

Macronix International Co., Ltd.
First Quarter 2016 Results
April 28, 2016



MACRONIX
INTERNATIONAL Co., LTD.

Disclaimer

The presentation and discussion contain certain forward-looking statements with respect to the results of operation, financial condition and current expectation. The forward-looking statements are subject to known and unknown uncertainties and risks that could cause actual results to differ materially from those expressed or implied by such statements.

Such risks and uncertainties include but are not limited to the impact of competitive products and pricing, timely design acceptance by our customers, timely introduction of new technologies, ability to ramp new products into volume, industry wide shifts in supply and demand for semiconductor products, industry overcapacity, availability of manufacturing capacity, financial stability in end markets, and other risks.

The forward-looking statements in this release reflect the current belief of Macronix as of the date of this release and Macronix undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such date.

Agenda

Welcome

Miin Wu

2016Q1 Financial Results

Paul Yeh

Business Update

Miin Wu

Remarks and Q&A

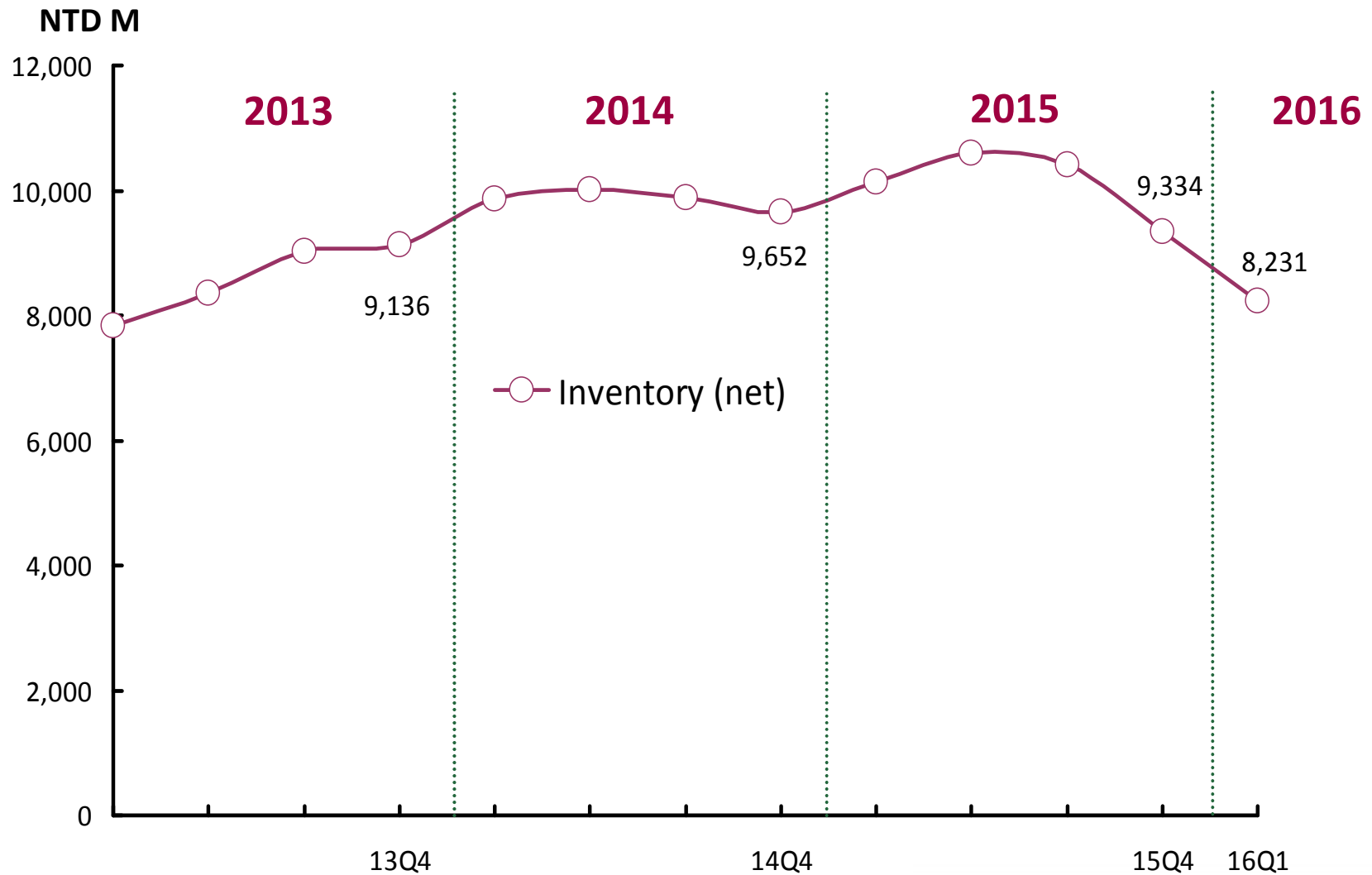
Miin Wu

Financial Highlights

	2016Q1 Actual	2015Q4 Actual
Revenue	NT\$5.1 B	NT\$ 5.6B
Gross margin %	15%	8%
Operating margin %	-16%	-27%

- ✓ Revenue sequentially decreased by 9% because of seasonal lower demand in ROM and NOR product lines
- ✓ Gross margin and OP margin sequentially improved by, respectively, 7ppt and 11ppt due to lower production cost and operating expenses

Inventory trend



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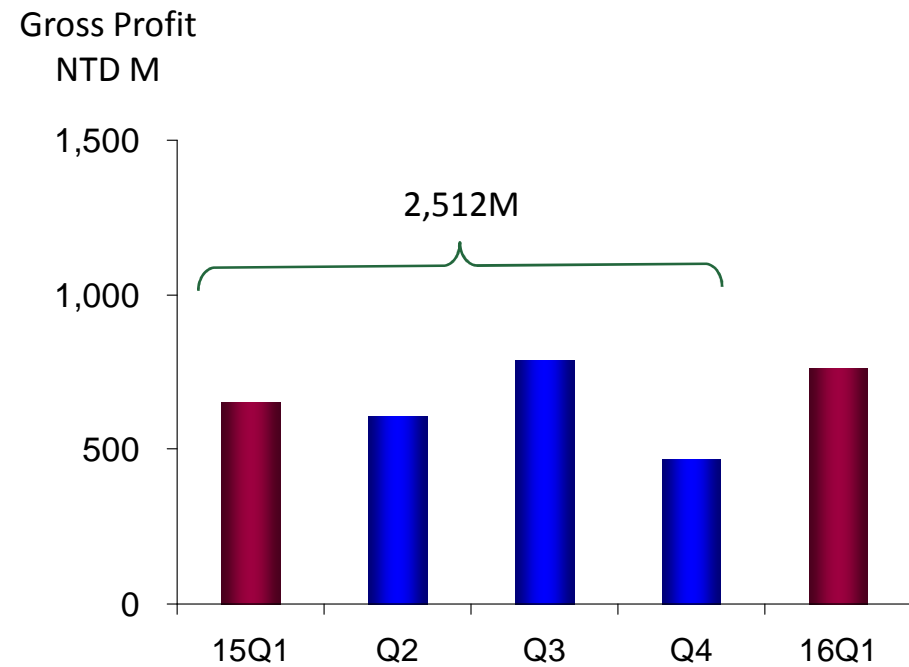
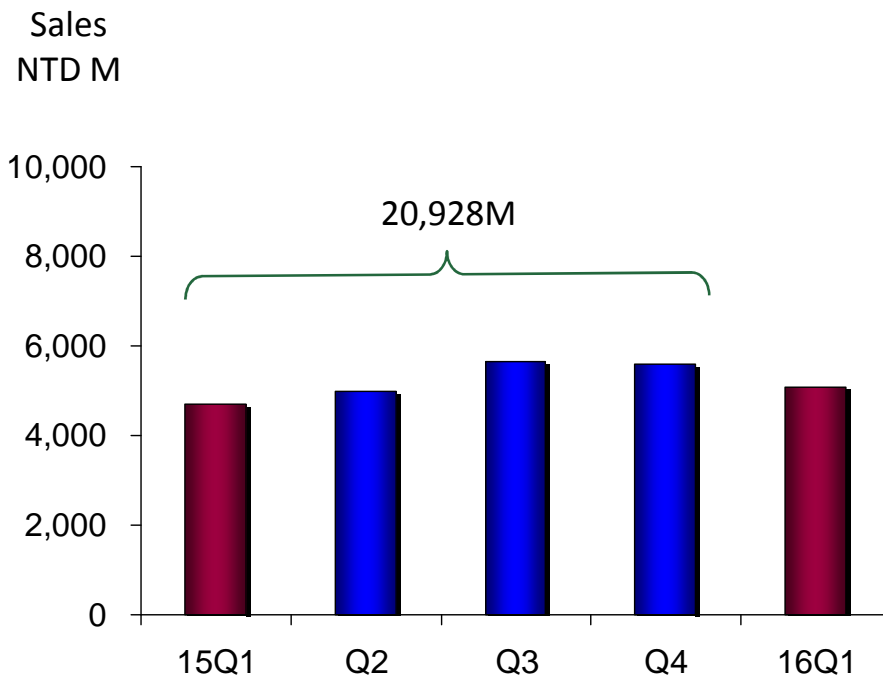
Quarterly Consolidated Statements of Comprehensive Income

Unit: NTD Million (except EPS)	2016/Q1	2015/Q4	2015/Q1	QoQ	YoY
				Change	Change
Net Sales	5,086	5,599	4,706	(9%)	8%
Gross Profit	791	467	620	69%	27%
Gross Margin%	15%	8%	13%	7ppt	2ppt
Operating Expenses	(1,596)	(2,002)	(1,868)	(20%)	(15%)
Operating Income	(805)	(1,535)	(1,248)	(48%)	(35%)
Operating Margin%	(16%)	(27%)	(26%)	11ppt	10ppt
Net Non-Operating Income (Loss)	(85)	(129)	894		
Income Before Taxes	(890)	(1,664)	(354)	(47%)	151%
Income Taxes	(1)	(2)	(3)		
Net Income	(891)	(1,666)	(357)	(47%)	149%
Other Comprehensive Income	(108)	(210)	208	(49%)	(152%)
Comprehensive Income	(999)	(1,876)	(149)	(47%)	570%
Net Income(Loss) Attributable to :					
Shareholders of the Parent	(890)	(1,663)	(355)	(47%)	151%
Noncontrolling Interests	(1)	(3)	(2)		
EPS* (NT\$)	(0.25)	(0.47)	(0.10)	(47%)	150%
EBITDA	(296)	(120)	1,202		
Weighted Avg Outstanding Million Shares	3,536	3,522	3,518		

2016Q1 Financial Highlights

2016Q1 Sales = NTD 5,086M
+8% YoY

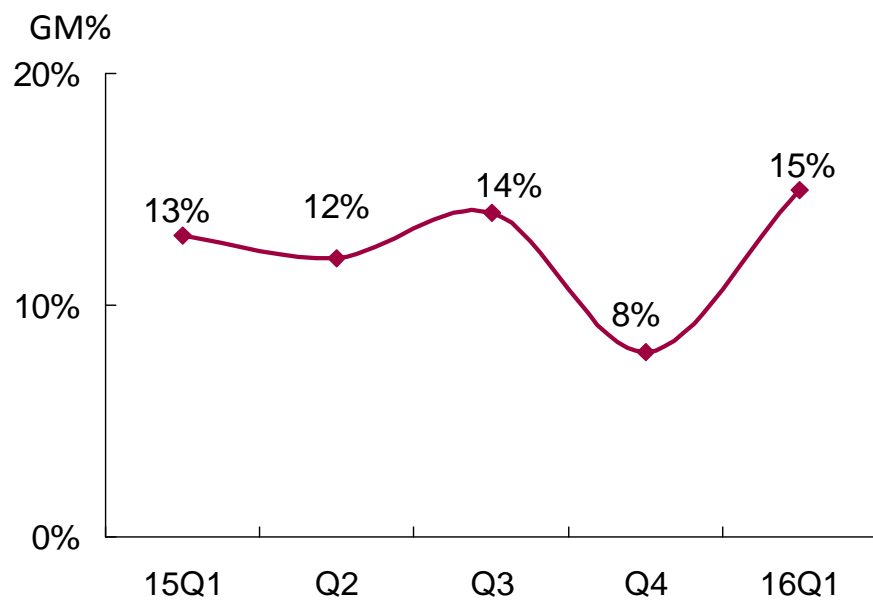
2016 Q1 GP = NTD 791M
+27% YoY



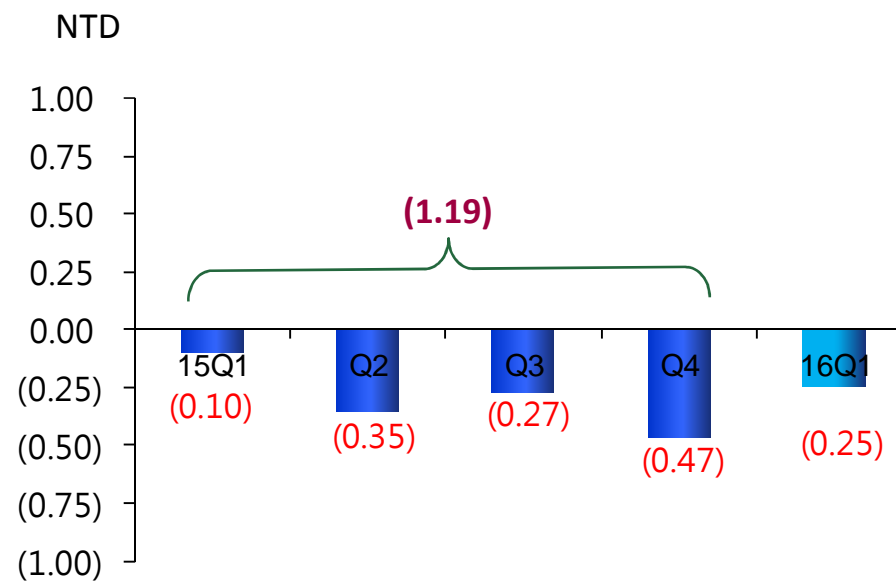
2016Q1 Financial Highlights

	2016Q1	2015Q1
Gross Margin (%)	15%	13%
EPS -- NT\$	(0.25)	(0.1)

Gross Margin (%)



EPS



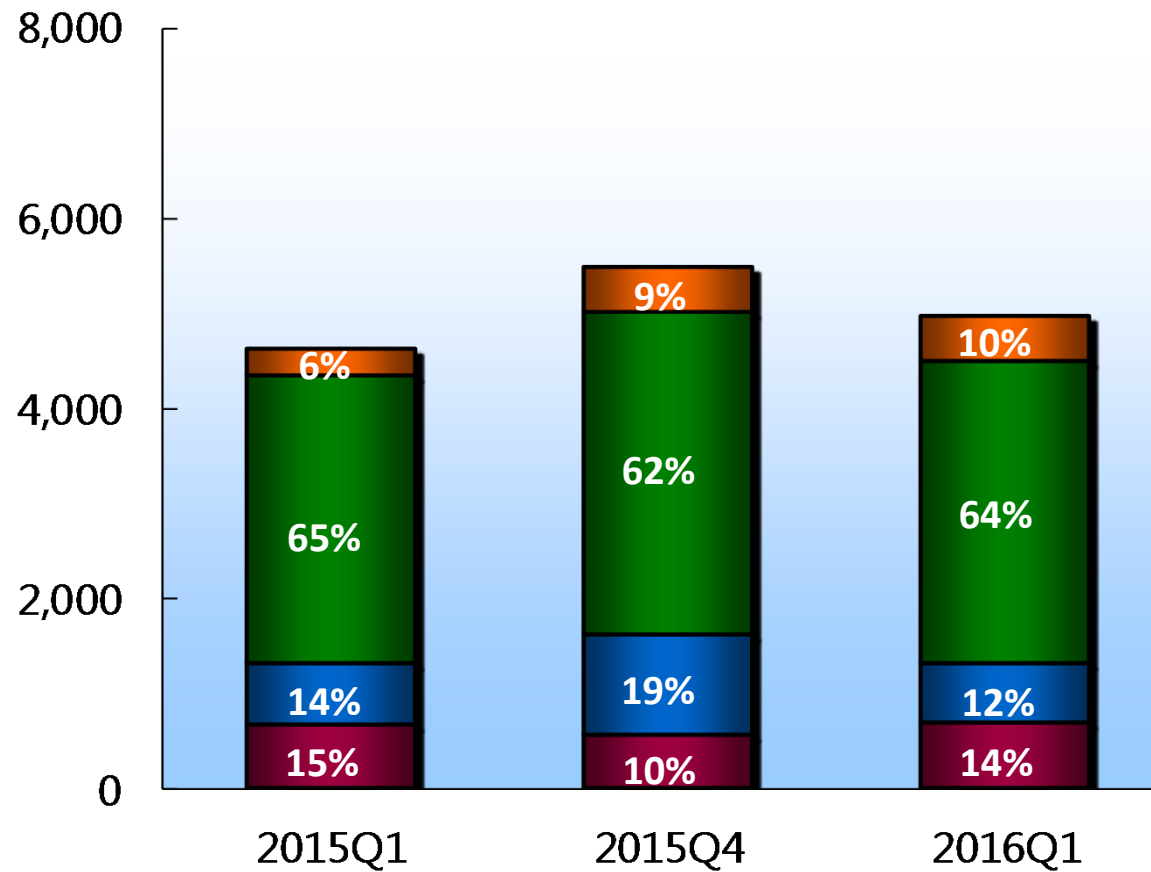
Quarterly Consolidated Balance Sheet / Cash Position

Unit: NTD Million

	2016/03/31	2015/12/31
Cash	5,341	5,593
Inventory(Net)	8,231	9,334
Property, Plant and Equipment	16,272	16,596
Total Assets	35,632	37,627
Interest bearing debt - short term	5,476	6,224
Interest bearing debt - long term	8,027	7,862
Total Liabilities	18,126	19,198
Shareholders' Equity	17,506	18,429
Debt Ratio (%)	50.9%	51.0%
Book Value -- NT\$	4.84	5.10
Quarterly Highlight	2016/Q1	2015/Q4
Depreciation & Amortization	512	1,461
Capital Expenditures	(170)	(81)
Cash Flow from Operating	488	1,724

Quarterly Sales Breakdown by Products (Parent Company)

Unit: NTD Million

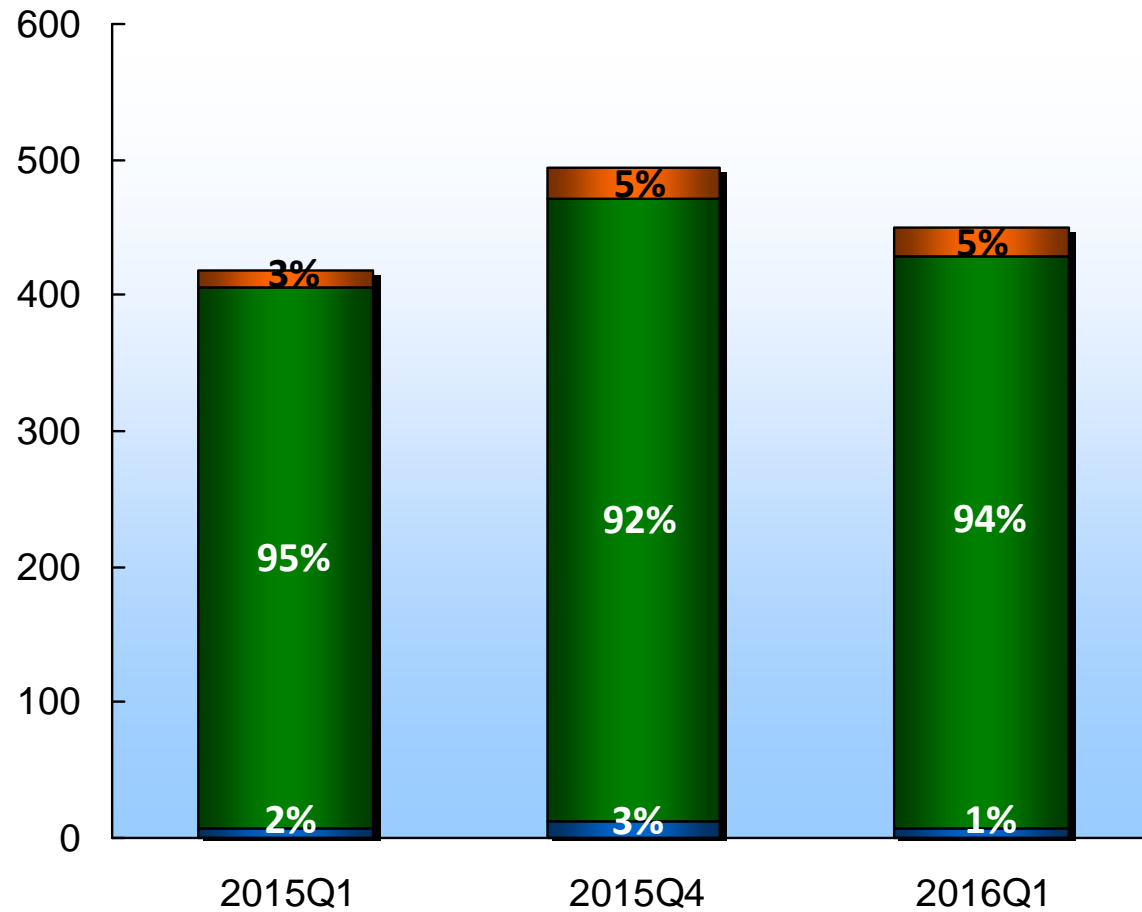


	QoQ Change	YoY Change
NAND	+0.2%	+74%
NOR	-6%	+5%
ROM	-42%	-6%
FBG	+23%	+10%

* FBG (foundry business group)

Quarterly Quantity Breakdown by Products (Parent Company)

Unit : Million



	QoQ Change	YoY Change
NAND	-12%	+78%
NOR	-8%	+6%
ROM	-46%	+5%
FBG	+12%	+15%

* Equivalent 8" WF base for FBG (foundry business group)

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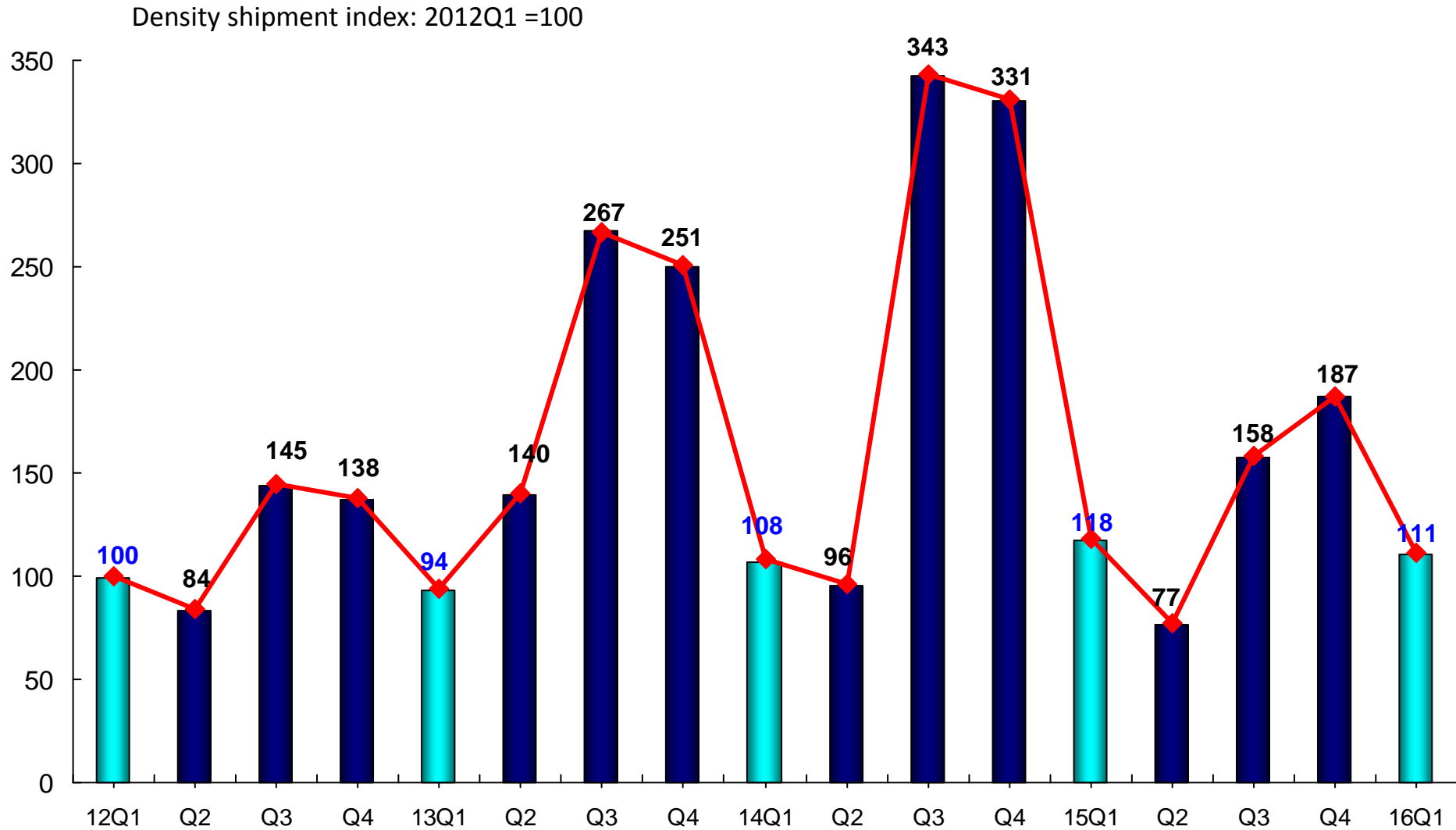
Business Update

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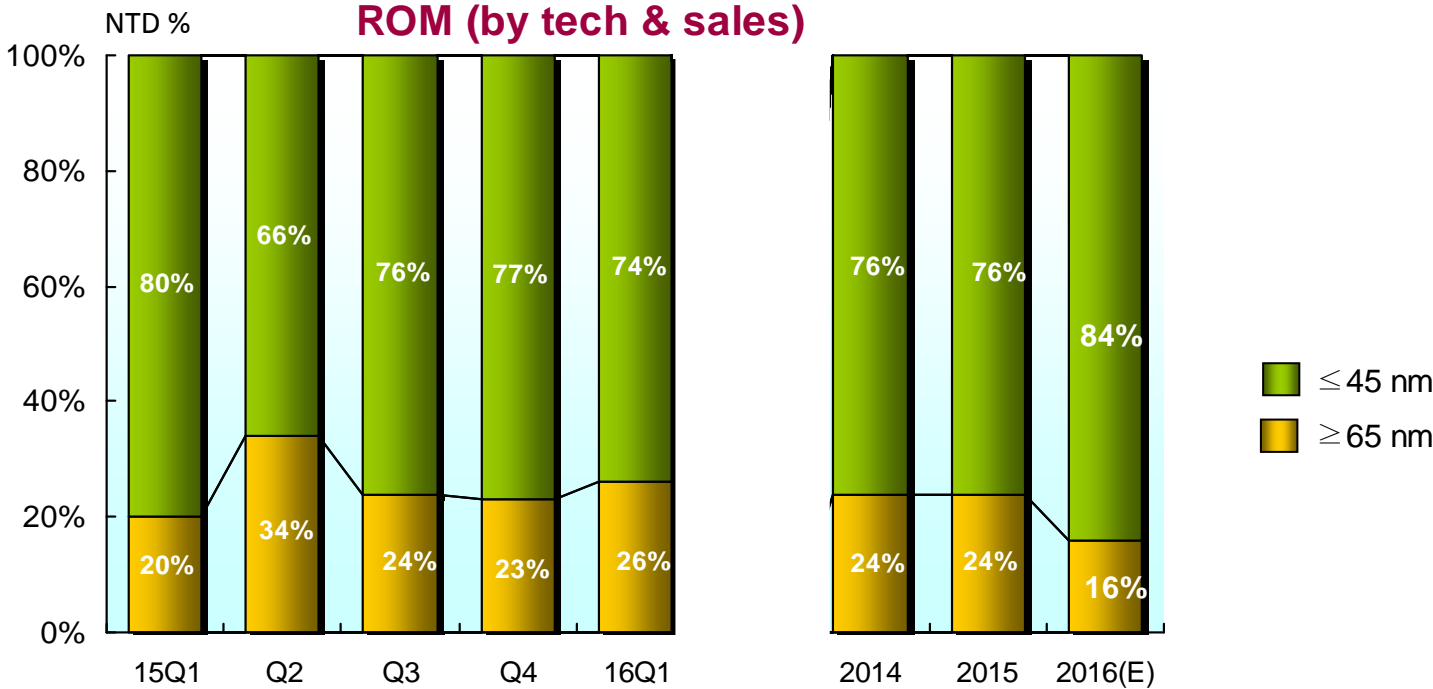
Business update - ROM equivalent density shipment



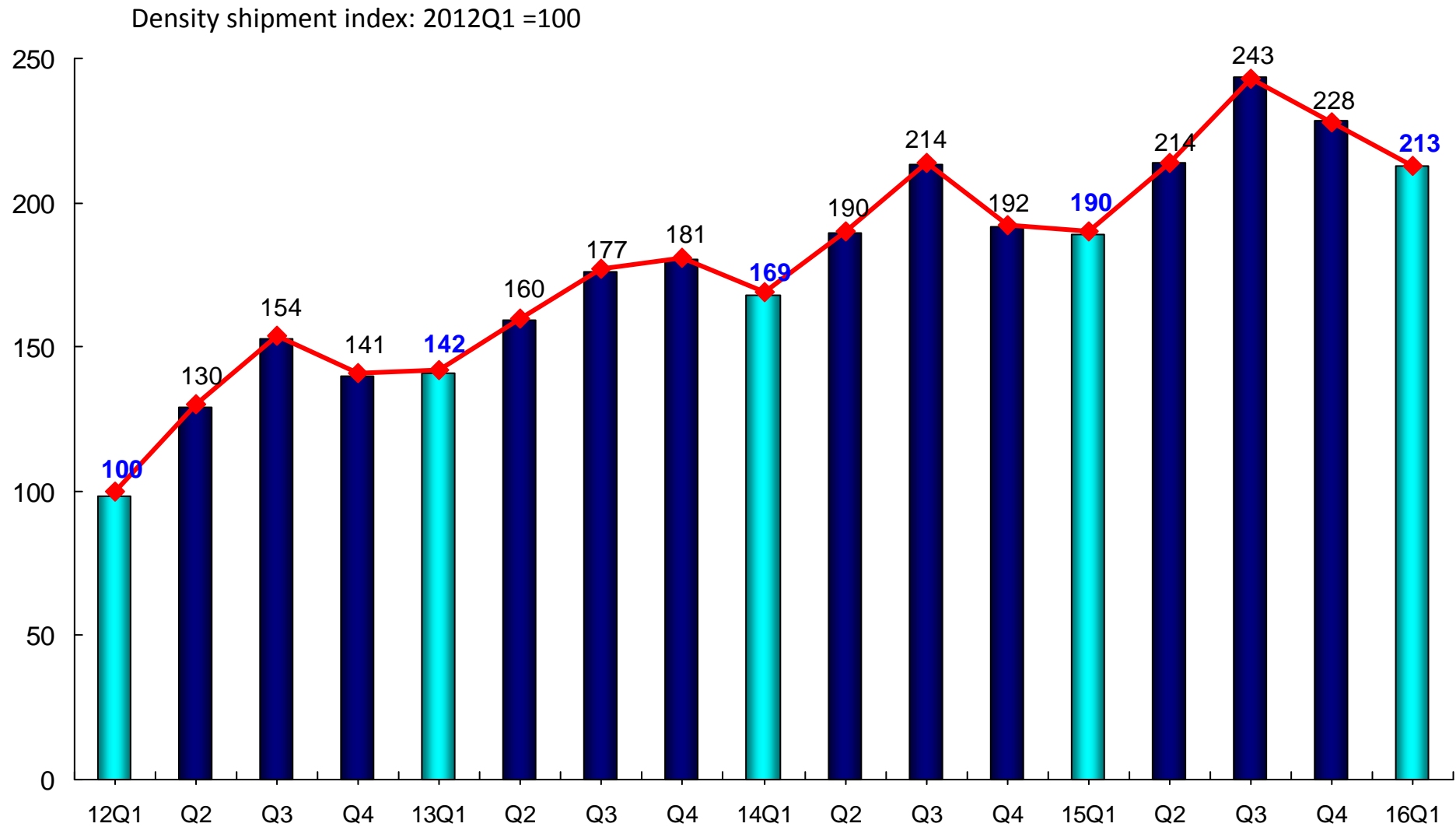
Current status of ROM memory business

➤ ROM business

- ≤45nm products represented 74% of ROM business in 2016Q1
- 2016 ROM business will be flat with potential



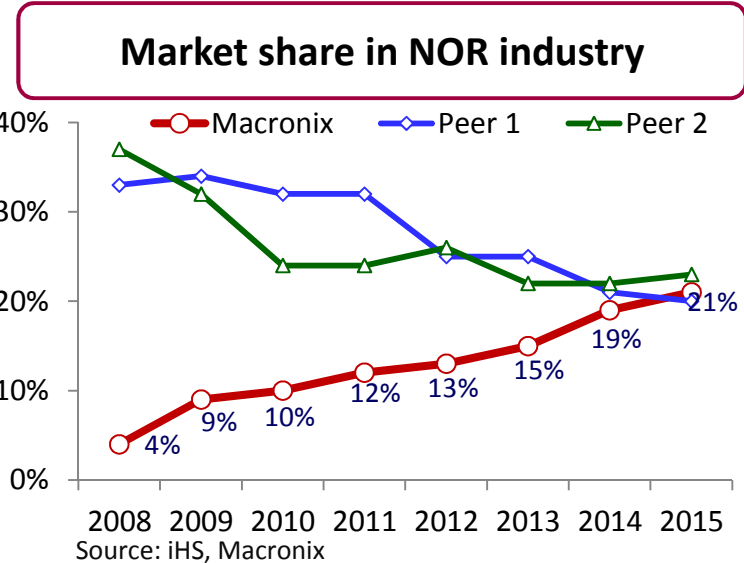
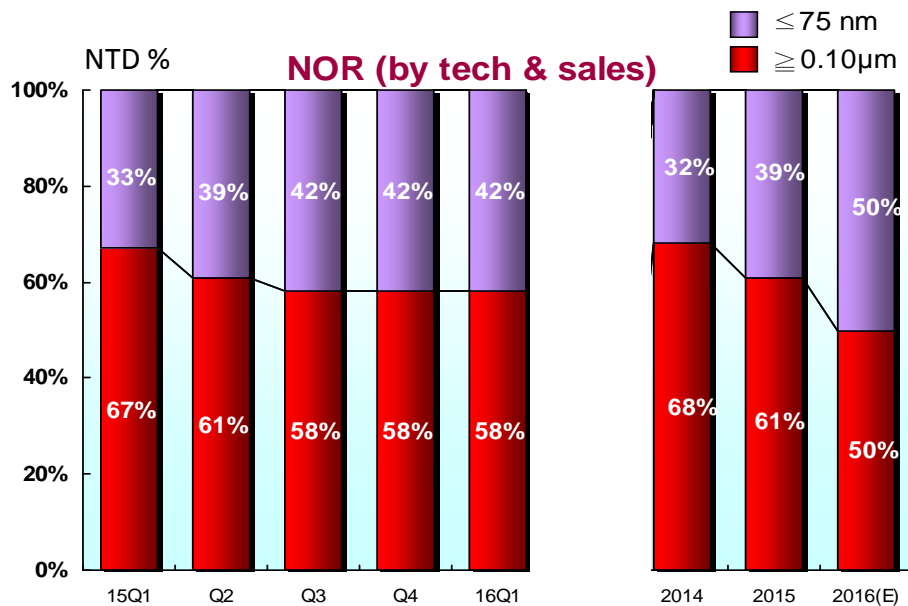
Business update – NOR equivalent density shipment



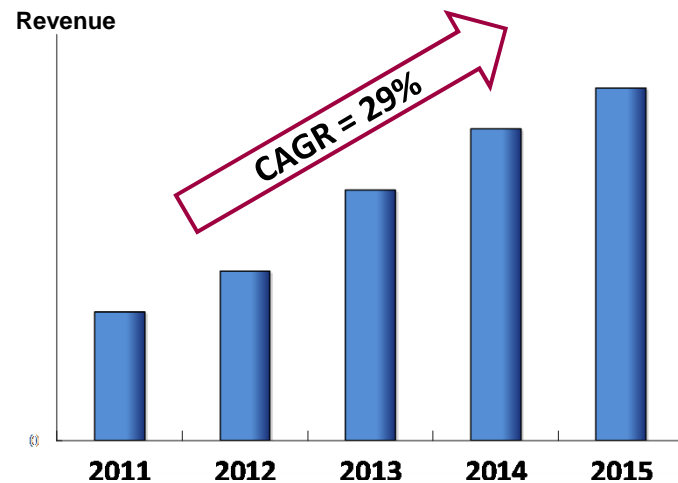
Current status of NOR memory business

➤ NOR flash business

- ≤75nm products represented 42% of NOR business in 2016Q1
- Continue to be the major supplier for global top tier customers in automotive segment
- In 2016Q1 awarded from new major accounts in data storage, networking & automotive applications

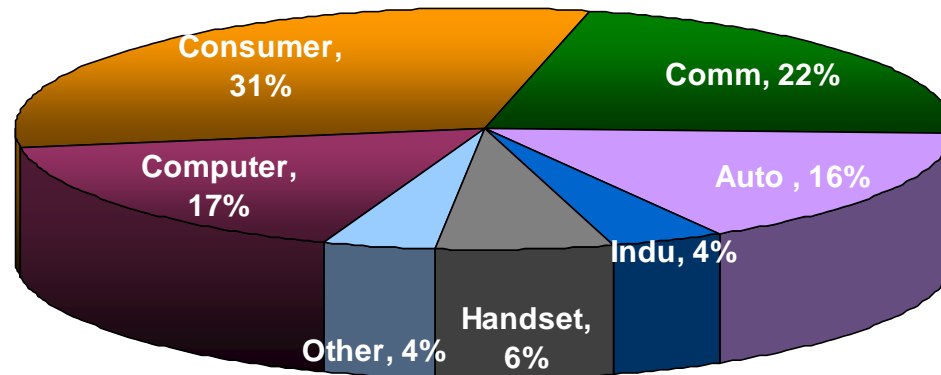


Speedy growth in automotive segment



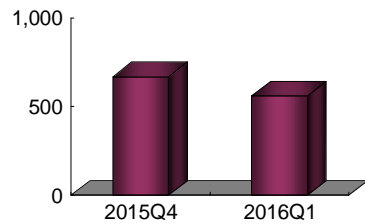
Business update – NOR flash breakdown

2016Q1 NOR Revenue breakdown

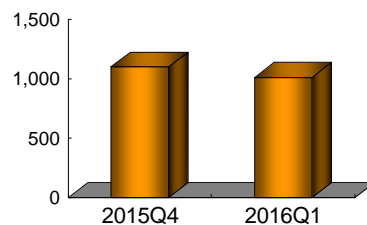


2016Q1 NOR Revenue breakdown

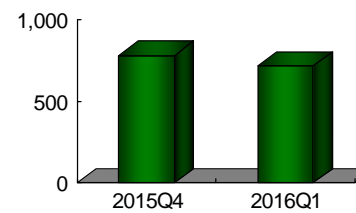
Computer
Rev. (NTD M)
-16% QoQ
-19% YoY



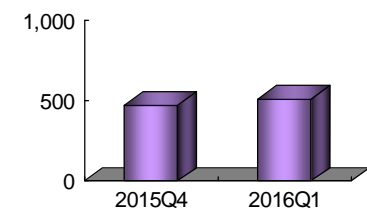
Consumer
-8% QoQ
+4% YoY



Communication
-8% QoQ
+9% YoY



Automotive
+9% QoQ
+33% YoY



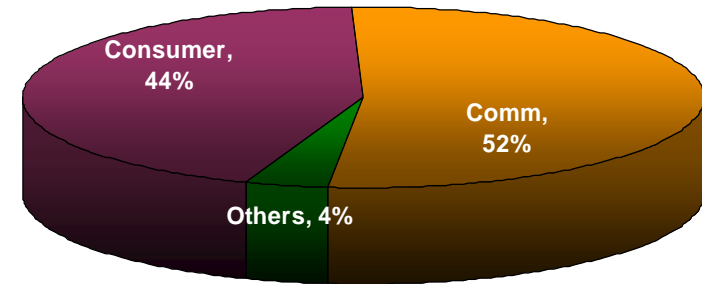
Business update – SLC NAND breakdown & outlook

➤ SLC NAND flash business

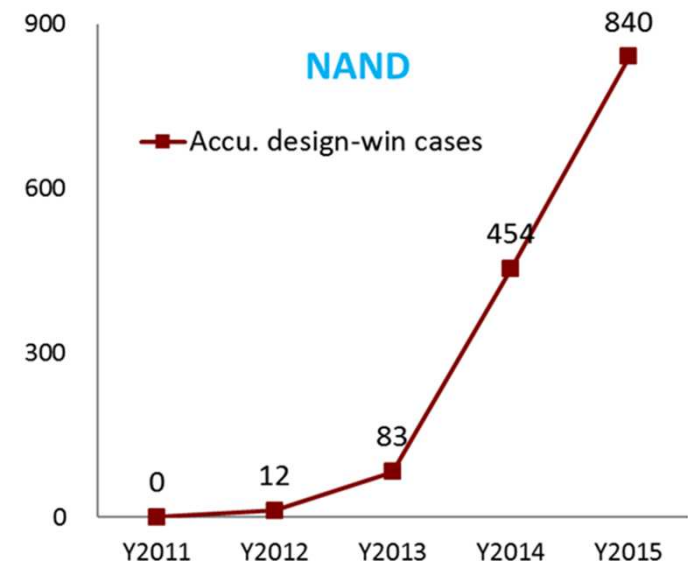
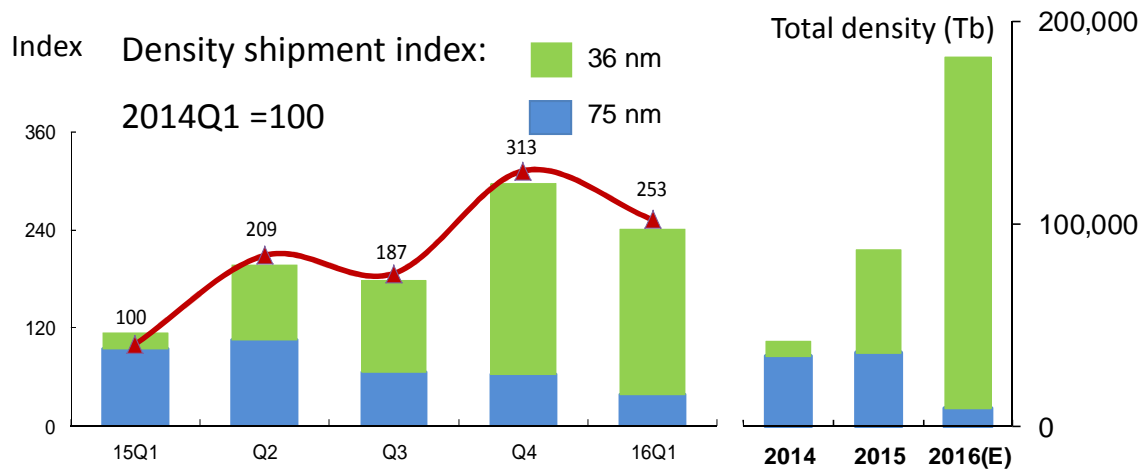
- On-track increasing revenue by 75% YoY and target higher growth in the future
- 2Gb/4Gb products will be the growth momentum in 2016H2

2016Q1 NAND

Revenue breakdown



SLC NAND Flash equivalent density shipment



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For more information regarding Macronix
<http://www.macronix.com>



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