



Company Basic Information

Closing Price (8/14/2015)	NT\$45.3
1 Yr High	NT\$58.4
1 Yr Low	NT\$42.2
Book Value/share	NT\$40.0
Shares on Issue (M)	231.4
Market Cap (USD M)	340
QFII Holding (%)	22.37
6-Mon Avg Daily Turn	NT\$11.2M

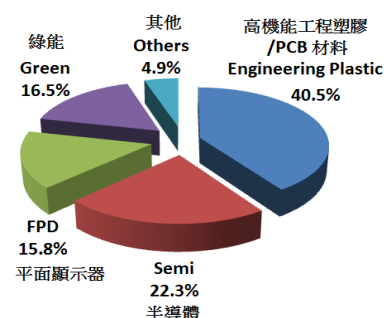
Key Financial Indicators

	2013	2014	2015Q2
ROE	13.5%	13.5%	11.1%
Net Debt/ Equity	17.4%	35.3%	23.1%
Cash Conversion Days	69.8	71.7	85.3

2015 WL Relative to TSE



Product Mix



Wah Lee Consolidated Entities include Wah Lee Taiwan and subsidiaries in China, Japan, Korea, and Singapore.

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Audited 2015 1H Consolidated Results Announcement

Wah Lee's 2015 1H sales reached NT\$18.5 billion, a 2.6% YoY decrease from 2014 1H.

- **Green Energy 18% YoY growth:** Due to strong momentum from green energy market in China, green sales increased 18% YoY to NT\$3.1B in 2015 1H. Green sales are expected to keep its upward trend in 2015 2H benefiting from LED and solar products and market demand in China.
- **Semiconductor 2% YoY increase:** Semiconductor sales reached NT\$4.1B, a 2% YoY growth than 2014 1H. Semiconductor sales are expected to rise due to customers' advanced process expansion.
- **Computer & Communication 1% YoY decrease:** Because of weak demand of PC and mobile device in 2015 1H, C&C sales, including Engineering Plastics and PCB, reached NT\$7.5B, a 1% YoY decrease. C&C sales are expected to increase in 2015 2H from new model launches for the coming holiday season and developing application in auto, medical industries.
- **FPD 27% YoY declined :** FPD sales reached NT\$2.9B in 2015 1H and showed a decline due to overall weakness in the industry but is expected to show some recovery in 2H.

2015 1H EPS reached NT\$2.27, a 10 % decrease, compared to NT\$2.52 in 2014 1H.

Consolidated 2015 1H gross profit reached NT\$1,700M, a 2 % increase, compared to NT\$1,670M in 2014 1H. Due to OPEX growth mainly resulting from bad debt allowance, operating income decreased 2% YoY, to NT\$589M.

Long term investment showed an 81% YoY increase with contribution reaching NT\$281M. Overall non-operating profit declined by 8% to reach NT\$189M mainly as a result of capital gain recognized in 2014. Pretax profit totaled NT\$778M, a slight decline of 3.3%. Net profit after tax was NT\$526M, a YoY decrease of 10% mainly due to higher effective tax rate as a result of greater profit contribution from China's operation which has a higher effective tax rate. EPS reached NT\$2.27, based on 231.4M outstanding shares.

Cash dividend of 3.3 per share was dispatched on Jul. 20, 2015.

The year's payout ratio is 60%. Cash dividend payout ratio has been steadily maintained at above 55% from 2010.



2015 2H Outlook

With demand from seasonal growth, 2H sales are expected to increase compared to 1H : C&C's 2015 2H sales are expected to grow benefiting from consumer electronics for the coming holiday season, and new application in auto, medical industries. Green Energy's 2015 2H sales are expected to lift due to demands for LED and solar products in China. Semiconductor's 2015 2H sales are expected to increase slightly because of customers' advanced process expansion. FPD's 2015 2H sales are expected to be higher than 2015 1H due to new product introductions in China.

Operating Result (M)	2012	2013	2014	1Q13	2Q13	3Q13	4Q13	1Q14	2Q14	3Q14	4Q14	1Q15	2Q15
Total Rev	31,545	34,398	39,901	7,625	8,738	9,127	8,908	8,871	10,130	10,777	10,123	9,102	9,410
Gross Profit	2,848	3,086	3,574	671	774	851	790	793	878	975	929	847	853
Operating Result	844	1,019	1,264	206	271	289	253	287	311	319	347	308	281
After Tax Profit	988	1,159	1,274	287	260	313	293	291	291	347	345	268	258
Shares Outstanding	231.40	231.40	231.40	231.40	231.40	231.40	231.40	231.40	231.40	231.40	231.40	231.40	231.40
EPS (NTD)	4.27	5.01	5.50	1.24	1.12	1.35	1.30	1.25	1.26	1.50	1.49	1.16	1.11
Operating Result (%)													
GP Margin	9.0%	9.0%	9.0%	8.8%	8.9%	9.3%	8.9%	8.9%	8.7%	9.0%	9.2%	9.3%	9.1%
OP Margin	2.7%	3.0%	3.2%	2.7%	3.1%	3.2%	2.8%	3.2%	3.1%	3.0%	3.4%	3.4%	3.0%
AT Profit Margin	3.1%	3.4%	3.2%	3.8%	3.0%	3.4%	3.3%	3.3%	2.9%	3.2%	3.4%	2.9%	2.7%
Growth % YoY/QoQ													
Sales YoY/QoQ	1.0%	9.0%	16.0%	-1.4%	5.5%	18.4%	13.9%	16.3%	15.9%	18.1%	13.6%	2.6%	-7.1%
GP YoY/QoQ	1.3%	8.4%	15.8%	-1.9%	2.5%	9.1%	25.6%	18.1%	13.4%	14.6%	17.5%	6.9%	-2.8%
OP YoY/QoQ	-11.2%	20.8%	24.1%	-14.9%	20.3%	19.9%	86.6%	39.4%	14.8%	10.4%	37.2%	7.3%	-9.7%
AT Profit YoY/QoQ	3.0%	17.4%	9.9%	15.5%	18.9%	6.2%	29.6%	1.4%	11.9%	10.9%	18.0%	-7.6%	-11.3%

Safe Harbor Notice

Wah Lee Industrial Corp. (the Company) has made forward-looking statements in this report. The forward-looking statements contain information regarding, among other things, the Company's financial condition, future expansion plans and business strategies. The Company has based these forward-looking statements on its current expectations and projections about future events. Although the Company believes that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about it.

The Company undertakes no obligation to publicly update or revise any forward-looking statements whether as a result of new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this report might not occur and the actual result could differ materially from those anticipated in these forward-looking statements.