

Press Release
May 9th, 2016

NSP Reports 2016 Q1 financial results and Makes Profit for Consecutive Two Quarters Q1 Gross Margin is 12.73% with EPS of NT\$0.13

Neo Solar Power Corporation ("NSP", or "the Company", publicly listed on Taiwan Stock Exchange, Ticker: 3576 TT), a world-class leading manufacturer of high quality solar cells and modules in Hsinchu, Taiwan, today announced its 2016 Q1 financial results. The company delivered NT\$5,904 million in Net Revenues. Net Profit was recorded as NT\$109 million with EPS of NT\$0.13.

According to NSP 2016 Q1 consolidated financial report, the company delivered NT\$5,904 million in Net Revenues, a YoY growth of 27.5% as compared with same period last year. It was mainly due to stable ASP and increased module shipment. Realized Gross Profit was NT\$751 million with Gross Margin of 12.72%, which is higher than the margin of 8.71% last quarter. Due to recognizing continued capacity relocation expenses, upfront cost for solar system project's legal & consulting Due-Diligence fees and other allowances, Expense Ratio increased to 10.07%. Operating Profit was NT\$157 million with Operating Margin of 2.66%. Net Profit for 2016 Q1 was NT\$109 million while the underlying EPS closed at NT\$ 0.13. However, the relocation capacity is expected to join into production line no later than the end of third quarter, which is believed to contribute future operation and sales.

The company has abundant cash on the balance sheet. Cash on hand as of 2016 Q1 was NT\$7,584 million and Debt to Asset ratio was maintained at low level of 46%. As a whole, NSP has solid financial structure. Besides, the company has successfully raised NT\$2.88 billion through rights issue last Month. With the proceeds, not only can NSP strengthen its Balance Sheet, but it will have more resources to cooperate with partners in Taiwan & worldwide to develop downstream solar system project together and enhance the overall competitiveness of NSP Group.

There are some noises for solar market demand since second quarter this year due to rush orders from China has been slow. However, the cyclical supply-chain adjustment this year has been rather mild as compared with past years. NSP will continue to diversify orders to different regions, expand solar system business investment, and build up manufacturing sites overseas to respond to any possible industry change to maintain NSP's long-term competitiveness.

About Neo Solar Power Corporation (3576 TT) (NSP)

Founded in 2005 by Dr. Quincy Lin (former Senior VP of TSMC) and Dr. Sam Hong (former Director of ITRI Research Division), Neo Solar Power Corporation (NSP) is a leading manufacturer of high performance and high quality solar cells and modules. With core competitive advantages in quality, technology and customer service, NSP became the world's largest merchant solar cell manufacturer by volume in 2013. After selling DelSolar to NSP, Delta Electronics (2308, TT) became the biggest shareholder of NSP with an 18% holding. Leveraging current leading position in solar cell technology, NSP will further expand into the global solar systems businesses, aiming to become the leading solar system integrator in the world. For more information, please visit the company's website at www.nsp.com

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