



禾伸堂
Holy Stone

A Partner You Can Trust



Holy Stone Enterprise Co., Ltd.

(TW3026)

2011 Q4



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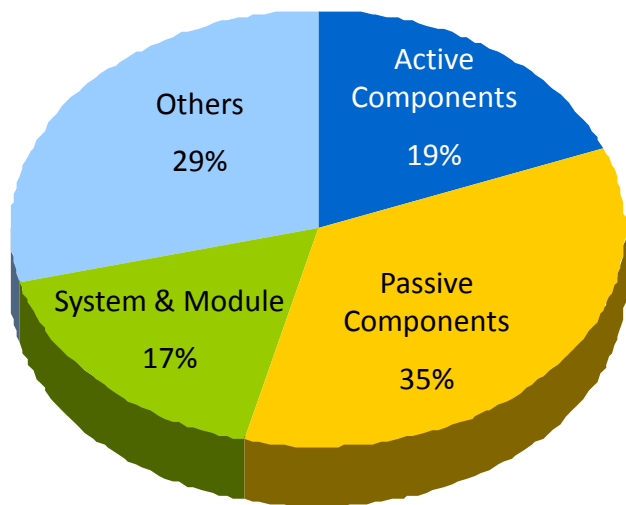
Safe Harbor Notice

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.

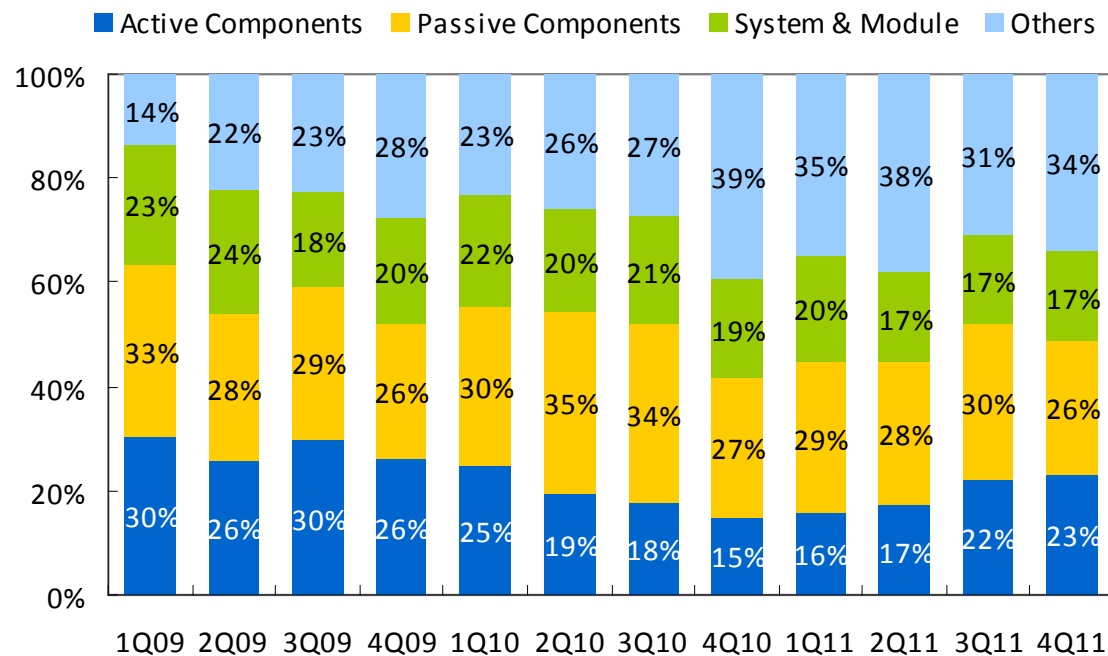


Revenue by Product Line

2011



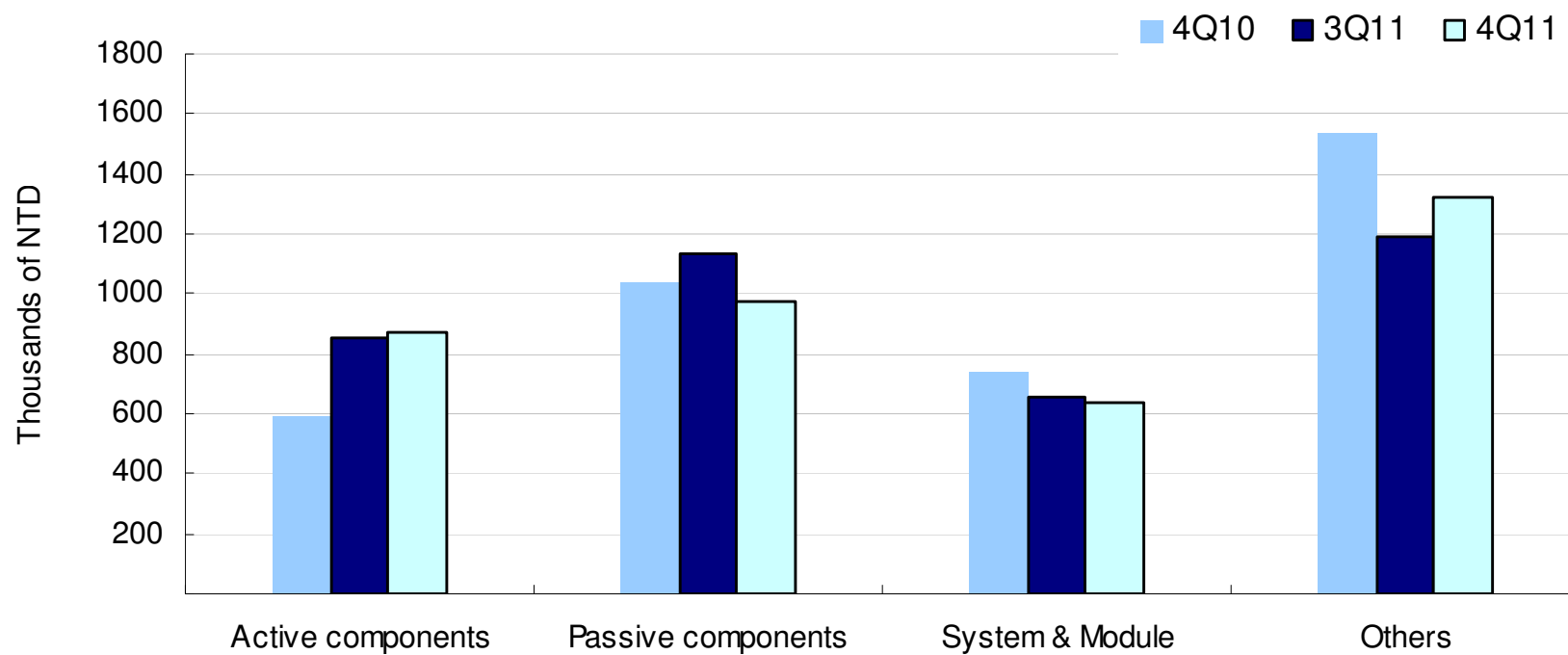
Quarterly Trend





Revenue by Product Line

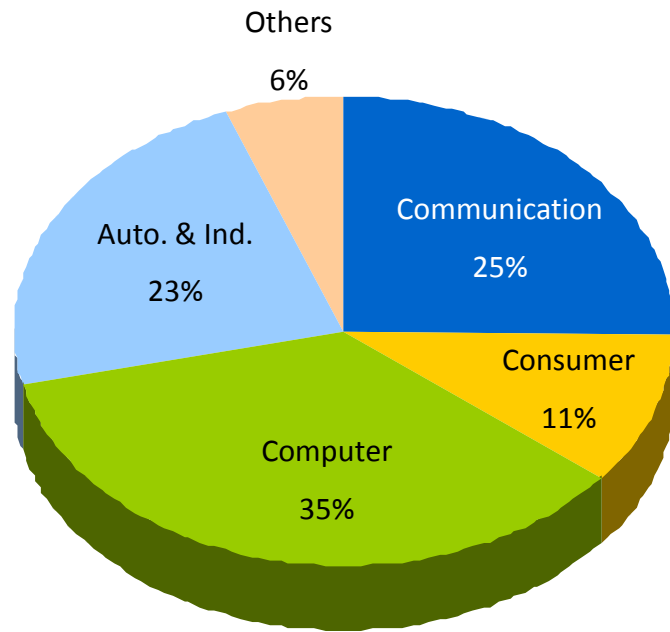
✦ QoQ and YoY



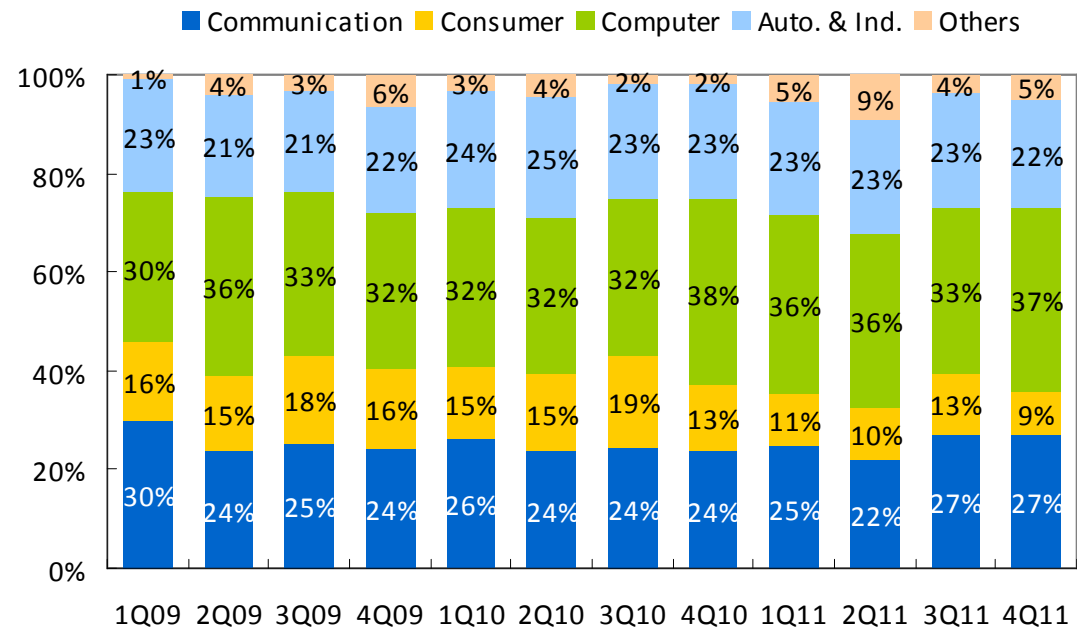


Revenue by Product Line

2011



Quarterly Trend



Financial Summary

4Q11 Consolidated Statement of Income

(Millions of NTD)	4Q11	3Q11	4Q10	QoQ	YoY
Net Sales	\$ 3,825	3,833	3,926	0%	-3%
Gross Margin	12.1%	13.1%	11.3%		
Operating Expenses	(340)	(306)	(295)	11%	15%
Operating Income	124	195	148	-37%	-16%
Operating Margin	3.2%	5.1%	3.8%		
Non-operating Items	4	15	14	-72%	-70%
Consolidated Income before Income Tax	128	211	162	-39%	-21%
Net Income	106	229	146	-54%	-27%
EPS(NT\$)-after tax	\$ 0.33	0.72	0.49		
EBITDA	209	336	225	-38%	-7%
EBITDA Margin	5.5%	8.8%	5.7%		

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

Statements of Income

2011 Consolidated Statement of Income

(Millions of NTD)	2011	%	2010	%	YoY
Net Sales	\$ 15,637	100.0	14,880	100.0	5%
Cost of Goods Sold	(13,697)	(87.6)	(12,755)	(85.7)	7%
Gross Profit	1,940	12.4	2,124	14.3	-9%
Operating Expense	(1,214)	(7.8)	(1,176)	(7.9)	3%
Operating Income	726	4.6	949	6.4	-23%
Non-operating Income and Gains	260	1.7	220	1.5	18%
Non-operating Expenses and Losses	(143)	(0.9)	(168)	(1.1)	-15%
Income before Income Tax	843	6.1	1,001	6.7	-16%
Net Income	768	4.9	832	5.6	-8%
EPS(NT\$)-after tax	\$ 2.38		2.77		



Balance Sheet & Key Indices

4Q11 Consolidated Balance Sheet Summary

Selected items from Balance Sheet (Millions of NTD)	4Q11		3Q11		4Q10	
	Amount	%	Amount	%	Amount	%
Cash and cash equivalents	\$ 2,941	20%	2,205	15%	2,296	16%
Accounts receivable	3,743	26%	4,013	28%	3,723	25%
Inventories, net	2,251	16%	2,341	16%	2,565	17%
Total assets	14,469	100%	14,422	100%	14,751	100%
Short-term loans	1,848	13%	1,769	12%	1,400	9%
Long-term debt	217	2%	256	2%	1,031	7%
Total liabilities	4,806	33%	4,704	33%	4,737	32%
Total stockholders' equity	9,662	67%	9,718	67%	10,014	68%
Key Indices						
A/R Turnover Days	93		92		85	
Inventory Turnover Days	62		64		71	
Current Ratio (X)	2.12		2.14		2.57	
Net Debt/Equity Ratio	-9.1%		-1.9%		1.4%	



Statements of Cash Flows

4Q11 Consolidated Statement of Cash Flows Summary

(Millions of NTD)

	4Q11	3Q11	4Q10
Net income *	\$ 94	234	144
Net cash provided from operating activities	915	(162)	858
Net cash used in investing activities	(255)	(155)	(137)
Additions to property, plant and equipment	(27)	(143)	(211)
Net cash provided from (used in) financing activities	41	(753)	(32)
Net increase (decrease) in cash and cash in bank	736	(1,025)	359
Cash and cash in bank at beginning of quarter	2,205	3,230	1,936
Cash and cash in bank at end of quarter	\$ 2,941	2,205	2,296

Note: Net income includes minority interests.

Statements of Cash Flows

2011 Consolidated Statement of Cash Flows Summary

(Millions of NTD)	2011	2010
Net income	\$ 768	\$ 830
Net cash provided from operating activities	1,375	299
Depreciation & Amortization	279	246
Net cash used in investing activities	(257)	(852)
Proceeds from sales of available-for-sale financial assets	206	(4)
Additions to property, plant and equipment	(404)	(768)
Net cash provided from (used in) financing activities	(545)	409
Issuance of corporate bond	-	700
Short-term/Long-term loans	296	(521)
Cash dividends	(737)	(862)
Issuance of common stock for cash	-	1,073
Net increase (decrease) in cash and cash in bank	645	(185)
Cash and cash in bank at beginning of period	2,296	2,481
Cash and cash in bank at end of period	\$ 2,941	\$ 2,296



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Q & A

Thank you for your attention.