

YOUNGOptics *Everyone's Optics*



2017 1H Results Investor Conference

July 25, 2017

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'17		1Q'17		QoQ	2Q'16		YoY
Net Sales	1,046	100%	849	100%	23.3%	996	100%	5.0%
Cost of Goods Sold	(866)	(82.8%)	(682)	(80.3%)	27.0%	(813)	(81.6%)	6.5%
Gross Profit	180	17.2%	167	19.7%	7.6%	183	18.4%	(1.9%)
Operating Expenses	(235)	(22.5%)	(224)	(26.4%)	5.2%	(261)	(26.2%)	(9.7%)
Operating Income	(55)	(5.3%)	(57)	(6.7%)	3.8%	(78)	(7.8%)	30.5%
Non-operating Income, Net	3	0.3%	(2)	(0.3%)	288.7%	7	0.7%	(54.0%)
Income Before Tax	(52)	(5.0%)	(59)	(7.0%)	11.5%	(71)	(7.1%)	25.9%
Net Income	(45)	(4.3%)	(67)	(7.9%)	32.3%	(77)	(7.7%)	41.1%
Basic EPS (NT\$)^(a)	(0.39)		(0.58)			(0.67)		
EBITDA	8	0.7%	1	0.2%	492.2%	(8)	(0.8%)	(193.9%)

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

	2017 1H		2016 1H		YoY
Net Sales	1,895	100%	1,953	100%	(3.0%)
Cost of Goods Sold	(1,548)	(81.7%)	(1,541)	(78.9%)	0.5%
Gross Profit	347	18.3%	412	21.1%	(15.9%)
Operating Expenses	(459)	(24.2%)	(537)	(27.5%)	(14.5%)
Operating Income	(112)	(5.9%)	(125)	(6.4%)	10.5%
Non-operating Income, Net	1	0.0%	11	0.6%	(87.1%)
Income Before Tax	(111)	(5.9%)	(114)	(5.8%)	3.2%
Income tax expenses	(1)	(0.0%)	(31)	(1.6%)	95.7%
Net Income	(112)	(5.9%)	(145)	(7.4%)	22.9%
Basic EPS (NT\$)^(a)	(0.97)		(1.26)		
EBITDA	9	0.5%	12	0.6%	(22.5%)

Prepared by YoungOptics on a consolidated basis

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

Balance Sheet Highlight(Consolidated)

Amount: NT\$ Million

	2Q'17	1Q'17	QoQ	2Q'16
Cash and Cash Equivalents	1,606	1,808	(11.2%)	1,819
Notes & Accounts Receivable, Net (including related)	541	410	31.9%	622
Inventory	635	636	(0.2%)	662
Short Term Debt ^(a)	802	911	(12.0%)	845
Equity	3,385	3,389	(0.1%)	3,734
Total Assets	5,123	5,187	(1.2%)	5,588
Inventory Turnover (Days) ^(b)	67	77		72
Debt to Assets	34%	34%		33%
Return on Equity ^(c)	(5%)	(8%)		(8%)
Net Worth Per Share (NT\$) ^(d)	29.7	29.7		32.7

Prepared by YoungOptics on a consolidated basis

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

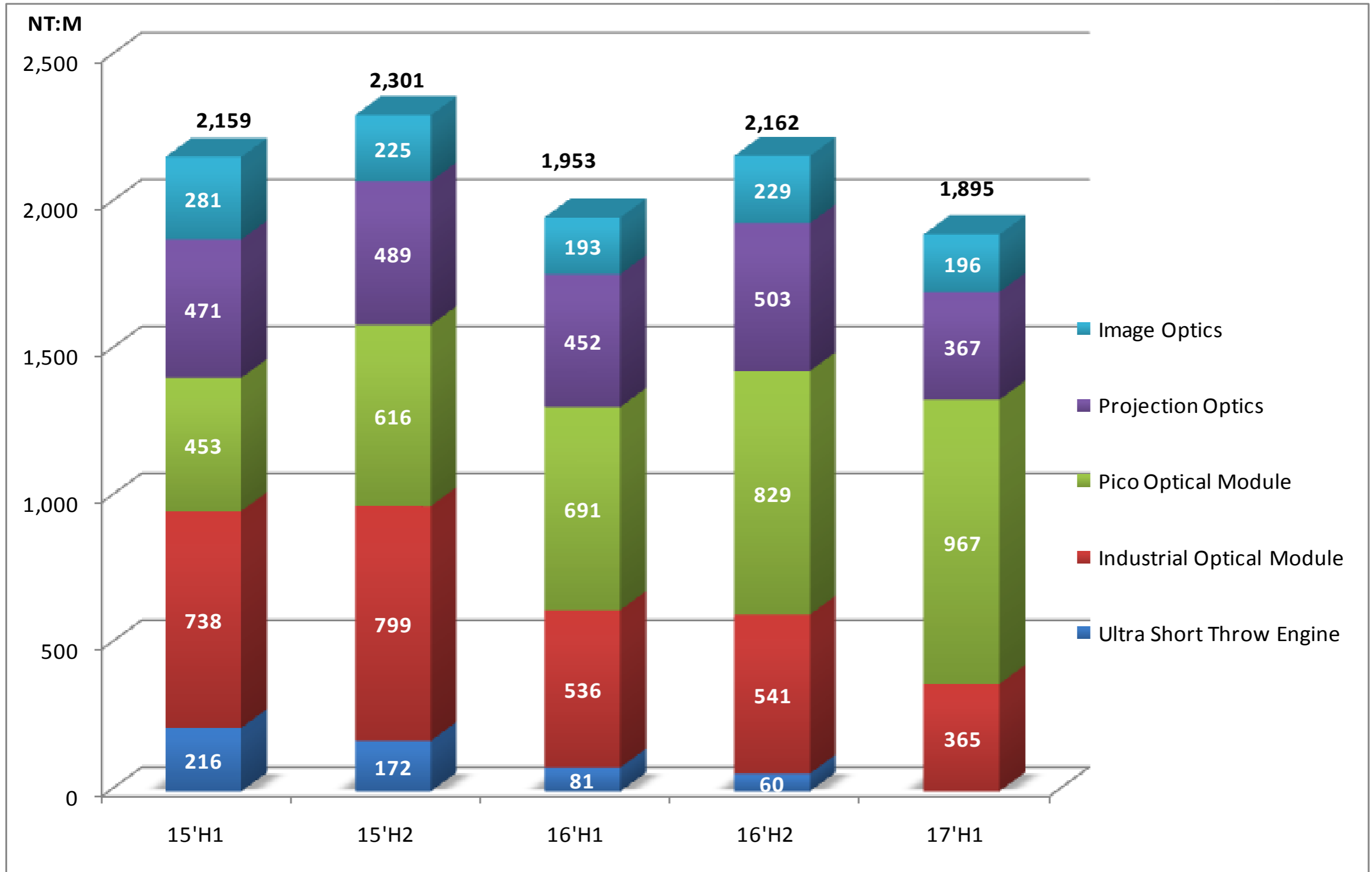
(b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

(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'17(114,059,785 shares),1Q'17(114,059,785 shares),2Q'16(114,059,785 shares)

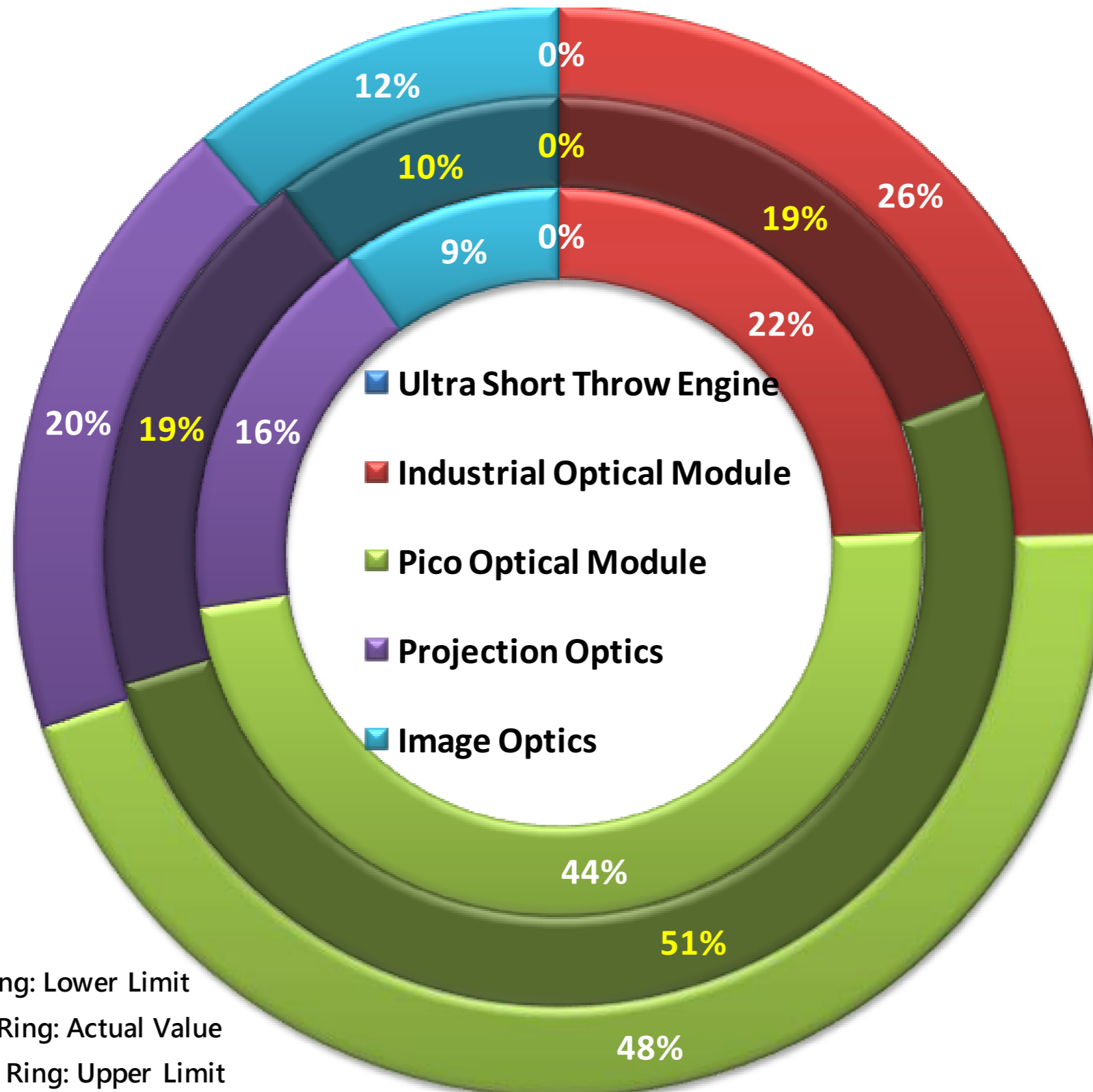
Sales Trend

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2017 1H Biz Lines Achievement

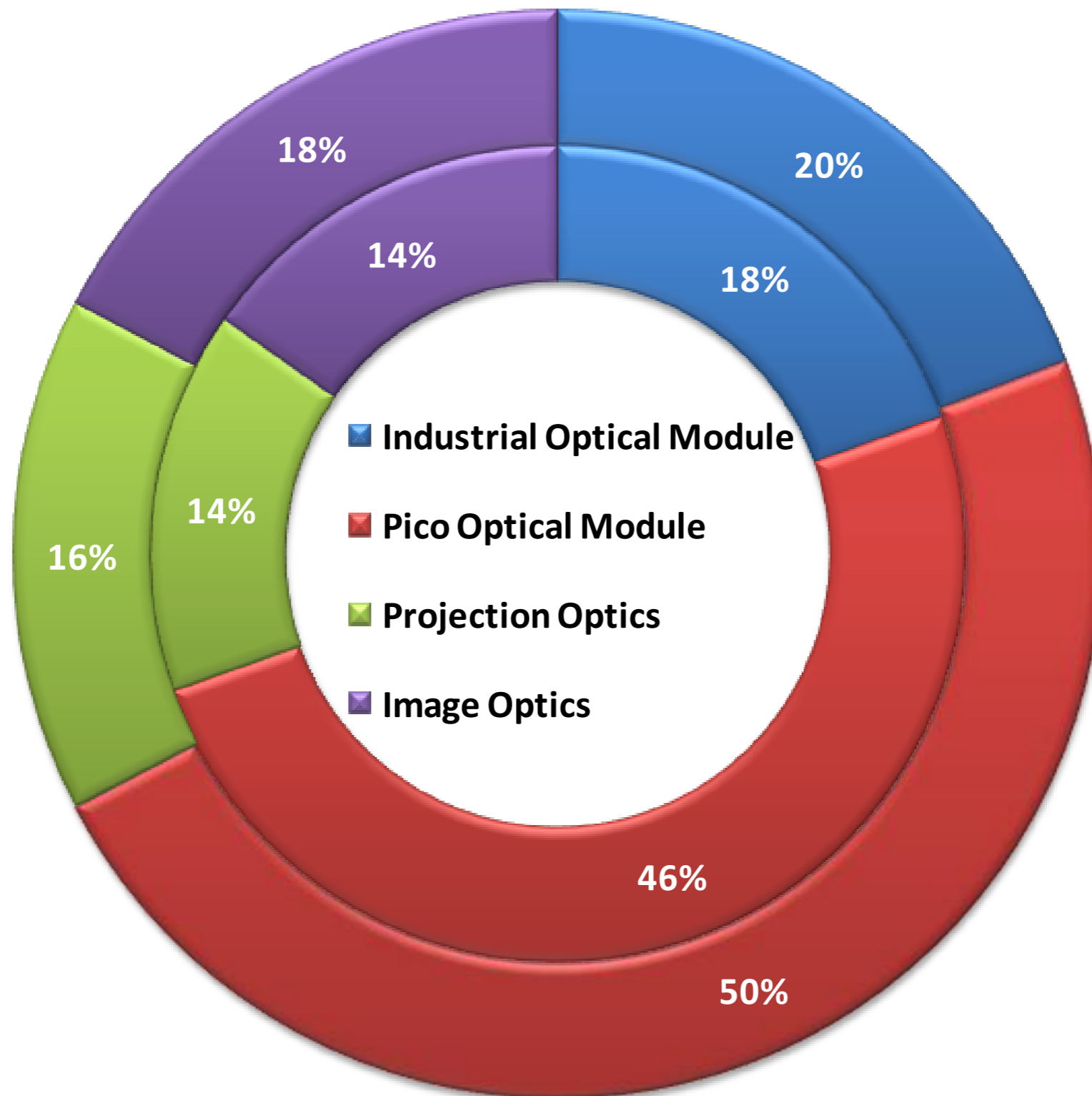
(Compared with Feb. 14, 2017 version) *Everyone's Optics*



The Inner Ring: Lower Limit
 The Middle Ring: Actual Value
 The Outside Ring: Upper Limit

2017 2H Biz Lines Momentum

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Thank You

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