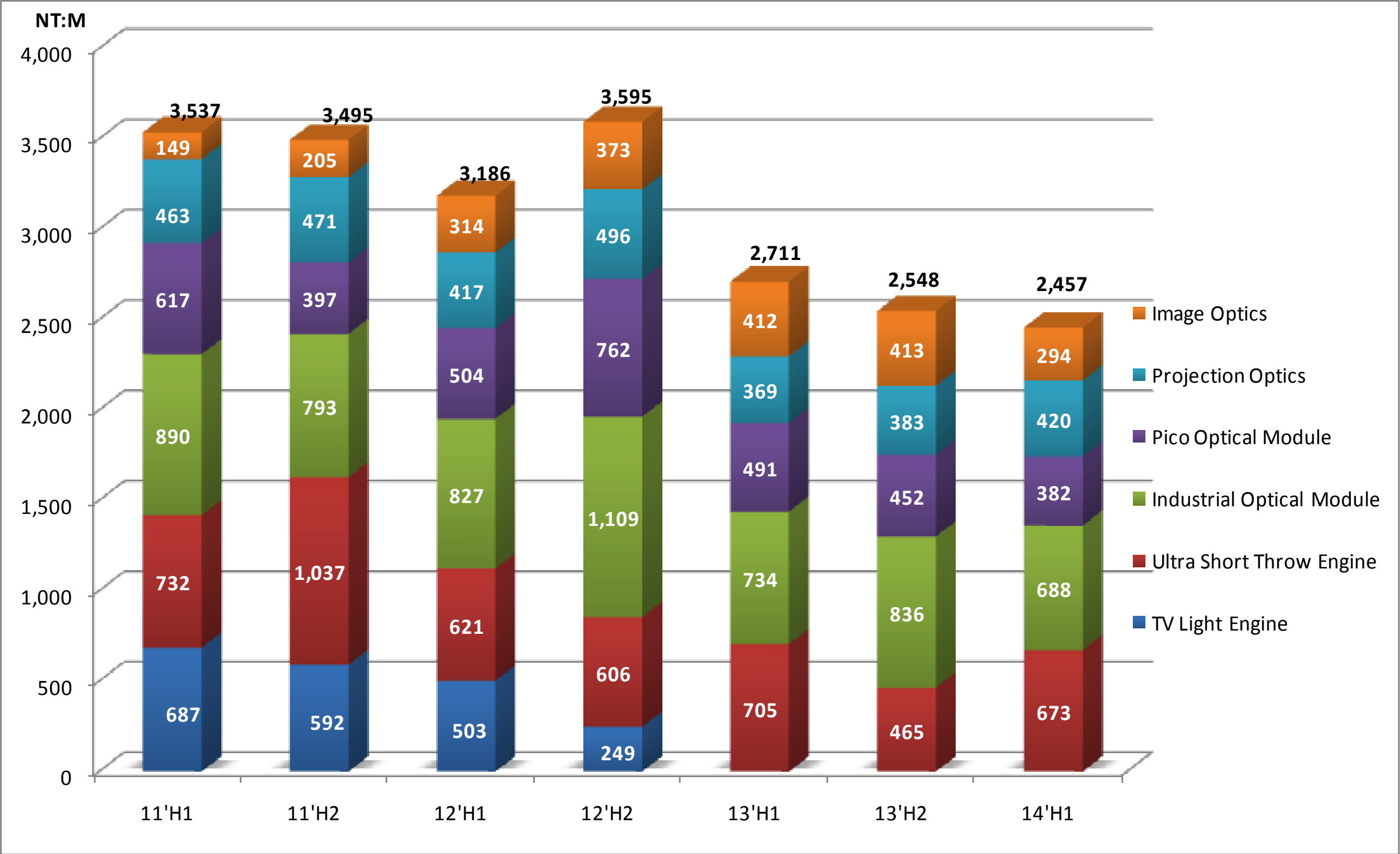
(b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

(c) Calculated by dividing the average shareholders' equity of parent company into the annualized net income during such period

(d) Based on the outstanding shares of the balance sheet date: 2Q'14(114,059,785 shares),1Q'14(114,059,785 shares),2Q'13(114,059,785 shares)

Sales Trend

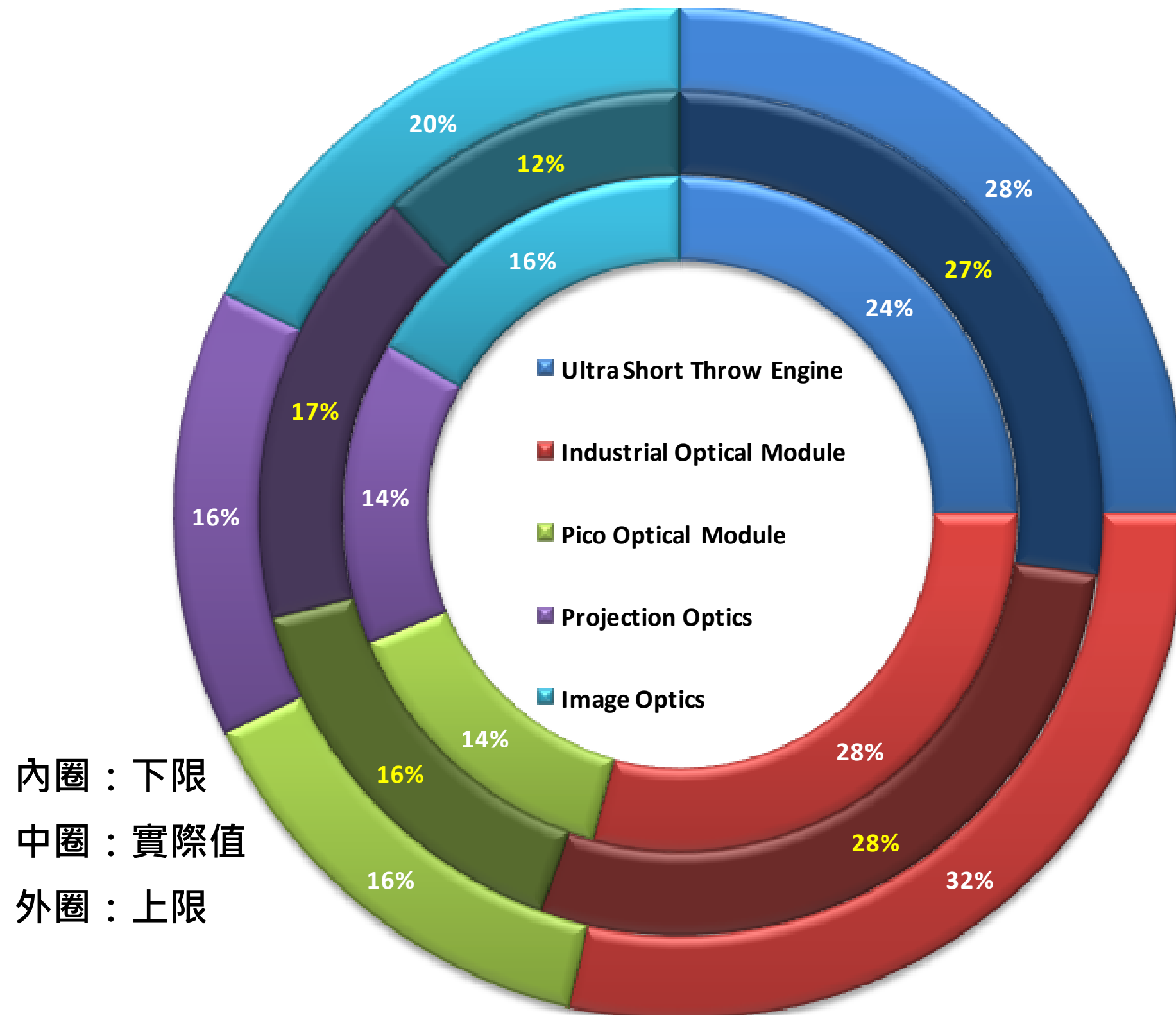
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2014 H1 Biz Lines Achievement

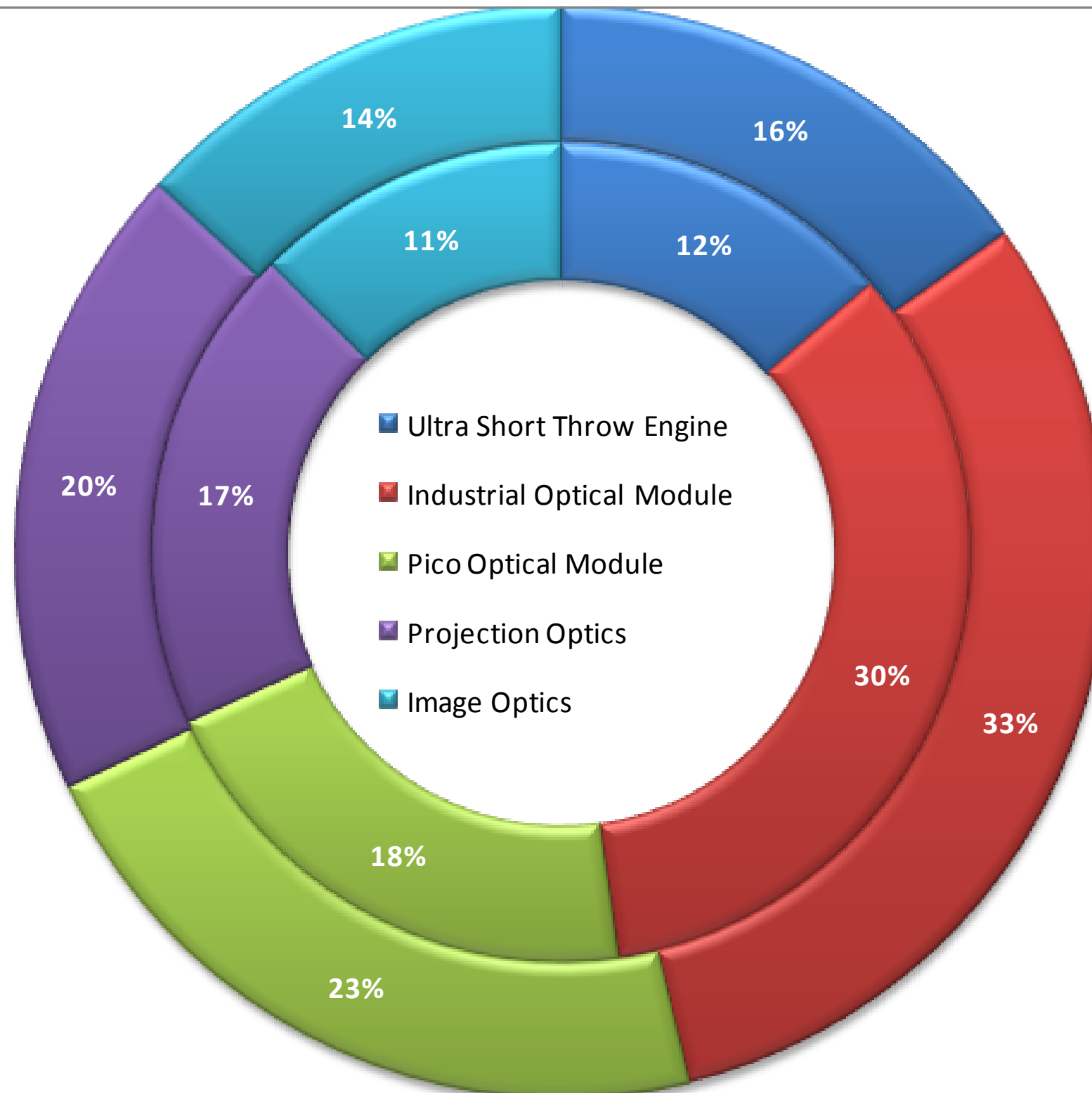
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2014 H2 Biz Lines Momentum

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Thank You

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