

YOUNGOptics *Everyone's Optics*



2018 1H Results Investor Conference

Jul 23, 2018

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'18		1Q'18		QoQ	2Q'17		YoY
Net Sales	1,614	100%	1,192	100%	35.4%	1,046	100%	54.3%
Cost of Goods Sold	(1,308)	(81.0%)	(946)	(79.4%)	38.3%	(866)	(82.8%)	51.0%
Gross Profit	306	19.0%	246	20.6%	24.4%	180	17.2%	70.0%
Operating Expenses	(272)	(16.9%)	(236)	(19.8%)	15.3%	(235)	(22.5%)	15.7%
Operating Income	34	2.1%	10	0.8%	240.0%	(55)	(5.3%)	161.8%
Non-operating Income, Net	35	2.2%	3	0.3%	1,066.7%	3	0.3%	1,066.7%
Income Before Tax	69	4.3%	13	1.1%	430.8%	(52)	(5.0%)	232.7%
Net Income	54	3.3%	4	0.3%	1,250.0%	(45)	(4.3%)	220.0%
Shareholders of the Parent Company	54	3.3%	4	0.3%	1,250.0%	(44)	(4.2%)	222.7%
Minority Interests	0	0.0%	0	0.0%	(37.0%)	(1)	(0.1%)	111.0%
Basic EPS (NT\$)^(a)	0.46		0.04			(0.39)		
EBITDA	131	8.1%	73	6.1%	79.5%	8	0.7%	1,537.5%

Prepared by YoungOptics on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares(114,059,785 shares in 2Q'18,1Q'18 and 2Q'17)

Income Statement(Consolidated)_YoY

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Amount: NT\$ Million Except Per Share Data

	2018 1H		2017 1H		YoY
Net Sales	2,807	100%	1,895	100%	48.1%
Cost of Goods Sold	(2,255)	(80.3%)	(1,548)	(81.7%)	45.7%
Gross Profit	552	19.7%	347	18.3%	59.1%
Operating Expenses	(508)	(18.1%)	(459)	(24.2%)	10.7%
Operating Income	44	1.6%	(112)	(5.9%)	139.3%
Non-operating Income, Net	38	1.4%	1	0.0%	3,700.0%
Income Before Tax	82	3.0%	(111)	(5.9%)	173.9%
Net Income	58	2.1%	(112)	(5.9%)	151.8%
Shareholders of the Parent Company	58	2.1%	(110)	(5.8%)	152.7%
Minority Interests	0	0.0%	(2)	(0.1%)	111.5%
Basic EPS (NT\$)^(a)	0.50		(0.97)		
EBITDA	204	7.3%	9	0.5%	2,125.9%

Prepared by YoungOptics on a consolidated basis

(a) Basic EPS was calculated based on the total weighted average outstanding shares(114,059,785 shares in 2018 1H and 2017 1H)

Balance Sheet Highlight(Consolidated)

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Amount: NT\$ Million

	2Q'18	1Q'18	QoQ	2Q'17
Cash and Cash Equivalents	1,742	1,566	11.2%	1,606
Notes & Accounts Receivable, Net (including related)	918	737	24.5%	541
Inventory	795	766	3.8%	635
Short Term Debt ^(a)	585	590	(0.8%)	802
Long Term Debt	369	410	(10.0%)	24
Equity	3,460	3,406	1.6%	3,385
Total Assets	5,992	5,536	8.2%	5,123
Inventory Turnover (Days) ^(b)	54	74		67
Debt to Assets	42%	38%		34%
Return on Equity ^(c)	6.0%	0%		(5%)
Net Worth Per Share (NT\$) ^(d)	30.3	29.9		29.7

Prepared by YoungOptics on a consolidated basis

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

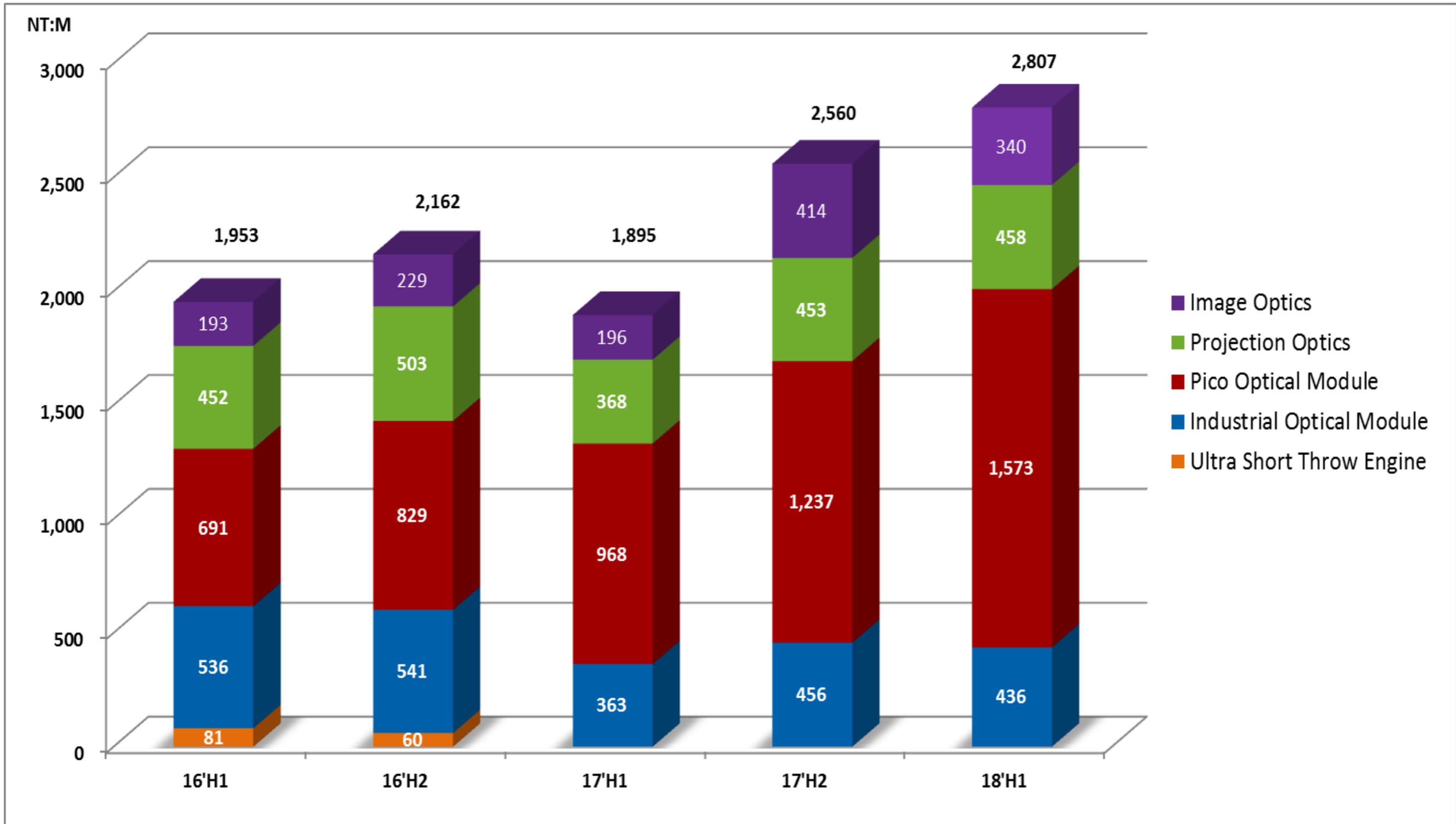
(b) Calculated by dividing the average inventory into the annualized cost of goods sold during such period, then multiplying by 365 days

(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: (114,059,785 shares in 2Q'18,1Q'18 and 2Q'17)

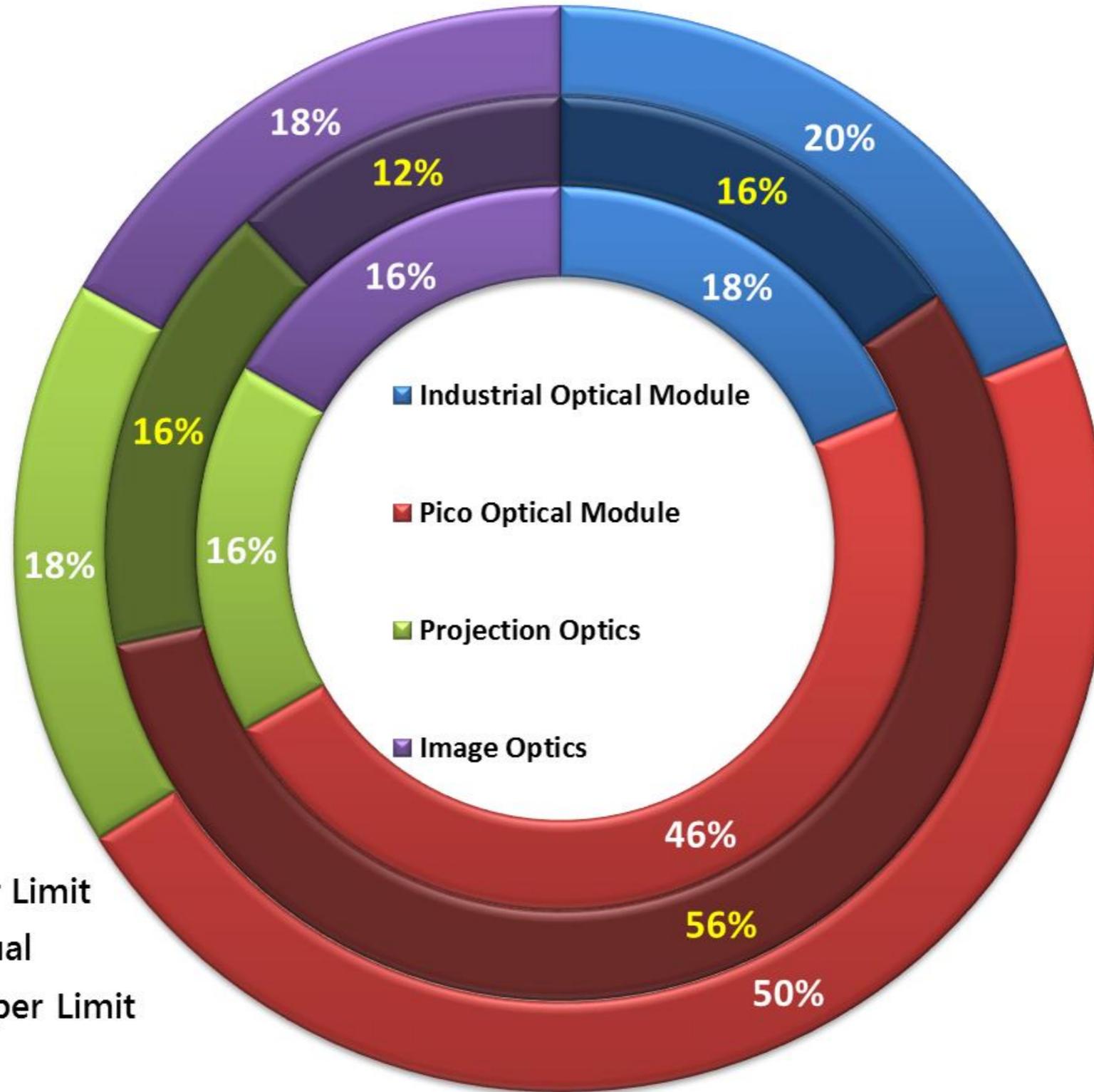
Sales Trend

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2018 1H Biz Lines Achievement

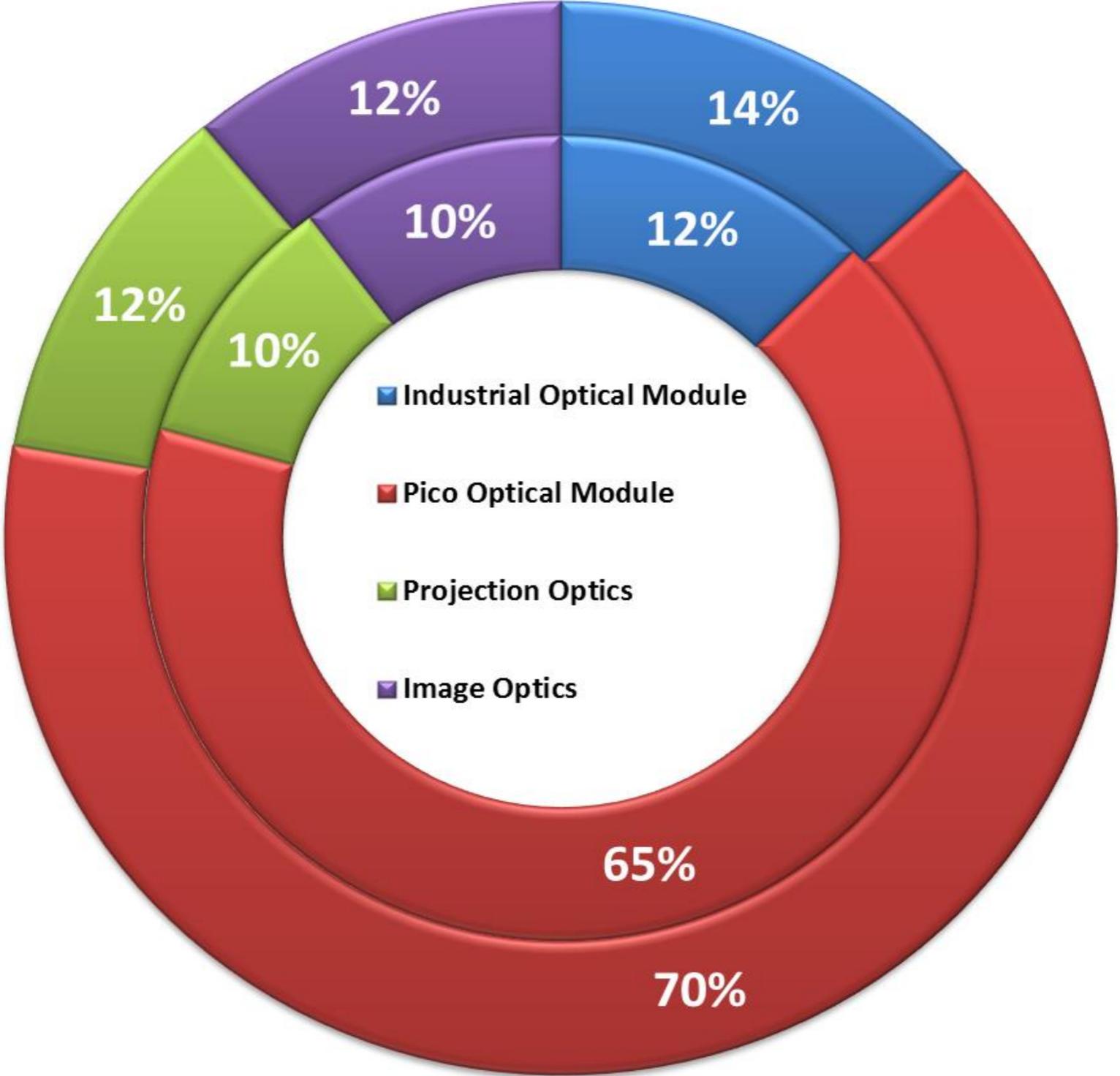
(Compared with Jan. 26, 2018 version) *Everyone's Optics*



Inner : Lower Limit
Middle : Actual
Outside : Upper Limit

2018 2H Biz Lines Momentum

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Thank You

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