

## Press Release

# Nanya Technology Reports Results for the Second Quarter 2019

July 10th, 2019 – Nanya Technology Corporation, (TWSE: 2408), today announced its results of operations for the second quarter, ended June 30th, 2019. Nanya's quarterly sales revenue was NT\$ 12,441 million, a 9.4 percent increase compared to the first quarter, 2019. In the second quarter of 2019, average selling prices (ASP) decreased by mid-teens percent and bit shipment increased by greater than thirtys percent quarter over quarter.

Gross profit of the quarter was NT\$ 4,348 million, gross margin was 34.9 percent, a 5.8 percentage points decrease compared with the previous quarter. Operating Income of the quarter was NT\$ 2,805 million, operating margin was 22.5 percent. Operating margin decreased by 4.1 percentage points compared with the last quarter. Non-operating income of the quarter was NT\$ 601 million primarily from interest incomes, investment income under equity method and foreign exchange gains etc. Income tax for this quarter was NT\$ 657 million. The Company had net profit of NT\$ 2,749 million, with net margin of 22.1 percent, a 9.4 percentage points decrease compared with the previous quarter. Earnings per share (EPS) was NT\$ 0.90 in the second quarter (the earnings per share calculations are based on weighted average outstanding shares of 3,040 million).

In the first half of 2019, the company's sales revenue was NT\$ 23,813 million, 45.1 percent decreased compared with the same period last year. Gross profit was NT\$ 8,980 million, gross Margin was 37.7 percent. Operating Income of first half was NT\$ 5,825 million, operating margin was 24.5 percent. Net income attributable to Nanya Technology shareholders of NT\$ 6,335 million, with net margin of 26.6 percent, EPS of NT\$ 2.09 (EPS is based on weighted average outstanding shares of 3,037 million). Book value per share was NT\$ 49.01 (after deduction of NT\$ 7.11 cash dividend payable) at the second quarter end. All numbers are unaudited.

Cash dividend of NT\$ 21.7 billion (NT\$ 7.11 per common share) was scheduled to be distributed on July 26, 2019.

The company continue allocating 5~10% capacity to technology and product development activities to optimize product portfolio and product value enhancement.

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### Q2 2019 Consolidated Income Statement

Amount in Million NT\$, except for EPS	Q2'19		Q1'19		QoQ	Q2'18		YoY
	Unaudited		Audited			Audited		
Net Sales	12,441	100%	11,372	100%	9.4%	24,592	100%	-49.4%
Gross Profit (Loss) <i>Gross Margin(%)</i>	4,348	34.9%	4,633	40.7%	-6.1%	13,537	55.0%	-67.9%
Operating Income (Loss) <i>Operating Margin(%)</i>	2,805	22.5%	3,020	26.6%	-7.1%	11,510	46.8%	-75.6%
EBITDA* <i>EBITDA Margin (%)</i>	6,427	51.7%	6,381	56.1%	0.7%	14,495	58.9%	-55.7%
Non-operating Income (Exp.)	601	4.8%	567	5.0%		1,990	8.1%	
Income Tax Benefit (Exp.)	-657	-5.3%	0	0.0%		-2,190	-8.9%	
Net Income (Loss) <i>Net Margin (%)</i>	2,749	22.1%	3,586	31.5%	-23.3%	11,310	46.0%	-75.7%
Earnings Per Share	0.90**		1.18			3.68		
Book Value Per Share	49.01***		55.26			47.37		

\* EBITDA = Operating income + Depreciation & Amortization Expenses

\*\* EPS is based on weighted average outstanding shares of 3,040M

\*\*\* BVPS is calculated based on 3,052M outstanding shares after deduction of NT\$ 7.11 cash dividend payable

#### 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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