Macronix International Co., Ltd.
First Quarter 2018 Results

April 26, 2018

MXIC
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
2018Q1 Financial Results	Paul Yeh
Business Update	Miin Wu
Remarks and Q&A	Miin Wu

Financial Highlights

	2018Q1 Actual	2017Q4 Actual	2017Q1 Actual
Revenue	NT$9.1B	NT$ 10.6B	NT$ 6.6B
Gross margin %	42%	43%	27%
Operating margin %	22%	25%	6%

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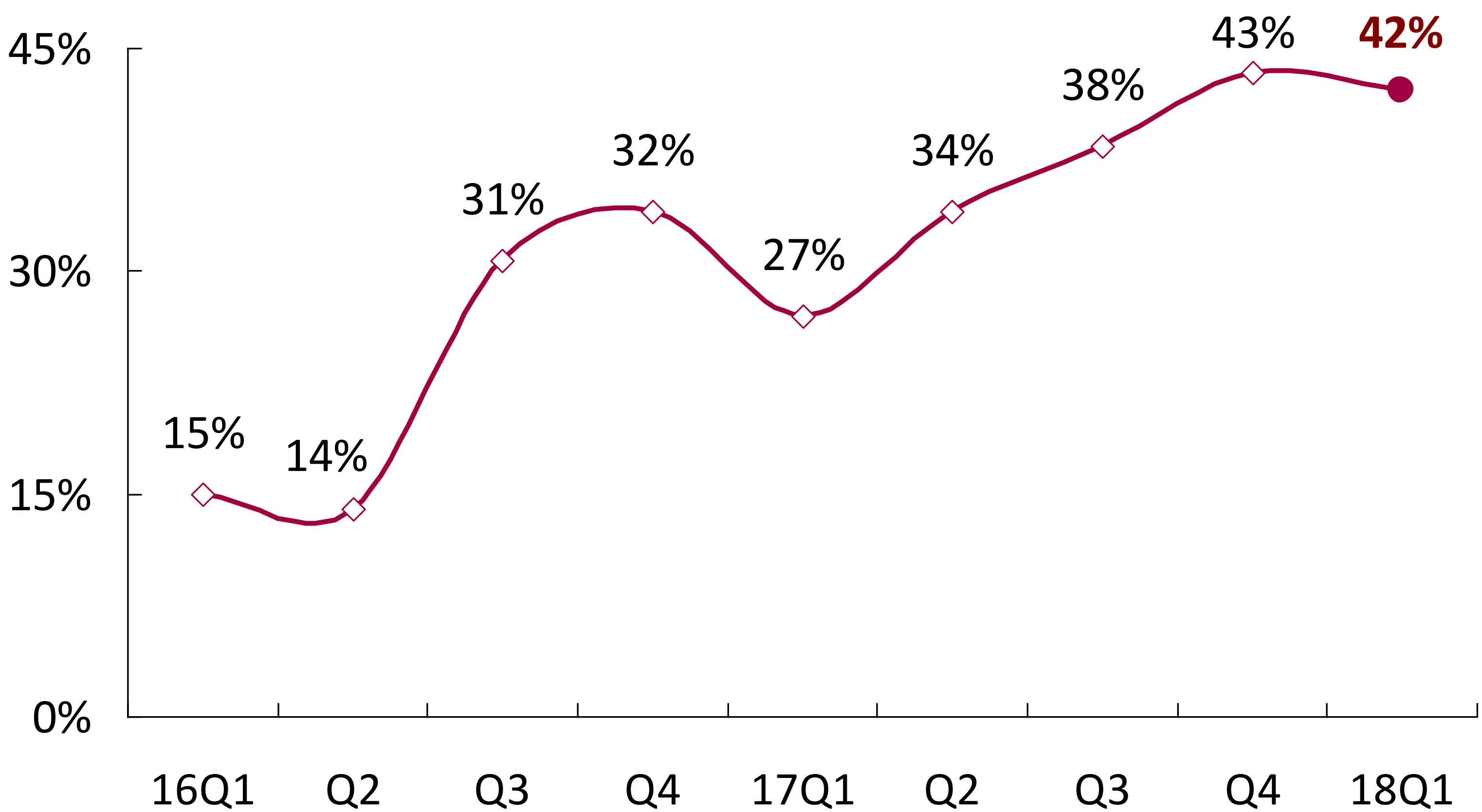
Quarterly Consolidated Statements of Comprehensive Income

Unit: NTD Million (except EPS)	2018/Q1	2017/Q4	2017/Q1	QoQ Change	YoY Change
Net Sales	9,061	10,557	6,610	(14%)	37%
Gross Profit	3,814	4,582	1,815	(17%)	110%
Gross Margin%	42%	43%	27%	(1ppt)	15ppt
Operating Expenses	(1,819)	(1,926)	(1,401)	(6%)	30%
Operating Income	1,995	2,656	414	(25%)	382%
Operating Margin%	22%	25%	6%	(3ppt)	16ppt
Net Non-Operating Income (Loss)	(100)	(74)	(210)	-	-
Income Before Taxes	1,896	2,582	204	(27%)	829%
Income Taxes Expense (benefit)	14	7	1	-	-
Net Income	1,882	2,576	203	(27%)	829%
Other Comprehensive Income	(154)	343	19	-	-
Comprehensive Income	1,728	2,919	222	(41%)	680%
Net Income(Loss) Attributable to :					
Shareholders of the Parent	1,882	2,576	203	(27%)	829%
Noncontrolling Interests	(0)	(0)	(0)		
Basic EPS* (NT$)	1.06	1.45	0.12	(27%)	783%
EBITDA	2,431	3,126	761		
Weighted avg outstanding million shares	*1,780*	*1,777*	*1,756*		

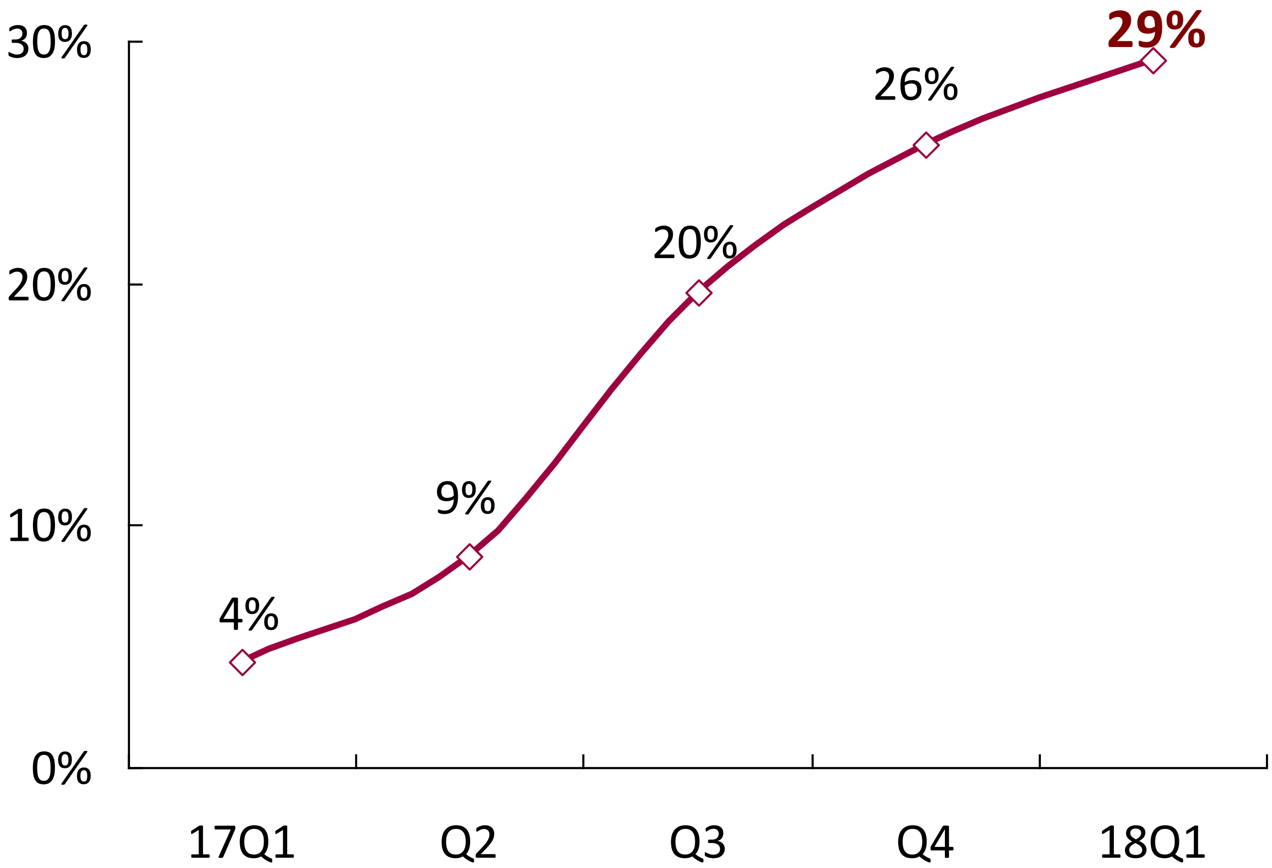
* EPS are retro-adjusted because of capital reduction

2018Q1 Financial Highlights

Gross Margin (%)



Annualized Return on Equity Performance

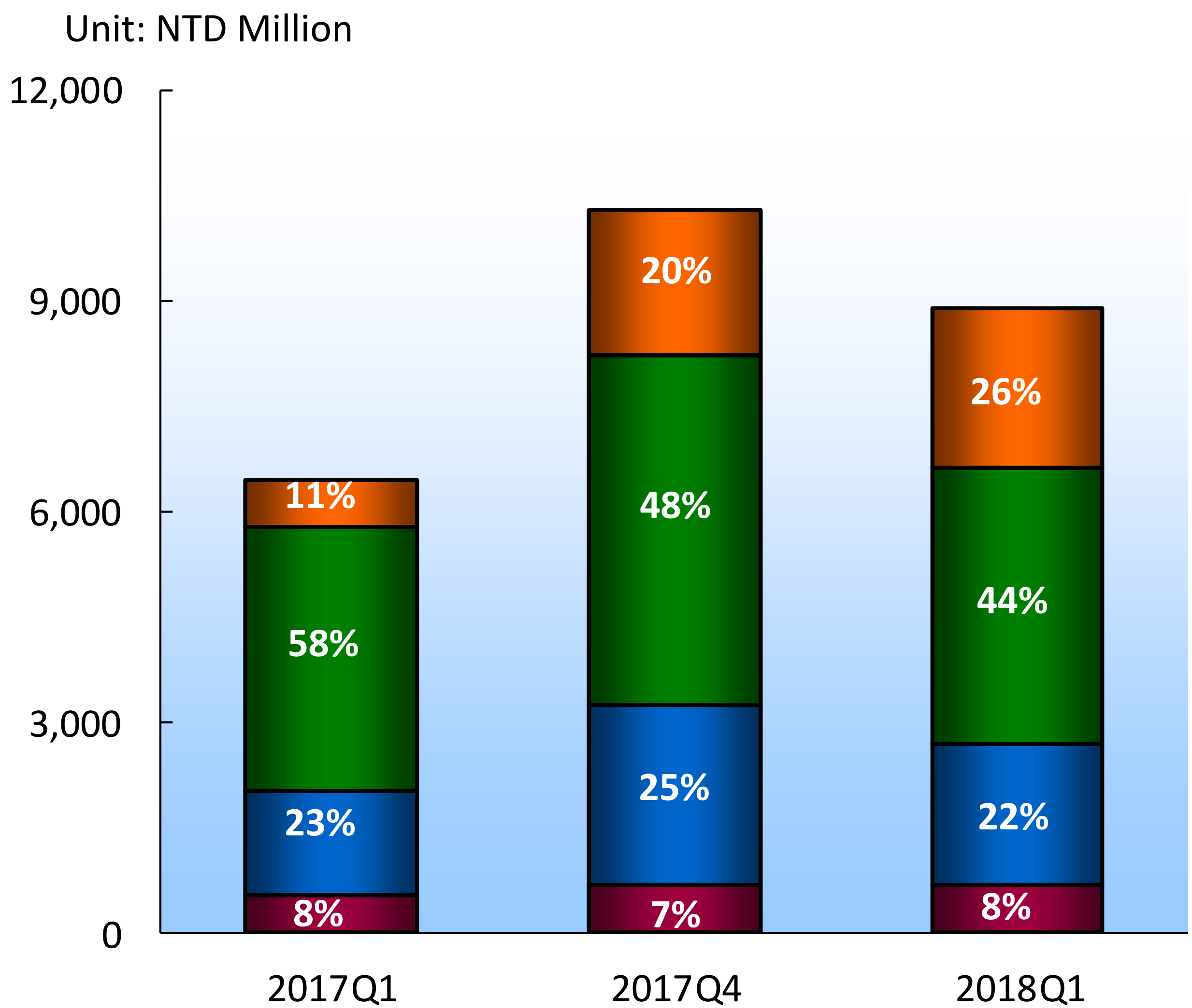


Quarterly Consolidated Balance Sheet / Cash Position

Unit: NTD Million (except BV)	2018/03/31	2017/12/31	2017/03/31
Cash	10,251	8,633	6,062
Inventory(Net)	11,228	9,872	7,384
Property, Plant and Equipment	17,056	16,259	15,574
Total Assets	48,300	44,194	35,851
Interest bearing debt - short term	2,947	3,179	4,119
Interest bearing debt - long term	5,980	4,860	6,058
Total Liabilities	21,498	19,538	17,243
Shareholders' Equity	26,802	24,656	18,608
Debt Ratio (%)	44.5%	44.2%	48.1%
Book Value -- NT$	14.87	13.68	10.31

Quarterly Highlight	2018/Q1	2017/Q4	2017/Q1
Depreciation & Amortization	496	493	499
Capital Expenditures	(1,496)	(879)	(563)
Cash Flow from Operating	2,129	3,969	487

Quarterly Sales Breakdown by Products (Parent Company)



	QoQ Change	YoY Change
NAND	+10%	+236%
NOR	-21%	+5%
ROM	-21%	+33%
FBG	-1%	+32%

* FBG (foundry business group)

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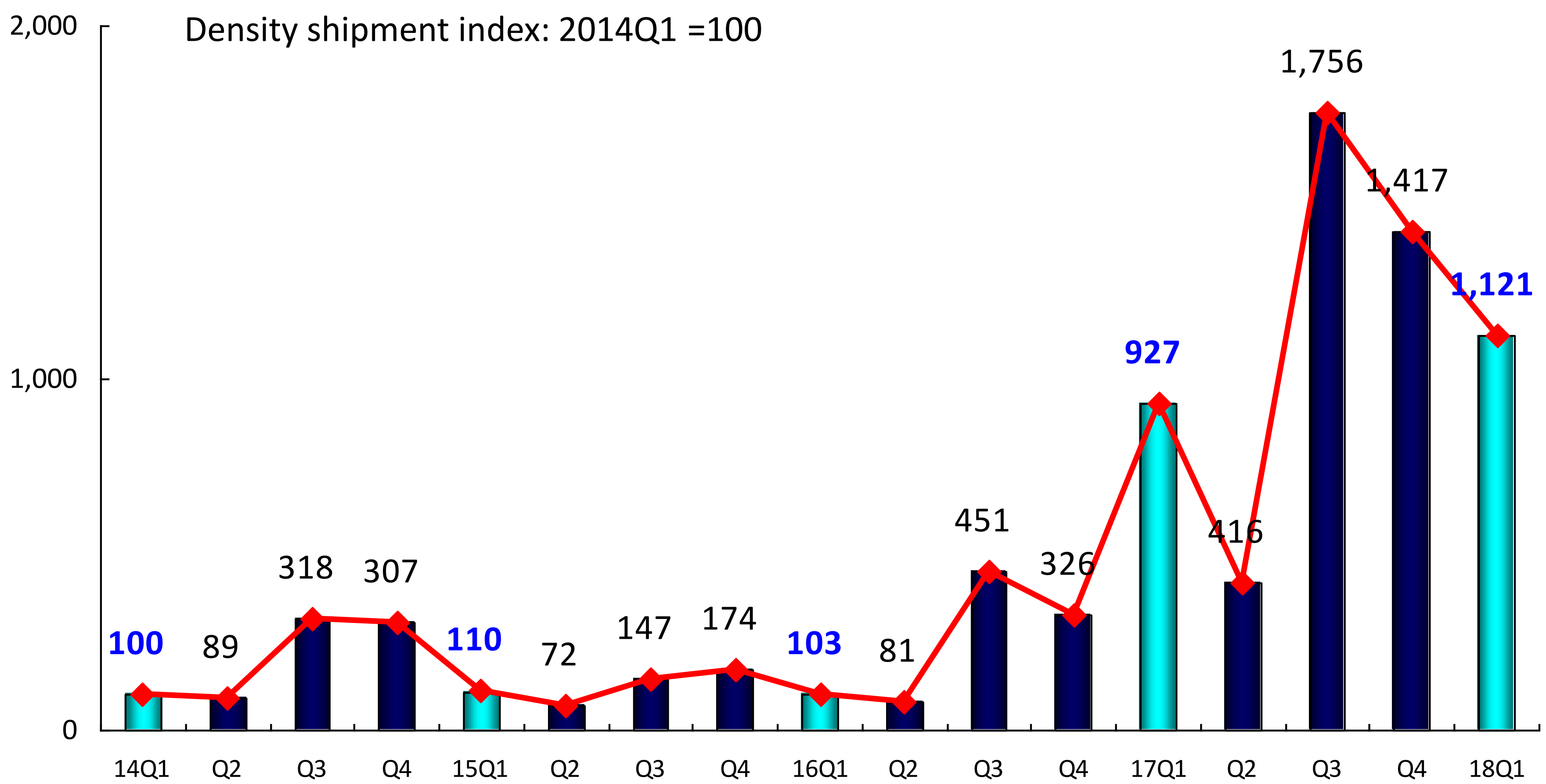
Business update - ROM equivalent density shipment

➢ **ROM business**
- ≥ 64Gb products represented 57% of ROM business in 2018Q1
- Better than seasonal demand in Q1



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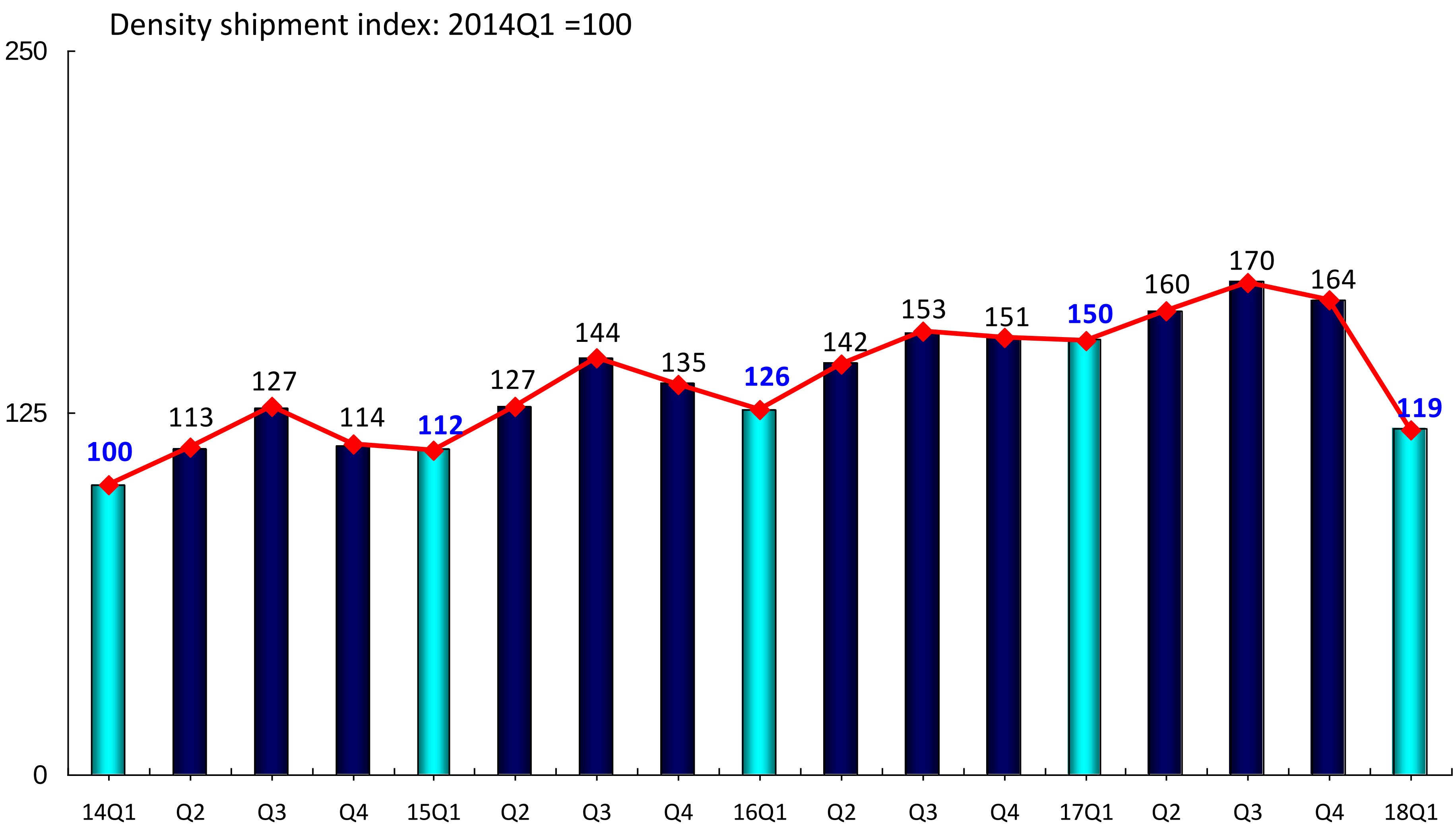
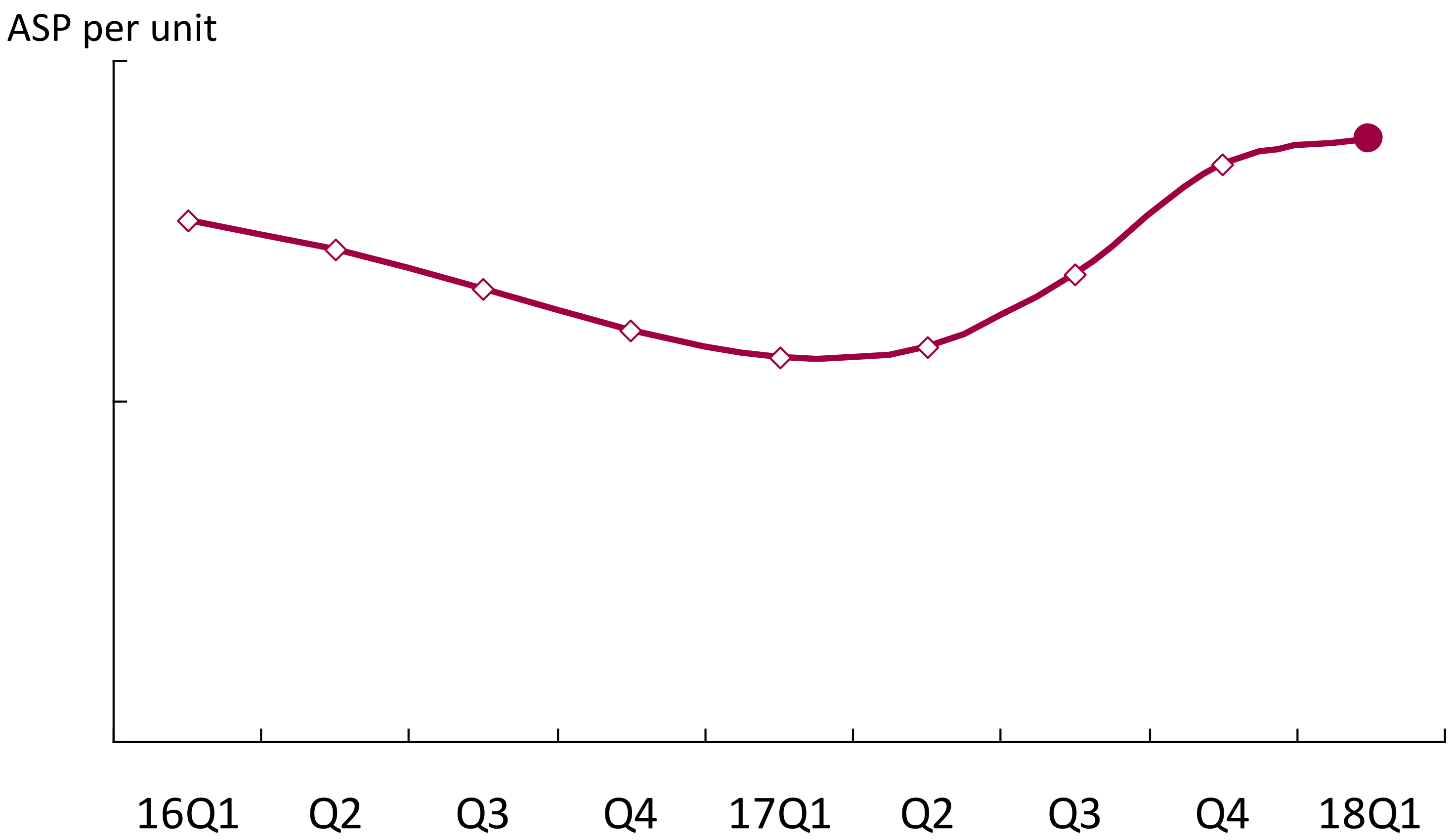
Business update – NOR equivalent density shipment



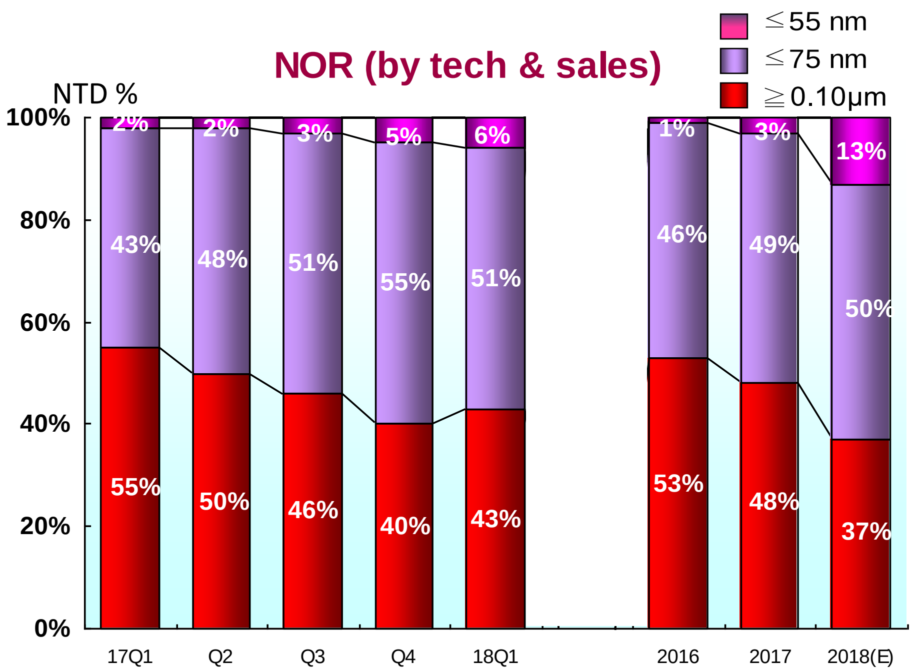
Business update – ASP trend of NOR product line



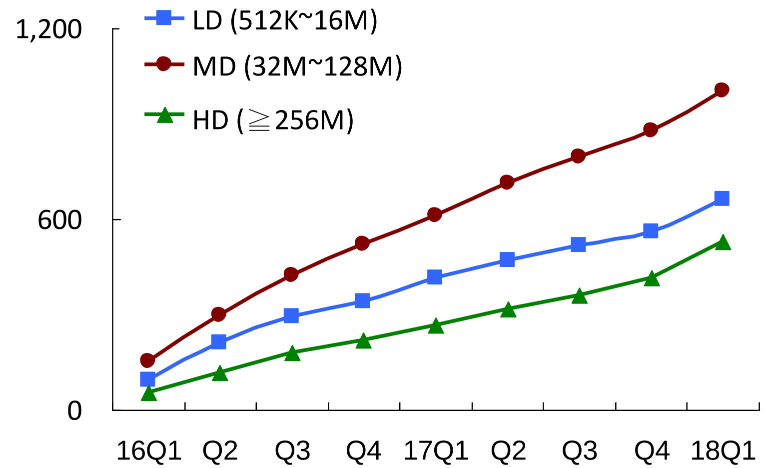
Current status of NOR memory business

➢NOR flash business

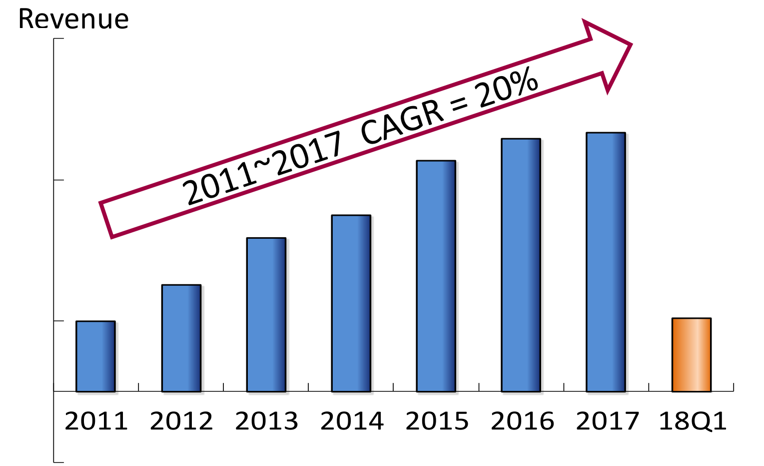
- ≤75nm products increased to 57% of NOR sales in 18Q1
- Profit-driven growth strategy to focus on HD segment and high quality business



Accumulative design-win case count



Speedy growth in automotive segment



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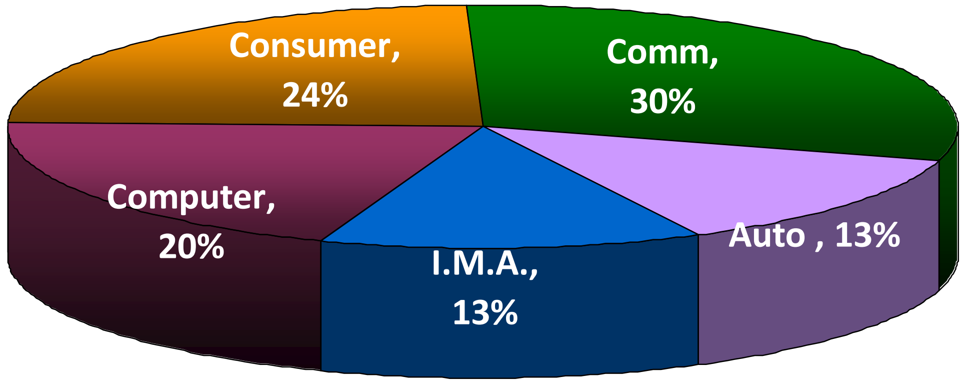
Business update – NOR flash breakdown

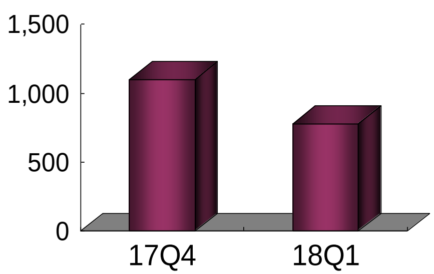
2018Q1 NOR Revenue breakdown



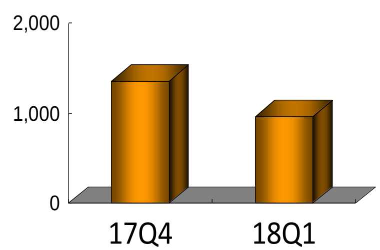
* **Comm:** including handsets
* **I**(Industrial), **M**(Medical), **A**(Aerospace-defense)

Rev (M)

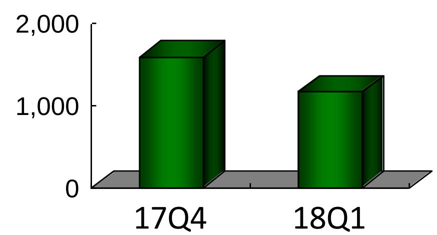
Computer
-29% QoQ
-8% YoY



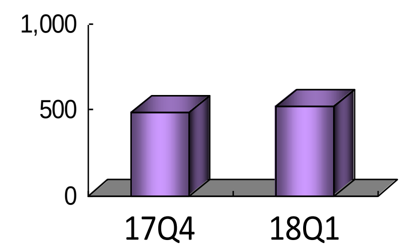
Consumer
-29% QoQ
-12% YoY



Communication
-27% QoQ
+3% YoY



Automotive
+6% QoQ
+15% YoY



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Macronix new NOR product series

➢ 1.2V NOR Flash

- Capable of >80% power saving with features of ultra-low Vcc, ultra-low power consumption & ultra-low deep power down current
- Deep power down current is only nA level compared to peers' µA
- Perfect suitable for low power applications: Health monitoring, Bluetooth connection, IoT, Mobile Internet devices, etc.

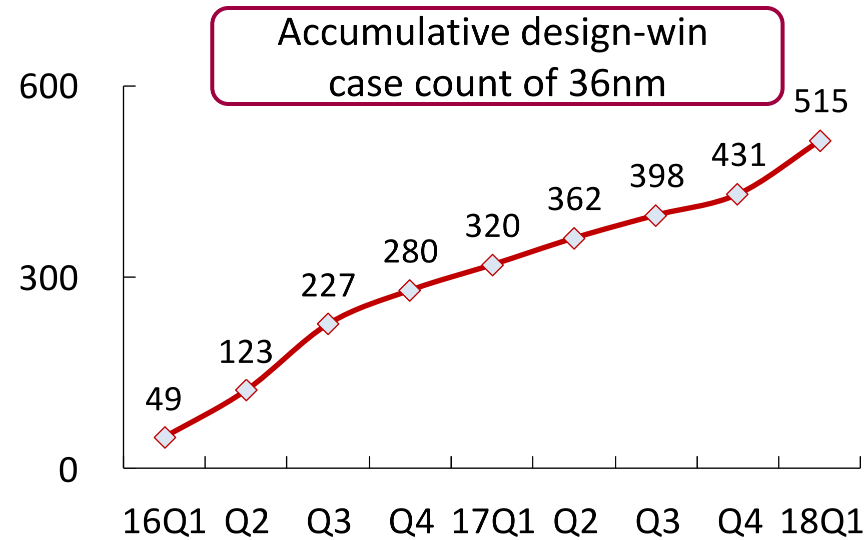
➢ 8-bit I/O NOR flash: the fastest in the NOR Flash industry

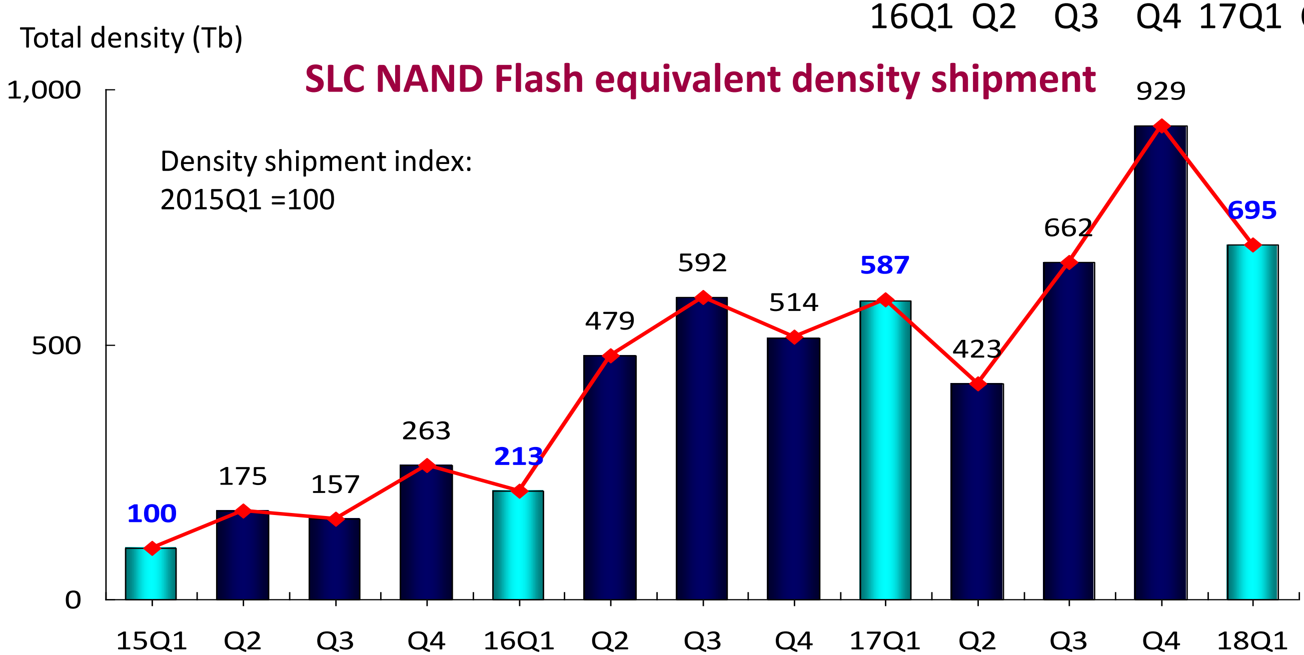
- Perform up to an operational frequency of 250MHz with 500MB/s read throughput, the ultra-high performance and fastest in the NOR Flash industry
- Can meet the growing demand for "instant-on" performance and real-time system responsiveness in automotive, industrial and consumer applications

Business update – SLC NAND breakdown & outlook

➢SLC NAND flash business

- Recovered pricing and slightly decreased shipment in Q1
- SLC NAND is one of the key growth drivers in 2018





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

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For all inquiries, suggestions and comments
ir@mxic.com.tw