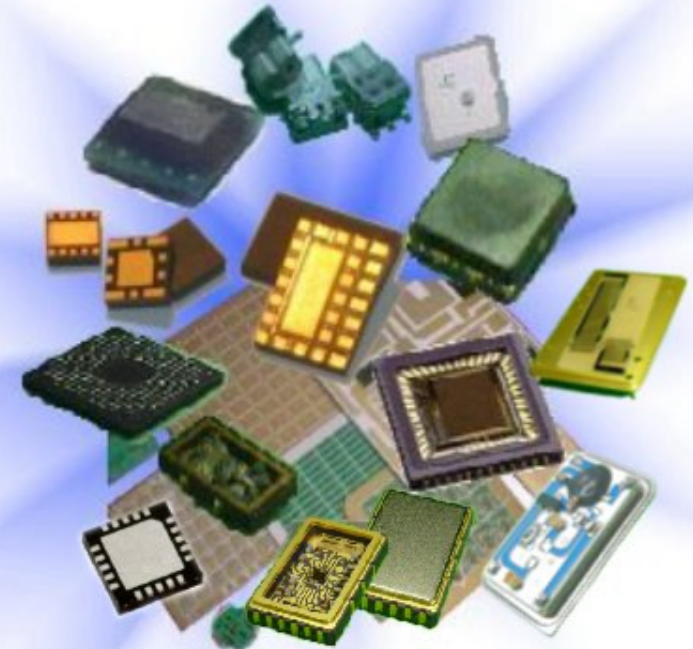




TONG HSING ELECTRONIC INDUSTRIES, LTD.

Tong Hsing

**Third Quarter 2011
Investor Conference
October 25th, 2011**

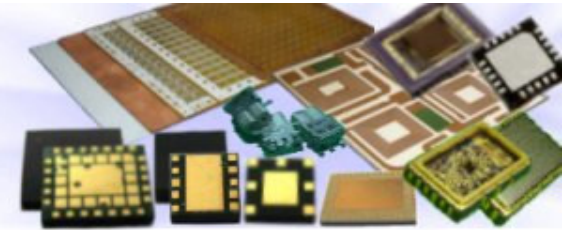


Excellence in Custom Electronics Manufacturing

Company Confidential



Disclaimer

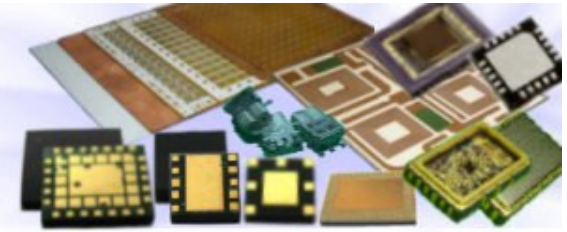


This presentation contains forward-looking statements. These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. Actual results may differ materially from those expressed or implied by these forward-looking statements. Because of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation might not occur in the way we expect, or at all. You should not place undue reliance on any forward-looking information.

In preparing the information herein, Tong Hsing have relied upon and assumed, without independent verification, the accuracy and completeness of all information available from public sources or which was provided to Tong Hsing or which was otherwise reviewed by Tong Hsing. Neither Tong Hsing nor its advisors have made any representation or warranty as to the accuracy or completeness of such information and nor do they assume any undertaking to supplement such information as further information becomes available or in light of changing circumstances. None of Tong Hsing, nor any of their respective affiliates, advisers or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation. Neither this presentation nor any of its contents may be reproduced to a third party without the prior written consent of Tong Hsing.



Table of Contents



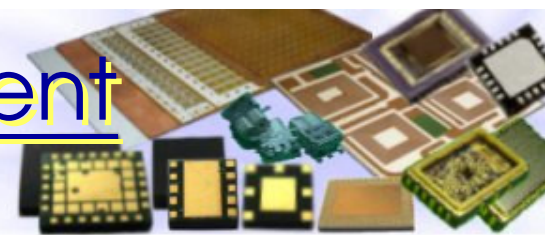
1. Financial Update

2. Business Update



3Q 11 Income Statement

QoQ Comparison



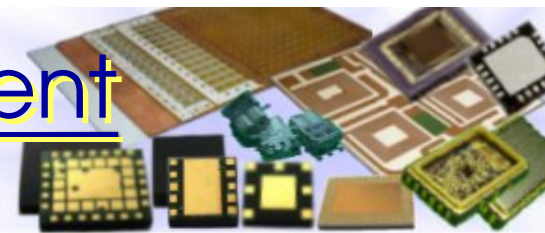
consolidated

Unit: NT\$Thousand	3Q 2011 (Per Book)	%	2Q 2011 (Per Audit)	%	Chg %
Net Revenue	1,582,928	100.0%	1,571,359	100.0%	0.7%
Cost of Sales	1,084,819	68.5%	1,093,438	69.6%	-0.8%
Gross Profit	498,109	31.5%	477,921	30.4%	4.2%
Operating Expenses	181,928	11.5%	235,786	15.0%	-22.8%
Operating Income	316,181	20.0%	242,135	15.4%	30.6%
Non-Operating Income	24,902	1.6%	(73)	0.0%	-34212.3%
Non-Operating Expense	12,244	0.8%	1,591	0.1%	669.6%
Income before Income Tax	328,839	20.8%	240,471	15.3%	36.7%
EPS(NT\$) before Tax	2.23		1.69		
Income Tax Expense	61,751	3.9%	26,278	1.7%	135.0%
Net Income	267,088	16.9%	214,193	13.6%	24.7%
EPS(NT\$) after Tax	1.81		1.51		

*2011 Weighted Average Outstanding Shares : 147.31Million



3Q 11 Income Statement YoY Comparison



consolidated

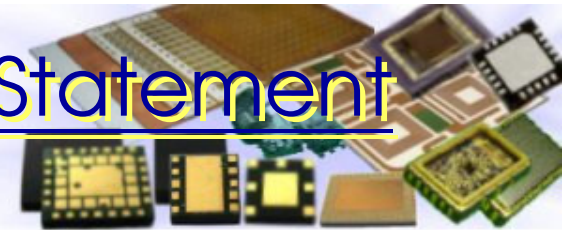
Unit: NT\$Thousand	3Q 2011 (Per Book)	%	3Q 2010 (Per Audit)	%	Chg %
Net Revenue	1,582,928	100.0%	1,810,891	100.0%	-12.6%
Cost of Sales	1,084,819	68.5%	1,276,253	70.5%	-15.0%
Gross Profit	498,109	31.5%	534,638	29.5%	-6.8%
Operating Expenses	181,928	11.5%	187,011	10.3%	-2.7%
Operating Income	316,181	20.0%	347,627	19.2%	-9.0%
Non-Operating Income	24,902	1.6%	4,631	0.3%	437.7%
Non-Operating Expense	12,244	0.8%	27,713	1.5%	-55.8%
Income before Income Tax	328,839	20.8%	324,545	17.9%	1.3%
EPS(NT\$) before Tax	2.23		2.48		
Income Tax Expense	61,751	3.9%	56,729	3.1%	8.9%
Net Income	267,088	16.9%	267,816	14.8%	-0.3%
EPS(NT\$) after Tax	1.81		2.05		

*2011 Weighted Average Outstanding Shares : 147.31Million



First Nine Months 2011 Income Statement

YoY Comparison



consolidated

Unit: NT\$Thousand	For the nine months ended Sept 30,2011		For the nine months ended Sept 30,2010		YoY Chg %
	Per Book	%	Per Audit	%	
Net Revenue	4,676,052	100.0%	4,398,209	100.0%	6.3%
Cost of Sales	3,291,435	70.4%	3,131,588	71.2%	5.1%
Gross Profit	1,384,617	29.6%	1,266,621	28.8%	9.3%
Operating Expenses	584,347	12.5%	523,274	11.9%	11.7%
Operating Income	800,270	17.1%	743,347	16.9%	7.7%
Non-Operating Income	45,895	1.0%	9,763	0.2%	370.1%
Non-Operating Expense	16,121	0.3%	43,717	1.0%	-63.1%
Income before Income Tax	830,044	17.8%	709,393	16.1%	17.0%
EPS(NT\$) before Tax	5.63		5.43		
Income Tax Expense	136,142	2.9%	107,155	2.4%	27.1%
Net Income	693,902	14.8%	602,238	13.7%	15.2%
EPS(NT\$) after Tax	4.71		4.61		

*2011 Weighted Average Outstanding Shares : 147.31Million



3Q 11 Operating Results Summary



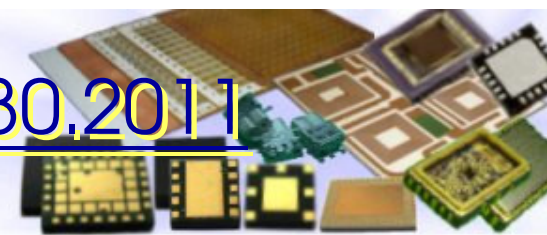
consolidated

Unit: NT\$Thousand	3Q 2011 (Per Book)	2Q 2011 (Per Audit)	3Q 2010 (Per Audit)
Net Revenues	1,582,928	1,571,359	1,810,891
Net Income	267,088	214,193	267,816
EPS(NT\$) before Tax	2.23	1.69	2.48
EPS(NT\$) after Tax	1.81	1.51	2.05
Depreciation	116,214	105,338	88,478
Capital Expenditure	356,898	402,028	256,221
EBITDA *	451,265	351,647	417,171

*EBITDA = Net Income + Interest + Tax + Depreciation & Amortization expenses



Balance Sheet Highlight –09.30.2011



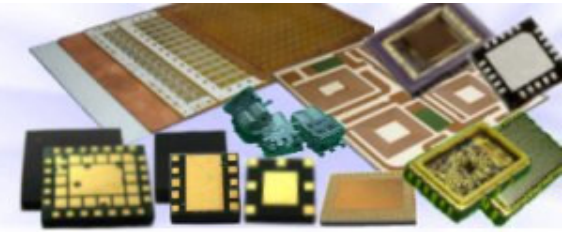
consolidated

Unit: NT\$Thousand	09.30.2011 (Per Book)	%	09.30.2010 (Per Audit)	%
Cash and Cash Equivalents	3,542,201	39%	2,122,297	30%
Fixed Assets	3,557,413	39%	2,635,106	39%
Total Assets	9,050,645	100%	6,858,432	100%
LT Debt	65,000	1%	65,000	1%
Shareholders' Equity	7,769,373	86%	5,423,198	79%
Depreciation-YTD	319,816		240,785	
Capital Expenditure-YTD	967,734		826,618	
EBITDA-YTD	1,167,618		966,135	

*EBITDA = Net Income + Interest + Tax + Depreciation & Amortization expenses



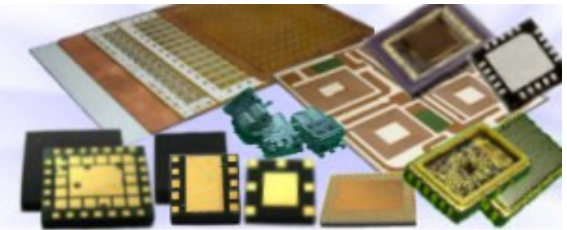
Table of Contents



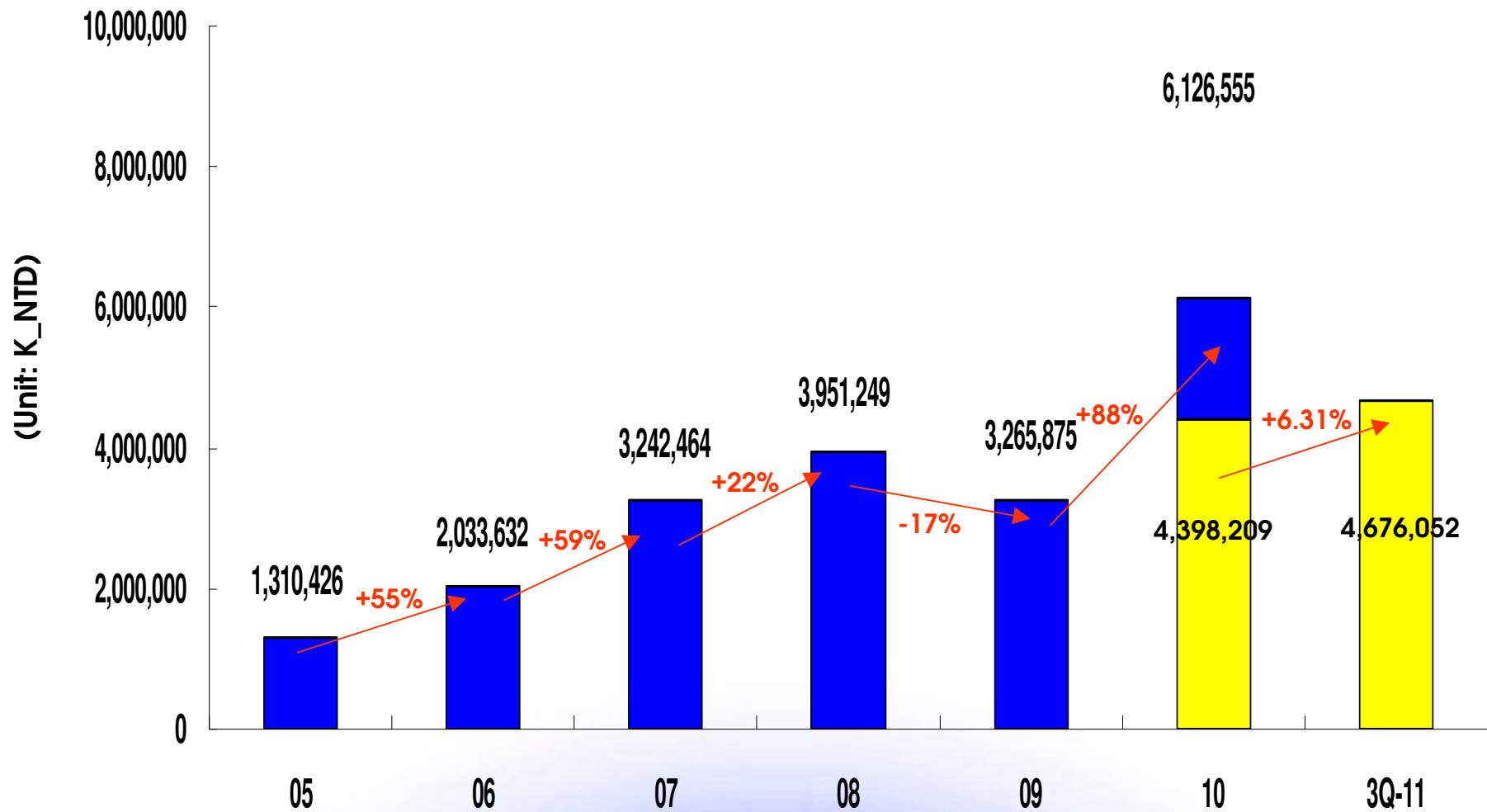
1. Financial Update
2. Business Update



Tong Hsing Revenue History

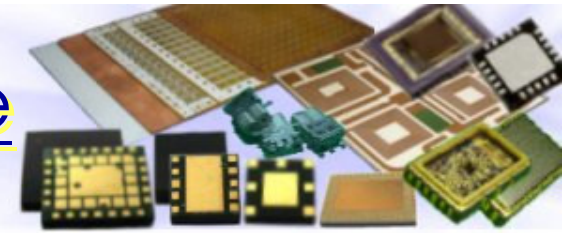


consolidated



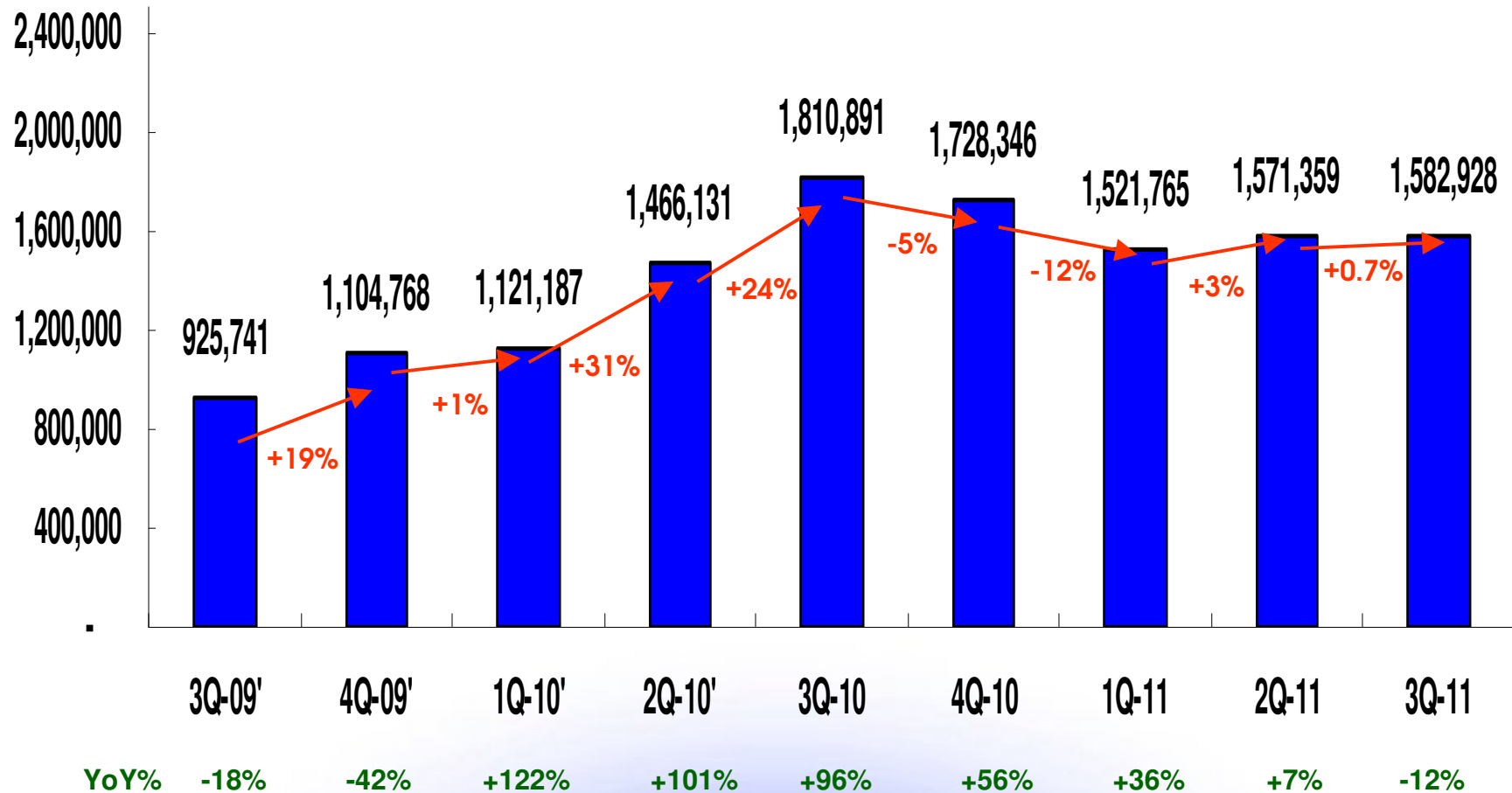


Tong Hsing Quarterly Revenue



consolidated

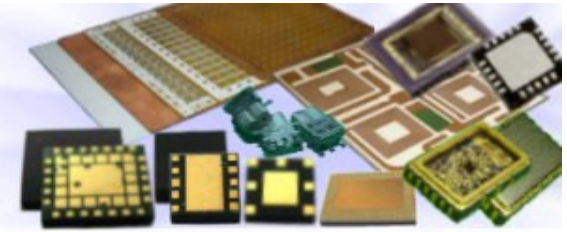
Unit:K_NTD



Company Confidential

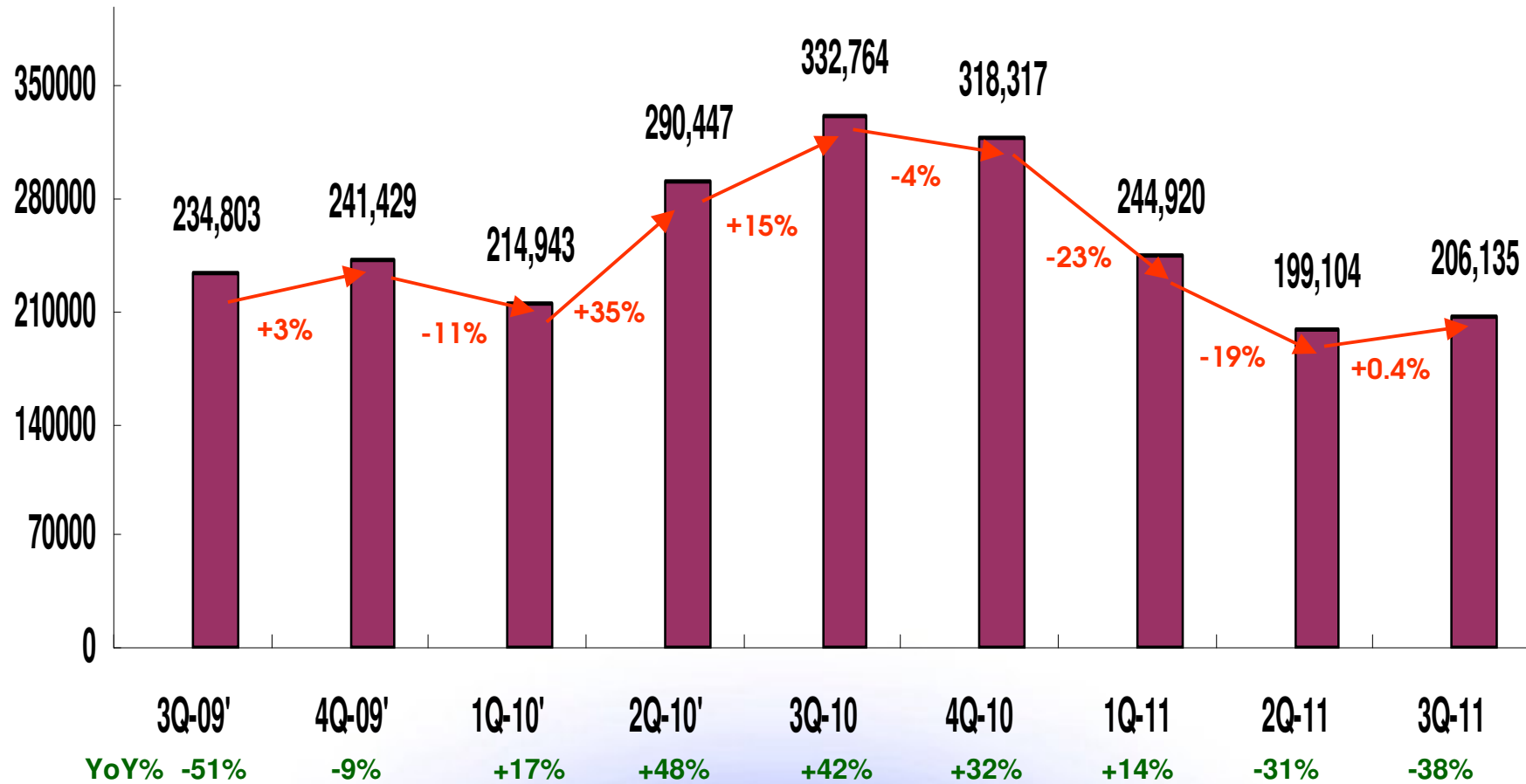


RF Module Quarterly Revenue Trend



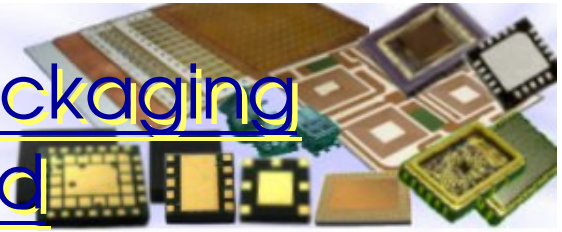
consolidated

Unit:K_NTD



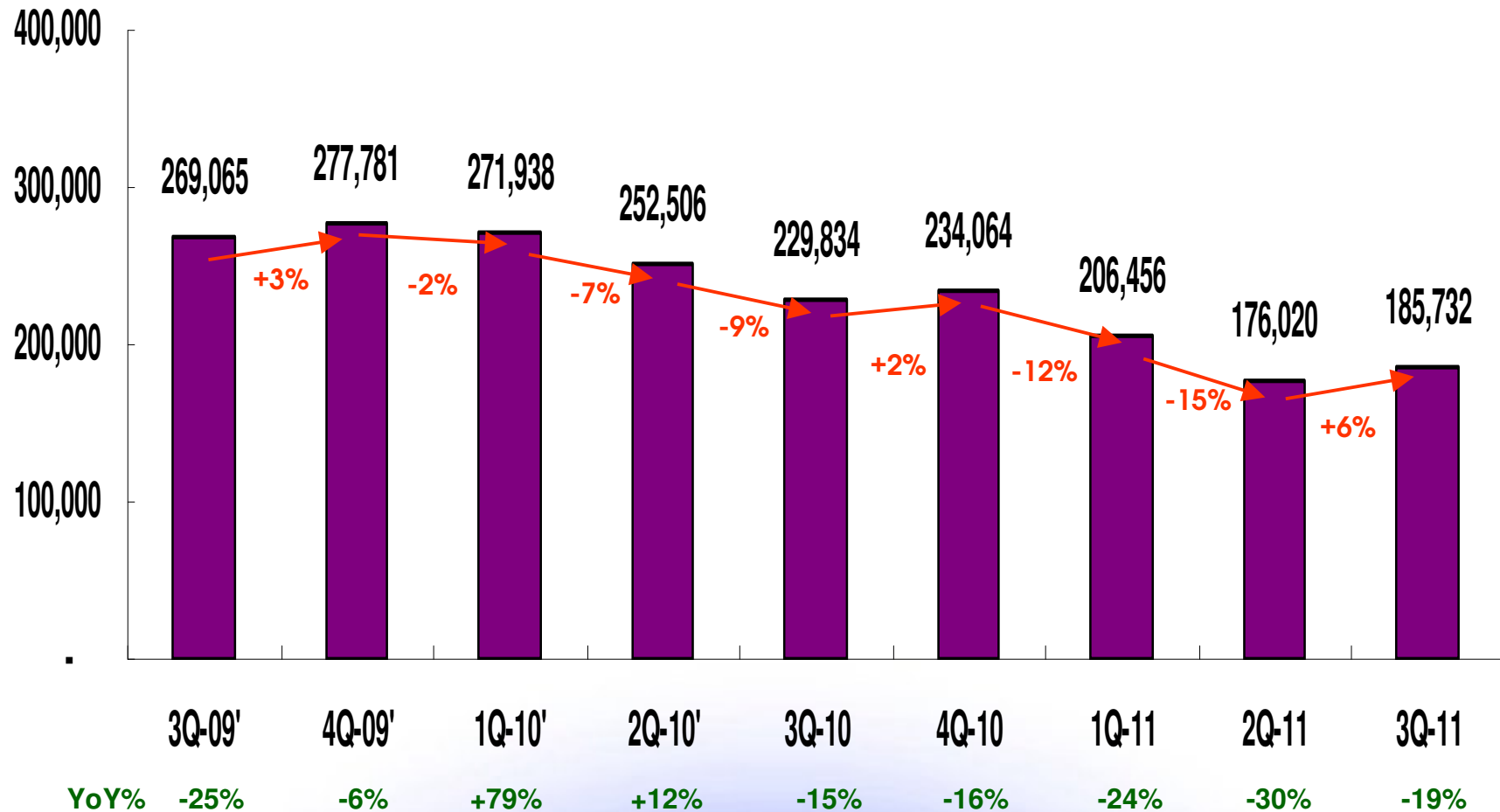


Hybrid Modules & Specialty Packaging Quarterly Revenue Trend



consolidated

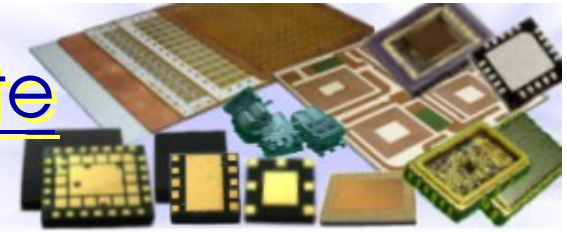
Unit:K_NTD





Ceramic Metallized Substrate

Quarterly Revenue Trend



consolidated

Unit:K_NTD

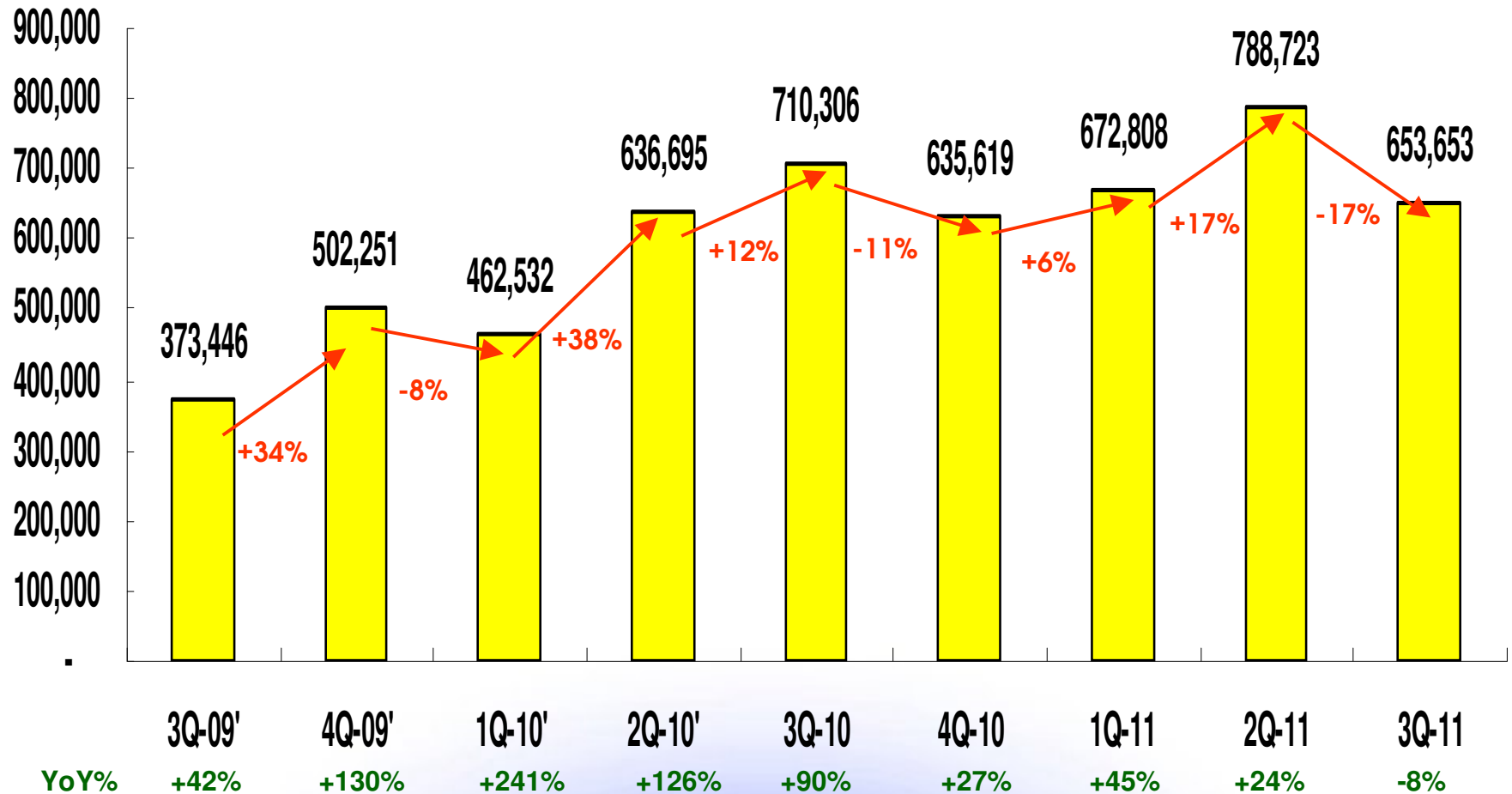
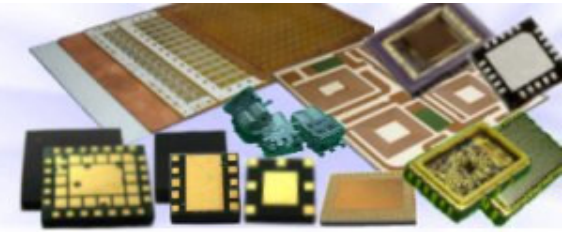


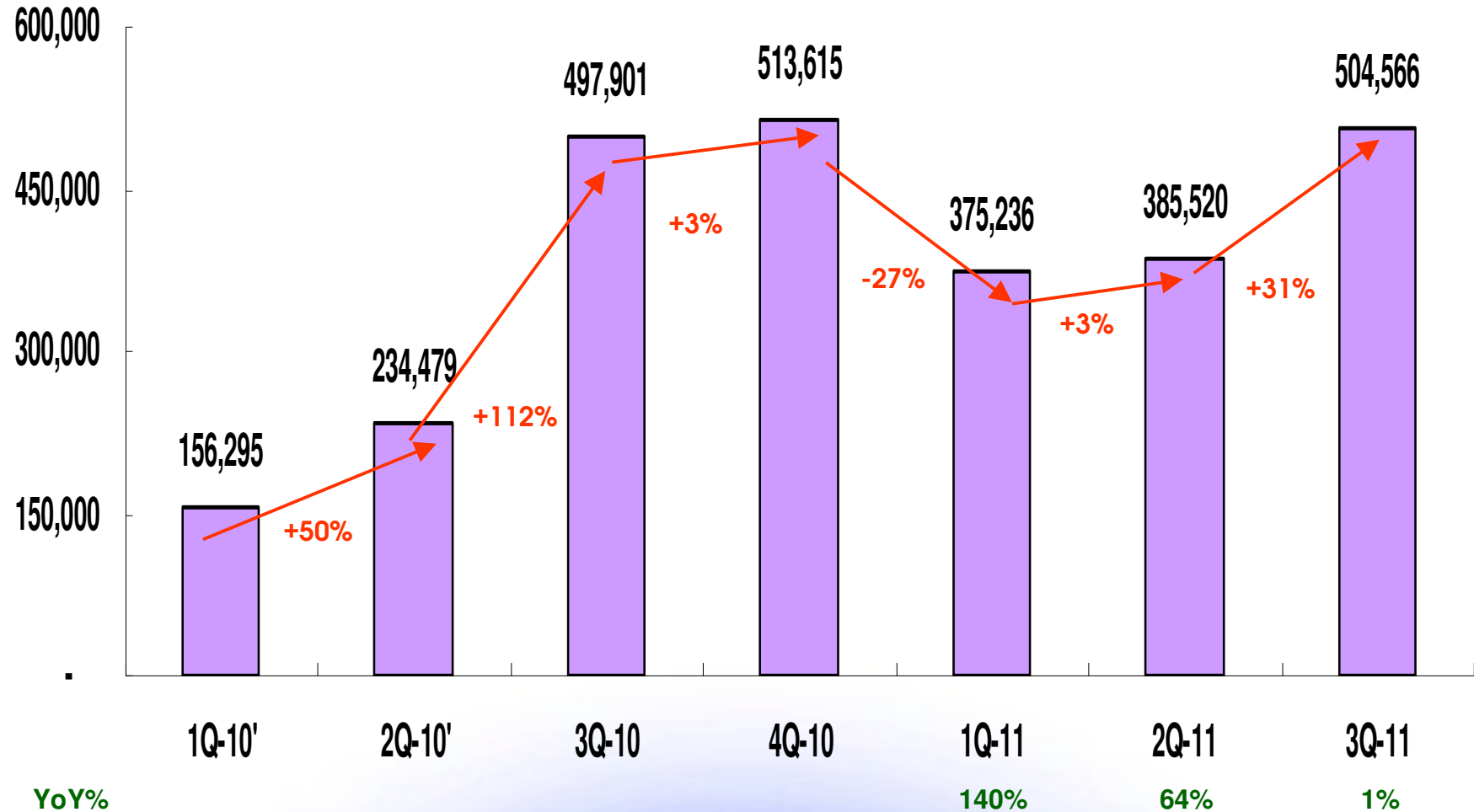


Image Products Quarterly Revenue Trend



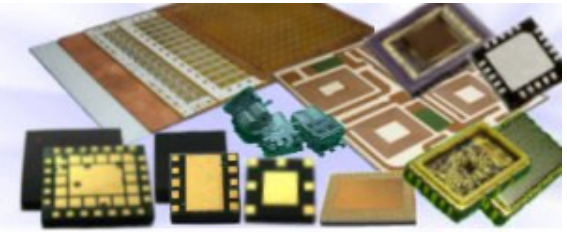
consolidated

Unit:K_NTD

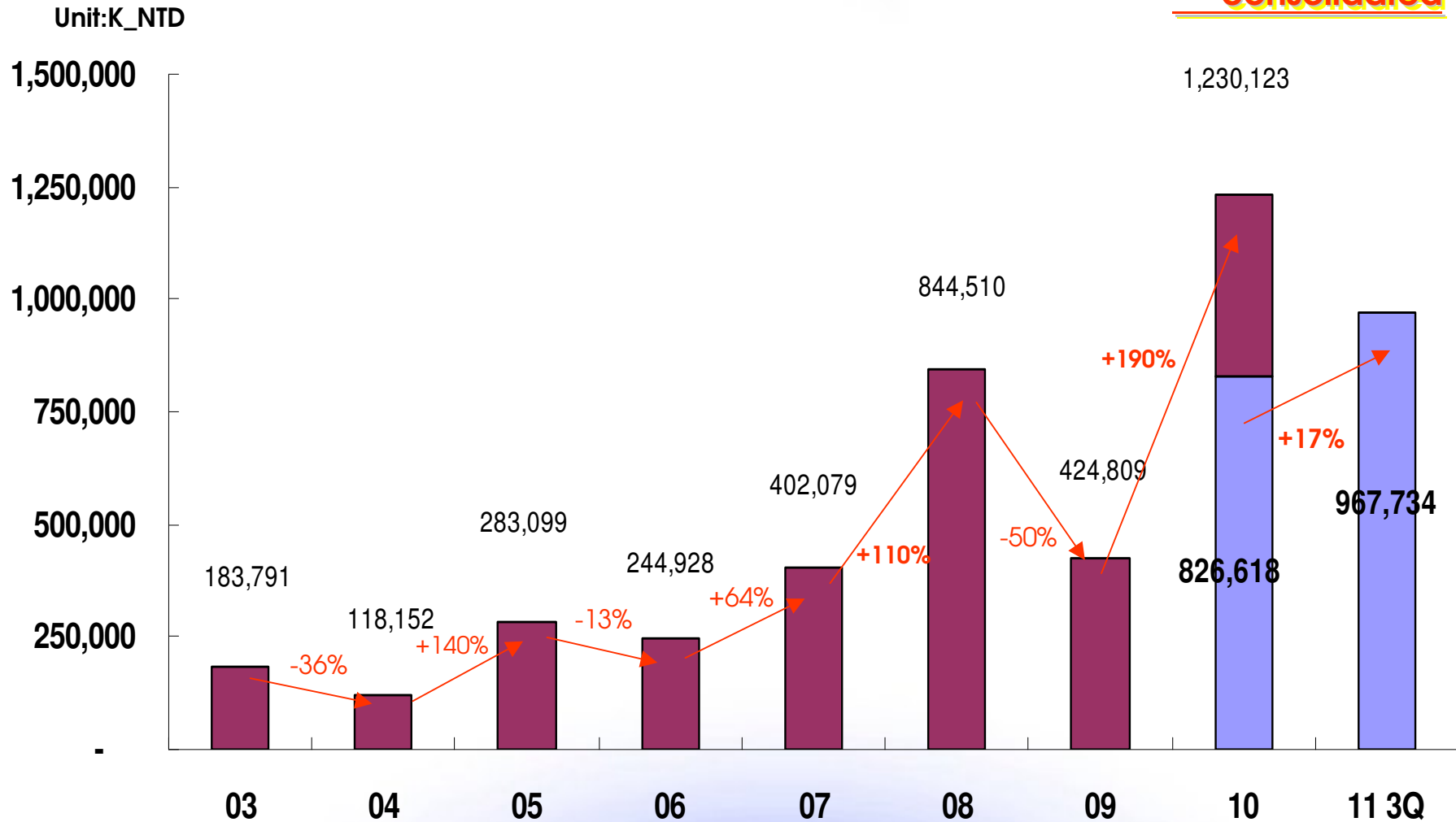




Capital Expenditure

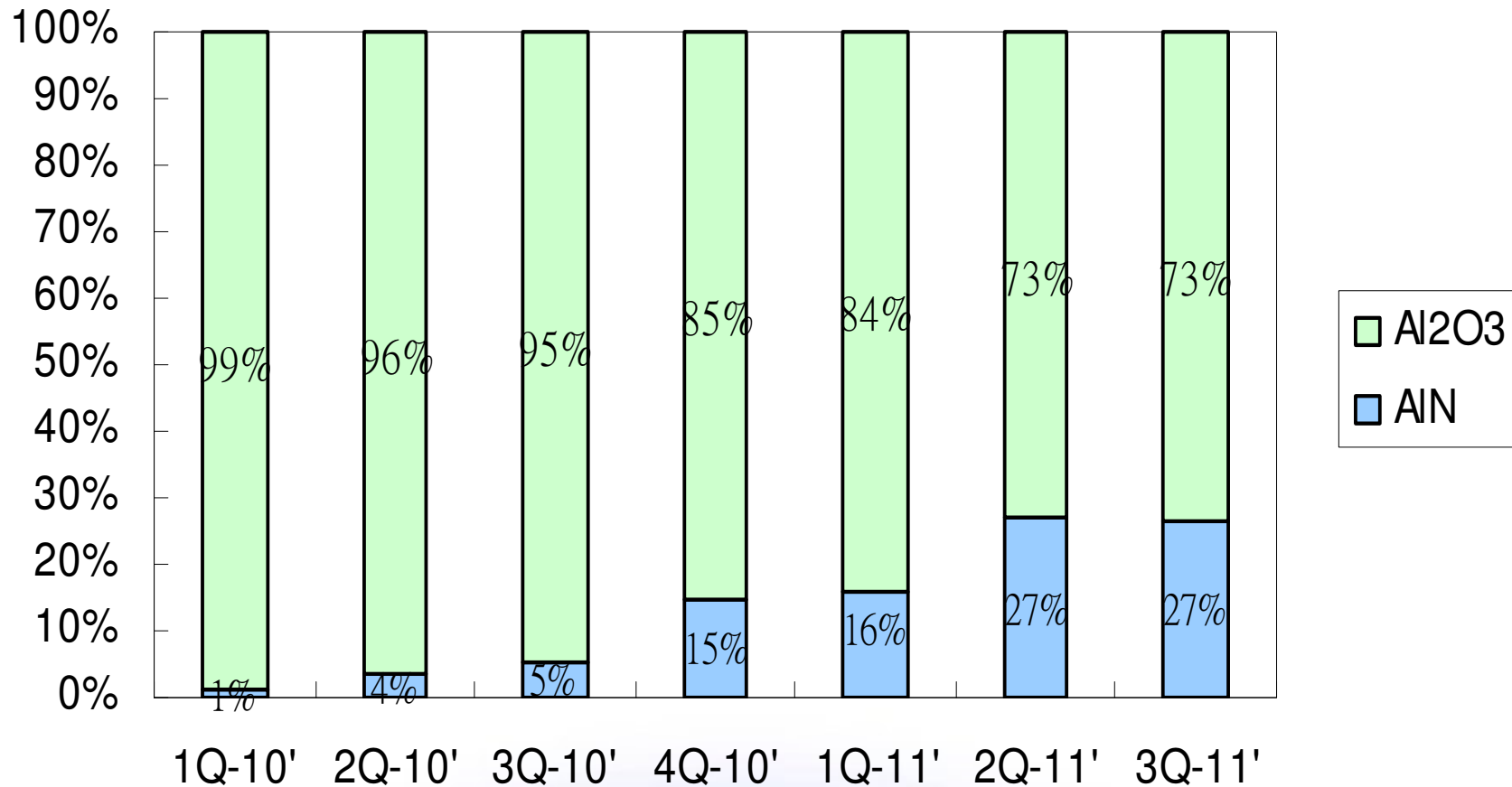
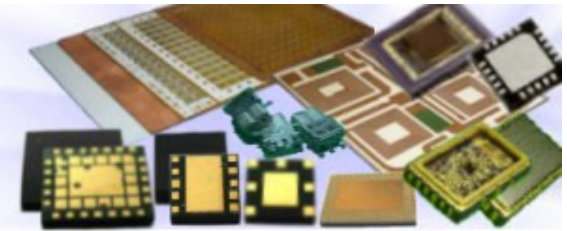


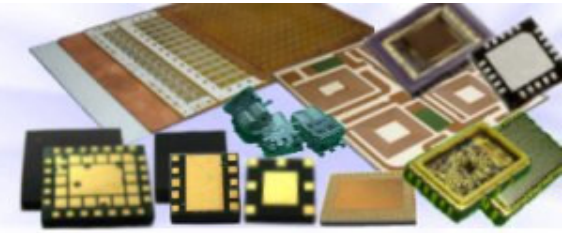
consolidated





Al₂O₃ VS AlN





<http://www.theil.com>

Company Confidential