CHROMA ATE INC.

2016.1Q Investor Conference

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Test and Automation turnkey Solution provider

Disclaimer

This presentation contains some forward-looking statements that are subject to substantial risks and uncertainties. Typically, these statements contain words such as "anticipate", "believe", "could", "estimate", "expect", "intend", "plan", "forecast", "project", "predict", "potential", "continue", "may", "should", "will", and "would" or similar words. You should consider these forward-looking statements carefully because such statements are only our expectations or projections about future events, and actual results may differ materially from those expressed or implied by such statements. The forward-looking statements in this presentation include, but are not limited to, growth rates for various markets estimated by third party sources, future products and technology development, widespread market acceptance of the hosted delivery model, future revenue growth and profitability. You should be cautioned that the forward-looking statements are no guarantee of our future performance. The forward-looking statements contained in this presentation are made only as of the date of this presentation and we undertake no obligation to update the forward-looking statements to reflect subsequent events or circumstances, except as required by law.
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Agenda

Chroma

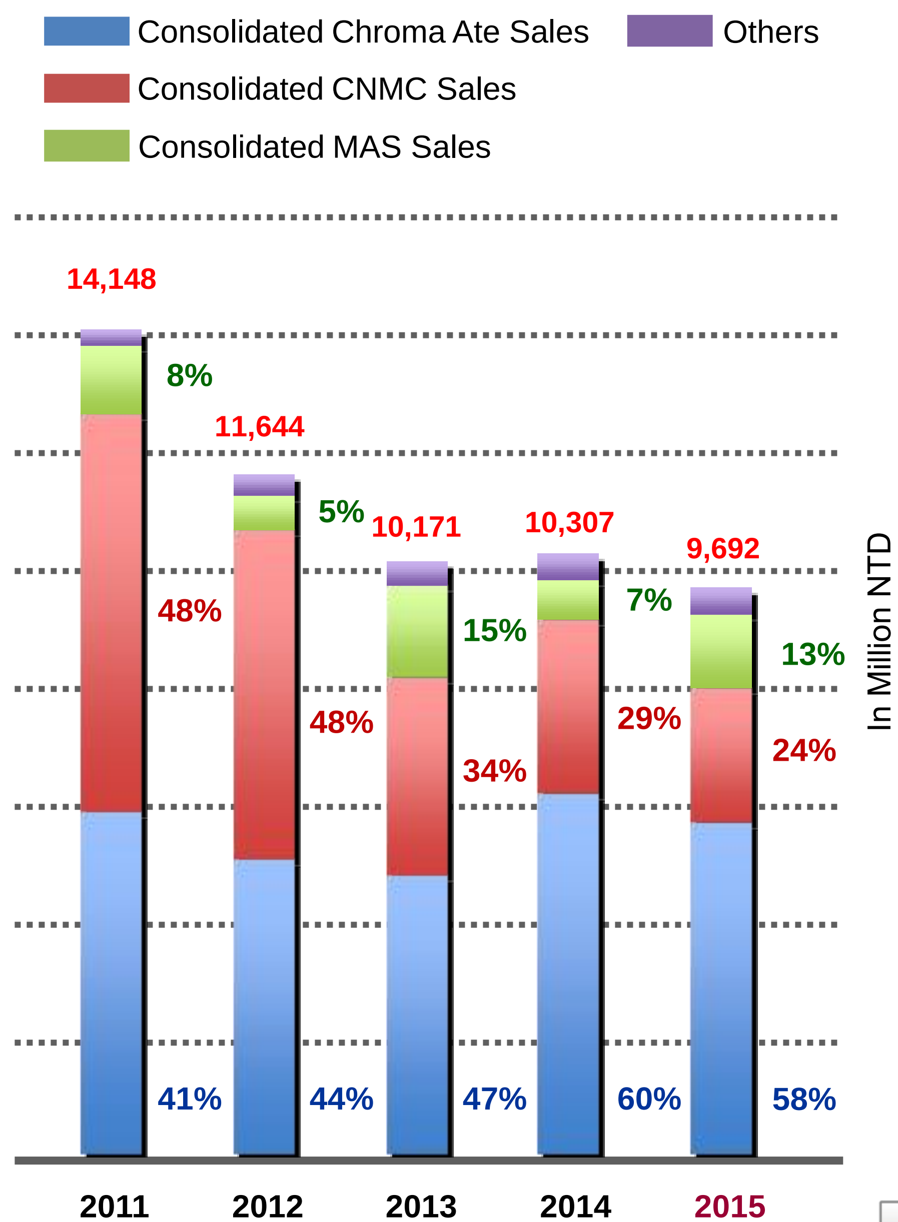
- Corporate Profile
- Financial Review
- Operation Highlights
- Q&A

CORPORATE PROFILE

Corporate Profile

Chroma

- Chroma Group founded in 1984, a world leading own brand turnkey test & automation solution provider, specialized in electronics test and measurement instruments and ATS (auto test system). Businesses cover test and measurement instruments and ATS for various industries, and a turnkey solution as an integration of Test and Measurement , Automation and MES (manufacturing execution system).
- Key success: Precision, Reliability, Innovation
- Chroma group encompass business unit of Chroma Ate Inc., Modular Assembly System (MAS) and Chroma New Material Corp (CNMC).
- 2015 Consolidated Sales : NT$ 9.69 billion
- 2015 Net Income: NT$1.24 billion
- Harvard Business Review (HBR) names Chroma CEO Leo Huang as "The Taiwan Best Performing CEO" (Rank 38).



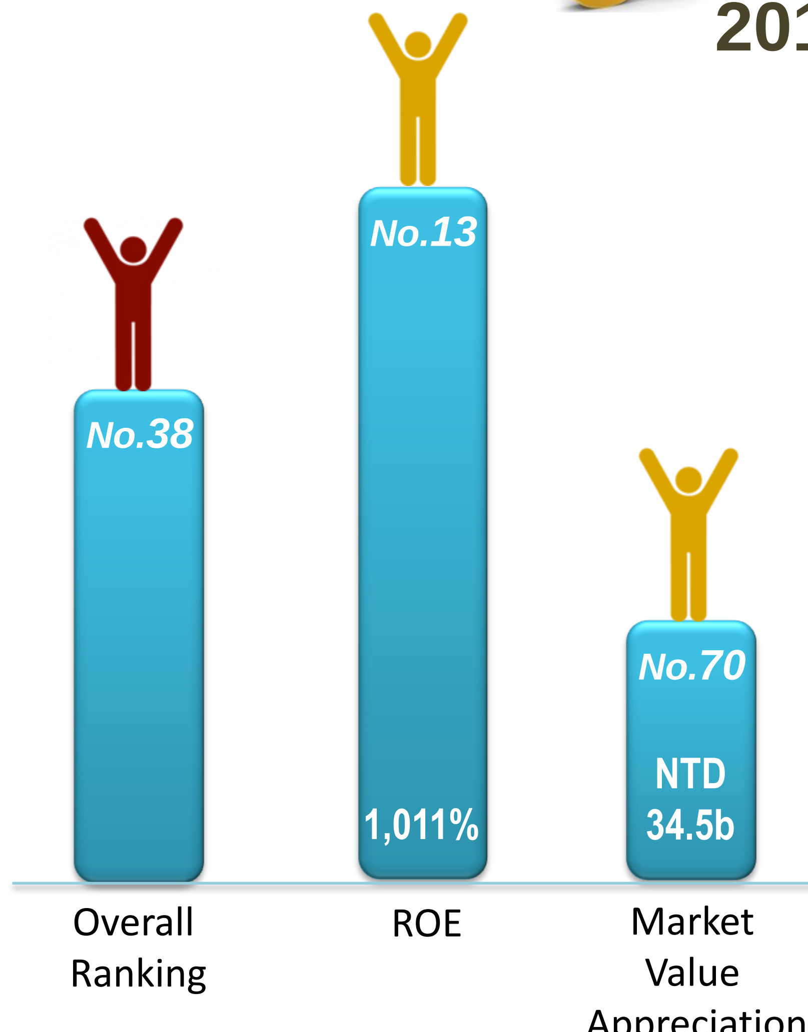
Taiwan Top 50 Best-Performing CEOs by HBR

Chroma

TOP 50

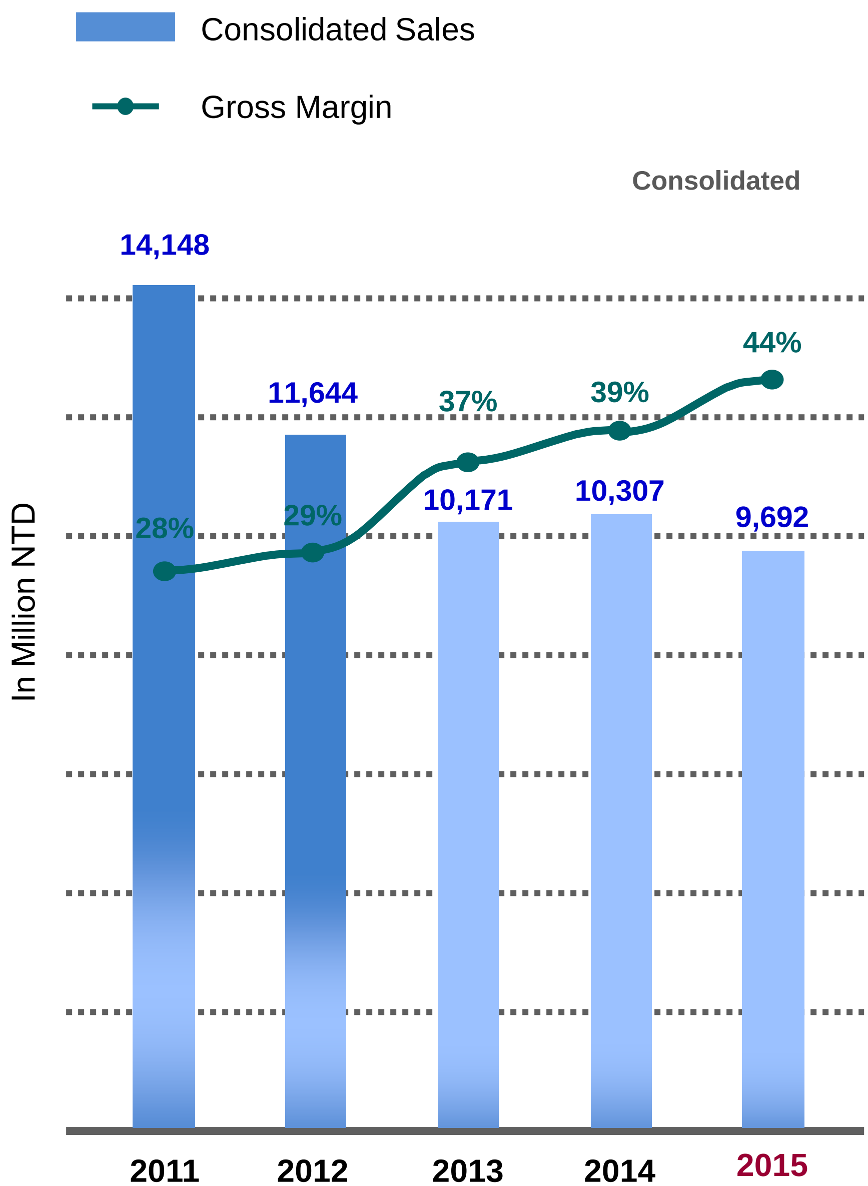
2016

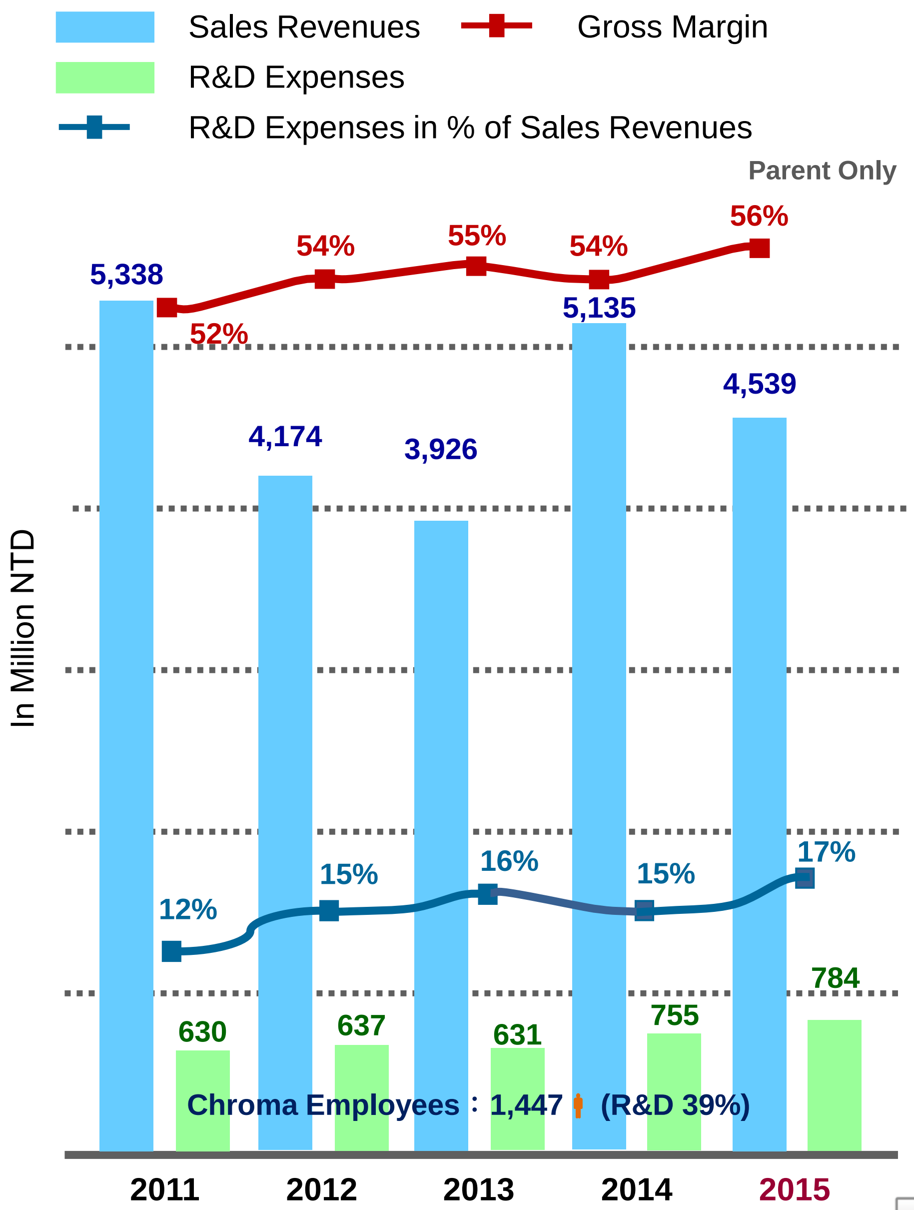
Harvard Business Review



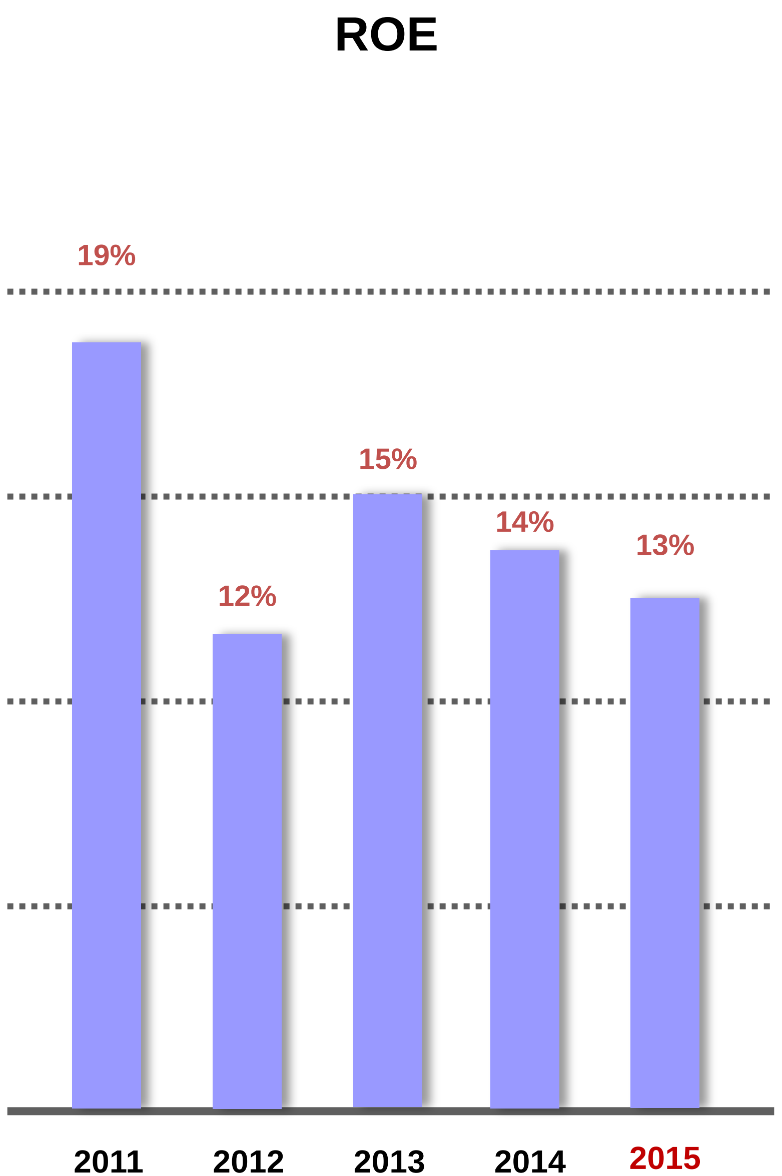
Financial Performance

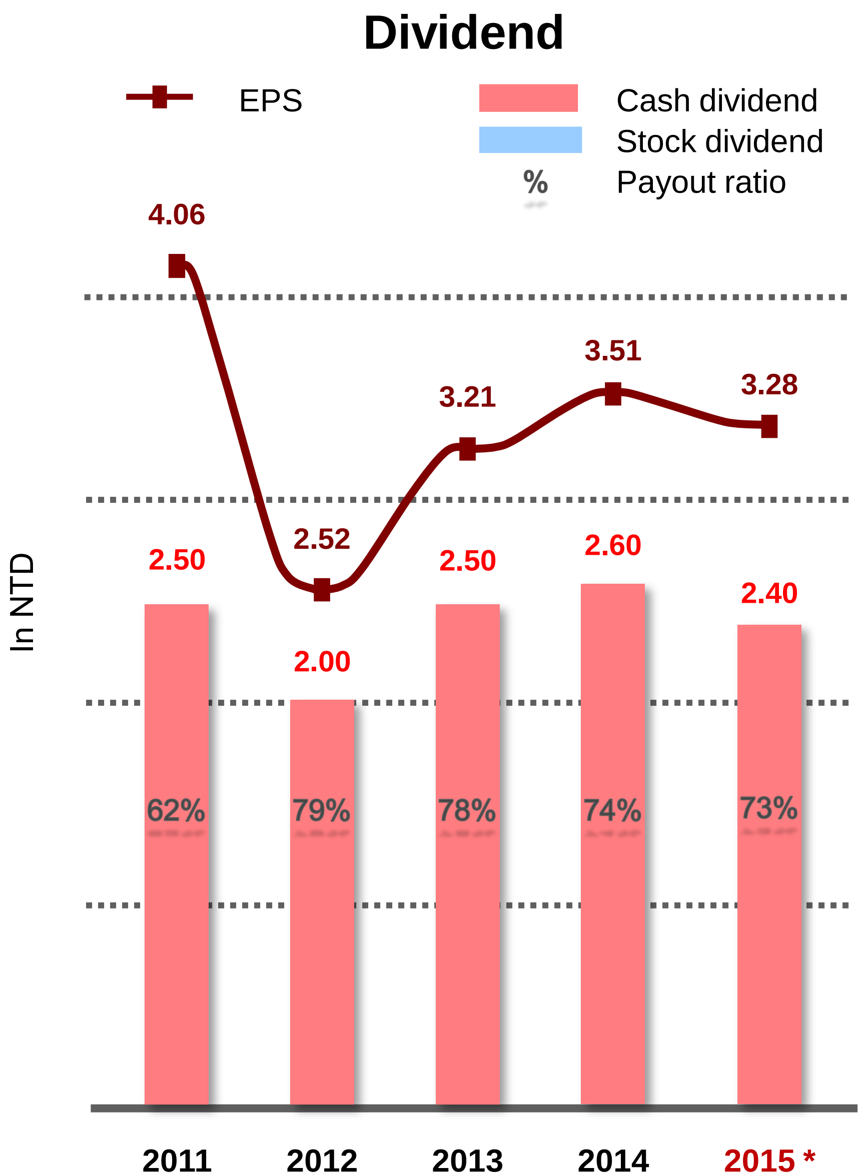
Chroma





Financial Performance





* The dividend will be paid out after the resolutions of Annual General Shareholders meeting.

Chroma Global Network

Global Employees：2,367, Branch Offices x17, Distributors x68

FINANCIAL REVIEW

Year 2016.1Q Condensed Consolidated Income Statement

Chroma

Condensed Consolidated P&L (In Million NTD, except for EPS in NTD) (Unaudited)	2016.1Q	%	2015.1Q	%	YoY %
Net Sales	**2,610**	**100%**	**1,924**	**100%**	**36%**
Consolidated Sales of Testing Equipment Business	1,904	73%	1,065	56%	**79%**
Consolidated Sales of MAS	41	2%	161	8%	**(75%)**
Consolidated Sales of New Material	568	22%	595	31%	**(5%)**
Others	97	3%	103	5%	**(6%)**
Cost of Goods Sold	(1,456)	(56%)	(1,127)	(59%)	**29%**
Gross Profit	**1,154**	**44%**	**797**	**41%**	**45%**
Operating Expenses:					
General & Administration	(533)	(20%)	(472)	(25%)	**13%**
Research & Development	(237)	(9%)	(194)	(10%)	**22%**
Operating Income	**384**	**15%**	**131**	**6%**	**193%**
Non-Operating Income (Expenses), net	(12)	(1%)	12	1%	**n/a**
Income (Loss) Before Tax	372	14%	143	7%	**160%**
Income Tax	(66)	(2%)	(30)	(1%)	**120%**
Net Income	**$ 306**	**12%**	**113**	**6%**	**171%**
Other Comprehensive Income (Losses)	(21)	(1%)	(51)	(3%)	**(59%)**
Comprehensive Income	**$ 285**	**11%**	**$ 62**	**3%**	**360%**
Net Income (Losses) Attributable To:					
Shareholders of the Parent	321	12%	123	6%	**161%**
Noncontrolling Interests	(15)	-	(10)	-	**50%**
	$ 306	**12%**	**$ 113**	**6%**	**171%**
EPS (Basic)	**$ 0.85**		**$ 0.33**		**158%**
EPS (Diluted)	**$ 0.80**		**$ 0.32**		**150%**

Balance Sheet Highlights & Financial Ratio

Consolidated (In Million NTD) (Unaudited)	**2016. March**	**2015. Dec**	**+ / - %**
Balance Sheet Highlights			
Cash & Short Term Investments	5,323	5,116	4%
Inventory	1,779	1,636	9%
Short Term Debt	577	333	73%
Long Term Debt	2,880	3,142	- 8%
Shareholders Equity	9,872	9,531	4%
Total Assets	**16,539**	**16,060**	**3%**
Inventory Turnover (Day)	106	108	
AR Turnover (Day)	85	108	
AP Turnover (Day)	93	91	
Net Debt to Equity (%)	Negative	Negative	
ROE (%) ●	**13%**	**13%**	
ROA (%) ●	**8%**	**8%**	

Cash Position	**2016.1Q**	**2015.1Q**	**YoY**
EBITDA	468	234	100%
Cash Flow from Operation	391	807	(52%)
Free Cash Flow ●●	**(240)**	**534**	**n/a**

● All ROE + ROA has been annualized.

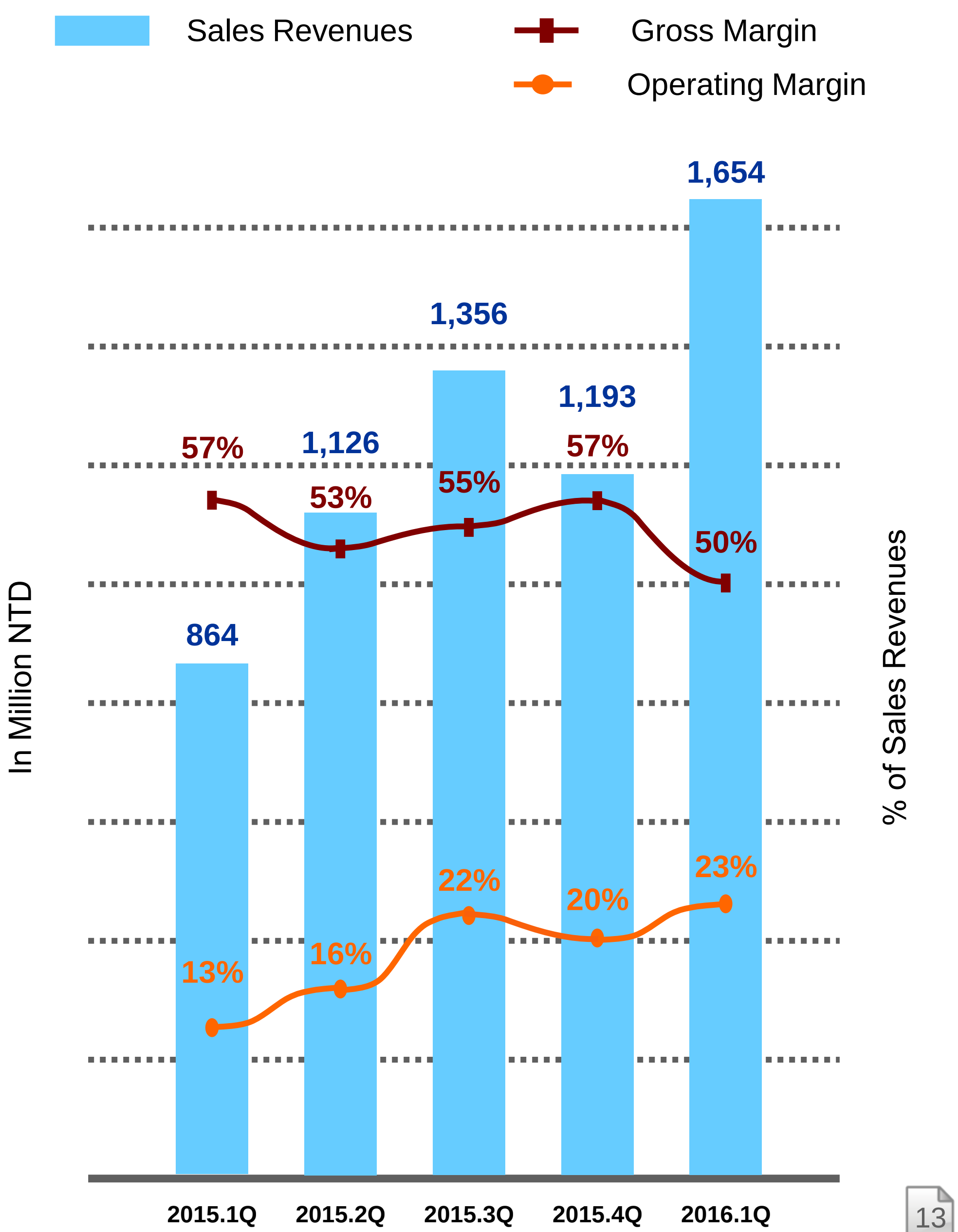
●● Free Cash Flow = Net Cash Provided by Operating Activities + (Net Cash used by Investing Activities)

Quarterly Highlights

Chroma

2016.1Q Key Points

- Sales Revenue: $ 1,654 million, up 39% QoQ, up 91% YoY
- Gross Margin: 50%
- Operating Margin: 23%
- Net Income: NT$ 321 million, up 28% QoQ, up 161% YoY
- 2016.1Q Highlights:
  - 1Q sales hit the third highest revenues in company history
  - The major growth driver came from Turnkey Solutions, presented a 403% growth QoQ



Year 2016.1Q Condensed Income Statement

Condensed P&L – Parent Only (In Million NTD, except for EPS in NTD) (Unaudited)	2016.1Q	%	2015.4Q	%	QoQ %	2015.1Q	%	YoY %
Net Sales	**1,654**	**100%**	**1,193**	**100%**	**39%**	**864**	**100%**	**91%**
Cost of Goods Sold	(821)	(50%)	(515)	(43%)	**59%**	(369)	(43%)	**122%**
Gross Profit	**833**	**50%**	**678**	**57%**	**23%**	**495**	**57%**	**68%**
Operating Expenses:								
General & Administration	(234)	(14%)	(237)	(20%)	**(1%)**	(210)	(24%)	**11%**
Research & Development	(213)	(13%)	(204)	(17%)	**4%**	(176)	(20%)	**21%**
Operating Income	**386**	**23%**	**237**	**20%**	**63%**	**109**	**13%**	**254%**
Non-Operating Income (Expenses), net ●	(7)	-	50	4%	**n/a**	31	4%	**n/a**
Income (Loss) Before Tax	379	23%	287	24%	**32%**	140	16%	**171%**
Income Tax	(58)	(4%)	(37)	(3%)	**57%**	(17)	(2%)	**241%**
Net Income	**$ 321**	**19%**	**$ 250**	**21%**	**28%**	**$ 123**	**14%**	**161%**
Other Comprehensive Income	(20)	(1%)	(101)	(9%)	**n/a**	(51)	(6%)	**(61%)**
Comprehensive Income	**$ 301**	**18%**	**$ 149**	**12%**	**102%**	**$ 72**	**8%**	**318%**
EPS (Basic)	**$ 0.85**		**$ 0.66**		**29%**	**$ 0.33**		**158%**
EPS (Diluted)	**$ 0.80**		**$ 0.62**		**29%**	**$ 0.32**		**150%**

● 100% owned subsidiaries' income - New Material: 12m (QoQ ↑ 9%, YoY -), MAS: (4m) .

Balance Sheet Highlights & Financial Ratio

Chroma

Parent Only (In Million NTD) (Unaudited)	2016. March	2015. Dec	+ / - %
Balance Sheet Highlights			
Cash & Short Term Investment	2,822	2,703	4%
Inventory	1,400	1,301	8%
Short Term Debt	348	101	245%
Long Term Debt	2,730	2,988	- 9%
Shareholders Equity	9,766	9,410	4%
Total Assets	**14,726**	**13,965**	**5%**
Inventory Turnover (Day)	148	231	
AR Turnover (Day)	102	159	
AP Turnover (Day)	81	101	
Net Debt to Equity (%)	2%	4%	
ROE (%) ●	**13%**	**13%**	
ROA (%) ●	**9%**	**9%**	

Cash Position	2016.1Q	2015.4Q	QoQ	YoY
EBITDA	425	333	28%	128%
Cash Flow from Operation	276	718	(62%)	(34%)
Free Cash Flow ●●	**(487)**	**423**	**n/a**	**n/a**

● All ROE + ROA has been annualized.

●● Free Cash Flow = Net Cash Provided by Operating Activities + (Net Cash used by Investing Activities)

OPERATION

HIGHLIGHT

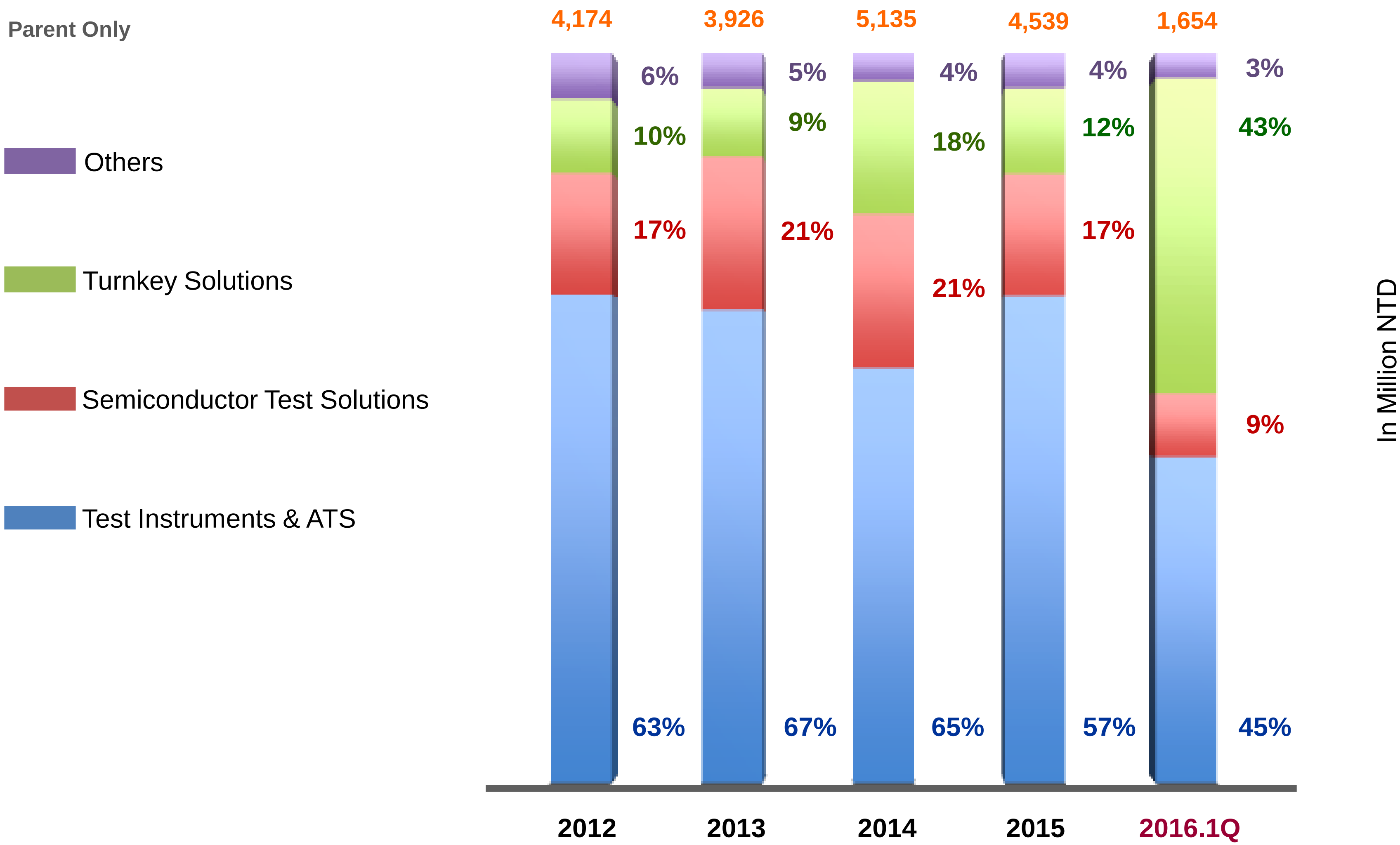
Chroma Ate Inc. Sales Breakdown by Testing Solutions

(Unit: Million NTD)	2016.1Q	%	QoQ	2015.1Q	%	YoY
Test Instruments & ATS	739	45%	(2%)	646	75%	14%
Semiconductor Test Solutions	144	9%	(36%)	152	18%	(5%)
Turnkey Solutions	714	43%	403%	28	3%	n/a
Service & Others	57	3%	(19%)	38	4%	50%
Total	**1,654**	**100%**	**39%**	**864**	**100%**	**91%**

Chroma Ate. Inc. Sales Mix Breakdown (YTD)

Chroma

A Turnkey Solution and Intelligent Automation Line Provider



Sales Breakdown by Consolidated Entities

Chroma

(Unit: Million NTD)	2016.1Q	%	QoQ	2015.1Q	%	YoY
Chroma Ate. Inc. included overseas affiliates	1,904	73%	22%	1,065	55%	79%
MAS	41	2%	(87%)	161	9%	(75%)
New Material	568	22%	(3%)	595	31%	(5%)
Others	97	3%	(10%)	103	5%	(6%)
Consolidated Sales	**2,610**	**100%**	**2%**	**1,924**	**100%**	**36%**

Year 2016.2Q Guidance

Chroma

- As an increasing investment in clean tech industries, particularly in EV used lithium battery and solar cell, the Chroma parent sales revenues in first quarter 2016 hit the third highest in company history presented a strong growth of 39% QoQ and 91% YoY. The major growth driver is coming from Turnkey Solutions, which outperform the total sales of Turnkey Solution in 2015 by 1.3 times. Meanwhile, the core business of Test Instruments and ATS also presented a double digits growth of 14% compared to last year first quarter.

- The Company expected the sales revenues in 2016 would be the same seasonal pattern as usual, the 2Q sales revenues will be higher than 1Q.

Test Instruments & ATS (1/2)

Chroma

TECHNOLOGY

Automated Testing	System Integration, GB/T 18487.1 AC Type: 1~40KW, DC Type: 10~200KW	System Integration USB Power Delivery Emulator Power/Comm./Protection Test
Power/Battery Testing	High Transient Linear Load: 10us High Power Density: 6kW@4U	High Voltage Solar Array Simulator Voc :1000 – 1500V , Isc: Up to 150A Power Rating: 22kW – 225kW
Passive Comp. Testing	Impedance Measurement Wide Freq. range: 30MHz	Impulse & Hi-pot test with Vacuum 7 in 1 (ACW/DCW/IR/IWT/DCR/L/Q Phase)

’15 ‘16

MARKET

EVSE/ Battery/ PV/ USB PD/ Monitor/3C Adapter & Charger/Portable & Wearable Device/ Motor

AC/DC EVSE ATS 8000

High Power DC Load 150~1200V,4~24kW 632XXA

USB PD Emulator

USB PD ATS 8020

1500V Solar Array Simulator

HF LCR Meter 11050-30M

Motor Stator Test System

SOLUTION

Test Instruments & ATS (2/2)

Chroma

TECHNOLOGY

FPD Testing

5K x 3K@60Hz
5.4Gbps lane rate

8K x 4K@60Hz

Optical Testing

High Capacity Burn-in
Max. 1,280 DUT, up to 120℃

High Temperature Uniformity
±0.5℃ temperature stability

PXI SMU/CMU

High Precision PXI DPS
4 CH/Slot, 600k sampling rate

High Precision PXI SMU/CMU
Ultra high resolution

’15

‘16

MARKET

HD Display/ Fiber Communication/ Mobile Phone/ Component Manufacturing/ Semiconductor/ LED

TO-CAN/CoC
Burn In System
58603

FPD Tester 27014

TOSA/BOSA
Temp. Control
System
58691

8K FPD Tester

PXI e SMU
52304

PXIe
SMU/CMU
52XXX

SOLUTION

Semiconductor Test Solutions

Chroma

TECHNOLOGY

Logic Testing

High Parallel Sites Testing
1024 digital pins, 200Mbps

High Multi-site Testing
512 sites supported

Analog Testing

High parallel sites for ADC/DAC testing
16 bits 32 CH, 32 CH DIG, per card

IC Testing Handler

Thermal Engine
Nitro-TEC (Liquid Nitrogen)

’15

‘16

MARKET

IC – SoC/ MCU/ PMIC/ Sensors (touch-screen, fingerprint) / Connectivity (WiFi, BT)

High Density Instrument
HDADDA

Full Range Active Thermal Control Handler 3160-F

SoC Test System
3650-EX

SOLUTION

Turnkey Solutions

Chroma

TECHNOLOGY

Automation

Battery Formation

MES

Integrated System Automation

Collaborative Robotic Application

Regenerative CH/DCH System , Negative Pressure Formation

Intelligent Process System

’15

‘16

MARKET

Industry 4.0 – Battery Cell Formation/ Battery Pack Auto Assembly/ IT/ICT Auto Test Line/ Smart Factory

Battery Pack Automatic Assembly Line

Smart Conveyer 5703

Automated Optical Measurement System

Intelligent Battery Process System

Battery Cell Formation System 17000

SOLUTION

let's make a better world.

Thank You!