CHROMA ATE INC.

2016.3Q Investor Conference

Paul Ying, CFO

24th October, 2016

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.

This presentation and the information contained herein are the property of Chroma Ate Inc.

Agenda

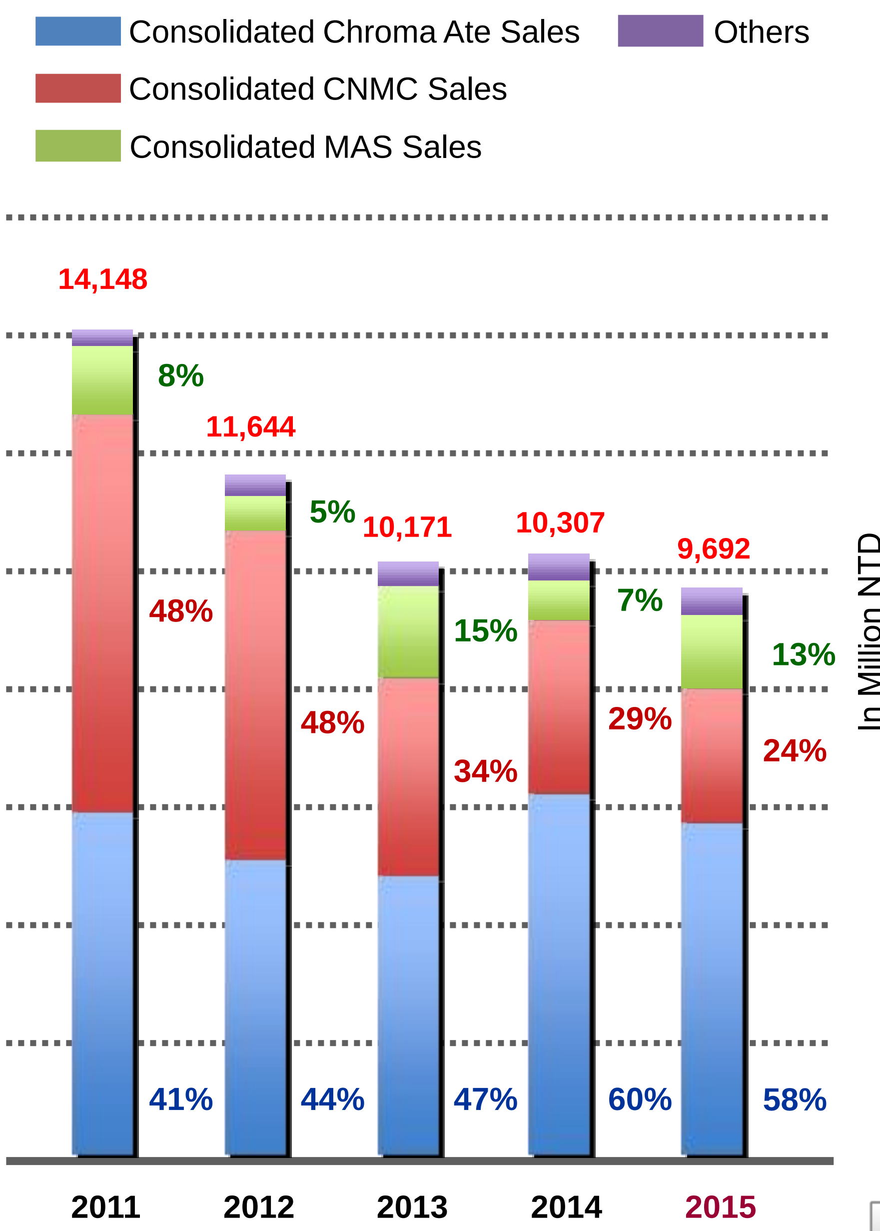
- Corporate Profile
- Financial Review
- Operation Highlights
- Q&A

CORPORATE PROFILE

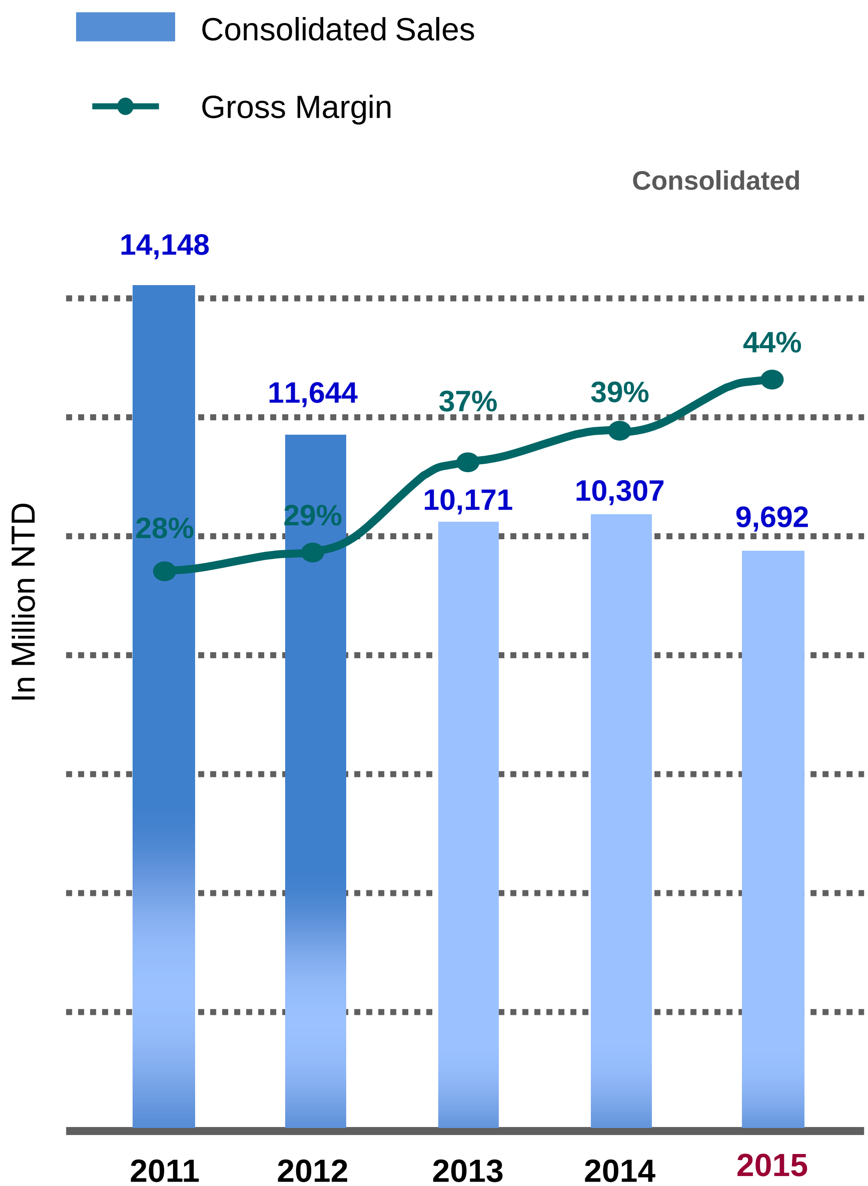
Corporate Profile

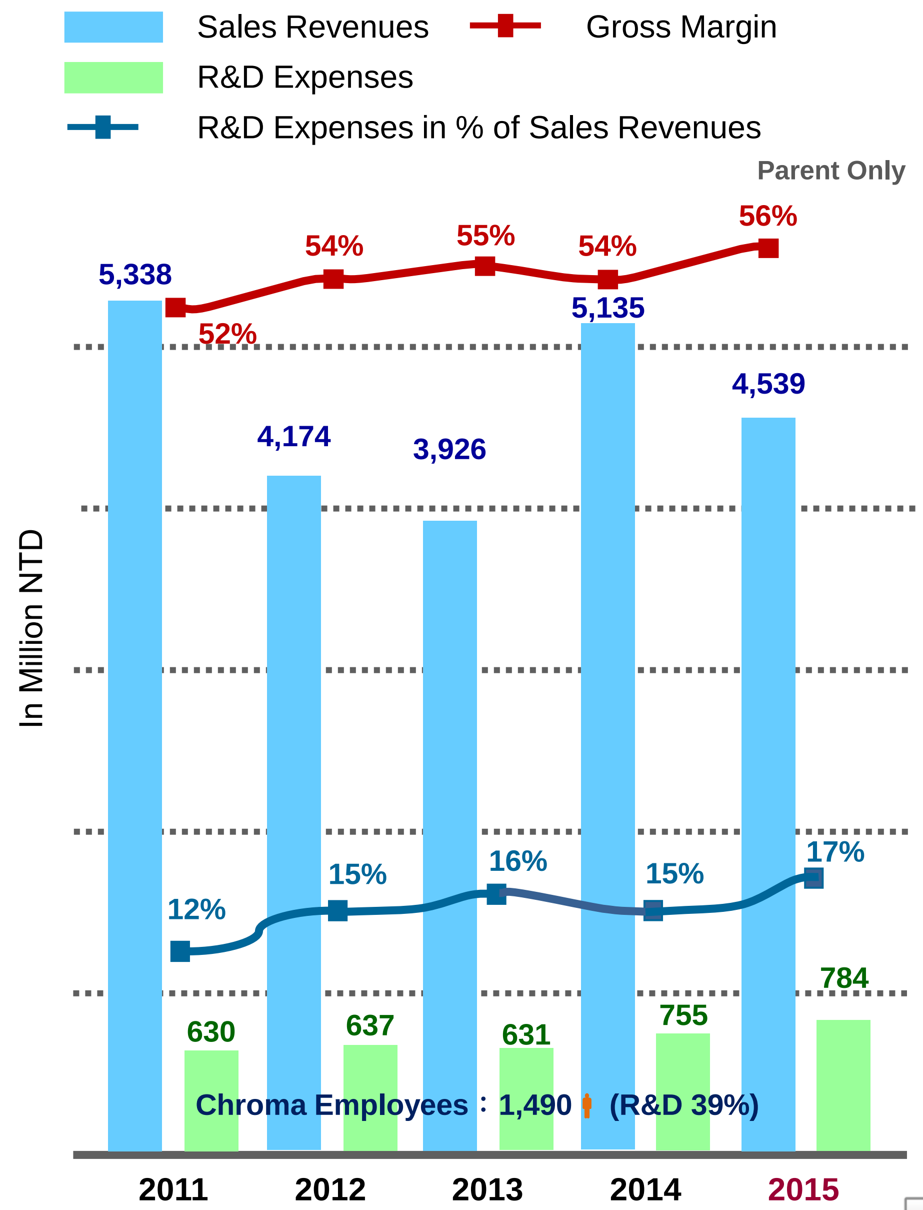
Chroma

- 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
- Chroma Group total of 2,450 employees (as September, 2016)
- Harvard Business Review (HBR) names Chroma CEO Leo Huang as “The Taiwan Best Performing CEO” (Rank 38).

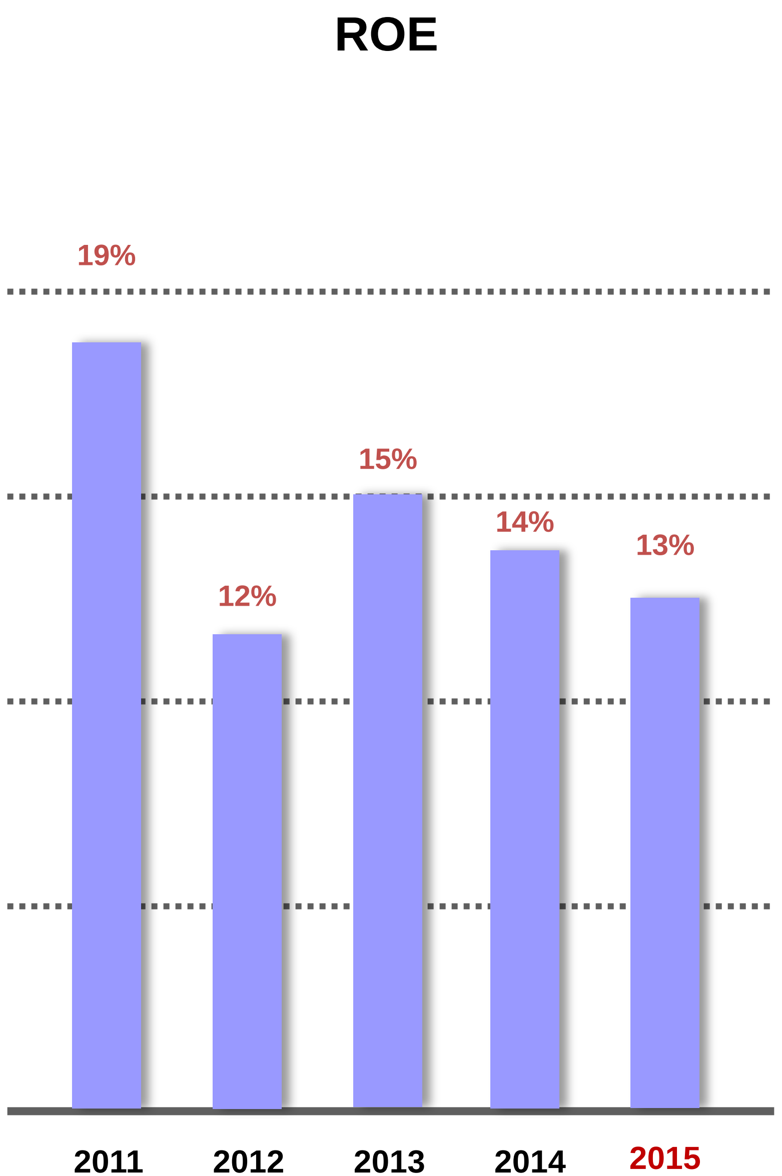


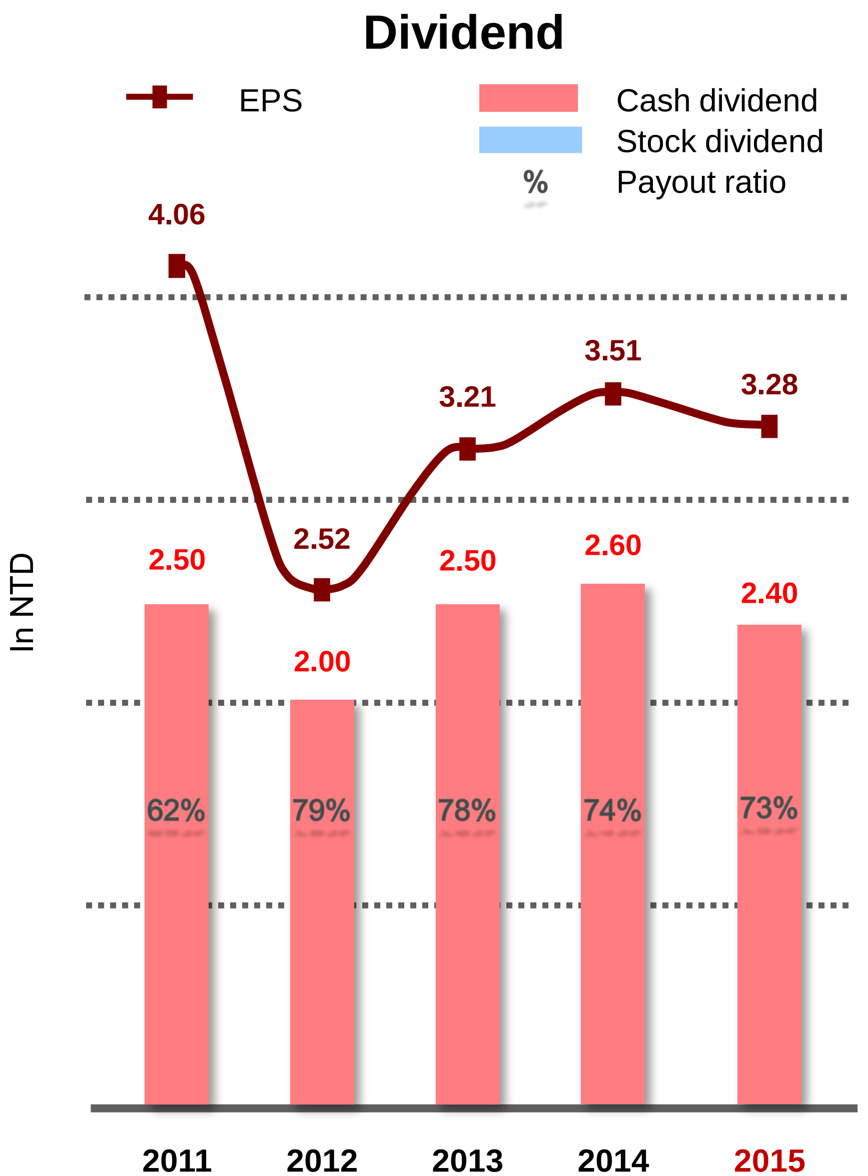
Financial Performance





Financial Performance





Chroma Global Network

Global Employees：2,450 , Branch Offices x17, Distributors x68

FINANCIAL REVIEW

Year 2016.1~3Q Condensed Consolidated Income Statement

Condensed Consolidated P&L (In Million NTD, except for EPS in NTD) (unaudited)	2016.1~3Q	%	2015.1-3Q	%	YoY %
Net Sales	**8,849**	**100%**	**7,131**	**100%**	**24%**
Consolidated Sales of Testing Equipment Business	6,640	75%	4,105	58%	**62%**
Consolidated Sales of MAS	264	3%	952	13%	**(72%)**
Consolidated Sales of New Material	1,658	19%	1,745	24%	**(5%)**
Others	287	3%	329	5%	**(13%)**
Cost of Goods Sold	(4,732)	(53%)	(4,057)	(57%)	**17%**
Gross Profit	**4,117**	**47%**	**3,074**	**43%**	**34%**
Operating Expenses:					
General & Administration	(1,729)	(20%)	(1,513)	(21%)	**14%**
Research & Development	(762)	(9%)	(646)	(9%)	**18%**
Operating Income	**1,626**	**18%**	**915**	**13%**	**78%**
Non-Operating Income (Expenses), net	(26)	-	251	3%	**n/a**
Income (Loss) Before Tax	1,600	18%	1,166	16%	**37%**
Income Tax	(290)	(3%)	(205)	(3%)	**41%**
Net Income	**1,310**	**15%**	**961**	**13%**	**36%**
Other Comprehensive Income (Losses)	(177)	(2%)	(30)	-	**n/a**
Comprehensive Income	**$ 1,133**	**13%**	**$ 931**	**13%**	**22%**
Net Income (Losses) Attributable To:					
Shareholders of the Parent	1,338	15%	986	14%	**36%**
Noncontrolling Interests	(28)	-	(25)	(1%)	**12%**
	$ 1,310	**15%**	**$ 961**	**13%**	**36%**
EPS (Basic)	**$ 3.54**		**$ 2.62**		**35%**
EPS (Diluted)	**$ 3.31**		**$ 2.48**		**33%**

Balance Sheet Highlights & Financial Ratio

Chroma

Consolidated (In Million NTD) (unaudited)	**2016. Sept**	**2015. Dec**	**+ / - %**
Balance Sheet Highlights			
Cash & Short Term Investments	5,279	5,116	3%
Inventory	1,826	1,636	12%
Short Term Debt	1,411	333	n/a
Long Term Debt	2,915	3,142	- 7%
Shareholders Equity	10,249	9,531	8%
Total Assets	**18,017**	**16,060**	**12%**
Inventory Turnover (Day)	99	108	
AR Turnover (Day)	87	108	
AP Turnover (Day)	90	91	
Net Debt to Equity (%)	Negative	Negative	
ROE (%) ●	**18%**	**13%**	
ROA (%) ●	**10%**	**8%**	

Cash Position	**2016.1~3Q**	**2015.1~3Q**	**YoY**
EBITDA	1,887	1,444	31%
Cash Flow from Operation	978	1,277	(23%)
Free Cash Flow ●●	**(380)**	**560**	**n/a**

● All ROE + ROA has been annualized.

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

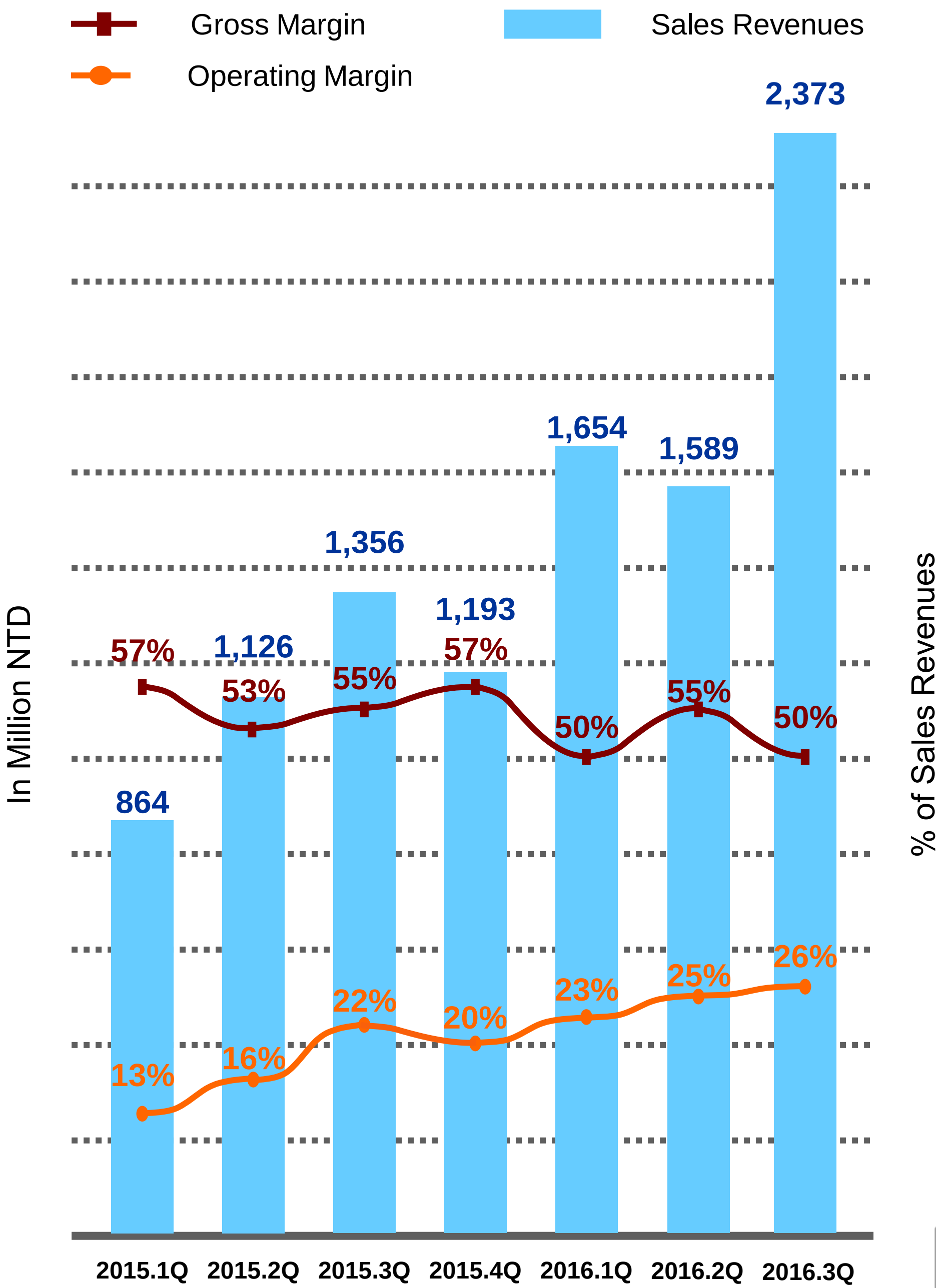
Quarterly Highlights

2016.3Q Key Points

- Sales Revenue: $ 2,373 million,

  up 49% QoQ, up 75% YoY
- Gross Margin: 50%
- Operating Margin: 26%
- Net Income: NT$ 574 million,

  up 30% QoQ, up 19% YoY
- 2016.3Q Highlights:
  - The major growth driver in this quarter is Turnkey Solutions, presented a growth of 501% QoQ.



Year 2016.3Q Condensed Income Statement

Chroma

Condensed P&L – Parent Only (In Million NTD, except for EPS in NTD) (unaudited)	2016.3Q	%	2016.2Q	%	QoQ %	2015.3Q	%	YoY %
Net Sales	**2,373**	**100%**	**1,589**	**100%**	**49%**	**1,356**	**100%**	**75%**
Cost of Goods Sold	(1,186)	(50%)	(721)	(45%)	**64%**	(610)	(45%)	**94%**
Gross Profit	**1,187**	**50%**	**868**	**55%**	**37%**	**746**	**55%**	**59%**
Operating Expenses:								
General & Administration	(327)	(13%)	(255)	(16%)	**28%**	(235)	(17%)	**39%**
Research & Development	(251)	(11%)	(222)	(14%)	**13%**	(207)	(16%)	**21%**
Operating Income	**609**	**26%**	**391**	**25%**	**56%**	**304**	**22%**	**100%**
Non-Operating Income (Expenses), net ●	55	2%	136	9%	**(60%)**	243	18%	**(77%)**
Income (Loss) Before Tax	664	28%	527	34%	**26%**	547	40%	**21%**
Income Tax	(90)	(4%)	(84)	(5%)	**7%**	(65)	(4%)	**38%**
Net Income	**$ 574**	**24%**	**$ 443**	**29%**	**30%**	**$ 482**	**36%**	**19%**
Other Comprehensive Income	(79)	(3%)	(74)	(5%)	**7%**	141	10%	**n/a**
Comprehensive Income	**$ 495**	**21%**	**$ 369**	**24%**	**34%**	**$ 623**	**46%**	**(21%)**
EPS (Basic)	**$ 1.52**		**$ 1.17**		**30%**	**$ 1.28**		**19%**
EPS (Diluted)	**$ 1.42**		**$ 1.09**		**30%**	**$ 1.20**		**18%**

● 100% owned subsidiaries' income - New Material: 6m (QoQ ↓ 57%, YoY ↓ 68%), MAS: 44m (QoQ ↑ 214%, YoY ↑ 110%) .

Year 2016.1~3Q Condensed Income Statement

Chroma

Condensed P&L – Parent Only (In Million NTD, except for EPS in NTD) (unaudited)	2016.1~3Q	%	2015.1~3Q	%	YoY %
Net Sales	**5,616**	**100%**	**3,347**	**100%**	**68%**
Cost of Goods Sold	(2,728)	(49%)	(1,505)	(45%)	**81%**
Gross Profit	**2,888**	**51%**	**1,842**	**55%**	**57%**
Operating Expenses:					
General & Administration	(817)	(14%)	(673)	(20%)	**21%**
Research & Development	(686)	(12%)	(581)	(17%)	**18%**
Operating Income	**1,385**	**25%**	**588**	**18%**	**136%**
Non-Operating Income (Expenses), net ●	185	3%	499	15%	**(63%)**
Income (Loss) Before Tax	1,570	28%	1,087	33%	**44%**
Income Tax	(232)	(4%)	(101)	(3%)	**n/a**
Net Income	**$ 1,338**	**24%**	**$ 986**	**30%**	**36%**
Other Comprehensive Income	(173)	(3%)	(32)	(1%)	**n/a**
Comprehensive Income	**$ 1,165**	**21%**	**$ 954**	**29%**	**22%**
EPS (Basic)	**$ 3.54**		**$ 2.62**		**35%**
EPS (Diluted)	**$ 3.31**		**$ 2.48**		**33%**

● Non-operating Income included 100% owned subsidiaries' income - New Material: 32m (YoY ↓ 18%), MAS: 54m (YoY n/a).

Balance Sheet Highlights & Financial Ratio

Chroma

Parent Only (In Million NTD) (unaudited)	**2016. Sept**	**2015. Dec**	**+ / - %**
Balance Sheet Highlights			
Cash & Short Term Investment	3,163	2,703	17%
Inventory	1,460	1,301	12%
Short Term Debt	1,200	100	n/a
Long Term Debt	2,745	2,988	- 8%
Shareholders Equity	10,076	9,410	7%
Total Assets	**16,366**	**13,965**	**17%**
Inventory Turnover (Day)	137	231	
AR Turnover (Day)	99	159	
AP Turnover (Day)	88	101	
Net Debt to Equity (%)	8%	4%	
ROE (%) ●	**18%**	**13%**	
ROA (%) ●	**12%**	**9%**	

Cash Position	**2016.3Q**	**2016.2Q**	**QoQ**	**YoY**
EBITDA	710	573	24%	19%
Cash Flow from Operation	350	415	(16%)	77%
Free Cash Flow ●●	**(233)**	**456**	**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

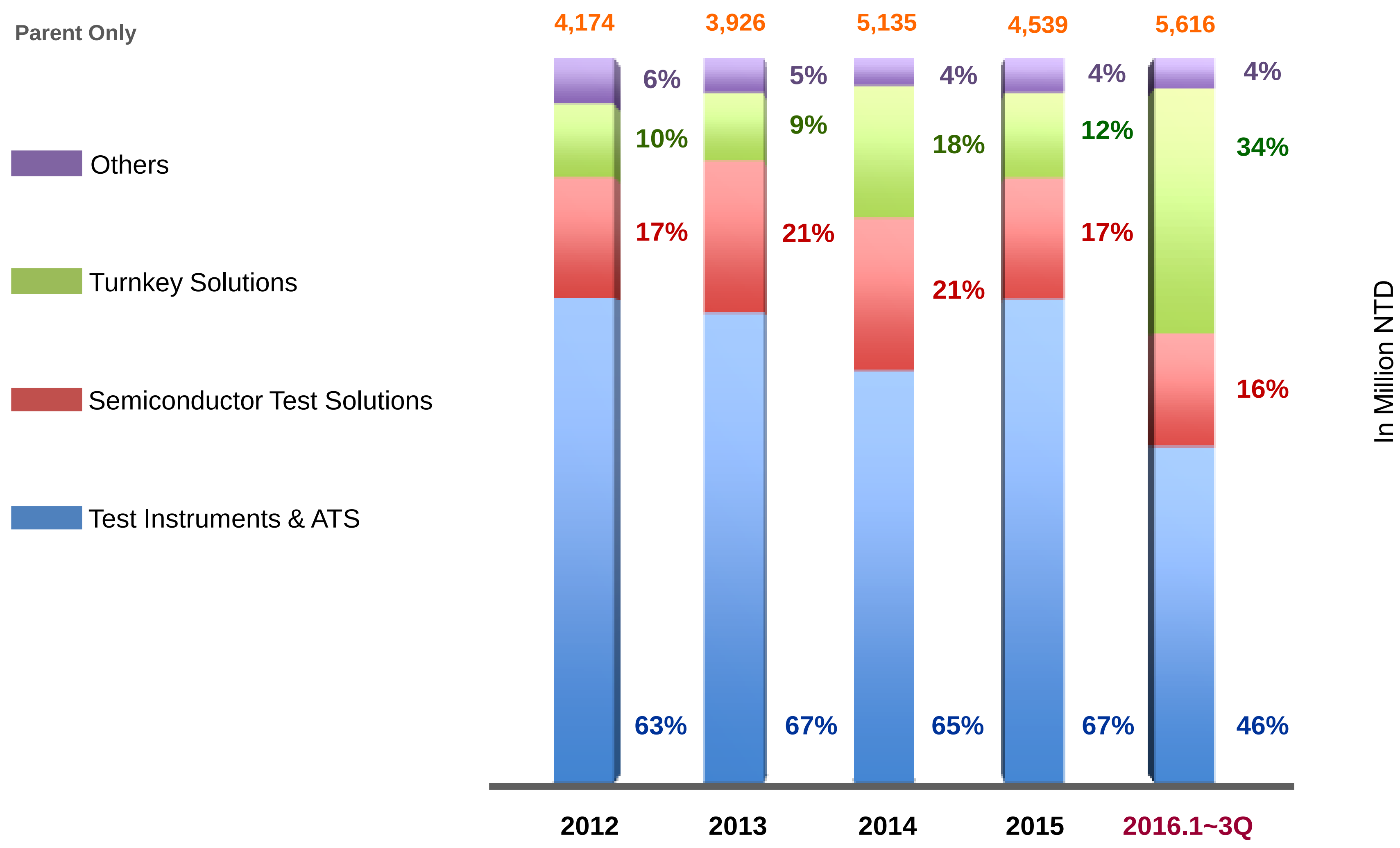
Chroma Ate Inc. Sales Breakdown by Testing Solutions

(Unit: Million NTD)	2016.3Q	%	QoQ	YoY	2016.1~3Q	%	YoY	2015	%
Test Instruments & Automate Testing System (ATS)	916	39%	(4%)	9%	2,605	46%	15%	3,029	67%
Semiconductor Test Solutions	365	15%	(1%)	85%	876	16%	64%	759	17%
Turnkey Solutions	1,015	43%	501%	295%	1,898	34%	387%	532	12%
Service & Others	77	3%	(25%)	24%	237	4%	58%	219	4%
Total	**2,373**	**100%**	**49%**	**75%**	**5,616**	**100%**	**68%**	**4,539**	**100%**

Chroma Ate. Inc. Sales Mix Breakdown (YTD)

Chroma

A Turnkey Solution and Intelligent Automation Line Provider



Sales Breakdown by Consolidated Entities

(Unit: Million NTD) (unaudited)	2016.3Q	%	QoQ	YoY	2016.1~3Q	%	YoY
Chroma Ate. Inc. included overseas affiliates	2,784	78%	43%	67%	6,640	75%	62%
MAS	126	4%	30%	(1%)	264	3%	(72%)
New Material	554	16%	3%	(6%)	1,658	19%	(5%)
Others	93	2%	(4%)	(18%)	287	3%	(13%)
Consolidated Sales	**3,557**	**100%**	**33%**	**42%**	**8,849**	**100%**	**24%**

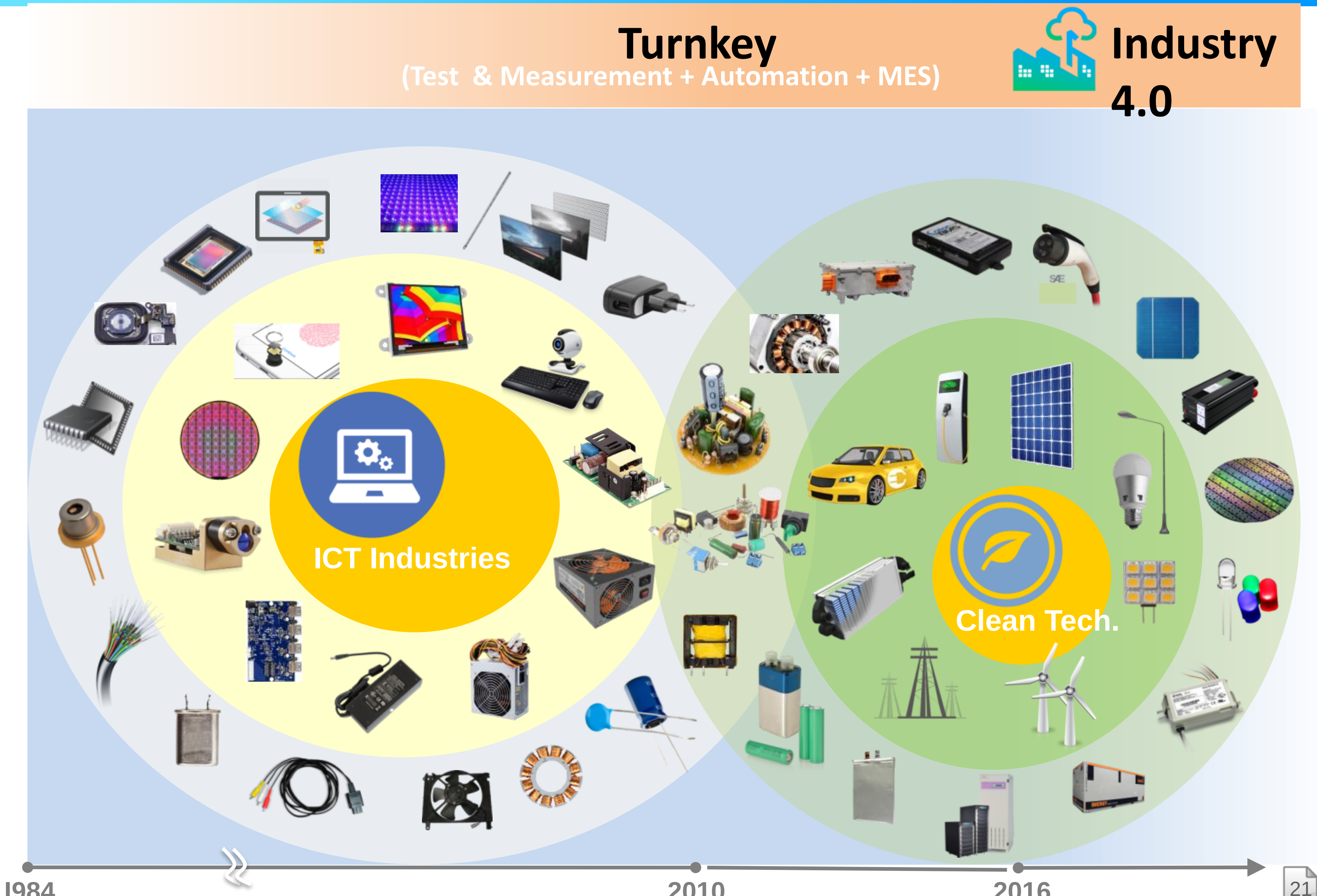
Year 2016.4Q Guidance

- In the first three quarters 2016, turnkey solutions and semiconductor testing solutions are the biggest drivers for Chroma parent sales, which presented a strong growth of 387% and 64% YoY respectively. Meanwhile, the core business of Test Instruments and ATS also presented a double digits growth of 15% compared to last year.

- Company expected the fourth quarter will be better than last year. The semiconductor testing solutions will be the major growth driver compare to 2015 fourth quarter.

Business Development Roadmap

Chroma



Test Instruments & ATS

TECHNOLOGY

Power Testing	Wider Operation Voltage: Up to1200V Max. Power: 240kW (parallel)	1~60 Series Cell Voltage Simulation Active and Passive Balance Test
Electrical Safety	Wide Range Inductance: 10~1,000V; 0.1uH~100uH High speed: <18mS	
FPD Testing	8K x 4K@60Hz →	8K x 4K@120Hz

’16 — ’16.2H

MARKET

Server & Telecom Power/ EV/EVSE/Battery/UHD Display/ Mobile Phone/Power Choke

High Power DC Load
632XXA

Impulse Winding Tester
19301A

BMS ATS
8700

FPD Tester
27014

8K FPD Tester
2918

SOLUTION

Chroma

TECHNOLOGY

AOI

LED Testing

Optical Device Testing

High Precision/High Speed
2D & 3D Measuring
2.5sec/pcs

New Application:
UVA, UVB, UVC

Bar Type Sorting
No Probing Mark

High Density Burn-in Module
256Ch SMU/module

6” VCSEL Wafer
NF &FF Testing

’16

’16.2H

MARKET

3C Cosmetics/LED/Fiber Optical Communication

Multi-Functional Dimension Measuring System 7505

UV LED Chip Prober 58212-C

Laser Diode/Photo Diode Mapping Sorter 58205

Laser Diode Burn-In Test System 58604

VCSEL Wafer Probing Test System 58630

SOLUTION

Semiconductor Test Solutions

TECHNOLOGY

Analog Testing	Touch Sensor/Finger Printing IC testing 256 I/O, 16 bits ADC/DAC
Logic Testing	Compact Size, Best Cost Of Ownership 256 digital pins, 100Mbps
IC Testing Handler	Thermal Engine Nitro-TEC (Liquid Nitrogen)

’16 ’16.2H

MARKET

IoT, Touch Sensor ICs, Finger Printing IC , MCU

VLSI Test System
3380D

Full Range ATC Cold Temperature Handler
3160C

SOLUTION

Chroma

TECHNOLOGY

MES

Intelligent Process System

Battery Formation

Regenerative CH/DCH System , Negative Pressure Formation

’15

‘16

MARKET

Industry 4.0 – Battery Cell Formation

Intelligent Battery Process System

Battery Cell Formation System 17000

SOLUTION

let's make a better world

Thank You!