Nanya Technology

4Q' 2013 Investor Conference

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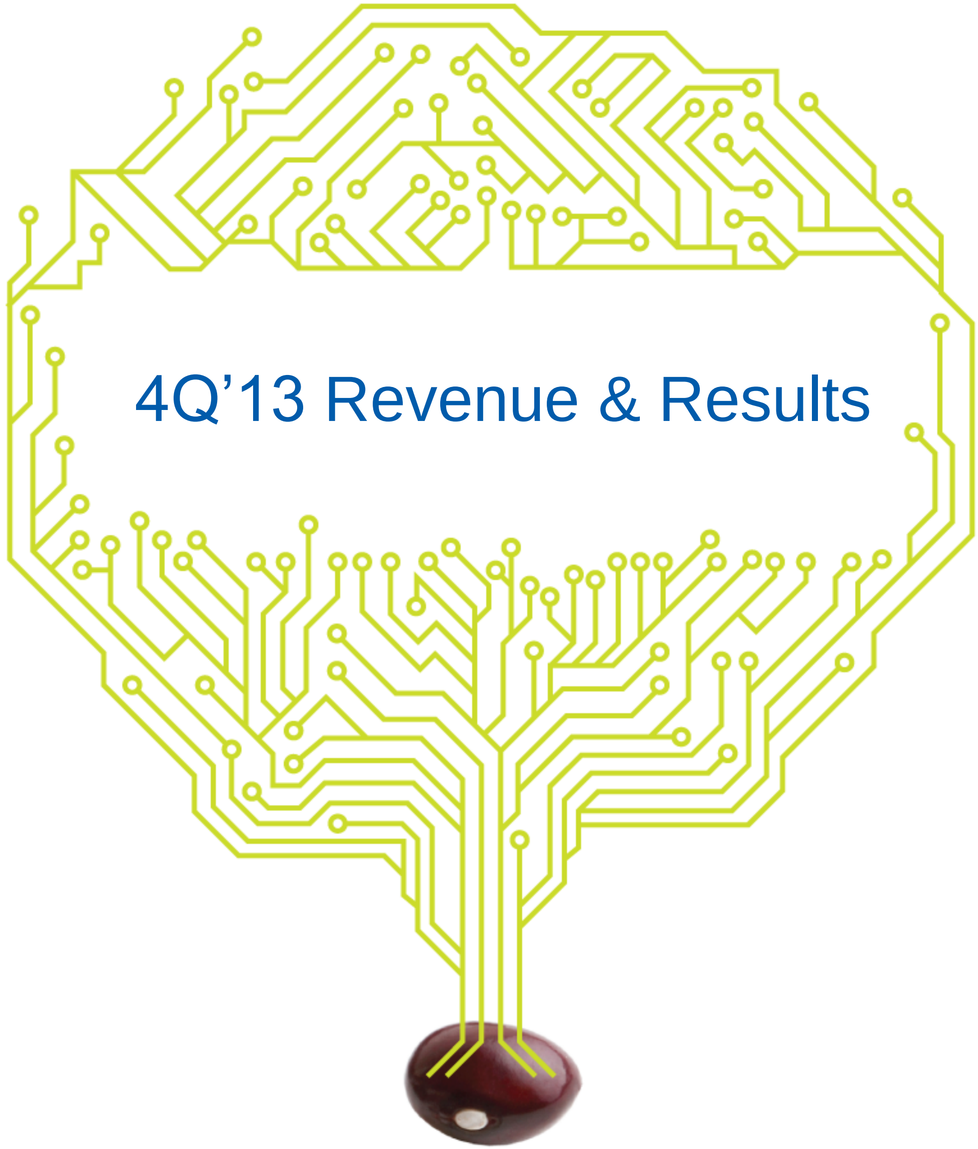
January 28, 2014

Agenda

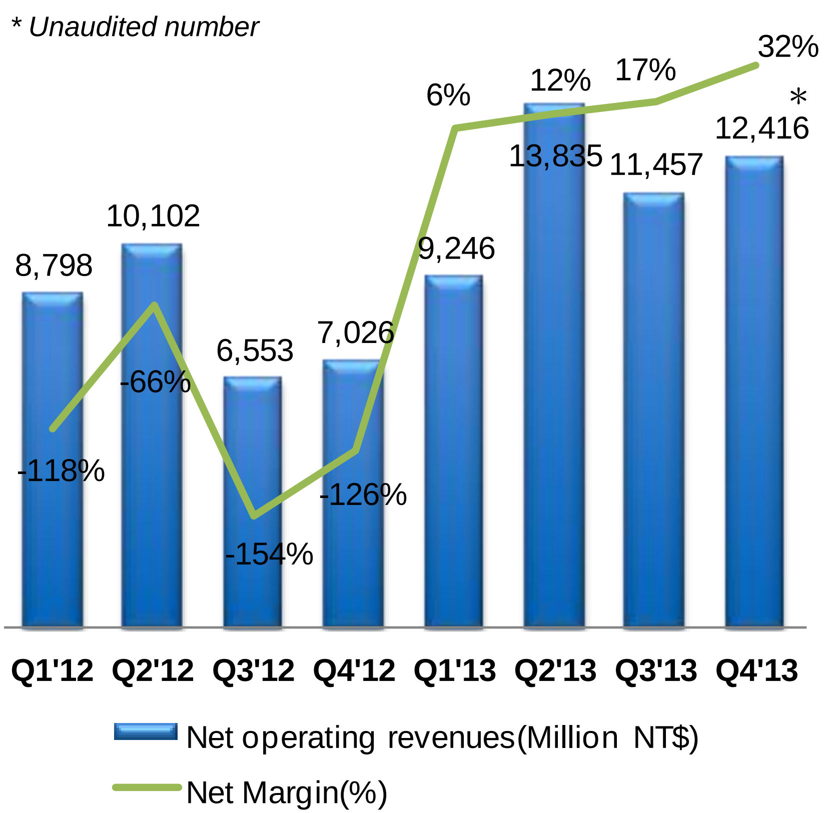
- 4Q'13 Revenue & Results
- Year 2013 Revenue & Results
- Company Highlights
- Market Outlook
- Business Outlook
- Q&A

4Q'13 Revenue & Results

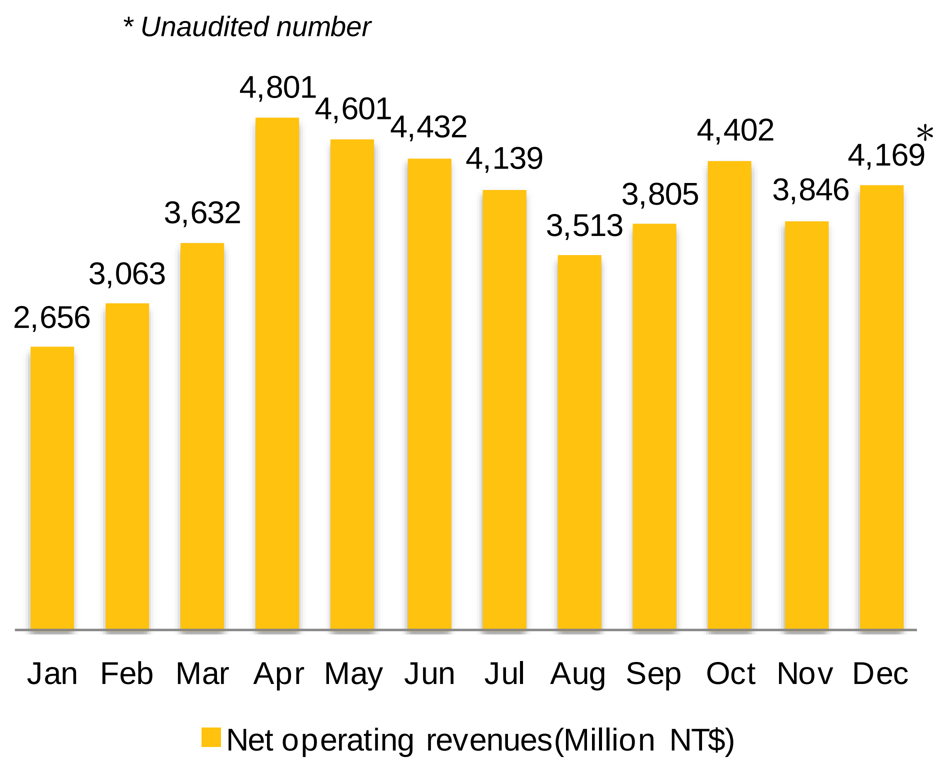


Financial Highlights

2012-2013 Quarterly Results



2013 Monthly Revenues



Quarterly Revenue Results

	QoQ Q4 ’13 vs. Q3’13	YoY Q4’13 vs. Q4’12
Revenue	8.4%	64.2%
Shipment	Flat	-11.6%
ASP	10.5%	83.4%
Exchange Rate	-1.2%	1.3%

- *Q4’13 revenue increased 8.4% QoQ.*
- *Q4 bit shipments flat QoQ.*
- *ASP increased 10.5% QoQ due to supply disruption.*
- *Lean Inventories at end of the fourth quarter.*

4Q'13 Consolidated Income Statement

Amount: Million NT$	Q4'13 Unaudited		Q3'13 Audited		QoQ	Q4'12 Audited		YoY
Net Sales	12,416	100%	11,457	100%	8%	7,561	100%	64%
Cost of Goods Sold	10,440	84%	10,011	87%		13,975	185%	
Gross Margin	1,976	16%	1,446	13%	37%	-6,414	-85%	—
SG&A Expenses	416	3%	481	4%		317	4%	
R&D Expenses	391	3%	419	4%		791	10%	
Operating Income	1,170	9%	546	5%	114%	-7,523	-99%	—
Non-operating Income (Exp.)	2,815	23%	1,435	13%		-1,315	-17%	
Income before Tax	3,985	32%	1,981	17%	101%	-8,837	-117%	—
Income Tax Benefit (Expense)	-31	0%	-4	0%		-44	-1%	
Net income attributable to non-controlling interests	-35	0%	-2	0%		0		
Net Income attributable to NTC	3,989	32%	1,979	17%	102%	-8,881	-117%	—
EPS(NT$)	0.17		0.08			-0.45		

Note : Q4'13 Operating income includes (1) charge of NT$ 320 million for the write-down of inventories, (2) loss of NT$ 265 million recognized from Sumpro .

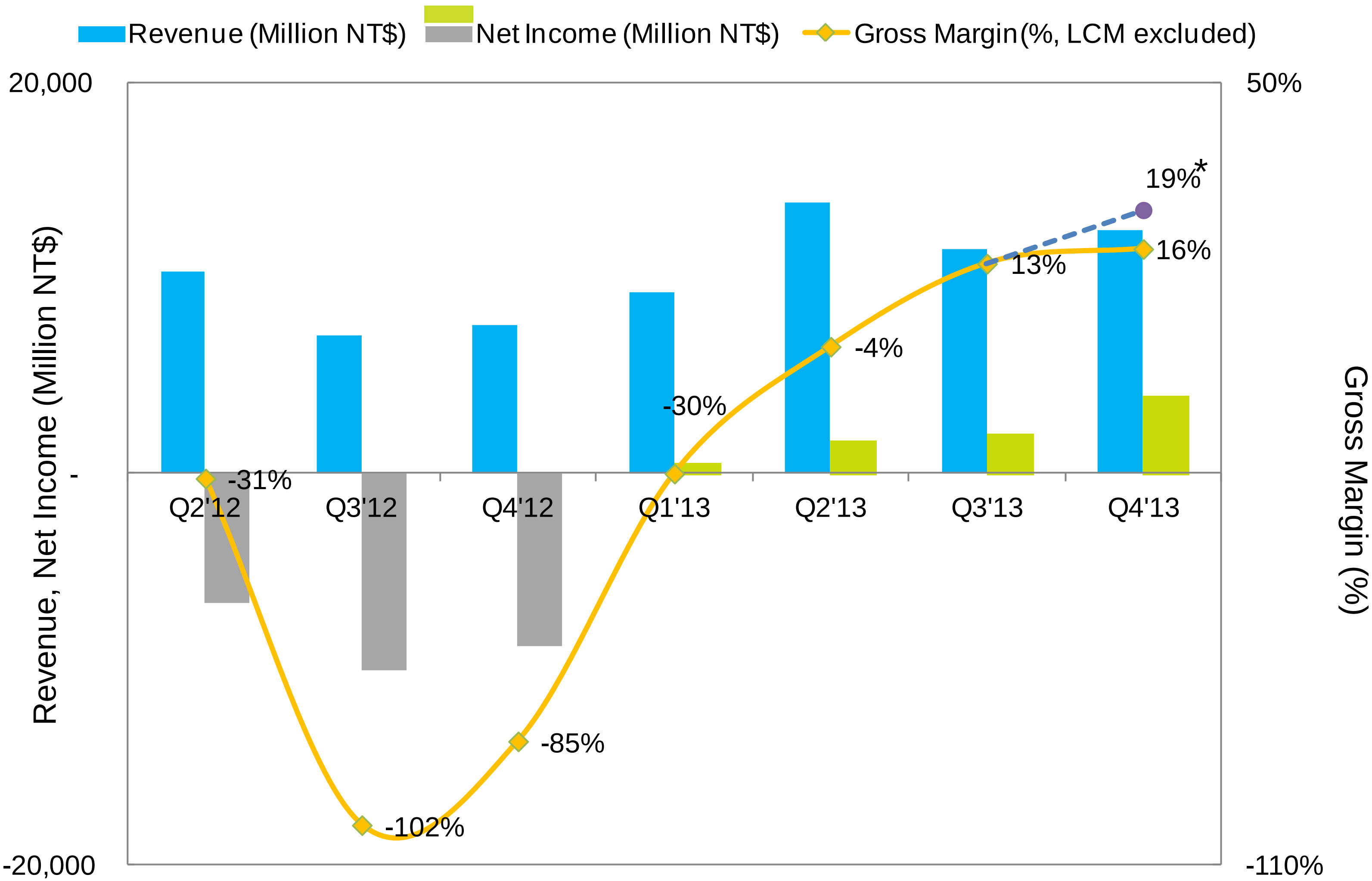
4Q'13 Cash Flows

(Unit: Million NT$)	4Q'13 * Unaudited	3Q'13 Audited	4Q'12 Audited
Net Cash Provided by Operating Activities	5,073	4,414	-4,366
therein depreciation & amortization	1,722	1,671	4,489
Net Cash Used in Investing Activities	-97	-751	140
Free Cash Flow	4,976	3,663	-4,226
Net Cash Provided by Financing Activities	-4,185	-5,246	10,742

Free Cash Flow = Net Cash Provided by Operating Activities + Net Cash Used in Investing Activities

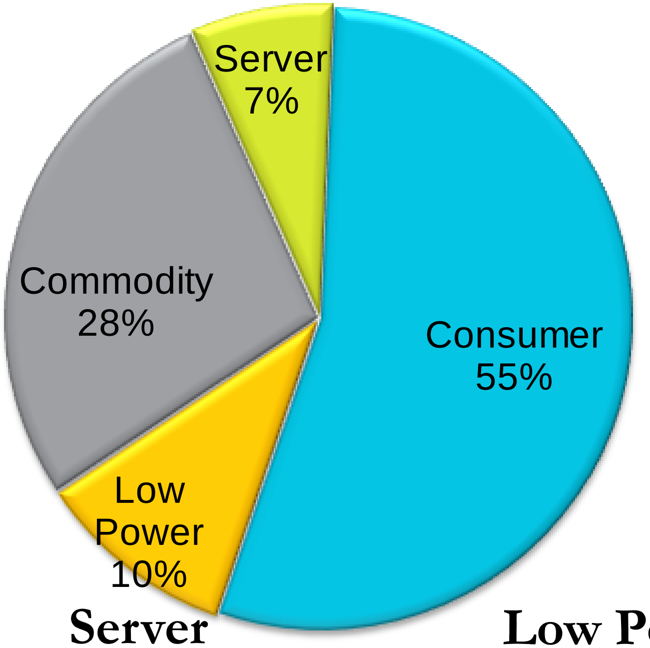
** 4Q '13 numbers are unaudited*

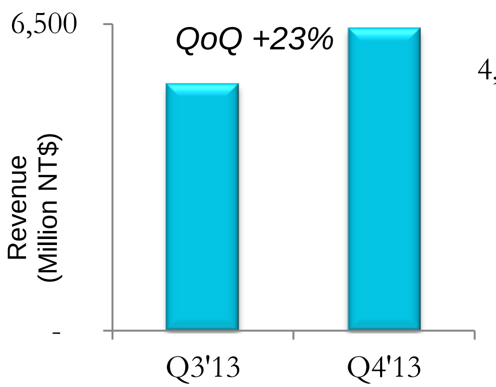
Financial Highlights

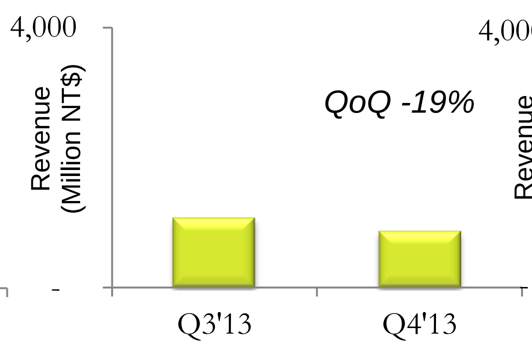


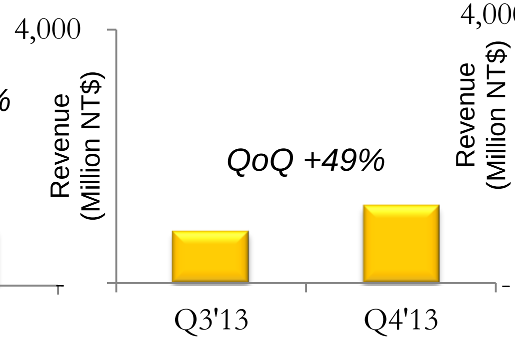
* NT$ 320 million of the write-down of inventories was excluded. LCM: Lower of cost or market.

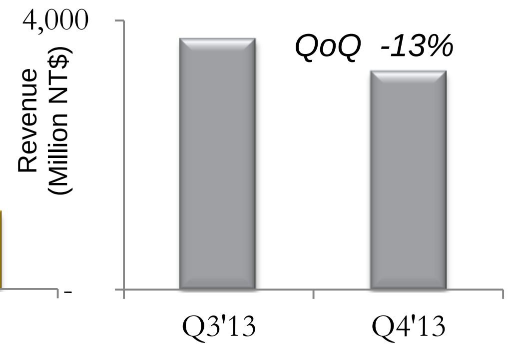
4Q’13 Revenue by Application



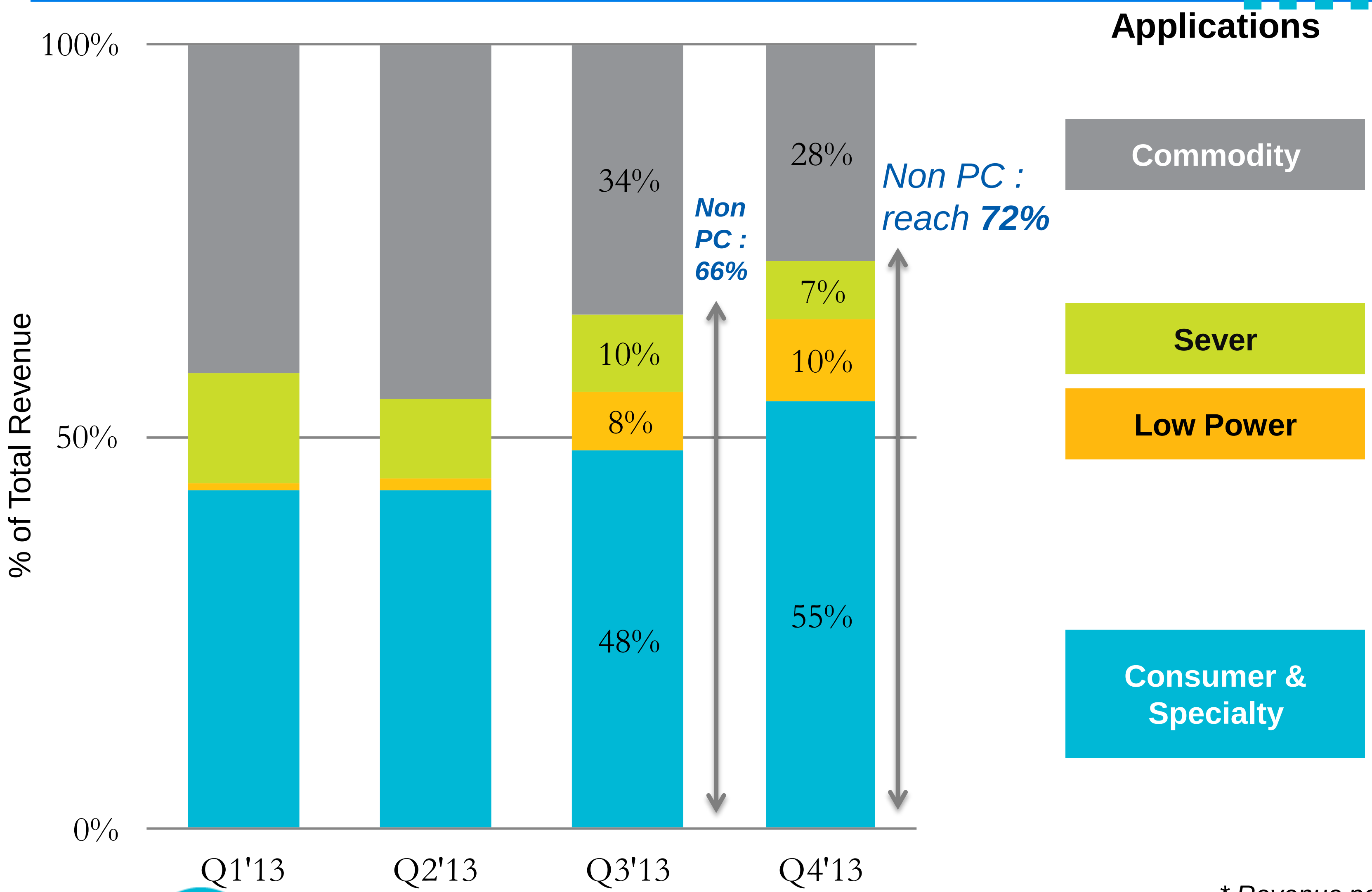






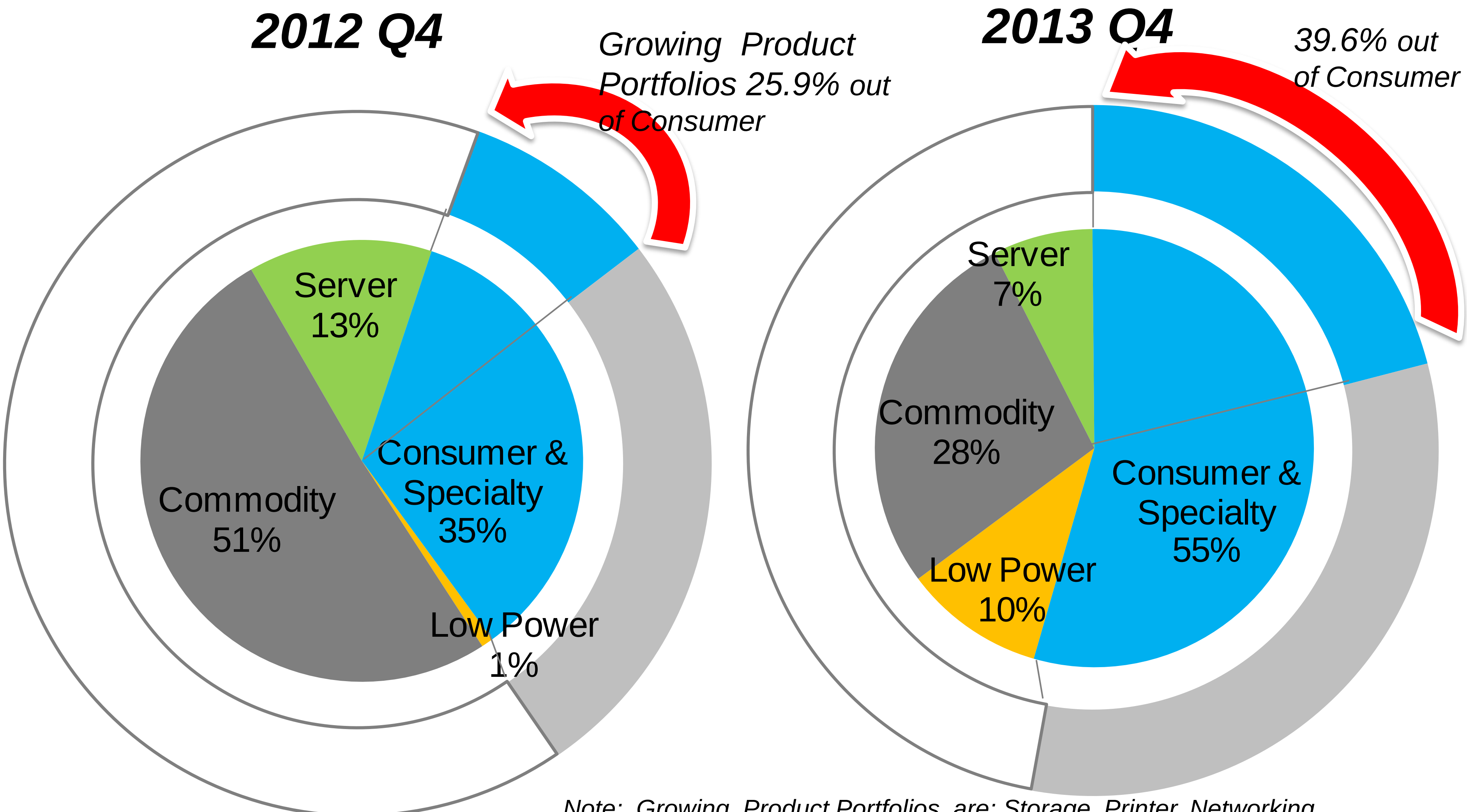


Sales Breakdown by Application



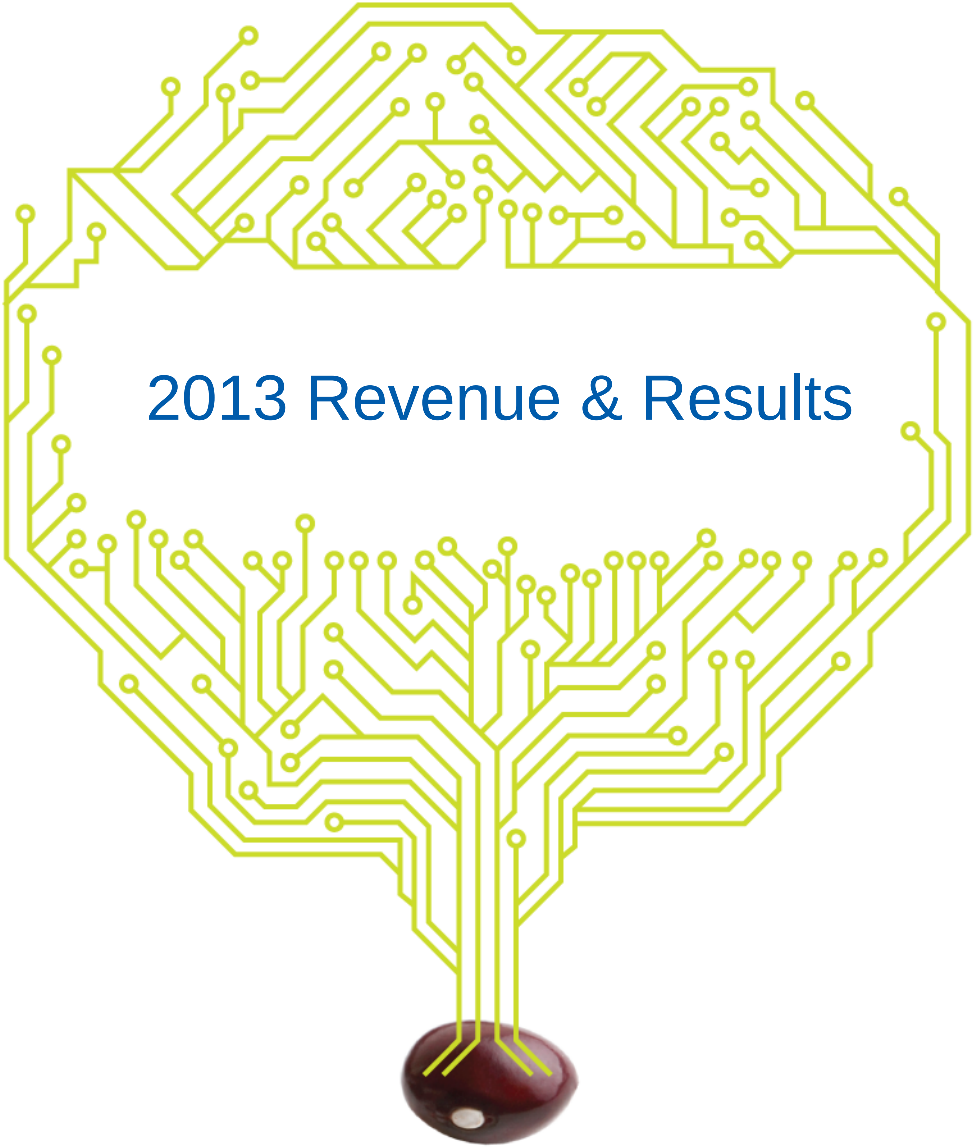
* Revenue portion

Growing Product Portfolios

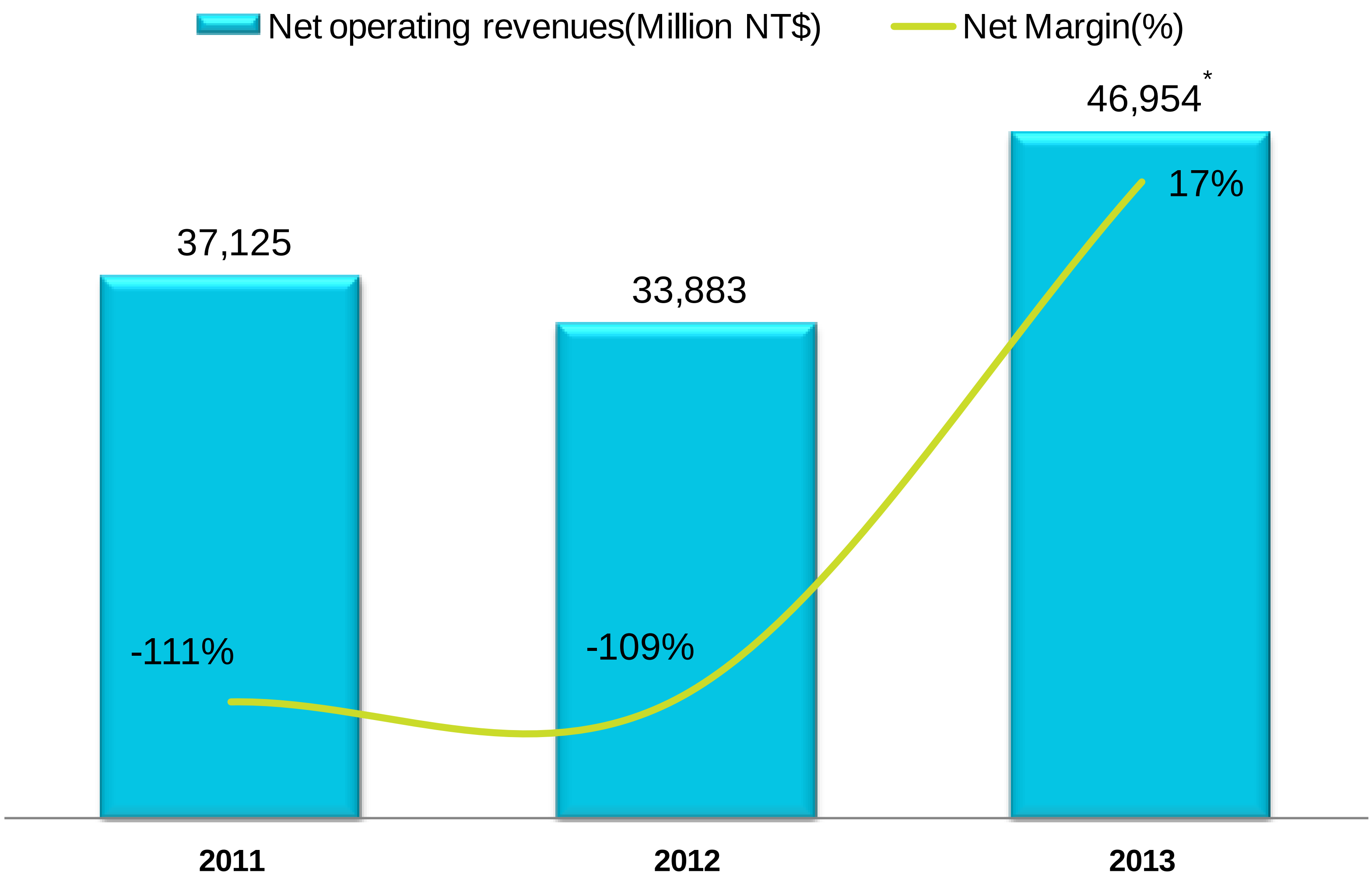


Note: Growing Product Portfolios are: Storage, Printer, Networking, KGD, Industrial Grade, Automotive, Pachinko…etc.

2013 Revenue & Results



Annual Revenue



Unaudited number

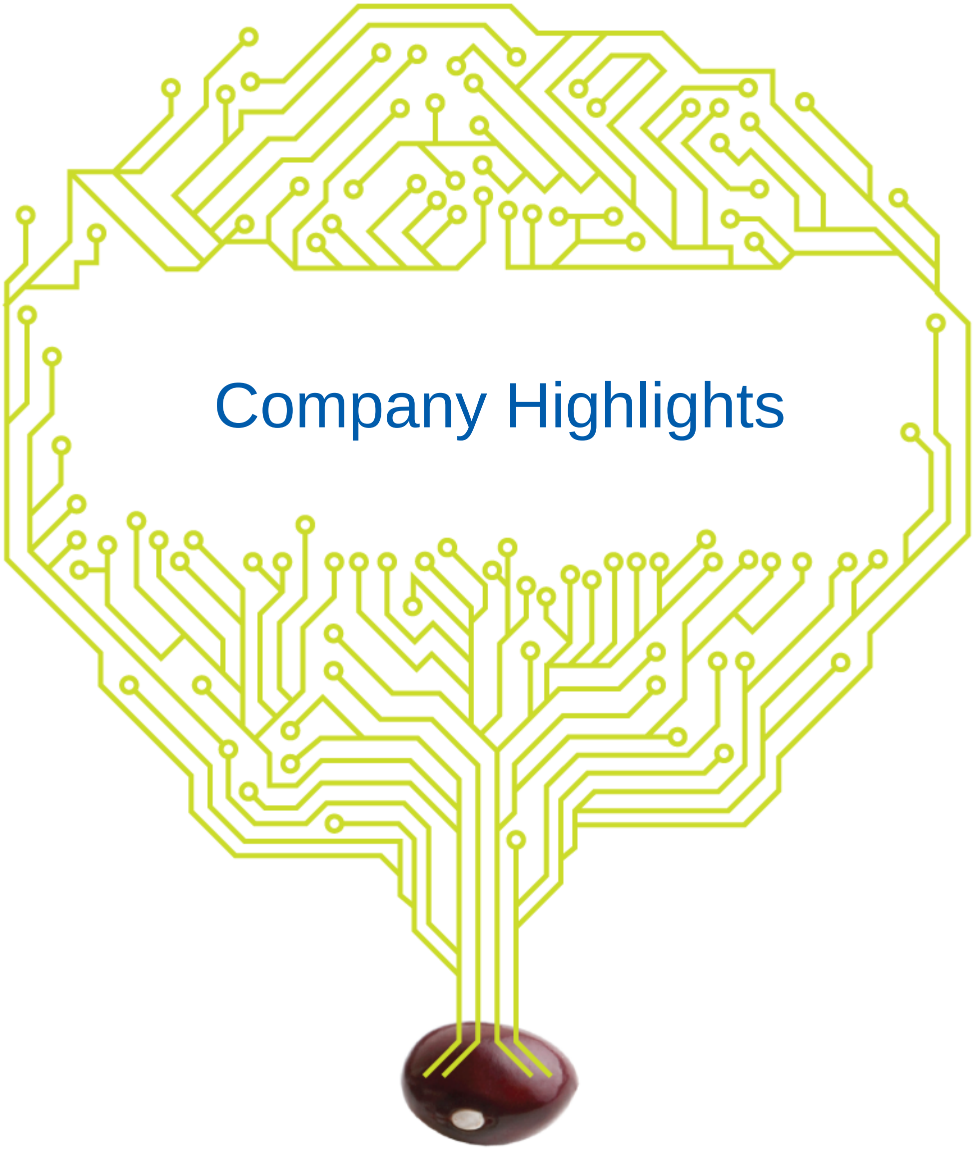
2013 Revenue Results

	2013 vs. 2012
Revenue	+38.6%
Shipment	Flat
ASP	+37.4%
Exchange Rate	+0.2 %

2013 Income Statement

Amount: Million NT$	Y2013 Unaudited		Y2012 Audited		YoY
Net Sales	46,954	100%	33,882	100%	39%
Cost of Goods Sold	39,413	84%	56,176	166%	
Gross Margin	7,541	16%	-22,293	-66%	—
SG&A Expenses	1,880	4%	2,079	6%	
R&D Expenses	1,568	3%	6,192	18%	
Operating Income	4,093	9%	-30,565	-90%	—
Non-operating Income (Exp.)	4,077	9%	-5,411	-16%	
Income before Tax	8,170	17%	-35,976	-106%	—
Income Tax Benefit (Expense)	-42	0%	-53	0%	
Net income attributable to noncontrolling interests	-42	0%	0	0%	
Net Income attributable to NTC	8,169	17%	-36,029	-106%	—
EPS(NT$)	0.34		-2.24		

Company Highlights



Business Highlights

2013 Q4

- Improved Gross Margin to 16% and Net Margin to 32% in Q4'13.
- Reached 72% revenue in non PC products in Q4'13.
- Cost per bit and bit shipments about flat in Q4'13.
- Recognized NT$2.896Billion from Inotera's profits.
- Secured NT$12Billion syndicated loan for financing working capital and loan repayments.

2013

- 2013 Net Income at NT$8.169Billion vs. 2012 at -NT$36.029Billion
- Growing product portfolios in 2013.

2014 Revenue Breakdown Guidance

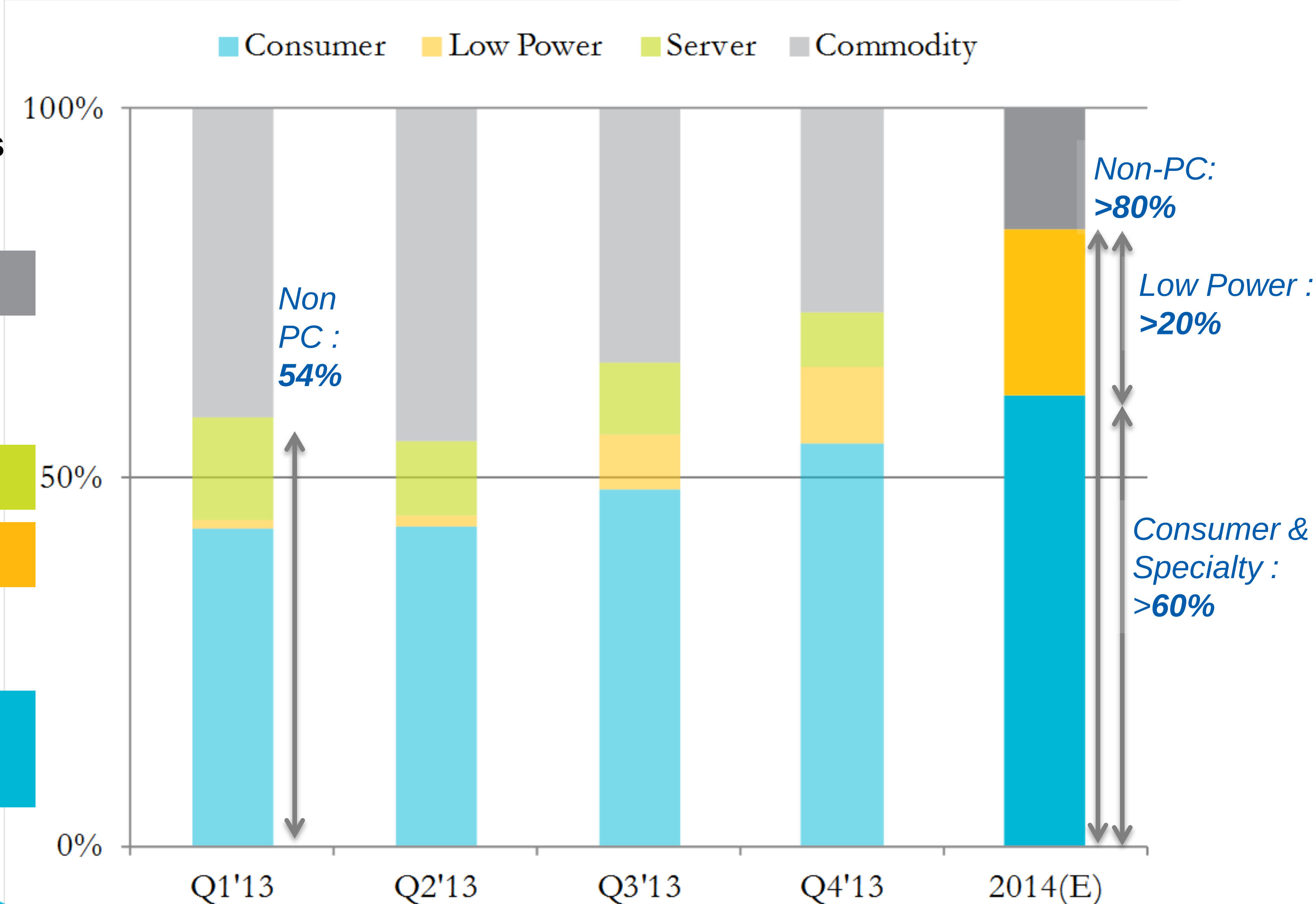
Applications

Commodity

Sever

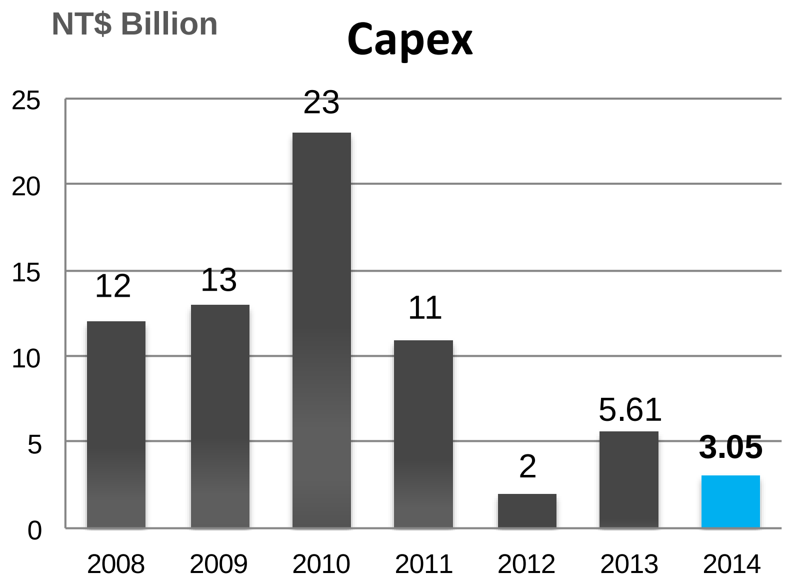
Low Power

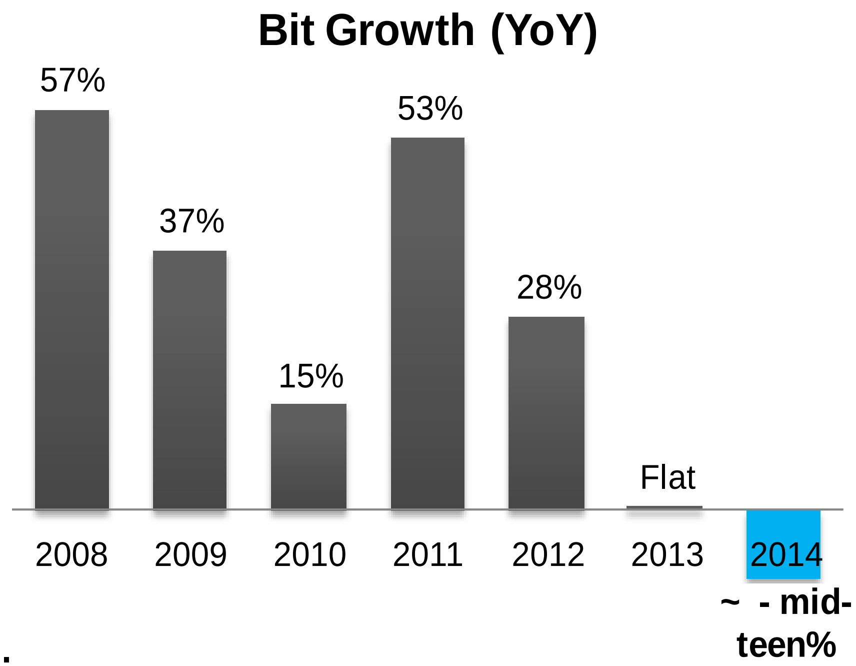
Consumer & Specialty



* Revenue portion by Application

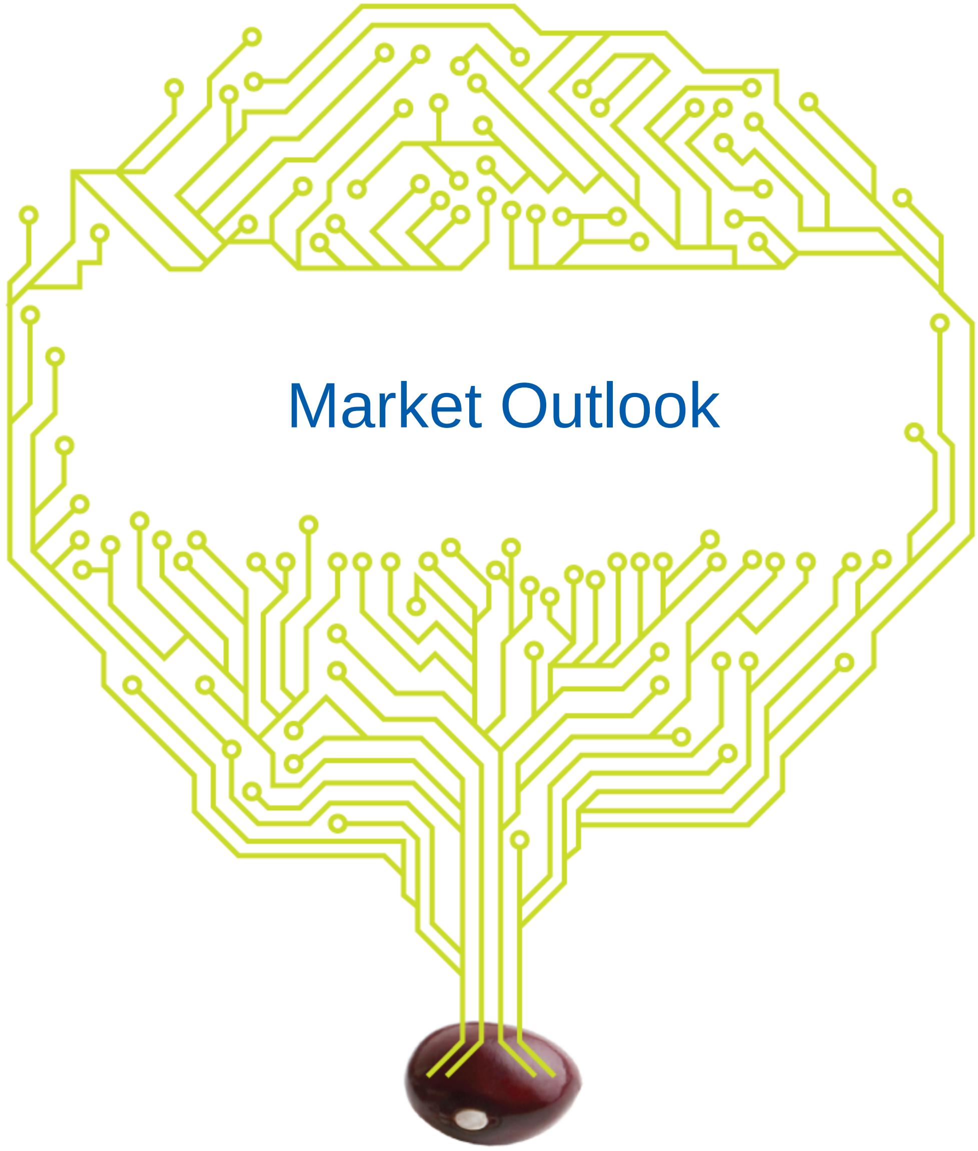
Business Update





- **Capex**
  - NT$5.61B Capex of 2013.
  - NT$0.256B Capex of Q4'13.
  - Estimated NT$3.05B for 2014 Capex.
    (mainly for 30nm capacity enhancement and 20nm preparation.)
- **Bit Shipment**
  - Flat bit growth in 2013 YoY.
  - Flat Q4'13 bit shipment QoQ.
  - Estimated up to mid-teen% bit shipment decrease in 2014.

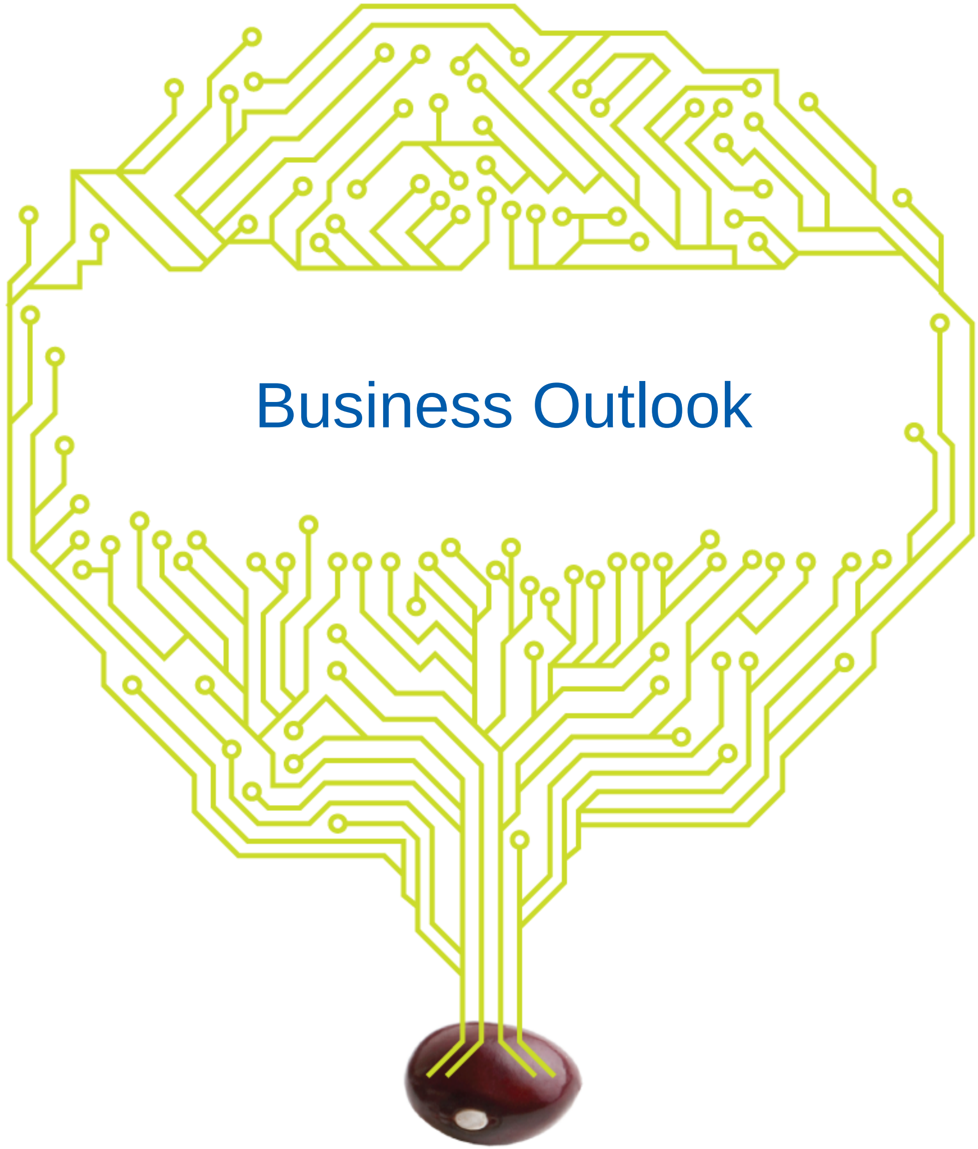
Market Outlook



DRAM Market Outlook – *Moderate 2014*

Market Outlook	
Supply	▪ The oligopolistic market structure will lead to limited DRAM growth. ▪ Supply remain stable in Q1'14, supply growth expected in Q2'14.
Demand	▪ New game consoles (PS4, XBOX one) increase the Graphic DRAM and DDR3 demand. ▪ Increasing ratio in 4K/2K and smart TV and OTT high end settop box. ▪ Server business remain strong. ▪ Potential market stimulation in consumer segment by CES and Chinese New Year. ▪ PC market slightly better than expectation.
Price	▪ Expect stable DRAM pricing in Q1'14, moderate correction in Q2'14, and remain healthy throughout 2014.

Business Outlook



Business Outlook

- Gross margin continues to improve in Q1’14.
- 30nm wafer output reached 70% of total capacity.
- Q1’14 & Y2014 bit shipments down mid-teen%.
- Launched Die Shrink Program.
- Improve shipment to China consumer market.
- Non-PC sales revenue targeted 80% in 2014.

Q & A

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