



# NAFCO Investor Conference

2019. 11. 27

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- This presentation and release contain “forward -looking statements” which may include projections of future results of operations, financial condition or business prospects based on our own information and other sources.
- Our actual results of operations, financial condition or business prospects may differ from those expressed or implied in these forward-looking statements for a variety of reasons, including but not limited to market demand, price fluctuations, competition, international economic conditions, supply chain issues, exchange rate fluctuations and other risks and factors beyond our control.
- The financial information contained here within is presented in conformity with International Financial Reporting Standards (IFRSs).
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# Agenda

01

Company & Business Introduction  
by President Alvin Lin

02

Financial Performance by Chris Lee

03

**Q & A**

# Company & Business Introduction

President Alvin Lin



## Company Introduction

**Year of Establishment : 1997**

**Year of IPO : 2002**

**Capital : NT\$520M**

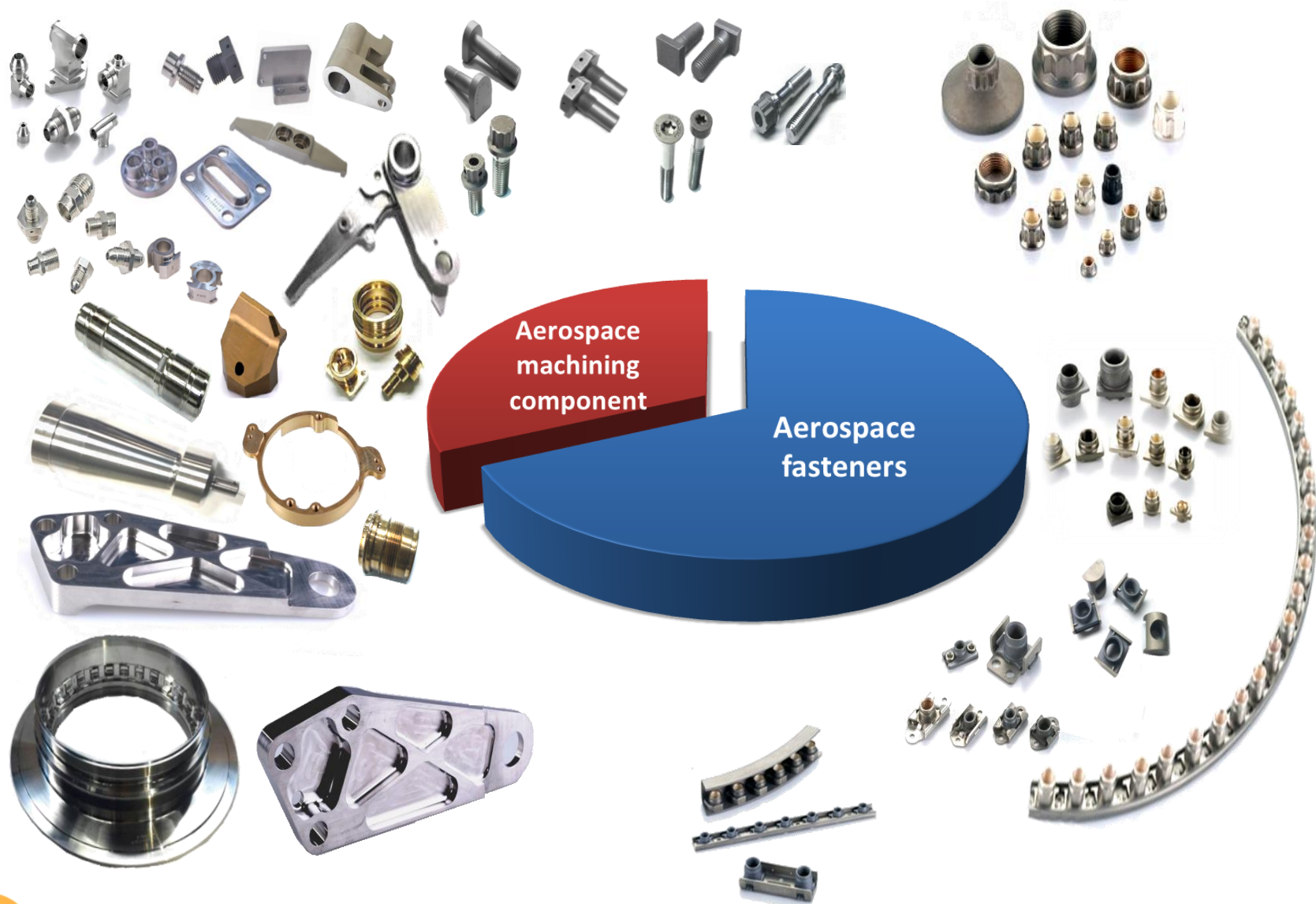
**Sites : Taiwan(Tao-yuan) 、 China( Kunshan )**

**Number of Employees : 778**

**Revenue : 2018 Consolidated Revenue NT\$2.27B**

**Products : Aerospace Engine Fasteners 、 Aerospace  
Machining Parts 、 Automobile Fasteners**

# Aerospace Products





# Aerospace Products & Application ( I )



# Aerospace Products & Application ( II )



MOOG





# Automobile Products & Application



Tailgate



Intake  
Manifold



Brass Inserts



Inserts



V band  
clamp



Chassis



Frontend Carrier



Rivet Nuts

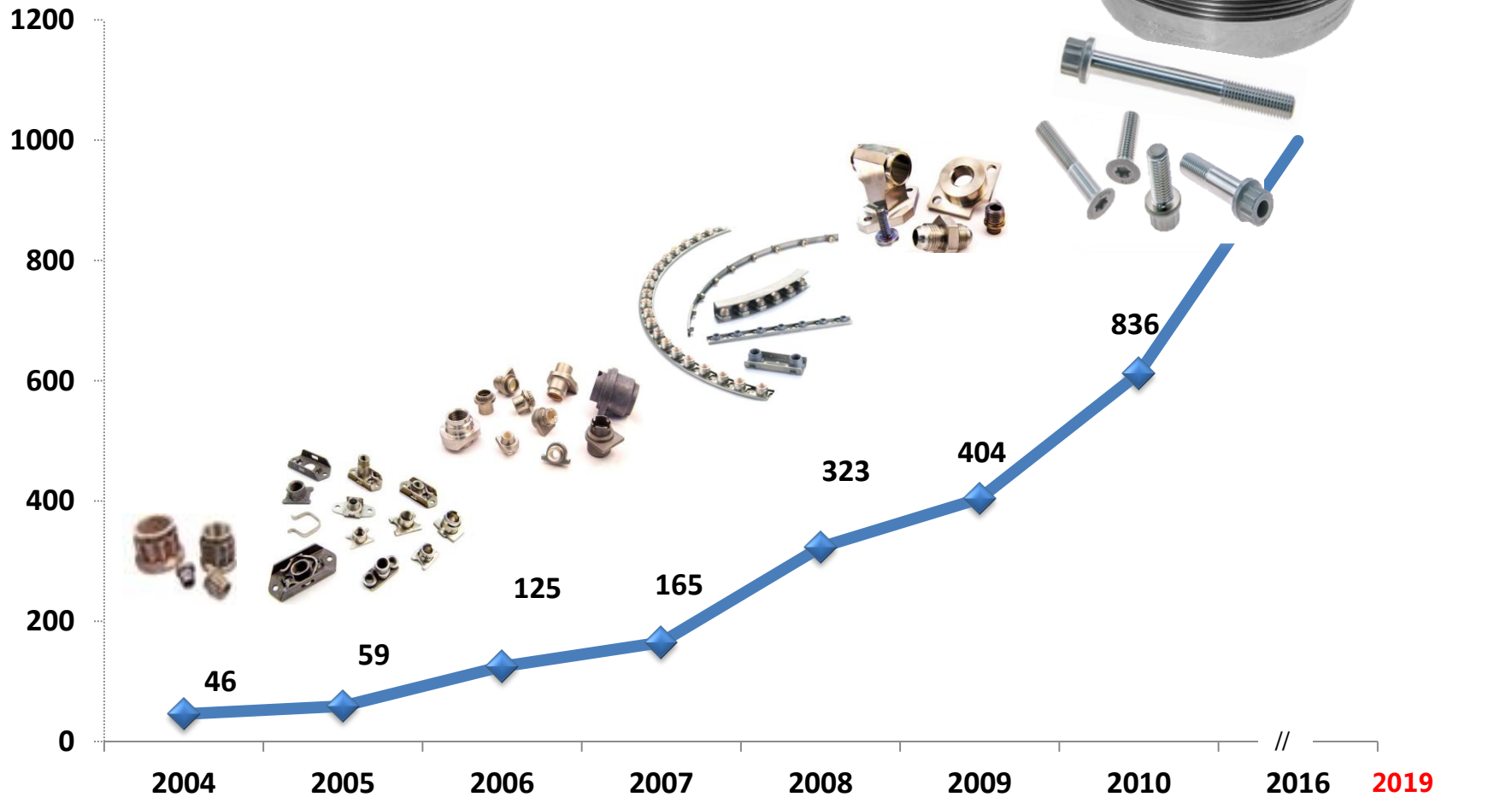


Self-Lock Nuts



# Aerospace Products Development

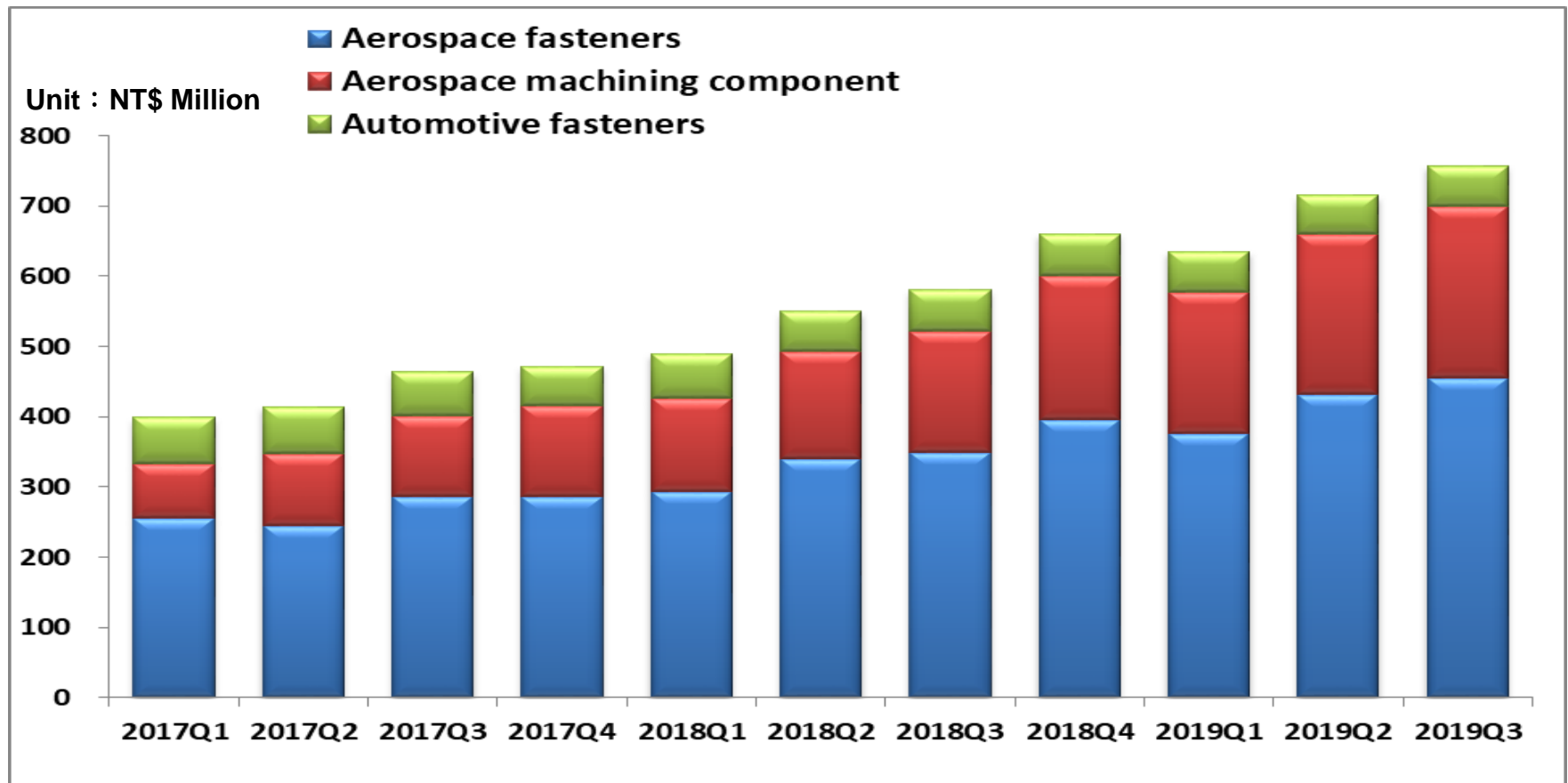
More than 5,000 approved parts



# Our Partner



## 2017Q1~2019Q3 Sales Revenue



The first three quarters of 2019 increased by 30.1% compared with the same period of 2018.

# Market Trend

The supply chain with a production value of 100 billion in the next 20 years  
will move to Asia

## Market demand

2019-2039年  
New aircraft orders

44,000

AIRBUS/ BOEING

## Market demand

Global passenger  
growth in 6% in  
2018

3.5%

Average growth in the next  
20 years

IATA

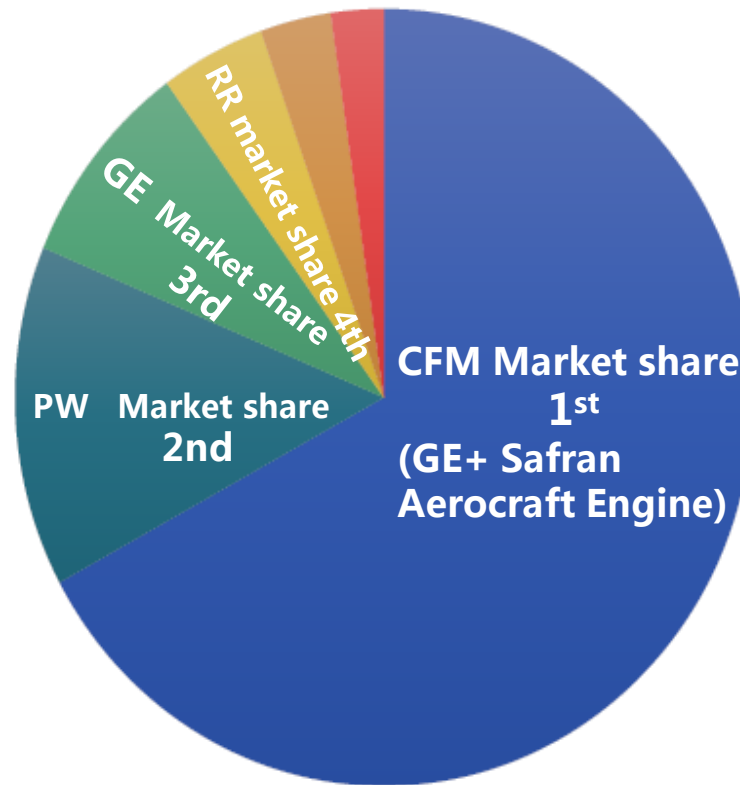
## Market trends

Market demand  
and supply chain  
move to Asia

45%

AIRBUS/ BOEING

# Engine market share



■ CFM International ■ Pratt & Whitney ■ GE Aviation ■ Rolls-Royce ■ IAE ■ Others

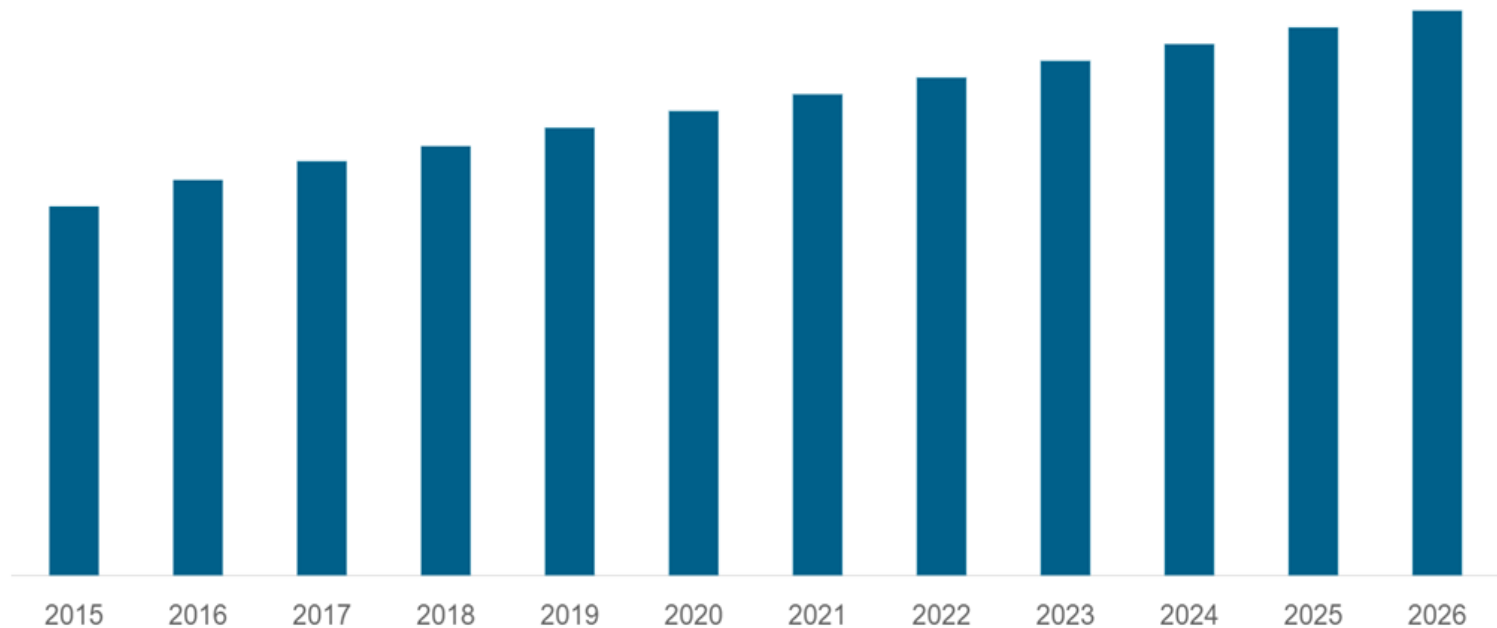
Source: Company Websites, Primary Interviews, Secondary Research, Grand View Research



# Aerospace fastener market demand

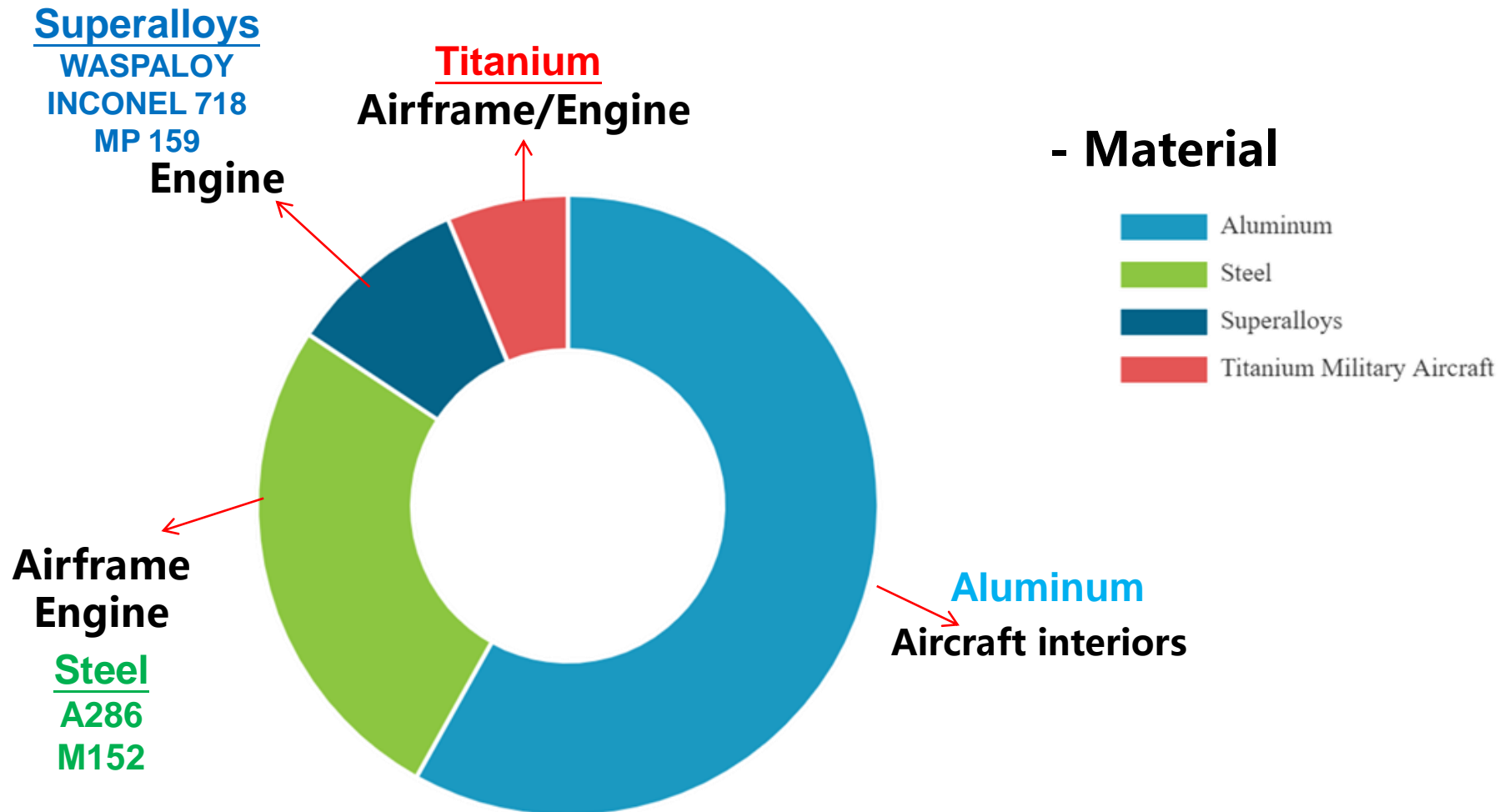
North America Aerospace fastener demand reaches **US\$1.14B in 2018 & 2019**

North America Aerospace Fasteners Market Size, 2015-2026 (USD Billion)



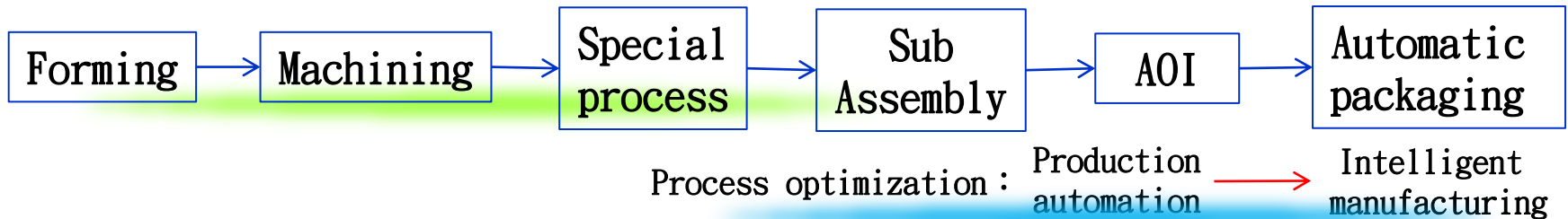
[www.fortunebusinessinsights.com](http://www.fortunebusinessinsights.com)

# Aerospace fastener market demand



# Strategy and Development

## Vertical Integration



## Expand Product Range



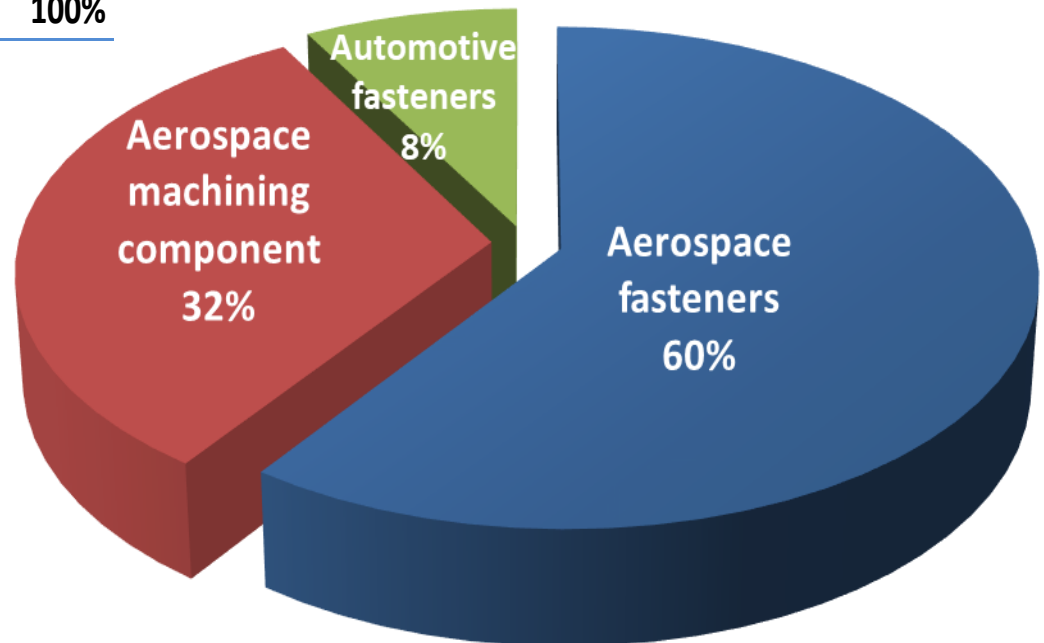
# Financial Performance

**Chris Lee / Finance Director**

# 2019Q1~Q3 Products Profile (Consolidated)

Unit : NT\$ Thousands

Product	Amount	%
Aerospace fasteners	1,260,806	60%
Aerospace machining component	674,246	32%
Automotive fasteners	171,933	8%
TTL	2,106,985	100%

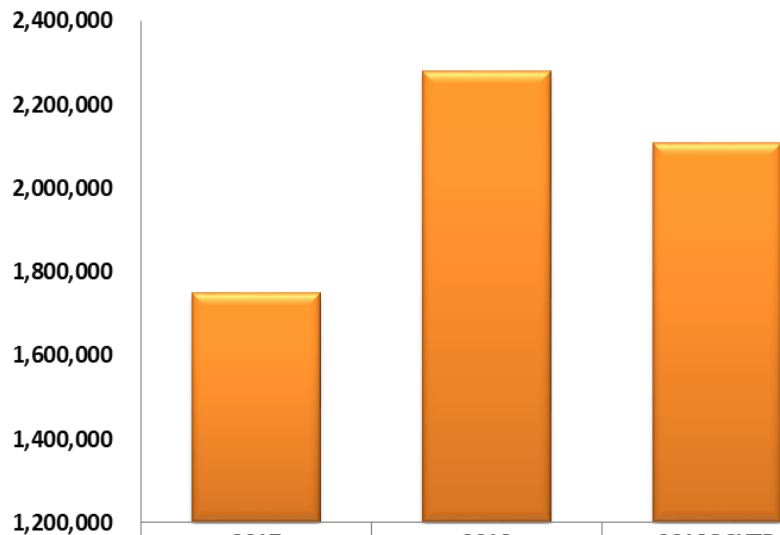


- Aerospace fasteners
- Aerospace machining component
- Automotive fasteners

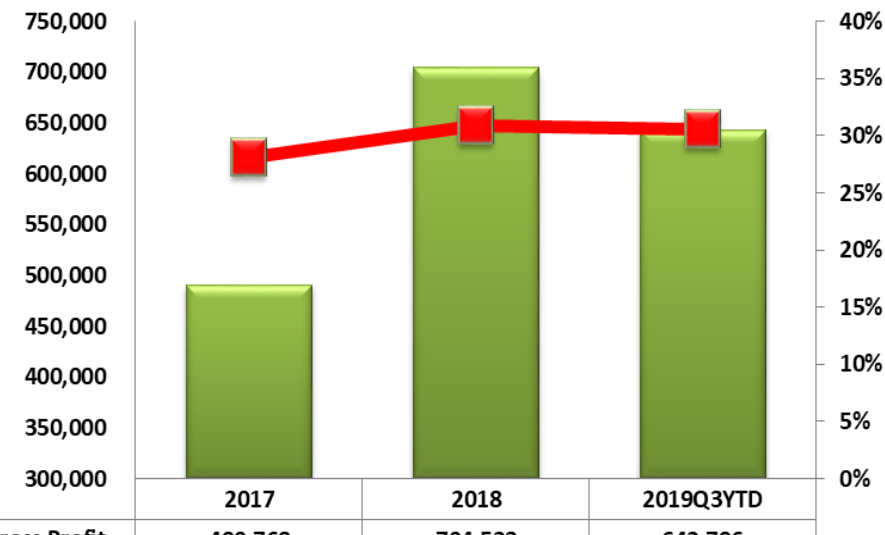
# Consolidated Operation Revenues & Gross Profit

Unit: NT\$ Thousands

Operation Revenues



Gross Profit



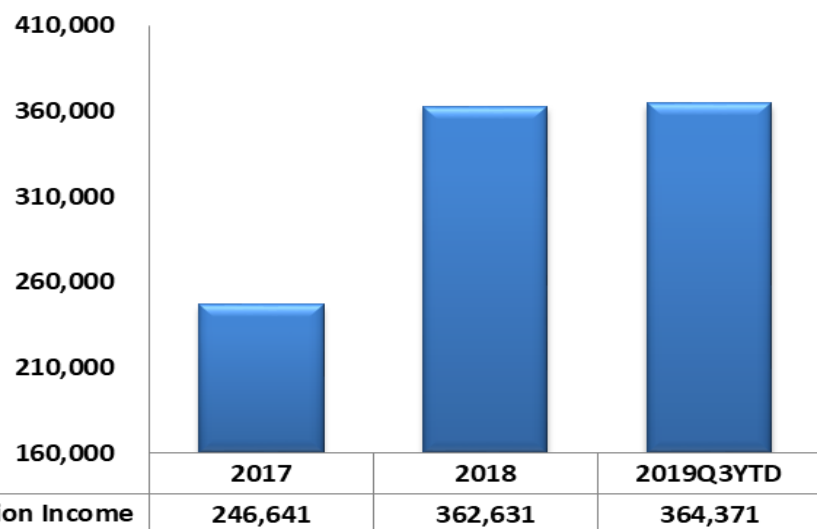
Operation Revenues	2017	2018	2019Q3YTD	Gross Profit	2017	2018	2019Q3YTD	Gross Profit %	2017	2018	2019Q3YTD
	1,748,048	2,279,430	2,106,985	490,768	28%	704,523	642,796	31%	28%	31%	31%



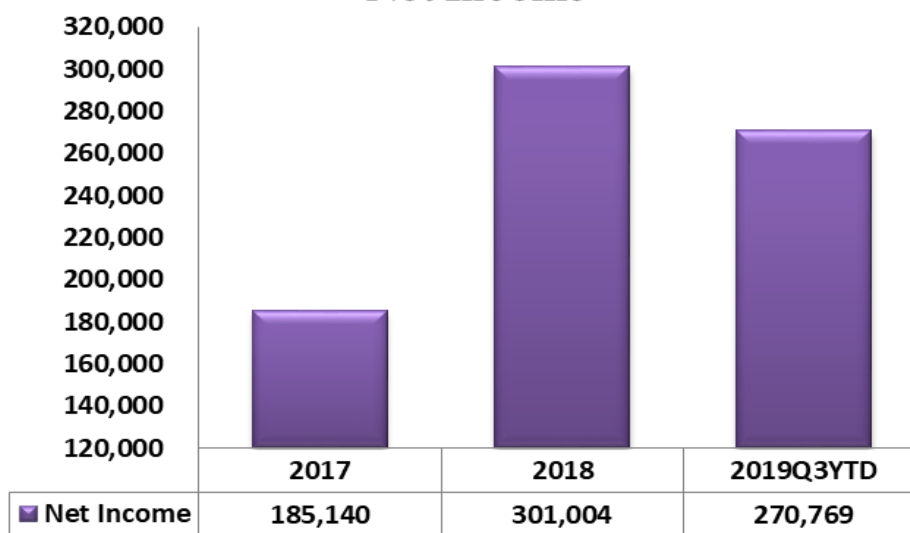
# Consolidated Operation Income & Net Income

Unit: NT\$ Thousands

## Operation Income



## Net Income



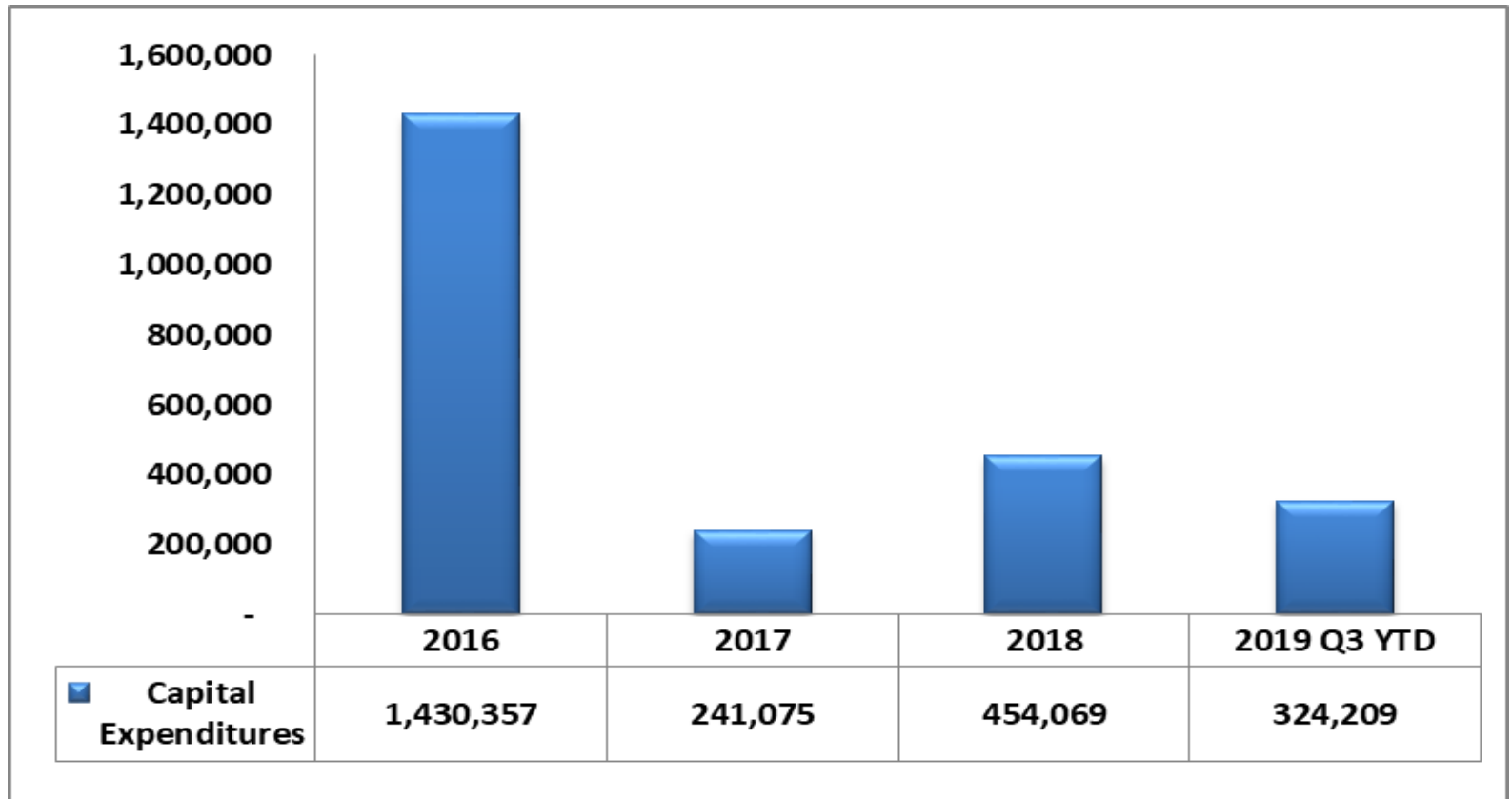
# Consolidated Income Statement

Unit: NT\$ Thousands

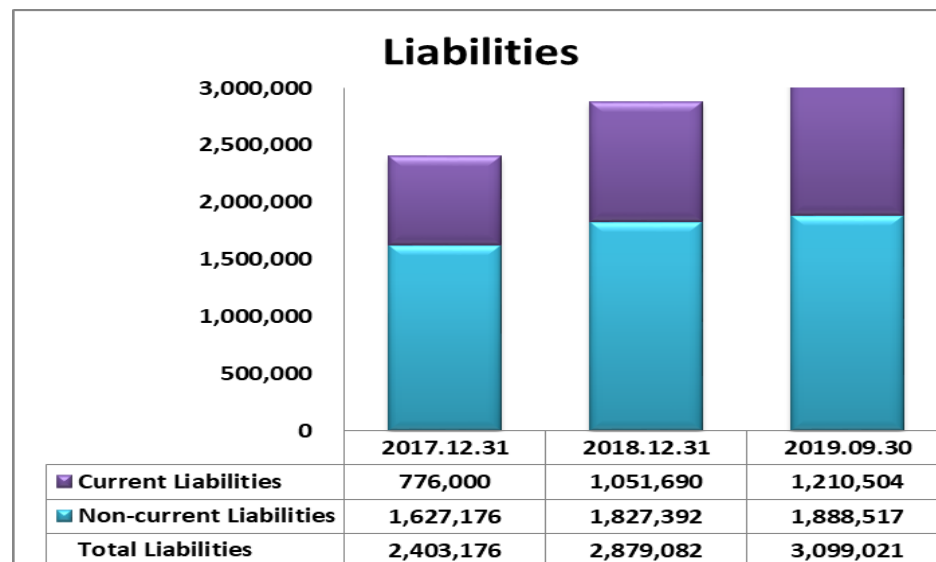
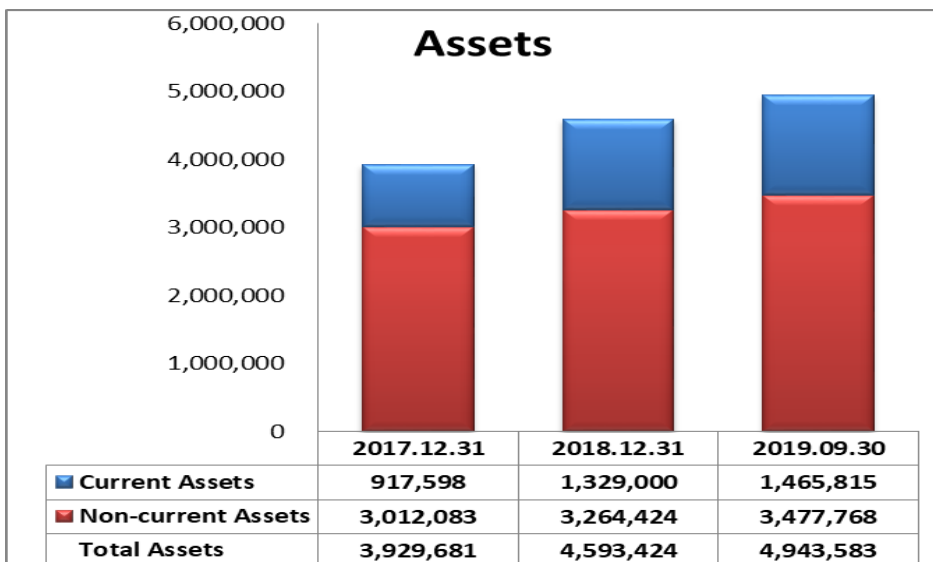
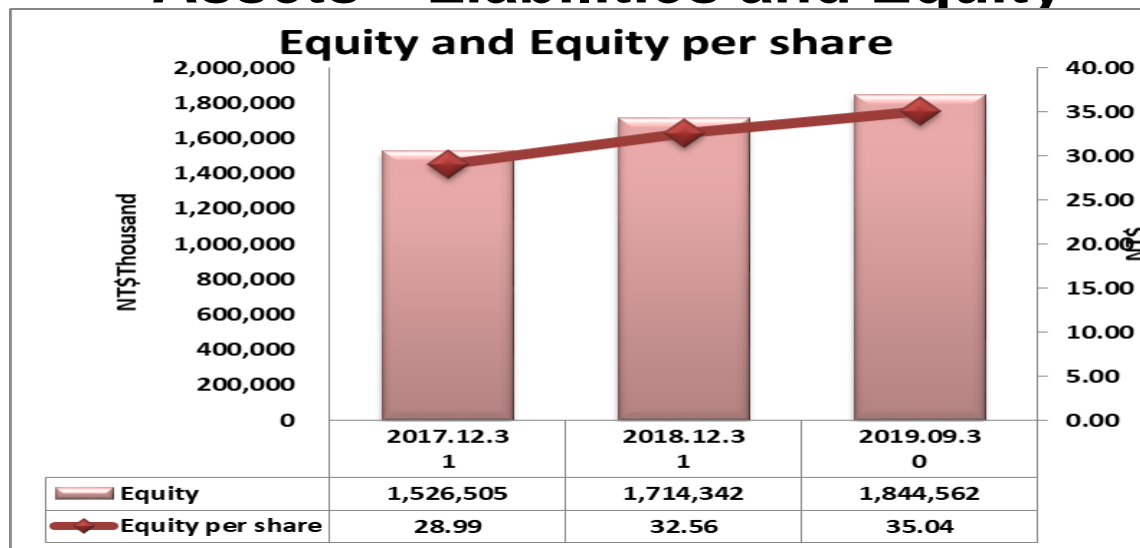
Item	2017	2018	2019Q3YTD
Operation Revenues	1,748,048	2,279,430	2,106,985
Gross Profit	490,768	704,523	642,796
Gross Profit %	28%	31%	31%
Operation Income	246,641	362,631	364,371
Income Before Tax	233,845	388,140	358,640
Net Income	185,140	301,004	270,769
EPS(NTD)	3.52	5.72	5.14
Weight Avg. Outstanding Common Shares	52,647	52,647	52,647
Dividend (NTD)	2.00	2.50	-
Cash Dividend	2.00	2.50	-
Payout Ratio	57%	44%	

# Capital Expenditures

Unit: NT\$ Thousands



# Consolidated Assets 、 Liabilities and Equity





Q & A



Thank you  
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