



**WAH LEE INDUSTRIAL CORP.**

**華立企業股份有限公司**

**Material Pioneer, Technology Navigator**



# **INVESTOR MEETING**

## **法說簡報**

**November 2016**

**2016年11月**

TSE Ticker : 3010 TT

<http://www.wahlee.com>

# Contents 簡介內容

- ✦ Company Profile, Pages 3-5  
公司介紹
- ✦ Product Mix and Growth Driver Pages 6-9  
產品發展趨勢
- ✦ 3Q2016 Consolidated Financial Results, Pages 10-12  
合併2016年3Q營運報告
- ✦ Historical Shareholder Return and Dividend Policy, Page 13  
歷年股東投資報酬率與股利政策
- ✦ Key Financial Indicators, 14-18  
重要財務指標

# Company Profile 公司簡介

|  |  |
|--|--|
| <b>Inception:</b><br>成立日期                    | <b>10/1/1968</b>   |
| <b>Listing:</b><br>掛牌日期                      | <b>7/22/2002 on TSE (台灣證券交易所)</b>  |
| <b>Capital:</b><br>實收資本額                     | <b>NT\$ 2,313,901,380</b>  |
| <b>Market Cap:</b><br>市值                     | <b>~USD\$330 million</b>   |
| <b>Core Business:</b><br>主要業務                | <b>Leading Upstream raw materials and solutions integrator for the high technology<br/>高科技產業整體解決方案供應商</b>  |
| <b>Long term Growth Strategy :</b><br>長期成長動能 | <b>Expansion into New Utilization of Existing Products, New Products, New Technology, New Industries, New Territories<br/>拓展既有產品的新用途，開發新產品、新技術、新產業、新領域</b> |

# Sales Offices 國際行銷據點

China 中國

Tianjin 天津

Shanghai 上海

Shenzhen 深圳

香港

Hong Kong 香港

South East Asia 東南亞

Singapore 新加坡

Vietnam 越南

Malaysia 馬來西亞

Thailand 泰國

Philippines 菲律賓

Indonesia 印尼

Taipei 台北

Hsinchu 新竹

Taichung 台中

Tainan 台南

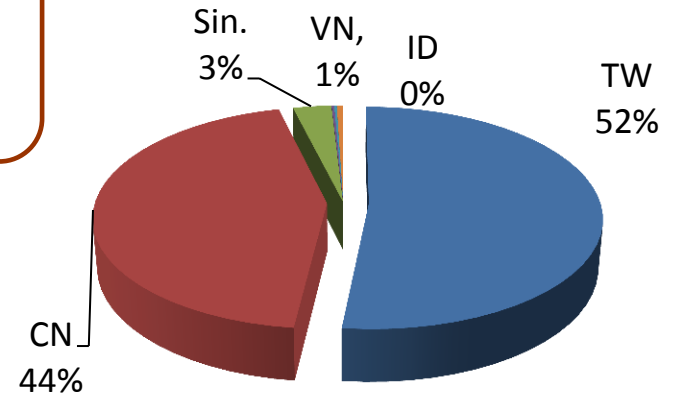
Kaohsiung 高雄

Wah Lee 華立企業

USA 美國

San Jose 聖荷西

LA 洛杉磯



Wah Lee Subsidiaries

Jan.-Oct. 2016 consolidated sales  
合併營收區域別

# Wah Lee's Value Proposition 華立附加價值

## One Stop Full Service Shopping

華立在供應鏈中提供關鍵附加價值：一次購足



## VALUE WAH LEE PROVIDES 華立提供的附加價值

### Supplier Perspective

- Reduction in Marketing, Sales, FAE cost
- Can focus on R&D and Manufacturing
- No need to support a large infrastructure of warehousing and logistic

### 供應商角度

- 減輕行銷、技術支援成本
- 專注研發、製造
- 減少倉儲、物流資本支出

### Customer's Perspective

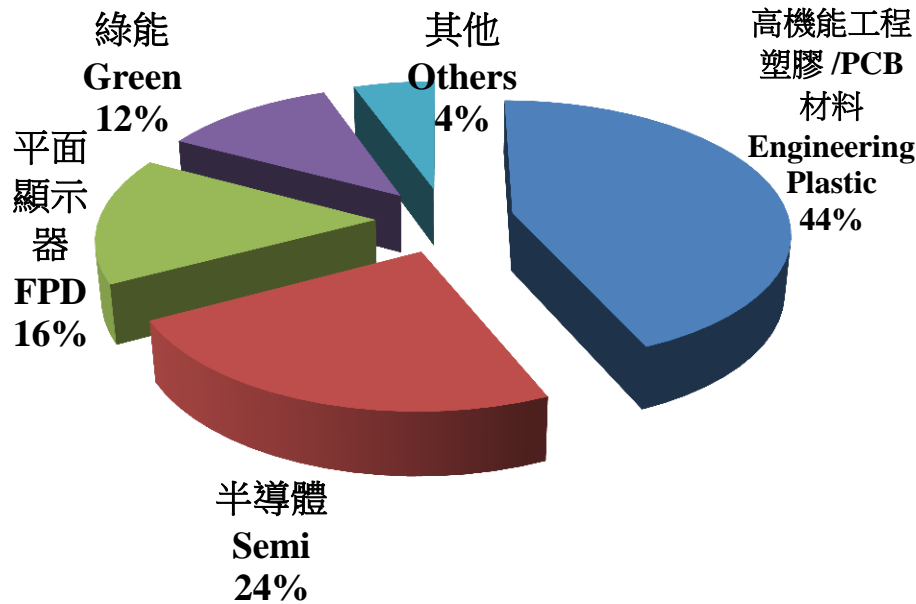
- Immediate FAE Support
- JIT delivery
- Reduction in purchasing cost
- Increase ability to meet market demand changes
- Less inventory obsolescent risk

### 客戶角度

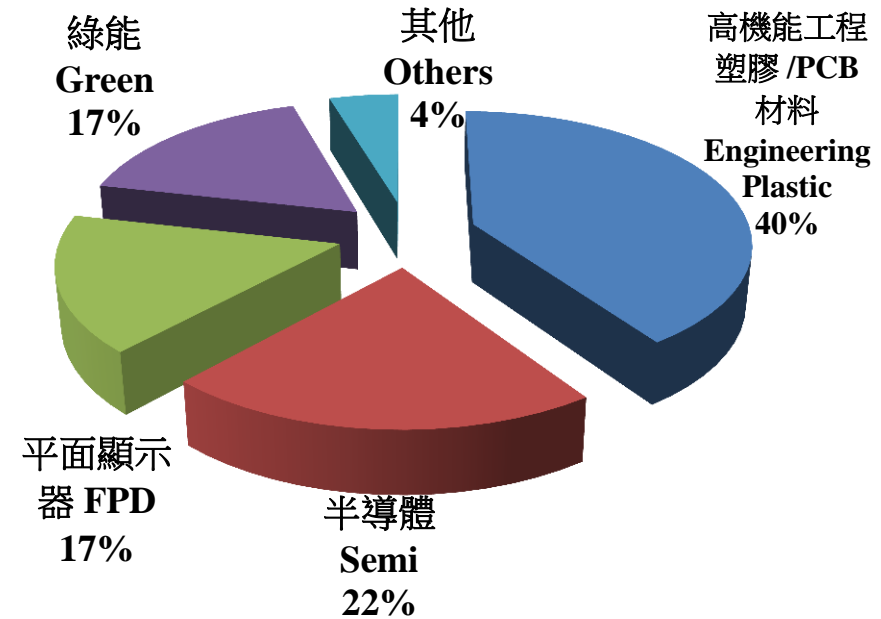
- 即時獲得技術支援
- 即時取得材料
- 降低採購成本
- 即時反應市場變化
- 減少滯銷品風險

# Industry Sales Breakdown 營收產業別資訊

2016/01-10



2015/01-10



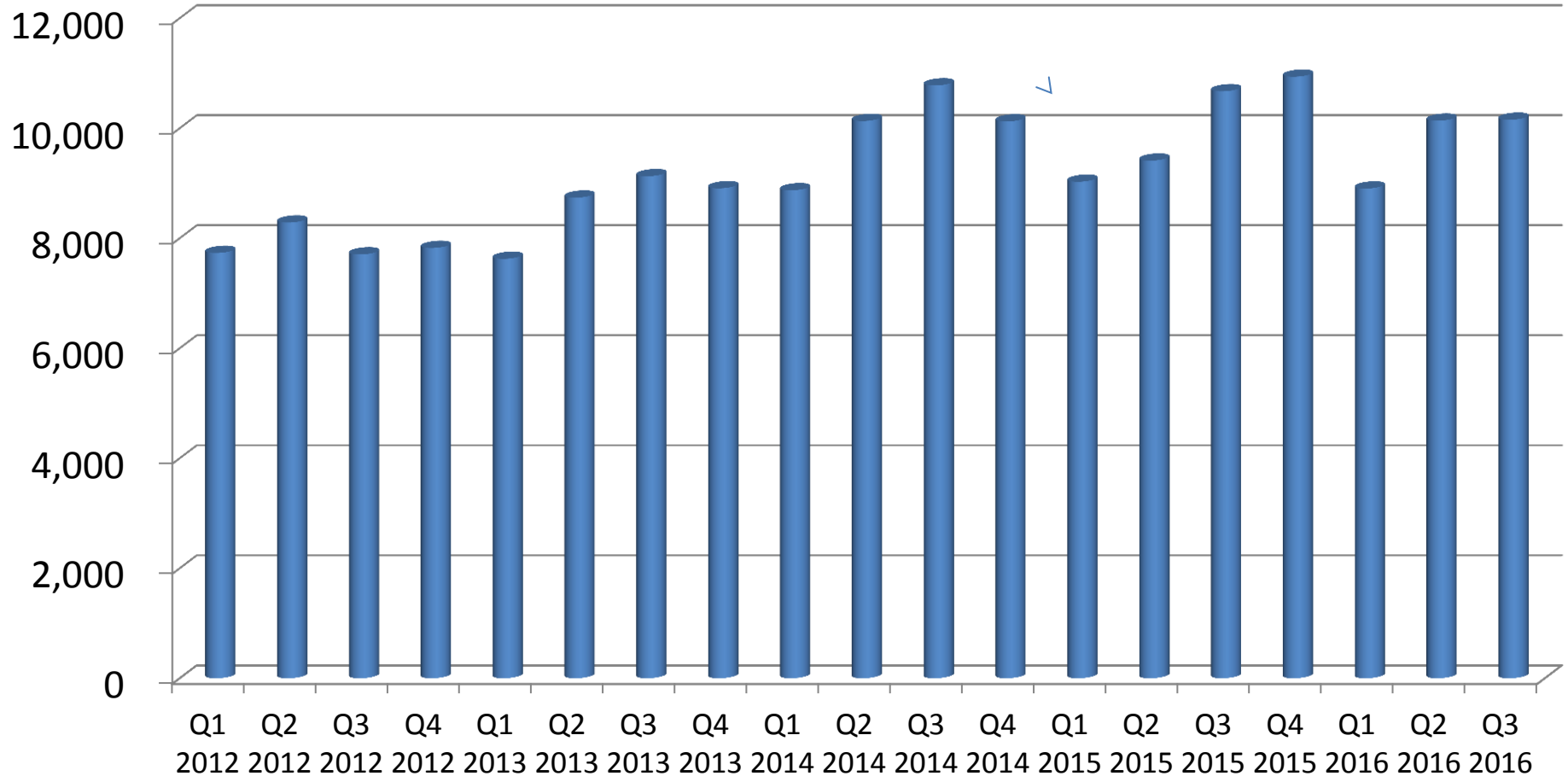
| 百萬 Mil NTD  | C/C    | Semi  | FPD    | Green   | Others | Total  |
|-------------|--------|-------|--------|---------|--------|--------|
| 2016/ 01-10 | 14,035 | 7,663 | 5,023  | 3,772   | 1,775  | 32,267 |
| 2015/ 01-10 | 13,248 | 7,062 | 5,445  | 5,531   | 1,528  | 32,814 |
| YoY%        | 5.94%  | 8.52% | -7.75% | -31.81% | 16.14% | -1.67% |

# Quarterly Consolidated Sales 季合併營收資訊

## 季合併營收

### Quarterly Consolidated Sales

百萬元新台幣  
In Million NTD

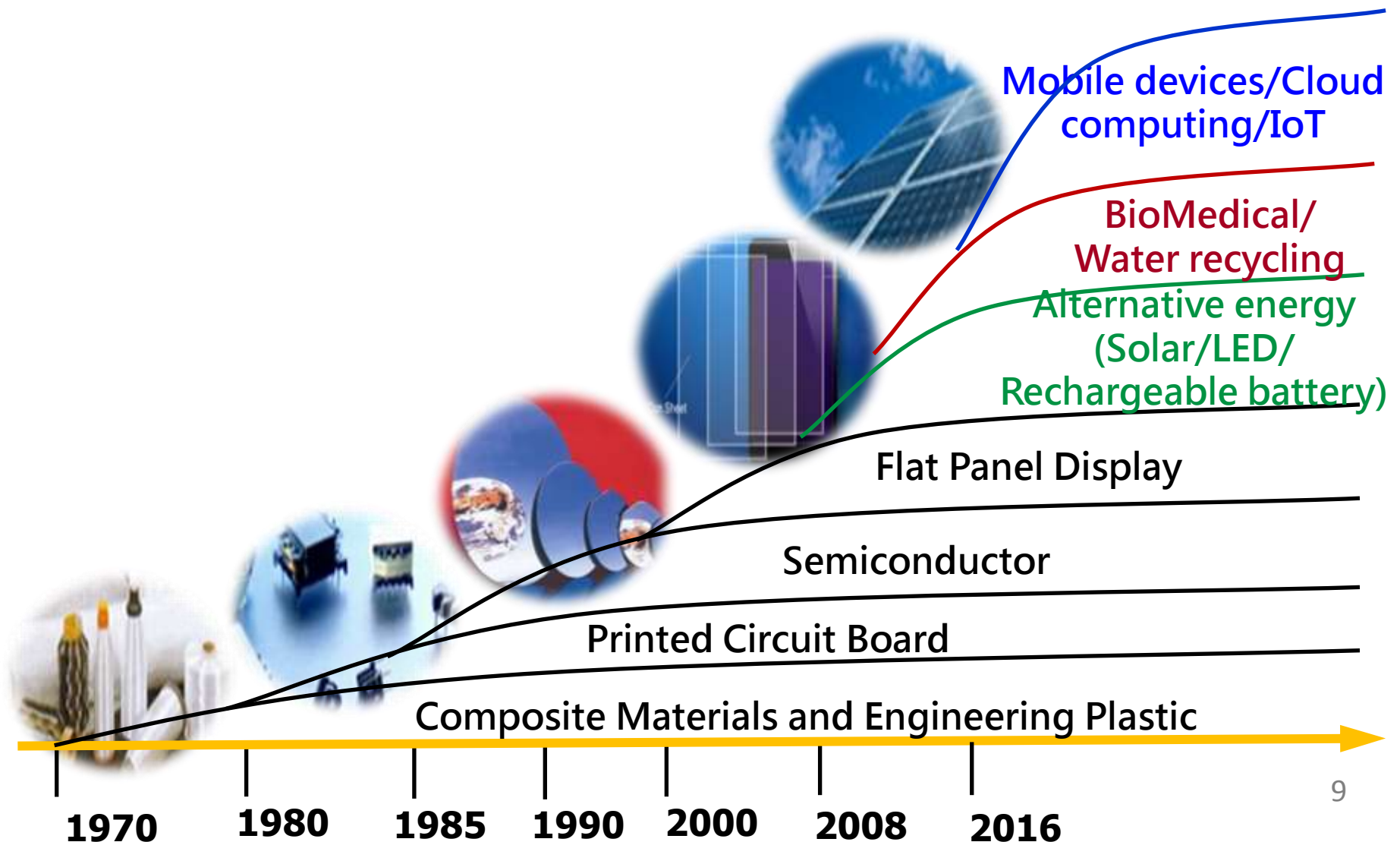


# Growth Driver 成長動能

- ✦ Engineering Plastic : Expansion of product usage to sectors beyond Computer Communications such as Auto Industry, LED, Solar, Consumer Electronics, Medical, and Food Packaging  
高機能工程塑膠：將現有材料開發資通訊以外的新領域，包括汽車、LED、太陽能、家電、醫療、食品包裝
- ✦ Semiconductor : Chemicals used in Photo Lithography process as production migrates to more advanced process  
半導體：先進製程所需的化學品，包括光阻液、研磨液
- ✦ Flat-Panel Display : Capacity expansion and increase production in large size full HD 4K2K products in China customers, new product introductions, higher existing product penetration; AMOLED materials and equipments  
平面顯示器：大陸面板廠的產能擴充，大尺寸、高解析度的產品增長，新材料的導入，現有產品市占率的提升；AMOLED相關材料與設備
- ✦ Green Energy : increasing market share of LED and Solar products in China, LiFePO4 rechargeable battery for EVs  
綠能產業：太陽能與LED產品市占率提升，電動車用磷酸鋰鐵電池材料



# Contributions to Industries in Taiwan



# 3Q2016 Consolidated Income Statement

## 3Q2016 合併損益表

| Unit: NT\$ million         | 3Q2016<br>(CPA) | 3Q2015<br>(CPA) | YoY     |
|----------------------------|-----------------|-----------------|---------|
| Net Sales 營收淨額             | 29,191.2        | 29,107.7        | 0.3%    |
| Gross Profit 銷貨毛利          | 2,792.1         | 2,654.2         | 5.2%    |
| Gross Margin 毛利率           | 9.6%            | 9.1%            | 0.4%    |
| Op. Expense 營業費用           | 1,747.8         | 1,720.3         | 1.6%    |
| Op. Profit 營業利益            | 1,044.3         | 933.8           | 11.8%   |
| Non-op. Profit 業外收支        | 170.9           | 262.8           | -35.0%  |
| L-T investment income 長投收益 | 242.3           | 338.3           | -28.4%  |
| Disposal gain 處分利益         | 22.9            | 1.4             | 1535.7% |
| Others 其他                  | (94.3)          | (76.9)          | 22.6%   |
| Pre-tax Profit 稅前利潤        | 1,215.2         | 1,196.6         | 1.6%    |
| Net Income 稅後淨利            | 801.3           | 812.3           | -1.4%   |
| After tax EPS              | 3.46            | 3.51            | -1.4%   |

\* Consolidated entities include: Wah Lee Taiwan and China Subsidiaries (Raycong, Shanghai YiKang), Japan Solar Power Plant (Skypower、Okayama、Miyazaki、Sakuragawa), Singapore, Indonesia, and Vietnam.

\* 上述合併報表主體, 包含華立台灣、大陸子公司(華港香港、上海怡康)、日本電廠(Skypower、岡山、宮崎、櫻川)、華立新加坡、華立印尼, 及華立越南。

# 3Q2016 Long Term Investments 長期投資收益

Unit: NT\$ thousand

| <b>Long-term Investments</b><br>轉投資事業   | <b>Product Lines</b><br>主要產品線  | <b>Holding %</b><br>持有比例 % | <b>3Q2016 Earnings Recognized</b><br>長投收益 |
|---|--|----------------------------|---|
| Chang Wah Electromaterials Inc.<br>長華電材 | Semiconductor Packaging and Testing Materials  | <b>31</b>                  | <b>211,709</b>                            |
| Nagase Wah Lee Plastics<br>長華塑膠         | SABIC Engineering Plastics   | <b>40</b>                  | <b>84,633</b>                             |
| Wah Hong Industrial Corp.<br>華宏新技       | Optical Film, High Performance Plastic Compound, Heat Dissipation Solution, VCM Actuator | <b>26</b>                  | <b>(68,945)</b>                           |
| ORC Wah Lee Technology Corp.<br>華展光電    | ORC Exposure Machine and Lamps   | <b>35</b>                  | <b>14,893</b>                             |
| <b>Total</b>                            |  |                            | <b>242,290</b>                            |

# 3Q2016 Consolidated Balance Sheet 合併資產負債表

Unit: NT\$ million

|   | 2016-9-30<br>(CPA) |        | 2015-9-30<br>(CPA) |        |                                    | 2016-9-30<br>(CPA) |        | 2015-9-30<br>(CPA) |        |
|---|--------------------|--------|--------------------|--------|------------------------------------|--------------------|--------|--------------------|--------|
| Cash & Equiv. 現金                        | 2,627              | 10.4%  | 3,201              | 11.8%  | S-T Borrowing 短期借款                 | 2,727              | 10.8%  | 4,631              | 17.0%  |
| A/R 應收帳款                                | 10,780             | 42.6%  | 11,358             | 41.7%  | A/P 應付帳款                           | 5,820              | 23.0%  | 6,229              | 22.9%  |
| Inventory 存貨                            | 3,361              | 13.3%  | 4,009              | 14.7%  | Other C/L 其他流動負債                   | 2,295              | 9.1%   | 1,188              | 4.4%   |
| Other C/A 其他流動資產                        | 536                | 2.1%   | 983                | 3.6%   | Current Liab. 流動負債                 | 10,842             | 42.9%  | 12,048             | 44.2%  |
| Current Assets 流動資產                     | 17,304             | 68.4%  | 19,550             | 71.8%  | L-T Borrowing 長期借款                 | 2,650              | 10.5%  | 3,404              | 12.5%  |
| Financial Asset-Non<br>Current 金融資產-非流動 | 545                | 2.2%   | 511                | 1.9%   | Other Liab. 其他負債                   | 1,169              | 4.6%   | 1,126              | 4.1%   |
| L-T investments 長期投資                    | 4,304              | 17.0%  | 4,447              | 16.3%  | Non-Current Liab. 非流動負債            | 3,820              | 15.1%  | 4,531              | 16.6%  |
| Fixed Assets 固定資產                       | 2,533              | 10.0%  | 2,258              | 8.3%   | Total Liab. 總負債                    | 14,661             | 58.0%  | 16,579             | 60.9%  |
| Other Assets 其他資產                       | 595                | 2.4%   | 462                | 1.7%   | Capital 股本                         | 2,314              | 9.2%   | 2,314              | 8.5%   |
| Non-Current Asset<br>非流動資產              | 7,977              | 31.6%  | 7,677              | 28.2%  | Capital Surplus 資本公積               | 1,371              | 5.4%   | 1,349              | 5.0%   |
|   |                    |        |                    |        | Retained Earnings 保留盈餘             | 6,082              | 24.1%  | 5,608              | 20.6%  |
|   |                    |        |                    |        | Other Equities 其他權益                | (101)              | -0.4%  | 458                | 1.7%   |
|   |                    |        |                    |        | Non-Controlling. Interest<br>非控制權益 | 953                | 3.8%   | 919                | 3.4%   |
|   |                    |        |                    |        | Total Equities 總股東權益               | 10,620             | 100.0% | 10,649             | 100.0% |
| Total Assets 總資產                        | 25,281             | 100.0% | 27,227             | 100.0% | Total Liab. and Equities 總負債及權益    | 25,281             | 100.0% | 27,227             | 100.0% |

\* Consolidated entities include: Wah Lee Taiwan and China Subsidiaries (Raycong, Shanghai YiKang), Japan Solar Power Plant (Skypower、Okayama、Miyazaki、Sakuragawa), Singapore, Indonesia, and Vietnam.

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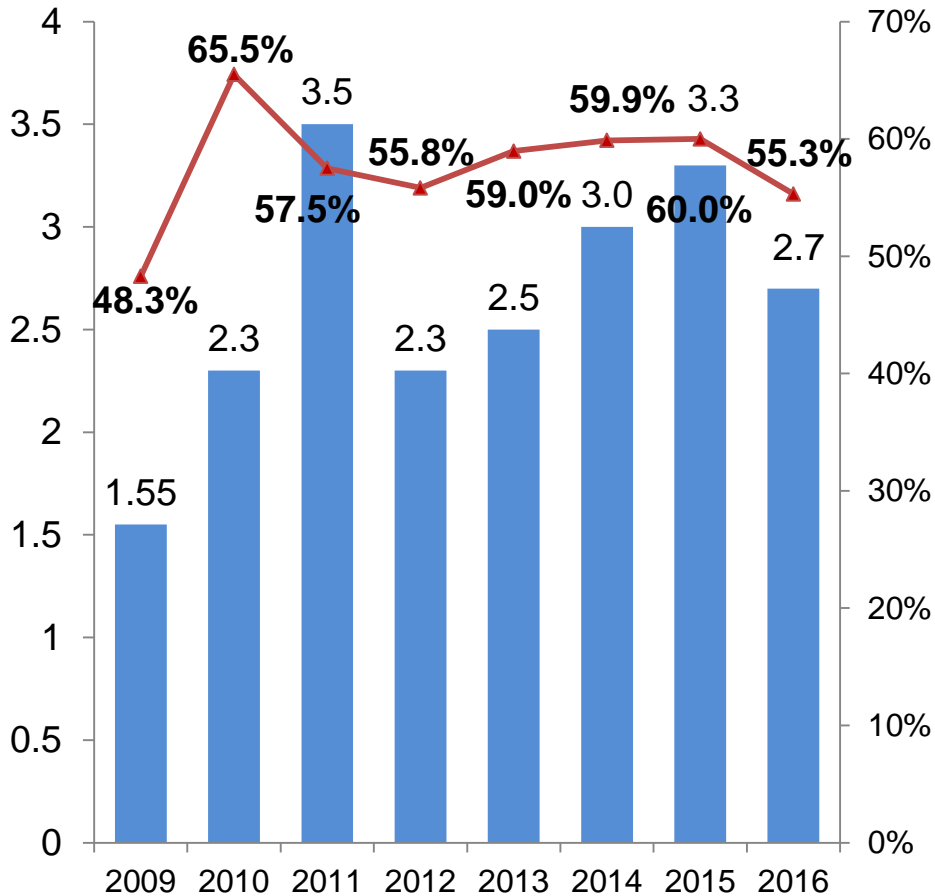
# Shareholder Returns Trend 股東投資報酬

## Dividend Policy 股利政策

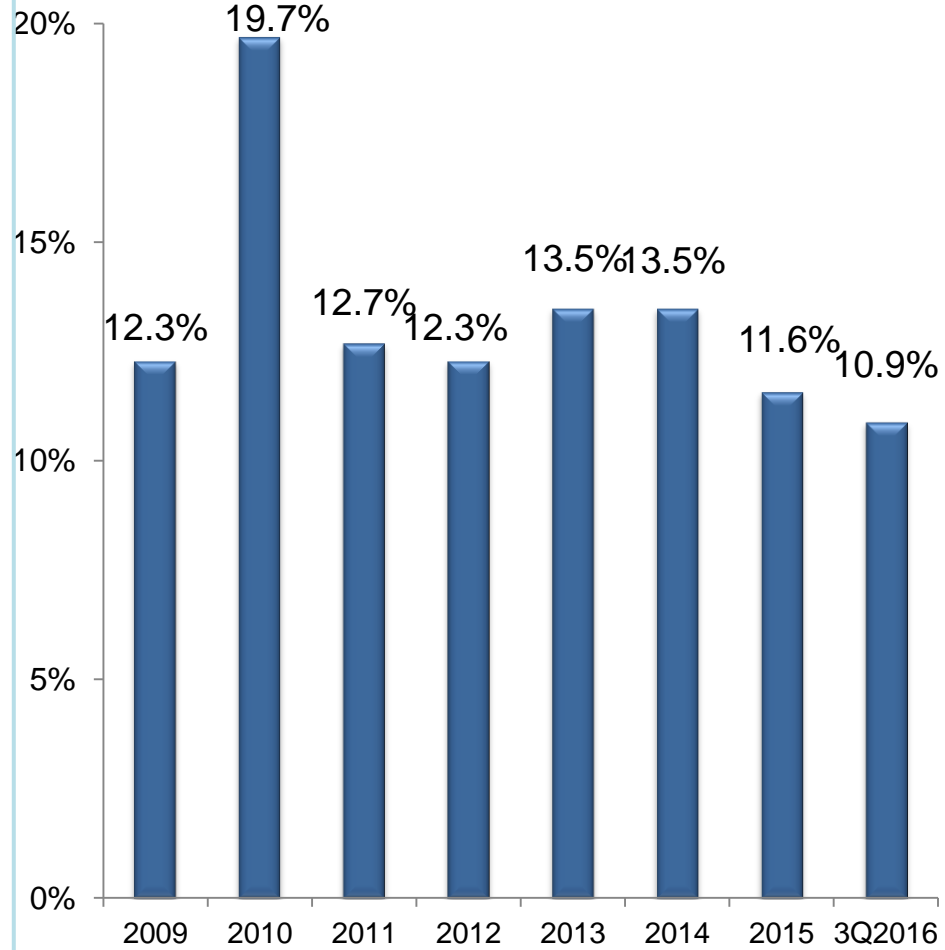
## ROE 股東權益報酬率

Cash Dividend  
現金股息 (NT\$)

Payout Ratio  
現金股息發放比率



\*Dividends are distribution of prior year's earnings.



• ROE of 3Q2016 is annualized.

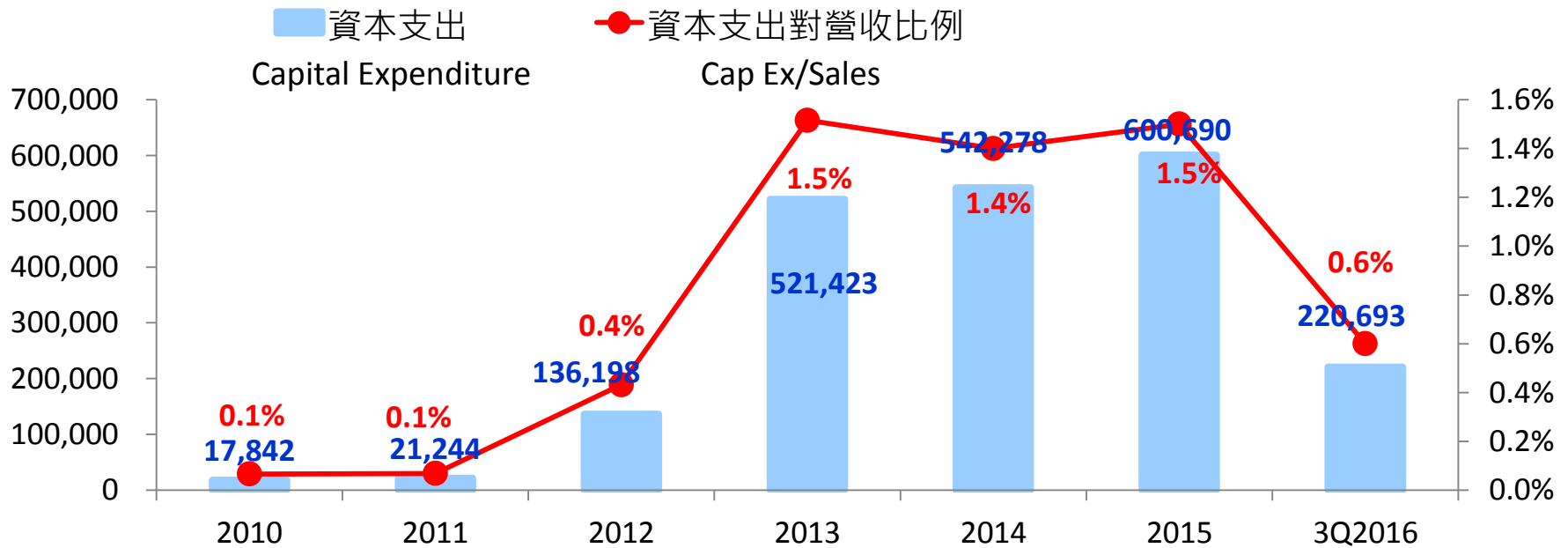
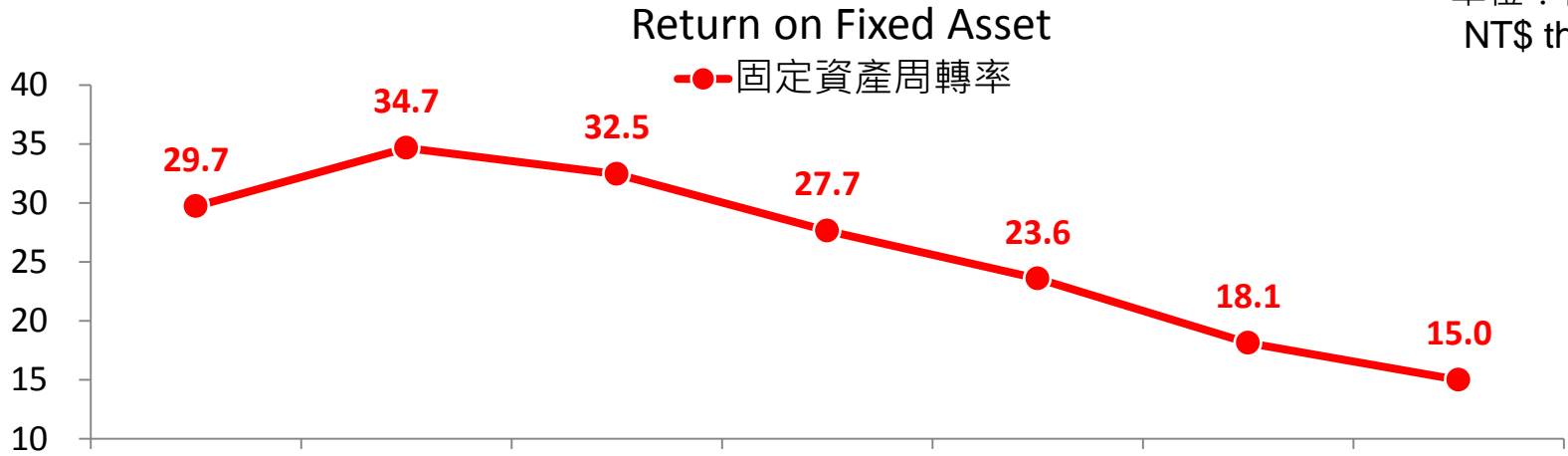
# Consolidated Financial Indicators 合併財務比率

|   | 2009      | 2010      | 2011    | 2012      | 2013    | 2014      | 2015    | 3Q2016    |
|---|-----------|-----------|---------|-----------|---------|-----------|---------|-----------|
| Current Ratio 流動比率                        | 171.7%    | 163.7%    | 164.4%  | 162.2%    | 158.2%  | 154.8%    | 168.3%  | 158.2%    |
| Quick Ratio 速動比率                          | 132.4%    | 116.7%    | 122.2%  | 130.9%    | 127.7%  | 122.9%    | 127.8%  | 122.6%    |
| Net Debt/Equity 淨負債比率                     | 9.0%      | 22.3%     | 31.0%   | 20.7%     | 17.4%   | 35.4%     | 35.9%   | 35.1%     |
| A/R days 應收帳款天數                           | 102.1     | 87.9      | 88.9    | 95.2      | 96.2    | 95.1      | 102.1   | 103.8     |
| Inventory days 存貨天數                       | 69.6      | 47.6      | 46.2    | 40.7      | 35.6    | 35.3      | 39.8    | 39.9      |
| A/P days 應付帳款天數                           | 62.7      | 61.2      | 56.8    | 58.9      | 62.0    | 58.7      | 61.9    | 63.8      |
| Cash conversion days<br>現金週轉天數            | 108.9     | 74.4      | 78.2    | 76.9      | 69.8    | 71.6      | 79.9    | 79.9      |
| Operating cash flow (NT\$K)<br>來自營業活動現金流量 | 2,539,747 | (390,952) | 603,661 | 1,493,739 | 855,991 | (686,839) | 402,054 | 1,316,601 |
| ROE 股東權益報酬率                               | 12.3%     | 19.7%     | 12.7%   | 12.3%     | 13.5%   | 13.5%     | 11.6%   | 10.9%     |

\* ROE of 3Q2016 is annualized.

# Cap Ex and Return on Fix Asset 資本支出及固定資產效率

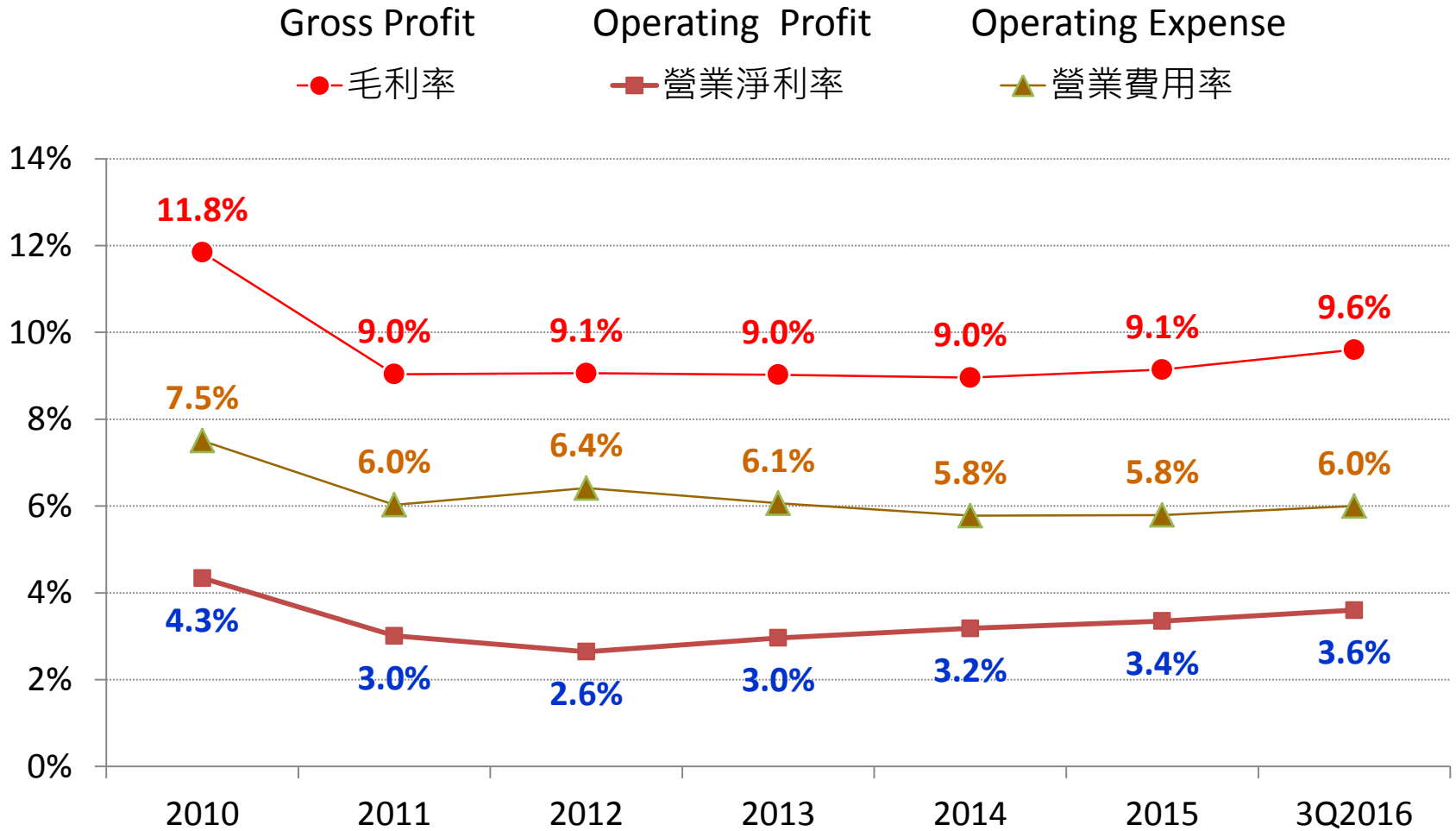
單位：台幣千元  
NT\$ thousand



\* Return on Fixed Asset and Cap Ex/Sales of 3Q2016 are annualized.

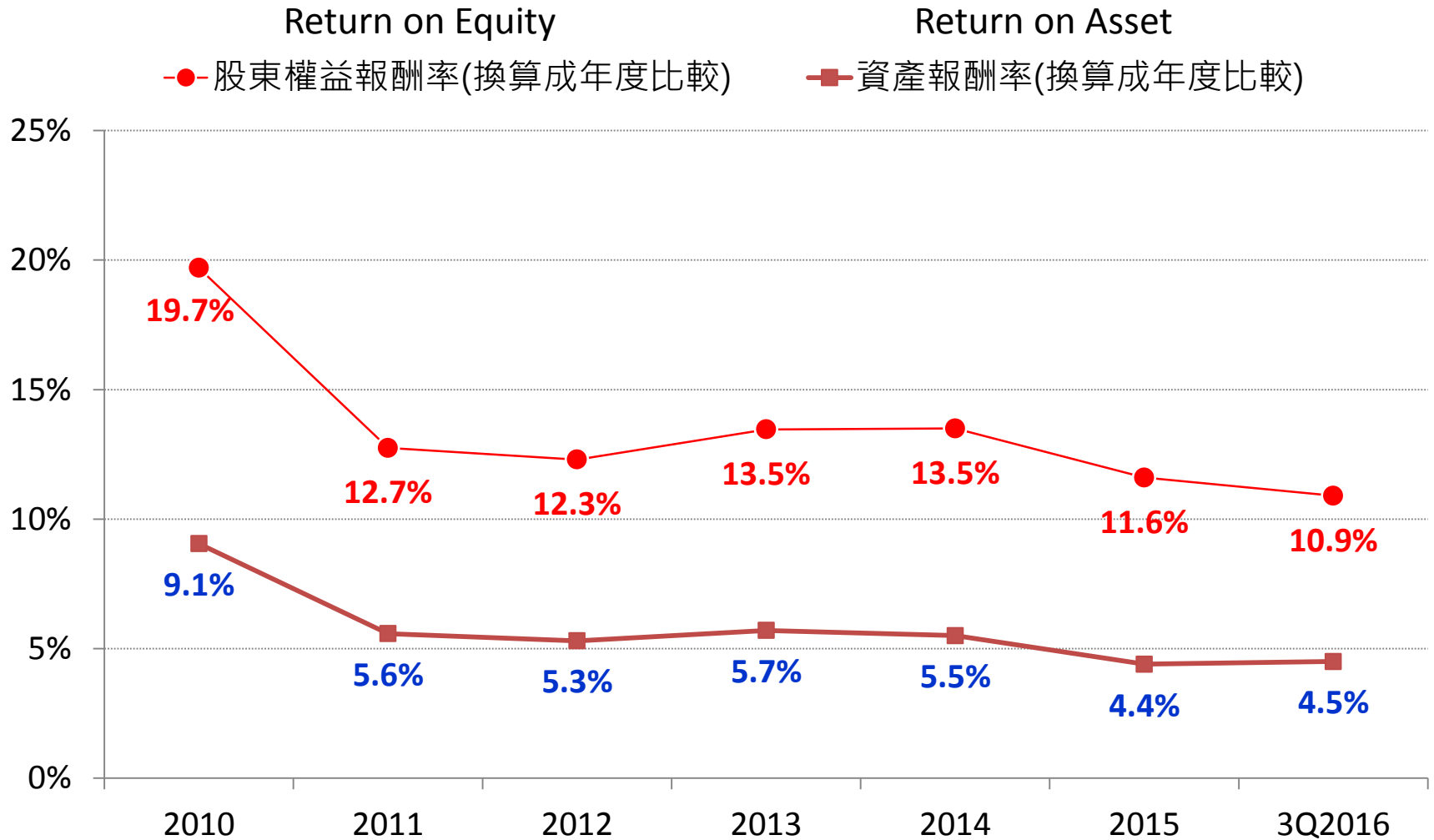
# Key Profitability Indicator 獲利能力財務比率

單位：台幣千元  
NT\$ thousand





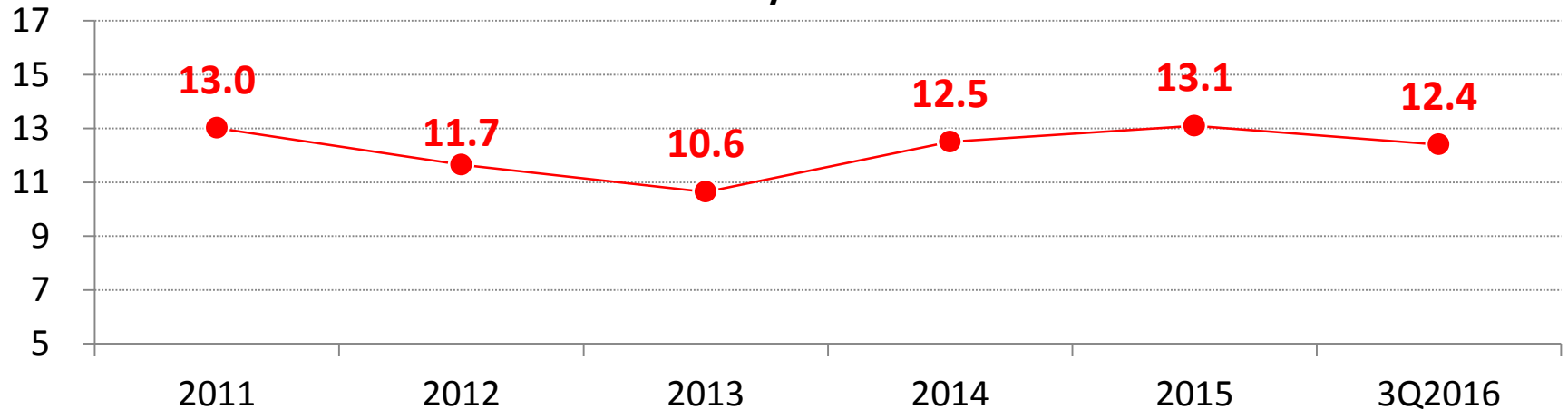
# Key Returns Indicator 報酬率



\* ROE and ROA of 3Q2016 are annualized.

# EV / EBITDA 企業價值倍數

● EV / EBITDA



| 項目 (台幣：億元)                            | 2011        | 2012        | 2013        | 2014        | 2015        | 3Q2016      |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>EV / EBITDA</b>                    | <b>13.0</b> | <b>11.7</b> | <b>10.6</b> | <b>12.5</b> | <b>13.0</b> | <b>12.4</b> |
| EBITDA                                | 15.2        | 14.8        | 18.0        | 19.6        | 18.6        | 13.7        |
| EV                                    | 198.4       | 172.5       | 192.0       | 245.4       | 242.7       | 226.9       |
| 收盤平均價<br>Avg Stock Price (NTD)        | 49.8        | 39.2        | 43.2        | 55.3        | 49.9        | 45.5        |
| 市值 Mkt Value                          | 115.3       | 90.7        | 100.1       | 127.8       | 115.4       | 105.3       |
| 總負債 Total Debt                        | 107.8       | 116.0       | 134.7       | 158.0       | 160.1       | 148.1       |
| 現金及短期投資<br>Cash/Short term investment | 24.7        | 34.2        | 42.7        | 40.3        | 32.8        | 26.5        |

EV 以收盤平均價計算，= 市值 + (總負債 - 總現金) = 市值 + 淨負債

EBITDA = 加計所得稅、利息利息折舊及攤銷前利潤，即未計利息、稅項、折舊及攤銷前的利潤。