



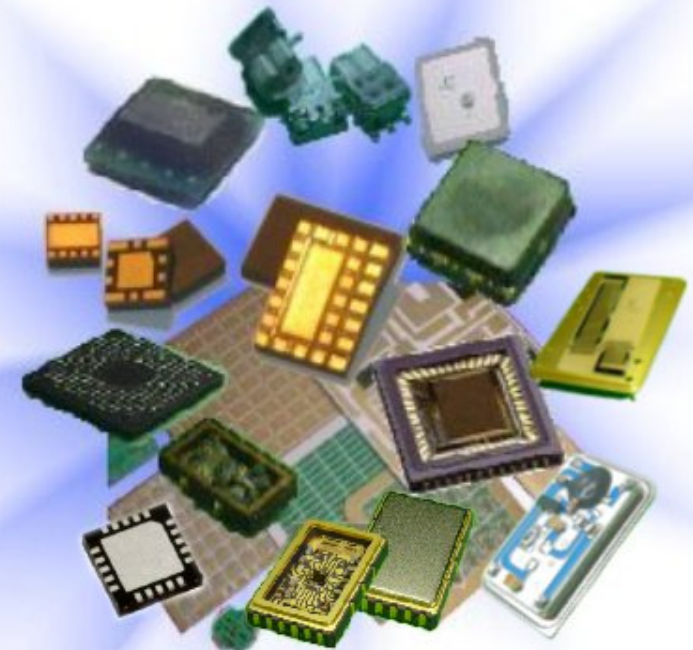
TONG HSING ELECTRONIC INDUSTRIES, LTD.

# Tong Hsing

**Fourth Quarter 2014**

**Investor Conference**

**Feb 26<sup>th</sup>, 2015**

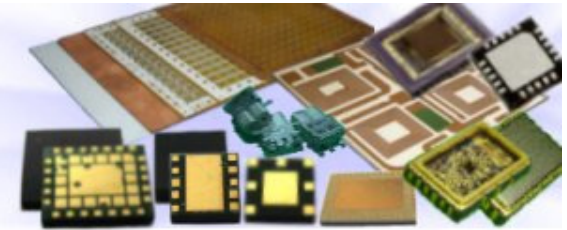


**Excellence in Custom Electronics Manufacturing**

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# Disclaimer

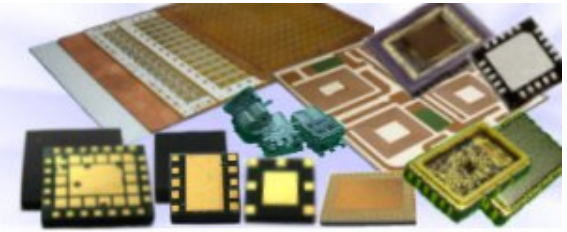


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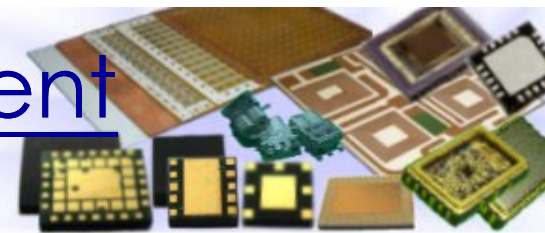


1. Financial Update
2. Business Update



# 4Q 14 Income Statement

## QoQ Comparison



**consolidated**

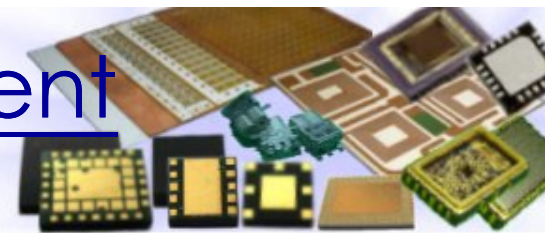
Unit: NT\$Thousand	4Q 2014 (Audited)	%	3Q 2014 (Reviewed)	%	Chg %
Net Revenue	1,925,740	100.0%	2,339,341	100.0%	-17.7%
Cost of Sales	1,407,579	73.1%	1,557,914	66.6%	-9.6%
Gross Profit	518,161	26.9%	781,427	33.4%	-33.7%
Operating Expenses	179,335	9.3%	218,694	9.3%	-18.0%
Operating Income	338,826	17.6%	562,733	24.1%	-39.8%
Non-Operating Items	47,773	2.5%	22,663	1.0%	110.8%
Income before Income Tax	386,599	20.1%	585,396	25.0%	-34.0%
EPS(NT\$) before Tax	2.37		3.59		
Income Tax Expense	50,790	2.6%	90,181	3.9%	-43.7%
Net Income	335,809	17.4%	495,215	21.2%	-32.2%
EPS(NT\$) after Tax	2.06		3.04		

\*2014 Weighted Average Outstanding Shares : 162.91Million

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# 4Q 14 Income Statement YoY Comparison



**consolidated**

Unit: NT\$Thousand	4Q 2014 (Audited)	%	4Q 2013 (Audited)	%	Chg %
Net Revenue	1,925,740	100.0%	2,011,555	100.0%	-4.3%
Cost of Sales	1,407,579	73.1%	1,391,483	69.2%	1.2%
Gross Profit	518,161	26.9%	620,072	30.8%	-16.4%
Operating Expenses	179,335	9.3%	174,676	8.7%	2.7%
Operating Income	338,826	17.6%	445,396	22.1%	-23.9%
Non-Operating Items	47,773	2.5%	25,774	1.3%	85.4%
Income before Income Tax	386,599	20.1%	471,170	23.4%	-17.9%
EPS(NT\$) before Tax	2.37		2.89		
Income Tax Expense	50,790	2.6%	58,505	2.9%	-13.2%
Net Income	335,809	17.4%	412,665	20.5%	-18.6%
EPS(NT\$) after Tax	2.06		2.53		

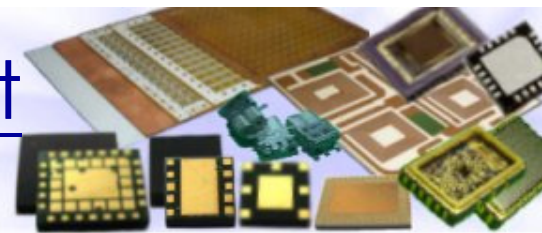
\*2014 Weighted Average Outstanding Shares : 162.91Million

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# Y2014 Income Statement YoY Comparison



**consolidated**

Unit: NT\$Thousand

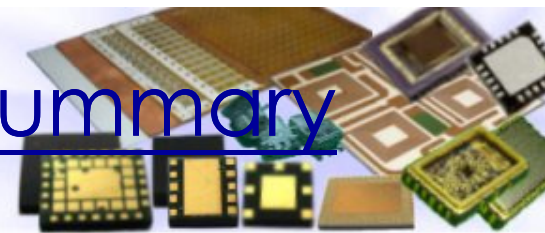
	Y2014		Y2013		YoY Chg %
	(Audited)	%	(Audited)	%	
Net Revenue	8,337,547	100.0%	7,929,440	100.0%	5.1%
Cost of Sales	5,848,552	70.1%	5,452,342	68.8%	7.3%
Gross Profit	2,488,995	29.9%	2,477,098	31.2%	0.5%
Operating Expenses	774,144	9.3%	702,382	8.9%	10.2%
Operating Income	1,714,851	20.6%	1,774,716	22.4%	-3.4%
Non-Operating Items	85,110	1.0%	89,187	1.1%	-4.6%
Income before Income Tax	1,799,961	21.6%	1,863,903	23.5%	-3.4%
EPS(NT\$) before Tax	11.05		11.44		
Income Tax Expense	289,319	3.5%	280,430	3.5%	3.2%
Net Income	1,510,642	18.1%	1,583,473	20.0%	-4.6%
EPS(NT\$) after Tax	9.27		9.72		

\*2014 Weighted Average Outstanding Shares : 162.91Million

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# 4Q 14 Operating Results Summary



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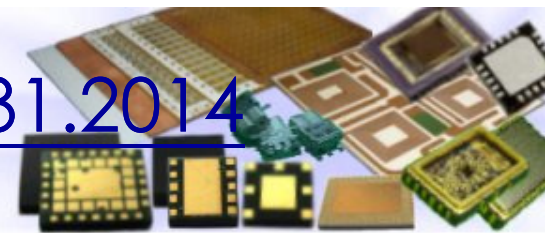
Unit: NT\$Thousand	4Q 2014 (Audited)	3Q 2014 (Reviewed)	4Q 2013 (Audited)
Net Revenues	1,925,740	2,339,341	2,011,555
Net Income	335,809	495,215	412,665
EPS(NT\$) before Tax	2.37	3.59	2.89
EPS(NT\$) after Tax	2.06	3.04	2.53
Depreciation	263,965	252,049	230,867
Capital Expenditure*	401,968	313,631	207,760
EBITDA**	669,823	854,287	710,739

\*Additions to property, plant and equipment

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



## Balance Sheet Highlight – 12.31.2014



- consolidated

Unit: NT\$Thousand	12.31.2014 (Audited)	%	12.31.2013 (Audited)	%
Cash and Cash Equivalents	8,427,672	54.0%	4,157,408	35.0%
Fixed Assets	4,857,507	31.2%	4,839,506	40.7%
Total Assets	15,592,987	100.0%	11,880,737	100.0%
LT Debt	1,492,354	9.6%	194,282	1.6%
Bonds Payable	1,950,920	12.5%	-	0.0%
Shareholders' Equity	10,027,127	64.3%	9,518,242	80.1%
Depreciation-YTD	1,001,311		870,203	
Capital Expenditure-YTD*	948,972		949,362	
EBITDA-YTD**	2,858,670		2,763,659	

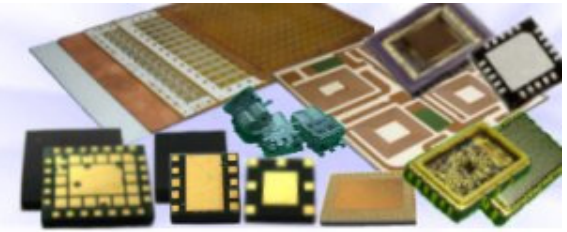
\*Additions to property, plant and equipment

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





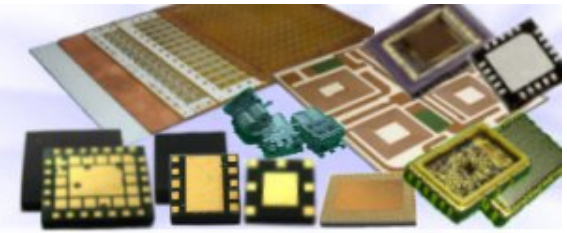
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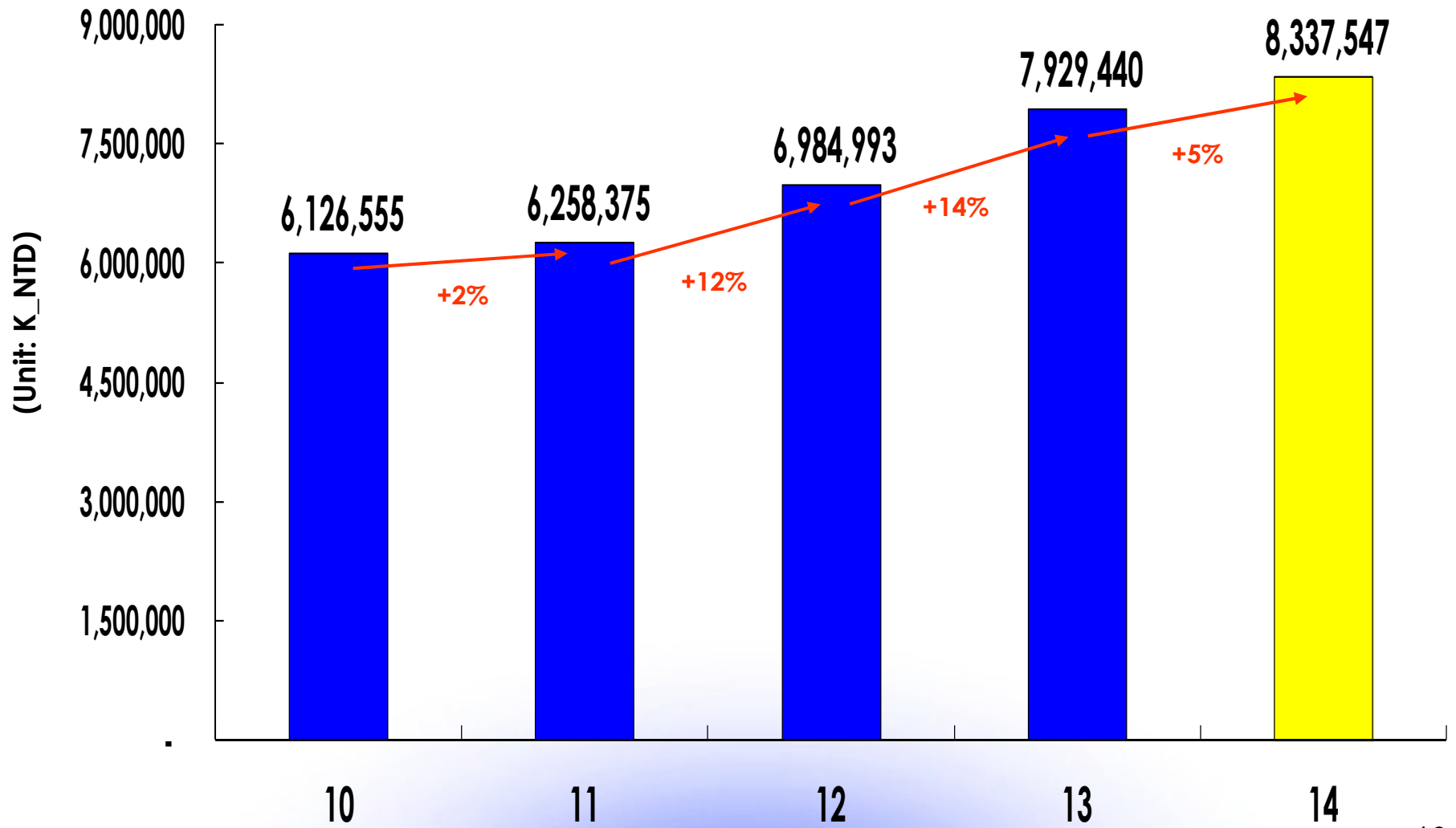
1. Financial Update
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# Tong Hsing Revenue History

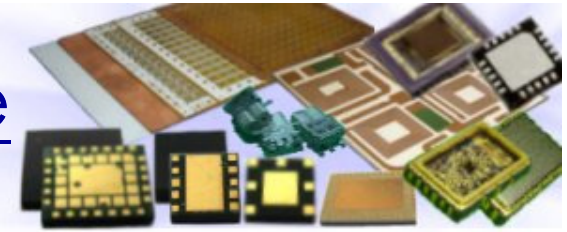


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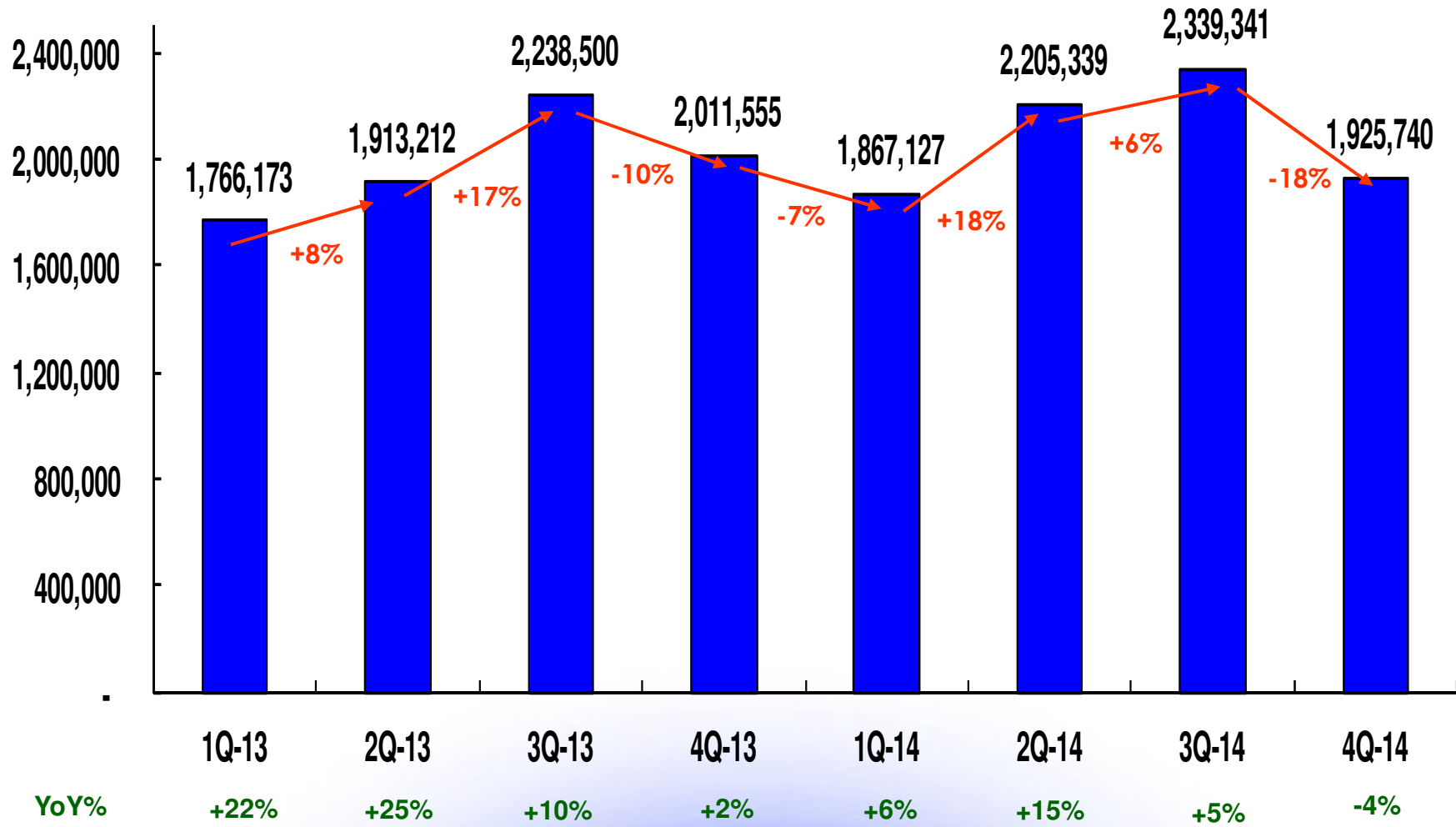


# Tong Hsing Quarterly Revenue



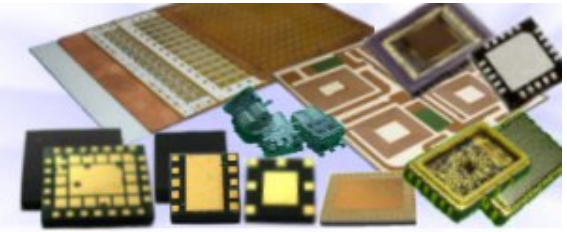
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Unit:K\_NTD

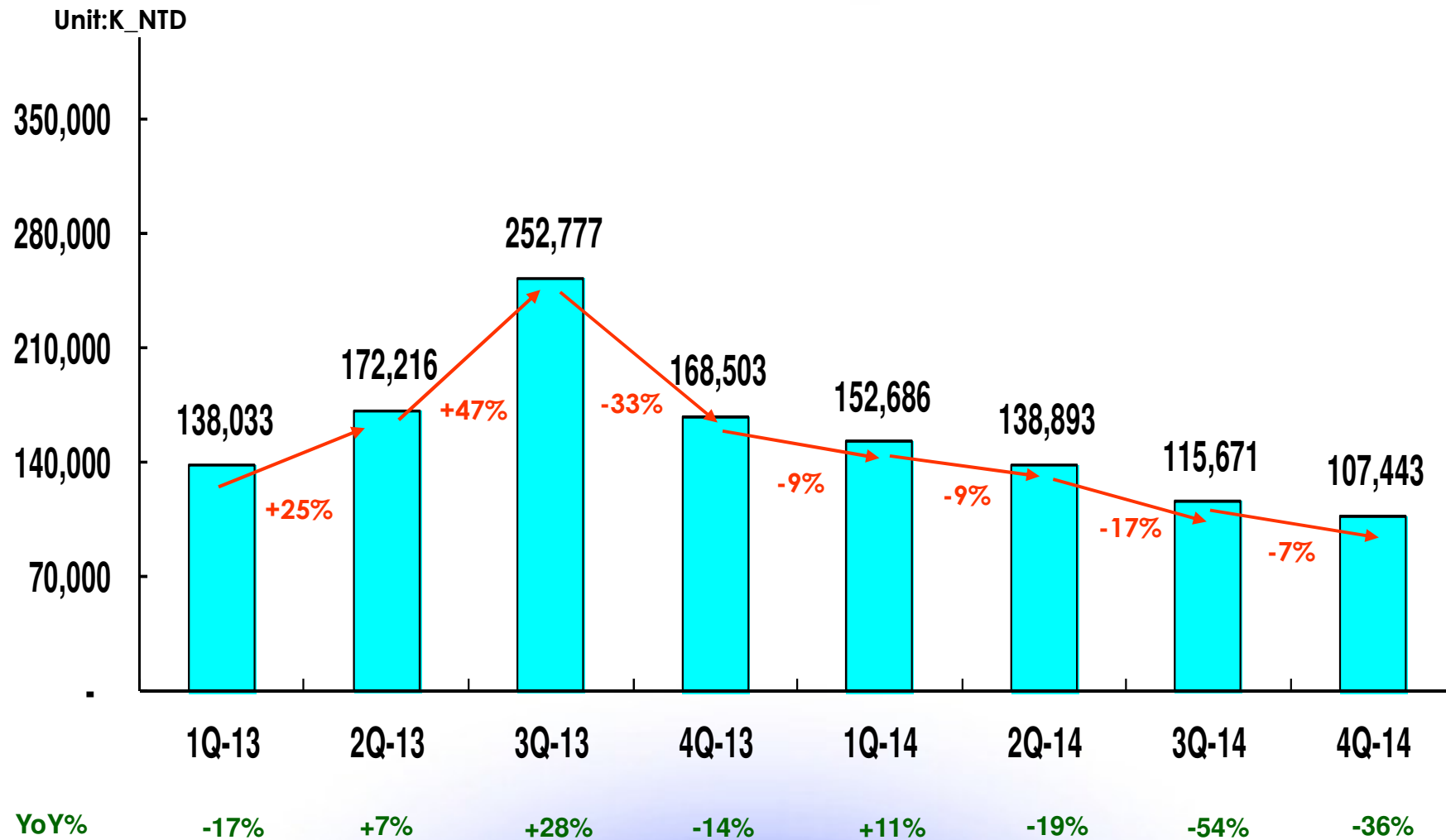




# RF Module Quarterly Revenue Trend

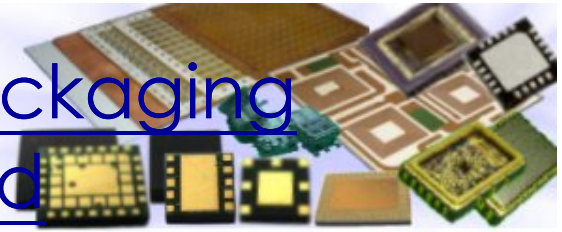


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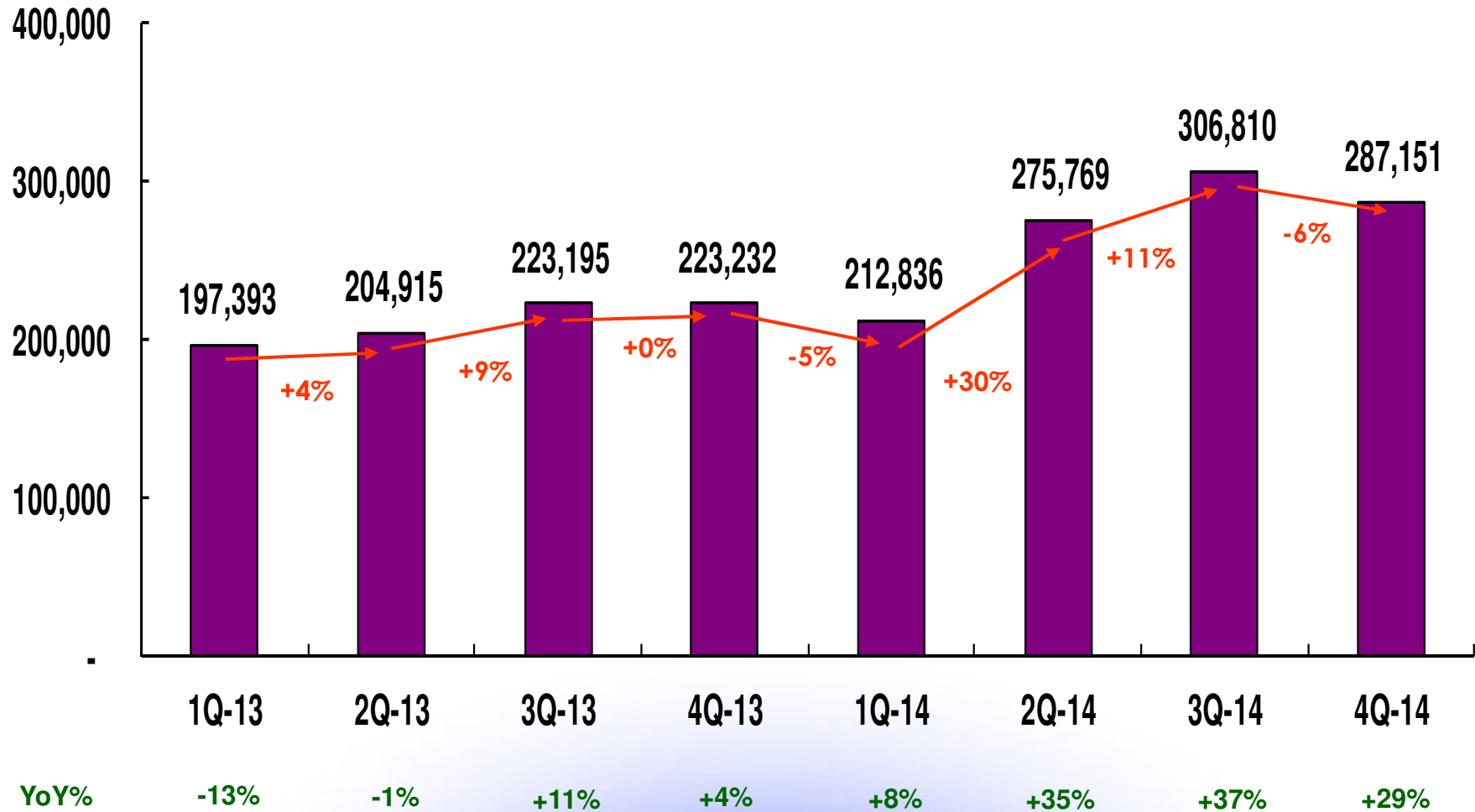


# Hybrid Modules & Specialty Packaging Quarterly Revenue Trend



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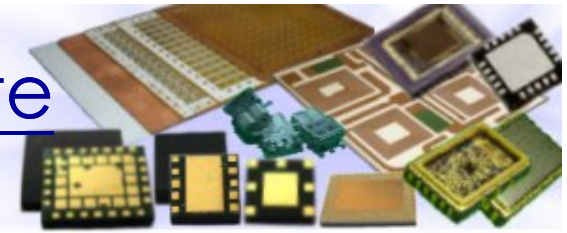
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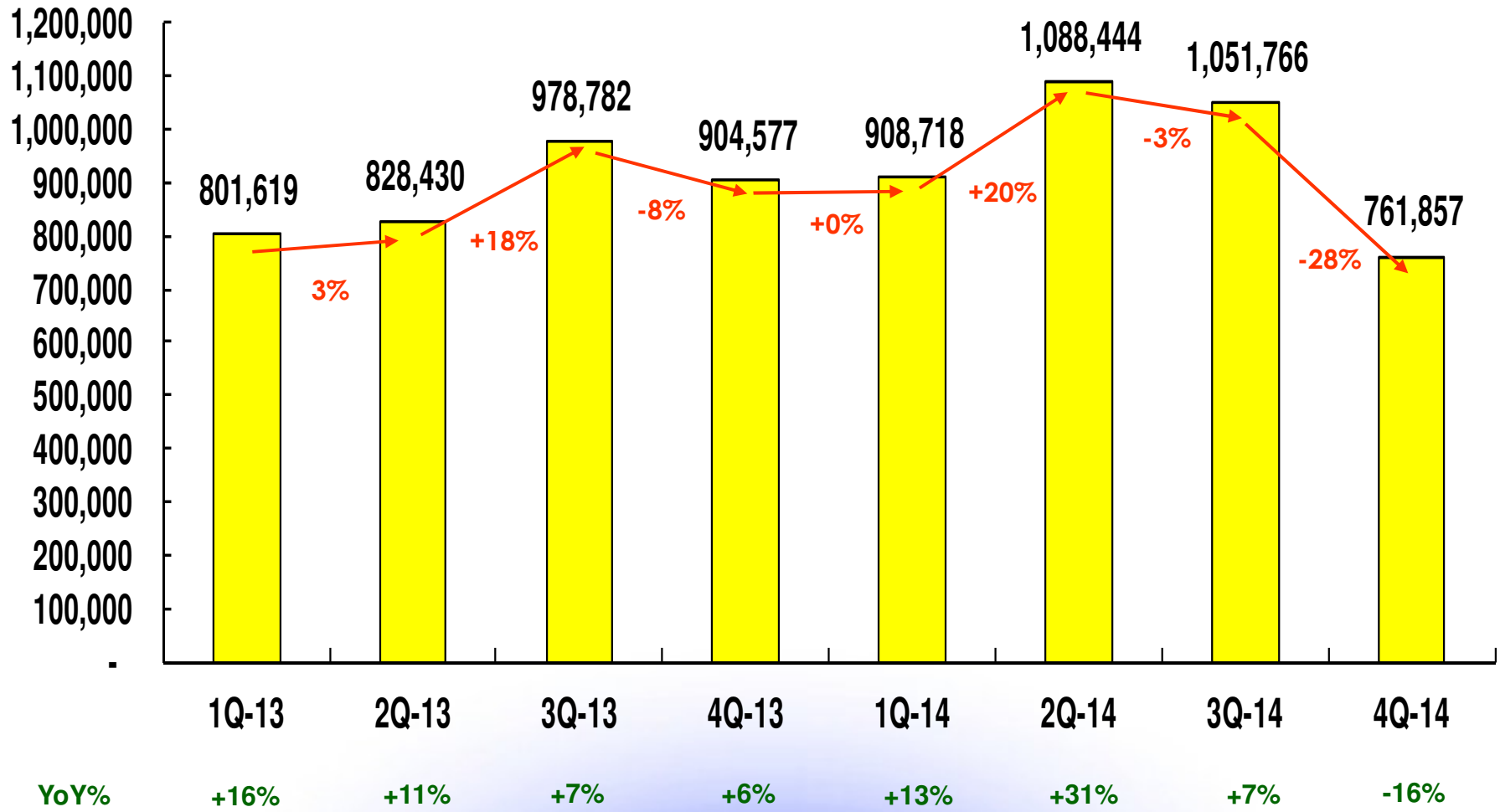


# Ceramic Metallized Substrate Quarterly Revenue Trend



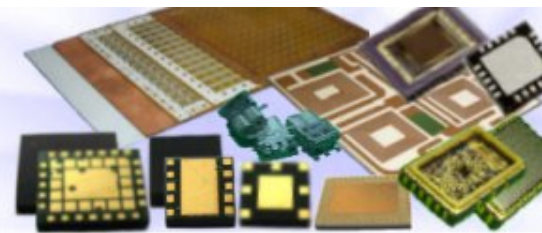
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Unit:K\_NTD

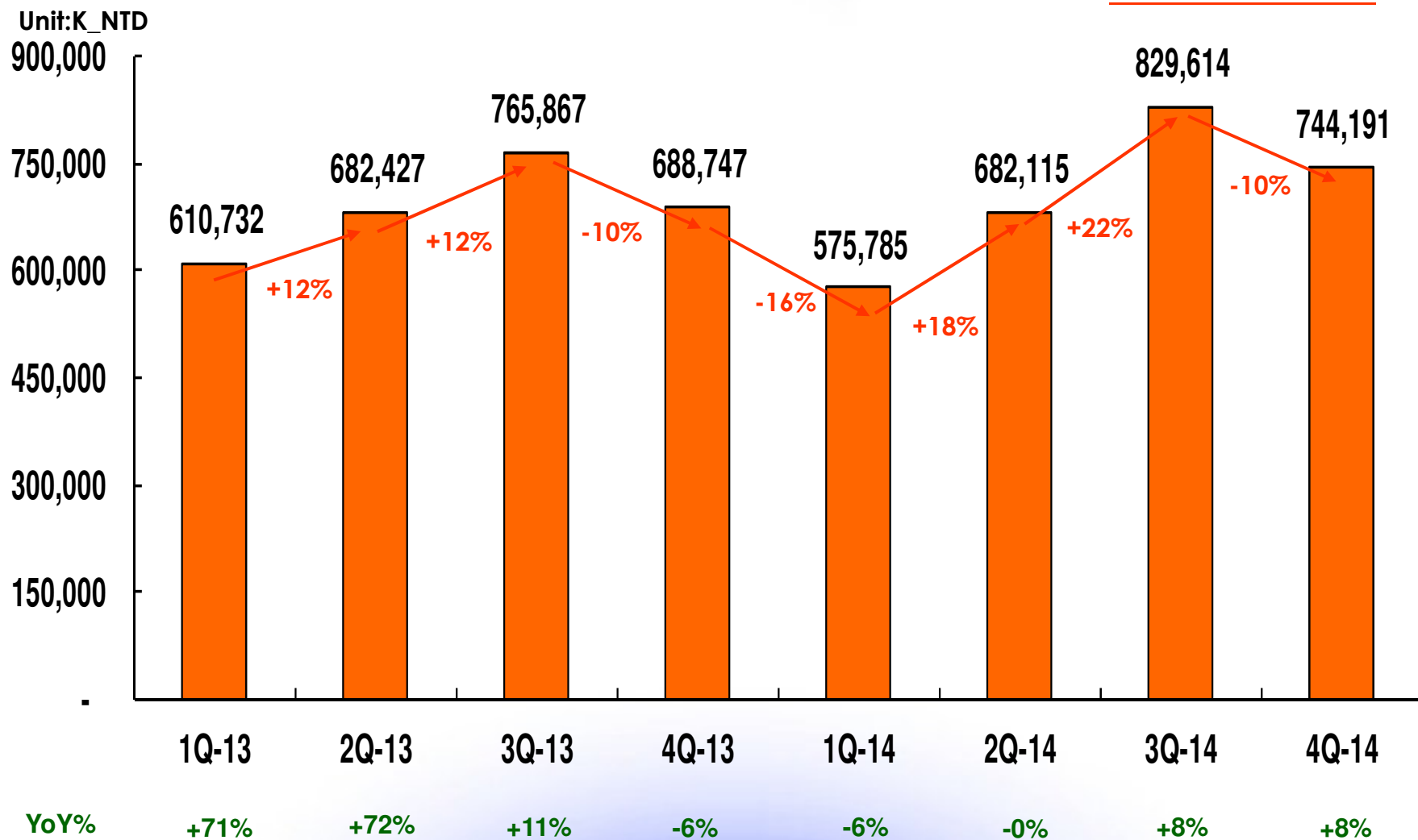




# Image Products Quarterly Revenue Trend

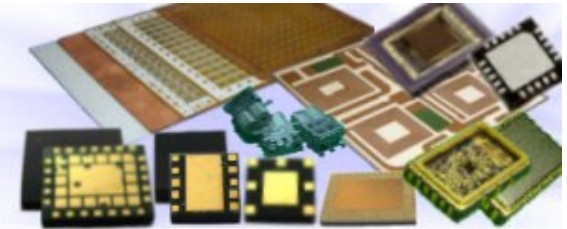


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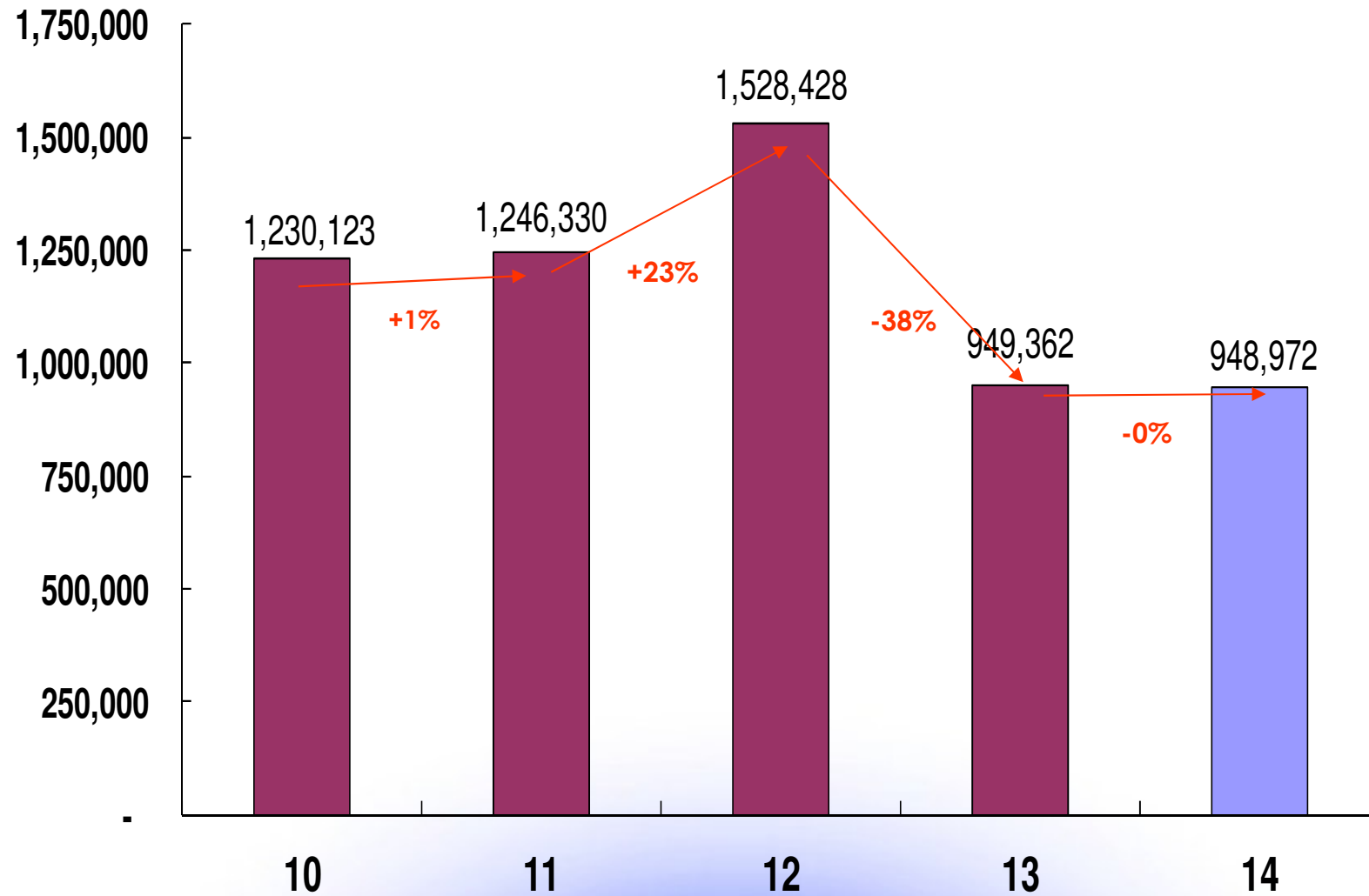


# Capital Expenditure



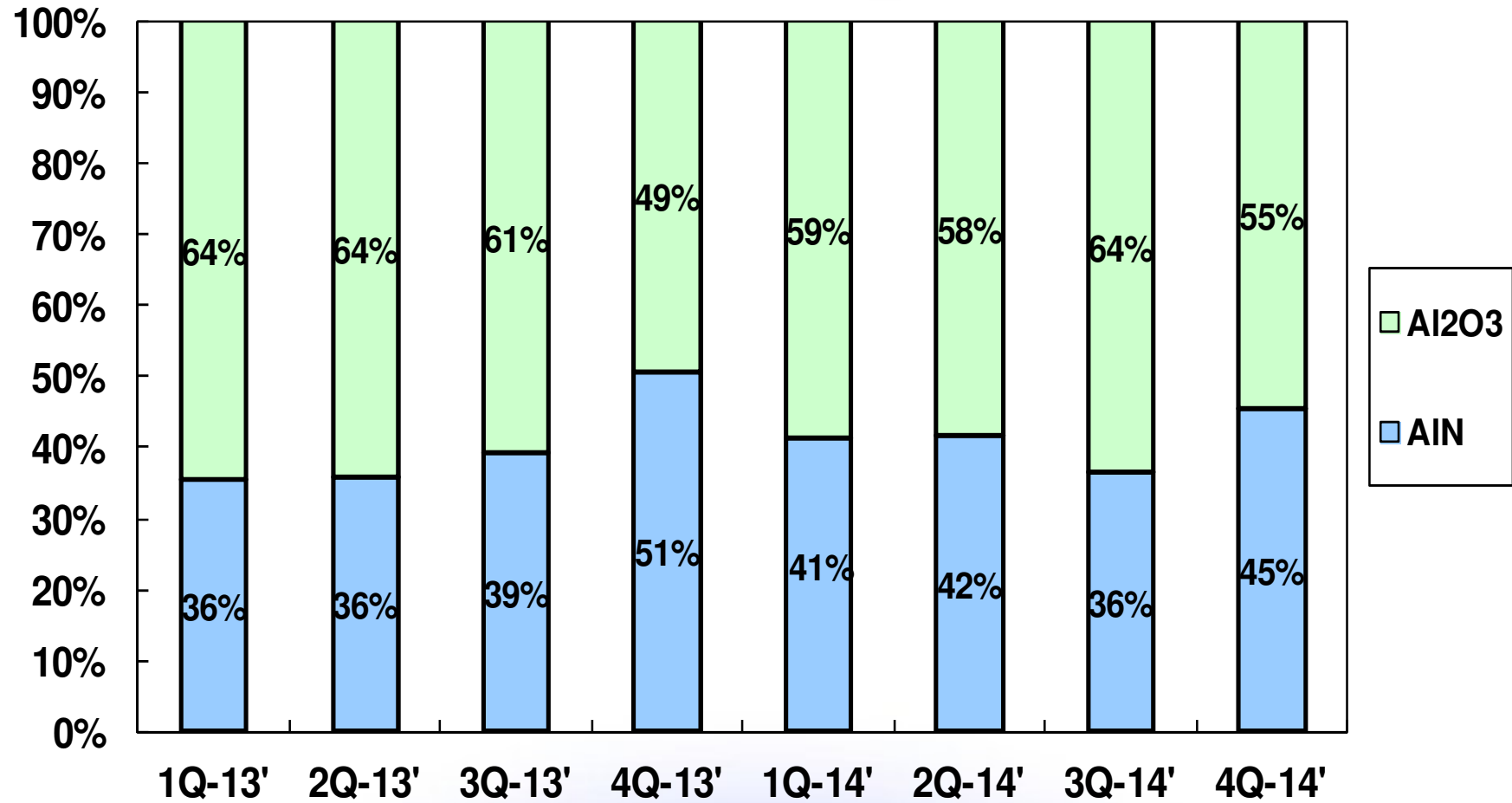
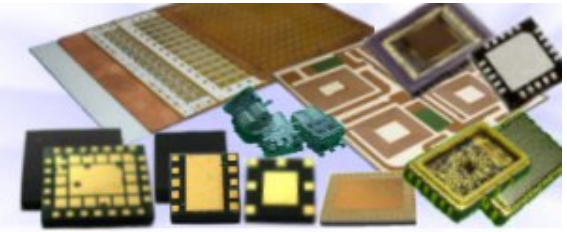
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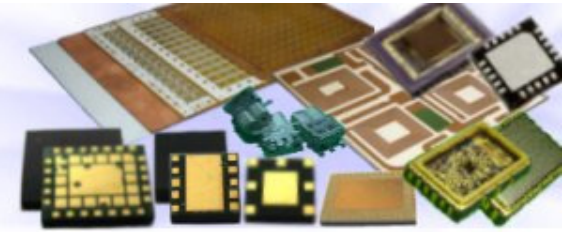
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