

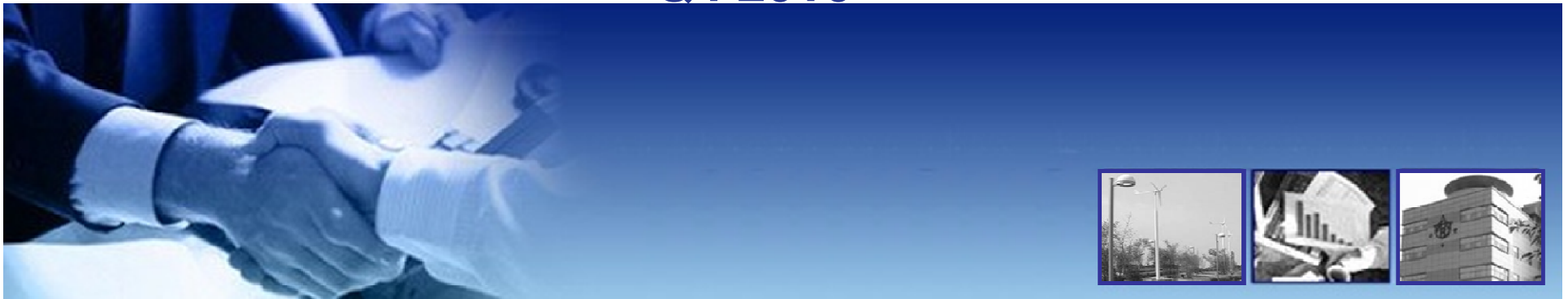


禾伸堂企業股份有限公司 (TW3026)
Holy Stone Enterprise Co., Ltd.

A Partner You Can Trust



Holy Stone Enterprise Co., Ltd. Earnings Performance Q4 2016



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: 1,177 as of Dec. 31st, 2016
- ❑ Factory Site: Lungtan and Yilan, Taiwan
- ❑ Product Line: Passive Components, Active Components, System & Module, and Others (peripherals)



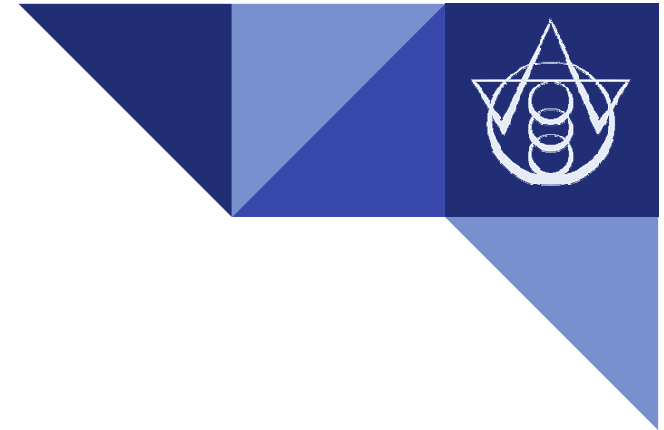
Company Snapshot



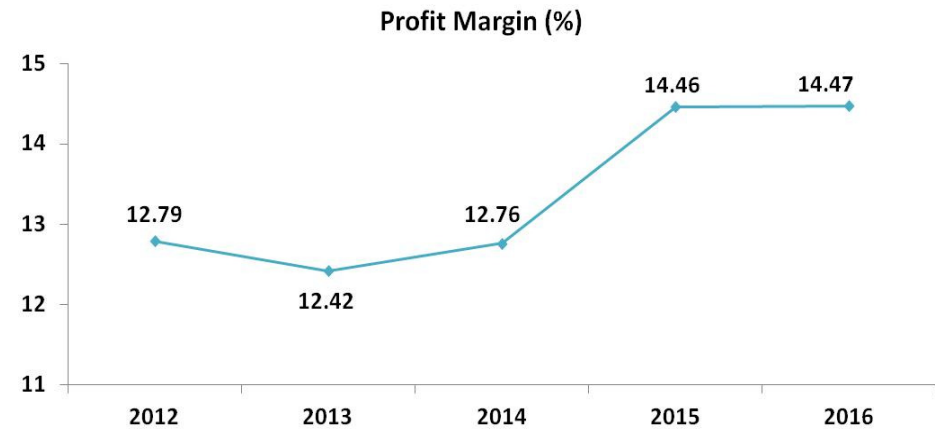
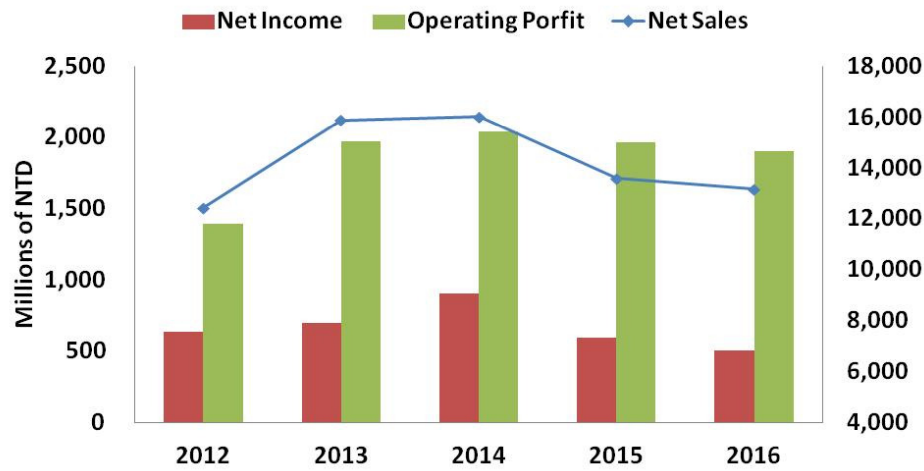
□ Holy Stone Worldwide



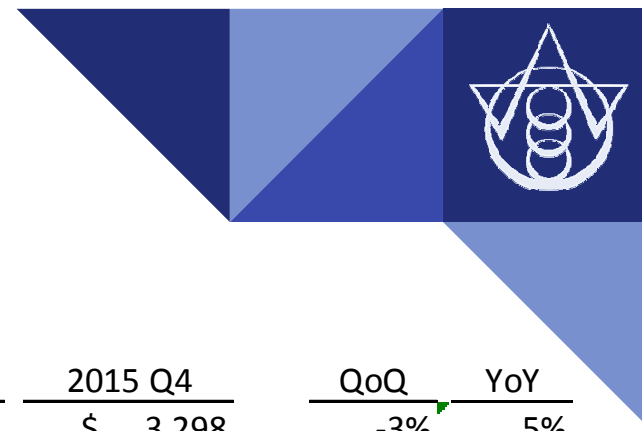
Earnings Performance



Financials



Earnings Performance



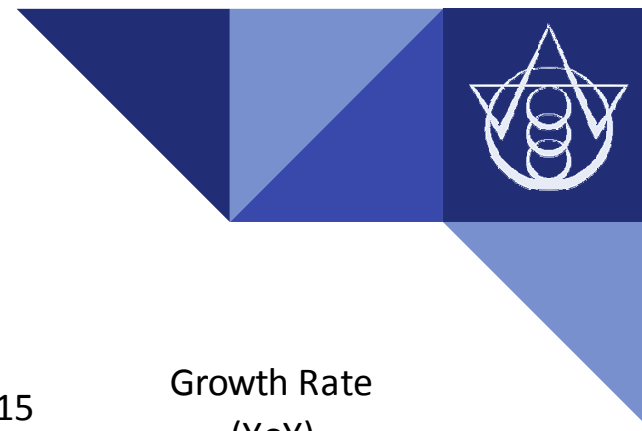
Consolidated P/L

(In NT\$ Millions)	2016 Q4	2016 Q3	2015 Q4	QoQ	YoY
Net Sales	\$ 3,448	\$ 3,543	\$ 3,298	-3%	5%
Gross Margin	14.0%	14.3%	13.6%	-2%	3%
Operating Expenses	(378)	(390)	(347)	3%	-9%
Operating Income	105	117	101	-10%	4%
Operating Margin	3.1%	3.3%	3.1%		
EBITDA	152	343	108	-56%	40%
EBITDA Margin	4.4%	9.7%	3.3%		
Non-operating Items	(26)	10	(71)	-354%	63%
Net Income to Parent Company	104	130	36	-20%	187%
EPS (NTD)	0.46	0.58	0.16		

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

Note 2: Operating Exp. for Q4'16 comes mostly from subsidiaries.

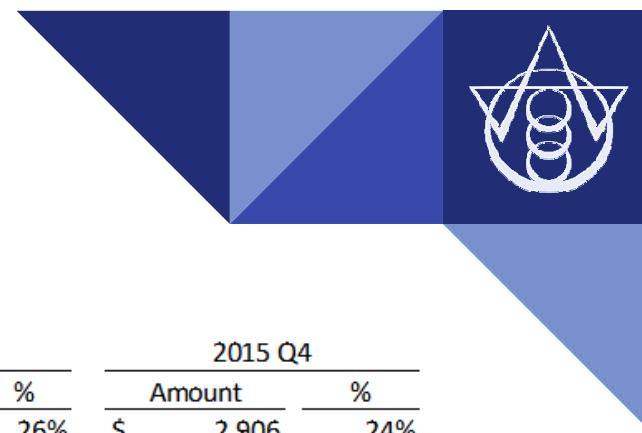
Earnings Performance



Consolidated P/L

(In NT\$ Millions)	2016	2015	Growth Rate (YoY)
Net Sales	\$ 13,167	\$ 13,596	-3%
Gross Margin	14.5%	14.5%	0%
Operating Expenses	(1,463)	(1,331)	-10%
Operating Income	441	634	-30%
Operating Margin	3.4%	4.7%	-28%
Non-operating Items	13	(20)	168%
Consolidated Income before Income Tax	455	615	-26%
Net Income Attributable to Parent Company	506	598	-15%

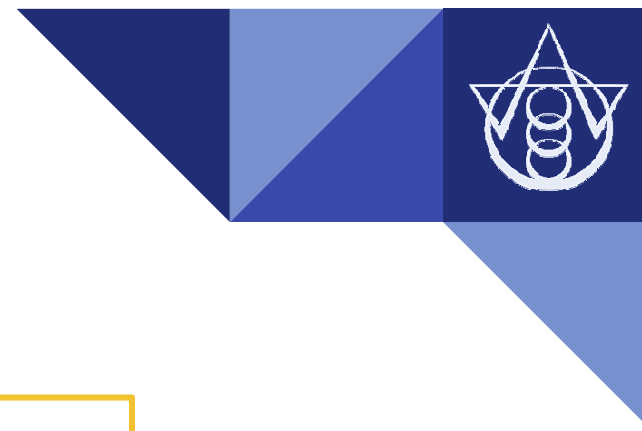
Earnings Performance



Consolidated Balance Sheet

Selected items from Balance Sheet (In NT\$ Millions)	2016 Q4		2016 Q3		2015 Q4	
	Amount	%	Amount	%	Amount	%
Cash and Cash Equivalents	\$ 3,406	28%	\$ 3,295	26%	\$ 2,906	24%
Accounts Receivable	3,398	28%	3,399	27%	3,047	25%
Inventory	1,806	15%	1,889	15%	1,706	14%
TOTAL ASSETS	12,324	100%	12,662	100%	12,175	100%
Short-term Debt	1,663	13%	1,977	16%	1,300	11%
Long-term Debt	17	0%	18	0%	19	0%
TOTAL LIABILITIES	3,492	28%	3,910	31%	3,173	26%
TOTAL EQUITY	8,833	72%	8,751	69%	9,002	74%
Key Indices						
A/R Turnover Days	90		83		91	
Inventory Turnover Days	57		59		55	
Current Ratio (X)	2.63		2.42		2.74	
Quick Ratio	2.10		1.92		2.19	
Debt Ratio	28.33%		30.88%		26.06%	

Earnings Performance

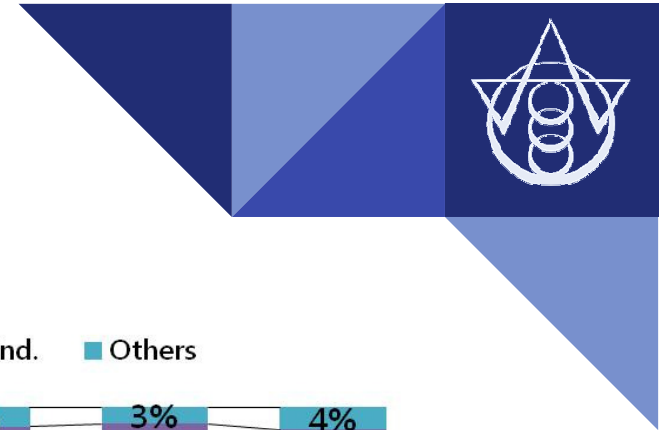


Consolidated Cash Flow Statement

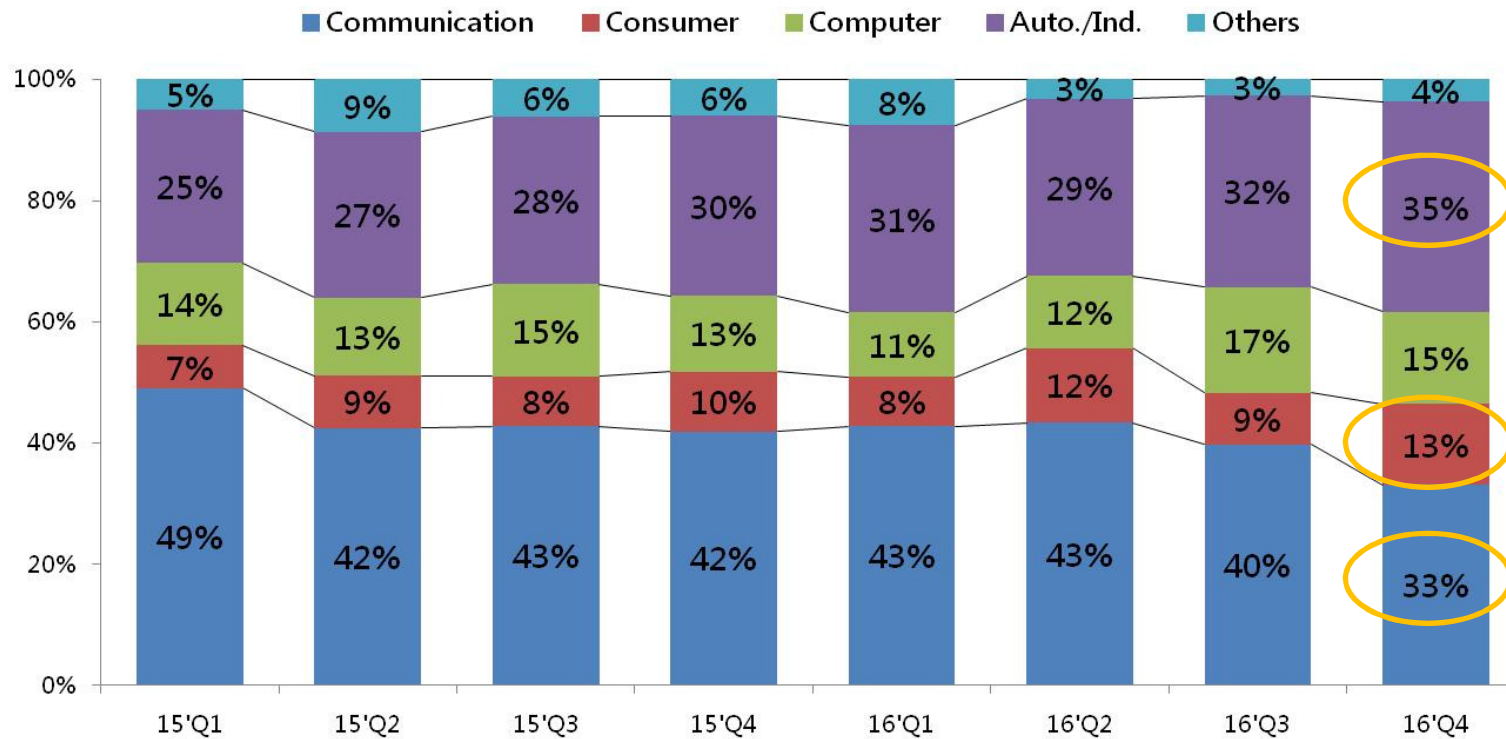
(In NT\$ Millions)

	Q4 2016	Q3 2016
Income before Income Tax	\$ 79	\$ 127
Net cash generated from operating activities	412	(62)
Net cash generated from (used in) investing activities	10	(7)
Additions to property, plant and equipment	(10)	(5)
Net cash generated from (used in) financing activities	(85)	(39)
Net increase in cash and cash in bank	111	(136)
Free Cash Flow	422	(69)
Net Cash Flow	337	(108)

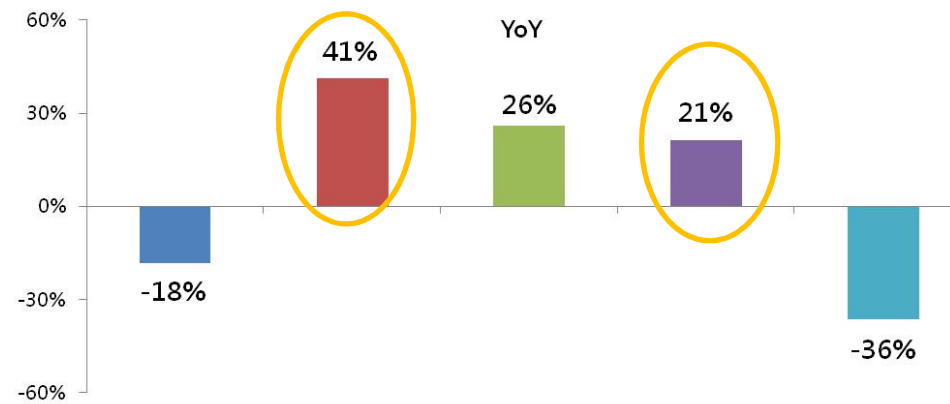
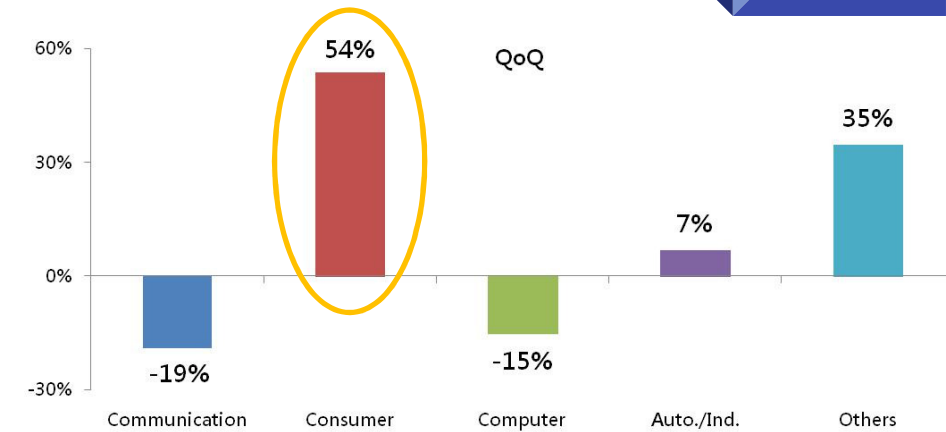
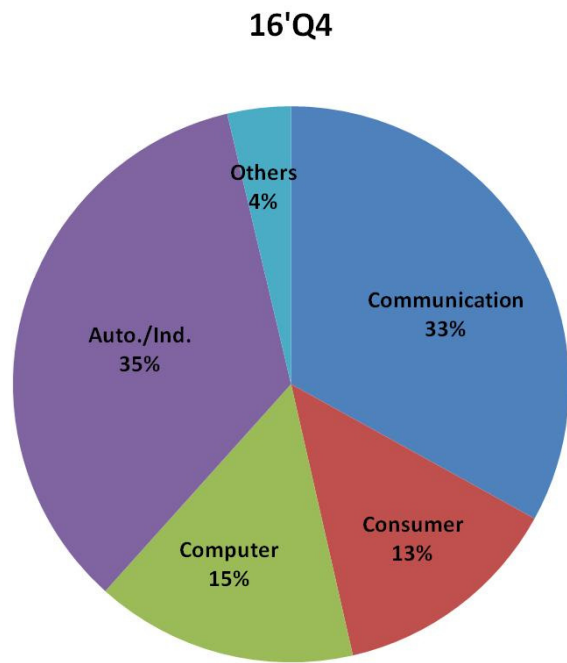
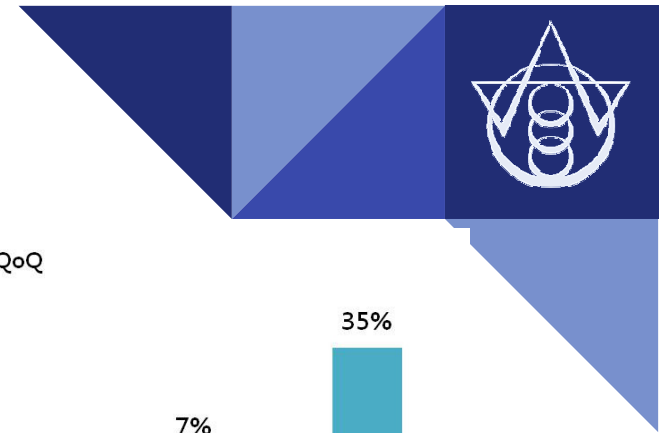
Sales by Application



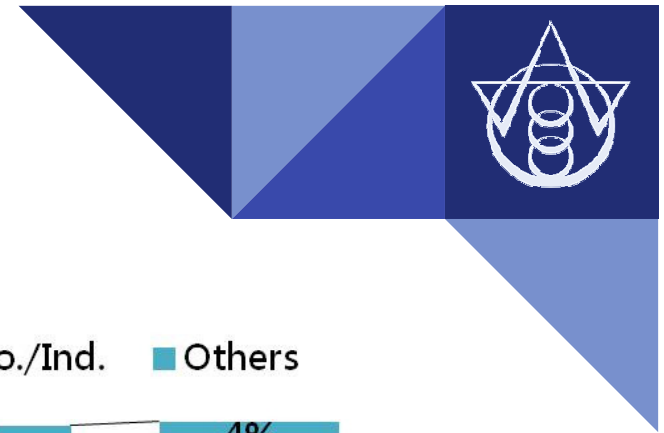
Quarterly Trend



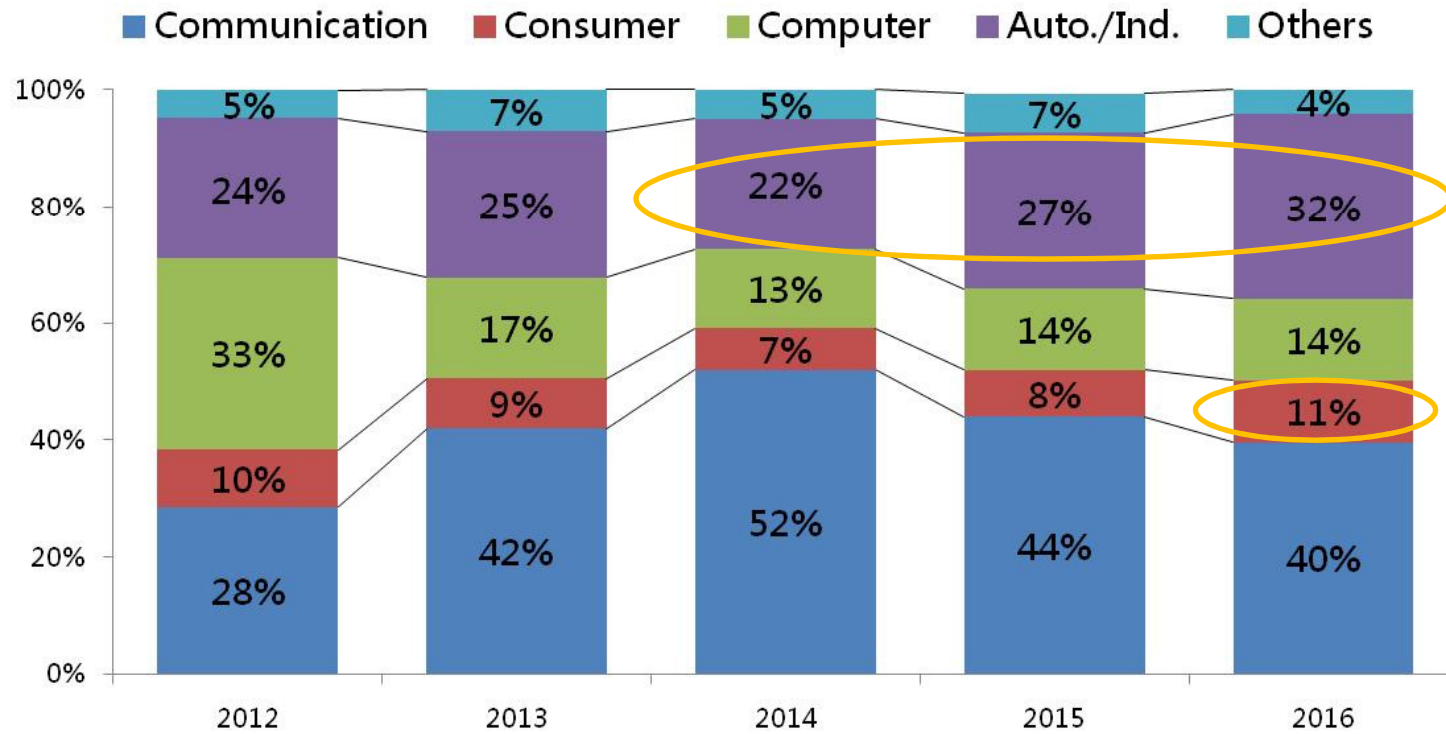
Sales by Application



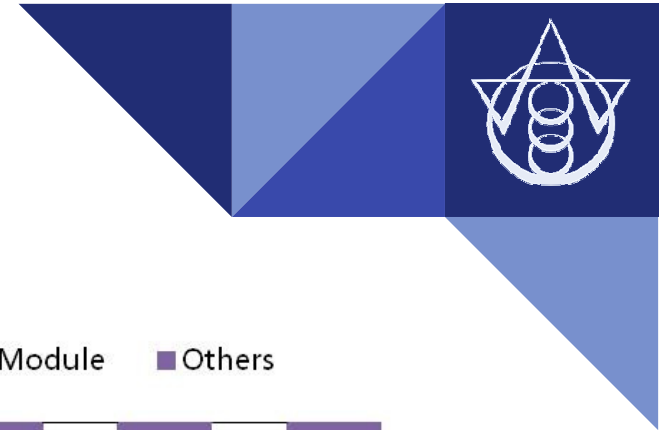
Sales by Application



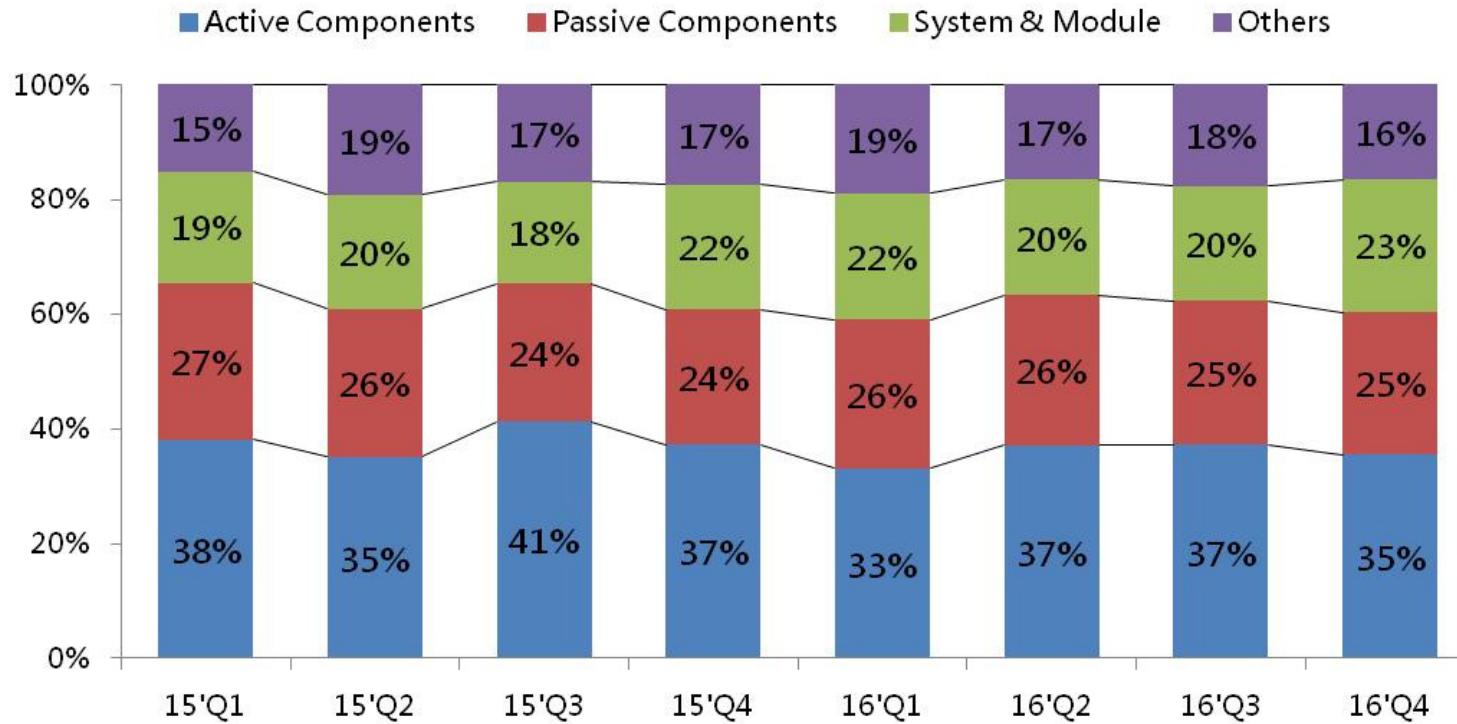
Yearly Trend



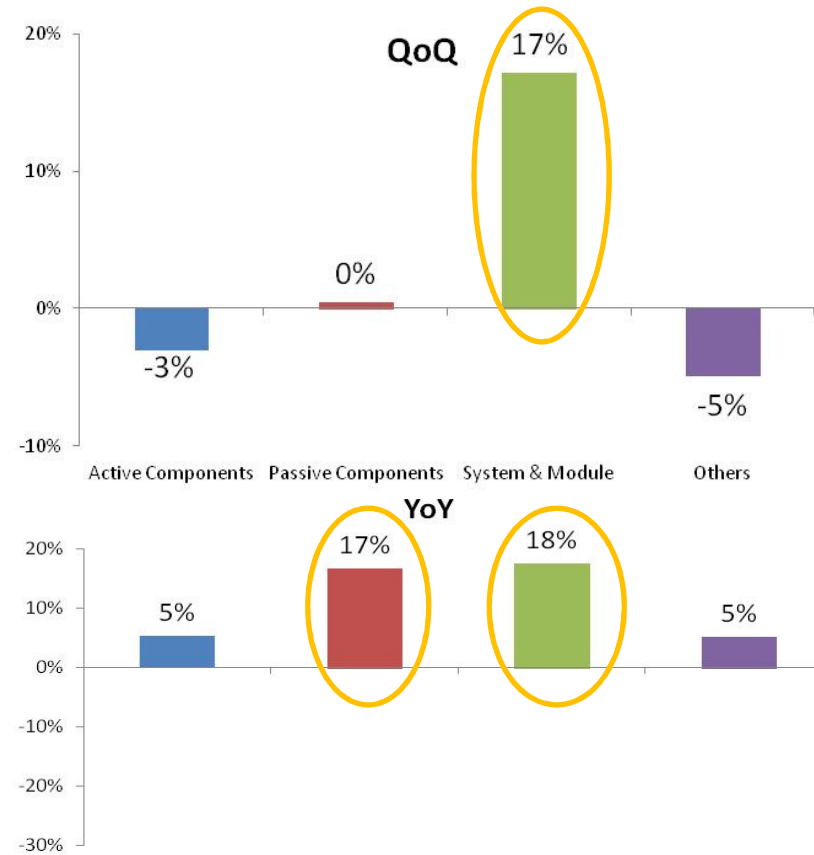
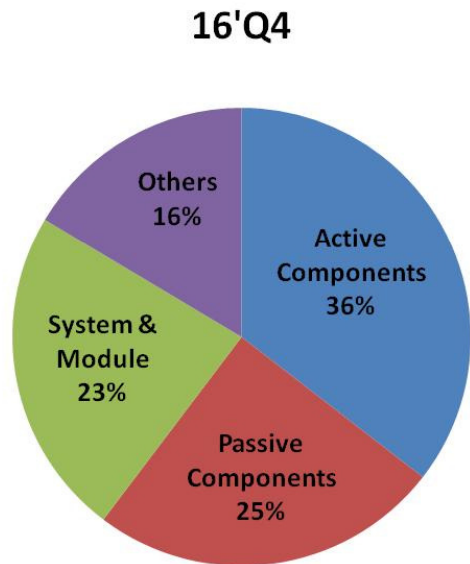
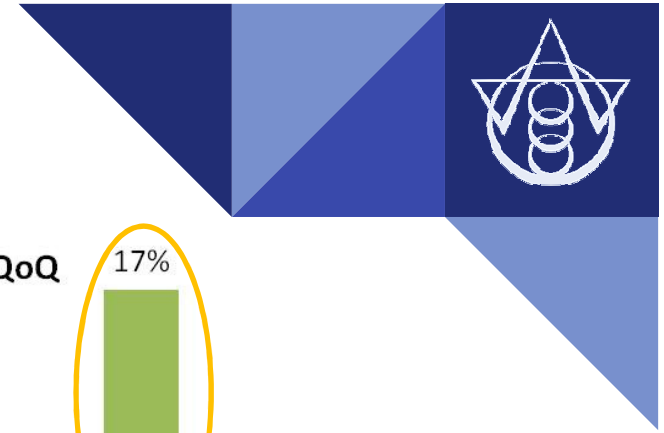
Sales by Product



Quarterly Trend



Sales by Product



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.