

Press Release

Nanya Technology Reports Results for the Third Quarter 2019

October 8th, 2019 – Nanya Technology Corporation, (TWSE: 2408), today announced its results of operations for the third quarter, ended September 30th, 2019. Nanya's quarterly sales revenue was NT\$ 14,799 million, a 19.0 percent increase compared to the second quarter, 2019. In the third quarter of 2019, average selling prices (ASP) decreased by low-teens percent and bit shipment increased by mid-thirties percent quarter over quarter.

Gross profit of the quarter was NT\$ 4,137 million; gross margin was 28.0 percent; a 6.9 percentage points decrease from that in the previous quarter. Operating Income of the quarter was NT\$ 2,252 million; operating margin was 15.2 percent; a 7.3 percentage points decrease from that in the last quarter. Non-operating income of the quarter was NT\$ 432, million primarily from interest incomes and investment income under equity method. Income tax for this quarter was NT\$ 479 million. The Company had net profit of NT\$ 2,205 million, with net margin of 14.9 percent, a 7.2 percentage points decrease from that in the previous quarter. Earnings per share (EPS) was NT\$ 0.72 in the third quarter (based on weighted average outstanding shares of 3,053 million). For the first three quarters of 2019, net income attributable to Nanya Technology shareholders reached NT\$ 8,539 million, EPS to NT\$ 2.81 (EPS is based on weighted average outstanding shares of 3,042 million). Book value per share was NT\$ 49.71 (after deduction of NT\$ 7.11 cash dividend) at the end of the third quarter. All numbers are unaudited.

Third quarter bit shipment growth exceeded original guidance contributed by strong season. The company has revised up annual bit shipment growth guidance from previous announced single digits to low-teens percent.

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Q3 2019 Consolidated Income Statement

Amount in Million NT\$, except for EPS	Q3'19		Q2'19		QoQ	Q3'18		YoY
	Unaudited		Audited			Audited		
Net Sales	14,799	100%	12,441	100%	19.0%	24,375	100%	-39.3%
Gross Profit (Loss) <i>Gross Margin(%)</i>	4,137	28.0%	4,348	34.9%	-4.9%	14,366	58.9%	-71.2%
Operating Income (Loss) <i>Operating Margin(%)</i>	2,252	15.2%	2,805	22.5%	-19.7%	12,434	51.0%	-81.9%
EBITDA* <i>EBITDA Margin (%)</i>	5,957	40.3%	6,427	51.7%	-7.3%	15,487	63.5%	-61.5%
Non-operating Income (Exp.)	432	2.9%	600	4.8%		438	1.8%	
Income Tax Benefit (Exp.)	-479	-3.2%	-657	-5.3%		0	0.0%	
Net Income (Loss) <i>Net Margin (%)</i>	2,205	14.9%	2,748	22.1%	-19.8%	12,872	52.8%	-82.9%
Earnings Per Share	0.72**		0.90			4.15		
Book Value Per Share	49.71***		49.01			51.52		

* EBITDA = Operating income + Depreciation & Amortization Expenses

** EPS is based on weighted average outstanding shares of 3,053M

*** BVPS is calculated based on 3,053M outstanding shares after deduction of NT\$ 7.11 cash dividend

Disclaimer

This press release contains forward-looking statements. These statements relate to future events or our future financial performance. These statements are only predictions. Actual events or results may differ materially. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Moreover, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no duty to update any of the forward-looking statements after the date of this press release to conform such statements to actual results or to changes in our expectations. Readers are also urged to carefully review and consider the various disclosures made by us which attempt to advise interested parties of the factors which affect our business.

About Nanya

Nanya Technology Corporation ("NTC"), a member of the Formosa Plastics Group, provides key components DRAM to electronic industry, focusing on research and development, design, manufacturing, and sales of consumer and Low Power DRAM products. In addition, NTC continues to enlarge its share of high value-added DRAM market, increases manufacturing efficiency, and strengthens product quality and customer services in respond to market demand. NTC's common stock is traded on the Taiwan Stock Exchange Corporation (TWSE) under the symbol 2408. For more information, please visit <http://www.nanya.com>.

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