OPTOTECH

Opto Tech Corporation

2018.04.10

www.opto.com.tw

Safe Harbor Statement

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- This Presentation contains certain forward-looking statements that are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.

- Except as required by law, we undertake no obligation to update any forward – looking statements, whether as a result of new information, future events or otherwise.

Company profile

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Date of founded	Dec 21, 1983
Paid in Capital	NT 4,454,386,420元
Main Products	LED Chips , Sensor Chips , System products
Factory site	(I) No. 8, Innovation Rd I, Hsinchu Science Park (II) No. 1, Li-hsin Rd. V, Hsinchu Science Park
Monthly Capacity	2.5 billion units for LED chips 3.0 billion units for sensor chips
Employees	Around 1,300 persons

Main Products

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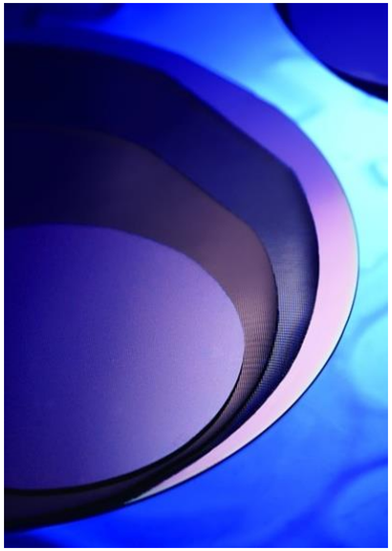
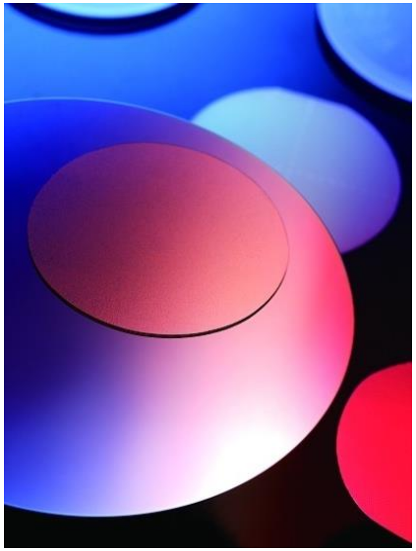
LED Chips

- Visible LED Chips
- Invisible IR LED Chips

Sensor chips

- Photo diode
- Photo transistor
- Zenar diode





System products

- LED video board
- LED lighting
- Automotive lighting
- LED traffic lighting

Main products Allocation-by Revenue

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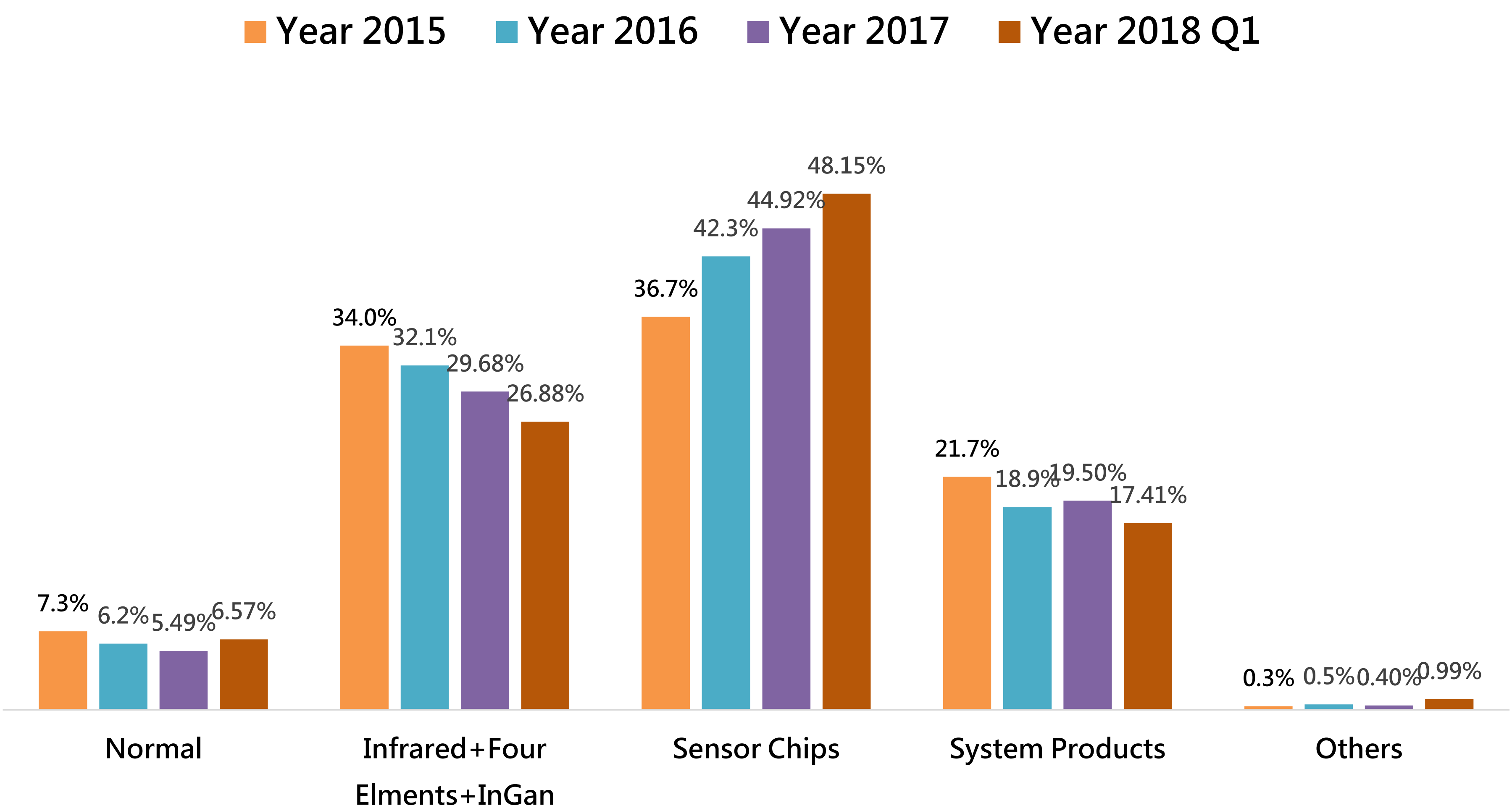

LED Chips & Sensor Chips Product sales Breakdown by Area

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Area	2016	2017
Taiwan	52%	52%
HK (Mainland China)	12%	11%
Japan	20%	22%
Korea	6%	5%
Others	10%	10%

System Products
Product sales Breakdown by Area

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Area	2016	2017
North America	40%	38%
Taiwan	38%	37%
Northeast Asia	4%	6%
Southeast Asia(China)	12%	15%
Others	6%	4%

Consolidated Statements of Income

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	2017		2016		YoY
In NT thousands	Amount	%	Amount	%	%
Operating revenue	5,589,853	100.00%	5,488,496	100.00%	1.85%
Gross profit, net	1,654,098	30.00%	1,594,547	29.00%	3.73%
Operating expenses	870,523	16.00%	912,831	17.00%	-4.63%
Operating income	783,575	14.00%	681,716	12.00%	14.94%
Non-operating income and expenses	29,256	1.00%	299,802	6.00%	-90.24%
Net income	672,313	12.00%	854,758	16.00%	-21.34%
Basic EPS(NT$)	1.33		1.57		

Consolidated Balance Sheets

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In NT thousands	2017.12.31 AMOUNT	%	2016.12.31 AMOUNT	%
Cash and cash equivalents	2,544,575	26%	3,143,617	29%
Accounts receivable	1,577,937	19%	1,660,166	20%
Inventories	1,097,951	11%	1,361,514	13%
Current Assets	5,601,375	57%	6,716,565	62%
Total assets	9,891,033	100%	10,805,456	100%
Short-term loans	899,677	9%	563,683	5%
Accounts payable	1,330,852	13%	1,409,395	13%
Current Liabilities	2,390,122	24%	2,600,701	24%
Total Liabilities	2,667,160	27%	2,891,683	27%
Total equity	7,220,265	73%	7,910,195	73%
Current Ratio	234.36%		258.26%	
Quick Ratio	186.10%		204.60%	
Net Cash	1,644,898		2,160,034	

2018 Capital Expenditure Plan

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Capacity Investment

1. Sensor Chip is full capacity, order visibility is 2 months.

2. We estimate that the capital expenditure of Sensor Chip will be 400 million, equipment is expect to be installed in second quarter and input capacity in third quarter. The capacity will increase 20% before the end of 2018.

Q&A