



環球水泥股份有限公司

Universal Cement Corporation

Company Introduction



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Universal Cement Corporation

- Established in September, 1959 by Mr. S.L Wu and Mr. Y.L Hou, one of the oldest company of the Tainan Group (台南幫)
- Publicly traded since 1971 (TWSE:1104); current share outstanding 604 million NTD
- Manufactures and markets cement, ready-mixed concrete, clinker and gypsum boards. Spun-off new high-tech company Uneo Inc.
- Affiliated companies in the Tainan Group: Uni-President (TWSE: 1214), Prince Housing (TWSE: 2511), Tainan Spinning (TWSE: 1440)
- Key investments: CTBC Financial (TWSE: 2891), CHC Resources (TWSE: 9930), Lioho Machine Works
- Management team:
 - Chairman and President: Bo-Yi Hou
 - Executive Vice President: Chi-Sheng Johnson Hou (Stanford BS MS 03', MIT PHD EECS 07')
 - Vice President: Chi-Yuan Jack Hou (Columbia BA 06', Harvard MA 09')



Cement Division



- Capacity: Ah-Lien Cement plant annual production 300,000 tons (clinkers by TCC), Huanzhong Cement Silo 350,000 tons (supplier: TCC)
- Current Status: 3rd largest manufacturer in Taiwan by total volume
- Outlook: Maintain market position and optimize product mix

RMC Division



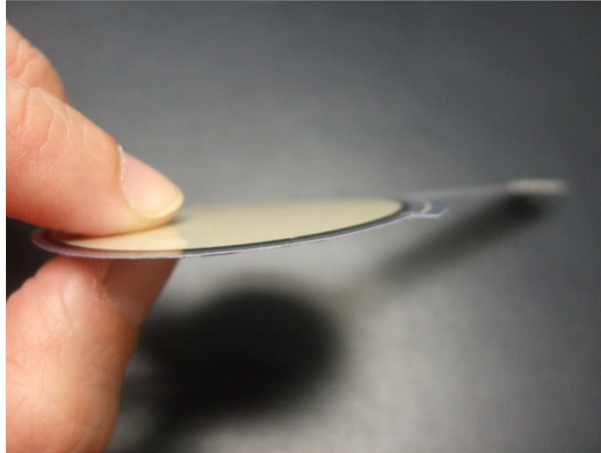
- Capacity: 9 plants distributed from central to southern Taiwan
- Current Status: More than doubled sales since 2008; leaders in the areas serviced. Recent contracts: TSMC and UMC Fab, China Steel, Dream Mall.
- Outlook: Gain momentum in high-end residential projects.

Gypsum Board Division



- Capacity: Annual production capacity 20,000,000 m²
- Current Status: Sole manufacturer of gypsum board in Taiwan. 60% revenue growth from 2007 to 2013. Attained UL and BS Certification
- Past Projects: Taipei 101, W Hotel Taipei, Marriot, Le Meridien, Hua-Nan Bank HQ, China Steel HQ, Venetian Macao Outlook: Continue to expand into residential sector, and maintain leadership in commercial and hospitality industry. New plant with capacity of 15,000,000m² in Kaoshiung ready in 2016.

Uneo Ultra-thin Force Sensor



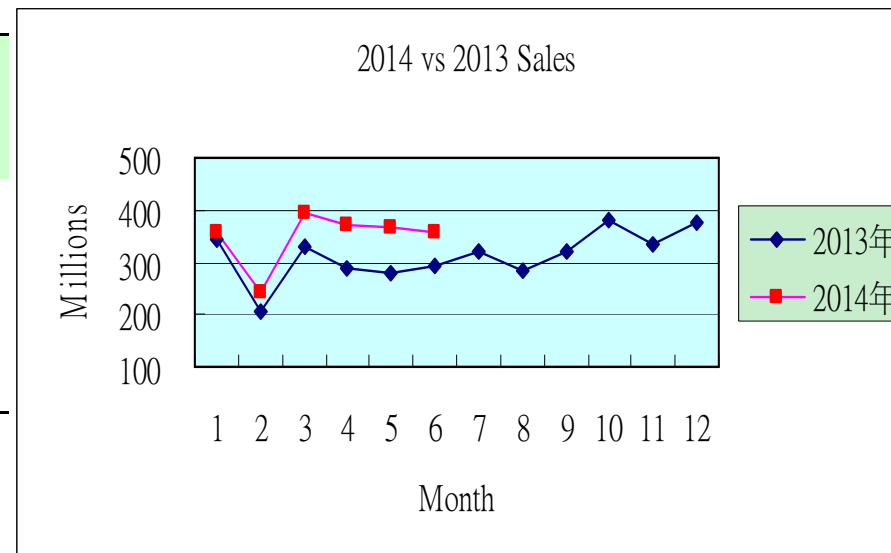
- Capacity: Annual production capacity 120,000 A3 sheets/month (growing)
- Current Status: First commercial realization of ultra-thin force sensors for smartphone, tablet, and 2-in-1 hybrid keyboard and stylus. Partners: Dell, HP, Sony Mobile, Lenovo, Sharp, Logitech, Adonit, Adobe, etc.
- Outlook: Establish market leadership in consumer electronics, and expand into healthcare and industrial sectors.

部門營收

For the six-month period ended June 30, 2014

(In NT thousands)

2014	Total	YOY
6	357,394	22%
1-6	2,088,687	20%



2014	Cement Division	YOY	Ready Mix Concrete Division	YOY	Building Materials Division	YOY
6	56,254	-6%	219,655	38%	81,485	9%
1-6	375,365	4%	1,220,564	29%	492,758	13%

For the six-month period ended June 30,2014

(In NT thousands except EPS)

2014	Net Sales	YOY	Gross Margin	YOY	Operating Income	%	YOY
6	357,394	22%	9.35%	0.13%	- 8,851	-2.48%	-60%
1-6	2,088,687	20%	10.35%	0.77%	76,214	3.65%	94%

2014	Investment Income from 六機	YOY	Non-operating Income	Income after Tax	YOY	2014EPS (NT\$)	2013EPS (NT\$)
6	312,190	69%	434,985	385,134	19%	0.64	0.53
1-6	504,680	51%	650,027	675,977	31%	1.12	0.86

營運表現

For the year ended June 30, 2014 and 2013

(In NT thousands except otherwise noted)

		2Q/14	1Q/14	1Q-2Q/14	YoY	4Q/13	3Q/13	1Q-2Q/13	2013
Sales Volume (thousands)	CEMENT(t)	78	76	154	5%	81	71	146	298
	RMC(m ³)	420	371	791	23%	417	344	643	1,404
	Gypsum Board(m ²)	5,011	4,545	9,556	2%	5,547	4,945	9,356	19,848
Net Sales	Total	1,095,761	992,926	2,088,687	20%	1,088,630	921,205	1,741,841	3,751,676
	CEMENT	190,184	185,181	375,365	4%	198,276	175,074	361,092	734,442
	RMC	655,501	565,063	1,220,564	29%	621,869	515,184	942,890	2,079,943
	Gypsum Board	250,076	242,682	492,758	13%	268,485	230,947	437,859	937,291
Gross Profit		109,040	107,176	216,216	17%	83,551	89,506	185,327	358,384
Gross Margin		9.95%	10.79%	10.35%	-0.3%	7.67%	9.72%	10.64%	9.55%
Operating Income		32,323	43,891	76,214	94%	53,752	21,760	39,217	114,729
Non-operating Income/(Expense)		444,992	205,035	650,027	31%	309,604	213,800	494,962	1,018,366
Income before Tax		477,315	248,926	726,241	36%	363,356	235,560	534,179	1,133,095
Income Tax Benefit/(Expense)		(40,999)	(9,265)	(50,264)	186%	(5,084)	2,679	(17,569)	(19,974)
Net Income		436,316	239,661	675,977	31%	358,272	238,239	516,610	1,113,121
Basic EPS(NT\$)		0.72	0.40	1.12	30%	0.59	0.39	0.86	1.84

(After CPA audit except 2Q/14)

Summary for 2014

Consolidated Revenue ~5 billion NTD, Net profit ~1.4 billion NTD

- High season for construction industry will lead to strong numbers for the core business
- Gradual increase in shipment of tablet stylus sensor for UNEO
- Profit Growth Drivers: plasterboard division volume growth, moderate rise in RMC avg price.
- UNEO Milestones: Adobe Ink, HP Executive Tablet Pen

Long-Term Investment

During UCC's 50+ years of history, diversification has always been a key focus, which results in an extensive portfolio of holdings in the following companies:

- Banking: Chinatrust Financial Holdings (中信金), Grand Bills Finance Corp. (萬通票券)
- Construction: Prince Housing (太子建設), China Hi-Ment Corporation (中聯資源), Pan Asia Corporation (泛亞工程)
- Automobile Industry: Lioho Machineworks (六和機械, leading supplier of Al wheels, casting, and stamped parts to Shanghai GM and Shanghai Volkswagen)

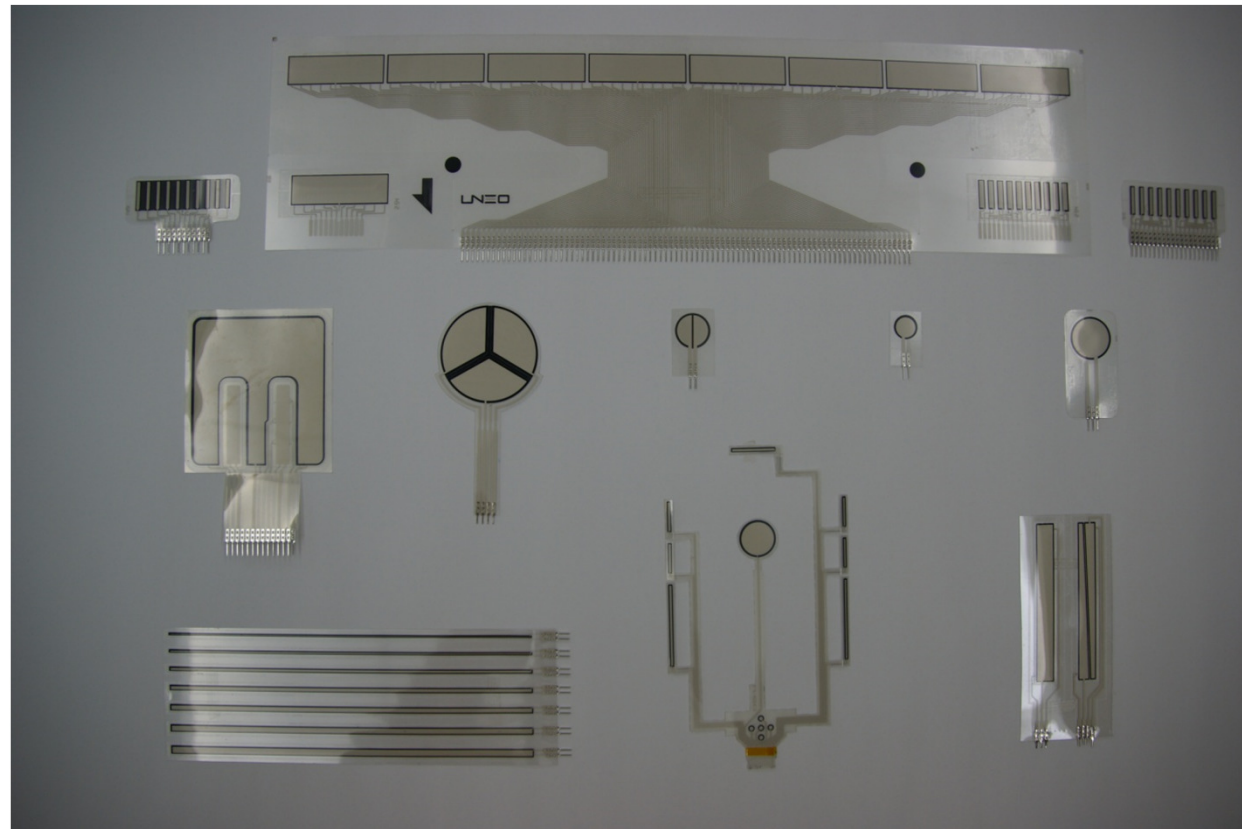
For the six-month periods ended June 30,2014

(In NT thousands)

Investees	% of shareholding	Cash dividends	Investment income from equity investments
環中國際	69.99%	20,998	10,469
六和機械	29.86%	203,157	505,173
環泥建設	16.44%	12,432	-
萬通票券	8.14%	19,800	-
中聯資源	6.85%	51,061	-
太子建設	1.21%	5,872	-
中信投資	1.05%	9,910	-
中國信託	0.21%	11,741	-

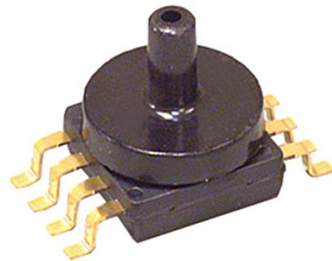
UNEEO Overview

- Uneo specializes in the design and manufacturing of thin film tactile pressure sensor and complete systems

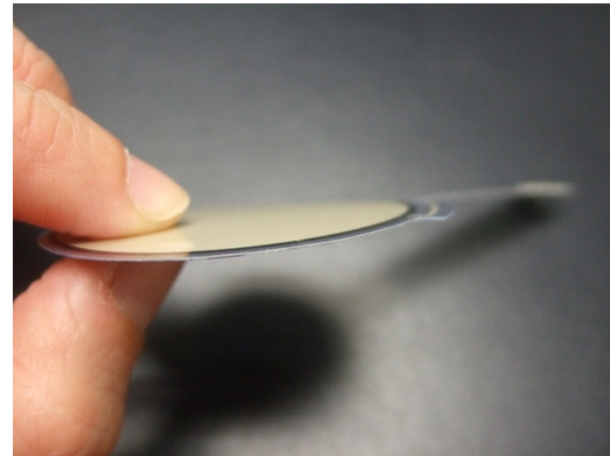


Pressure Sensor

Ultra-thin Micro-Deformable Piezoresistive Sensor (**Uneo™**)



Traditional

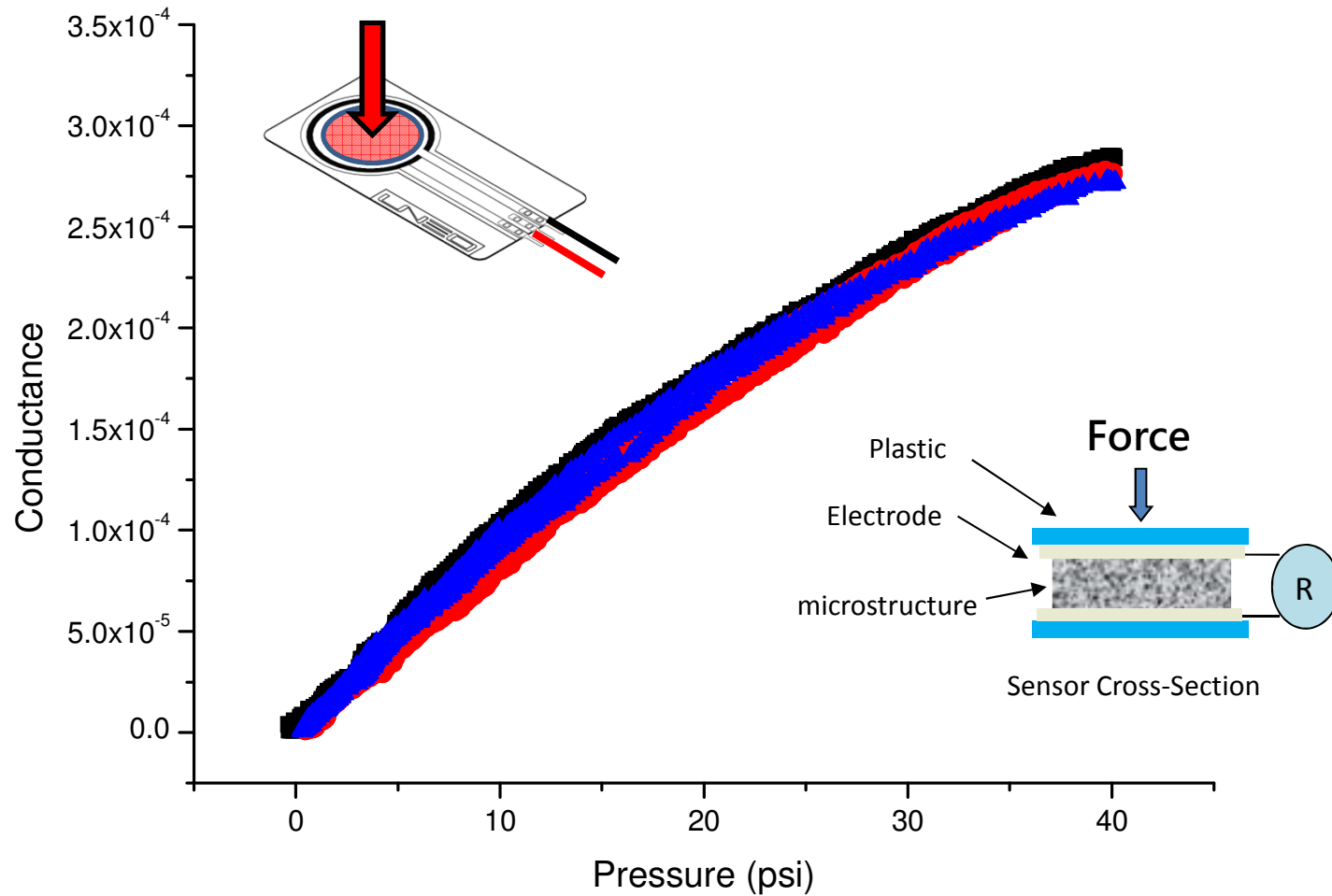


Ultra-thin

- Resistive-type pressure readout
- Slim and flexible- paper-like characteristics
- Wide measurement range
- Customizable sensing range and area
- Environmentally-friendly production and RoHS compliant

Sensor Characteristic

High linearity output vs. Pressure (or Force)



■ Sensors A, B, C

Typical Specs

■ Pressure/Force range	0.003kg~2000kg (customizable)
■ Linearity (R^2)	> 0.99
■ Service temperature	-40°C~ 85°C
■ Response time	<100μs
■ Thickness	100 ~ 200μm
■ Lifetime	> 10 million actuations

Award Winning

Award – 2010 Wall Street Journal Technology Innovation Award



■ Runner-up, Semiconductor Category

Source: <http://online.wsj.com/article/SB10001424052748703904304575497473735761294.html>



- Who We Are

- Uneo™ Pressure Sensor

- Applications

Applications

Pressure Sensitive Stylus



- Single Point Sensor (1.5mm radius) for Stylus Pressure Sensitivity
- Activation force starting at 3g
- Compatible with capacitive, electromagnetic, and optical touchscreens

More Stylus customers with Uneo

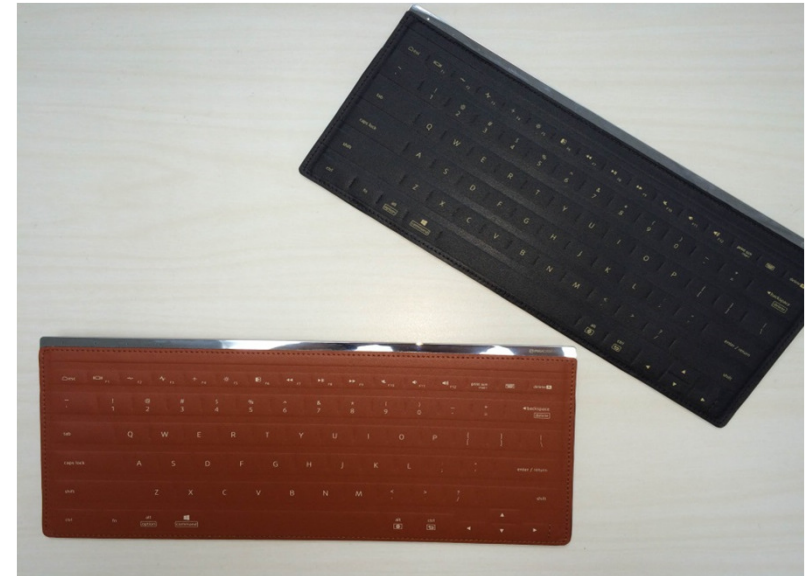


大和証券
Daiwa Securities



Applications

Ultra-slim Keyboard



- Uneo's slim form factor is ideal for ultra-slim keyboard
- **Adjustable key sensitivity** for personalized typing experience
- Combine back-lighting to form an overall thickness < 3mm
- Can integrate pointer mouse and touchpad functions with minimal cost increase

Applications

Minimalist Embedded Buttons and Sliders



Note: concept illustration only



- Embed buttons below any surface material (metal, glass)
- Activation force programmable (20g~500g), slim profile (0.2mm thick)

Applications

Gaming keyboard for laptop or desktop

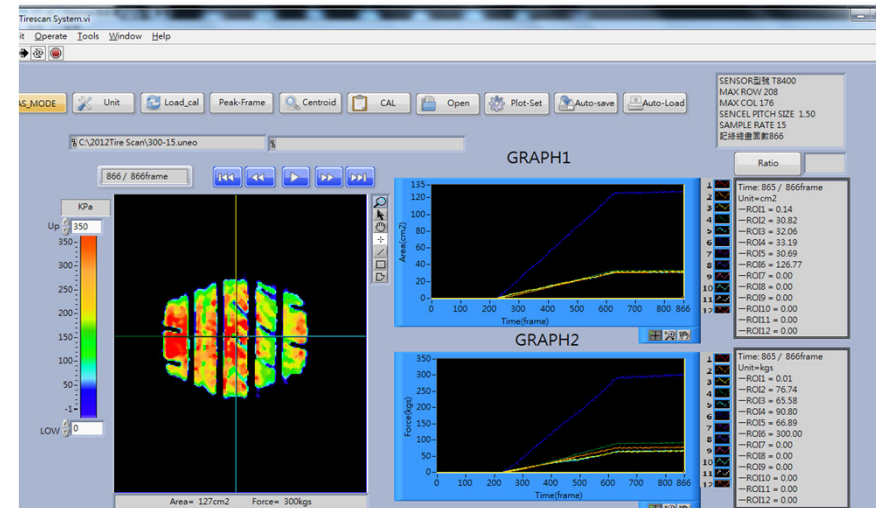


Note: concept illustration only

- Integrate pressure sensor to gaming keys in a keyboard
- Revolutionizes the way shooter/racing games are played

Applications

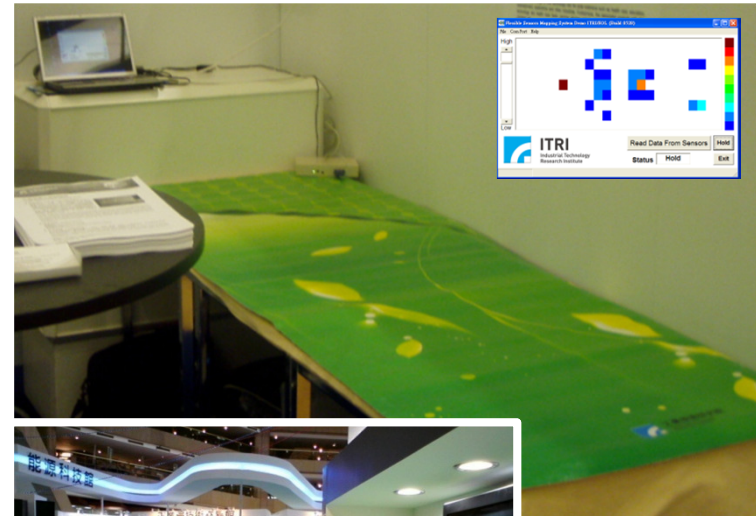
High Density Pressure Sensor for Tire Analysis



- 40,000 pixel sensor matrix for tire tread pressure analysis
- 20Hz scan rate, 100Hz scan rate by 1Q 2013

Applications

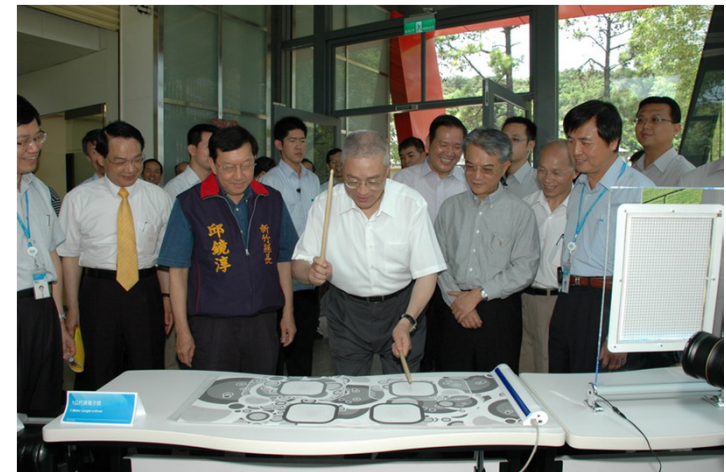
Biomedical Body and Feet Analysis



- Dynamic 2D pressure mapping system for body and feet
- For measurement of body pressure distribution on hospital bed

Applications

Education/ Toy



- Paper-like e-drum is rollable and provides full-size force-sensitive keys
- Showcase performance talents anytime and anywhere

Products :

階段	產品項目	產品型號 / 終端客戶
Mass Production	Hybrid Laptop	DELL XPS 11
	Stylus	SHARP BIGPAD
	Stylus	Adonit Jot Touch- Apple accessory
	Stylus	Adobe Mighty
	Stylus	NEC
	Stylus	HP Elitepad, Atmel
	Stylus	Turkish Educational Tablet
	Stylus	讀書郎(Readboy)
	Insole	Orpyx
	Tire Sensor	泰豐 (Federal), 双錢(Double Coin), 萬達 (Wanda)

Products :

階段	產品項目	產品型號 / 終端客戶
Prototype	Keyboard	Lenovo: Thinkpad
	Keyboard	Lenovo: Ideapad
	Keyboard	Logitech: Keyboard accessory
	Keyboard	HP
	Keyboard	Pegatron PEGACASA keyboard
	Keyboard	Roccat
	Phone side button	Sony Mobile
	Phone side button	HTC
	Phone accessory	WIME
	Stylus	Asus
	Stylus	Intel
	Stylus	Atmel
	Stylus	Synaptics
	Stylus	Illitek
	Stylus	KYE
	Stylus	Kokuyo
	Touch Control Panel	LIXIL bidet toilet control

Production Capacity

Zhonghe Pilot Facility



- 700 m² clean room space
- Production Capability – 40,000 300mm X 400mm sheets/month (equivalent to 120K 10" tablet keyboards/month)

Production Capacity

Kaoshiung Facility



- Phase 1 - 10,000 m² clean room space
- Up to 500,000 A3 sheets /month (2M keyboards/month)
- Phase 2, Phase 3 being planned