



碩禾電子材料股份有限公司
GIGA SOLAR MATERIALS CORP.

Giga Solar Materials Corp.

Aug 27th, 2014
Carl Lee



PresenterMedia





Safe Harbor Notice

- The statements of GSMC's current expectations included in this presentation are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in these forward-looking statements.
- GSMC undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.



Background Information

- Founded..... October, 2008
- Market Capital 1,006M USD
- Employees.....200 persons
- Location Hsinchu, Taiwan
Kaohsiung, Taiwan
Suzhou, China
- Certificates ISO9001/ISO14000/RoHS





Where We Are in the Solar Value Chain

Upstream

Al / B-S Ag / F-S Ag Paste

GSMC (Al / B-S Ag / F-S Ag)

Competitors:

DuPont (B-S Ag / F-S Ag)

Heraeus (B-S Ag / F-S Ag)

Cheil (B-S Ag / F-S Ag)

Ruxing (Al)

Toyo (Al)

Upstream

Wafer

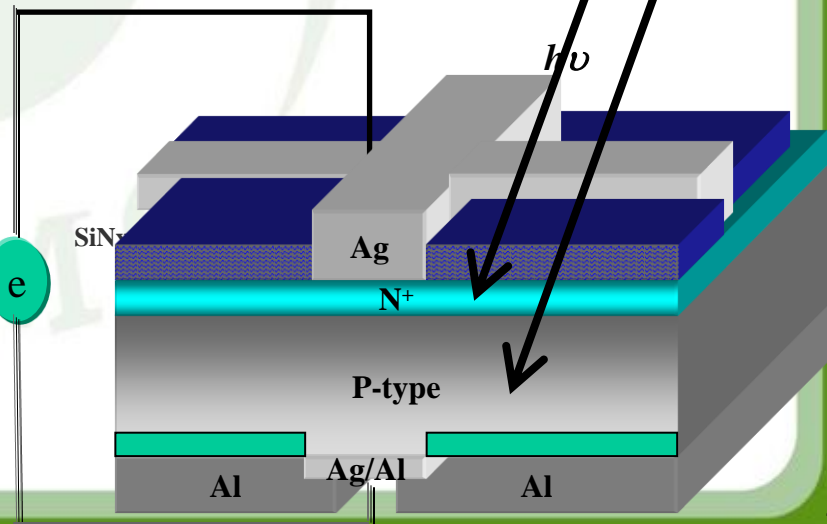


**Multi C-Si
Mono C-Si**



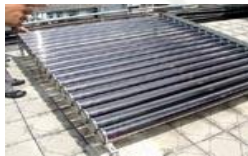
**Midstream
Solar Cells**

PV Cell Theory



Downstream

Module Assembly



Downstream

System Integration



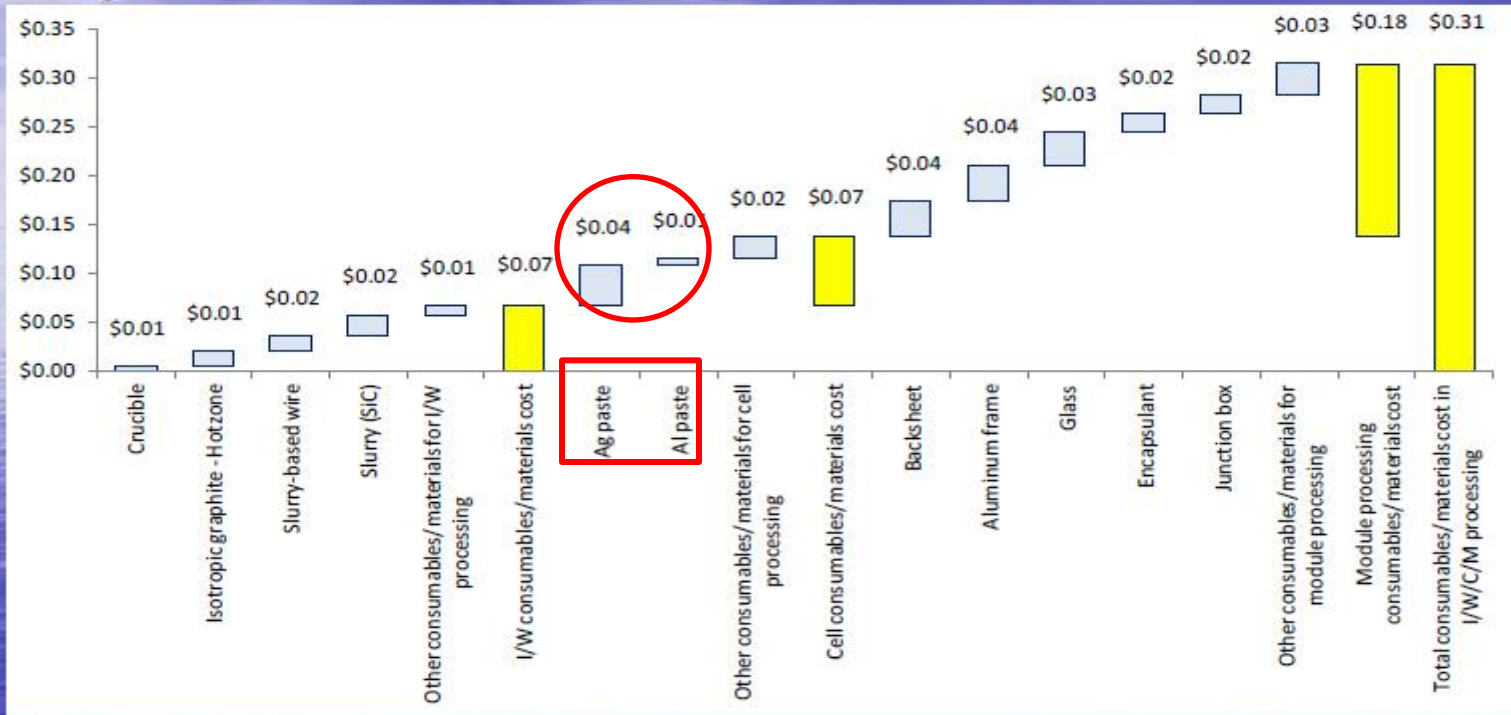


Major Materials of Cell-AG/AL Paste

Consumables/materials price - 2014

(\$/W)

PRELIMINARY



Source: PHOTON Consulting, LLC. Note: All data are rough estimates.

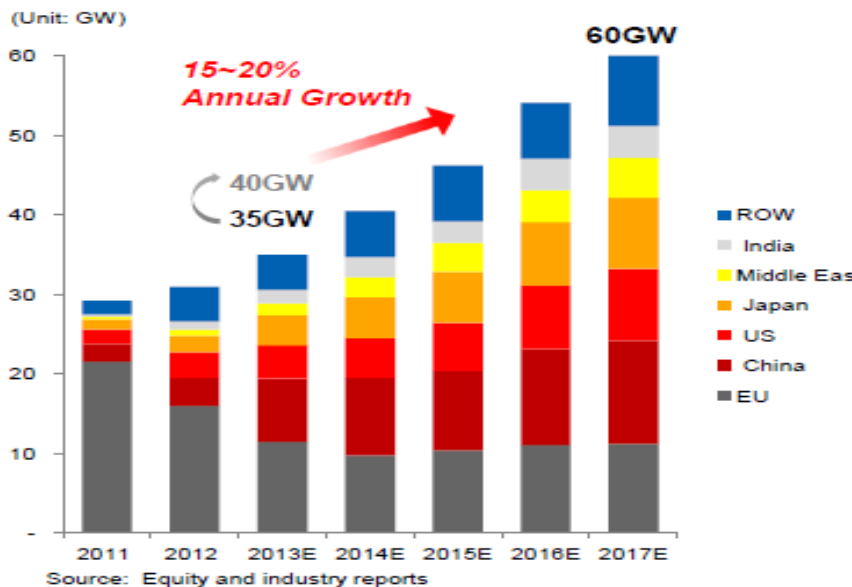
14 different categories of consumables/materials account for \$0.31/W in I/W/C/M processing cost in 2014



Maintaining Growth in the Global PV Market

- ✓ 2013 demand was around 36GW
- ✓ 2014 demand is expected to be 43.7GW and 2015 will be 50.7GW
- ✓ Global solar PV market is projected to grow by 15-20% annually

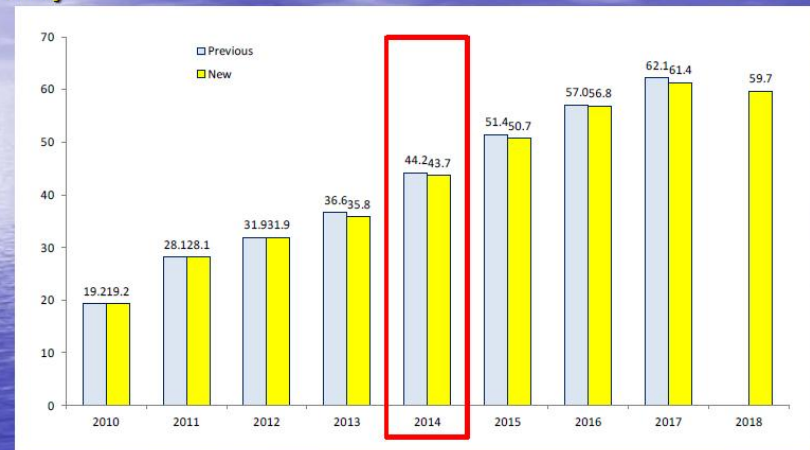
Global Solar PV Installation (2011~2017E)



Installations

(GW)

PRELIMINARY



Source: PHOTON Consulting, LLC. Note: All data are rough estimates.

Total installations down ~1%-3% 2013-2017 vs. previous estimates, then decline YoY 2017-2018

Source: Photon



2Q14 Financial Highlights (YoY) Consolidated I/S

In thousands of NT Dollars

	2Q14 ⁽¹⁾	%	2Q13	%	YoY
Net Sales	2,231,411	100.00	1,051,097	100.00	112%
Gross Profit	449,925	20.16	230,057	21.89	96%
Operating Income	332,320	14.89	153,384	14.59	117%
Pretax Income	286,349	12.83	205,222	19.52	40%
Net Income	245,577	11.00	183,318	17.44	34%

(1) 2Q14 figures are based on audited IFRS.



2Q14 Financial Highlights (QoQ) Consolidated I/S

In thousands of NT Dollars

	2Q14 ⁽¹⁾	%	1Q14	%	QoQ
Net Sales	2,231,411	100.00	1,983,294	100.00	13%
Gross Profit	449,925	20.16	441,500	22.26	2%
Operating Income	332,320	14.89	344,299	17.36	-3%
Pretax Income	286,349	12.83	407,250	20.53	-30%
Net Income	245,577	11.00	355,067	17.90	-31%
EPS	4.07		5.88 ⁽²⁾		

(1) 2Q14 figures are based on IFRS.

(2) EPS Unit: NTD per share. Total Shares Outstanding 608 Million as of 06/30/2014.



1H 2014 Financial Highlights

Consolidated B/S

In thousands of NT Dollars

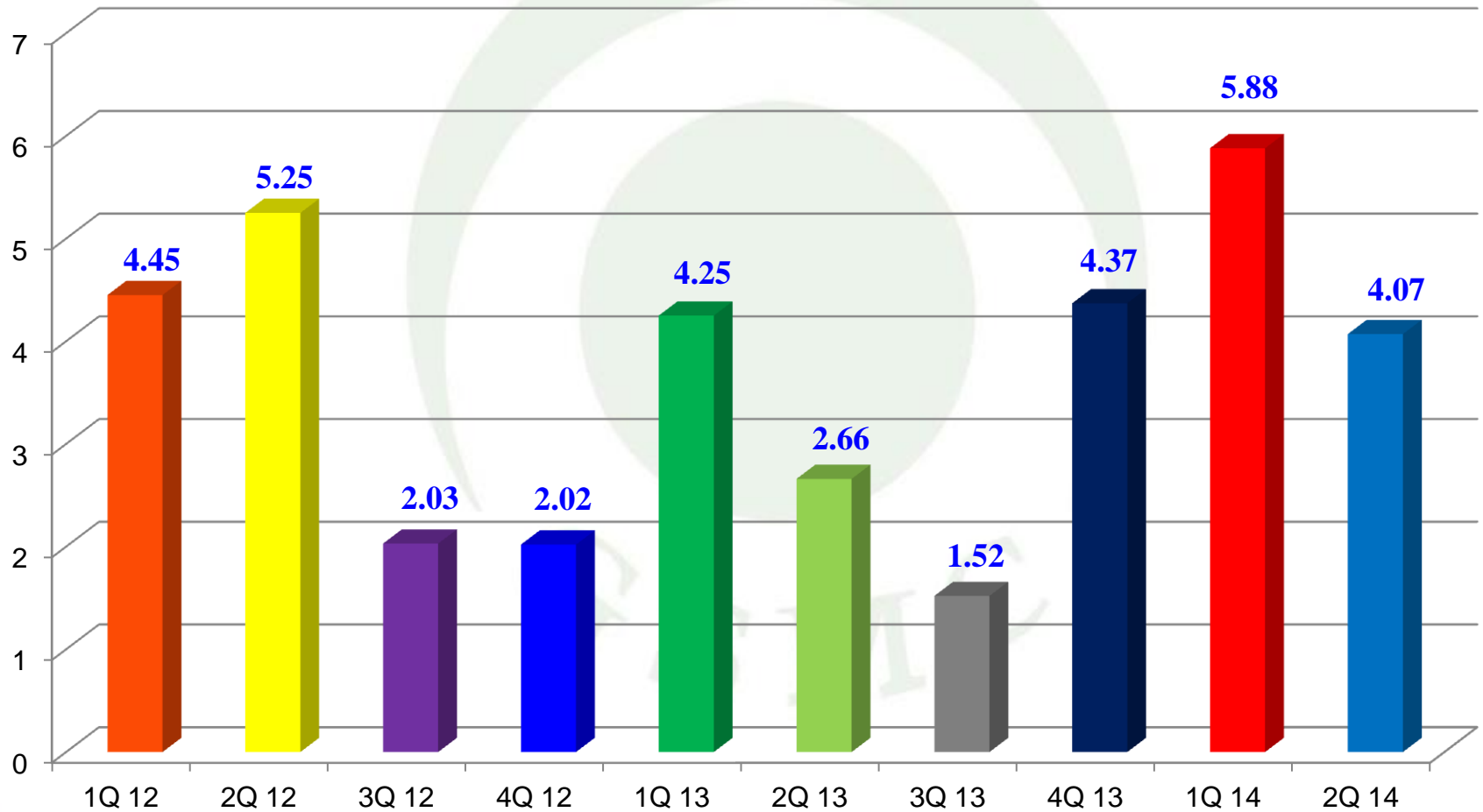
	2014/06/30 ⁽¹⁾	%	2013/12/31	%	2013/06/30	%
Cash & Equivalent	1,137,025	19%	1,001,779	21%	1,608,151	40%
AR	2,274,028	38%	1,737,126	36%	1,255,079	31%
Inventory	660,095	11%	351,967	7%	335,491	8%
Others	768,545	13%	192,884	4%	77,221	2%
Current Assets	4,839,693	81%	3,283,756	68%	3,275,942	82%
Non-current Assets	1,168,432	19%	1,562,169	32%	718,741	18%
Liabilities	2,224,757	37%	1,356,862	28%	801,421	20%
Stockholders' Equity	3,783,368	63%	3,489,063	72%	3,193,262	80%

(1): 1H 2014 figures are based on IFRS.



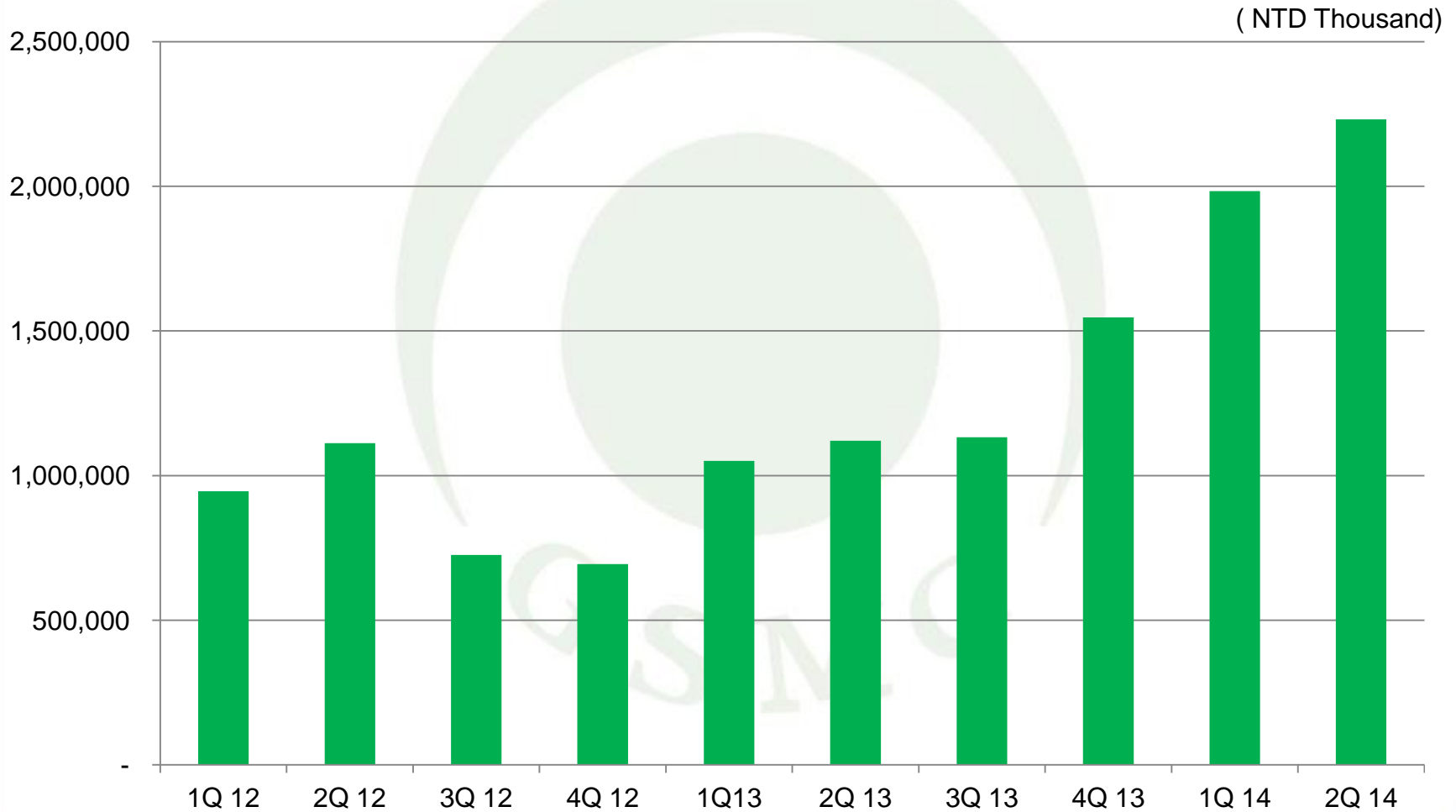
Operation Results: EPS (1Q12~2Q14)

EPS (NT\$)



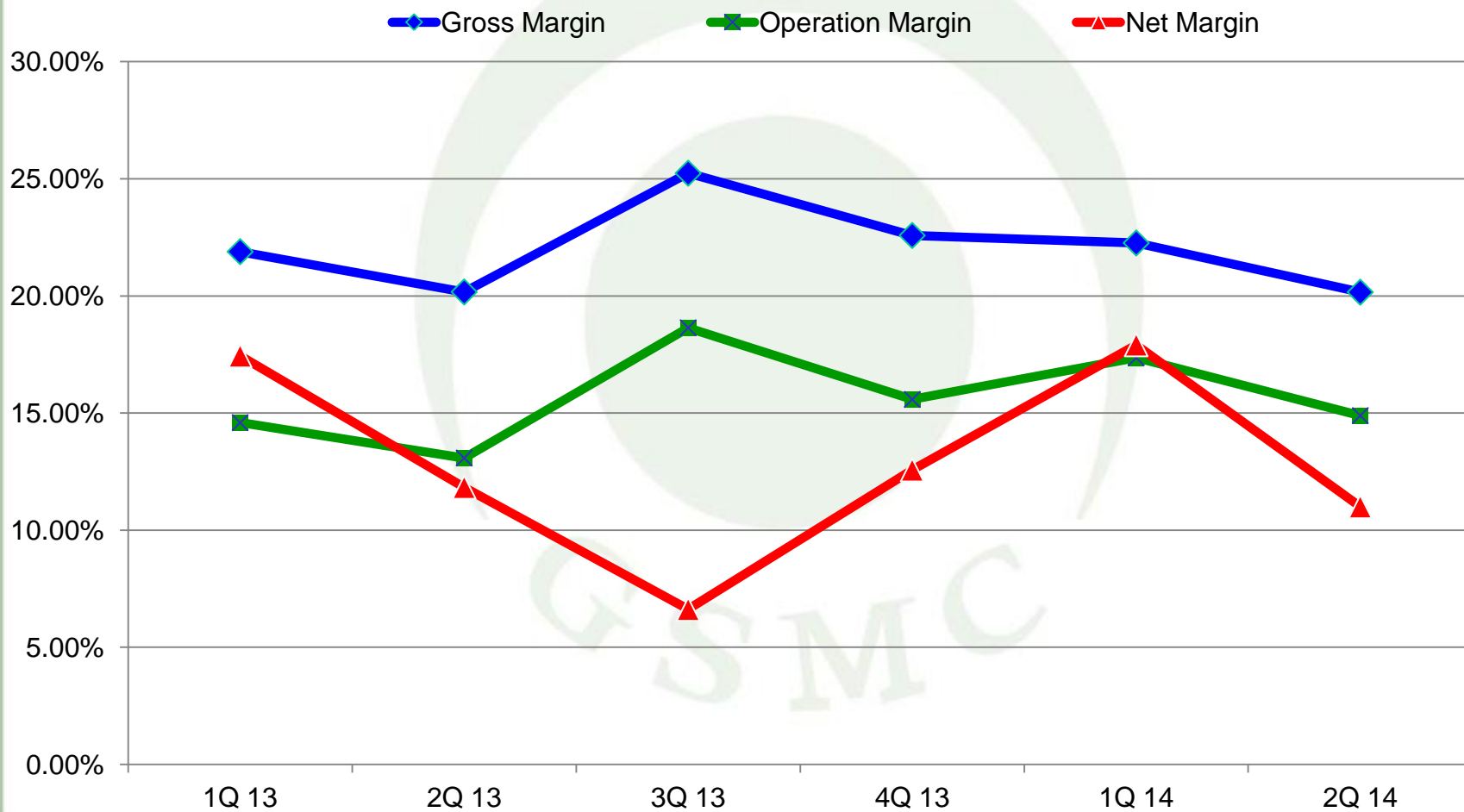


Revenue Growth (1Q12-2Q14)





Margin Trend (1Q13-2Q14)





Dividend Policy (2010-2013)

In thousands of NT Dollars

	2010		2011		2012		2013	
Net Income(NTD)	1,066,064	100%	1,030,623	100%	599,499	100%	619,497	100%
Stock	101,828	10%	0	0%	66,188	11%	101,488	16%
Cash	858,566	81%	874,509	85%	242,690	40%	304,465	49%

	2010	2011	2012	2013
Stock (Per Share)	3	0	1.5	2
Cash (Per Share)	25	20	5.5	6



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Solar System & Projects

Rationale:

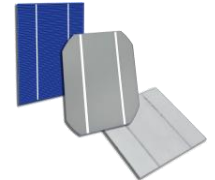
- * Material Application & Improvement:
F-S Ag, B-S Ag, Al Paste (GSMC), Wafer & Ribbon (GSC)
- * Profitable From Project IRR: Expected 10-12%
Net Profit Contribution around NTD100M/Y For 30MW

On Grid - 5MW
Solar Farm, Taiwan
3.8MW Rooftop Type
1.2MW Ground Type

Under Construction
Fukushima, Japan - 17MW
Chiba, etc... Japan - 15MW
Established in 2014~2015

Under Development - 6MW
Palau
PPA

Pre-Planning
Southeast Asia,
Australia...





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**Southern Taiwan
(5MW, On Grid)**



**Under Construction
Fukushima, Japan - 17 MW**





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Thank you for your attention!

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