Press Release

Nanya Technology Reports Third Quarter 2014 Results

Taoyuan, Taiwan, October 29th, 2014 – Nanya Technology Corporation, (TWSE: 2408), today announced its results of the third quarter, ended September 30th, 2014. Nanya's quarterly sales revenue is NT$ 13,091 million, an increase of 9.9 percent compared to the second quarter. The quarterly sales revenue raise is mainly due to a 7.3 percent increase in bit shipment and a 3 percent increase in average selling prices (ASP). Year-to-date consolidated sales revenue was NT$ 36,699 million, 10.3 percent increase year-over-year.

Gross margin of the quarter was NT$ 6,262 million, as of 47.8 percent of sales, 4 percent increase compared with 43.8 percent in second quarter. Operating income of the quarter was NT$ 5,452 million, operating margin was 41.6 percent. The quarter recognized NT$ 2,859 million from Inotera's profits under equity method (Nanya currently held 24 percent ownership interest in Inotera). NT$ 194 million gain from exchange rate valuation. The quarter also recognized tax expenses of NT$ 874 million. The company had net Income attributable to Nanya Technology shareholders of NT$ 7,462 million, with net margin of 57 percent, earnings per share of NT$ 3.11 in the third quarter (the earnings per share calculation is based on post-capital reduction shares of 2,398 million). Accumulated net profit of NT$ 19,674 million for previous three quarters, EPS NT$ 8.21.

On September 30th, accumulated earnings of NT$ 2,210 million, accumulated equity attributable to Nanya Technology shareholders was NT$ 32,260 million, book value per share of NT$ 13.45. All numbers are unaudited. The stock trading released from the full-cash delivery restriction and resume to normal trading is targeted in November 2014.

Bit growth in 2015 is forecasted to increase mid-teens percentage year-on-year, the contribution is mainly from the expansion of 30nm Die Shrink Program and production efficiency improvement.

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3Q 2014 Consolidated Income Statement

Amount: Million NT$	Q3'14 Unaudited		Q2'14 Audited		QoQ	Q3'13 Audited		YoY
Net Sales	13,091	100.0%	11,916	100.0%	9.9%	10,940	100%	20%
Cost of Goods Sold	6,828	52.2%	6,696	56.2%		9,405	86%	
Gross Margin	6,262	47.8%	5,220	43.8%	20%	1,535	14%	308%
SG&A Expenses	453	3.5%	643	5.4%		449	4%	
R&D Expenses	358	2.7%	334	2.8%		388	4%	
Operating Income	5,452	41.6%	4,243	35.6%	28.5%	699	6%	680%
Non-operating Income (Exp.)	2,883	22.0%	2,178	18.3%		1,443	13%	
Income before Tax	8,335	63.7%	6,421	53.9%	29.8%	2,142	20%	289%
Income Tax Benefit (Expense)	-874	-6.7%	-2	0.0%		-4	0%	
Profit from Continuing Operation	7,461	57.0%	6,419	53.9%		2,138	20%	
Income (Loss) from Discontinued Operation	4	0.0%	-334	-2.8%		-161	-1%	
Net income attributable to noncontrolling interests	3	0.0%	2	0.0%		-2	0%	
Net Income attributable to NTC	7,462	57.0%	6,083	51.0%	22.7%	1,979	18%	277%
EPS(NT$)	3.11		2.54			0.82		
Book Value Per Share	13.45		10.16			0.24		

Note : The earnings per share calculations are based on post-capital reduction shares of 2,398 million.
Note: Q3'14 recognized tax expenses of NT$ 0.87 billion from Deferred Income Tax Assets.

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, a member of the Formosa Plastics Group, is industry leading pure-play consumer Memory Company, focusing on research and development, design, manufacturing, and sales of consumer and Low Power DRAM products. Nanya plans to enlarge market share in the high value-added DRAM market segment. NTC's common stock is traded on the Taiwan Stock Exchange Corporation (TWSE) under the 2408 symbol. The company currently owns 300mm fabrication facility in Taiwan and starts its 30nm stack process technology mass production in year 2012. The company also has a 300mm joint venture, Inotera Memories, Inc., which operates two 300mm fabrication facilities in Taiwan. Further information is available at http://www.nanya.com

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