



# Taiwan Cogeneration Corporation

## INVESTOR CONFERENCE

2017.4.20



TAIWAN COGEN

*Efficiency,  
Expertise,  
Enthusiasm*

- 一、Company Profile
- 二、Operational Structure and Investment Business
- 三、Operating Situation
- 四、Business Overview

# 一、Company Profile



## (一) Company basic information

- **Company Name : Taiwan Cogeneration Corporation (TCC)**
- **Chairman : Michael, Min-Chieh Chang**
- **Date of establishment : 1992**
- **Date of Listing : 2003 ( Code: 8926 )**
- **Capital : NT\$5.89 Billions**
- **Main business :**
  - ✓ Power generation business
  - ✓ Engineering business
  - ✓ Investment business

# 一、Company Profile (continued)



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## (二) Development track

Since 1996, TCC has invested in Ta Yuan cogeneration plant as well as self-invested and self-constructed Kuan-Tien cogeneration plant

In 1992, TCC was funded by several well-known domestic companies under the guidance of Ministry of Economy

In 2011, TCC acquired 35% shares of Kuo Kuang Power Corp.

Since 2000, TCC has invested Star energy/Sun Ba/Star Buck 3 IPP companies

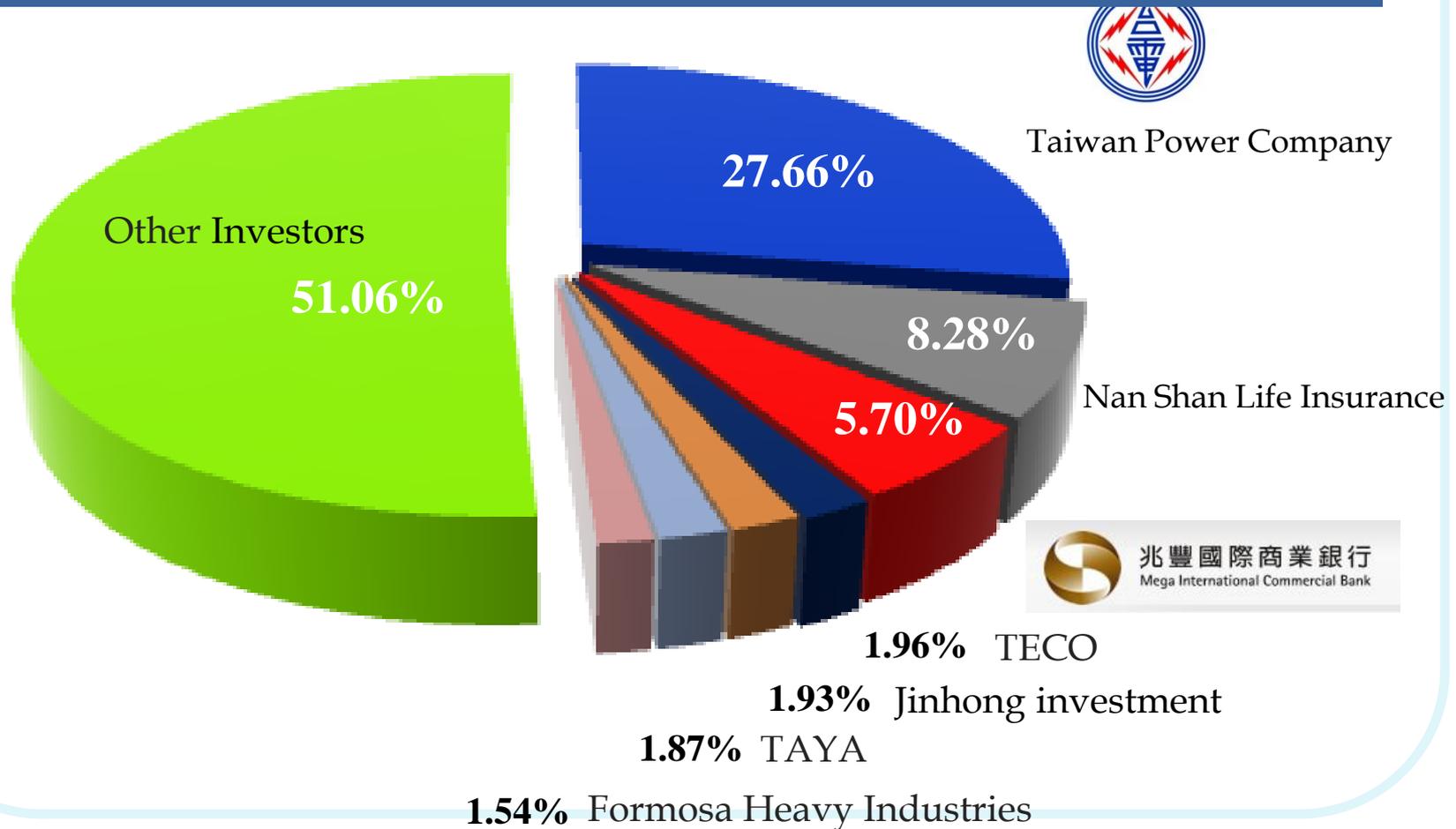
TCC listed OTC and transferred to TWSE

Developing of IPP, renewable energy, cogeneration plant, transmission and substation engineering in domestic and oversea

# 一、Company Profile (continued)



## (三) TCC's Shareholders (As of April 2016)

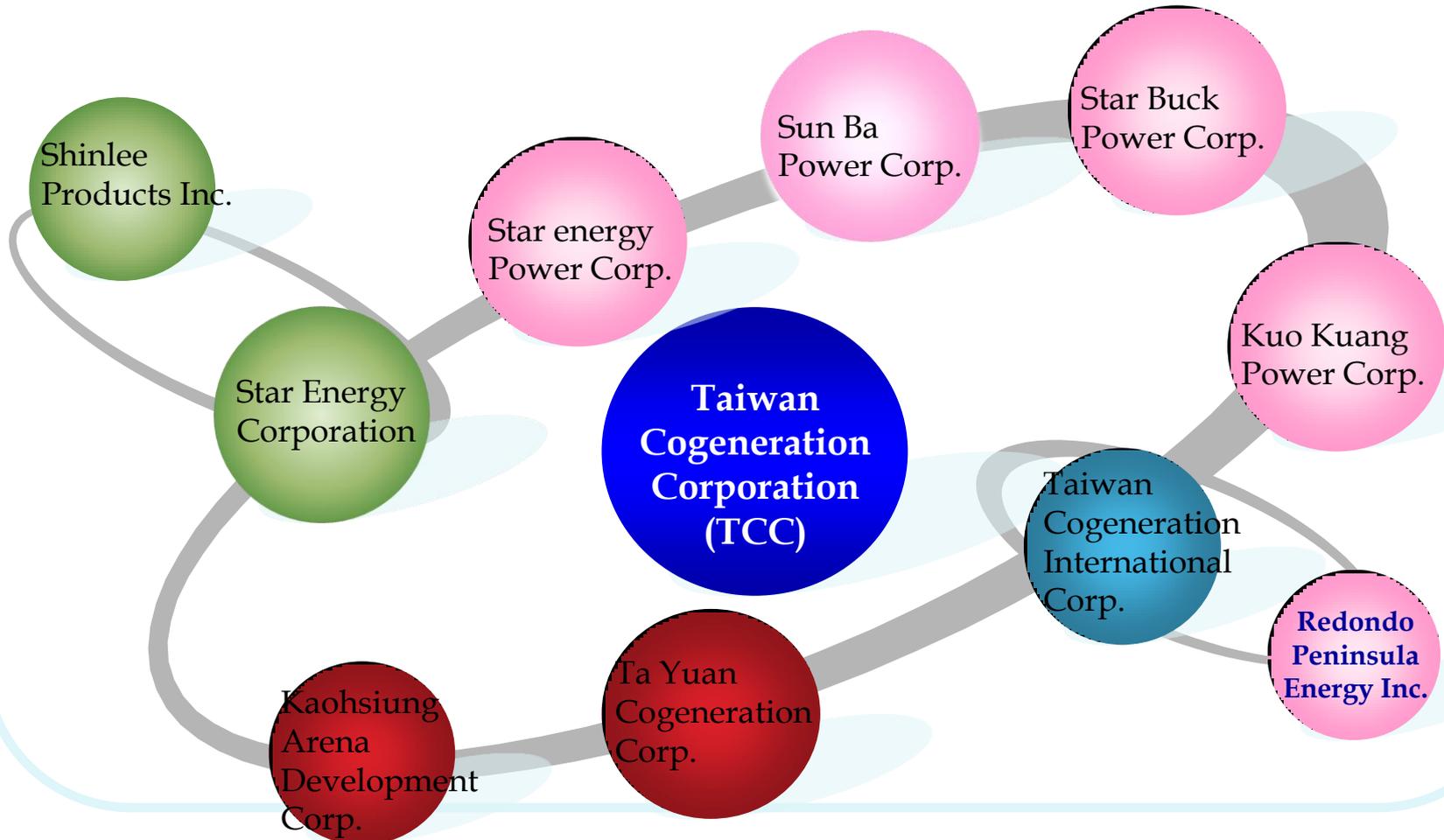


## 二、Operational Structure and Investment Business



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TCC has invested in total of 10 companies



## 二、Operational Structure and Investment Business (continued)



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Name of the investee company	Capital (NT\$ Millions)	Shareholding by TCC (%)	Main business
Ta Yuan Cogeneration Corporation	1,164	29%	Operation of Cogeneration Plant (68.4MW)
Star energy Power Corporation	3,000	41%	Operation of gas-fired Power plant (490MW)
Sun Ba Power Corporation	6,000	43%	Operation of gas-fired Power plant (980MW)
Star Buck Power Corporation	3,300	41%	Operation of gas-fired Power plant (490MW)
Kuo Kuang Power Corporation	3,278	35%	Operation of gas-fired Power plant (480MW)
Star Energy Corporation	630	100%	Construction and engineering service for power, renewable energy related
Shinlee Products Inc.	40	41%	Engineering service and international trading
Taiwan Cogeneration International Corp.	685	100%	Oversea investment
Redondo Peninsula Energy, Inc.	1,242	25%	Development of coal-fired power plant (600MW) in Subic Bay, Philippines
Kaohsiung Arena Development Corp.	2,500	8%	Operation of Kaohsiung Arena and its related facilities

(As of December 2016)

# 三、Operating Situation

## (一) Consolidated Income Statement



Unit: Thousand NTD	2016	2015	YOY	
Revenues	1,178,012	1,546,915	(368,903)	-24%
Costs	883,020	1,249,699	(366,679)	-29%
Realized gain on transactions with associates	39,068	18,894	20,174	107%
Realized Gross Profit	334,060	316,110	17,950	6%
Gross Margin	28%	20%	8%	
Operating Expense	180,601	177,370	3,231	2%
Operating net profit	153,459	138,740	14,719	11%
Operating net profit margin	13%	9%	4%	
Non-operating items	836,791	1,015,145	(178,354)	-18%
Pre-tax net profit	990,250	1,153,885	(163,635)	-14%
Income tax expense	(41,284)	(91,984)	50,700	-55%
Net profit	948,966	1,061,901	(112,935)	-11%
EPS (NT\$)	1.61	1.80	(0.19)	-11%

# 三、Operating Situation(continued)

## (二) Consolidated Balance Sheet



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Unit: Thousand NTD	2016		2015	
Current Assets	1,592,410	10.6%	1,560,215	10.4%
Non Current Assets	13,444,033	89.4%	13,370,080	89.6%
Available-for-sale financial assets	295,200	2.0%	261,800	1.8%
Investments accounted for using equity method	12,596,263	83.8%	12,537,651	84.0%
Property, plant and equipment	442,729	2.9%	417,479	2.8%
Other assets	109,841	0.7%	153,150	1.0%
Total Assets	15,036,443	100.0%	14,930,295	100.0%
Current Liabilities	718,032	4.8%	949,912	6.4%
Non Current Liabilities	2,654,133	17.7%	2,494,461	16.6%
Total Liabilities	3,372,165	22.5%	3,444,373	23.0%
Shareholders Equity	11,664,278	77.5%	11,485,922	77.0%
ROA	7%		7%	
ROE	8%		9%	
Current Ratio	222%		164%	
Quick Ratio	166%		109%	

# 三、Operating Situation(continued)

## (三) Consolidated Cash Flow



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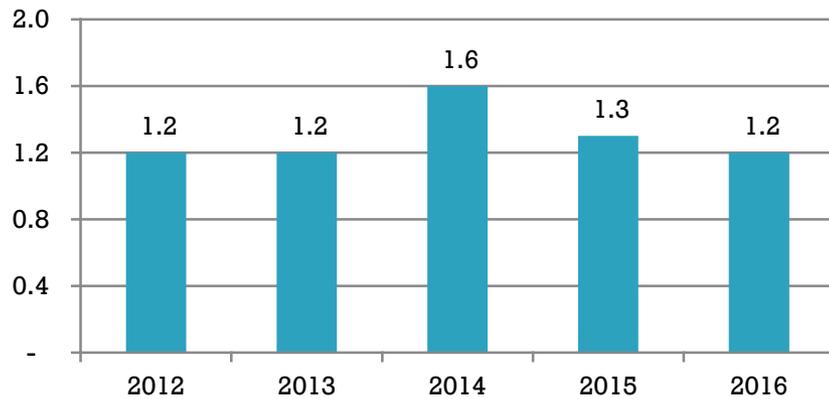
Unit: Thousand NTD	2016	2015	YOY
From Operating Activities	923,225	1,442,125	(518,900)
From Investing Activities	(128,092)	17,562	(145,654)
From Financing Activities	(613,135)	(1,612,168)	999,033
Effect of Exchange rate	1,207	647	560
Net Change in Cash	183,205	(151,834)	335,039
Beginning Balance	<u>834,688</u>	<u>986,522</u>	(151,834)
Ending Balance	<u>1,017,893</u>	<u>834,688</u>	183,205

# 三、Operating Situation(continued)

## (四) Dividend

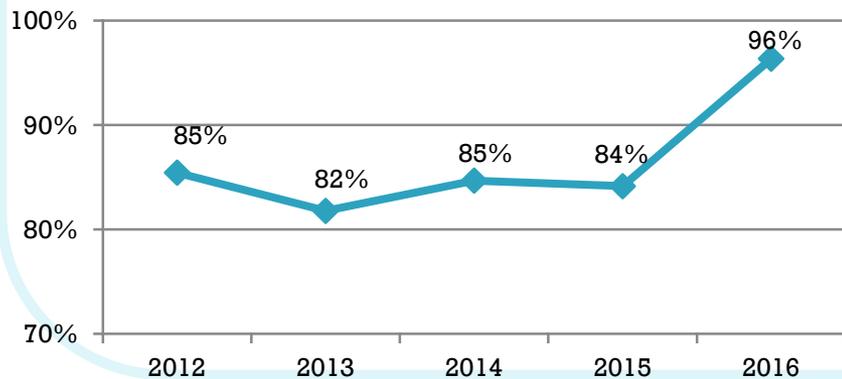


### Cash Dividend(NT\$/Shar)

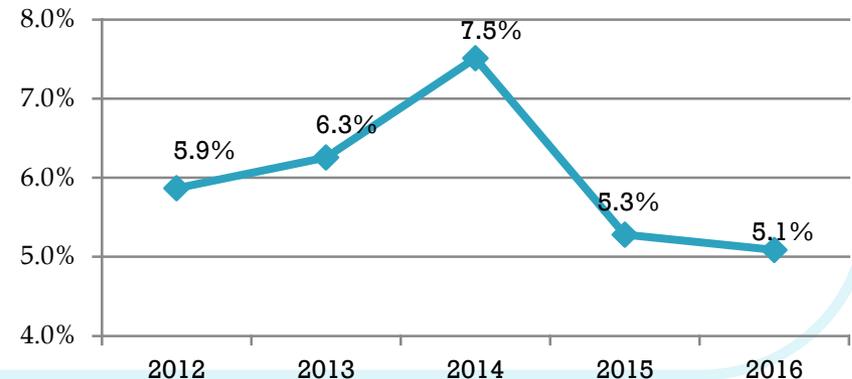


- Dividends are paid in cash and maintain a certain level
- Payout Ratio more than 80%
- Dividend yielding more than 5%

### Payout Ratio



### Dividend Yield



# 四、Business Overview

## (一) Main Business Performance



Star Energy Corp. undertook Taipower  
61 wind turbine unit turnkey project  
71 wind turbine maintenance works



Star Buck Power Plant Project  
TCC is the first Taiwan company with  
track record of gas-fired combined cycle  
power plant turnkey construction



Related to transmission and  
substation project  
7 substations / 2 transmission



TCC invested in 4 IPPs

# 四、Business Overview(continued)

## (二) Core Business in Progress



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Philippine RP Energy coal-fired power plant is expected to start construction this year



Obtain the first qualified applicant of Yilan Qingshui Geothermal Project



Development of onshore wind power



Evaluation of the development of IPPs



Development of solar photovoltaic and related turnkey construction and maintenance works



Evaluation of development of offshore wind power

# 四、Business Overview(continued)

## (三) Future Business Direction



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**Steadily expand the scale, develop expertise, improve business performance**

- Investing in electric energy business in Taiwan and oversea
  - Private power plant
  - Cogeneration Plant Project
  - Renewable energy
- Undertaking power and energy engineering
  - Taipower Thermal Power Generation Project
  - Related public engineering business
  - Power plant operation and maintenance services
  - Other related areas of business
- Other power and energy business

# 四、Business Overview(continued)

## (四) Diversification Vision

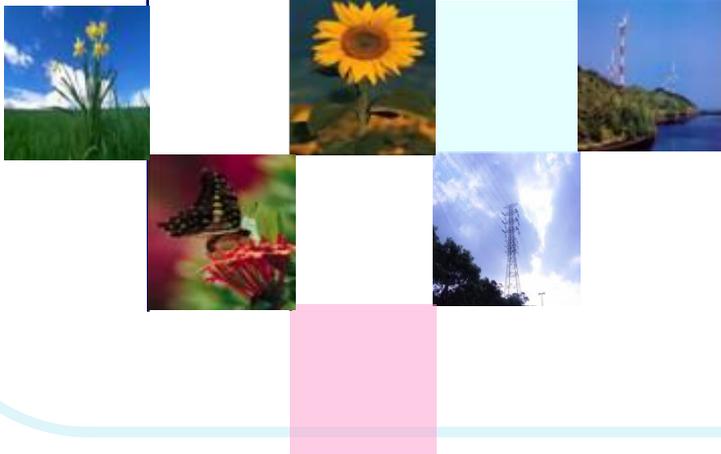


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# Please Advise



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