



PASSIVE SYSTEM ALLIANCE

Prosperity Dielectrics Co., Ltd.

# 2018 Investment Forum Prosperity Dielectrics Co.

*(Stock code: 6173)*

2018.05.02

# About PDC

## Prosperity Dielectrics Corp :

- Established June, 1990
- Capital NTD 1.72 Billion
- Employee 1,208
- Brand PDC, Frontier
- Revenue NTD 3.16 Billion/2017Y (YoY:+18%)  
NTD 0.946 Billion/2018Q1(YoY:+28%)

## Branch Office/ Plant :

- Taiwan Taoyuan / Yangmei Plant
- China Wujiang/ Yongzhou Plant /Dongguan Office



## Production experience :

- Powder Since 1995 (22 years)
- MLCC/CR Since 1990 (27 years)
- Coil Since 1972 (45 years)

# 2016 ~ 2018 Financial Performances

介電瓷粉



半導體陶瓷  
電容器瓷片



積層陶瓷電容



晶片電阻



半導體



電感



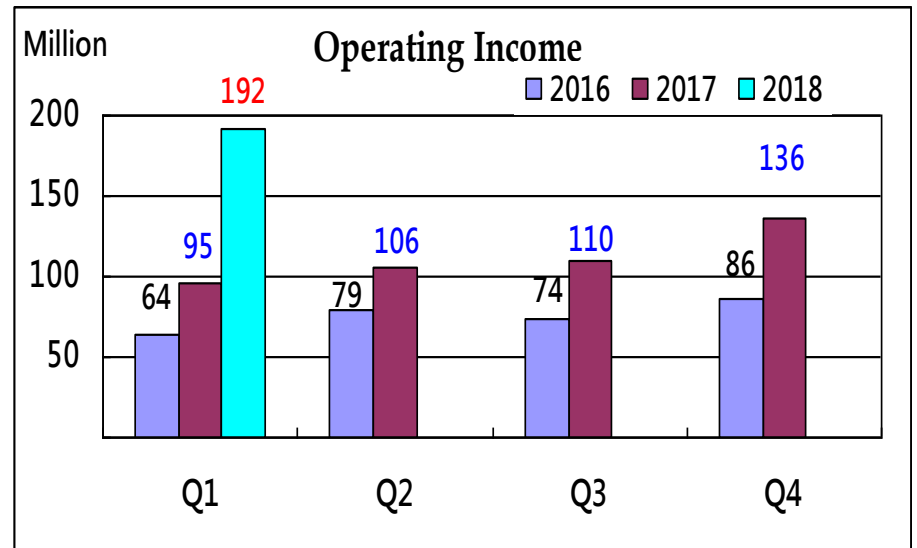
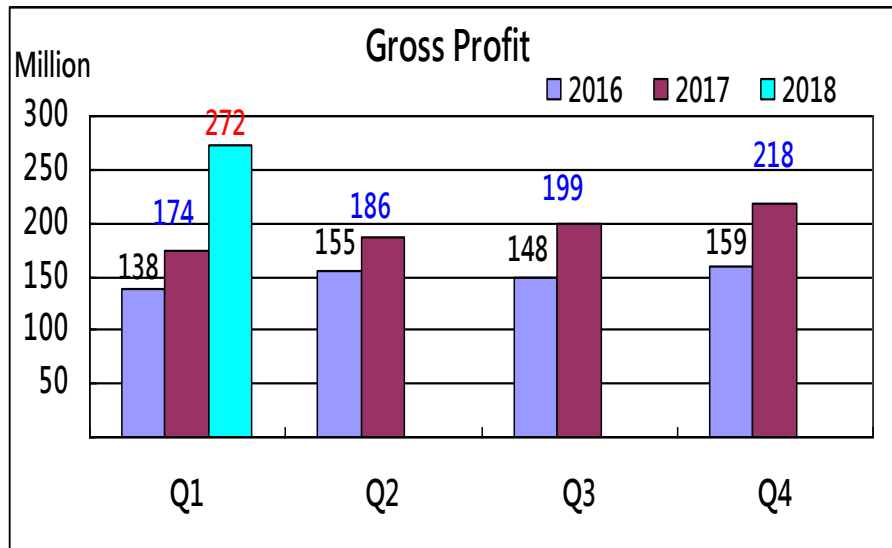
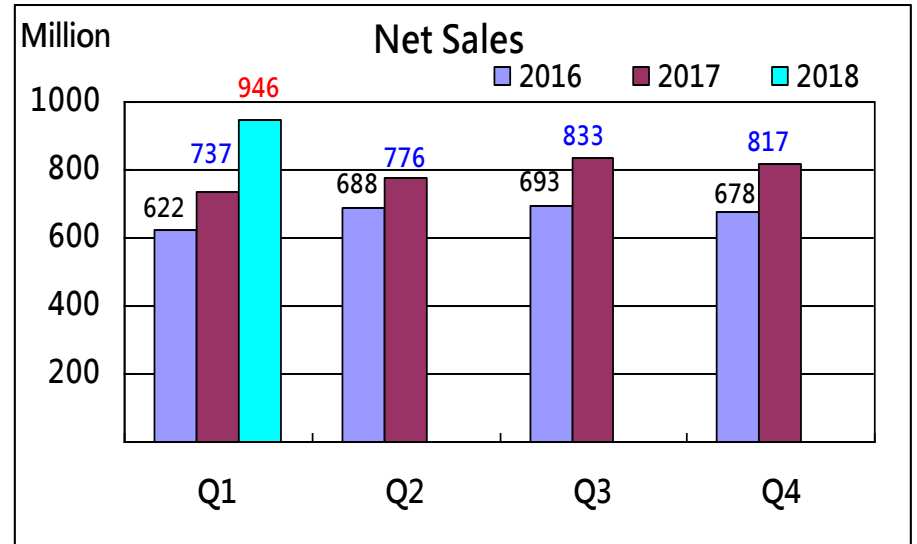
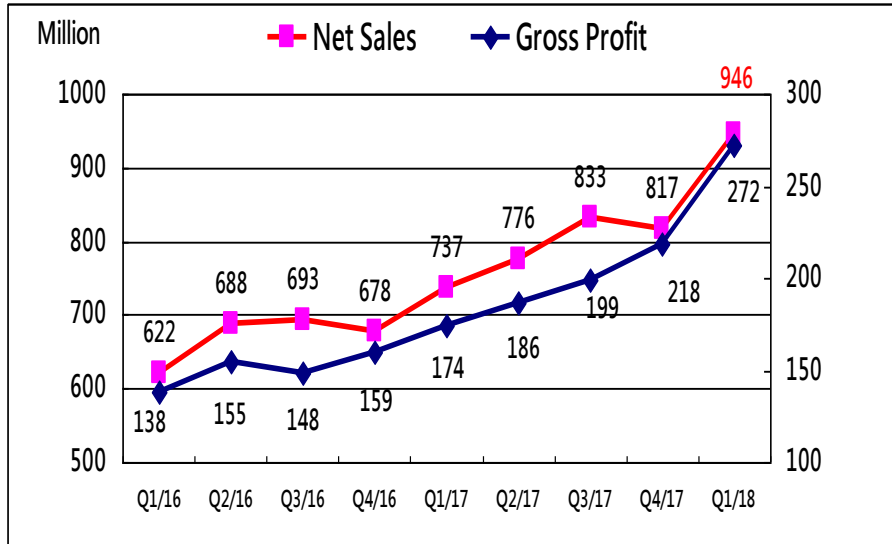
# Quarterly Financial result of 2016~2018

In Million NTD Except NTD for Earnings Per Share

	2016 Y					2017 Y					2018 Y		
	Q1	Q2	Q3	Q4	Total	Q1	Q2	Q3	Q4	Total	Q1	QoQ change %	YoY change%
Net Sales	622	688	693	678	2681	737	776	833	817	3163	946	15.9%	28.4%
Gross Profit	138	155	148	159	601	174	186	199	218	779	272	24.7%	56.1%
Gross Profit(%)	22.2%	22.5%	21.4%	23.5%	22.4%	23.7%	24.0%	23.9%	26.7%	24.6%	28.8%	2.0%	5.1%
N.O.P	64	79	74	86	304	95	106	110	136	448	192	40.9%	101.0%
N.O.P(%)	10.4%	11.5%	10.7%	12.6%	11.3%	12.9%	13.7%	13.2%	16.7%	14.2%	20.3%	3.6%	7.3%
Net Income	68	71	62	49	250	65	90	103	104	362	149	42.8%	129.9%
Net Income(%)	11.0%	10.3%	9.0%	7.2%	9.3%	8.8%	11.5%	12.4%	12.8%	11.5%	15.8%	3.0%	7.0%
EPS(NTD)	0.37	0.39	0.34	0.26	1.36	0.35	0.48	0.57	0.61	2.01	0.87	42.6%	148.6%

\* Changes of YoY/QoQ gross profit, NOP, and net income were presented in differences of two percentages while the rest of the changes were displayed in growth ratio.

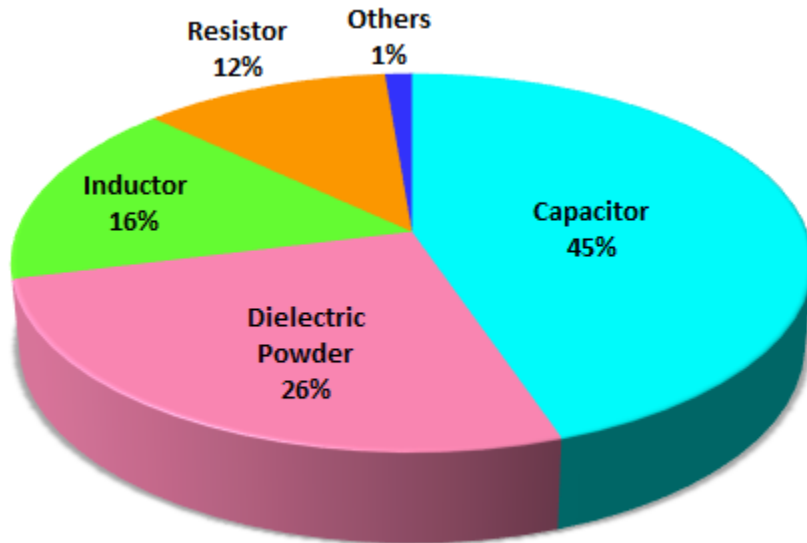
# 2016~2018 Net sales, Gross profit & Operating Income Trend



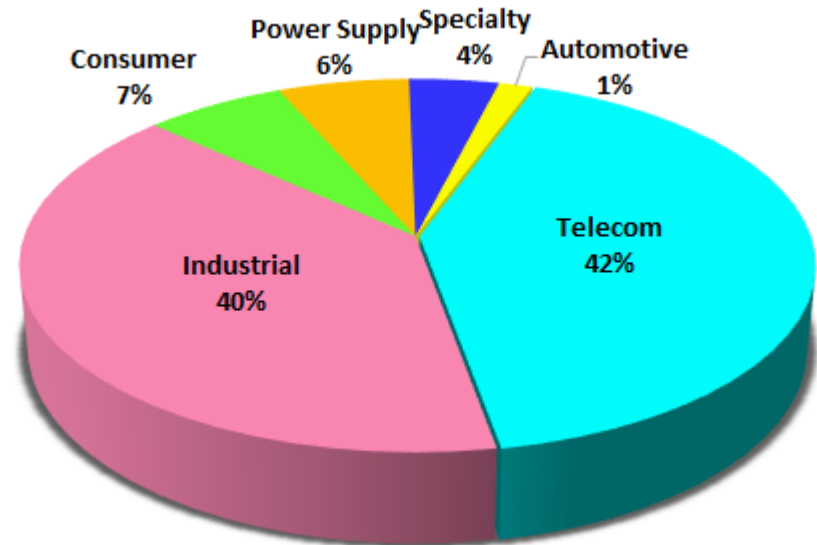
# 2018 Outlook

# 2018 Q1 Sales Result

## By Product

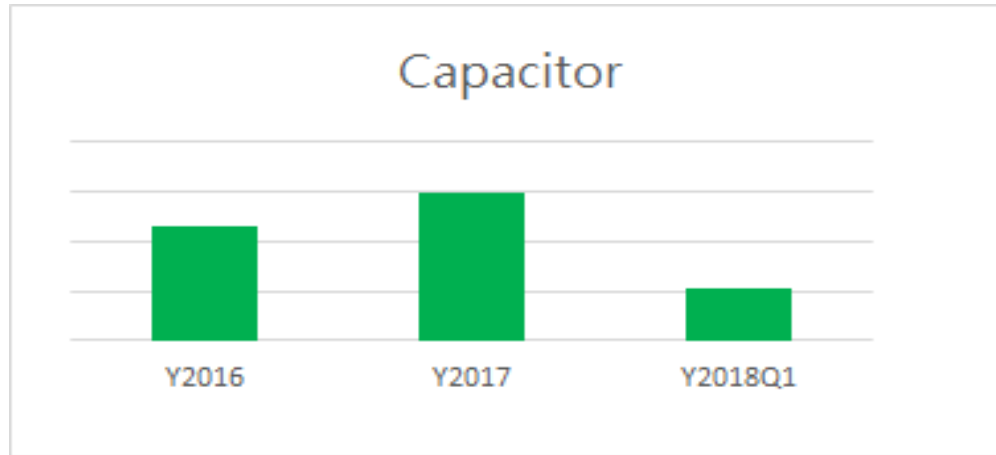


## By Application



Application segments such as communication, industrial, power, automotive and special applications will continue to drive the growth from 2018 to 2022. With these segments account for 93% of PDC's sales, PDC will place future product development in line with these high growth areas.

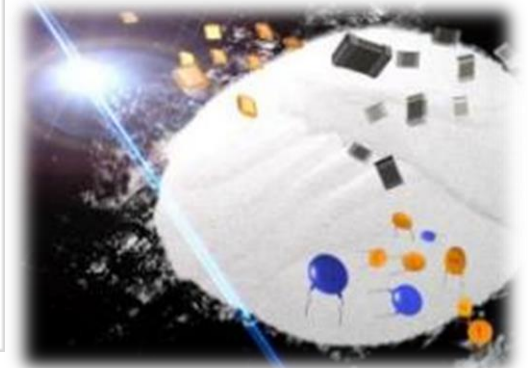
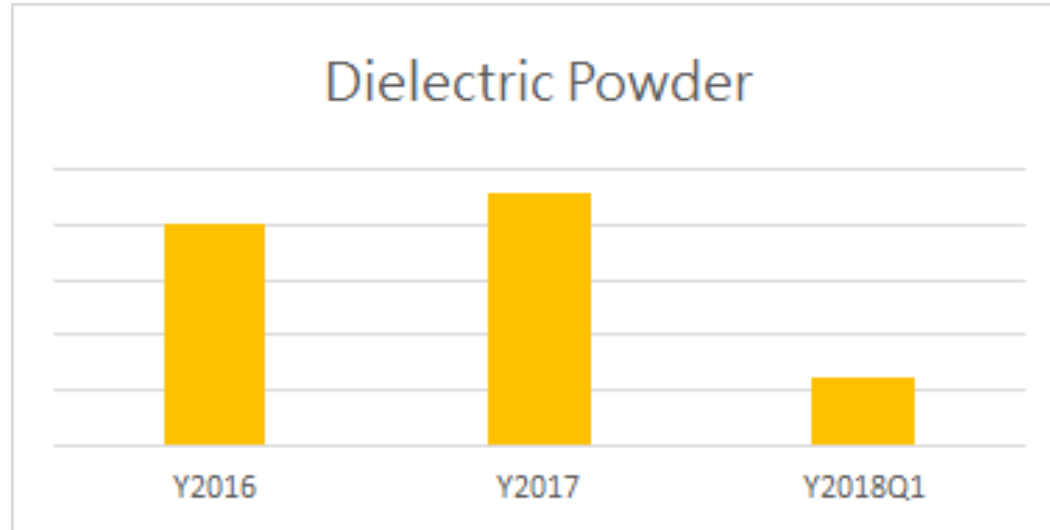
# 2018 Outlook-Capacitor



- Continue expanding MLCC manufacturing capacity in 2018 to fulfill strong demand resulted from supply shortage.
- Leverage the strong MLCC demand to introduce PDC brand and obtain product validations at new key accounts. Expecting a stable business growth in the coming years.
- New product development
  - Has successfully design-in high cap NPO for wireless charging applications.
  - Has successfully design-in high voltage safety cap. for telecom and power switch surge protection applications.The company expects to see revenues generated from these design-in starting in 2018.

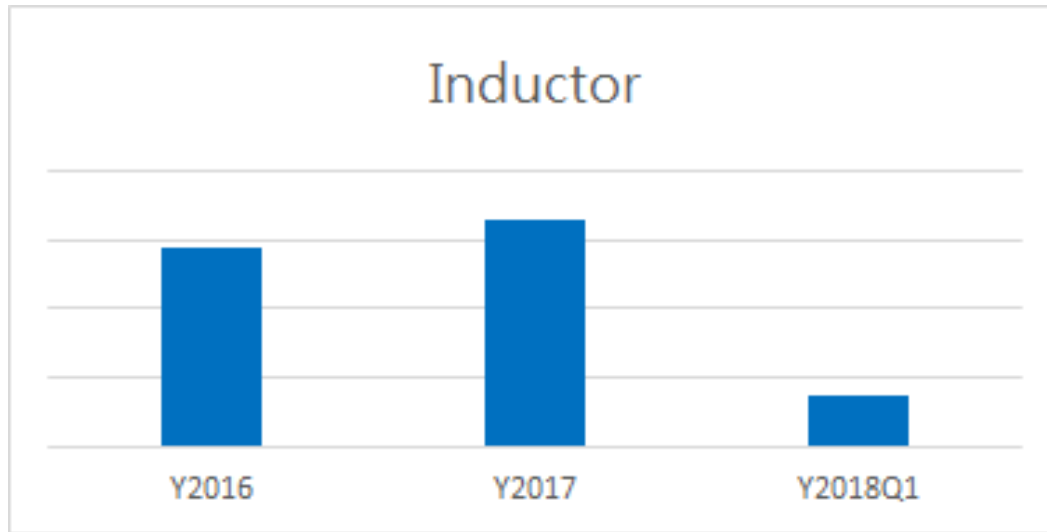


# 2018 Outlook-Powder



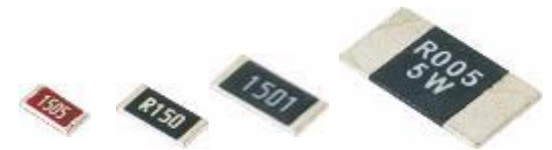
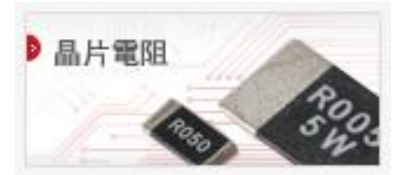
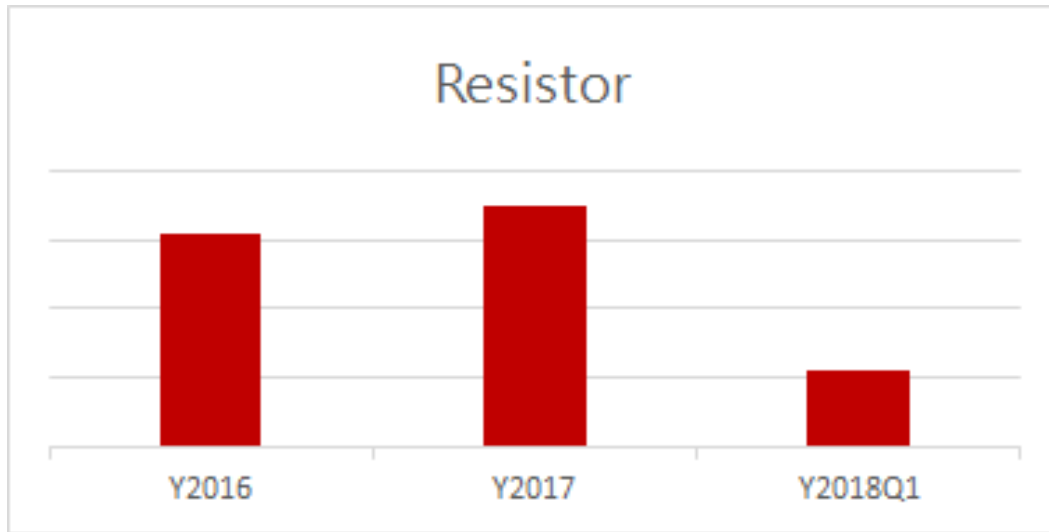
- Expand ceramic powder manufacturing capacity in response to the strong market demand of MLCC in 2018.
- Continue developing ceramic powder for high cap. MLCC to fulfill customer demands.
- Continue developing LTCC material for RF elements.

# 2018 Outlook-Inductor



- Expanded wire-wound RF chip inductor, air coil and balun manufacturing capacity in 2017 to fulfill the growing demand in telecom and network applications.

# 2018 Outlook-Resistor



- Aggressively expand manufacturing capacity for the metal strip and thick film low resistance in 2018 to fulfill the constant growing demand from power switch segment.

# Summary

- Capacitor - Expand capacity accordingly and catch new business and customer while the demand for capacitor remains extremely strong.
- Powder – As a mid to long-term business focus, the company will continue expanding capacity to fulfill customer demand, and develop powder for high cap. MLCC and LTCC.
- Resistor - Mainly focus on low resistance applications and promptly plan business tactics in response to the market.
- Inductor - Continue developing new projects/customers.

# Thank you!

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