



禾伸堂
Holy Stone

A Partner You Can Trust



Holy Stone Enterprise Co., Ltd.

(TW3026)

2011 Q1



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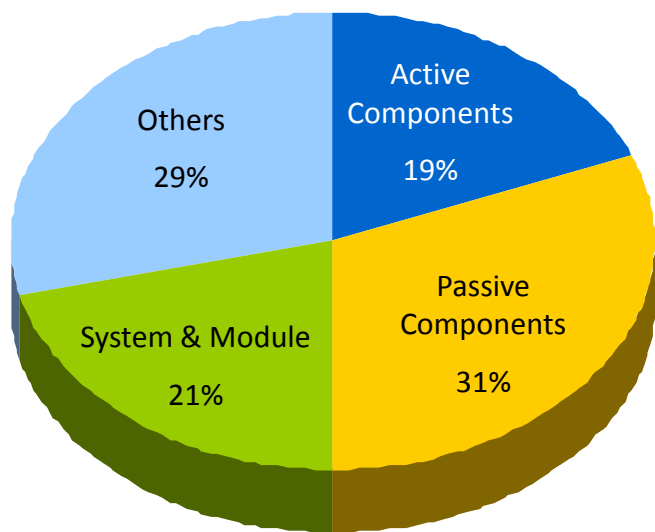
Safe Harbor Notice

The presentation and discussion contain certain forward-looking statements with respect to the results of operation, financial condition and current expectation. The forward-looking statements are subject to known and unknown uncertainties and risks that could cause actual results to differ materially from those expressed or implied by such statements.

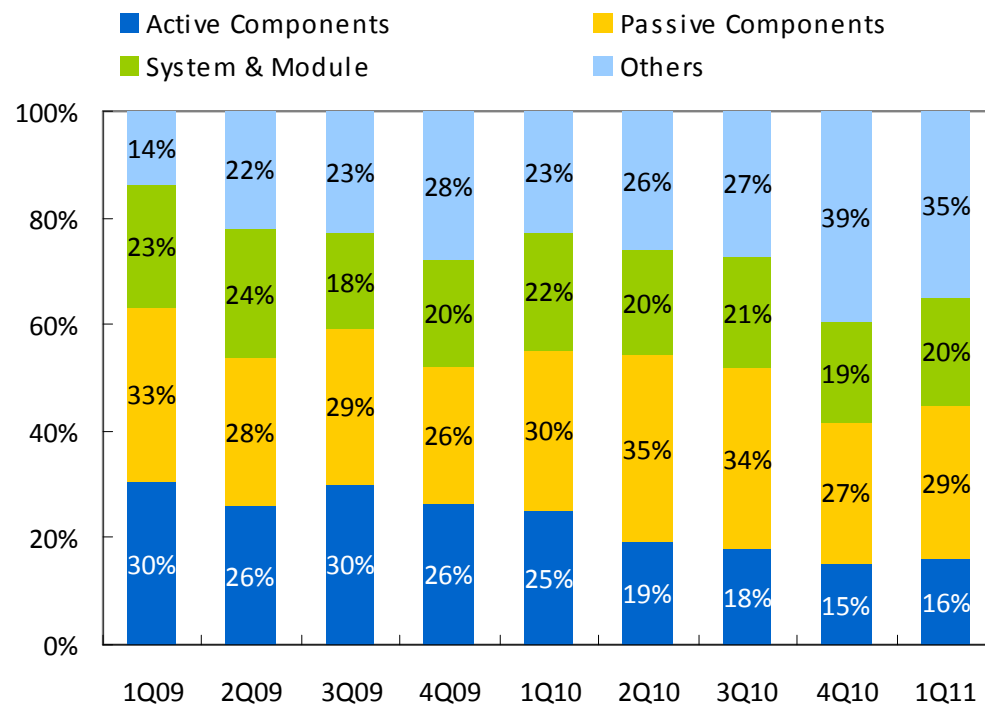


Revenue by Product Line

2010



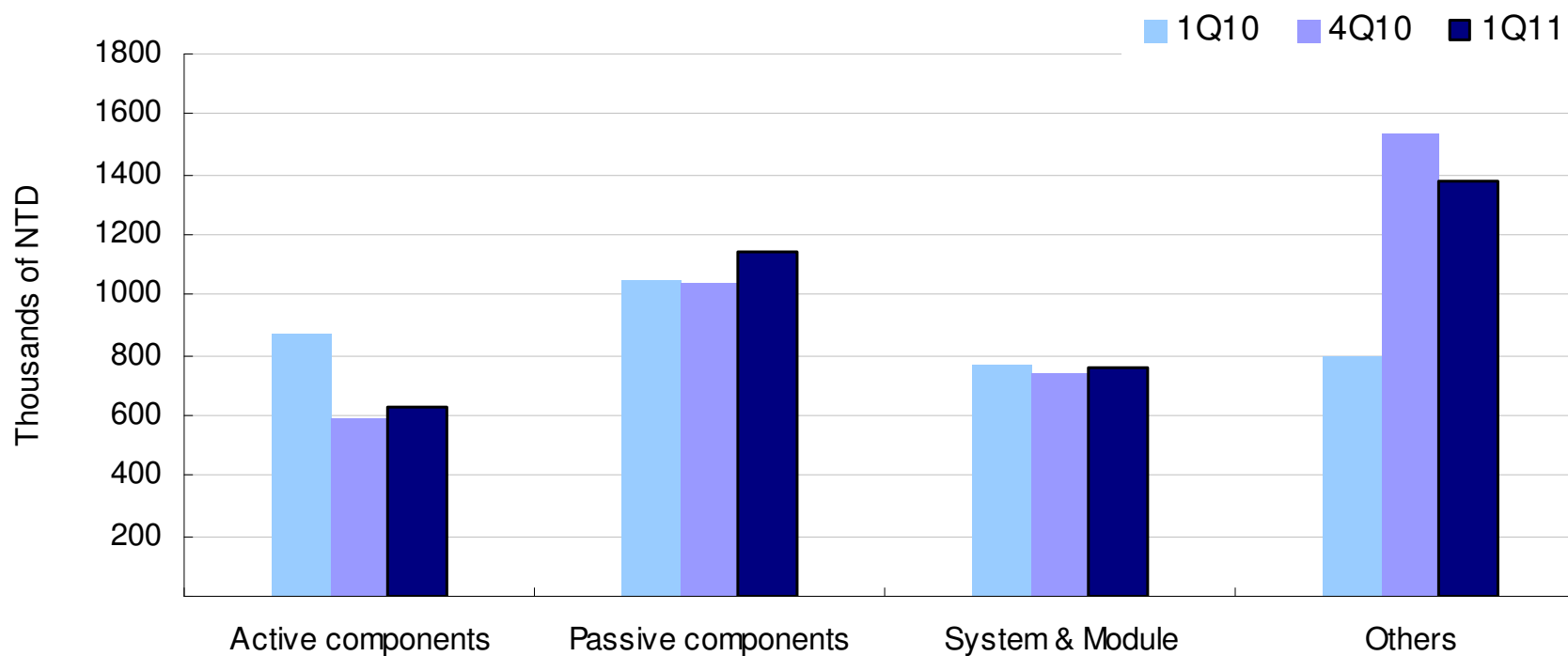
Quarterly Trend





Revenue by Product Line

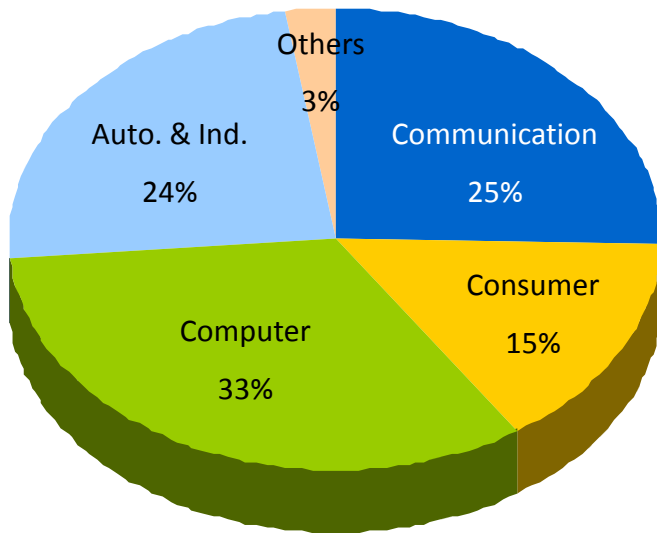
✦ QoQ and YoY



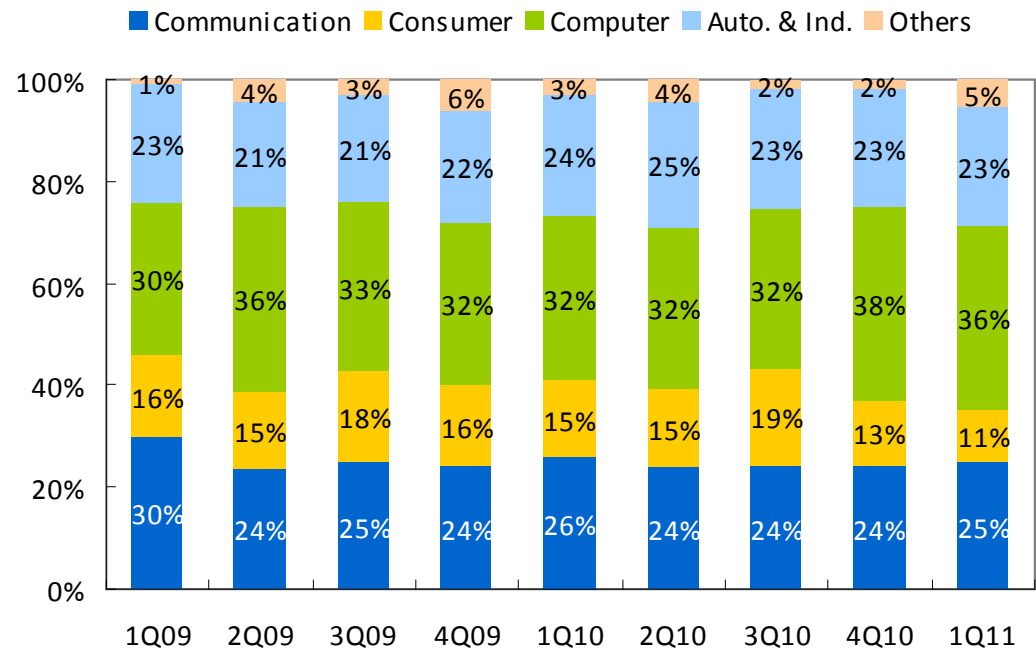


Revenue by Product Line

2010



Quarterly Trend



Financial Summary

1Q11 Consolidated Statement of Income

(Millions of NTD)	1Q11	4Q10	1Q10	QoQ	YoY
Net Sales	\$ 3,926	3,926	3,492	0%	12%
Gross Margin	11.7%	11.3%	15.9%		
Operating Expenses	(272)	(295)	(245)	-8%	11%
Operating Income	188	148	308	27%	-39%
Operating Margin	4.8%	3.8%	8.8%		
Non-operating Items	69	14	16	389%	318%
Consolidated Income before Income Tax	257	162	325	59%	-21%
Net Income	216	146	250	47%	-14%
EPS(NT\$)-after tax	\$ 0.66	0.49	0.87		
EBITDA	325	225	382	44%	-15%
EBITDA Margin	8.3%	5.7%	10.9%		

Note: EPS calculation is based on the weighted average outstanding shares at the end of each quarter.



Balance Sheet & Key Indices

Consolidated Balance Sheet Summary

Selected items from Balance Sheet
(Millions of NTD)

	1Q11		4Q10		1Q10	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	2,928	19%	2,296	16%	2,459	18%
Accounts receivable	3,787	25%	3,723	25%	3,249	24%
Inventories, net	2,233	15%	2,565	17%	1,887	14%
Total assets	15,157	100%	14,751	100%	13,309	100%
Short-term loans	1,878	12%	1,400	9%	1,267	10%
Long-term debt	997	7%	1,031	7%	968	7%
Total liabilities	4,894	32%	4,737	32%	4,349	33%
Total stockholders' equity	10,263	68%	10,014	68%	8,960	67%

Key Indices

A/R Turnover Days	87	85	84
Inventory Turnover Days	63	71	55
Current Ratio (X)	2.54	2.57	2.59
Net Debt/Equity Ratio	-0.5%	1.4%	-2.7%



Statements of Cash Flows

Consolidated Statement of Cash Flows Summary

(Millions of NTD)	1Q11	4Q10	1Q10
Net income *	\$ 216	144	262
Net cash provided from operating activities	215	858	143
Net cash used in investing activities	(17)	(137)	(103)
Additions to property, plant and equipment	(95)	(211)	(71)
Net cash used in financing activities	441	(32)	(59)
Net increase (decrease) in cash and cash in bank	632	359	(23)
Cash and cash in bank at beginning of quarter	2,296	1,936	2,481
Cash and cash in bank at end of quarter	\$ 2,928	2,296	2,459

Note: Net income includes minority interests.



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Q & A

Thank you for your attention.