

YOUNGOptics *Everyone's Optics*



2016 1H Results Investor Conference

July 26, 2016

Disclaimer

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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'16		1Q'16		QoQ	2Q'15		YoY
Net Sales	996	100%	957	100%	4.1%	1,108	100%	(10.1%)
Cost of Goods Sold	(813)	(81.6%)	(728)	(76.1%)	11.7%	(804)	(72.5%)	1.2%
Gross Profit	183	18.4%	229	23.9%	(20.1%)	304	27.5%	(39.7%)
Operating Expenses	(261)	(26.2%)	(276)	(28.8%)	(5.6%)	(285)	(25.7%)	(8.6%)
Operating Income	(78)	(7.8%)	(47)	(4.9%)	(66.9%)	19	1.8%	(506.0%)
Non-operating Income, Net	7	0.7%	4	0.4%	48.1%	13	1.1%	(51.1%)
Income Before Tax	(71)	(7.1%)	(43)	(4.5%)	(66.6%)	32	2.9%	(322.8%)
Net Income	(77)	(7.7%)	(68)	(7.1%)	(13.8%)	35	3.2%	(317.3%)
Basic EPS (NT\$)^(a)	(0.67)		(0.59)			0.31		
EBITDA	(8)	(0.8%)	20	2.1%	(141.4%)	98	8.8%	(108.5%)

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

	2016H1		2015H1		YoY
Net Sales	1,953	100%	2,159	100%	(9.5%)
Cost of Goods Sold	(1,541)	(78.9%)	(1,583)	(73.3%)	(2.7%)
Gross Profit	412	21.1%	576	26.7%	(28.4%)
Operating Expenses	(537)	(27.5%)	(561)	(26.0%)	(4.3%)
Operating Income	(125)	(6.4%)	15	0.7%	(962.0%)
Non-operating Income, Net	11	0.6%	35	1.6%	(68.3%)
Income Before Tax	(114)	(5.8%)	50	2.3%	(327.0%)
Income tax expenses	(31)	(1.6%)	3	0.2%	(1,259.5%)
Net Income	(145)	(7.4%)	53	2.5%	(373.9%)
Basic EPS (NT\$)^(a)	(1.26)		0.47		
EBITDA	12	0.6%	182	8.4%	(93.5%)

Prepared by YoungOptics on a consolidated basis

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

Balance Sheet Highlight(Consolidated)

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Amount: NT\$ Million

	2Q'16	1Q'16	QoQ	2Q'15
Cash and Cash Equivalents	1,819	1,703	6.8%	1,603
Notes & Accounts Receivable, Net (including related)	622	667	(6.8%)	818
Inventory	662	620	6.8%	431
Short Term Debt ^(a)	845	656	28.7%	400
Equity	3,734	3,912	(4.6%)	3,913
Total Assets	5,588	5,488	1.8%	5,453
Inventory Turnover (Days) ^(b)	72	73		54
Debt to Assets	33%	29%		28%
Return on Equity ^(c)	(8%)	(7%)		4%
Net Worth Per Share (NT\$) ^(d)	32.7	34.3		34.3

Prepared by YoungOptics on a consolidated basis

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

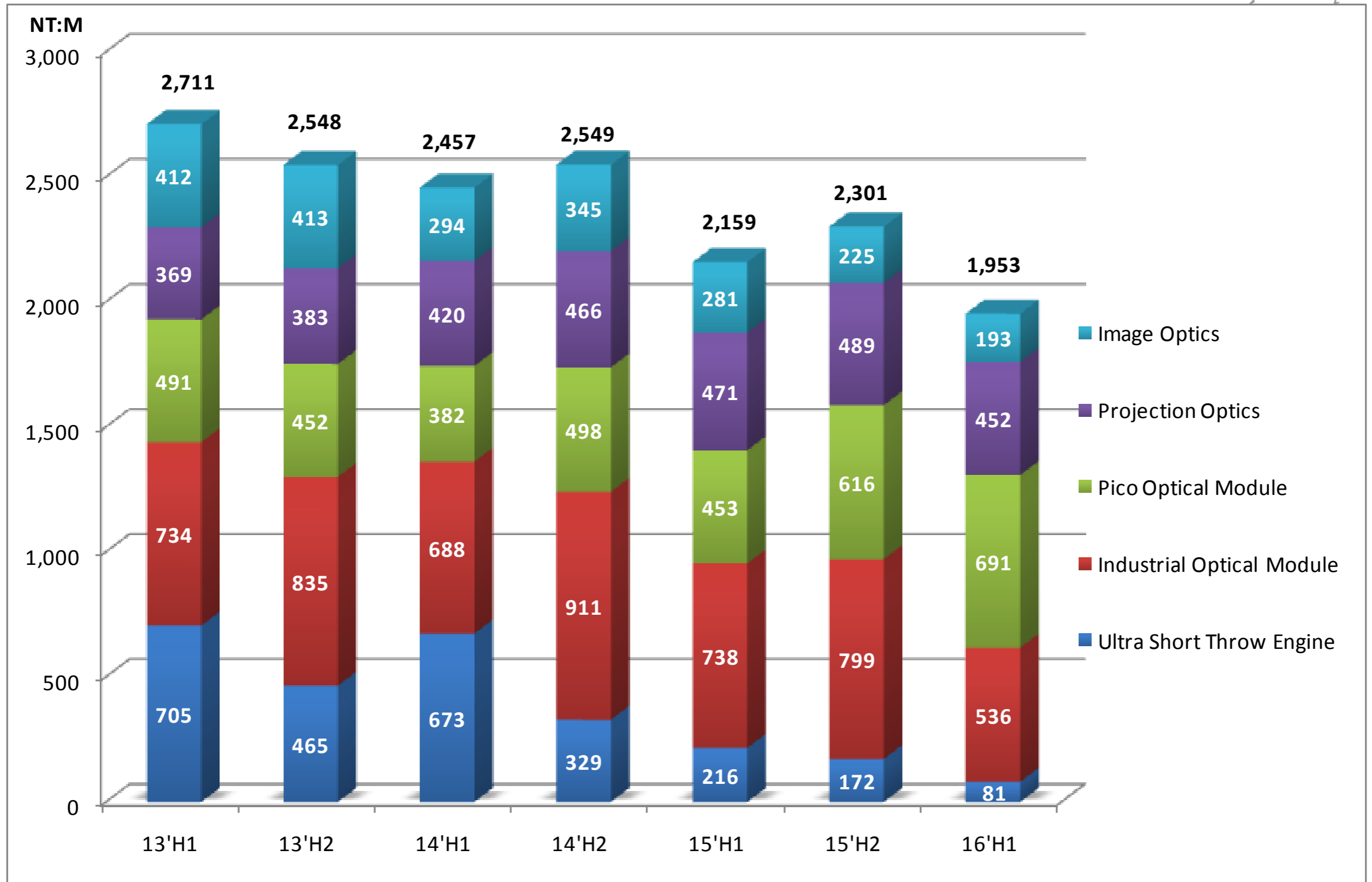
(b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

(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'16(114,059,785 shares),1Q'16(114,059,785 shares),2Q'15(114,059,785 shares)

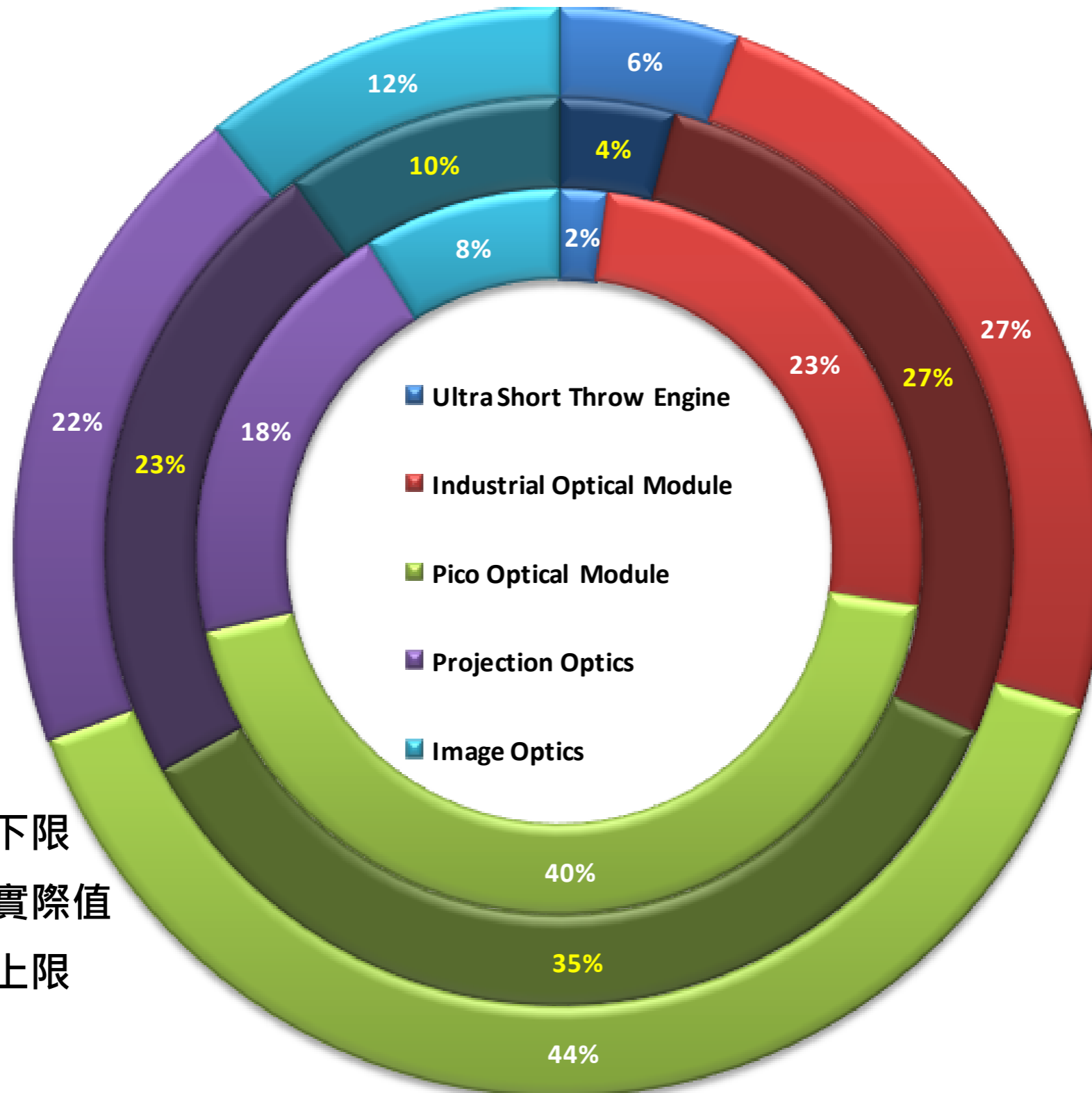
Sales Trend

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2016 1H Biz Lines Achievement

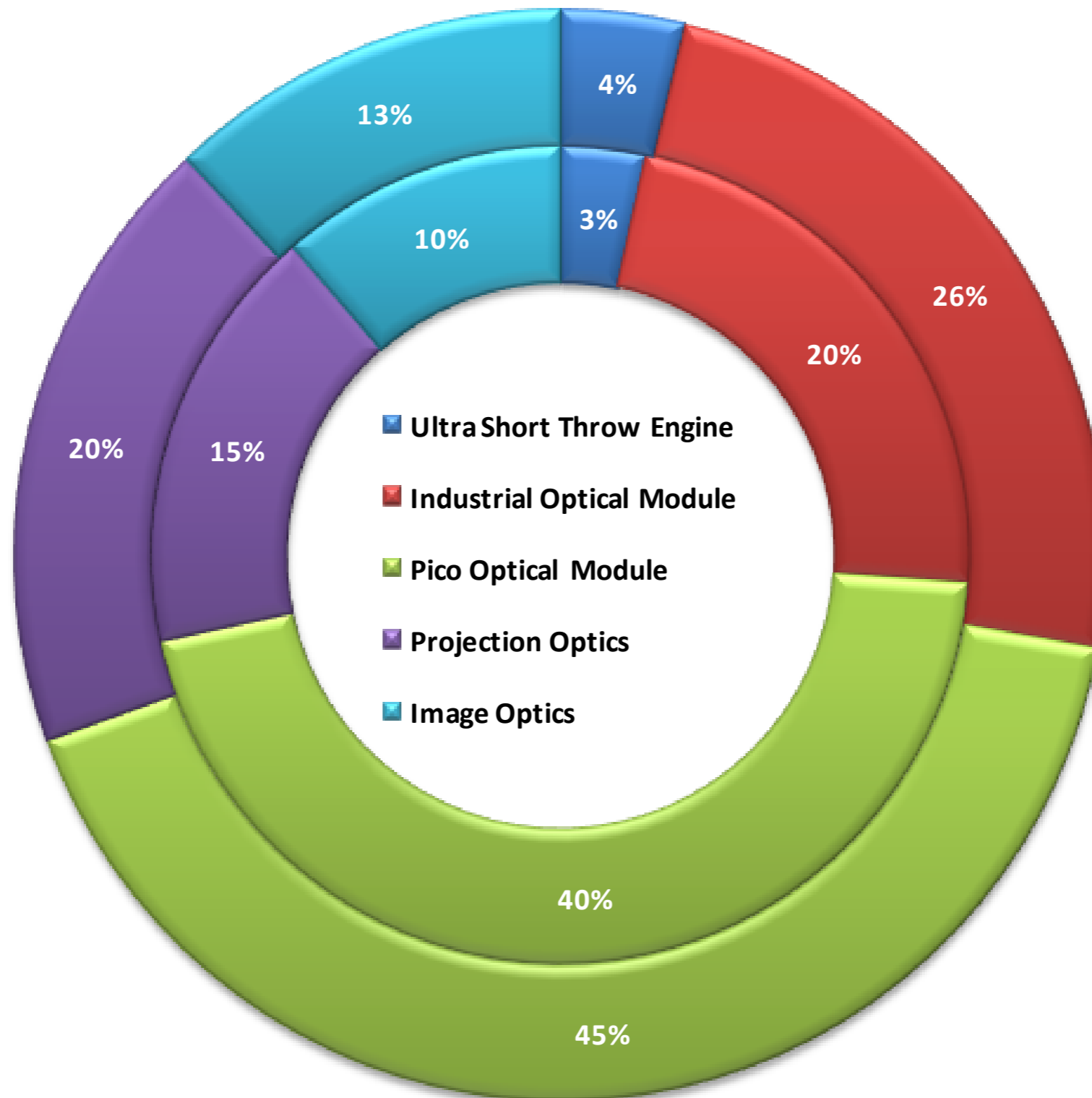
(Compared with Feb 16, 2016 version)
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內圈：下限
 中圈：實際值
 外圈：上限

2016 2H Biz Lines Momentum

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Thank You

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