



Nanya Technology

1Q' 2013 Investor Conference

Dr. Pei-Ing Lee , SVP & Spokesman
April 23, 2013



Agenda



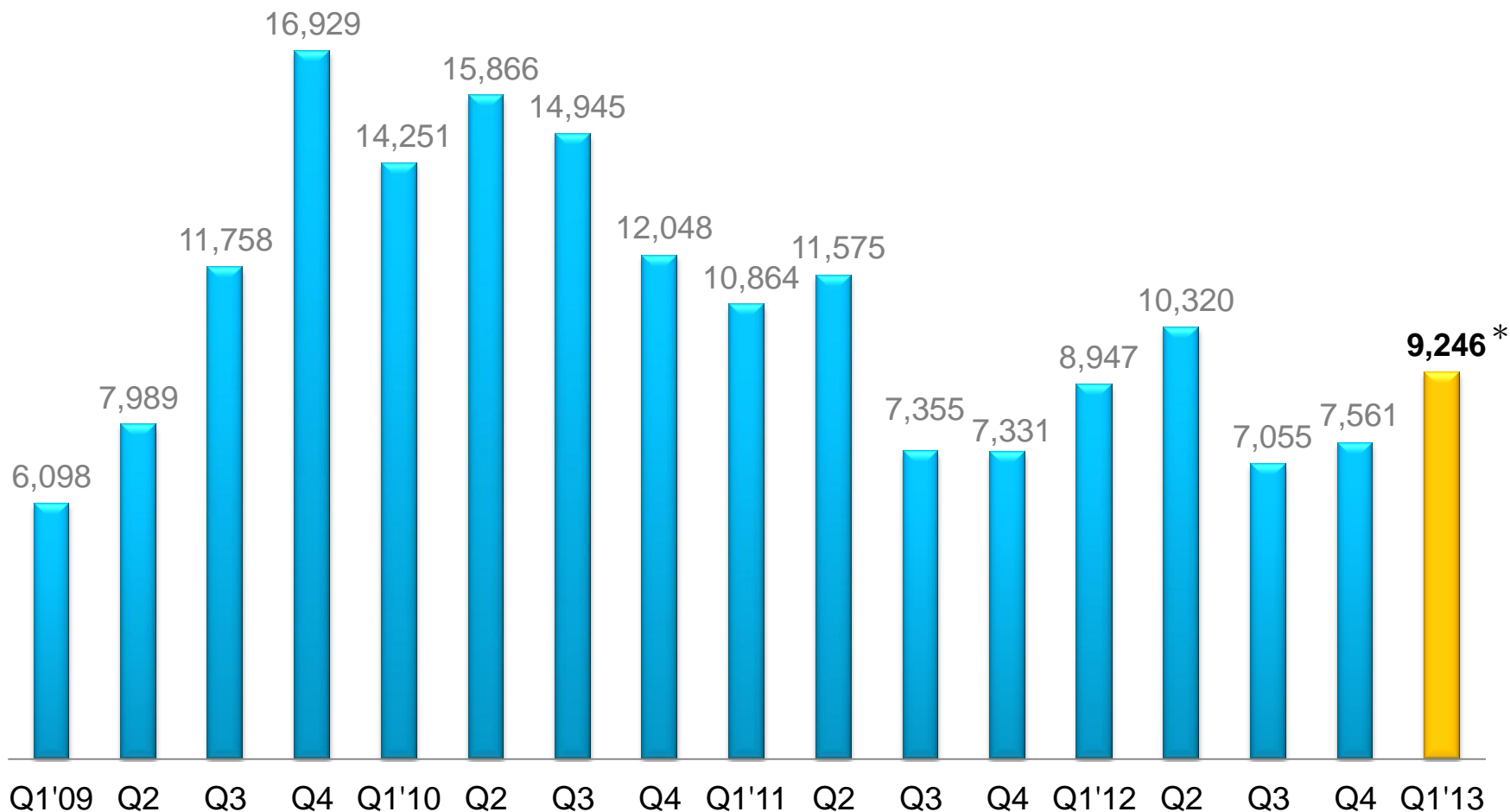
- **1Q'13 Revenue & Results**
- **Company Highlights**
- **Market Outlook**
- **Business Outlook**
- **Q&A**



1Q'13 Revenue & Results

Consolidated Quarterly Revenue Update

Unit : NTD Million



* Unaudited number

Quarterly Revenue Results



| | QoQ Q1 '13 vs. Q4'12 | YoY Q1 '13 vs. Q1'12 |
|---------------|-------------------------|-------------------------|
| Revenue | 22.3% | 3.4% |
| Shipment | -7.1% | -7.4% |
| ASP | 30.5 % | 12.8% |
| Exchange Rate | 0.9% | -1 % |

- Inventory remain at healthy level.
- Averaged Selling Price in PC and Consumer market surged in Q1'13.

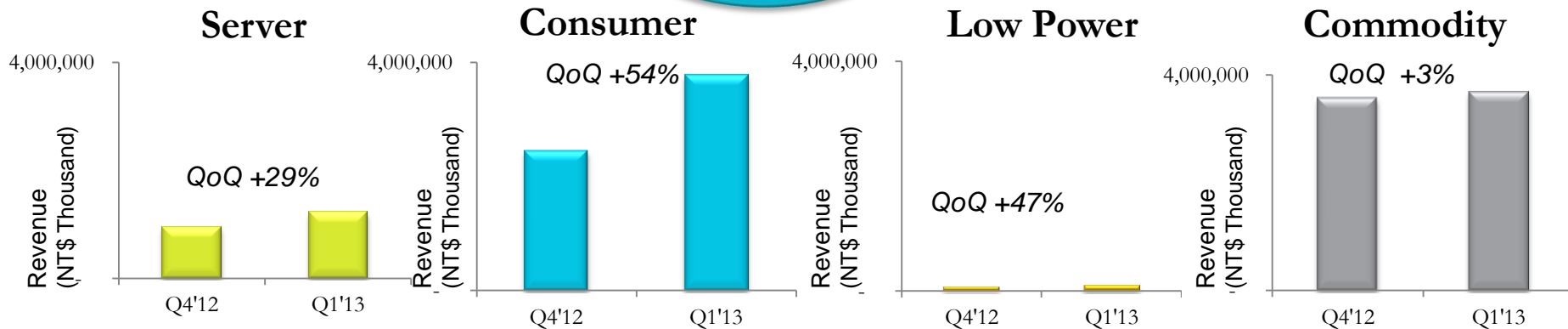
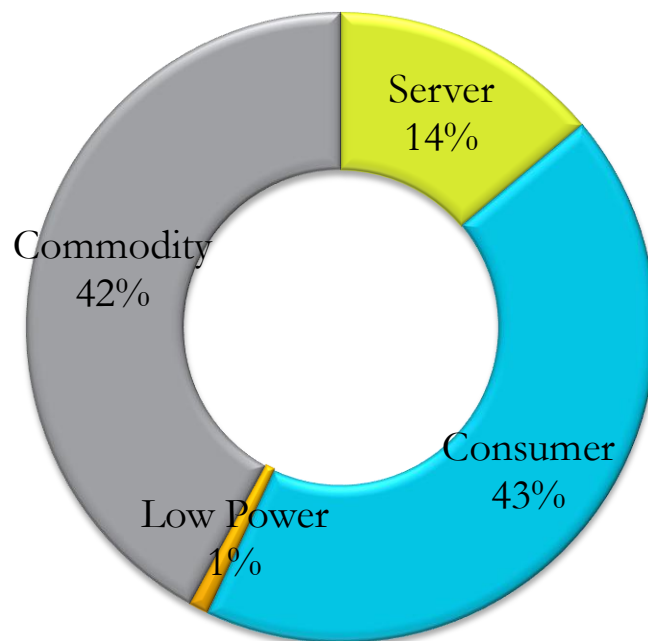
Q1'13 Consolidated Income Statement

| Amount: Million NT\$ | Q1'13 Unaudited | | Q4'12 Audited | | QoQ | Q1'12 Audited | | YoY |
|------------------------------|--------------------|------|------------------|-------|------|------------------|-------|------|
| Net Sales | 9,246 | 100% | 7,561 | 100% | 22% | 8,947 | 100% | 3% |
| Cost of Goods Sold | 7,501 | 81% | 13,975 | 185% | | 14,923 | 167% | |
| Gross Margin | 1,745 | 19% | -6,414 | -85% | 127% | -5,976 | -67% | 129% |
| SG&A Expenses | 499 | 5% | 317 | 4% | | 581 | 6% | |
| R&D Expenses | 354 | 4% | 791 | 10% | | 2,069 | 23% | |
| Operating Income | 892 | 10% | -7,523 | -99% | 112% | -8,626 | -96% | 110% |
| Non-operating Income (Exp.) | -382 | -4% | -1,315 | -17% | | -1,724 | -19% | |
| Income before Tax | 510 | 6% | -8,837 | -117% | 106% | -10,350 | -116% | 105% |
| Income Tax Benefit (Expense) | -4 | 0% | -44 | -1% | | -1 | 0% | |
| Net Income | 506 | 5% | -8,881 | -117% | 106% | -10,351 | -116% | 105% |
| EPS(NT\$) | 0.02 | | -0.45 | | | -0.70 | | |

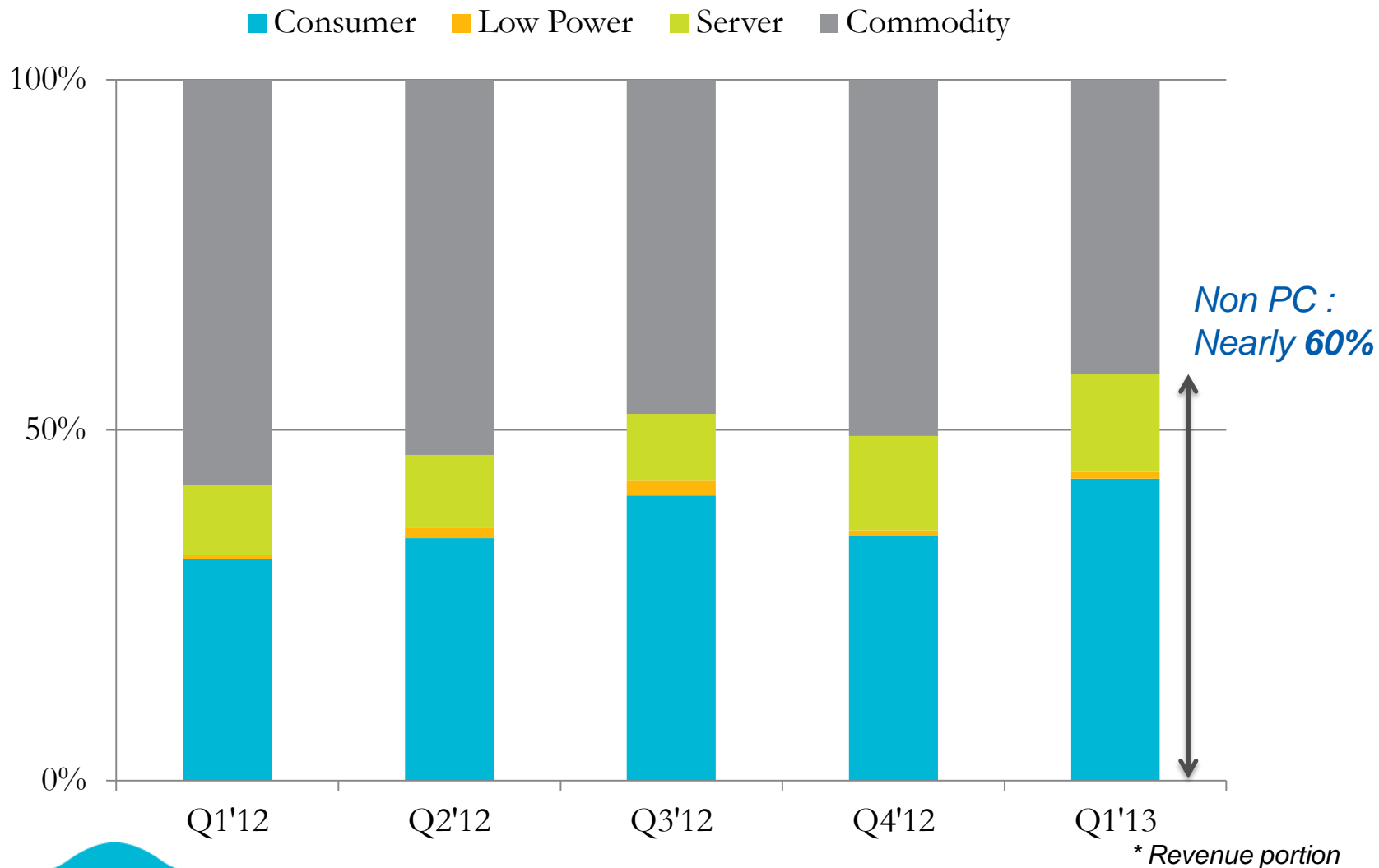
Note : Q1'13 Cost of Goods Sold includes gain of NT\$ 4.5 Billion from recovery of inventory valuation.

Note : Q4'12 Cost of Goods Sold includes a charge of NT\$ 1.2 billion for the write-down of inventories.

1Q'13 Revenue by Application



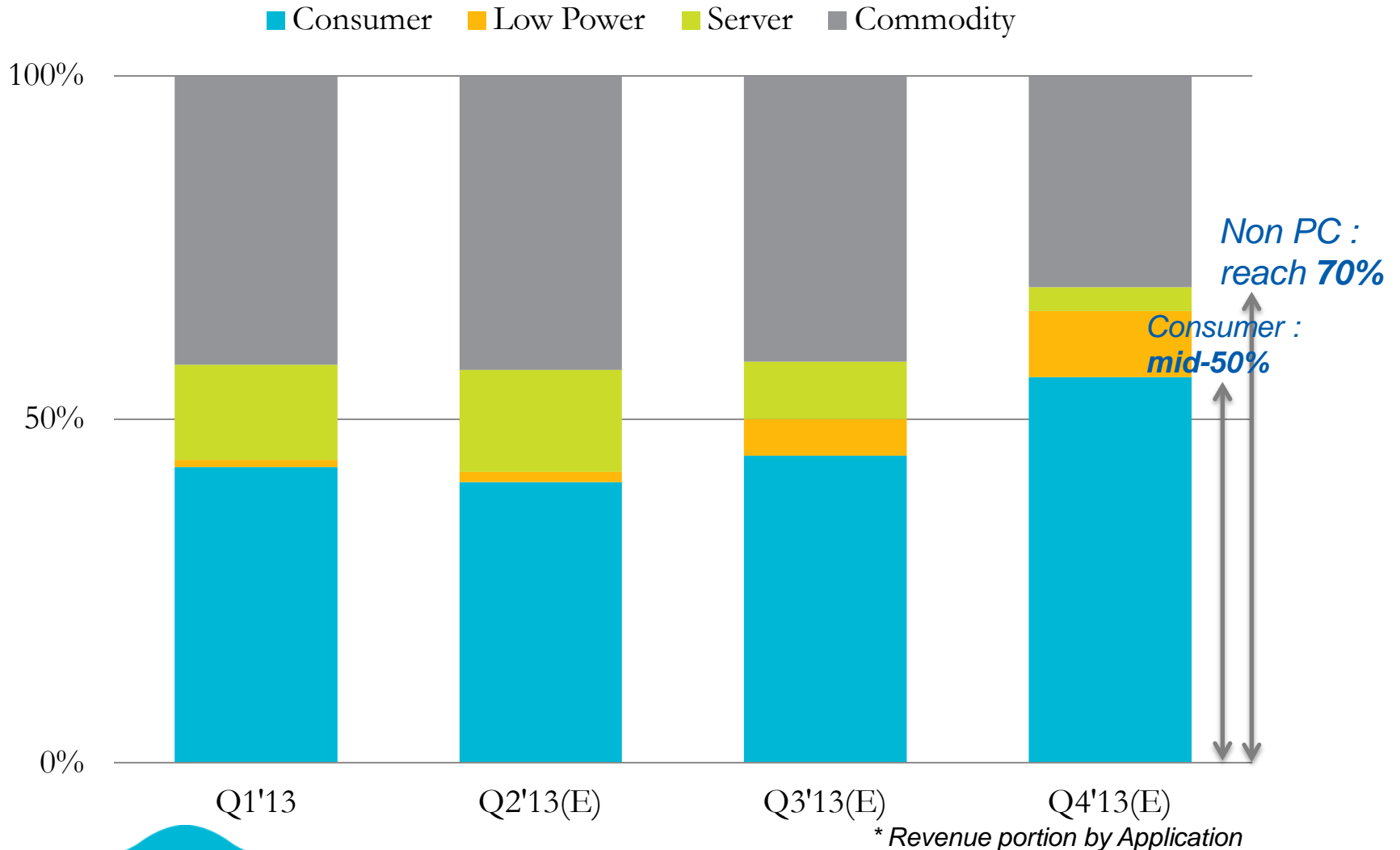
Sales Breakdown by Application





Company Highlights

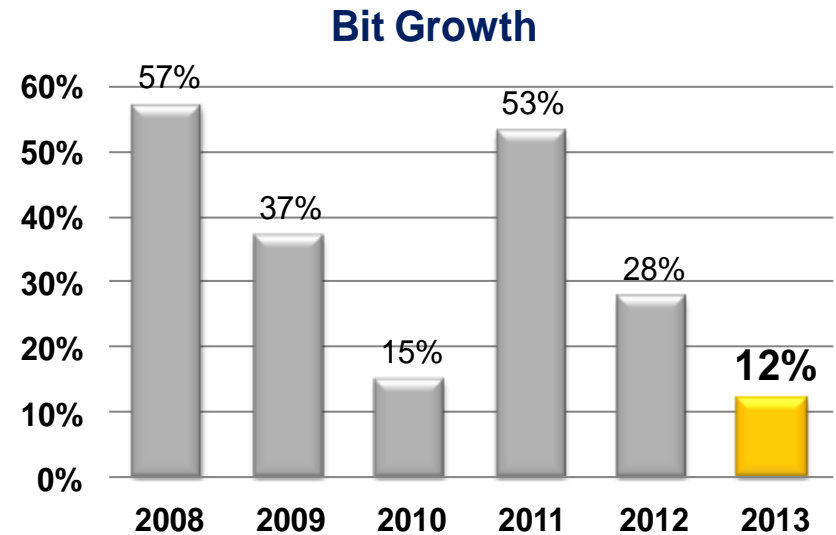
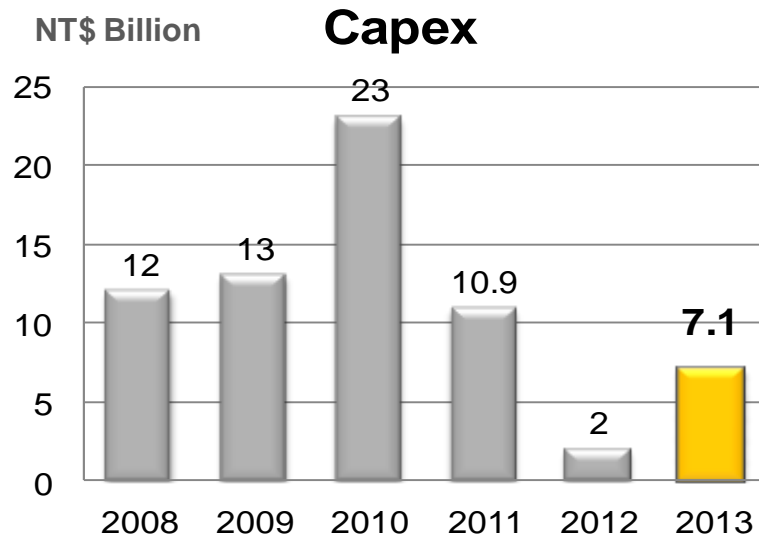
2013 Revenue Breakdown Guidance



Business Highlights

- **Contribution from corporate restructuring**
 - Quarterly R&D expense reduced to around NT\$ 0.35B, by ending JDP.
 - Quarterly depreciation cost decreased to NT\$ 1.5B through the adjustment of useful lives of Machinery and Equipment. (Extended from 6-10 years to 12-14 years)
- **Gain of NT\$ 4.5B from recovery of inventory valuation.**
- **Premium products contributed about 60% of 1Q'13 revenue.**
- **Product portfolio strengthen.**
- **Achieved 30nm 4Gb LPDDR2 Mobile RAM validation in both customer and core chip partner in Q1'13.**

Business Update

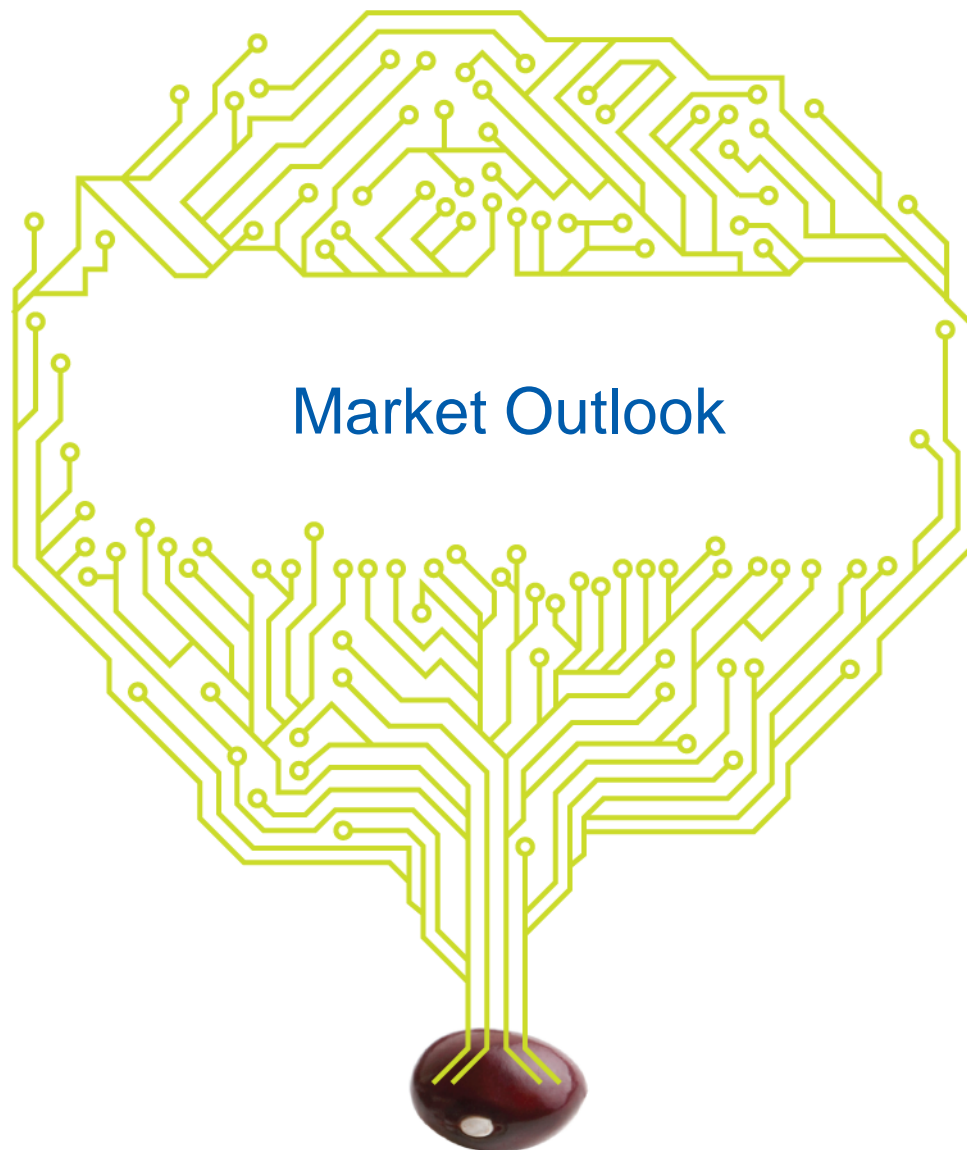


■ Capex

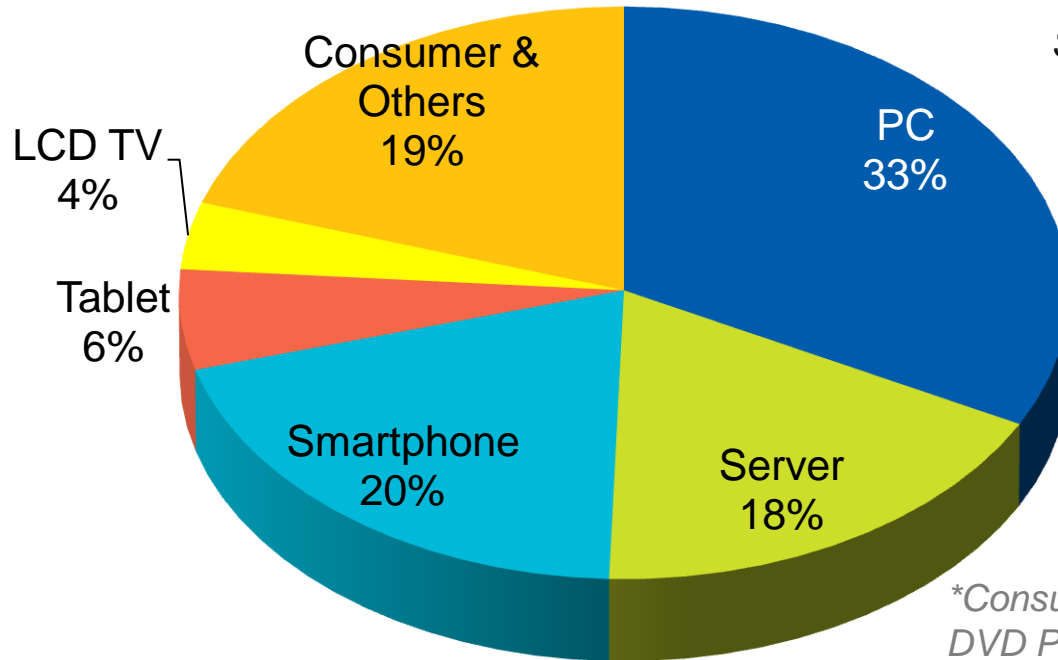
- Estimated at NT\$7.1B for 2013
- Q1'13 actual Capex: NT\$1.25B

■ Bit Growth

- Estimated 12% bit growth in 2013.
- Q1'13 bit shipment decreased 7.1%



DRAM Demand Driven by Non-PC



Source: Gartner, 2013/03

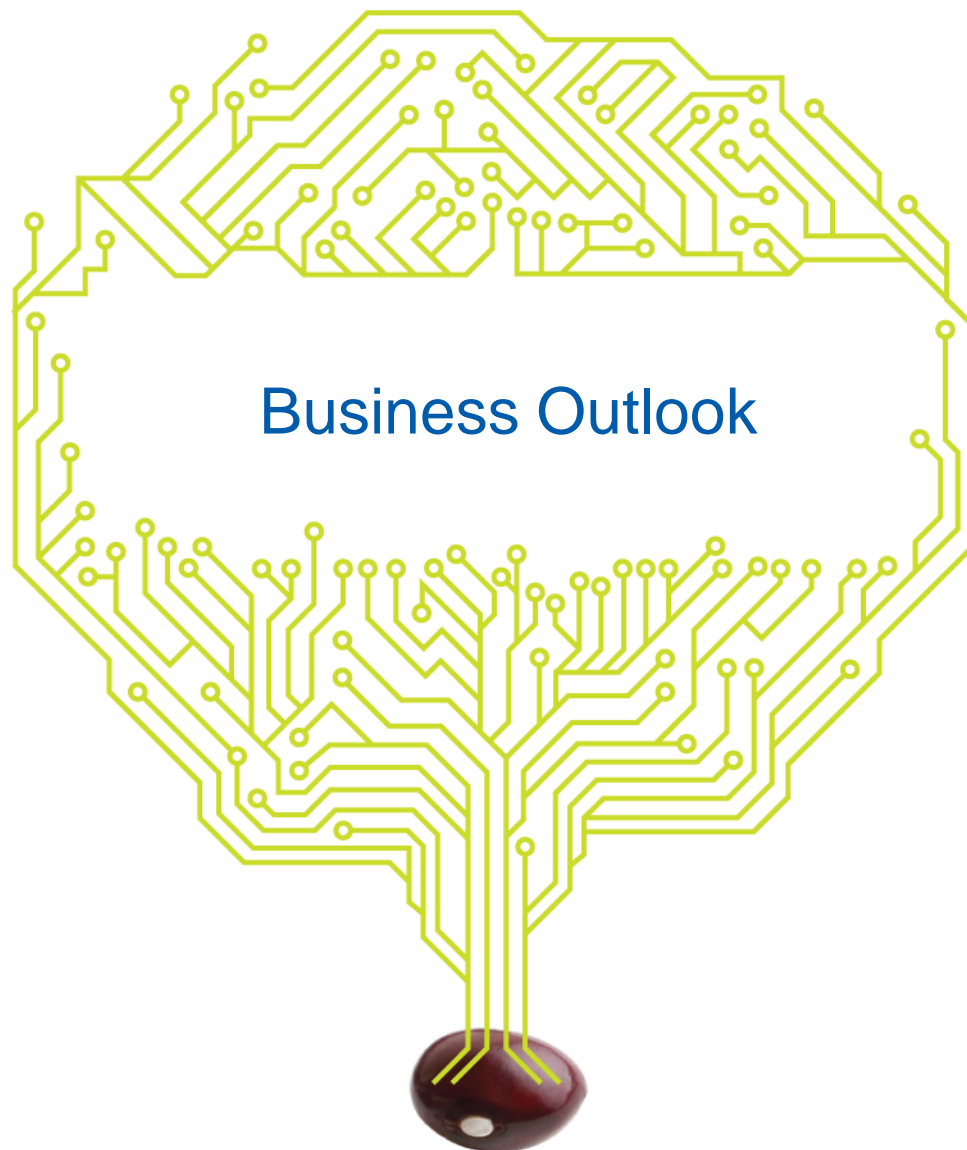
**Consumer includes: Set-Top Boxes, DVD Players, Automotive, DSC, etc.*

- *PC is no longer dominate DRAM demand/supply trend. Starting in the Q2'12, PCs fall below 50%, even in Q1'13 account for about 33% of all DRAM shipments.*
- *Sever, tablet, smartphone & smart TV consume much more DRAM than PC. DRAM consumption are sectorlized and no longer controlled by PC dominators.*

DRAM Market Outlook

Market Outlook

- | | |
|--------|---|
| Supply | <ul style="list-style-type: none">■ Strong demand in mobile and smartphone segment accelerated capacity shift to mobile DRAM, while commodity DRAM supply tightened continuously in 2Q'13.■ 20nm process migrations slow down.■ No new install capacity expected near term.■ DRAM supply from central Taiwan have been affected due to the 6.1 magnitude earthquake from end of March. |
| Demand | <ul style="list-style-type: none">■ Server, Smartphone, Media tablet, Smart TV drive DRAM growth momentum.■ Chinese MID demand surged strengthen DRAM demand.■ Mobile DRAM in eMCP/MCP supply shortfall.■ Various PC OEMs' DRAM inventory at lower levels, and restocking prepare for peak season. |
| Price | <ul style="list-style-type: none">■ Expected mild DRAM price increase in Q2'13. |



Business Outlook

- Bit shipments will increase more than 20% QoQ in Q2'13.
- 30nm production ramp will reach 20% wafer input of total capacity in Q2'13 and plans to reach 50% in Q3'13.
- Production ramp of 30nm 2Gb/4Gb LPDDR2 Mobile RAM from Q2'13.
- Target to meet double digits pts of output in Low Power DRAM by end of 2013.
- Corporate financial status will gradually be improved from Q2'13.



Q & A

“The slides herein and the presentation made during the conference contain forward-looking statements and are provided for information purposes only. Neither Nanya Technology Corp. nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements or undertakes duty to update the statements. Investor(s) is urged to review carefully the information provided herein and shall make investment decision after conducting their own investigation.”