MPI Corporation
6223.TT
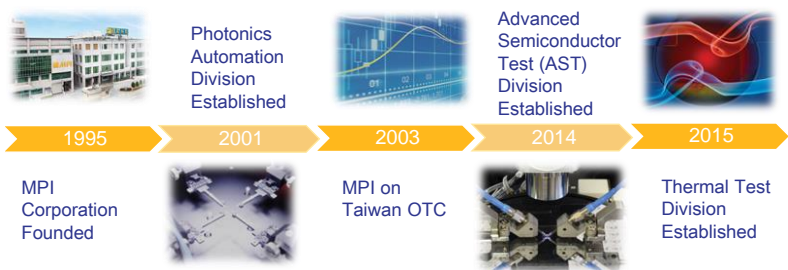
Merrill Lynch's APAC TMT Conference 2017
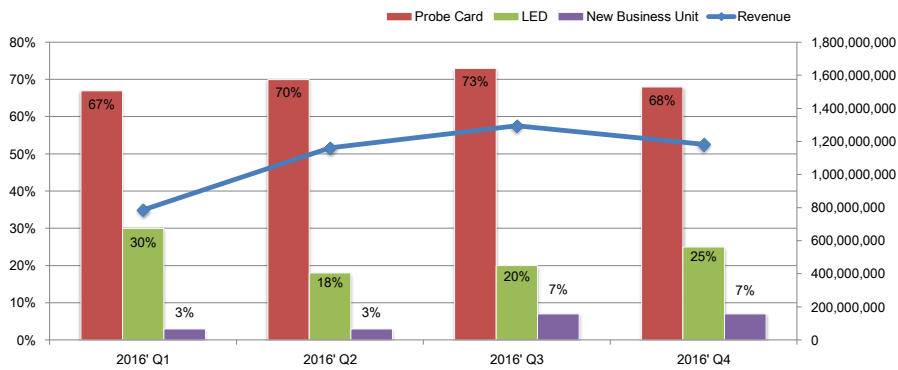22/23 Mar

Presentation Disclaimer

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.
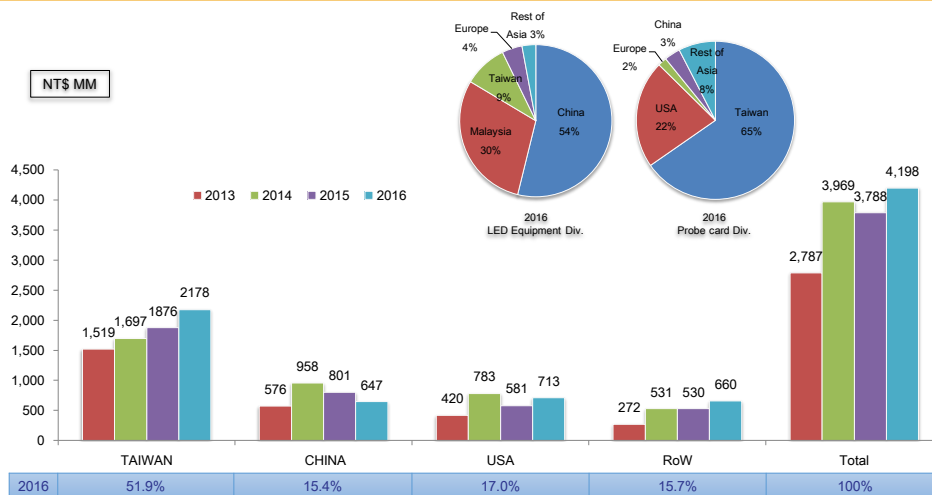
Company at a Glance

1995	MPI Corporation Founded
2001	Photonics Automation Division Established
2003	MPI on Taiwan OTC
2014	Advanced Semiconductor Test (AST) Division Established
2015	Thermal Test Division Established

Founded	July, 25, 1995
Paid-in Capital	NTD$ 796M (2017.2.28-the latest)
Employees	1451 (2017.2.28)

Business Portfolio

Legend: Probe Card | LED | New Business Unit | Revenue

	2016' Q1	2016' Q2	2016' Q3	2016' Q4
Probe Card	67%	70%	73%	68%
LED	30%	18%	20%	25%
New Business Unit	3%	3%	7%	7%

Net Sales by Geographic

2016	TAIWAN	CHINA	USA	RoW	Total
	51.9%	15.4%	17.0%	15.7%	100%

Agenda

■Business Contents
- ●Semi-conductor (Probe Card)
- ●Photonics Automation (LED)
- ●Thermal & AST

■Financial Statements

MPICORPORATION

Semi-conductor
(Probe Card)

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Global Probe Card Market Update

```
                                          ┌─────────────────┐
                                          │  Epoxy /CPC     │
                    ┌──────────────┐      └─────────────────┘
                    │   Memory     │
                    │ Applications │      ┌─────────────────┐
                    └──────────────┘      │ Advanced P/C    │
                          40%             └─────────────────┘
  ┌──────────────┐
  │ Probe Cards  │                        ┌─────────────────┐
  └──────────────┘                        │ Blade/ Tungsten │
  $1.3 billion in 2015                    └─────────────────┘
  CAGR 5.1% 2015-
  2020              ┌──────────────┐      ┌─────────────────┐
                    │ Non-Memory   │      │ Epoxy/          │
                    │ Applications │      │ Cantilever      │
                    └──────────────┘      └─────────────────┘
                          60%
                                          ┌─────────────────┐
                                          │ Advanced Probe  │
                                          │ Cards           │
                                          └─────────────────┘
```
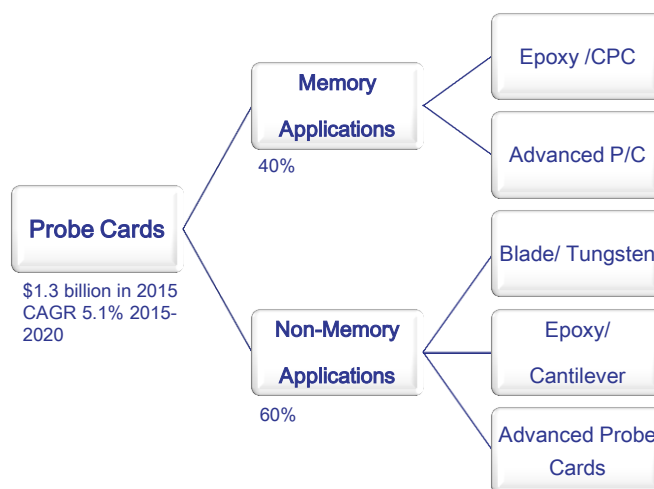
Top 10 Probe Card Vendors (2009-2015)

(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

Product Mix of CPC (Cantilever)
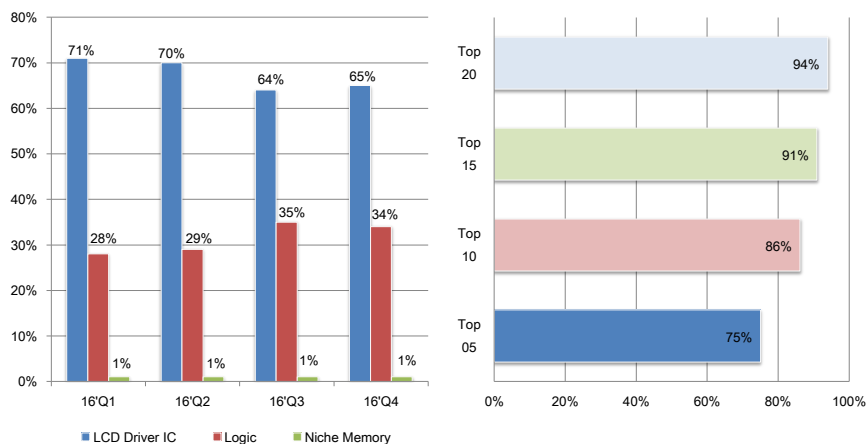
CPC Pin-Shipment
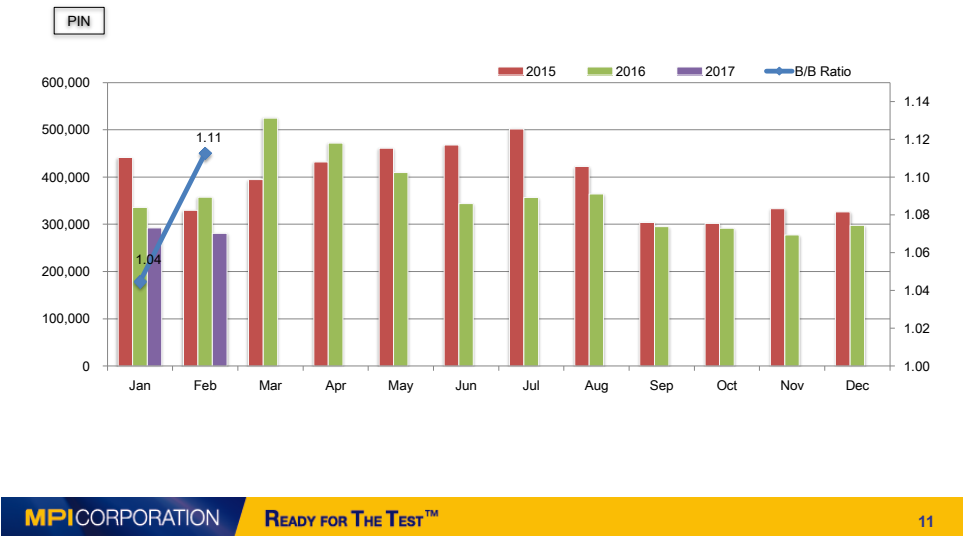
VPC Pin-Shipment
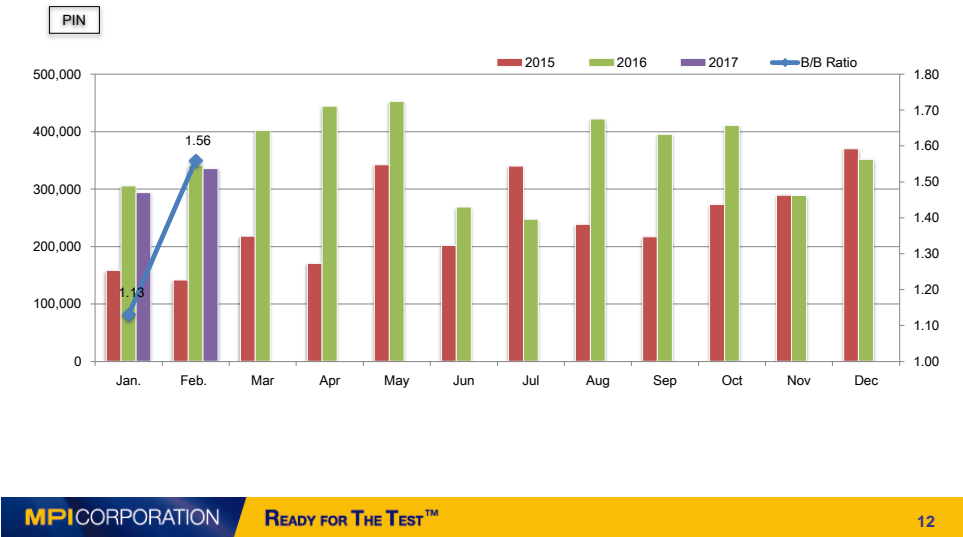
CPC and VPC Yearly Trend
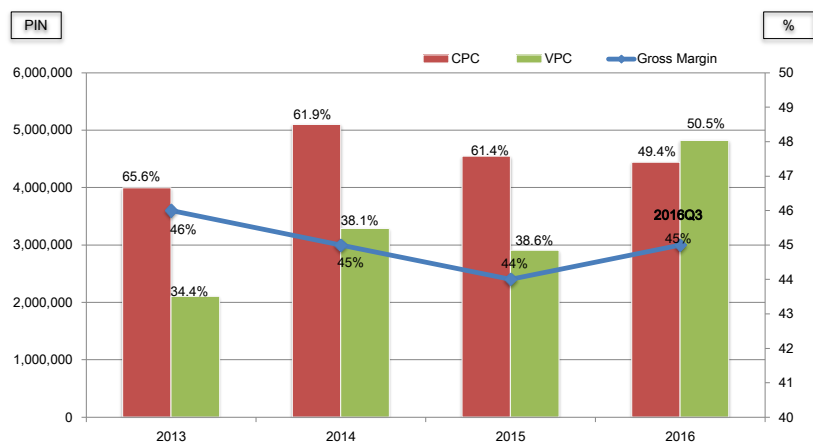
Gross Margin Between Global Peers
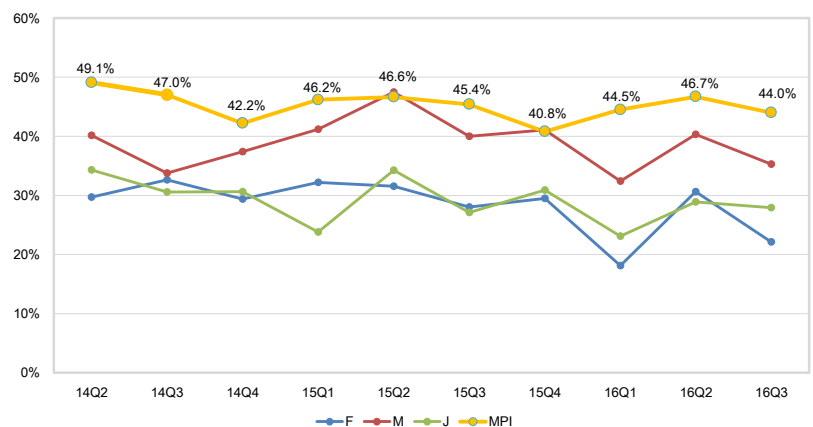
Operating Margin Between Global Peers

MPICORPORATION
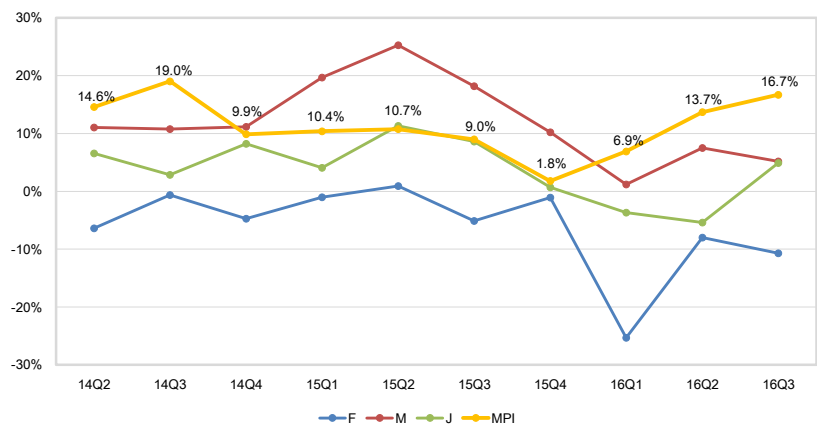
Photonics Automation
(LED)

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Photonics Automation (PA) Overview

Product
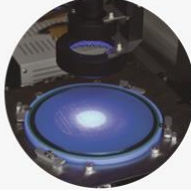LED, PD, LD, OLED, μLED or other

RD > 200

Production Capacity > 150/month

8 BUs

Green

Milestone

推出第一台半自動
LED晶圓點測機

LEDA
推出LEDA品牌

PA部門成立

推出自動化光學檢
測(AOI)系列

85ms

挑揀速度突破
85ms

正式推出
SkyWalker品牌

SkyWalker

2001 2009 2011 2016

2008 2010 2015

全球累計銷售突
破10,000 台點測
機(Prober)

>10,000 units

推出3GP 點
測機系列及
M76 挑揀機

推出T200 Tester
及晶粒點測機
(DP76)系列

部門英文名稱改為
"Photonics Automation"

Photonics
Automation

推出M60D全自動
高速挑揀機並同
時突破55ms挑揀
速度

Main Product Line

Probing System
Wafer
Flip chip
Single die

Testing System
Mass production software
Integrated spectrum meter
Integrated source meter

Chip Sorting
Mapping sorter

Inspection System
Chip after dicing
Chip after sorting

Package Probing
Panel
Bottom probing
Single package

Package Testing
From low to high power
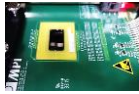
Package Level
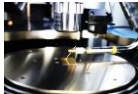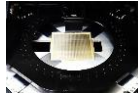Chip Scale Package (CSP)
Foil to Foil (FTF)

Wafer	Tape	Die	Packaging Substrate	Photodiode(PD)	LED Package Probing

Wafer Technology Migration

4" 6" 8"

Prober
P7202
3GS   P80C4

P7602P
4G   P9000

P9000
4G   P9002

AOI
A2000P

NEW
A3000

Sorter
M76FP

M76V

NEW
M60D

2016 Shipment

Unit

Month	2015	2016
Jan	130	10
Feb	16	43
Mar	104	196
Apr	37	73
May	7	108
Jun	108	139
Jul	180	81
Aug	49	8
Sep	16	66
Oct	30	104
Nov	26	116
Dec	38	9

■ 2015   ■ 2016
(781) → (953)
22% YoY
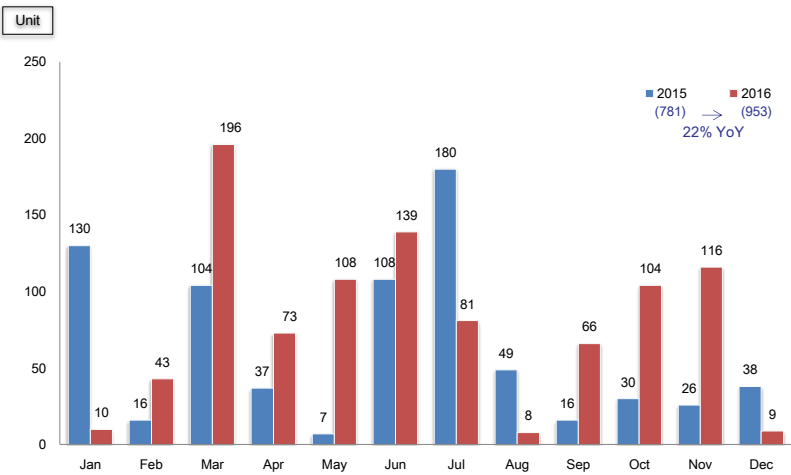
LED 2017 Targeting Markets

Automotive

Night Vision, Reverse Radar to Panorama View for Autopilot System
IR LED

Eye Scanning for E-wallet

IR LED (Fujitsu and Samsung)

VR (2016 Market size 14m USD)
IR LED
Inside-out Tracking : HTC Vive
Outside-in Tracking : Oculus Rift (Facebook)
More Manufacturers: Tencent, Nitendo, Microsoft and Dell

New Business Unit
(Thermal/AST)

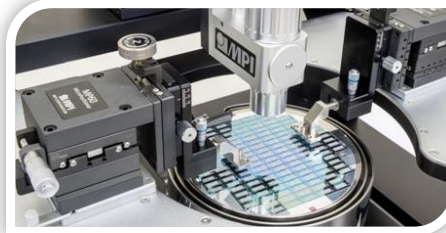Merrill Lynch's APAC TMT Conference 2017
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Thermal

- **Market size**: roughly USD$30m
- **Industries**: Telecom / Automotive
- **Maximum capacity:** 30 – 35 units

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

AST

- **Market size:** roughly USD$120m
- **Industry:** Foundry/IC design houses' engineering stage process

MPICORPORATION

# Financial Statements

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Balance Sheet Highlight

Amount: NT$ Million	3Q 2016		3Q 2015	
Cash and Cash Equivalents	766	10%	549	8%
Fixed Assets	3,485	48%	3,384	51%
Total Assets	7,322	100%	6,659	100%
LT Debt	242	3%	252	4%
Shareholders' Equity	3,817	52%	3,680	56%
EBITDA	475		338	

*EBITDA=operating income + depreciation & amortization expenses

Income Statement

NT$1,000	2016 Q3		2015 Q3	
Net Sales	3,637,181	100%	3,009,613	100%
Cost of Goods Sold	1,998,477	55%	1,623,715	54%
Gross Profit	1,638,704	45%	1,385,898	46%
Operating Expense	1,160,009	32%	1,087,415	37%
Operating Income	478,862	13%	301,426	10%
Investment Income & Others	3,524		37,223	
Net Income (before tax)	405,531	11%	275,804	9%
EPS (before tax)	5.15		3.47	

Net Sales NT$ 1,000
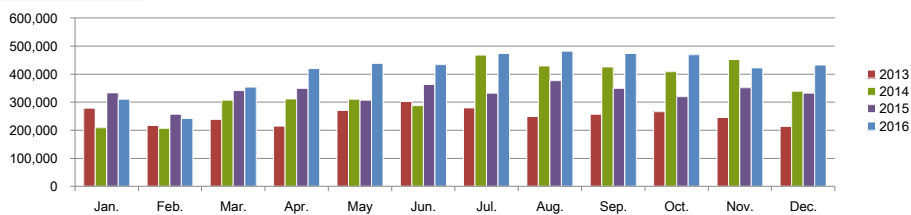
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Thank You

http://www.mpi-corporation.com

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