



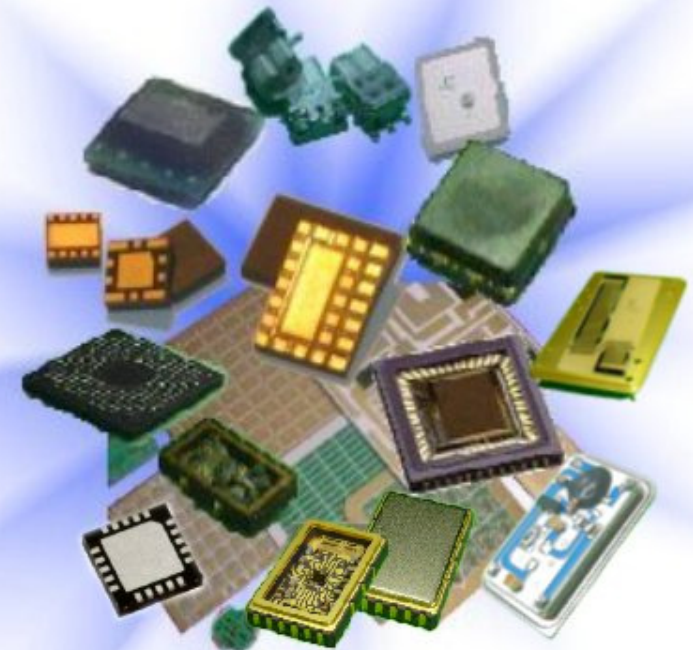
TONG HSING ELECTRONIC INDUSTRIES, LTD.

# Tong Hsing

**Fourth Quarter 2015**

**Earnings Conference**

**Mar 4<sup>th</sup>, 2016**

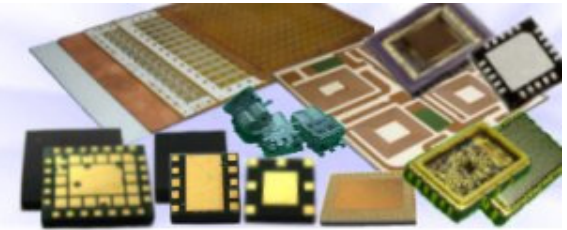


**Excellence in Custom Electronics Manufacturing**

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# Disclaimer

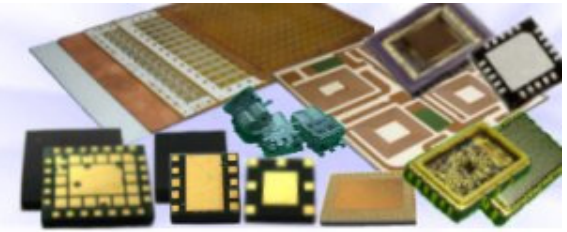


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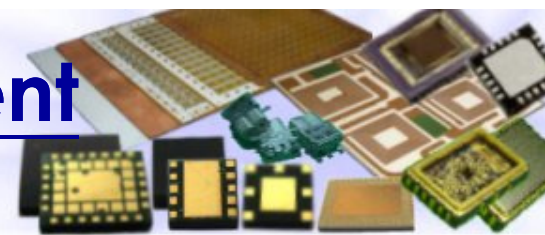


1. Financial Update
2. Business Update



# 4Q 15 Income Statement

## QoQ Comparison



**consolidated**

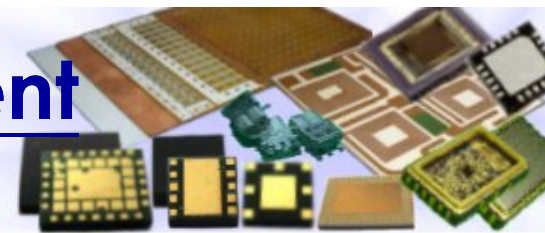
Unit: NT\$Thousand	4Q 2015 (Audited)	%	3Q 2015 (Audited)	%	Chg %
Net Revenue	1,894,401	100.0%	2,137,908	100.0%	-11.4%
Cost of Sales	1,444,283	76.2%	1,539,495	72.0%	-6.2%
Gross Profit	450,118	23.8%	598,413	28.0%	-24.8%
Operating Expenses	157,876	8.3%	196,124	9.2%	-19.5%
Operating Income	292,242	15.4%	402,289	18.8%	-27.4%
Non-Operating Items	4,708	0.2%	67,122	3.1%	-93.0%
Income before Income Tax	296,950	15.7%	469,411	22.0%	-36.7%
EPS(NT\$) before Tax	1.82		2.88		
Income Tax Expense	46,488	2.5%	72,215	3.4%	-35.6%
Net Income	250,462	13.2%	397,196	18.6%	-36.9%
EPS(NT\$) after Tax	1.54		2.44		

\*2015 Weighted Average Outstanding Shares : 162.91Million

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# 4Q 15 Income Statement YoY Comparison



**consolidated**

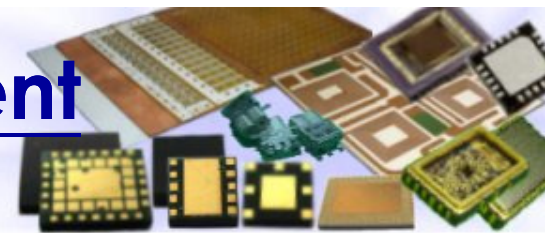
Unit: NT\$Thousand	4Q 2015 (Audited)	%	4Q 2014 (Audited)	%	Chg %
Net Revenue	1,894,401	100.0%	1,925,740	100.0%	-1.6%
Cost of Sales	1,444,283	76.2%	1,407,579	73.1%	2.6%
Gross Profit	450,118	23.8%	518,161	26.9%	-13.1%
Operating Expenses	157,876	8.3%	179,335	9.3%	-12.0%
Operating Income	292,242	15.4%	338,826	17.6%	-13.7%
Non-Operating Items	4,708	0.2%	47,773	2.5%	-90.1%
Income before Income Tax	296,950	15.7%	386,599	20.1%	-23.2%
EPS(NT\$) before Tax	1.82		2.37		
Income Tax Expense	46,488	2.5%	50,790	2.6%	-8.5%
Net Income	250,462	13.2%	335,809	17.4%	-25.4%
EPS(NT\$) after Tax	1.54		2.06		

\*2015 Weighted Average Outstanding Shares : 162.91Million

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# Y2015 Income Statement YoY Comparison



**consolidated**

Unit: NT\$thousand

	Y2015		Y2014		YoY Chg %
	(Audited)	%	(Audited)	%	
Net Revenue	7,771,904	100.0%	8,337,547	100.0%	-6.8%
Cost of Sales	5,857,711	75.4%	5,848,552	70.1%	0.2%
Gross Profit	1,914,193	24.6%	2,488,995	29.9%	-23.1%
Operating Expenses	702,208	9.0%	774,144	9.3%	-9.3%
Operating Income	1,211,985	15.6%	1,714,851	20.6%	-29.3%
Non-Operating Items	71,056	0.9%	85,110	1.0%	-16.5%
Income before Income Tax	1,283,041	16.5%	1,799,961	21.6%	-28.7%
EPS(NT\$) before Tax	7.88		11.05		
Income Tax Expense	241,630	3.1%	289,319	3.5%	-16.5%
Net Income	1,041,411	13.4%	1,510,642	18.1%	-31.1%
EPS(NT\$) after Tax	6.39		9.27		

\*2015 Weighted Average Outstanding Shares : 162.91Million

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## 4Q 15 Operating Results Summary



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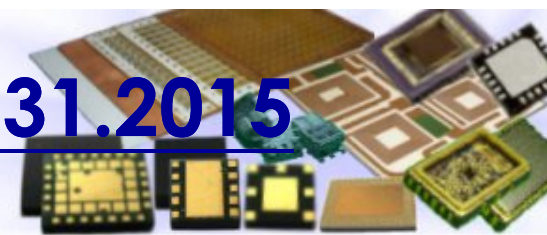
Unit: NT\$Thousand	4Q 2015 (Audited)	3Q 2015 (Reviewed)	4Q 2014 (Audited)
Net Revenues	1,894,401	2,137,908	1,925,740
Net Income	250,462	397,196	335,809
EPS(NT\$) before Tax	1.82	2.88	2.37
EPS(NT\$) after Tax	1.54	2.44	2.06
Depreciation	278,980	270,580	263,965
Capital Expenditure*	243,831	224,709	401,968
EBITDA**	593,026	757,954	669,823

\*Additions to property, plant and equipment

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



## Balance Sheet Highlight – 12.31.2015



– consolidated

Unit: NT\$Thousand	12.31.2015 (Audited)	%	12.31.2014 (Audited)	%
Cash and Cash Equivalents	7,618,484	49.7%	8,427,672	54.0%
Fixed Assets	5,238,538	34.2%	4,857,507	31.2%
Total Assets	15,326,123	100.0%	15,592,987	100.0%
LT Debt	916,463	6.0%	1,492,354	9.6%
Bonds Payable	1,972,000	12.9%	1,950,920	12.5%
Shareholders' Equity	10,136,784	66.1%	10,027,127	64.3%
Depreciation-YTD	1,076,884		1,001,311	
Capital Expenditure-YTD*	1,424,691		948,972	
EBITDA-YTD**	2,432,180		2,858,670	

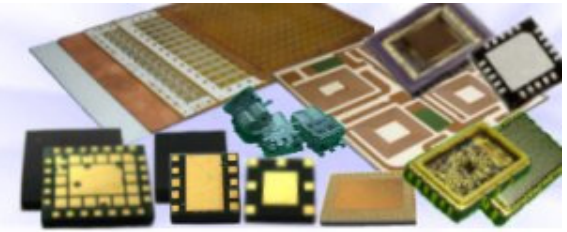
\*Additions to property, plant and equipment

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





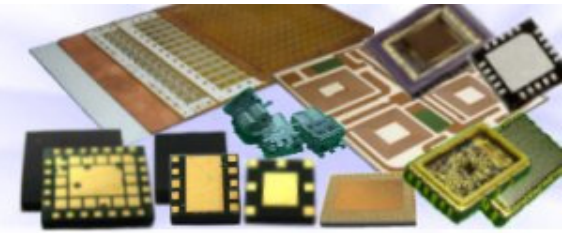
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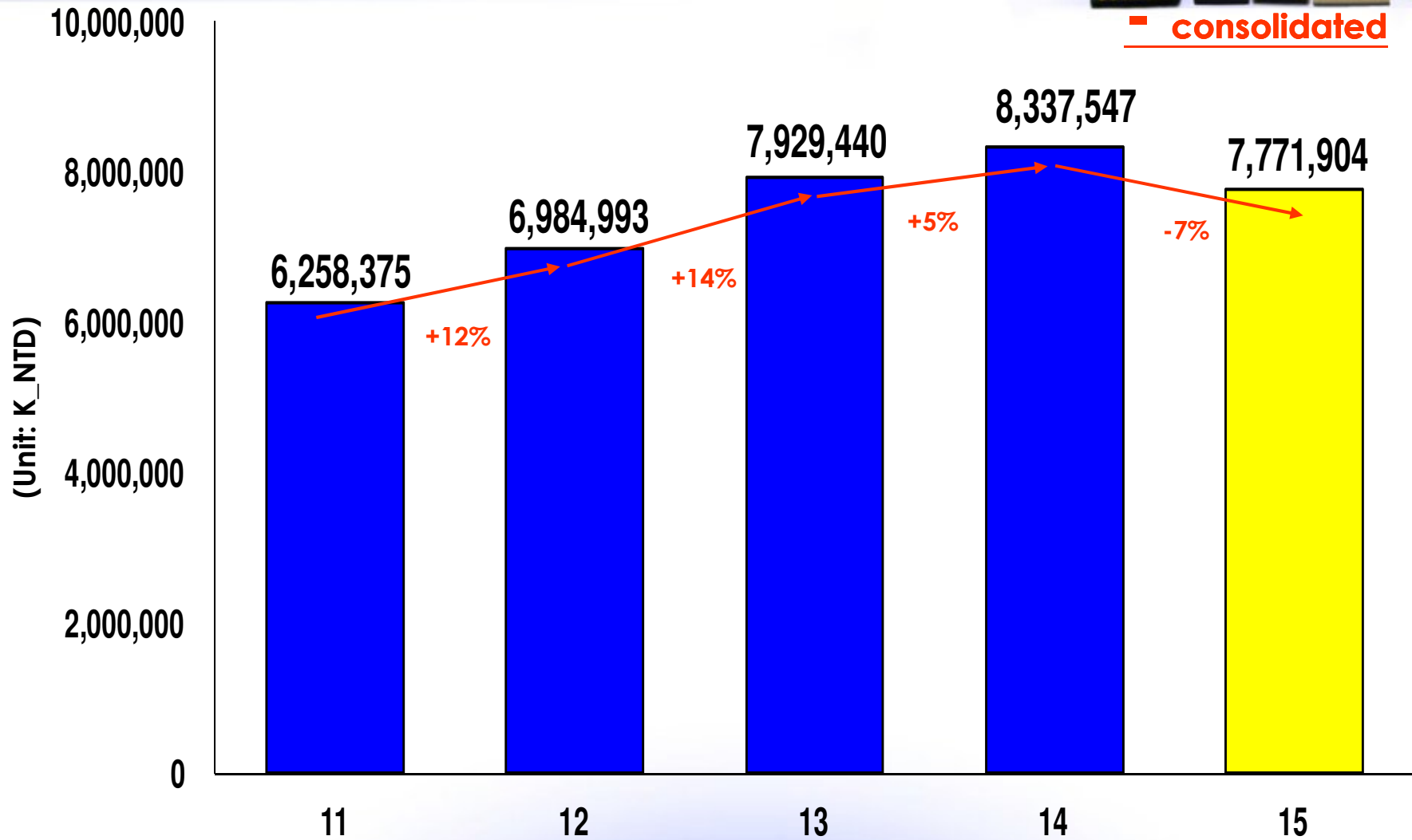
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# Tong Hsing Revenue History

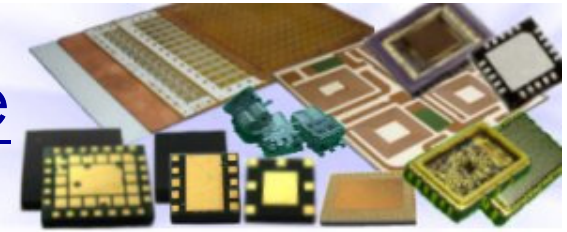


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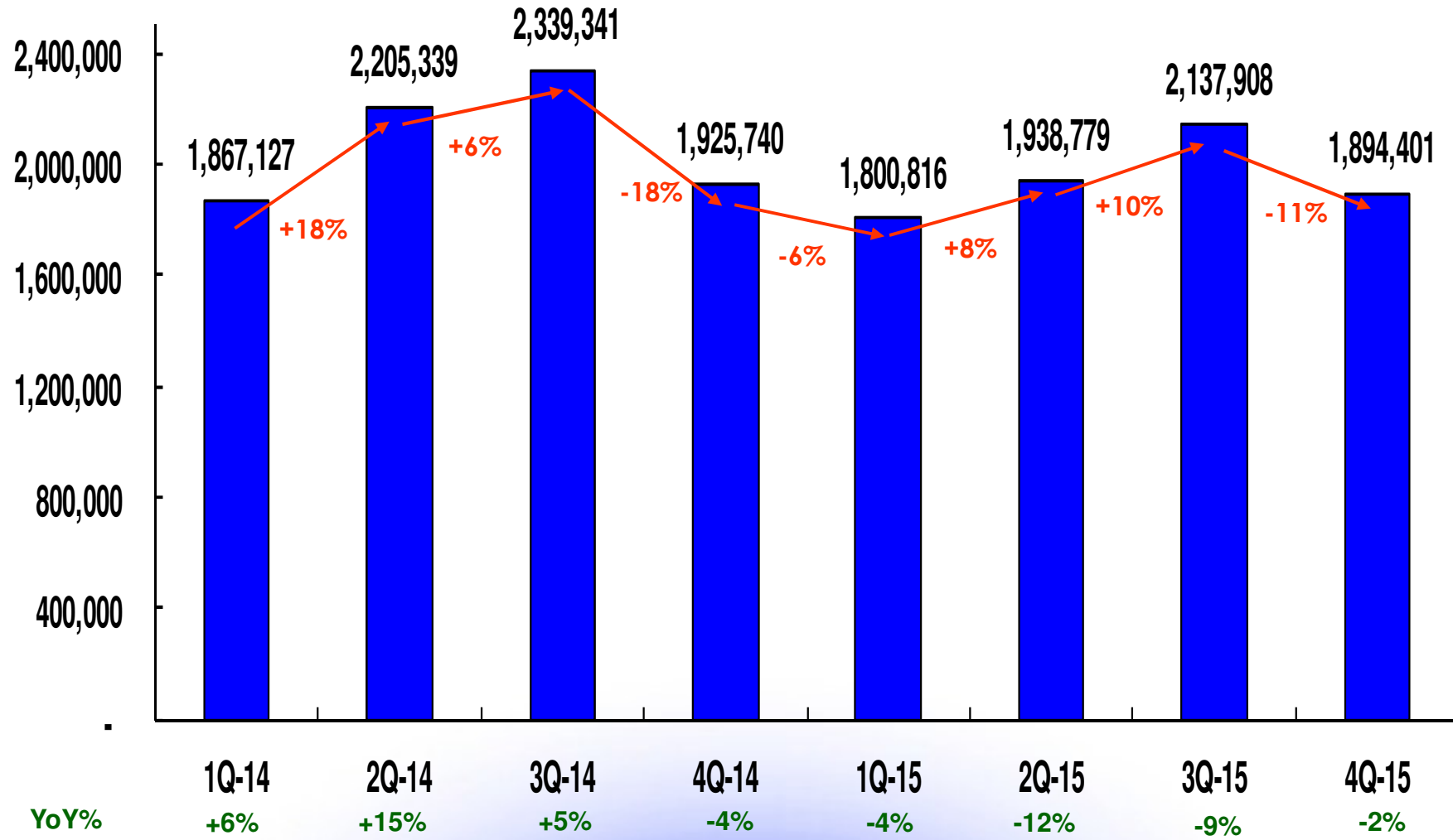


# Tong Hsing Quarterly Revenue



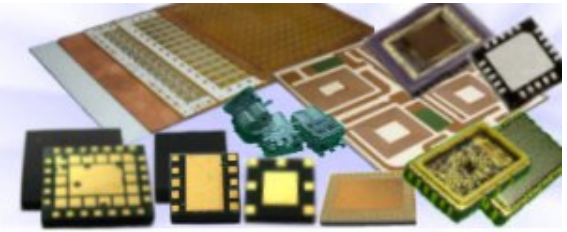
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Unit:K\_NTD

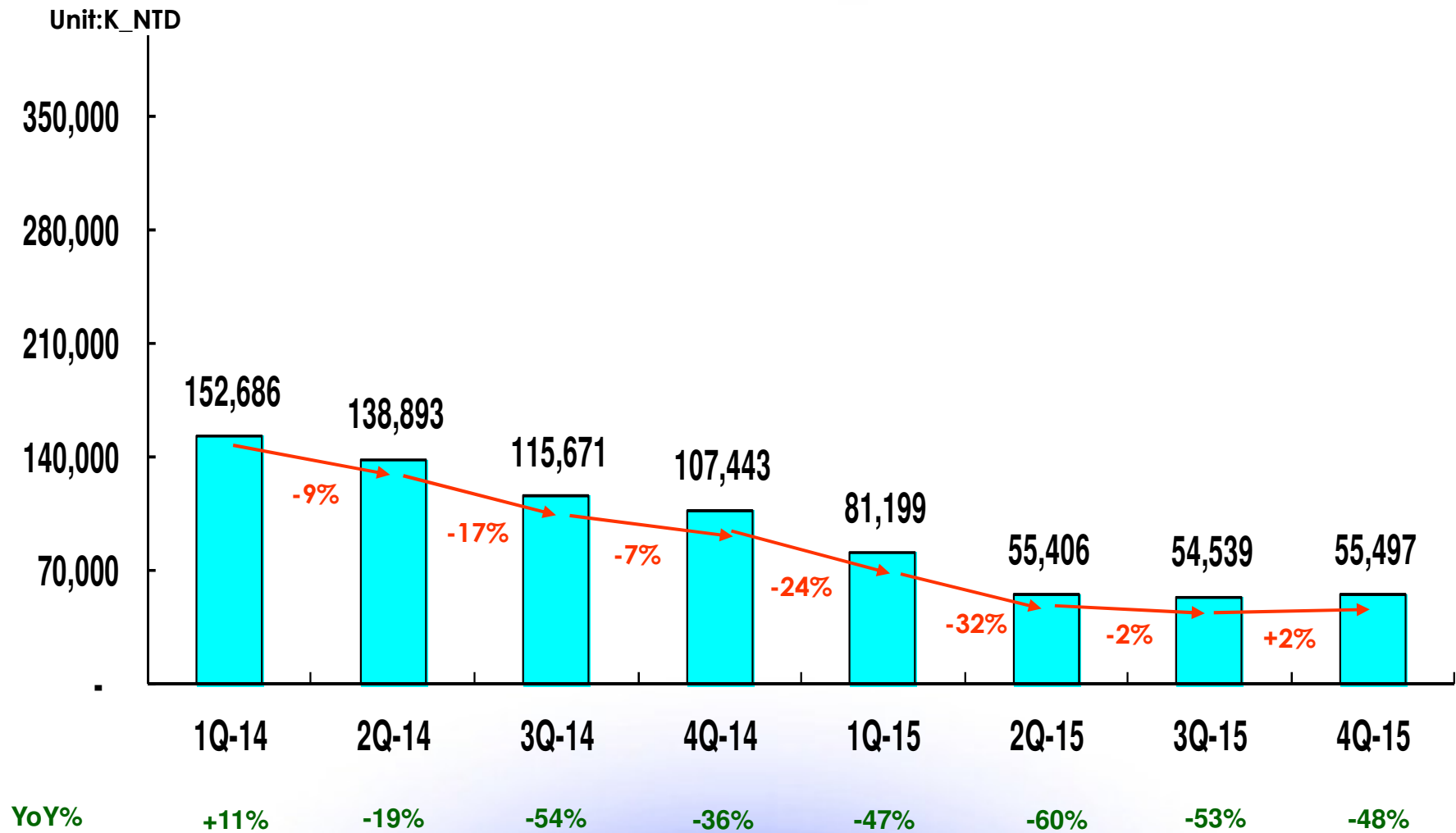




# RF Module Quarterly Revenue Trend

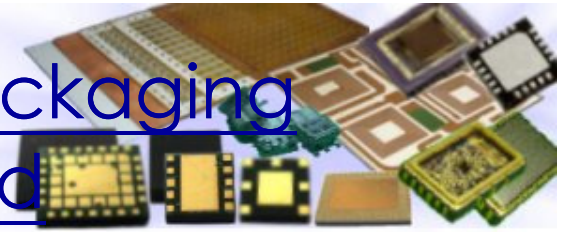


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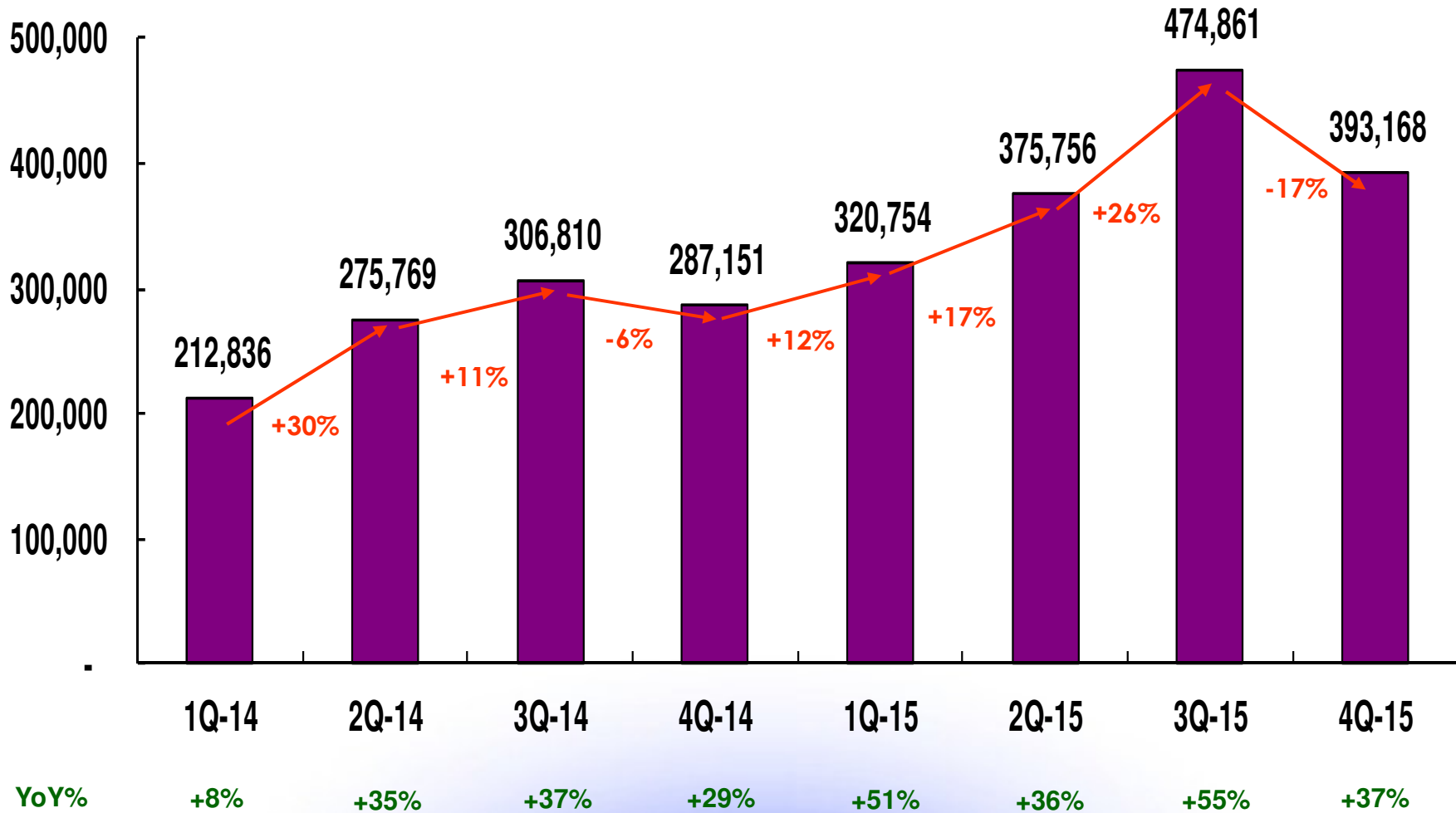


# Hybrid Modules & Specialty Packaging Quarterly Revenue Trend



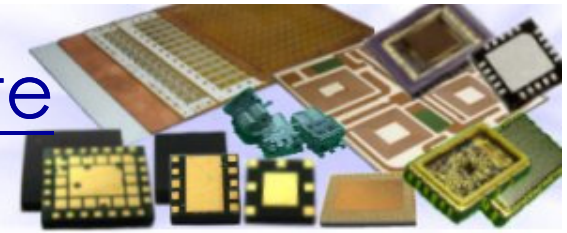
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Unit:K\_NTD



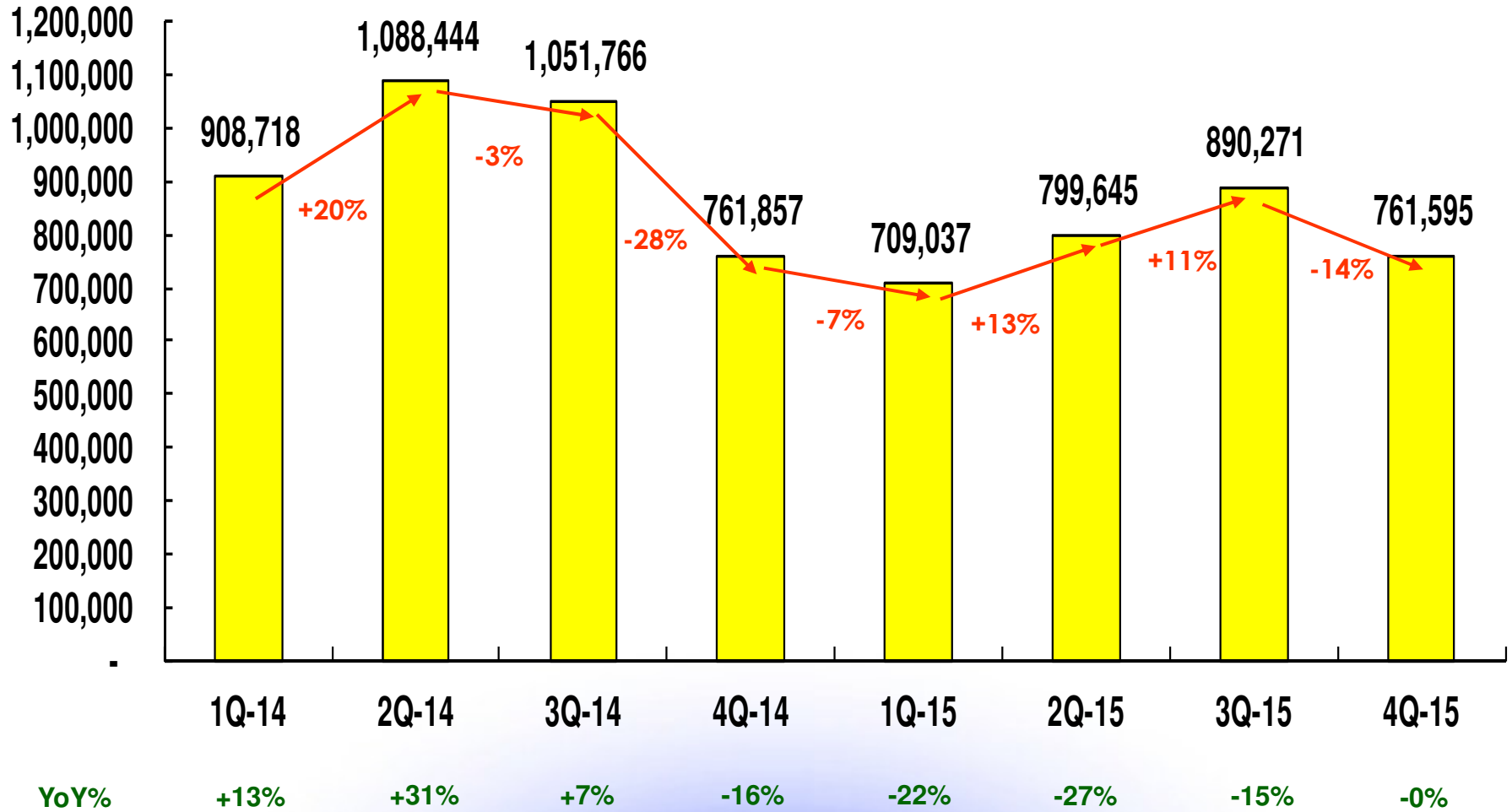


# Ceramic Metallized Substrate Quarterly Revenue Trend



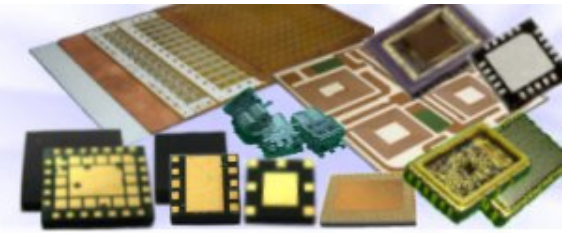
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Unit:K\_NTD

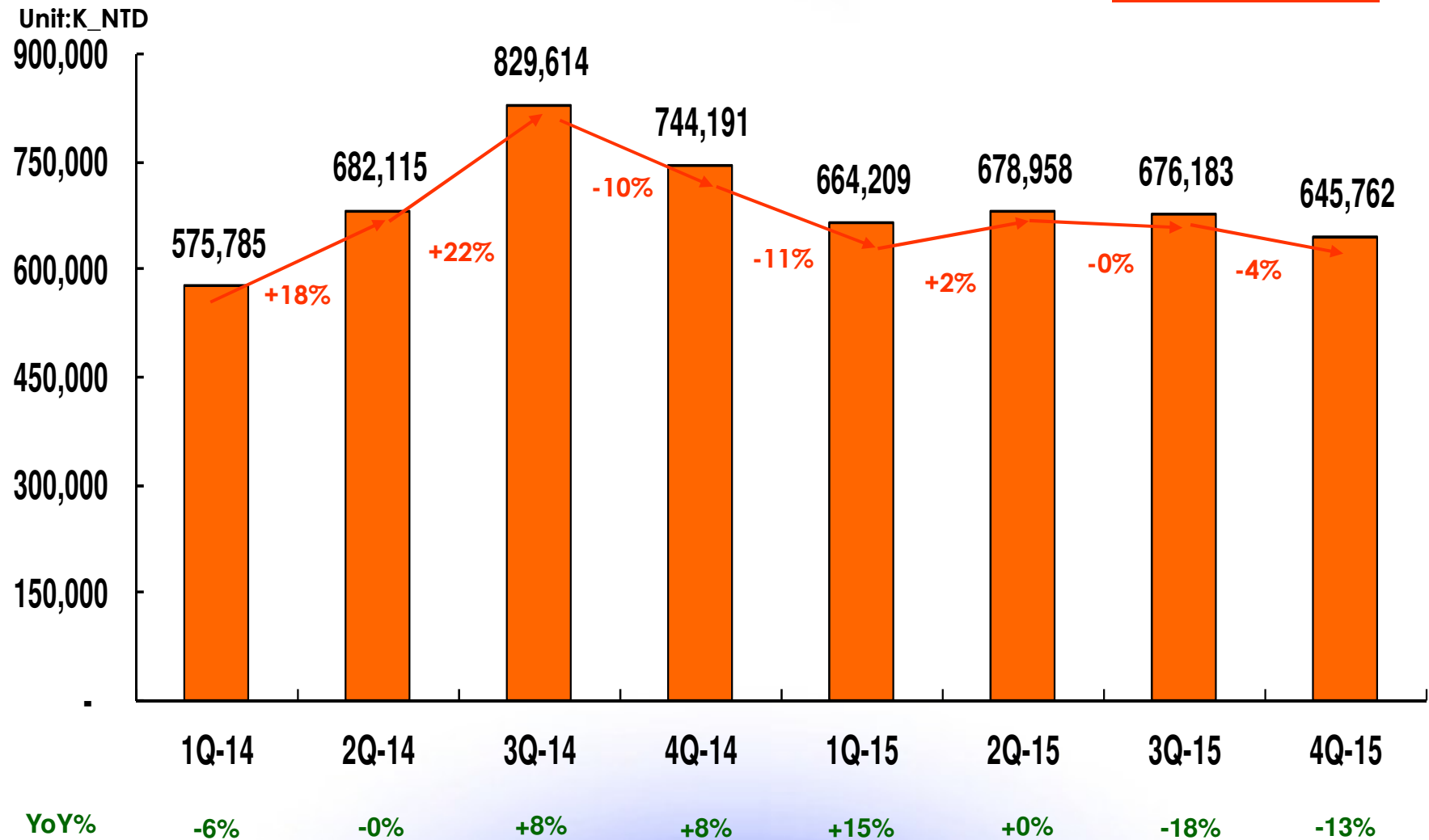




# Image Products Quarterly Revenue Trend

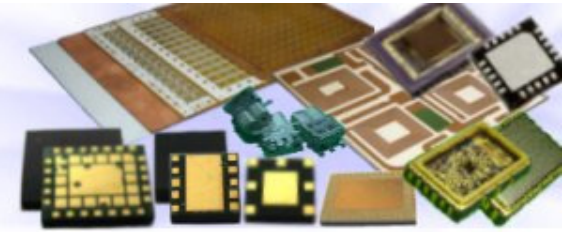


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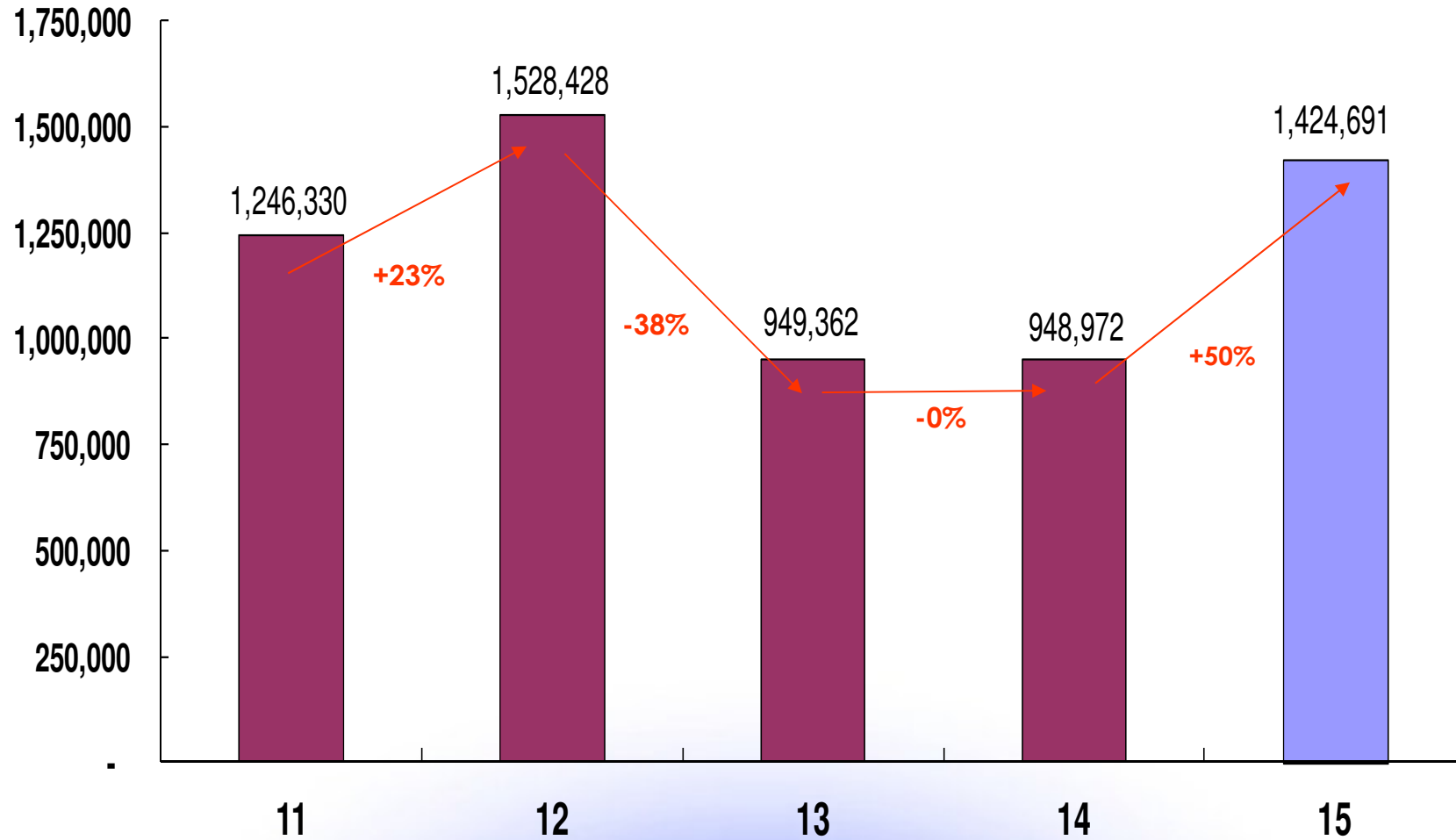


# Capital Expenditure



Unit:K\_NTD

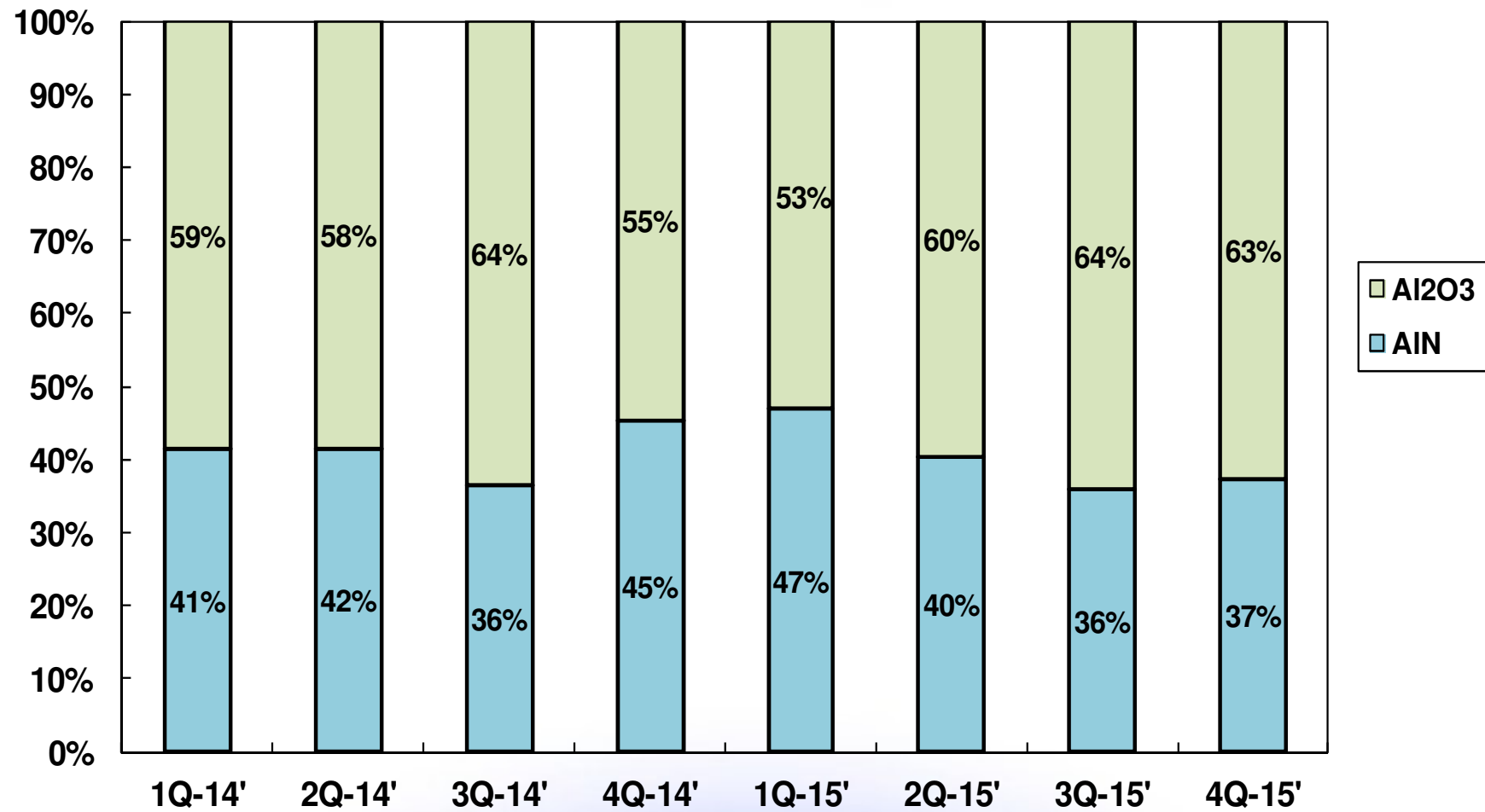
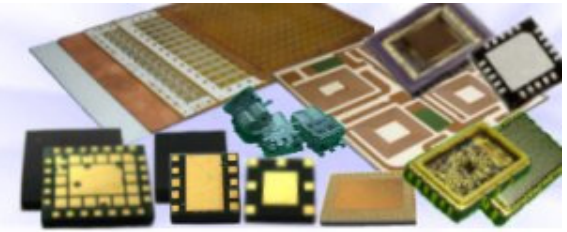
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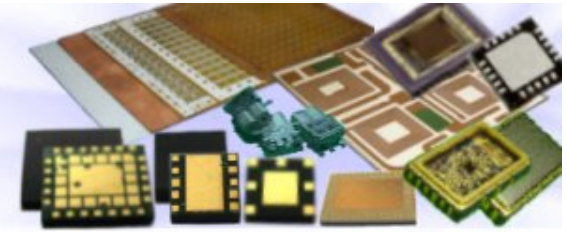






# Al<sub>2</sub>O<sub>3</sub> VS AlN





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