

# MPI Corporation (6223.TT)

Credit Suisse 17th Annual Asian Technology Conference

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## Presentation Disclaimer

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The information herein contains forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these expectations and projections are reasonable, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about us, including, among other things: the intensely competitive Semi-conductor, and LED industries and markets; Cyclical nature of the semiconductor industry; Risks associated with global business activities; General economic and political conditions. All financial figures discussed herein are prepared pursuant to IFRS. All audited figures will be publicly announced upon the completion of our audited process.

# Company at a Glance

### Taiwan and China

**Wuhu Office**  
TEL : +86-21-6563-7000

**Tianjin Office**  
TEL : +86-135-6494-2122

**MJC Microelectronics (Shanghai) Co., LTD.**  
TEL : +86-21-64018400  
FAX : +86-21-64019419  
E-mail : mauren@mjmc.com.cn  
Address : #FBLD, #No.1616, Yushan Road, Shanghai City, China 201103

**Chain-Logic International Corp.**  
Room1001, 10F, No. 990, Da-lan Road, Shanghai, China200092  
TEL : +86-21-6562-7000 FAX : +86-21-6563-8188

**Yangzhou Office**  
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**Xiamen Office**  
TEL : +86-139-5917-7404

**Head Quarter**  
TEL : +886-3-5551771  
FAX : +886-3-5518381  
E-mail : sales@mpi.com.tw  
Address : No. 155, Chung-Ho St., Chu-Pei City, Hsinchu County 302, Taiwan, R.O.C.

**LED-ONE (SHENZHEN) CORPORATION**  
TEL : +86-755-2732-5166  
FAX : +86-755-2732-5166  
Address : 802-11CB, HENGFENQ INDUSTRIAL PARK, HEDZHOU VILLAGE, BAOAN DISTRICT, SHENZHEN CITY

**Ningbo Office**  
TEL : +86-574-86899882

**ST Branch**  
TEL : +886-7-9529985  
FAX : +886-7-9527019  
E-mail : sales@mpi.com.tw  
Address : No. 7, Luke 1st Rd., Luzhu Chiang, Kaohsiung County 821, Taiwan, R.O.C.

### Europe

**Test Equipment Representative**  
**ATV (Automatisierungstechnik Voigt GmbH)**  
Add: Heilbronner Strasse 17,  
01189 Dresden, Germany

**EO Tech GmbH**  
Add: Postfach120, CH-9402 Mörschwil

**F. I. Science**  
Add: Le Village, 27500 Triqueville,  
France

**Signal Solutions Nordic Oy**  
Add: Innova 1, Teknikantie 12

### North America

**Test Equipment Representative**  
**ELM Technology**  
Add: Box 7281, San Jose, CA 95150-7281

**Peak Technology**  
Add: 1895A S. Central Pkwy #610A,  
Escondido, CA 92025

**Office in CA**  
Add: 2334D Walsh Ave. SANTA CLARA CA  
95050 U.S.A.

**TEXSource**  
Add: 3267 Bee Caves Road, Ste. 107-601,  
Austin, Texas 78746

**MJC Electronics Corporation (MEC)**  
Add: 11056 Melco Blvd., Austin, TX 78758 USA

**Office in TX**  
Add: 903 North Downriver Rd. Suite 140, Richardson, TX 75081 USA

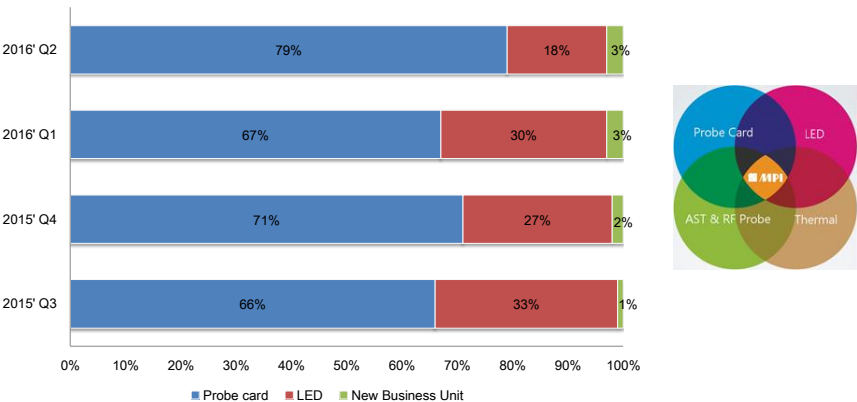
**Canada**  
**Testforce Systems Inc**  
Add: 8460 Trans-Canada Hwy,  
St. Laurent QC H4S 1R7, Canada

**Test Equipment Representative**  
**CWI Technical Sales**  
Add: 50 Route 9, Suite 302,  
Morgantown Ju 07751

|                 |                                    |
|-----------------|------------------------------------|
| Founded         | July, 25, 1995                     |
| Paid-in Capital | NTD\$ 796M (2016.7.31-the latest ) |
| Employees       | 1408 (2016.7.31)                   |

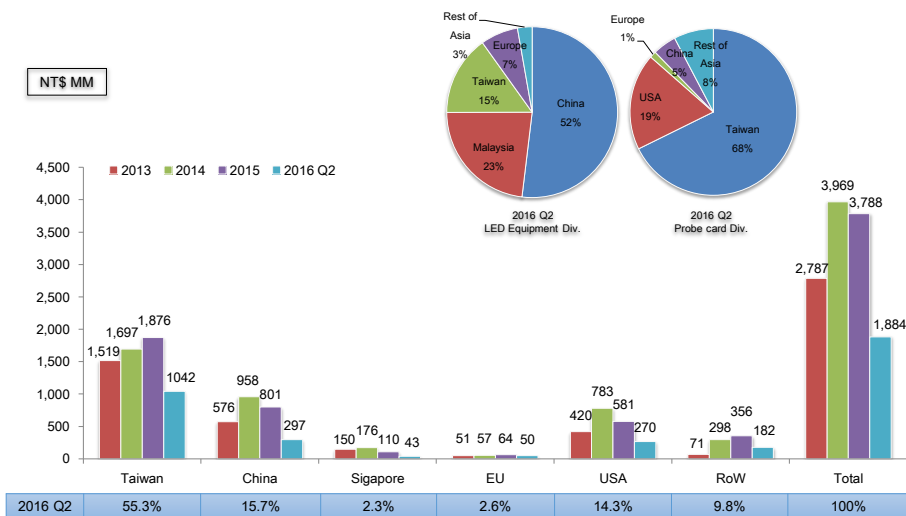
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# Business Portfolio



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## Net Sales by Geographic



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## Agenda

- Business Contents
  - Semi-conductor (Probe Card)
  - Photonics Automation (LED)
  - RF Probe & AST
  - Thermal
- Financial Statements

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# Semi-conductor (Probe Card)

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## Top 10 Probe Card Vendors (2009-2015)

| (Rank)                     |           | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|----------------------------|-----------|------|------|------|------|------|------|------|
| FormFactor, Inc.           | USA       | 1    | 1    | 2    | 2    | 1    | 1    | 1    |
| Micronics Japan Co., Ltd.  | Japan     | 2    | 2    | 1    | 1    | 2    | 2    | 2    |
| Technoprobe                | Italy     | 4    | 4    | 4    | 4    | 3    | 3    | 3    |
| Japan Electronic Materials | Japan     | 3    | 3    | 3    | 3    | 4    | 4    | 4    |
| MPI Corporation            | Taiwan    | 6    | 5    | 6    | 6    | 5    | 5    | 5    |
| Cascade Microtech          | USA       | 8    | 10   | 10   | 8    | 8    | 7    | 6    |
| SV TCL                     | Singapore | 5    | 6    | 8    | 9    | 10   | 9    | 7    |
| Will Technology            | Korea     | 7    | 7    | 7    | 5    | 6    | 10   | 8    |
| Korea Instrument (KI)      | Korea     | 10   | 8    | 5    | 7    | 9    | 6    | 9    |
| Microfriend                | Korea     | 9    | 9    | 9    | 10   | 7    | 8    | 10   |

Source: MPI/VLSI

## Industry M&A

- Cascade stockholders to receive per share1:
  - Cash of \$16.00
  - 0.6534 shares of FormFactor Stock
  - Total consideration value of ~\$21.132
- ~\$352M of total consideration to Cascade stockholders



**FORMFACTOR INC.**

- Founded in 1993
- Headquartered in Livermore, CA
- FY 2015 Revenue of ~\$282M
- ~950 Employees
- Leadership in production probe card for:
  - Microprocessors, Application processors, SoCs
  - DRAM
- Locations in 8 countries



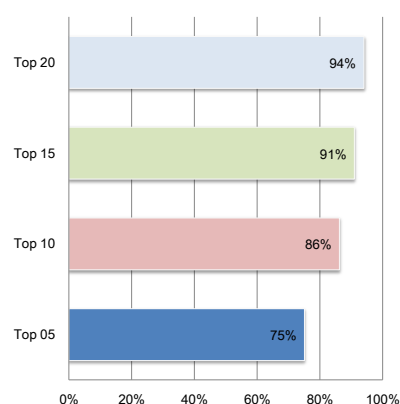
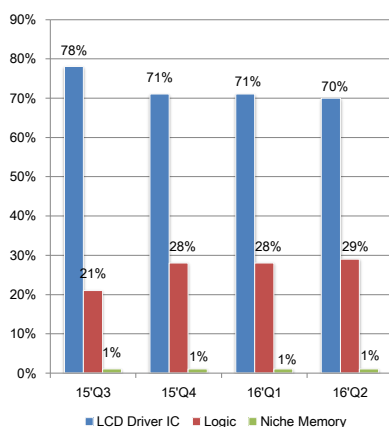
**CascadeMicrotech®**

- Founded in 1983
- Headquartered in Beaverton, OR
- FY 2015 Revenue of ~\$144M
- ~500 Employees
- Leadership in:
  - RF Production Probe Cards
  - Engineering Probe and Probe Systems
- Locations in 6 countries

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## Product Mix of CPC (Cantilever)



**CHIPBOND**

**Etron**

**Himax**

**KYEC**

**NOVATEK**

**NVIDIA**

**OMNIVISION**

**UMC**

**ChipMOS**

**GLOBALFOUNDRIES**

**KYEC**

**NOVATEK**

**OMNIVISION**

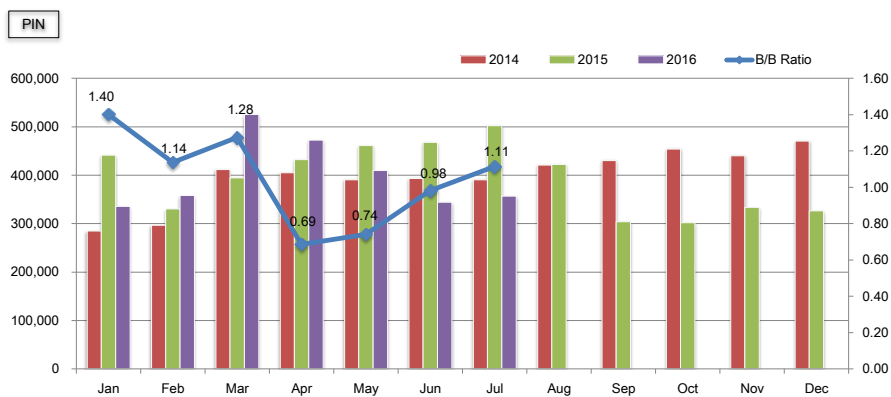
**STMicroelectronics**

**UMC**

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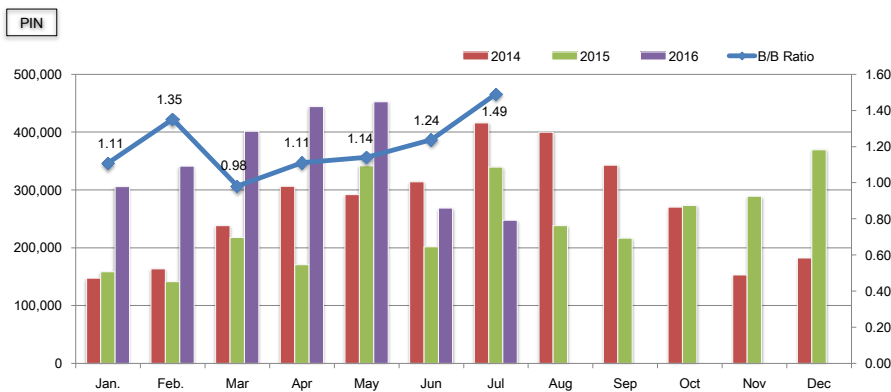
## CPC Pin-Shipment



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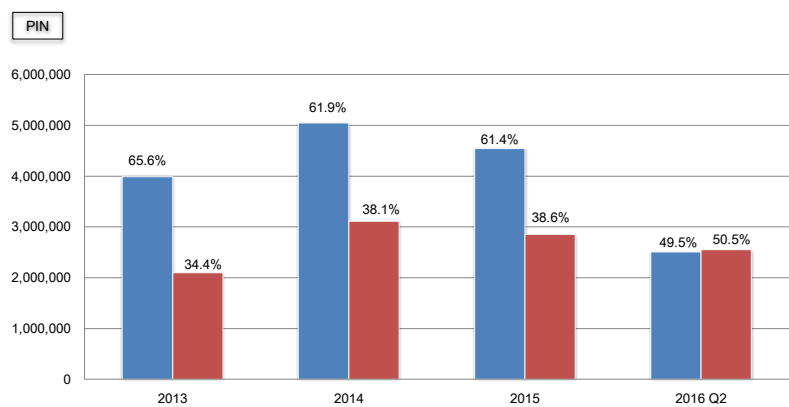
## VPC Pin-Shipment



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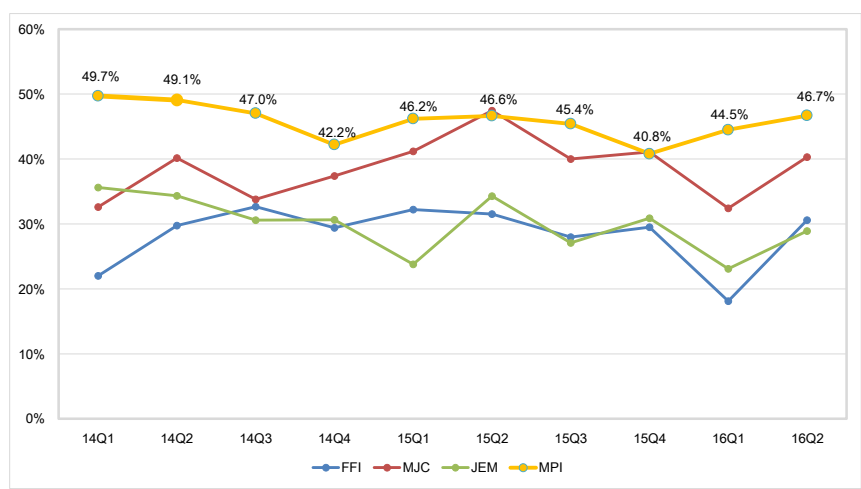
## CPC and VPC Yearly Trend



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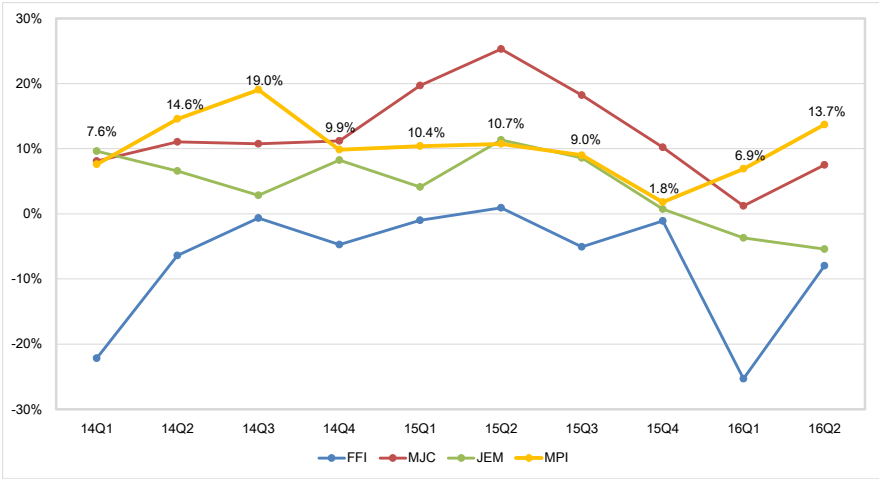
## Gross Margin Between Competitors



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# Operating Margin Between Competitors



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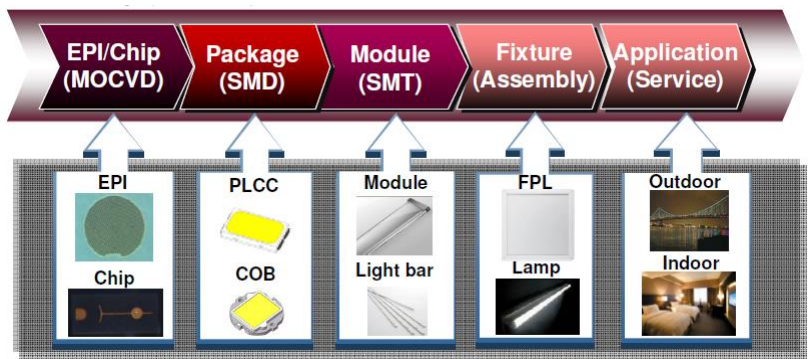
Photonics Automation  
(LED)

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# LED EPI Process

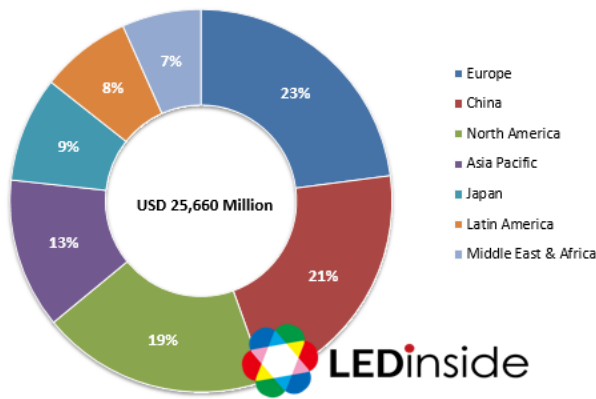


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# LED TAM

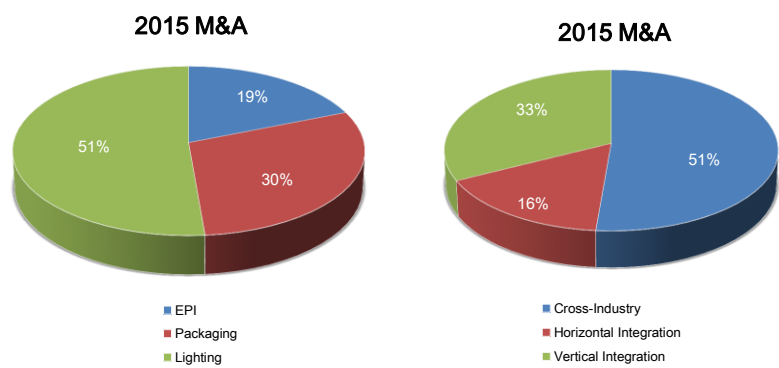
Figure: 2015 LED Lighting Market Scale- By Region



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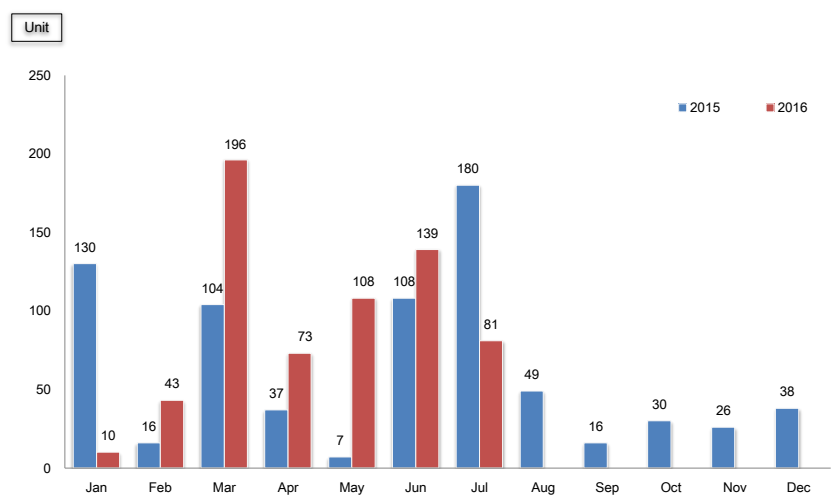
## 2015 LED at a Glance



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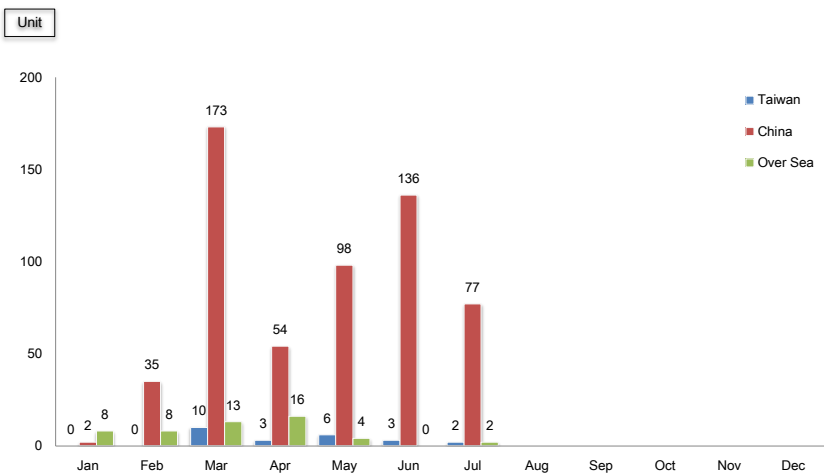
## 2016 Shipment



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# 2016 Shipment by Geographic



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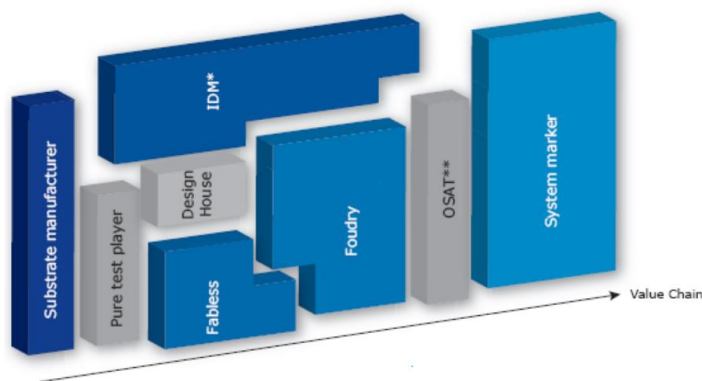
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RF Probe & AST

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# Who Are Our Target Customers?

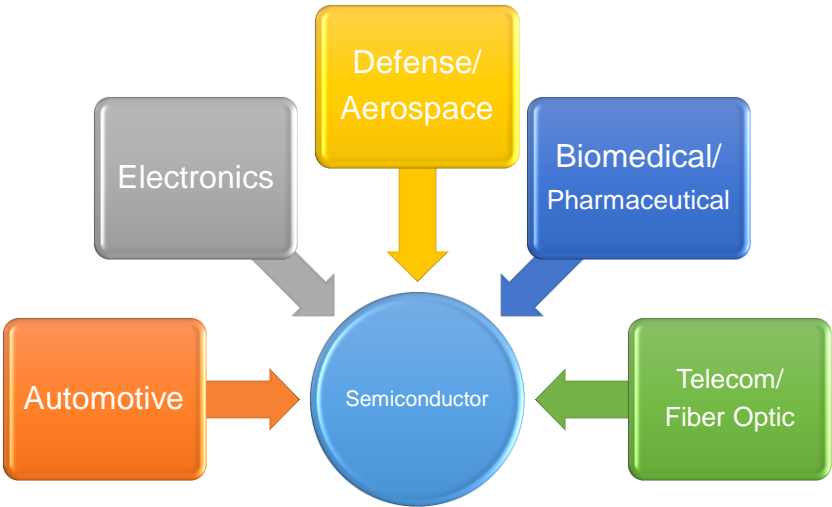


\*IDM: Integrated Device Manufacturer. \*\*OSAT: Outsourced Semiconductor Assembly and Test

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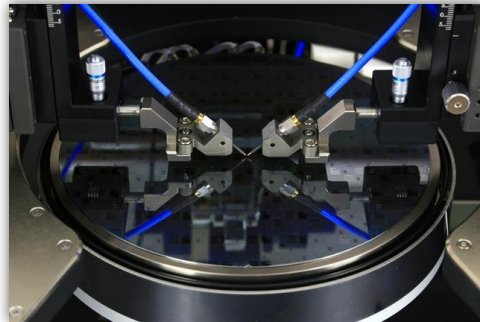
# Target Industries



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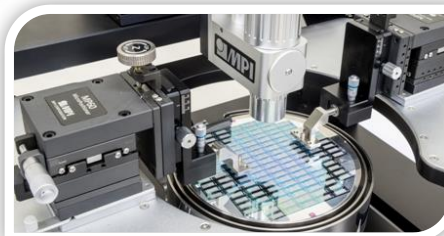
## RF Probe



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## AST



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Thermal



<http://www.mpi-thermal.com/media/>

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Financial Statements

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## Balance Sheet Highlight

| Amount: NT\$ Million  | 2Q 2016 |      | 2Q 2015 |      |
|---|---------|------|---------|------|
| Cash and Cash Equivalents                                       | 610     | 8%   | 490     | 9%   |
| Fixed Assets  | 3,540   | 48%  | 2,973   | 48%  |
| Total Assets  | 7,445   | 100% | 6,199   | 100% |
| LT Debt   | 245     | 3%   | 53      | 1%   |
| Shareholders' Equity  | 3,634   | 49%  | 3,569   | 58%  |
| EBITDA  | 241     |      | 221     |      |
| *EBITDA=operating income + depreciation & amortization expenses |         |      |         |      |

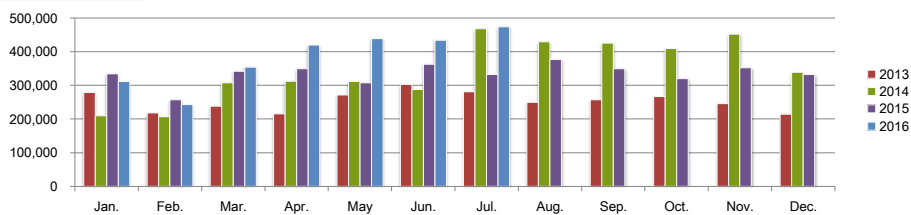
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## Income Statement

| NT\$1,000                  | 2016 Q2   |      | 2015 Q2   |      |
|----------------------------|-----------|------|-----------|------|
| Net Sales                  | 2,200,552 | 100% | 1,950,693 | 100% |
| Cost of Goods Sold         | 1,193,941 | 54%  | 1,045,243 | 54%  |
| Gross Profit               | 1,006,611 | 46%  | 905,450   | 46%  |
| Operating Expense          | 767,143   | 35%  | 701,331   | 36%  |
| Operating Income           | 239,625   | 11%  | 206,592   | 11%  |
| Investment Income & Others | 1,505     |      | 14,541    |      |
| Net Income (before tax)    | 200,857   | 9%   | 176,179   | 9%   |
| EPS (before tax)           | 2.56      |      | 2.22      |      |

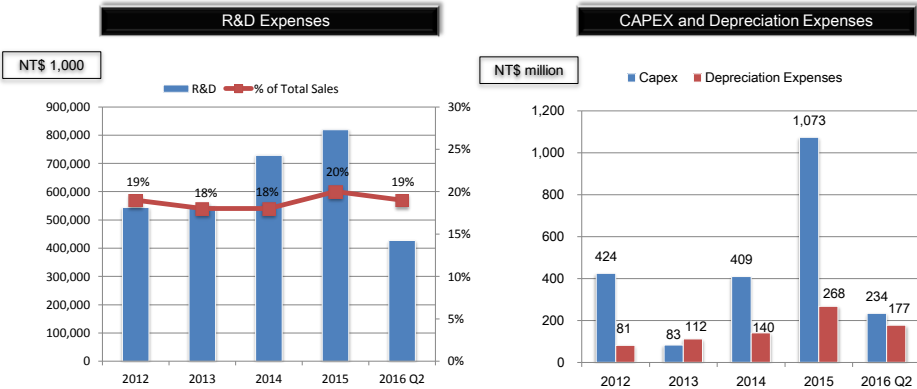
Net Sales NT\$ 1,000



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# R&D Expenses, Capex and Depreciation



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Thank You

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