

## TSRC Corporation

### Key Highlights of 2017 Investor Conference Presentation

**TSRC Corporation** has had a long history with good standing in the manufacturing and sales of synthetic rubber and elastomers. From establishing the first ESR plant in Kaohsiung, Taiwan in the 1970's, TSRC has expanded product lines, geographies, and market segments to become a market leader with international presence. Today, TSRC is a growing company with a revenue of NT\$ 26.96 billion (2016) and 1,530 employees across three continents.

Multiple market segments and applications including tire, adhesives, hygiene care, automotive, footwear, and industrial goods are served through two business units – Synthetic Rubber Division (SRD) and Advanced Materials Division (AMD). Key customers, both global multinationals and regional/domestic companies, recognize the commitments from TSRC in supporting their business growth through technology innovation, reliable supply chain, and quality products and services.

However, TSRC has not reached its end destination, on the contrary, building upon this strong foundation TSRC aims to become a growth oriented, profitable global enterprise in specialty materials delivering best in class solutions, values, and returns to our shareholders, customers and employees.

The mid-term business plan to accomplish the vision of TSRC focuses on 3 key strategies:

1. Organic growth through new products, geographic expansion, and customer excellence programs
2. Strengthen business portfolio by expanding into new market segments and applications, new technology platforms, and targeted M&A
3. Margin expansion via OPEX optimization and process and quality improvements

The mid-term financial objectives include increasing the specialty business to more than 50% of portfolio, grow operating income substantially, and improve operating profit % above current level.

The strategic initiatives aligned with the business strategies have been under way over the past 2 years, and some good progress has been made. TSRC is committed to meeting the short-term financial results and delivering on the long term strategic objectives.