



禾伸堂企業股份有限公司 (TW3026)
Holy Stone Enterprise Co., Ltd.

A Partner You Can Trust



Holy Stone Enterprise Co., Ltd.

Earnings Performance

Q4 FY2015



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.

Agenda



- ❑ Company Snapshot
- ❑ Earnings Performance and Revenue Trend
- ❑ Q&A

Company Snapshot

- ❑ Capital Stock: NT\$ 2,242 million
- ❑ Headquarters: Taipei, Taiwan
- ❑ Employees: 1,150 as of December 31st, 2015
- ❑ Factory Site: Lungtan and Yilan, Taiwan
- ❑ Product Line: Passive Components, Active Components, System & Module, and Others (peripherals)



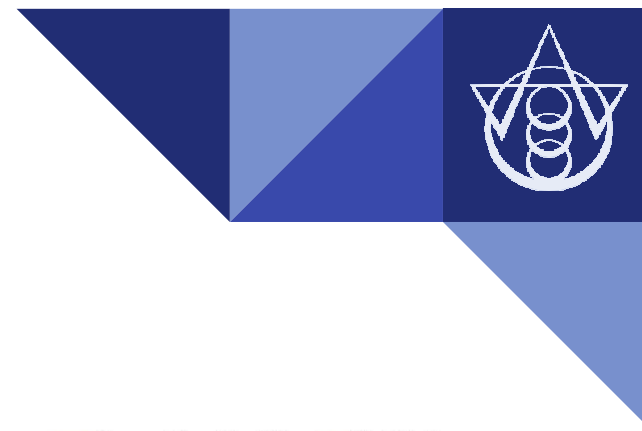
Company Snapshot



□ Holy Stone Worldwide



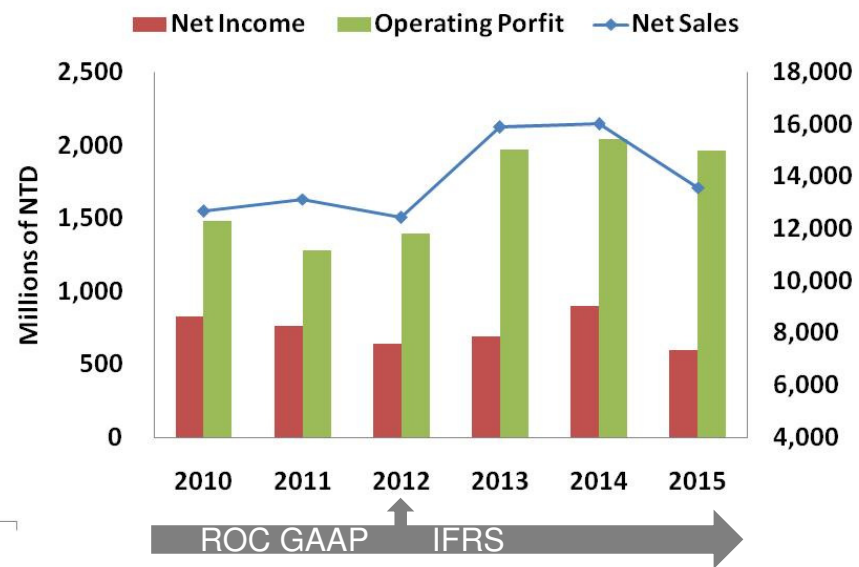
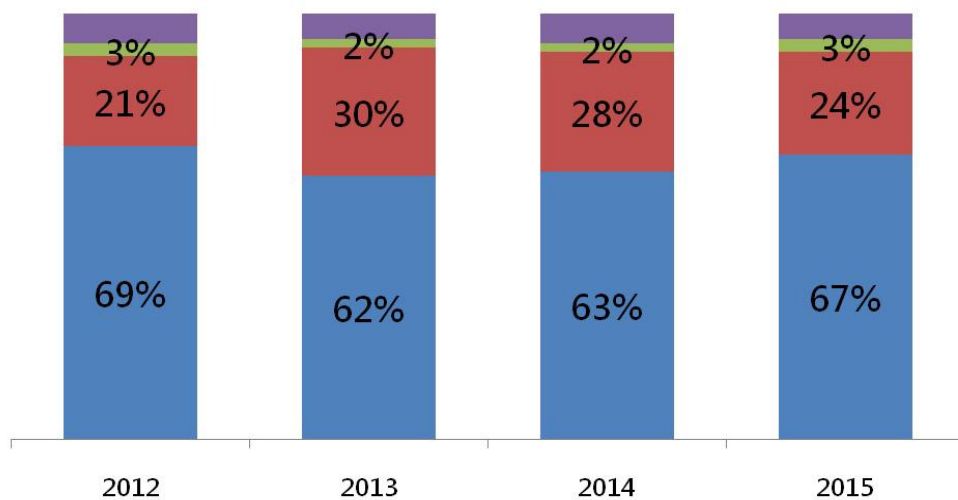
Earnings Performance



Financials (as of 2015)

Consolidated Revenue By Territory

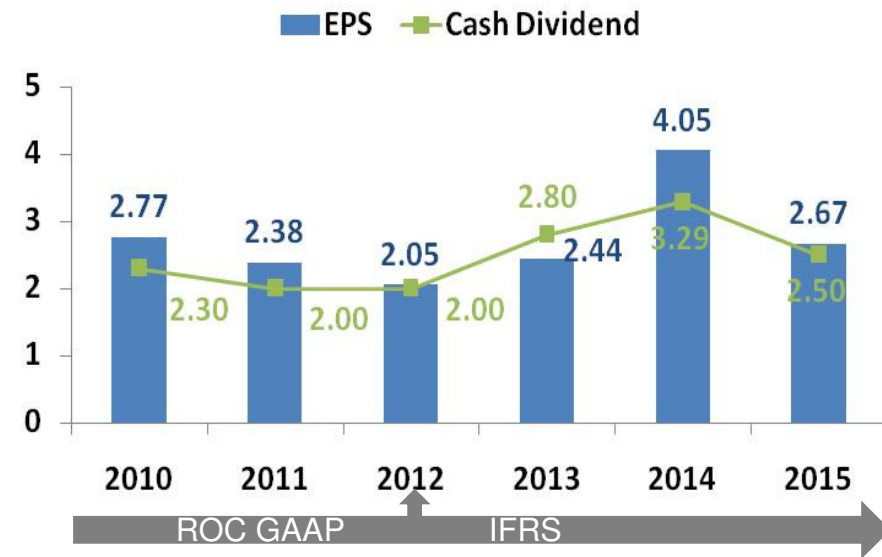
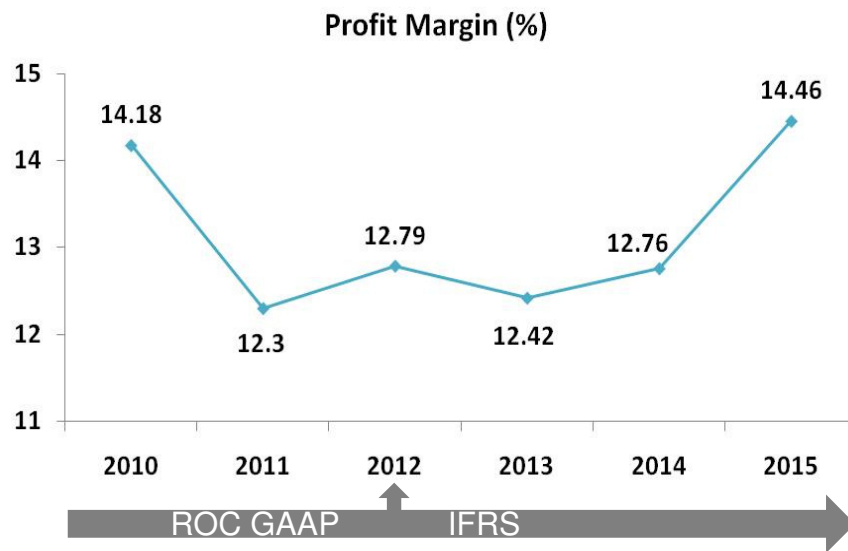
China Taiwan USA Others



Earnings Performance



Financials (as of 2015)



Earnings Performance



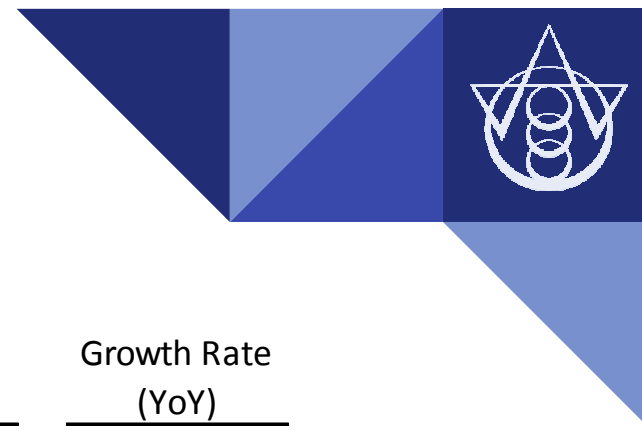
Consolidated P/L

(In NT\$ Millions)	2015 Q4	2015 Q3	2014 Q4	QoQ	YoY
Net Sales	\$ 3,298	\$ 3,511	3,652	-6%	-10%
Gross Margin	13.6%	14.8%	12.5%	-8%	9%
Operating Expenses	(347)	(343)	(322)	-1%	-8%
Operating Income	101	175	135	-42%	-25%
Operating Margin	3.1%	5.0%	3.7%		
Non-operating Items	(71)	21	(31)	-437%	128%
Consolidated Income before Income Tax	30	196	104	-85%	-71%
Net Income Attributable to Parent Company	36	183	89	-80%	-60%

Note 1: EPS calculation is based on the weighted average outstanding shares at the quarter end.

Note 2: Goodwill impairment recognized of NT\$122,459 thousand for Q4'15, NT\$96,672 thousand for Q4'14.

Earnings Performance



Consolidated P/L

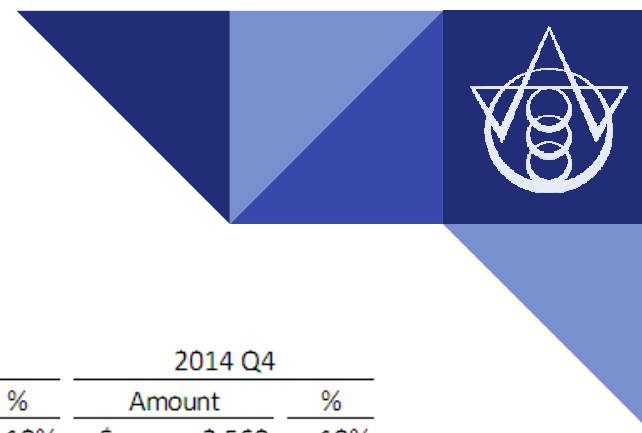
(In NT\$ Millions)	2015	2014	Growth Rate (YoY)
Net Sales	\$ 13,596	16,025	-15%
Gross Margin	14.5%	12.8%	13%
Operating Expenses	(1,331)	(1,342)	1%
Operating Income	634	703	-10%
Operating Margin	4.7%	4.4%	6%
Non-operating Items	(20)	250	-108%
Consolidated Income before Income Tax	615	953	-36%
Net Income Attributable to Parent Company	598	904	-34%

Note 1: Net income attributable to parent company for 2014 including one-time disposal gain of 241 million.

Note 2: Operating Income for parent company of 2015 was 887 million (842 million of 2014).

Note 3: Excluding disposal gain of 2014, growth rate for NI before tax was only -6.6%.

Earnings Performance



Consolidated Balance Sheet

Selected items from Balance Sheet (In NT\$ Millions)	2015 Q4		2015 Q3		2014 Q4	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	\$ 2,906	24%	\$ 2,243	18%	\$ 2,568	19%
Accounts Receivable	3,047	25%	3,511	28%	3,418	26%
Inventory	1,706	14%	1,877	15%	2,053	15%
TOTAL ASSETS	12,175	100%	12,571	100%	13,296	100%
Short-term Loans	1,300	11%	1,588	13%	1,819	14%
Long-term Debts	19	0%	20	0%	21	0%
TOTAL LIABILITIES	3,173	26%	3,548	28%	3,981	30%
TOTAL EQUITY	9,002	74%	9,024	72%	9,315	70%
Key Indices						
A/R Turnover Days	91		86		89	
Inventory Turnover Days	55		61		60	
Current Ratio (X)	2.74		2.50		2.18	
Debt Ratio	26.06%		28.22%		29.94%	

Earnings Performance

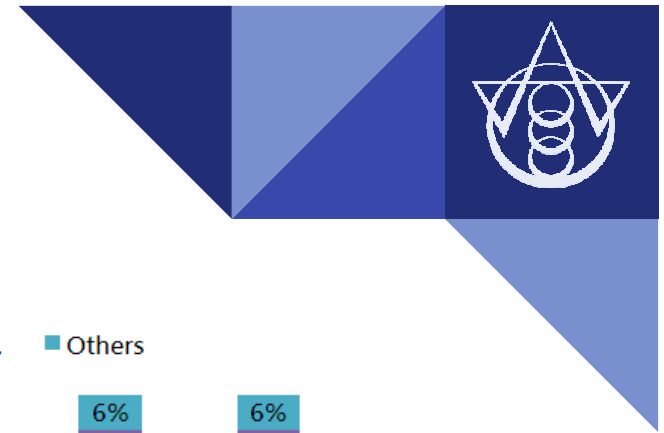


Consolidated Cash Flow Statement

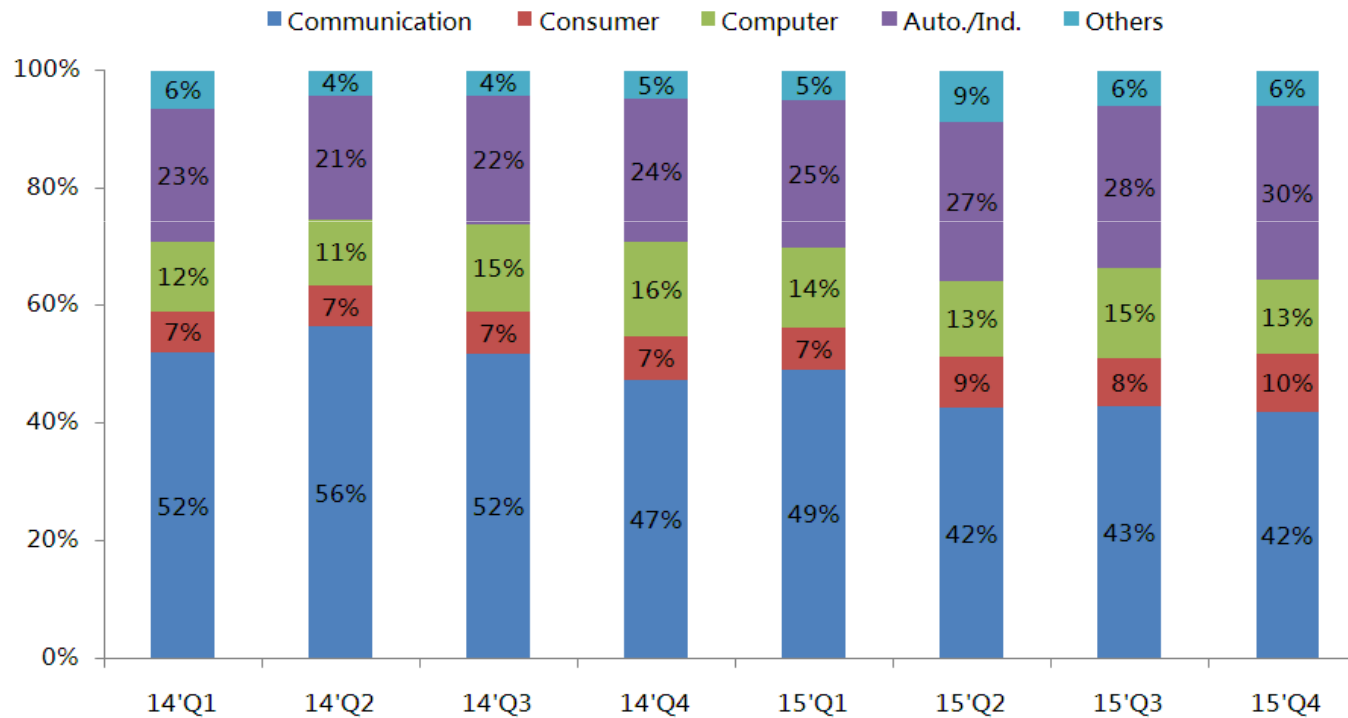
(In NT\$ Millions)

	2015	2014
Income before Income Tax	\$ 615	\$ 953
Net cash generated from operating activities	1,763	1,553
Net cash generated from (used in) investing activities	(94)	(119)
Additions to property, plant and equipment	(104)	(120)
Net cash generated from (used in) financing activities	(1,346)	(1,483)
Net increase in cash and cash in bank	338	15
Cash and cash in bank at beginning of quarter	2,568	2,553
Cash and cash in bank at end of quarter	2,906	2,568

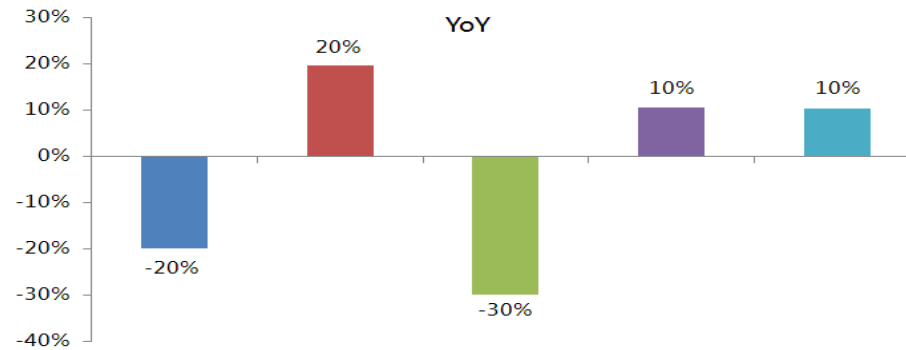
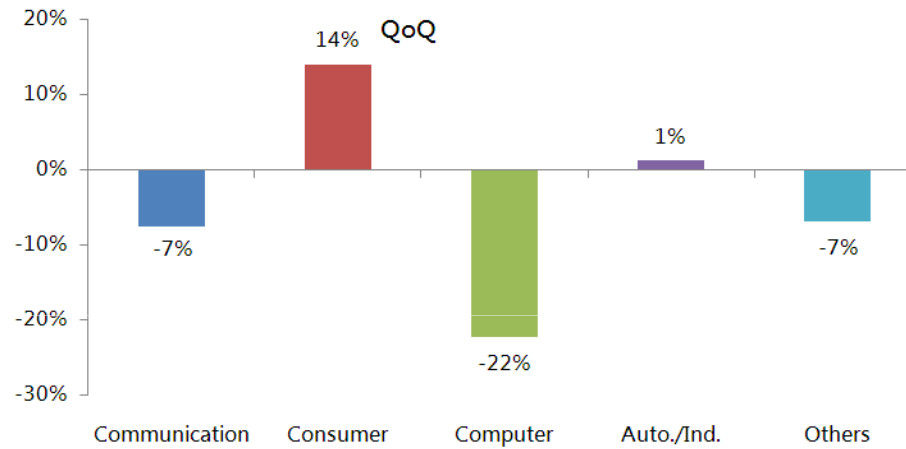
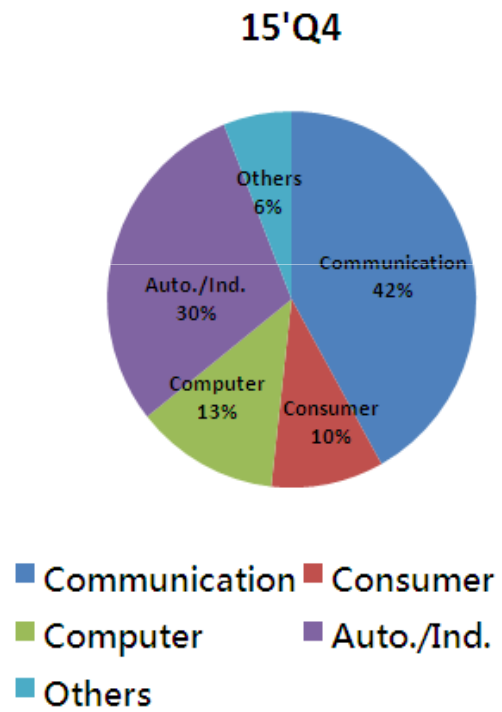
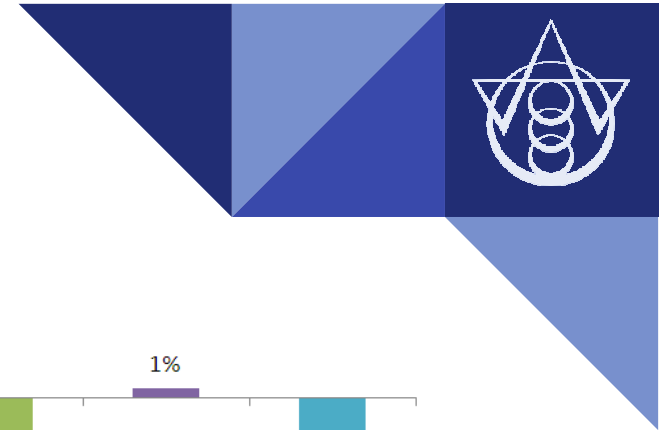
Revenue by Application



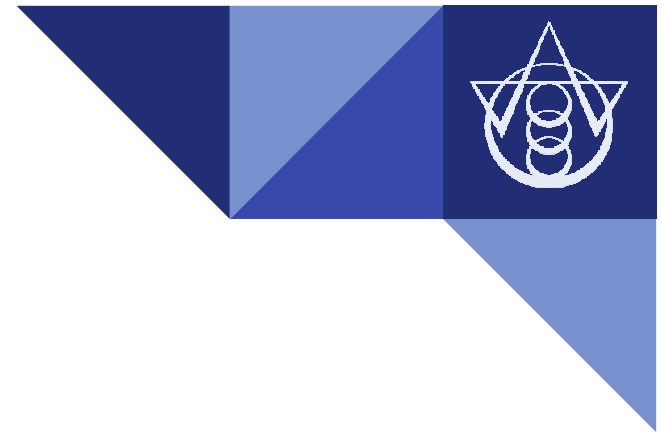
Quarterly Trend (as of Q4'15)



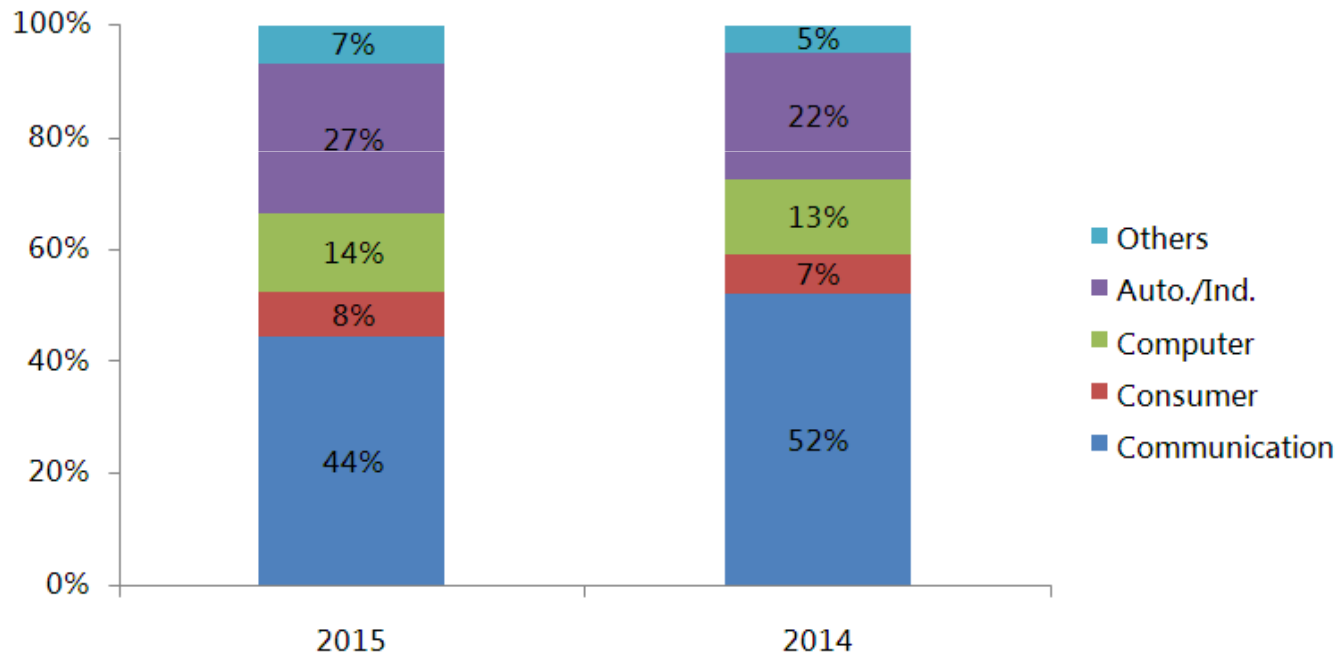
Revenue by Application



Revenue by Application



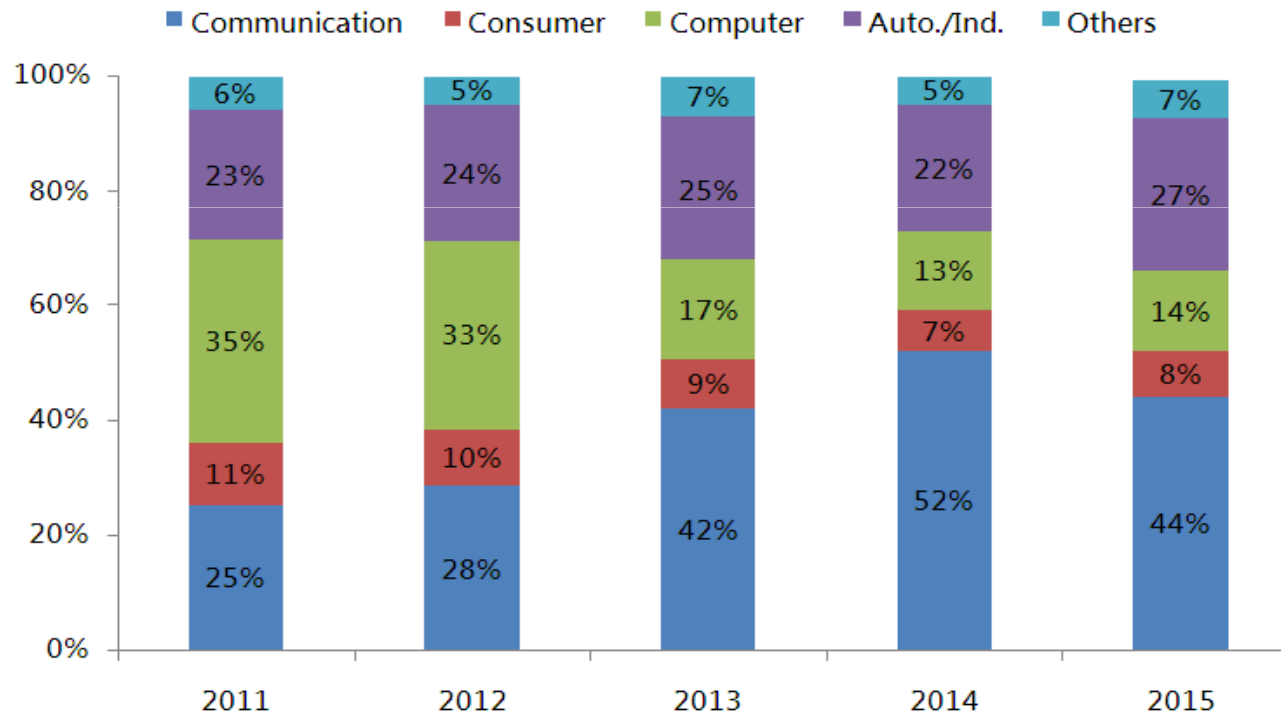
Yearly Comparison (as of Q4'15)



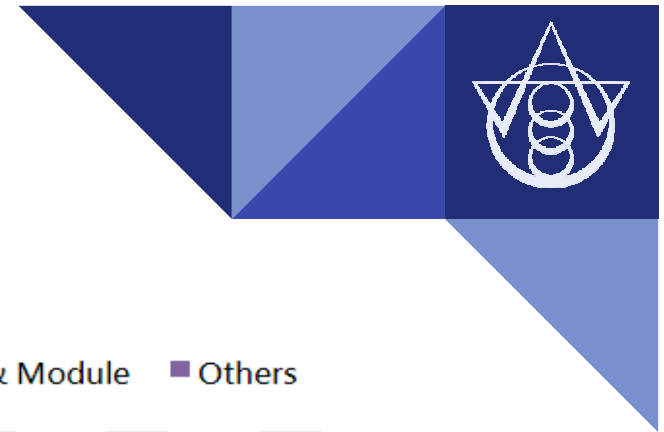
Revenue by Application



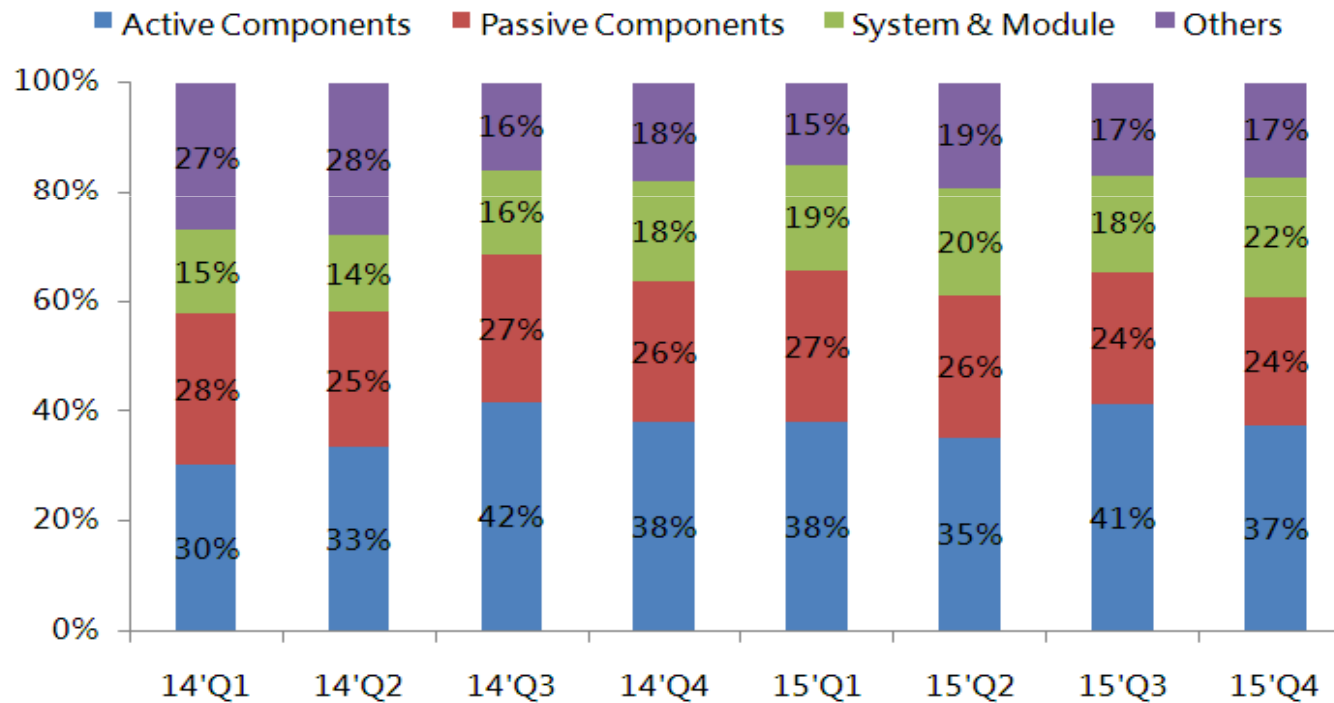
Yearly Trend (as of Q4'15)



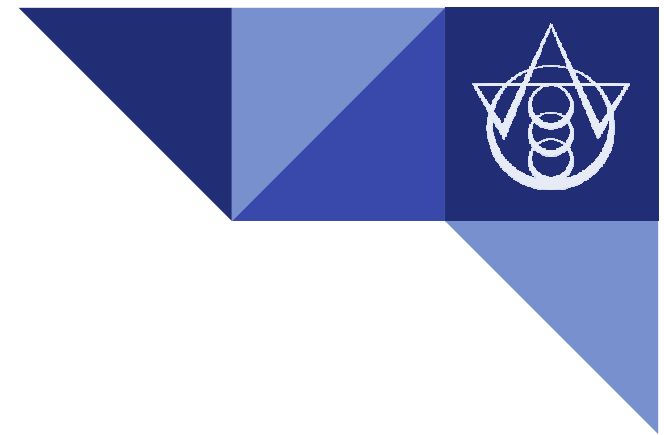
Revenue by Product



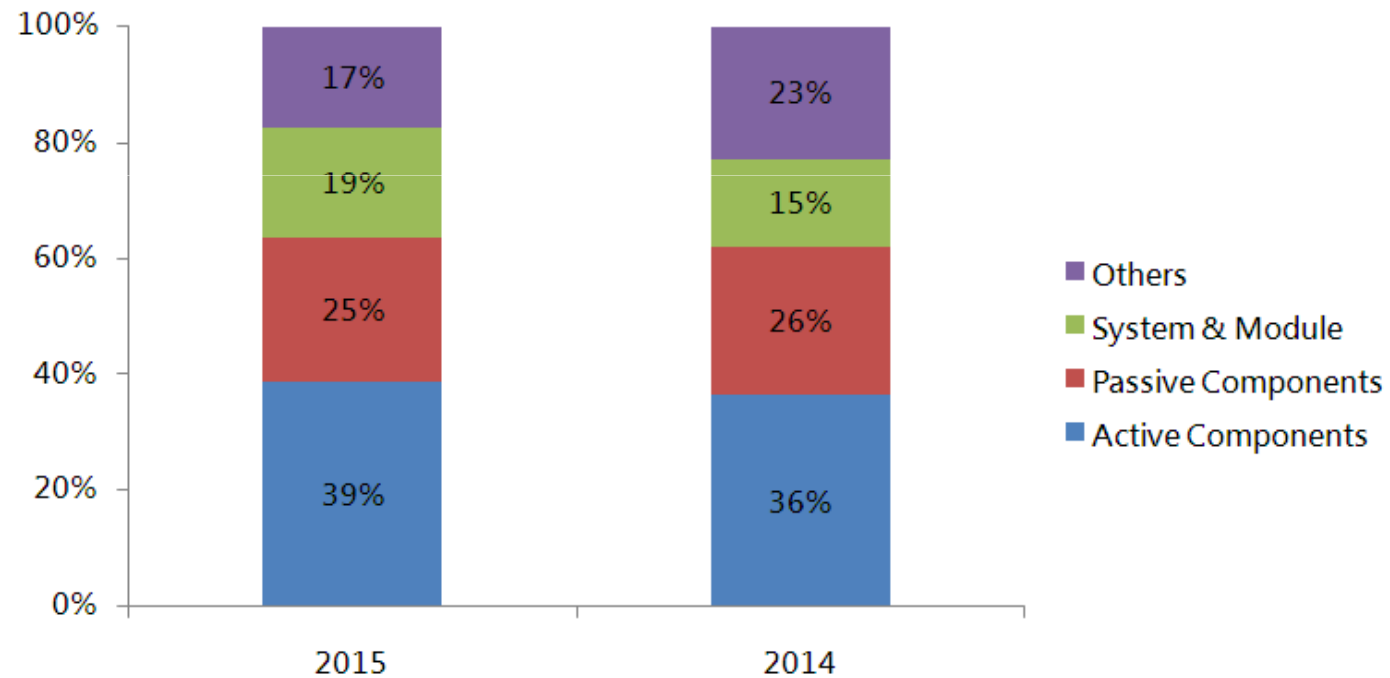
Quarterly Trend (as of Q4'15)



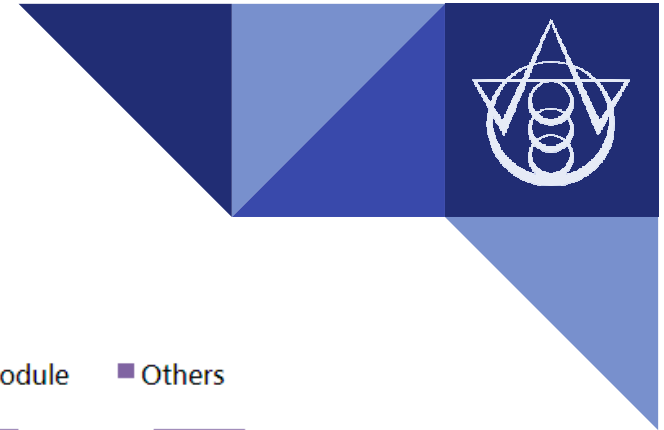
Revenue by Product



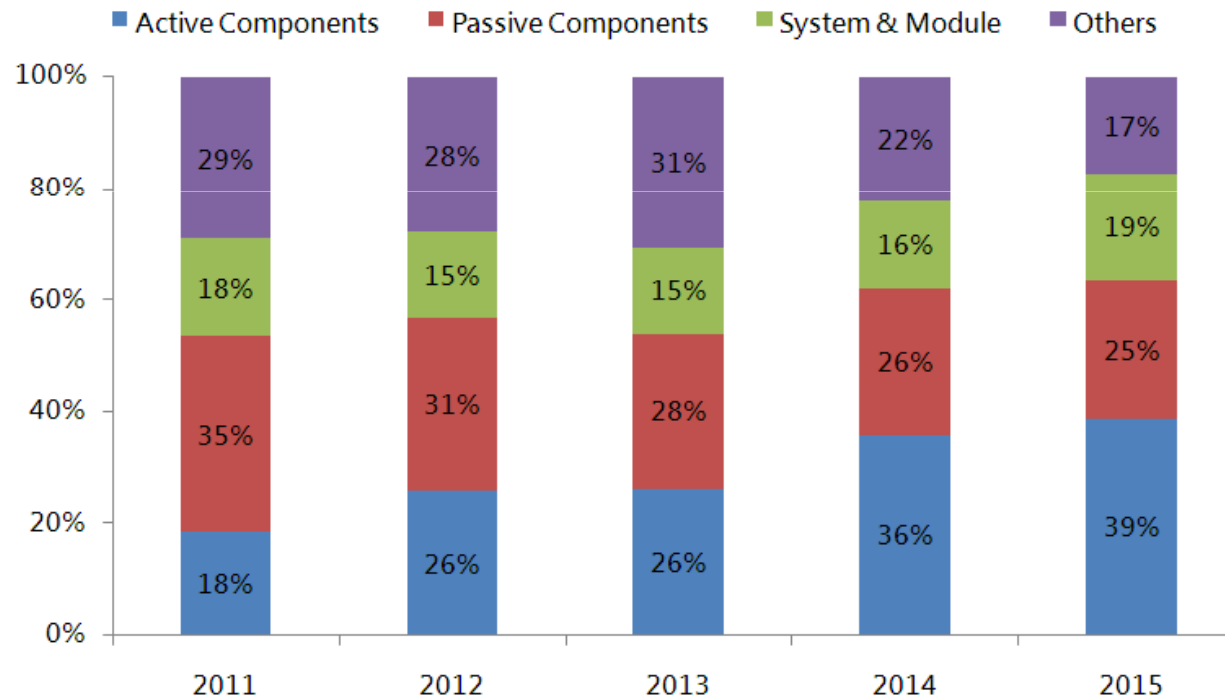
Yearly Comparison (as of Q4'15)



Revenue by Product



Yearly Trend (as of Q4'15)



Q&A



Thank you for listening!

Can't find the answer to your question?

Please drop us an e-mail at IR@holystone.com.tw,
and we will get back to you shortly in response to your
query.