



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

### Q3 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



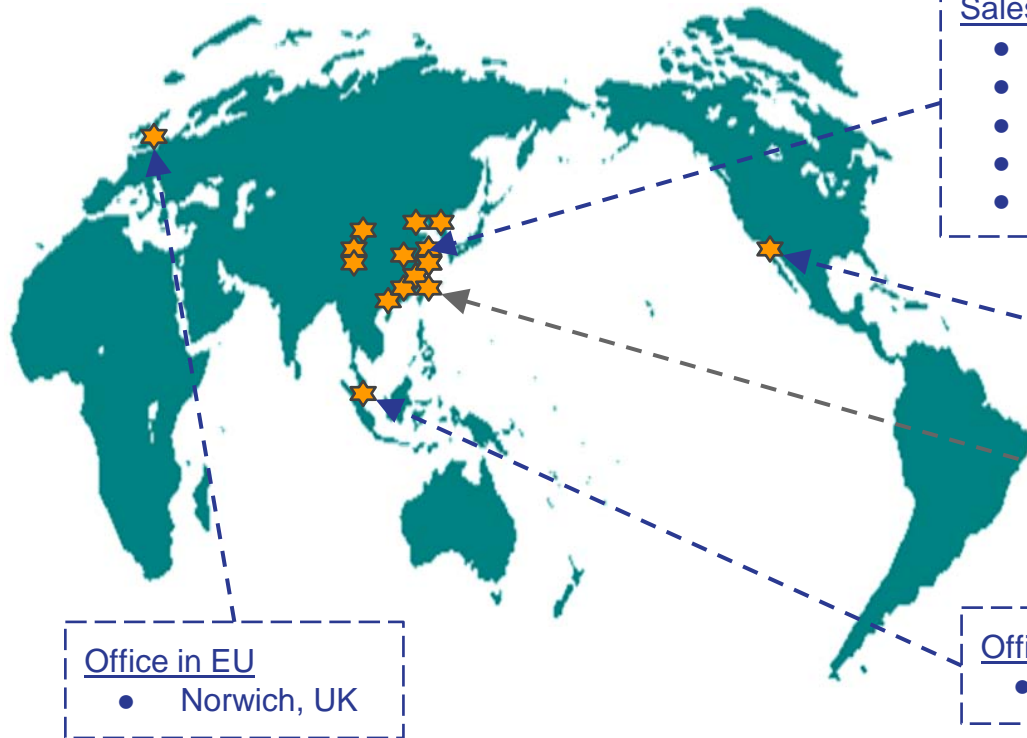
- ❑ Capital Stock: NT\$ 2,242 million
- ❑ Headquarters: Taipei, Taiwan
- ❑ Employees: 1,160 as of June 30th, 2016
- ❑ Factory Site: Lungtan and Yilan, Taiwan
- ❑ Product Line: Passive Components, Active Components, System & Module, and Others (peripherals)



# Company Snapshot



## □ Holy Stone Worldwide



### Sales Offices in China

- Beijing
- Hangzhou
- Ningbo
- Suzhou
- Xiamen
- Chongqing
- Hong Kong
- Shanghai
- Wenzhou
- Xian
- Dongguan
- Nanjing
- Shenzhen
- Wuhan
- Zhongshan

### Office in USA

- Murrieta, CA

### Production Plant

- Lungtan, TW
- Yilan, TW

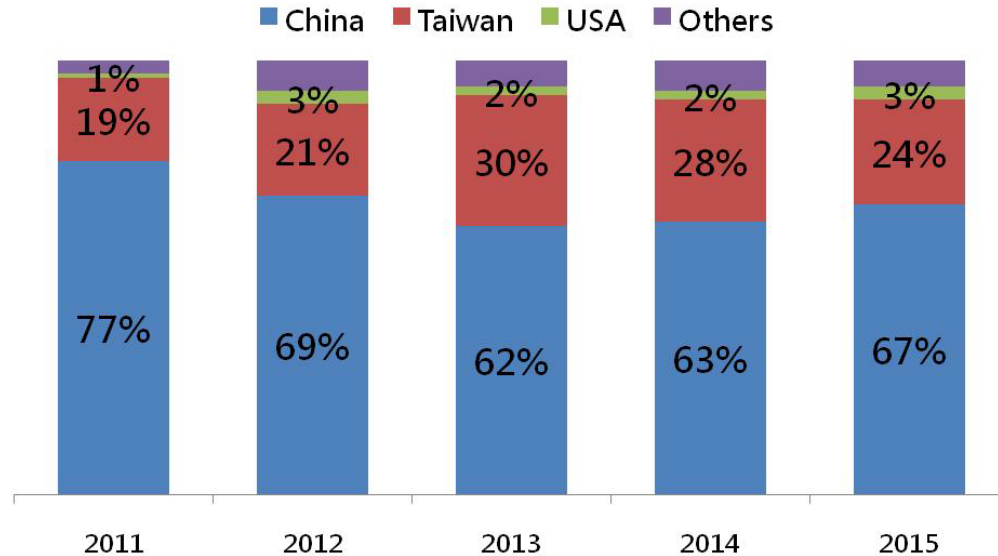


# Earnings Performance



Financials (as of 2015)

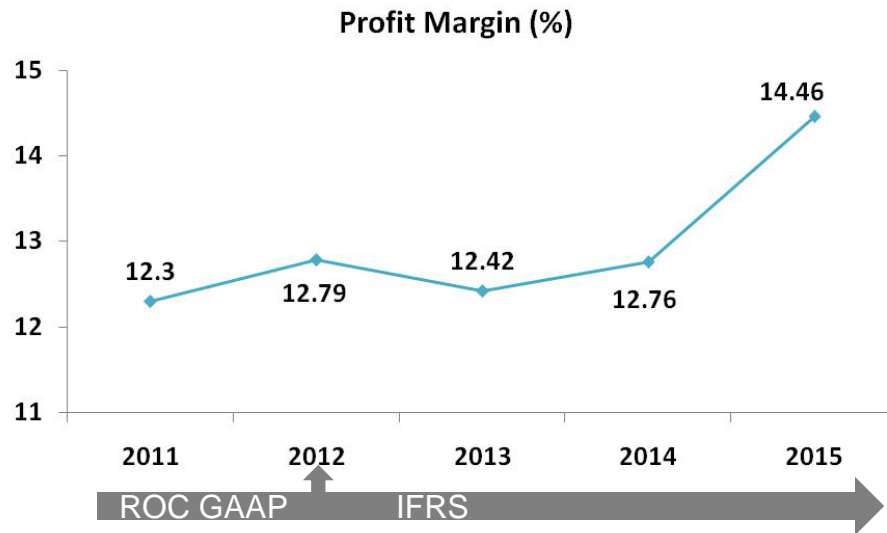
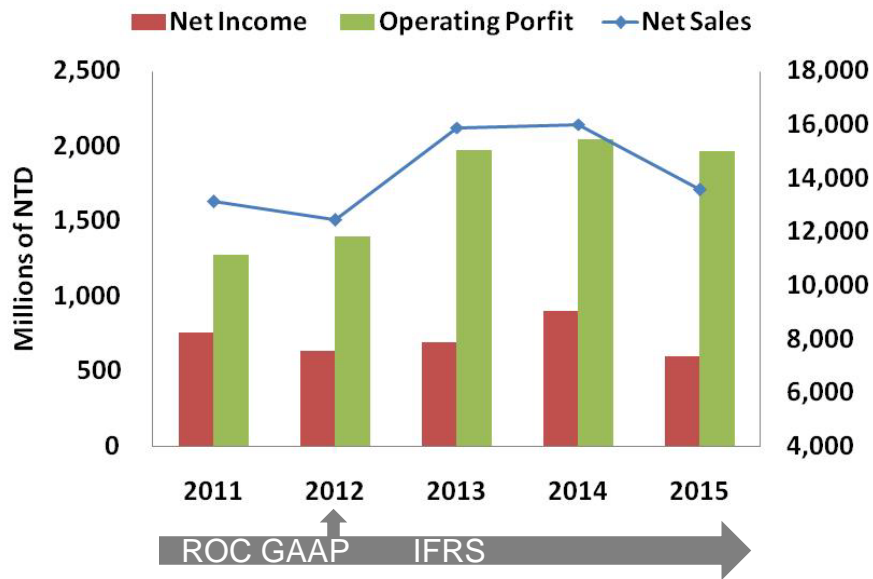
Consolidated Revenue By Territory



# Earnings Performance



## Financials (as of 2015)



# Earnings Performance



## Consolidated P/L

(In NT\$ Millions)	2016 Q3	2016 Q2	2015 Q3	QoQ	YoY
Net Sales	\$ 3,543	\$ 3,217	\$ 3,511	10%	1%
Gross Margin	14.3%	14.1%	14.8%	1%	-3%
Operating Expenses	(390)	(367)	(343)	6%	14%
Operating Income	117	87	175	34%	-33%
Operating Margin	3.3%	2.7%	5.0%		
EBITDA	343	257	426	34%	-19%
EBITDA Margin	9.7%	8.0%	12.1%		
Non-operating Items	10	27	21	-62%	-51%
Net Income to Parent Company	130	118	183	10%	-29%
EPS (NTD)	0.58	0.53	0.82		

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

Note 2: Operating Exp. for Q3'16 comes mostly from subsidiaries.

# Earnings Performance



## Consolidated Balance Sheet

Selected items from Balance Sheet

(In NT\$ Millions)

	2016 Q3		2016 Q2		2015 Q3	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	\$ 3,295	26%	\$ 3,431	27%	\$ 2,243	18%
Accounts Receivable	3,399	27%	3,020	24%	3,511	28%
Inventory	1,889	15%	2,045	16%	1,877	15%
<b>TOTAL ASSETS</b>	<b>12,662</b>	<b>100%</b>	<b>12,847</b>	<b>100%</b>	<b>12,571</b>	<b>100%</b>
Short-term Debt	1,977	16%	1,459	11%	1,588	13%
Long-term Debt	18	0%	18	0%	20	0%
<b>TOTAL LIABILITIES</b>	<b>3,910</b>	<b>31%</b>	<b>4,153</b>	<b>32%</b>	<b>3,548</b>	<b>28%</b>
<b>TOTAL EQUITY</b>	<b>8,751</b>	<b>69%</b>	<b>8,694</b>	<b>68%</b>	<b>9,024</b>	<b>72%</b>

### Key Indices

A/R Turnover Days	83	80	86
Inventory Turnover Days	59	65	61
Current Ratio (X)	2.42	2.30	2.50
Quick Ratio	1.92	1.79	1.95
Debt Ratio	30.88%	32.33%	28.22%

# Earnings Performance



## Consolidated Cash Flow Statement

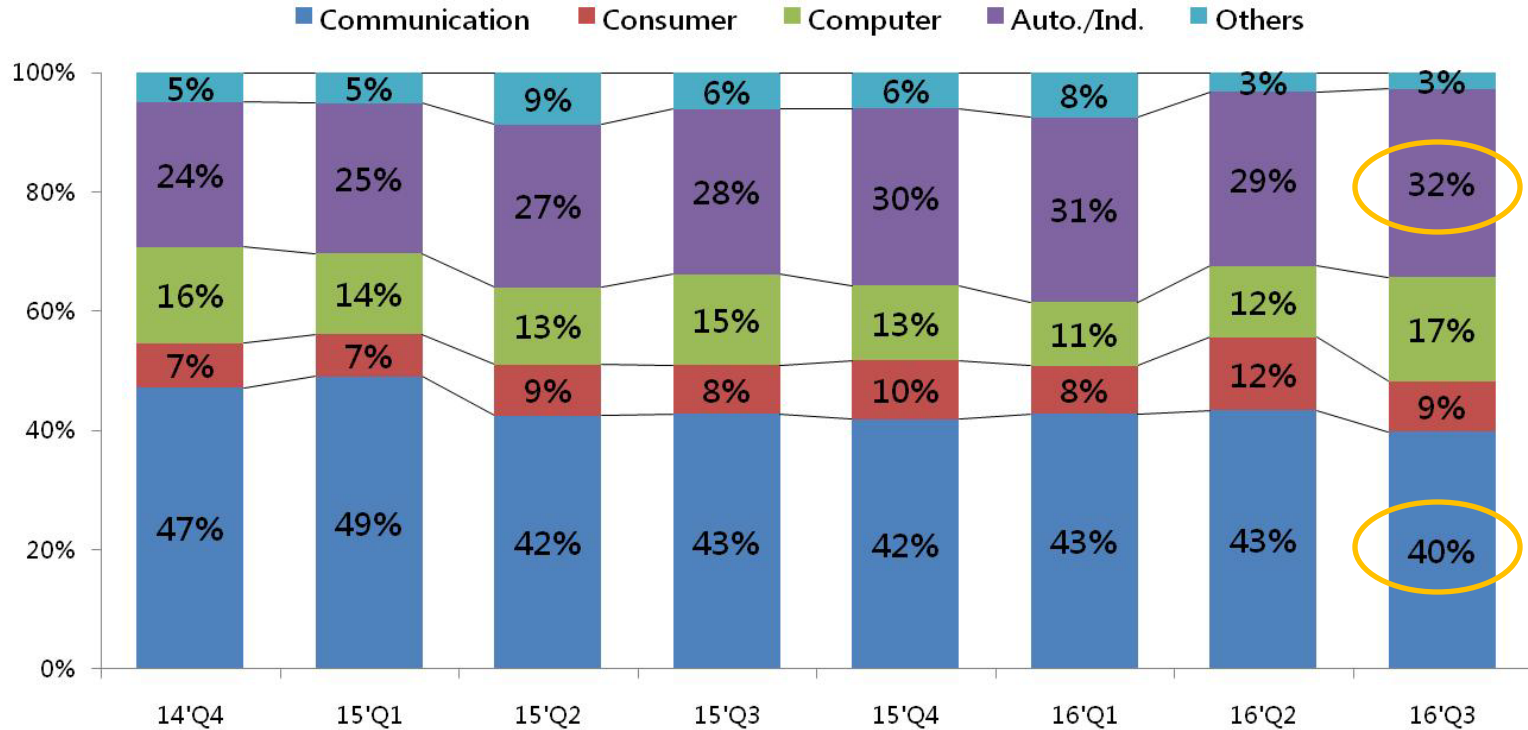
(In NT\$ Millions)

	Q3 2016	Q2 2016
Income before Income Tax	\$ 127	\$ 114
Net cash generated from operating activities	(62)	(1)
Net cash generated from (used in) investing activities	(7)	64
Additions to property, plant and equipment	(5)	(25)
Net cash generated from (used in) financing activities	(39)	168
Net increase in cash and cash in bank	(136)	231
Free Cash Flow	(69)	64
Net Cash Flow	(108)	232

# Sales by Application



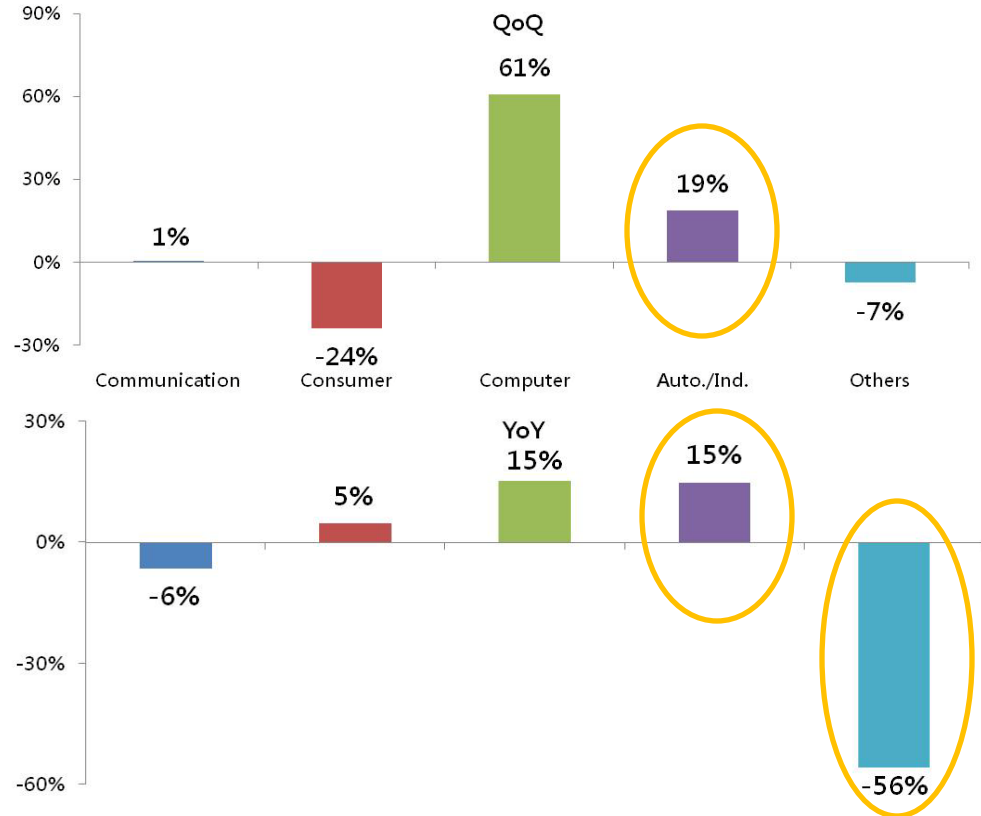
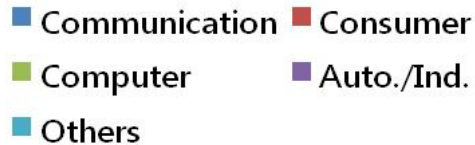
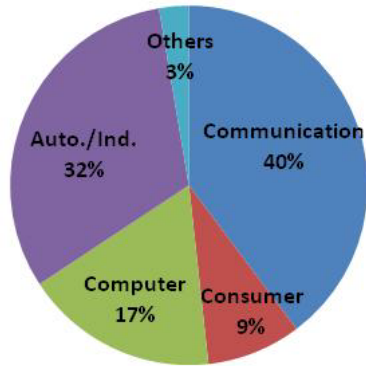
## Quarterly Trend



# Revenue by Application



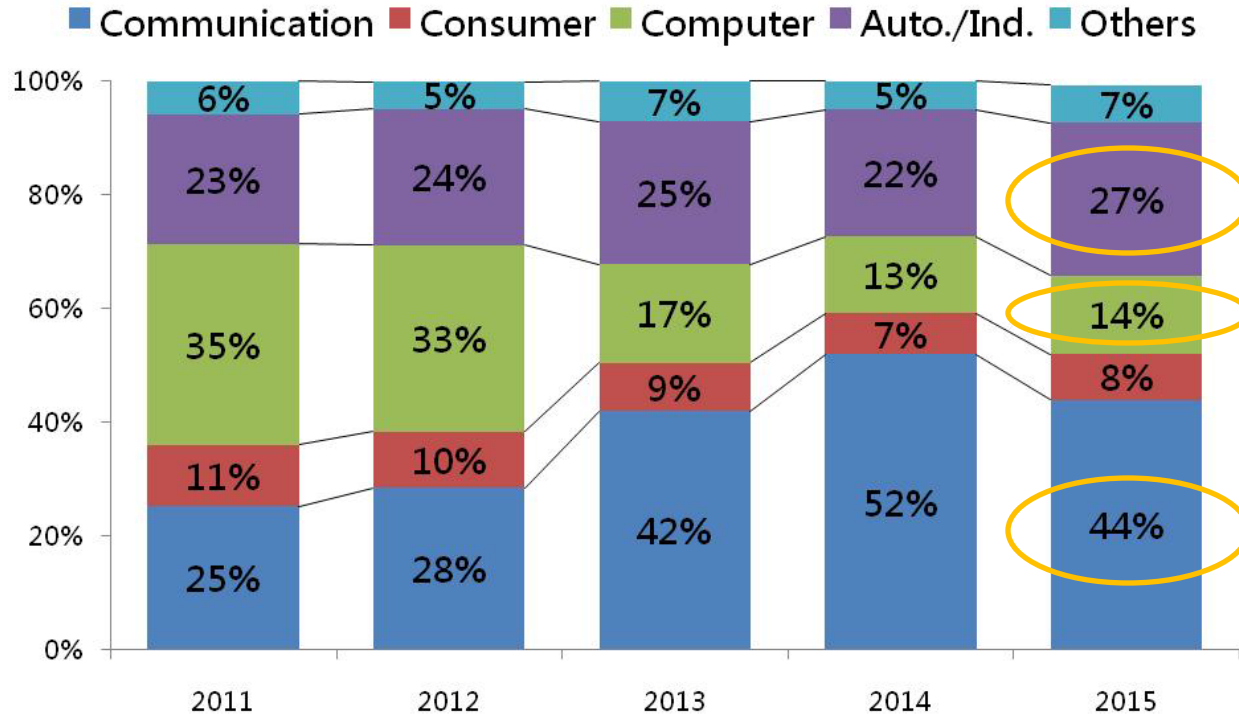
16'Q3



# Sales by Application



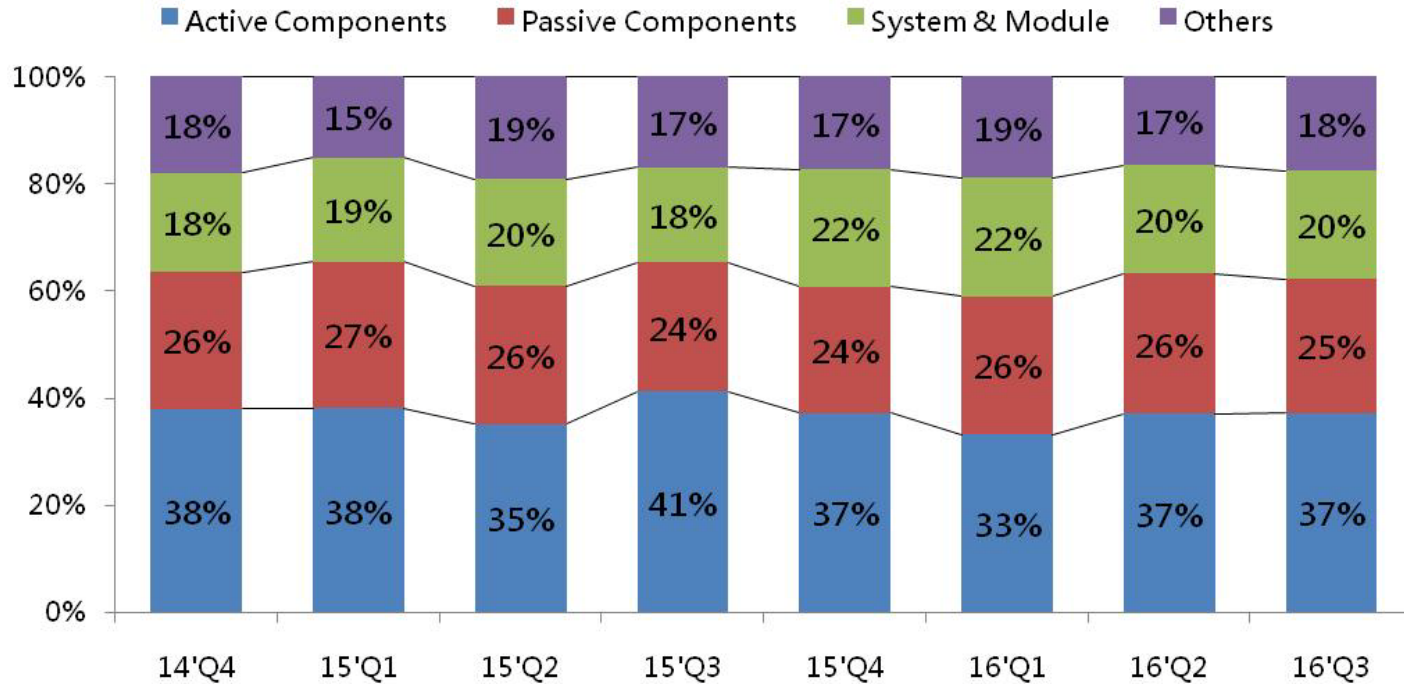
## Yearly Trend



# Sales by Product



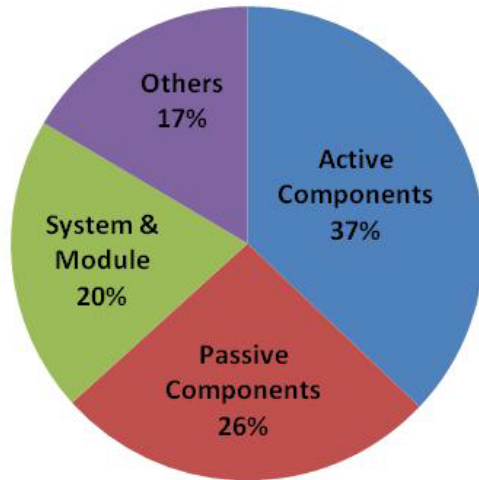
## Quarterly Trend



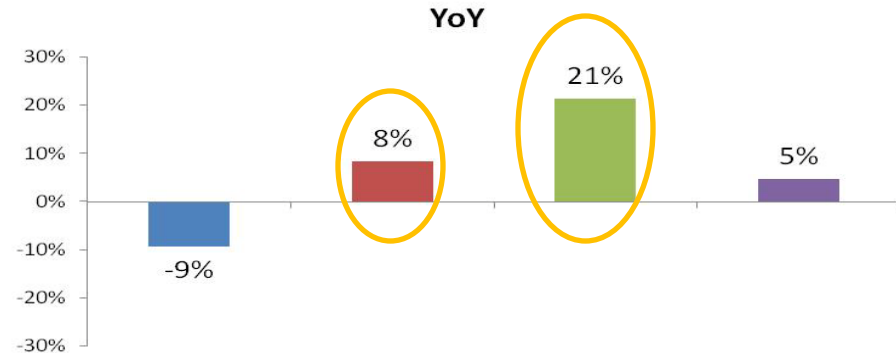
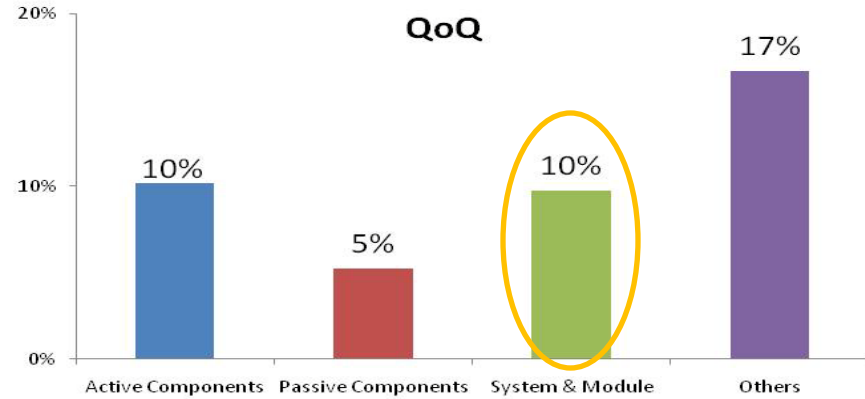
# Sales by Product



16'Q3



■ 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.