



# 2015 H1 Results Investor Conference

July 29, 2015

# Disclaimer

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*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

*Everyone's Optics*

Amount: NT\$ Million Except Per Share Data

	2Q'15		1Q'15		QoQ	2Q'14		YoY
<b>Net Sales</b>	<b>1,108</b>	<b>100%</b>	<b>1,051</b>	<b>100%</b>	<b>5.5%</b>	<b>1,258</b>	<b>100%</b>	<b>(11.9%)</b>
Cost of Goods Sold	(804)	(72.5%)	(780)	(74.2%)	3.1%	(941)	(74.8%)	(14.6%)
<b>Gross Profit</b>	<b>304</b>	<b>27.5%</b>	<b>271</b>	<b>25.8%</b>	<b>12.0%</b>	<b>317</b>	<b>25.2%</b>	<b>(4.2%)</b>
Operating Expenses	(285)	(25.7%)	(276)	(26.3%)	3.4%	(281)	(22.3%)	1.5%
<b>Operating Income</b>	<b>19</b>	<b>1.8%</b>	<b>(5)</b>	<b>(0.5%)</b>	<b>505.0%</b>	<b>36</b>	<b>2.9%</b>	<b>(46.2%)</b>
Non-operating Income, Net	13	1.1%	24	2.3%	(44.7%)	19	1.5%	(29.9%)
<b>Income Before Tax</b>	<b>32</b>	<b>2.9%</b>	<b>19</b>	<b>1.8%</b>	<b>71.0%</b>	<b>55</b>	<b>4.4%</b>	<b>(42.3%)</b>
<b>Net Income</b>	<b>35</b>	<b>3.2%</b>	<b>18</b>	<b>1.7%</b>	<b>99.8%</b>	<b>32</b>	<b>2.5%</b>	<b>10.7%</b>
<b>Basic EPS (NT\$)<sup>(a)</sup></b>	<b>0.31</b>		<b>0.16</b>			<b>0.28</b>		
<b>EBITDA</b>	<b>98</b>	<b>8.8%</b>	<b>84</b>	<b>8.0%</b>	<b>16.2%</b>	<b>124</b>	<b>9.9%</b>	<b>(21.4%)</b>

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

*Everyone's Optics*

Amount: NT\$ Million Except Per Share Data

	2Q'15		1Q'15		4Q'14		3Q'14	
<b>Net Sales</b>	<b>1,108</b>	<b>100%</b>	<b>1,051</b>	<b>100%</b>	<b>1,369</b>	<b>100%</b>	<b>1,180</b>	<b>100%</b>
Cost of Goods Sold	(804)	(72.5%)	(780)	(74.2%)	(966)	(70.6%)	(844)	(71.5%)
<b>Gross Profit</b>	<b>304</b>	<b>27.5%</b>	<b>271</b>	<b>25.8%</b>	<b>403</b>	<b>29.4%</b>	<b>336</b>	<b>28.5%</b>
Operating Expenses	(285)	(25.7%)	(276)	(26.3%)	(306)	(22.3%)	(283)	(24.0%)
<b>Operating Income</b>	<b>19</b>	<b>1.8%</b>	<b>(5)</b>	<b>(0.5%)</b>	<b>97</b>	<b>7.1%</b>	<b>53</b>	<b>4.5%</b>
Non-operating Income, Net	13	1.1%	24	2.3%	15	1.1%	25	2.1%
<b>Income Before Tax</b>	<b>32</b>	<b>2.9%</b>	<b>19</b>	<b>1.8%</b>	<b>112</b>	<b>8.2%</b>	<b>78</b>	<b>6.6%</b>
<b>Net Income</b>	<b>35</b>	<b>3.2%</b>	<b>18</b>	<b>1.7%</b>	<b>78</b>	<b>5.7%</b>	<b>61</b>	<b>5.2%</b>
<b>Basic EPS (NT\$)<sup>(a)</sup></b>	<b>0.31</b>		<b>0.16</b>		<b>0.67</b>		<b>0.54</b>	
<b>EBITDA</b>	<b>98</b>	<b>8.8%</b>	<b>84</b>	<b>8.0%</b>	<b>176</b>	<b>12.8%</b>	<b>147</b>	<b>12.5%</b>

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

*Everyone's Optics*

*Amount: NT\$ Million Except Per Share Data*

	2015H1		2014H1		YoY
<b>Net Sales</b>	<b>2,159</b>	<b>100%</b>	<b>2,457</b>	<b>100%</b>	<b>(12.1%)</b>
Cost of Goods Sold	(1,583)	(73.3%)	(1,857)	(75.6%)	(14.7%)
<b>Gross Profit</b>	<b>576</b>	<b>26.7%</b>	<b>600</b>	<b>24.4%</b>	<b>(4.1%)</b>
Operating Expenses	(561)	(26.0%)	(548)	(22.3%)	2.4%
<b>Operating Income</b>	<b>15</b>	<b>0.7%</b>	<b>52</b>	<b>2.1%</b>	<b>(72.1%)</b>
Non-operating Income, Net	35	1.6%	38	1.6%	(8.8%)
<b>Income Before Tax</b>	<b>50</b>	<b>2.3%</b>	<b>90</b>	<b>3.7%</b>	<b>(44.2%)</b>
Income tax expenses	3	0.2%	(36)	(1.5%)	107.4%
<b>Net Income</b>	<b>53</b>	<b>2.5%</b>	<b>54</b>	<b>2.2%</b>	<b>(2.5%)</b>
<b>Basic EPS (NT\$)<sup>(a)</sup></b>	<b>0.47</b>		<b>0.48</b>		
<b>EBITDA</b>	<b>182</b>	<b>8.4%</b>	<b>227</b>	<b>9.2%</b>	<b>(20.0%)</b>

*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

*Everyone's Optics*

*Amount: NT\$ Million*

	2Q'15	1Q'15	4Q'14	3Q'14
Cash and Cash Equivalents	1,603	1,882	1,848	1,874
Notes & Accounts Receivable, Net (including related)	818	764	990	763
Inventory	431	525	509	551
Short Term Debt <sup>(a)</sup>	400	675	675	860
Equity	3,913	4,073	4,091	3,906
Total Assets	5,453	5,827	6,055	5,931

Inventory Turnover (Days) <sup>(b)</sup>	54	60	50	57
Debt to Assets	28%	30%	32%	34%
Return on Equity <sup>(c)</sup>	4%	2%	8%	6%
Net Worth Per Share (NT\$) <sup>(d)</sup>	34.3	35.7	35.9	34.2

*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'15(114,059,785 shares), 1Q'15(114,059,785 shares), 4Q'14(114,059,785 shares), 3Q'14(114,059,785 shares)

# Balance Sheet Highlight(Consolidated)

*Everyone's Optics*

*Amount: NT\$ Million*

	2Q'15	1Q'15	QoQ	2Q'14
Cash and Cash Equivalents	1,603	1,882	(14.8%)	1,996
Notes & Accounts Receivable, Net (including related)	818	764	7.1%	939
Inventory	431	525	(18.0%)	510
Short Term Debt <sup>(a)</sup>	400	675	(40.7%)	902
Equity	3,913	4,073	(3.9%)	3,800
Total Assets	5,453	5,827	(6.4%)	6,213

Inventory Turnover (Days) <sup>(b)</sup>	54	60		46
Debt to Assets	28%	30%		39%
Return on Equity <sup>(c)</sup>	4%	2%		3%
Net Worth Per Share (NT\$) <sup>(d)</sup>	34.3	35.7		33.3

*Prepared by YoungOptics on a consolidated basis*

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

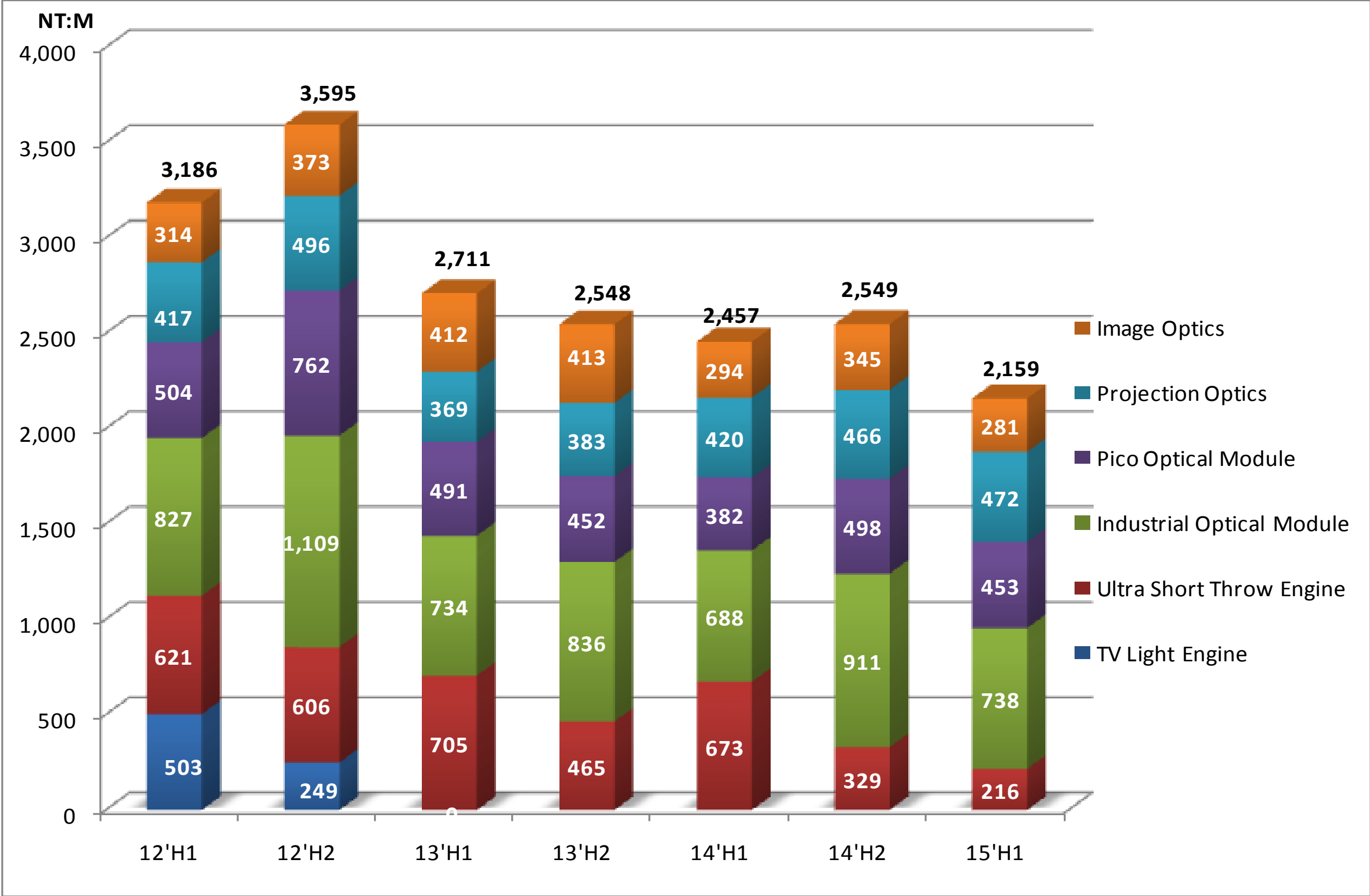
(b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

(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'15(114,059,785 shares),1Q'15(114,059,785 shares),2Q'14(114,059,785 shares)

# Sales Trend

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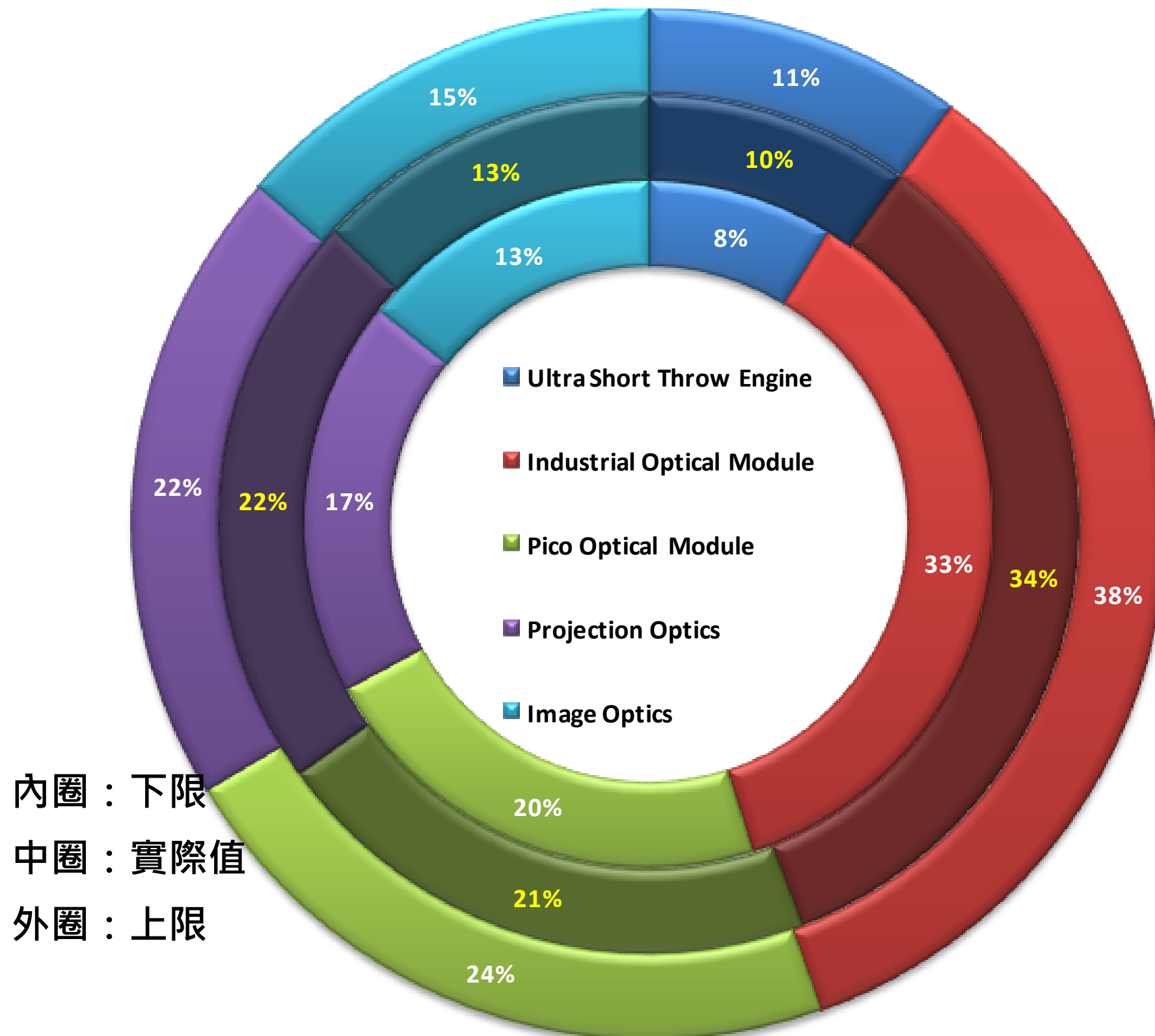




# 2015 H1 Biz Lines Achievement

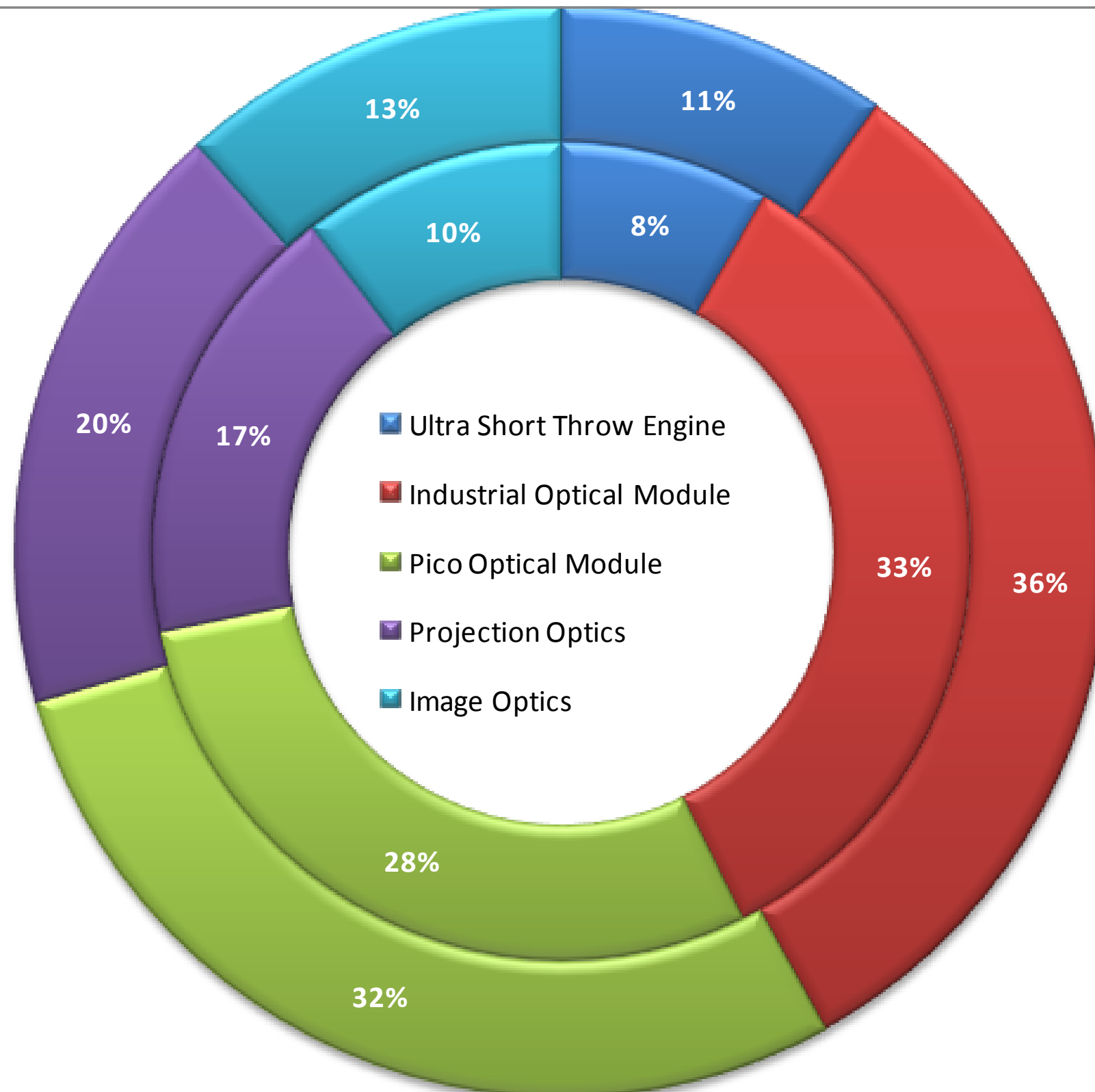
(Compared with Jan 30, 2015 version)

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# 2015 H2 Biz Lines Momentum

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# Thank You

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