



Taiwan Cogeneration Corporation

INVESTOR CONFERENCE

2017.11.21



TAIWAN COGEN



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

一、Company Profile



(一) Company basic information

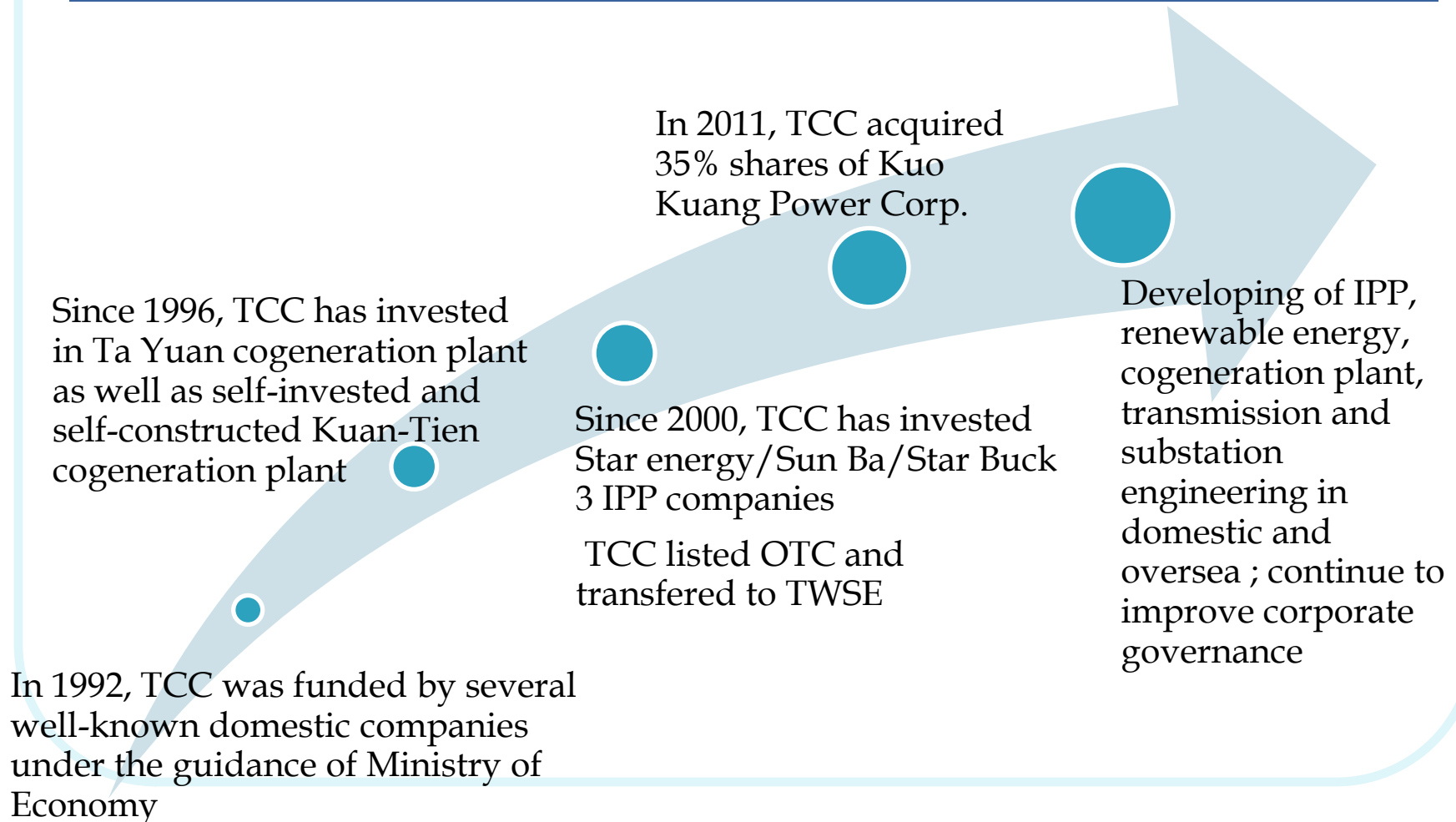
- **Company Name : Taiwan Cogeneration Corporation (TCC)**
- **Chairman : Michael, Min-Chieh Chang**
- **Date of establishment : 1992**
- **Date of Listing : 2003 (Code: 8926)**
- **Capital : NT\$5.89 Billions**
- **Main business :**
 - ✓ Power generation business
 - ✓ Engineering business
 - ✓ Investment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

一、Company Profile (continued)



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(二) Development track

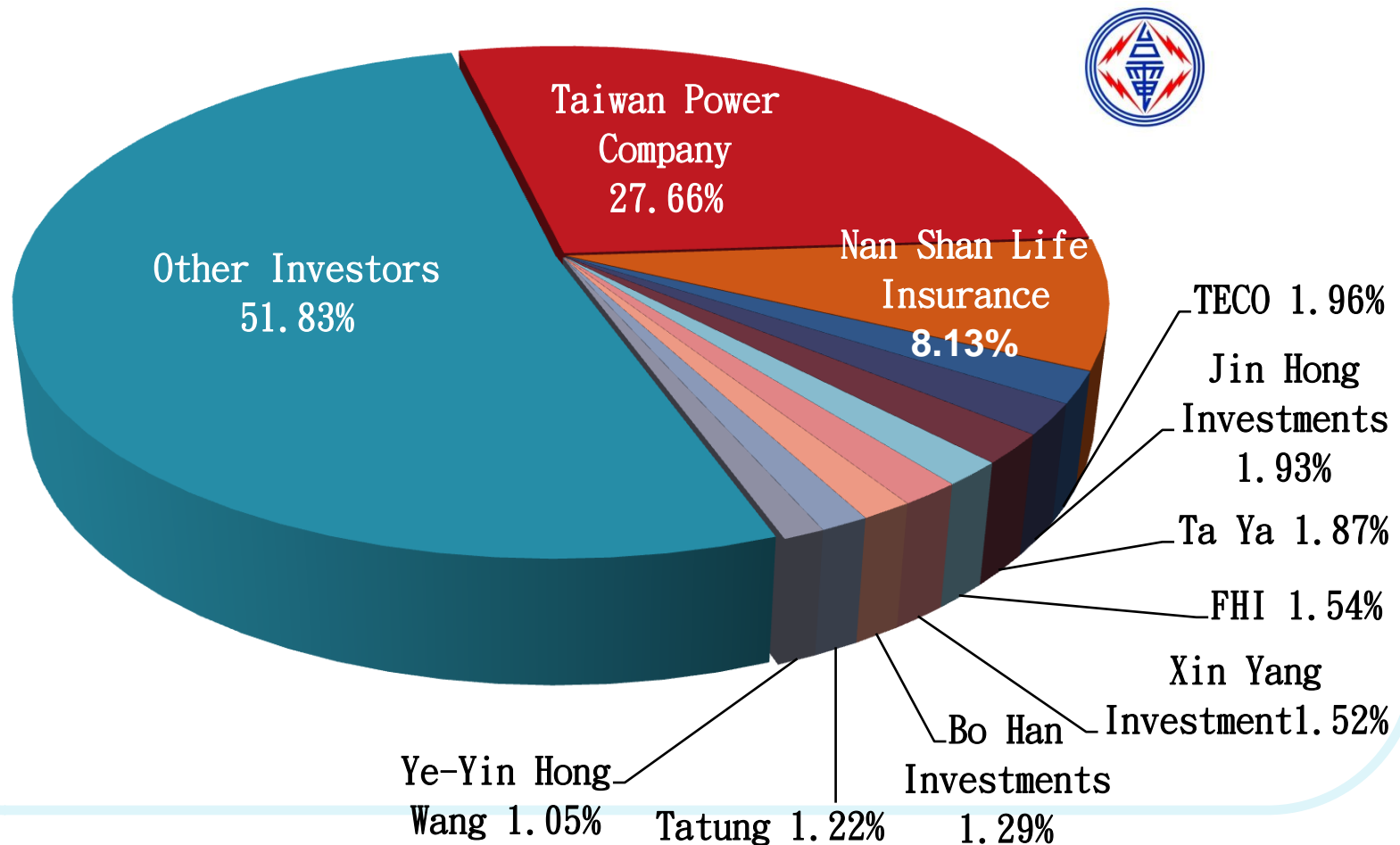


一、Company Profile (continued)



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(三) TCC's Shareholders (As of April 2017)

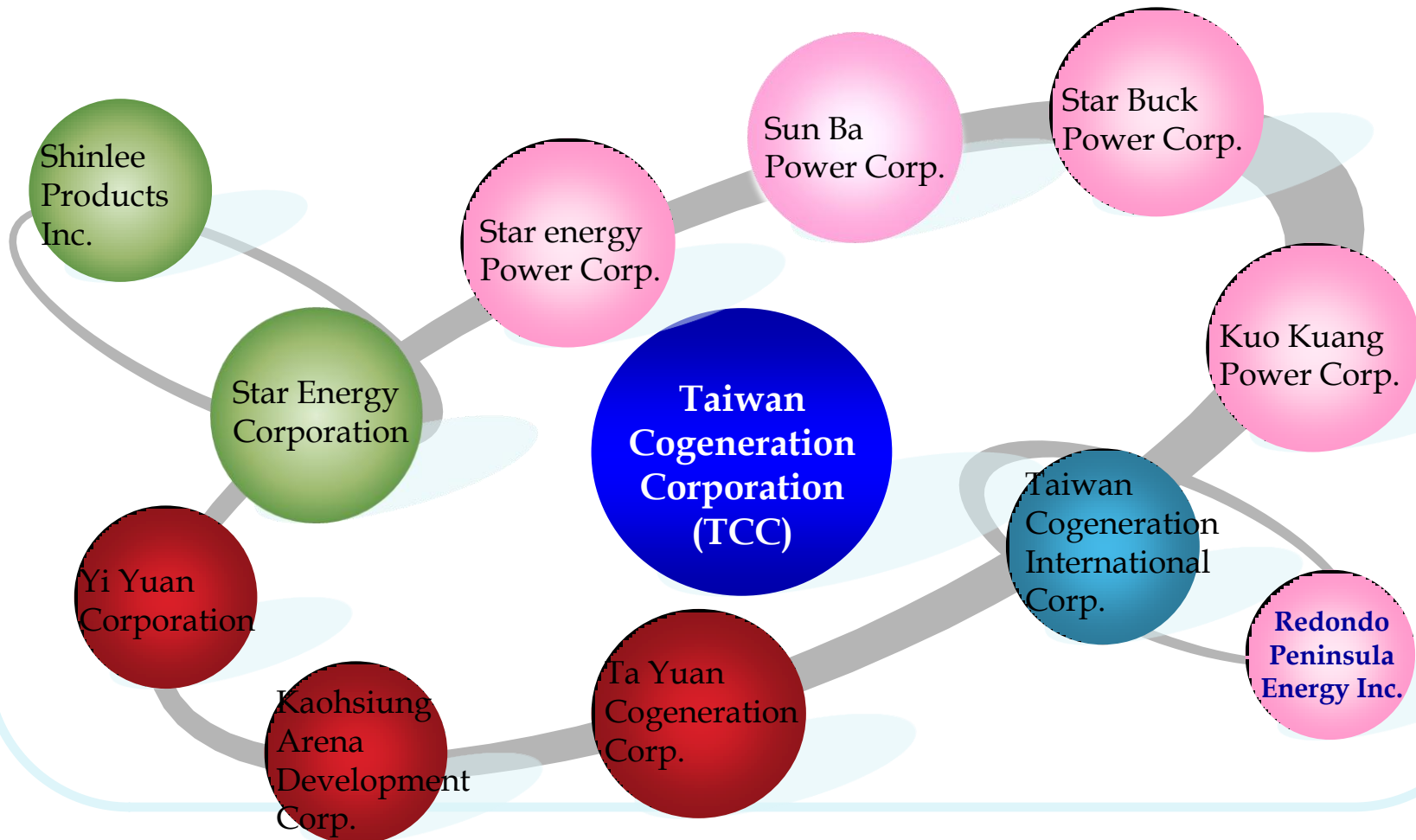


二、Operational Structure and Investment Business



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TCC has invested in total of 11 companies



二、Operational Structure and Investment Business (continued)



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.	2,293	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
Yi Yuan Corporation	50	51%	Investment geothermal power

(As of September 2017)

三、Operating Situation

(一) Consolidated Income Statement



Unit: Thousand NTD	1-3Q 2017	1-3Q 2016		YOY
Revenues	871,940	939,847	(67,907)	-7%
Costs	674,175	719,695	(45,520)	-6%
Realized gain on transactions with associates	23,883	31,814	(7,931)	-25%
Realized Gross Profit	221,648	251,966	(30,318)	-12%
Gross Margin	25%	27%		-1%
Operating Expense	163,752	128,759	34,993	27%
Operating net profit	57,896	123,207	(65,311)	-53%
Operating net profit margin	7%	13%		-6%
Non-operating items	841,130	578,533	262,597	45%
Pre-tax net profit	899,026	701,740	197,286	28%
Income tax expense	(26,115)	(29,595)	3,480	-12%
Net profit	872,911	672,145	200,766	30%
Net profit_Owners of the Corporation	877,252	672,145	204,246	30%
EPS (NT\$)	1.49	1.14	0.35	31%

三、Operating Situation(continued)

(二) Consolidated Balance Sheet



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Unit: Thousand NTD	3Q 2017		3Q 2016	
Current Assets	1,325,640	8.8%	1,568,229	10.6%
Non Current Assets	13,776,177	91.2%	13,166,309	89.3%
Available-for-sale financial assets	228,800	1.5%	273,000	1.9%
Investments accounted for using equity method	12,890,533	85.4%	12,336,024	83.7%
Property, plant and equipment	549,133	3.6%	434,562	2.9%
Other assets	107,711	0.7%	122,723	0.8%
Total Assets	15,101,817	100.0%	14,734,538	99.9%
Current Liabilities	1,069,625	7.1%	802,187	5.4%
Non Current Liabilities	2,275,984	15.1%	2,551,865	17.2%
Total Liabilities	3,345,609	22.2%	3,354,052	22.6%
Shareholders Equity	11,736,049	77.7%	11,380,486	77.2%
Non-Controlling Interests	20,159	0.1%		0.0%
ROA	8%		6%	
ROE	10%		8%	
Current Ratio	124%		195%	
Quick Ratio	89%		116%	

三、Operating Situation(continued)

(三) Consolidated Cash Flow



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Unit: Thousand NTD	1-3Q 2017	1-3Q 2016	YOY
From Operating Activities	749,742	753,945	(4,203)
From Investing Activities	(323,830)	(299,880)	(23,950)
From Financing Activities	(670,790)	(697,823)	27,033
Effect of Exchange rate	(3,649)	(6,455)	2,806
Net Change in Cash	(248,527)	(250,213)	1,686
Beginning Balance	<u>1,017,893</u>	<u>834,688</u>	183,205
Ending Balance	<u>769,366</u>	<u>584,475</u>	184,891

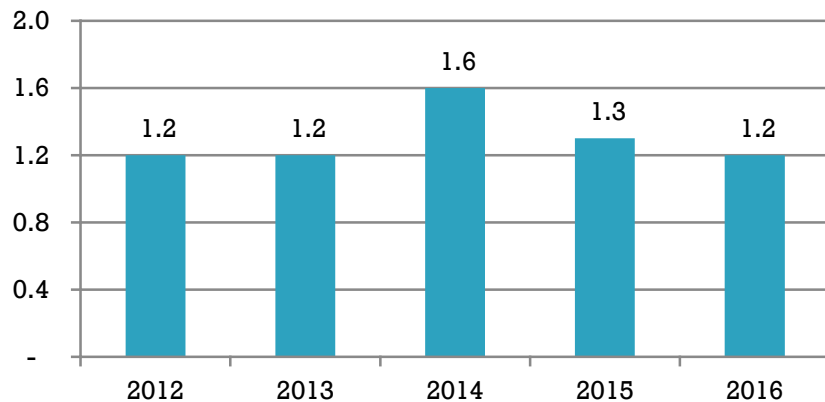
三、Operating Situation(continued)

(四) Dividend



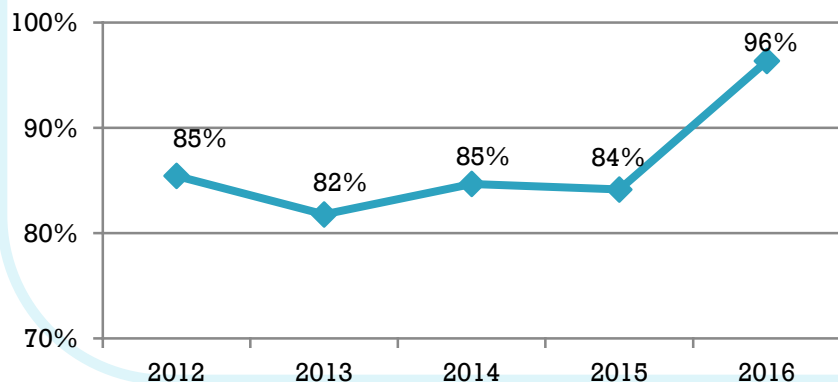
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Cash Dividend(NT\$/Shar)

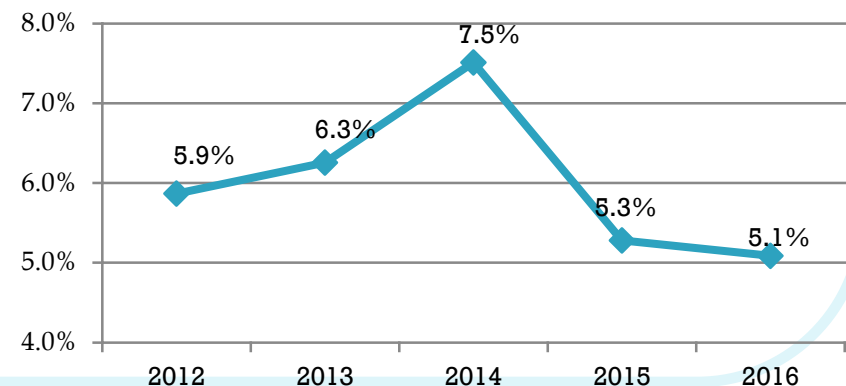


- Dividends are paid in cash and maintain a certain level
- Payout Ratio more than 80%
- Dividend yielding more than 5%

Payout Ratio



Dividend Yield



三、Operating Situation(continued)

(五) corporate governance



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We completed the corporate governance-related acts, strengthened disclosure of information, strengthened the operation of the Board of Directors, and improved the corporate governance. We rank top 20% of listed companies in the year 2016 Corporate Governance Evaluation.



Corporate Governance Evaluation

Above 5%



6%~20%

2016

21%~35%

2015

36%~50%

2014

50%以下

三、Operating Situation(continued)

(五) corporate social responsibility



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台灣企業永續獎

Taiwan Corporate Sustainability Awards

Year 2017

Voluntarily Obtained Third Party Assurance

Taiwan Corporate Sustainability Awards

Energy Sector

Silver Award

能源產業	
金獎	
	台灣電力
	台塑石化
	台灣中油
銀獎	
	台汽電
銅獎	
	大台北區瓦斯



2015

三、Operating Situation(continued)

(五) corporate social responsibility



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Guantian Cogeneration Plant



Provide heat and power
High energy efficiency

Each year to treat with scrap
tires over 30,000 tons

Balanced with environment and power supply
Contribute to the sustainable development



Gas-fired Power Plant

High efficiency & Low carbon emission

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



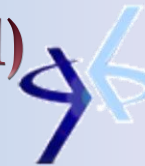
Related to transmission and
substation project
7 substations / 2 transmission



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



Qingshui Geothermal Project Investment contract signed with Yilan County Government on July 14



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



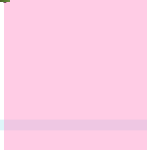
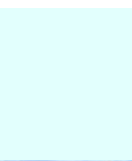
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Please Advise



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