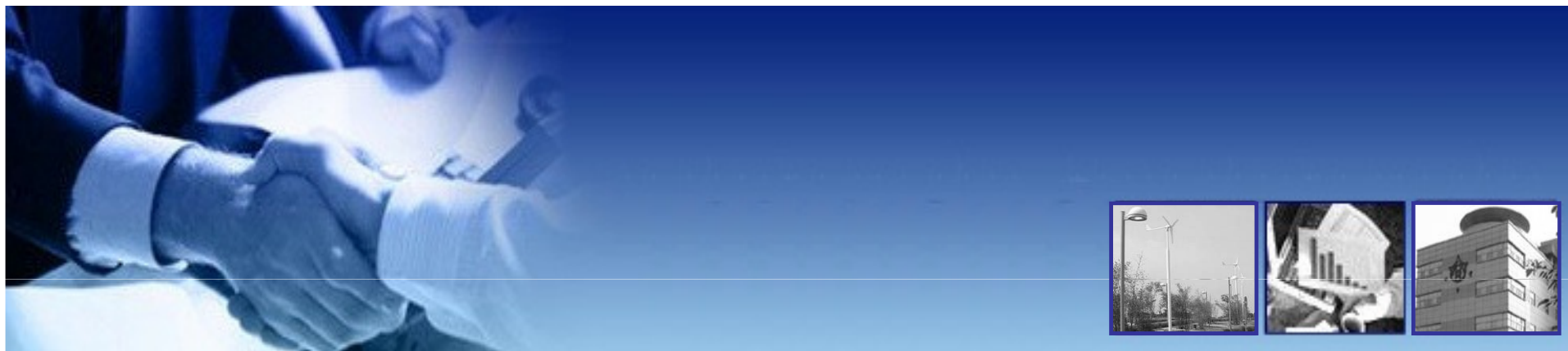




禾伸堂企業股份有限公司  
*Holy Stone Enterprise Co., Ltd.*

*A Partner You Can Trust*



# Financial Summary & Operation Highlights

2014 Q3



禾伸堂  
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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.

# Financial Summary

## 2Q14 Consolidated Statement of Income

(Millions of NTD)	2014 Q3	2014 Q2	2013 Q3	QoQ	YoY
Net Sales	\$ 4,068	\$ 4,457	4,479	-9%	-9%
Gross Margin	14%	12%	12%		
Operating Expenses	(352)	(374)	(324)	-6%	9%
Operating Income	228	143	231	59%	-1%
Operating Margin	6%	3%	5%		
Non-operating Items	33	243	20	-86%	69%
Consolidated Income before Income Tax	261	386	250	-32%	4%
Net Income	246	392	222	-37%	11%
EPS (NT\$)-after tax	1.10	1.76	0.73	-38%	51%

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

# Balance Sheet & Key Indices

## 2Q14 Consolidated Balance Sheet Summary

Selected items from Balance Sheet (Millions of NTD)	2014 Q3		2014 Q2		2013 Q3	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	\$ 2,571	19%	\$ 3,077	22%	\$ 2,617	17%
Accounts Receivable	3,728	27%	3,579	26%	3,775	25%
Inventory	2,122	16%	1,948	14%	2,871	19%
<b>TOTAL ASSETS</b>	<b>13,651</b>	<b>100%</b>	<b>14,033</b>	<b>100%</b>	<b>14,997</b>	<b>100%</b>
Short-term Loans	2,054	15%	1,850	13%	2,357	16%
Long-term Debts	80	1%	191	1%	475	3%
<b>TOTAL LIABILITIES</b>	<b>4,436</b>	<b>32%</b>	<b>5,010</b>	<b>36%</b>	<b>6,181</b>	<b>41%</b>
<b>TOTAL EQUITY</b>	<b>9,215</b>	<b>68%</b>	<b>9,023</b>	<b>64%</b>	<b>8,816</b>	<b>59%</b>

### Key Indices

A/R Turnover Days	82	71	73
Inventory Turnover Days	53	48	59
Current Ratio (X)	2.18	2.01	1.83
Net Debt/Equity Ratio	-4.74%	-11.49%	2.44%

# Statements of Cash Flow

## ✿ 2Q14 Consolidated Statements of Cash Flow Summary

(Millions of NTD)

	2014 Q3	2014 Q2	2013 Q3
Income before Income Tax	\$ 261	\$ 386	\$ 250
Net cash generated from operating activities	(26)	822	(886)
Net cash generated from (used in) investing activities	(40)	(78)	(84)
Additions to property, plant and equipment	(35)	78	(47)
Net cash generated from (used in) financing activities	(458)	(639)	(182)
Net increase in cash and cash in bank	(506)	75	(1,151)
Cash and cash in bank at beginning of quarter	3,077	3,002	3,767
Cash and cash in bank at end of quarter	2,571	3,077	2,617



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**Thank you**  
for your kind attention.

*Questions or Comments?*