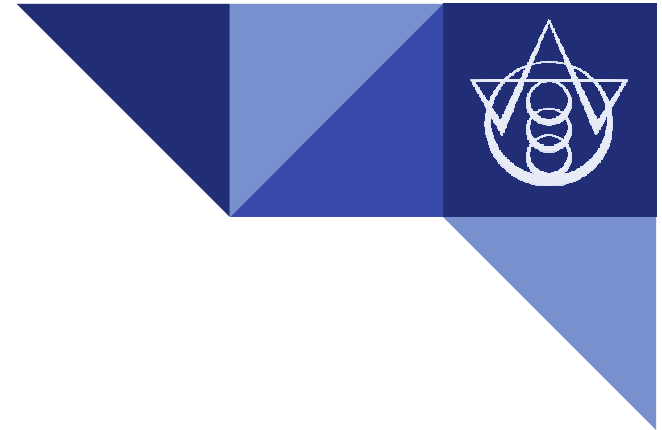




禾伸堂企業股份有限公司 (TW3026)  
*Holy Stone Enterprise Co., Ltd.*

*A Partner You Can Trust*



# Holy Stone Enterprise Co., Ltd. Earnings Performance Q2 FY2016



# 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)



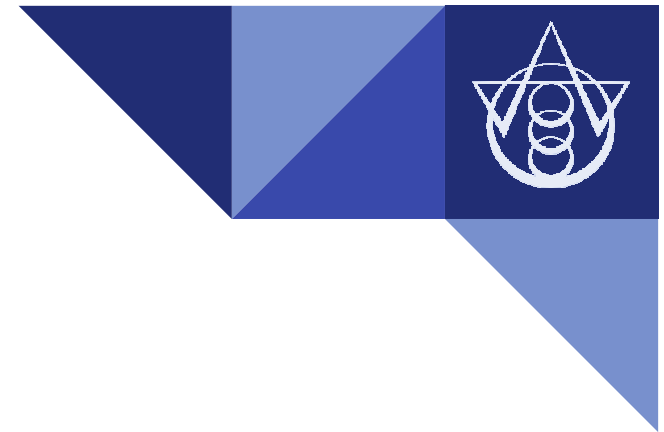
# Company Snapshot



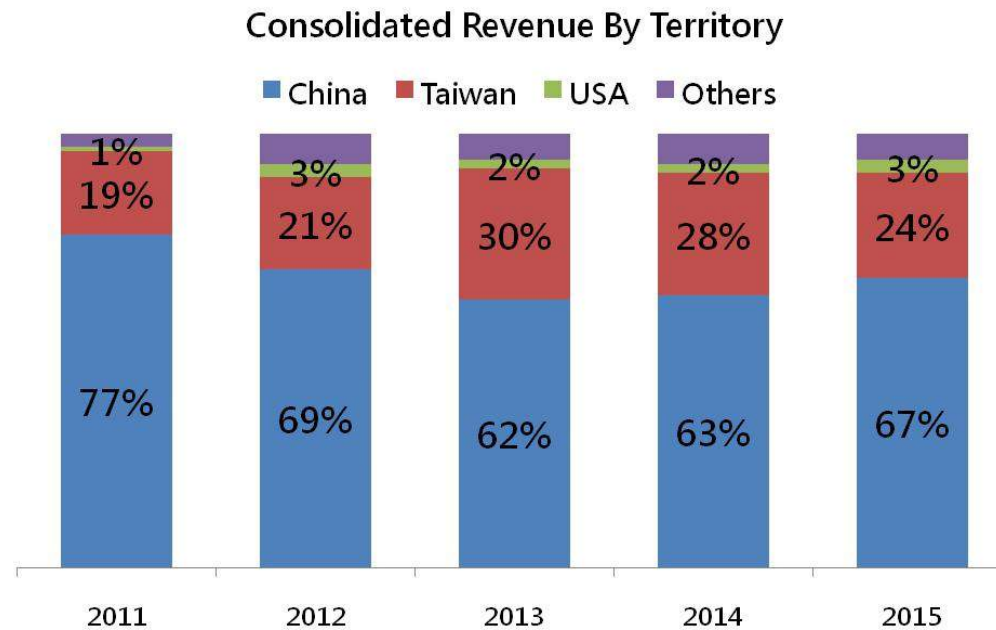
## □ Holy Stone Worldwide



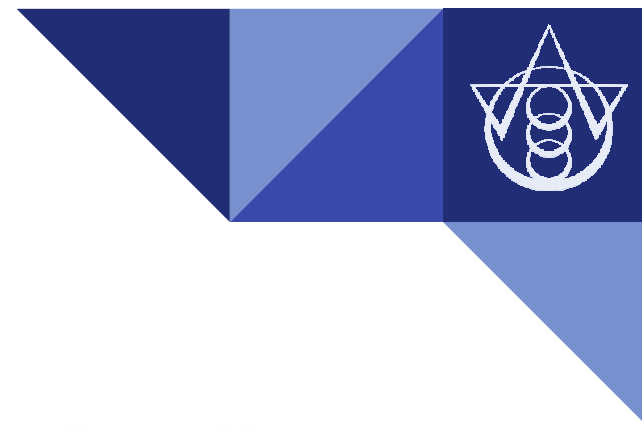
# Earnings Performance



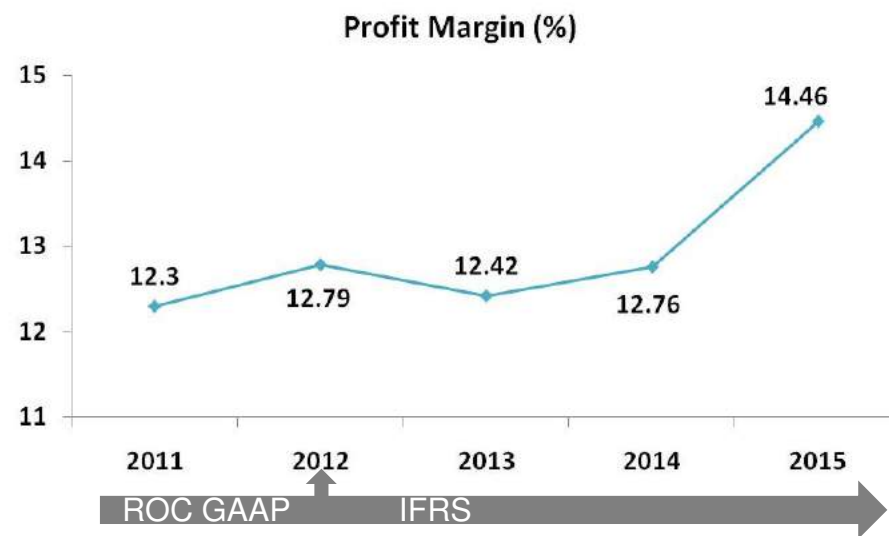
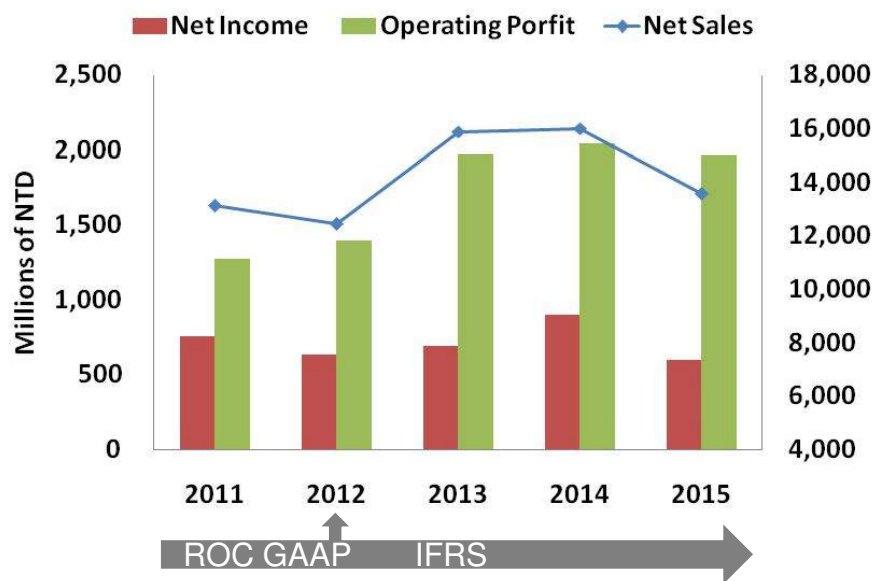
Financials (as of 2015)



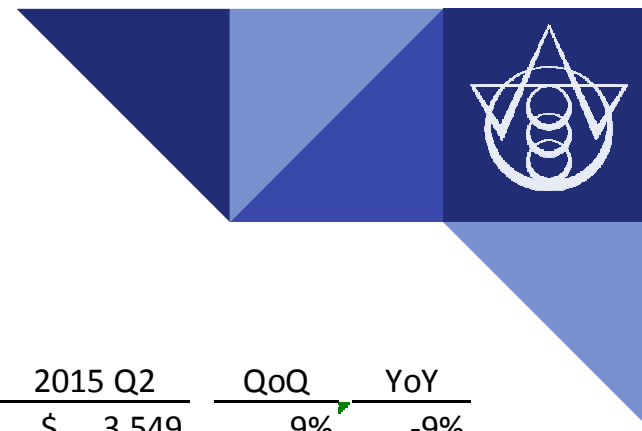
# Earnings Performance



Financials (as of 2015)



# Earnings Performance



## Consolidated P/L

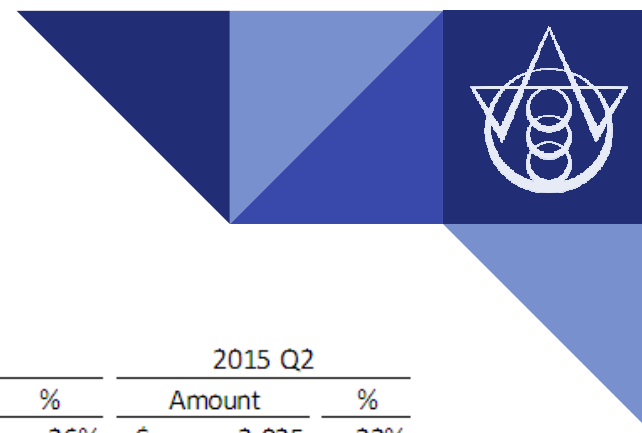
(In NT\$ Millions)	2016 Q2	2016 Q1	2015 Q2	QoQ	YoY
Net Sales	\$ 3,217	\$ 2,959	\$ 3,549	9%	-9%
Gross Margin	14.1%	15.6%	14.5%	-10%	-3%
Operating Expenses	(367)	(329)	(336)	12%	9%
Operating Income	87	133	180	-35%	-52%
Operating Margin	2.7%	4.5%	5.1%		
EBITDA	257	206	344	25%	-25%
EBITDA Margin	8.0%	7.0%	9.7%		
Non-operating Items	27	2	10	1185%	179%
Net Income to Parent Company	118	154	186	-24%	-37%
EPS (NTD)	0.53	0.69	0.83		

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

Note 2: Operating Exp. for Q2'16 comes mostly from subsidiaries.

Note 3: NT\$31,143 thousand of goodwill impairment loss recognized in Q2'15.

# Earnings Performance



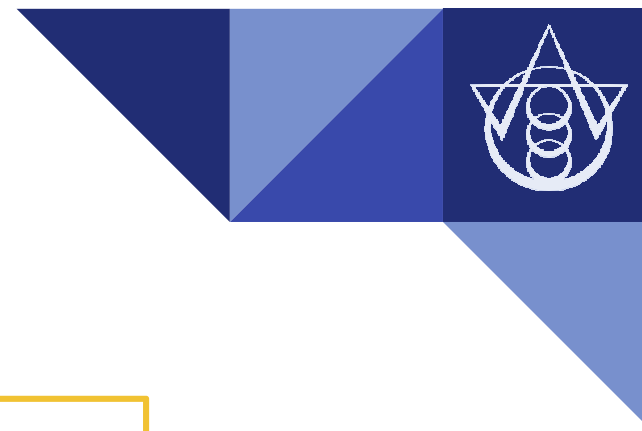
## Consolidated Balance Sheet

Selected items from Balance Sheet (In NT\$ Millions)	2016 Q2		2016 Q1		2015 Q2	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	\$ 3,431	27%	\$ 3,200	26%	\$ 3,025	22%
Accounts Receivable	3,020	24%	2,650	22%	3,135	23%
Inventory	2,045	16%	1,865	15%	2,147	16%
<b>TOTAL ASSETS</b>	<b>12,847</b>	<b>100%</b>	<b>12,270</b>	<b>100%</b>	<b>13,446</b>	<b>100%</b>
Short-term Debt	1,459	11%	1,377	11%	1,506	11%
Long-term Debt	18	0%	19	0%	20	0%
<b>TOTAL LIABILITIES</b>	<b>4,153</b>	<b>32%</b>	<b>3,158</b>	<b>26%</b>	<b>4,511</b>	<b>34%</b>
<b>TOTAL EQUITY</b>	<b>8,694</b>	<b>68%</b>	<b>9,111</b>	<b>74%</b>	<b>8,935</b>	<b>66%</b>

Key Indices			
A/R Turnover Days	80	88	80
Inventory Turnover Days	65	65	64
Current Ratio (X)	2.30	2.80	2.12
Quick Ratio	1.79	2.18	1.62
Debt Ratio	32.33%	25.74%	33.55%

# Earnings Performance

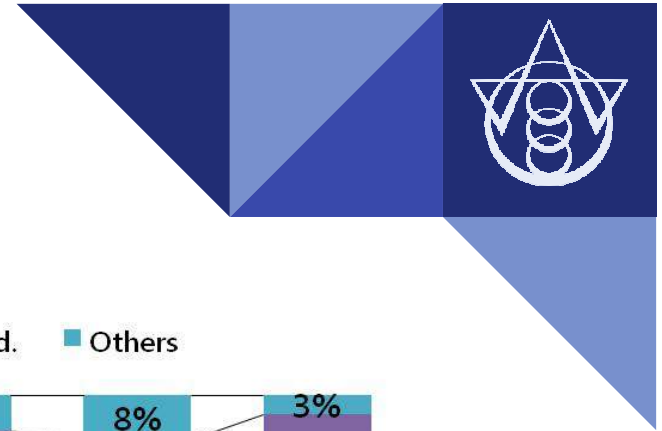


## Consolidated Cash Flow Statement

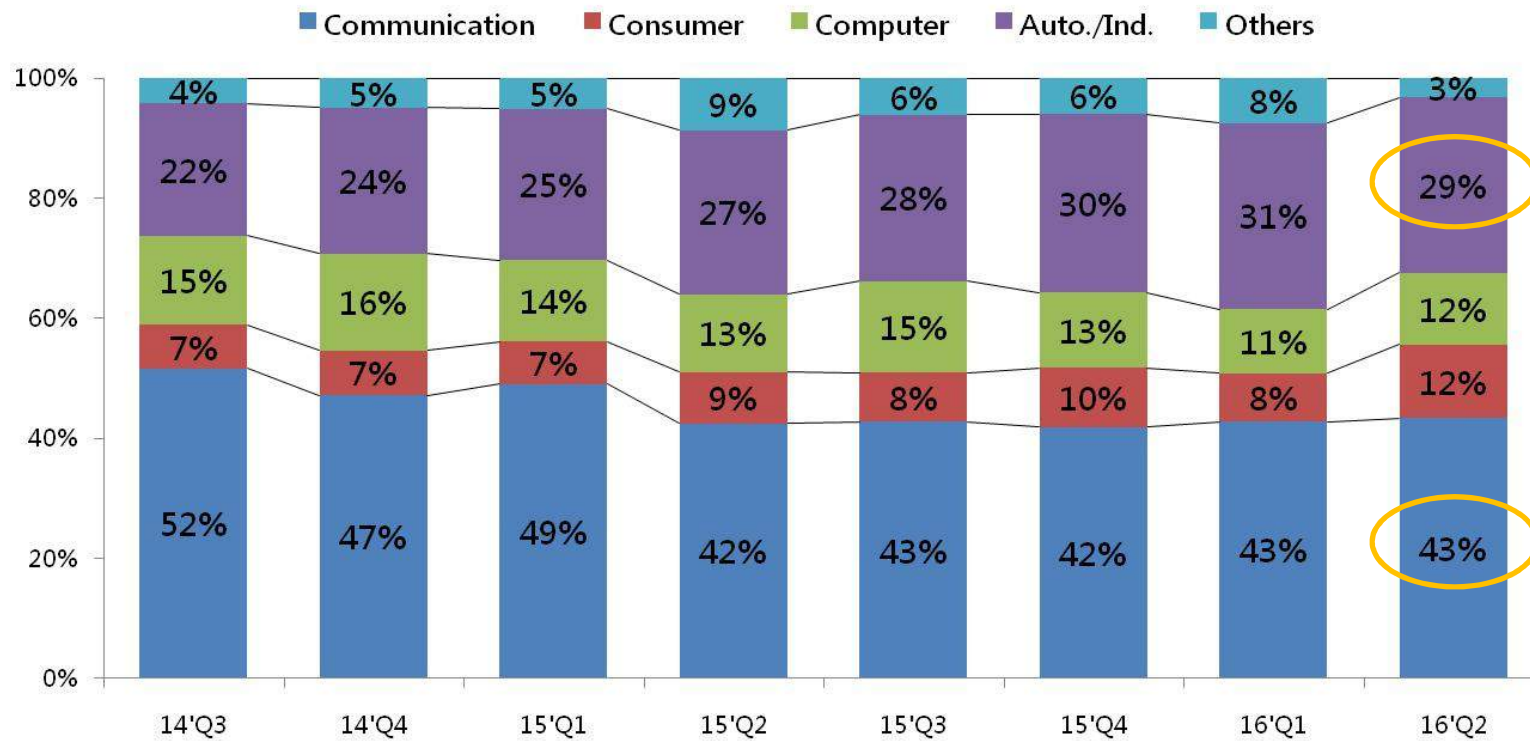
(In NT\$ Millions)

	Q2 2016	Q1 2016
Income before Income Tax	\$ 114	\$ 135
Net cash generated from operating activities	(1)	254
Net cash generated from (used in) investing activities	64	(26)
Additions to property, plant and equipment	(25)	(27)
Net cash generated from (used in) financing activities	168	79
Net increase in cash and cash in bank	231	294
Cash and cash in bank at beginning of quarter	2,906	2,906
Cash and cash in bank at end of quarter	3,431	3,200

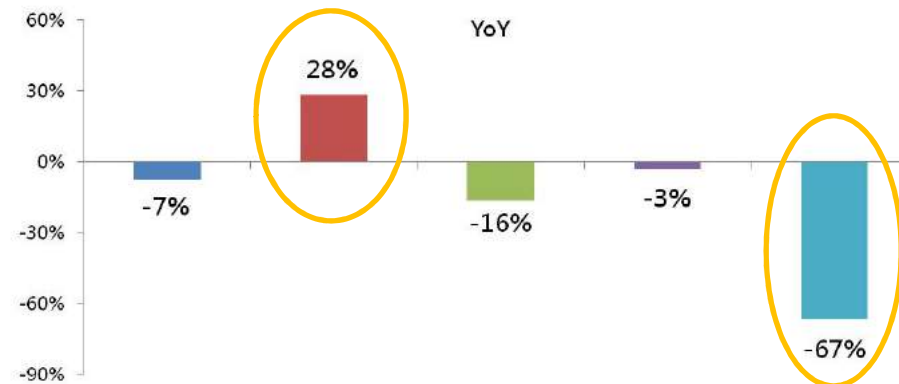
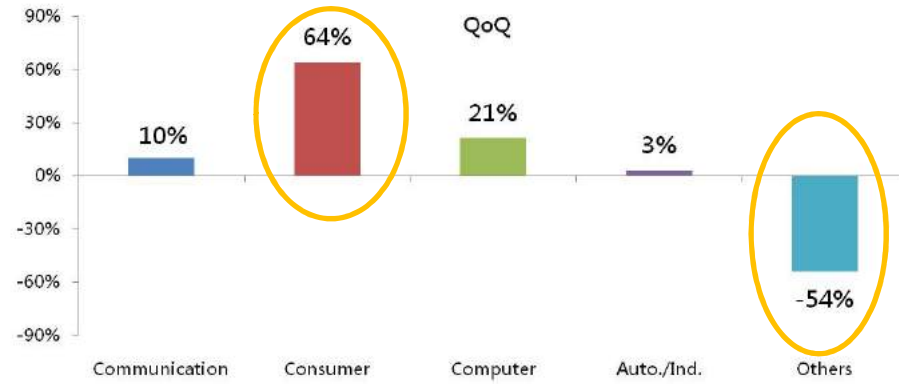
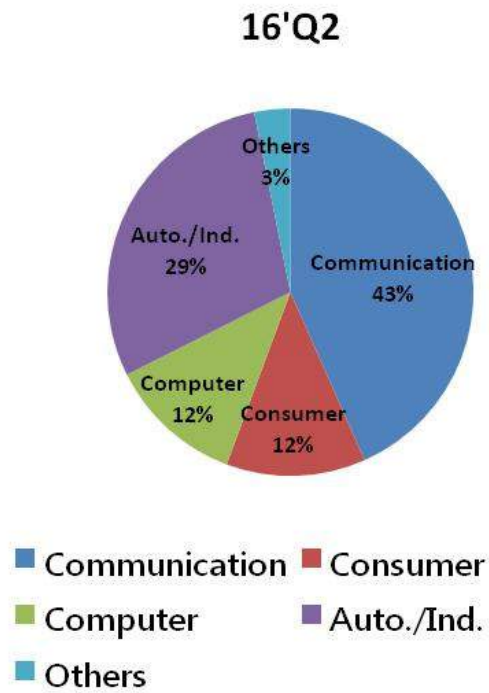
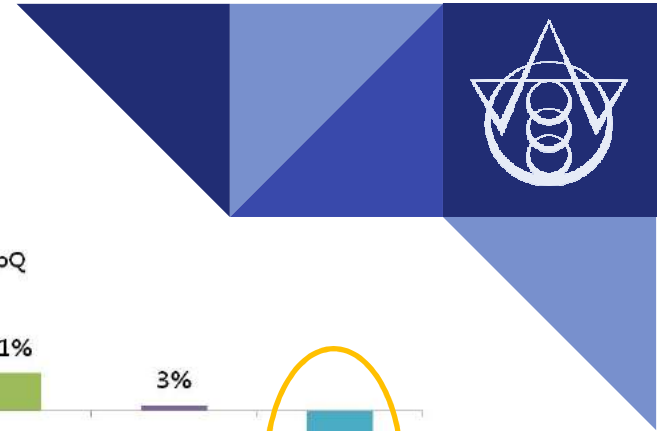
# Sales by Application



## Quarterly Trend



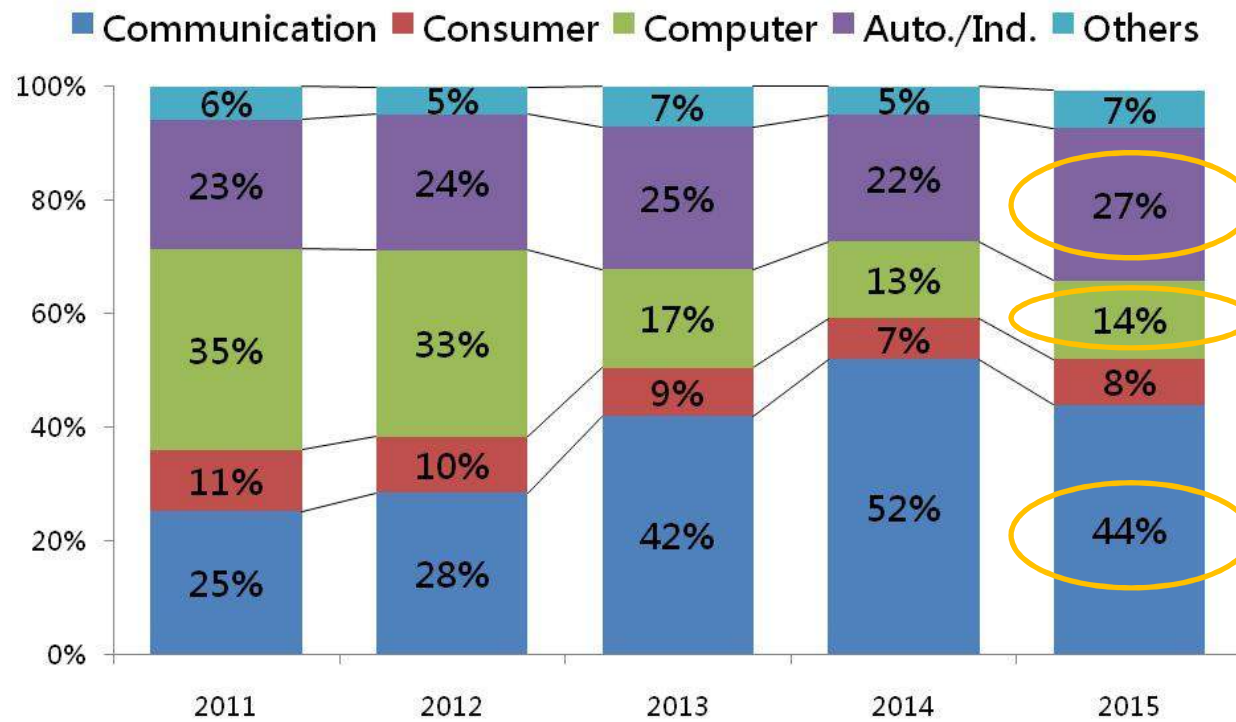
# Revenue by Application



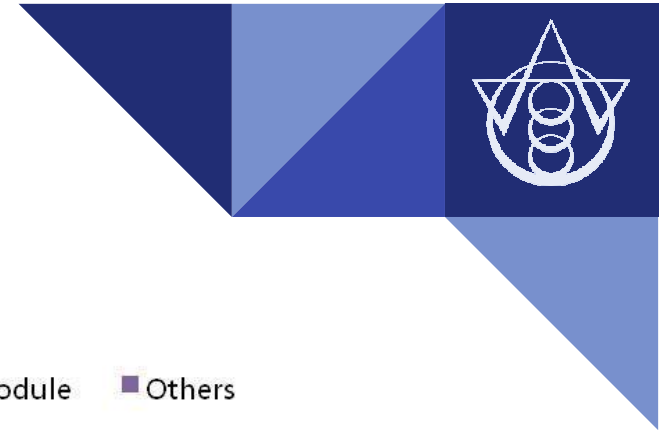
# Sales by Application



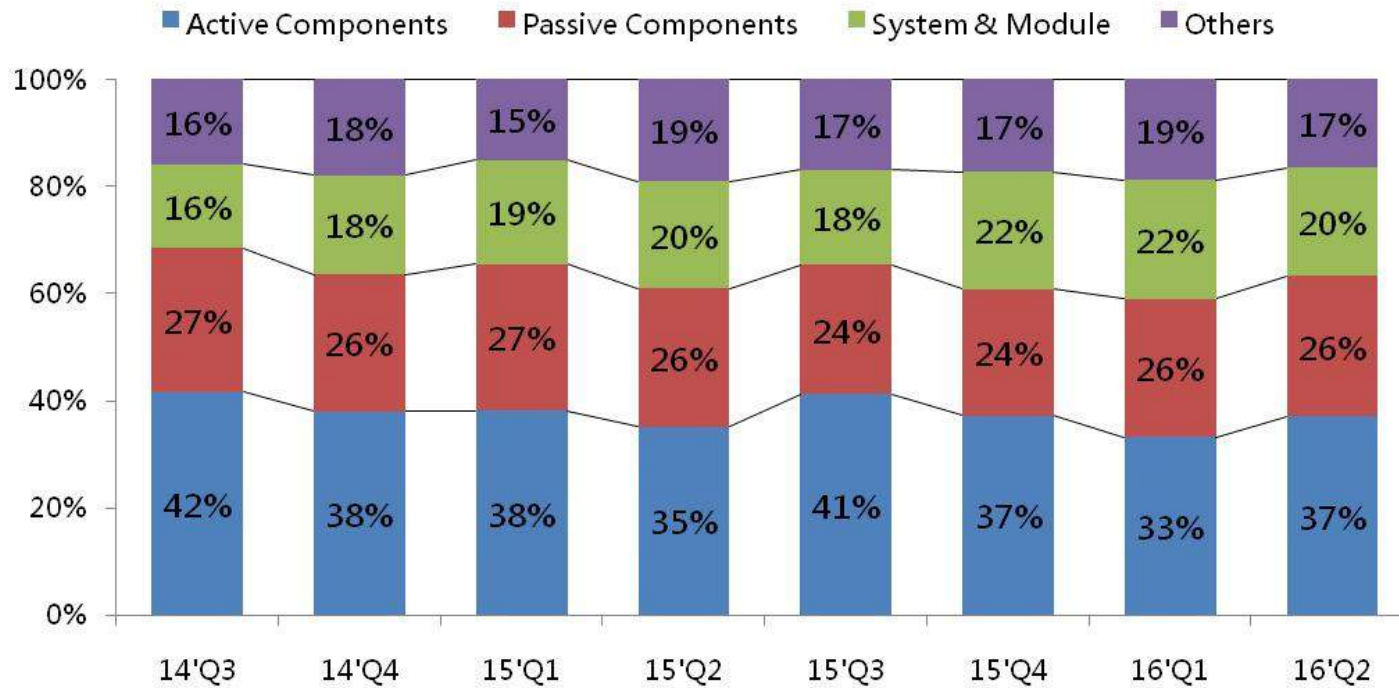
## Yearly Trend



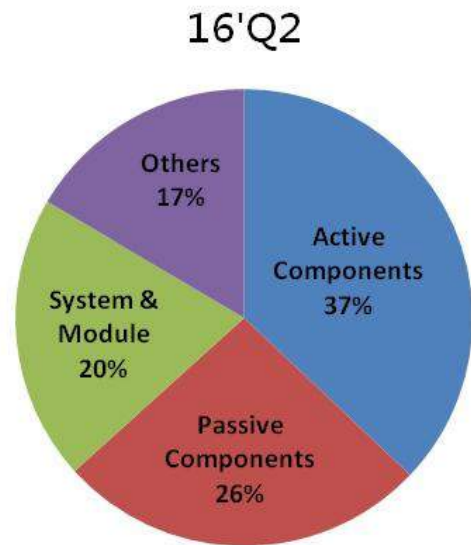
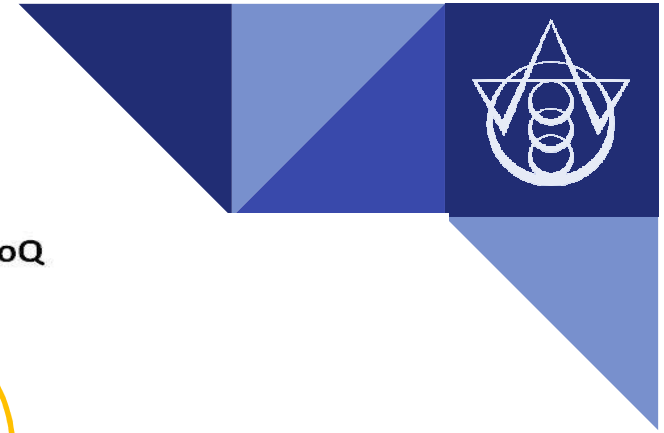
# Sales by Product



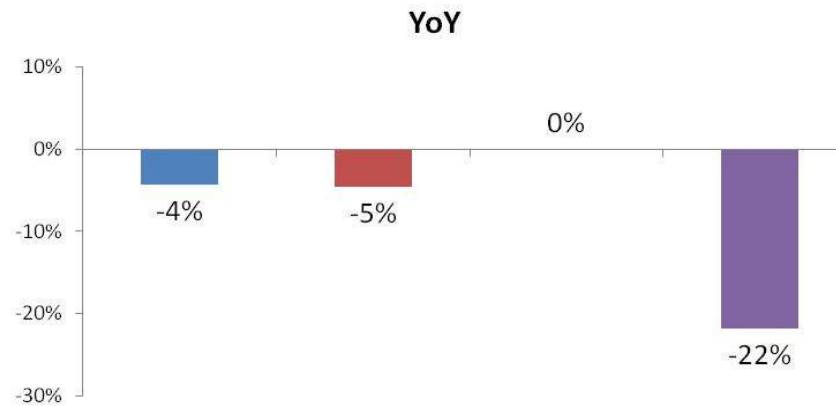
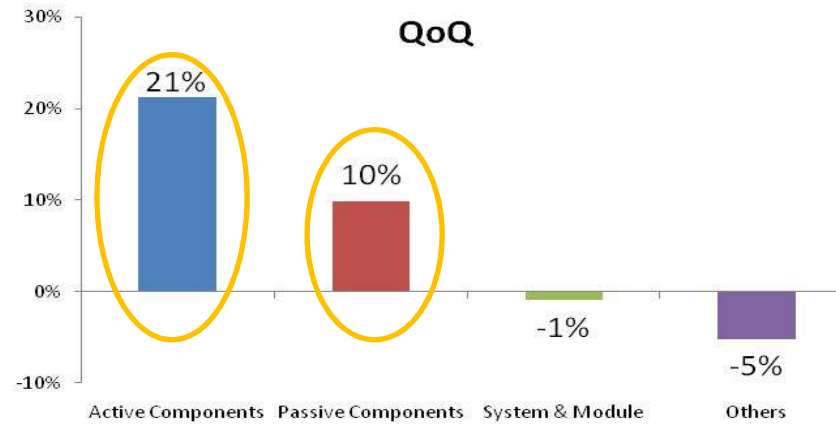
## Quarterly Trend



# Sales by Product



- Active Components
- Passive Components
- System & Module
- Others



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](mailto:IR@holystone.com.tw),  
and we will get back to you shortly in response to your  
query.