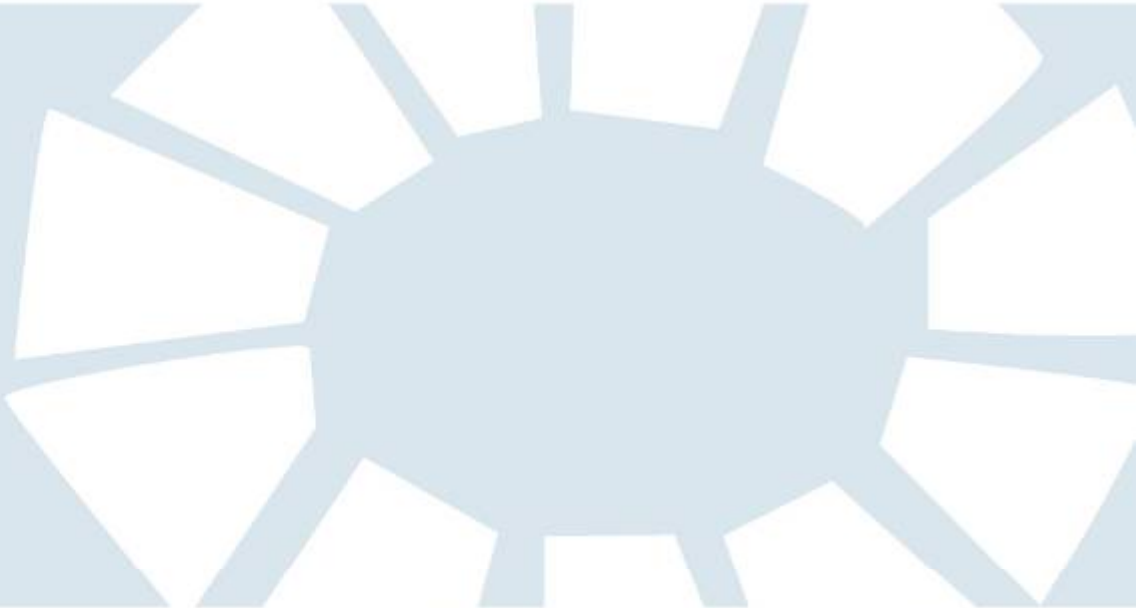
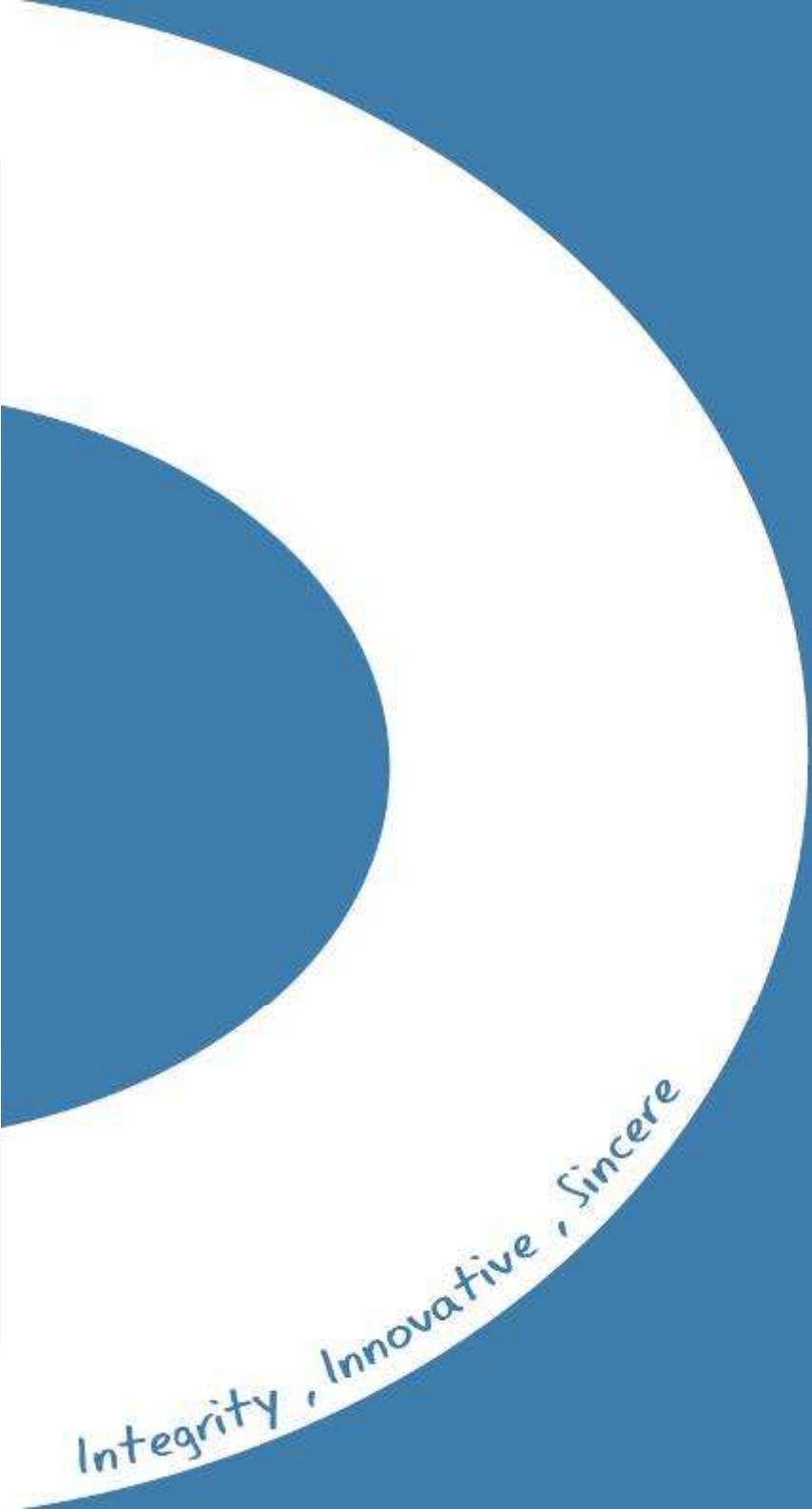


# **SINBON 2014Q3 Results & Prospects**

Prepared By Finance Department  
2015/2/12



*Integrity , Innovative , Sincere*



## Safe Harbor Notice

This presentation contains forward looking statements and is subject to significant risks and uncertainties.

Actual results may differ materially from those in the forward looking statements.



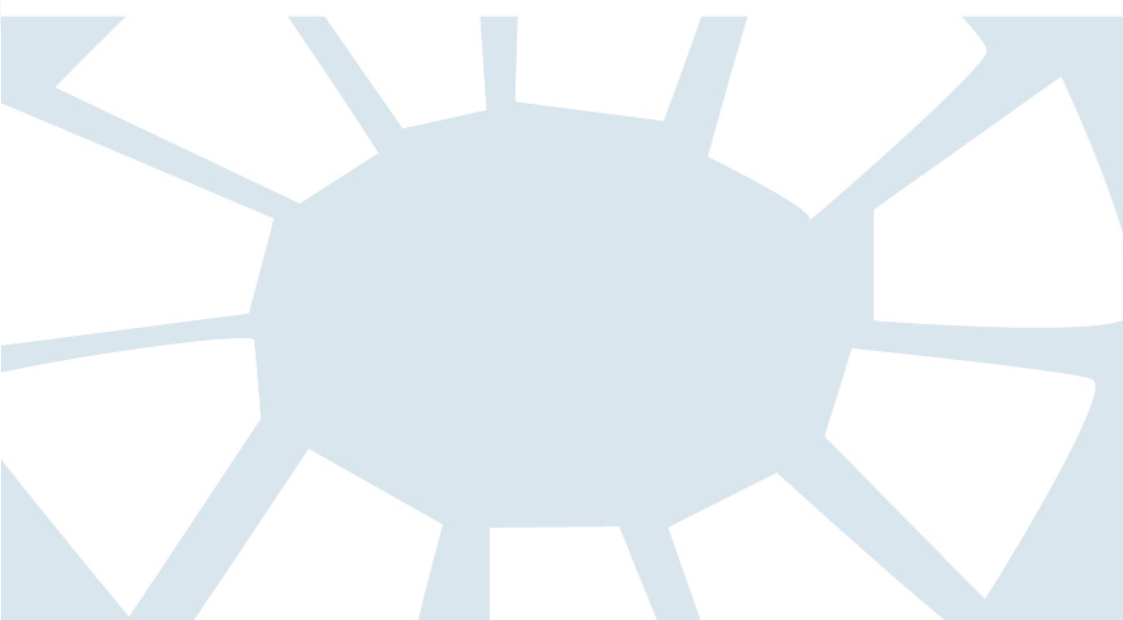
# **AGENDA**

**SINBON Briefing**

**Year to Date Performance**

**Financial Records**

**Business Outlook**



# **SINBON Briefing**

# Who We Are

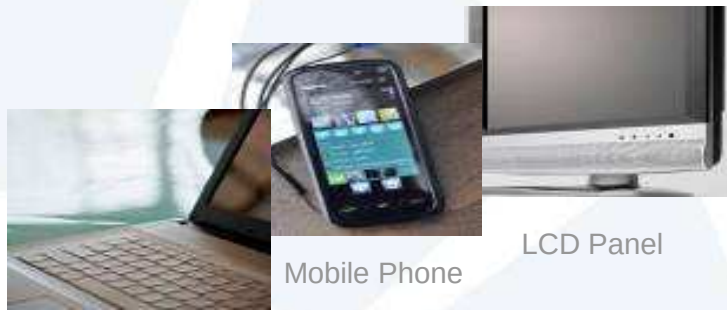
*Founded in 1989, we are a solution provider of electronic integration, covering component design, manufacturing, distribution services as well as wireless component.*

Founding year: 1989

Legal status: Listed on Taiwan Stock  
Exchange Corporation (Code # 3023)

Capital: USD 69 million (TWD 2.08 billion)





Notebook PC

Mobile Phone

LCD Panel



Data Capture



Medial Health



Industrial Field



Green Energy



Automotive

**Consumer Electronics Industries**  
(Standard & limited profit)



**Niche Market & Industrial field**  
(customized with value-added)

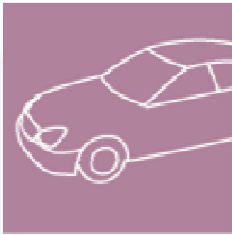
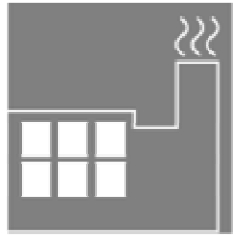
## Key technology & capacity for vertical integration

- PCB
- Raw Cable
- Tooling Design
- Module Design, etc.

## Core competitiveness

- Cable Assembly
- EE, ME, Soft Ware, and Firm Ware Engineering
- Value sourcing platform
- Swift & Integrated Service, etc.

# Business Coverage

| Field                  | <br>Automotive | <br>Communication | <br>Green Energy | <br>Medical Health | <br>Industrial Application |
|------------------------|-------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------|
| Cable Assembly         | ✓                                                                                               | ✓                                                                                                   | ✓                                                                                                   | ✓                                                                                                     | ✓                                                                                                             |
| PCB Assembly           |                                                                                                 | ✓                                                                                                   | ✓                                                                                                   | ✓                                                                                                     | ✓                                                                                                             |
| Sub-unit / Box Build   |                                                                                                 |                                                                                                     | ✓                                                                                                   | ✓                                                                                                     | ✓                                                                                                             |
| Connectors/ Components | ✓                                                                                               | ✓                                                                                                   | ✓                                                                                                   | ✓                                                                                                     | ✓                                                                                                             |

Notes: Components refer to HRS connector, Crystal & Oscillator, GPS A.T., Hinge. Passive C.P., SIM Switch IC., GPS C.P., Zener Diode, Cable chute, Compatible connector, etc.

# Major Customers

## Medical Health 健康照護



## Automotive 汽車領域



## Green Energy 綠能產業



## Industrial Application 工業應用

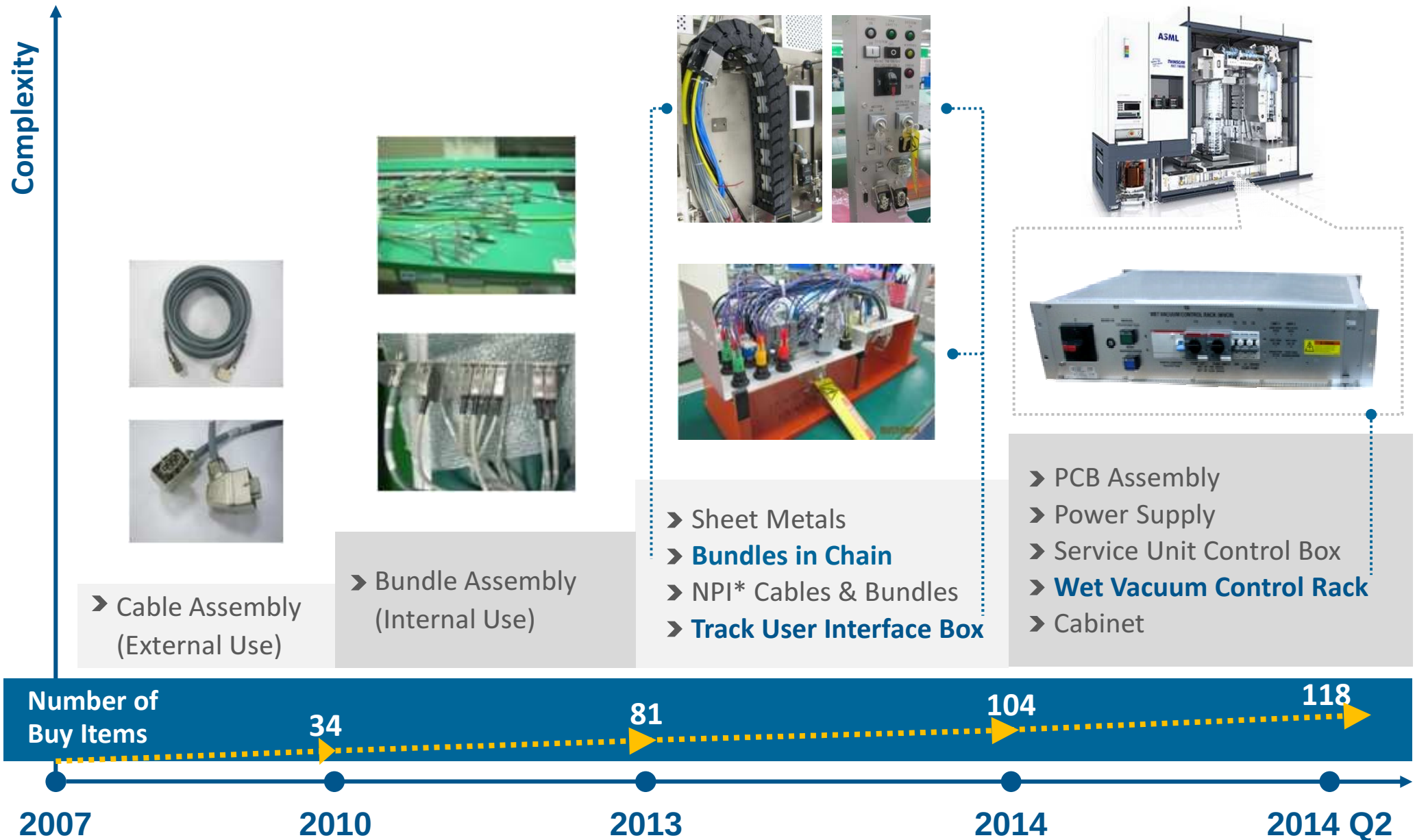


## Communication 通訊相關





# SINBON's Successful Cooperation with ASML



# SINBON's Successful Cooperation with Symbol (Motorola)





# SINBON's Successful Cooperation with Datalogic



# SINBON's Successful Cooperation with Trimble

OEM

ODM

Customized Solution

## Great Honor

Became preferred supplier

## A Trustworthy Partner

For the first time, Trimble decided to manufacturer their product out side of USA

## A Value-Added Service Partner

SINBON can solve customer's problem which pursued them for a long time

2006 2008

2010

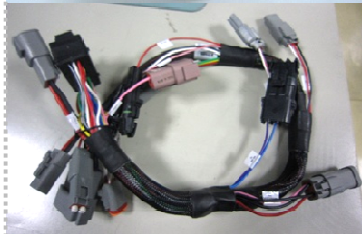
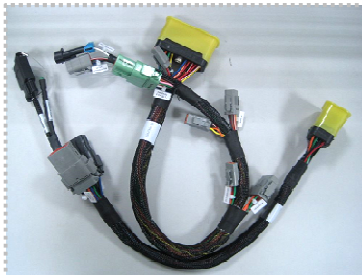
2011

2013

Cable for **Survey Instrument**



Cable for **Agriculture Application**



Cable + PCBA for **Mobile Resource Management**



**Custom Connector & Solution**





# SINBON's Successful Cooperation with GE

2003-2013: Received **Best supplier/ Best quality and management/ Excellent in compliance** awards

Won GE Beijing "**Best Supplier**" award



Supplied **control cable & Cable harness**

Supplied **power cable** (2010)

Processed GE Beijing supplied material

1995

1998

2001

2002

2003

2007

2009

2010

2013

Signed **OEM** agreement with GE Beijing

Upgraded to a **Strategic Cable Assembly Supplier** by GE global

**GE service coverage** : China (Beijing, Wuxi, Chengdu); USA( Waukesha); India; Brazil; Finland; Singapore; Vietnam; Germany; Poland; Canada; Japan

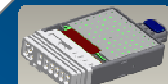
Achieved sales of **\$18M**



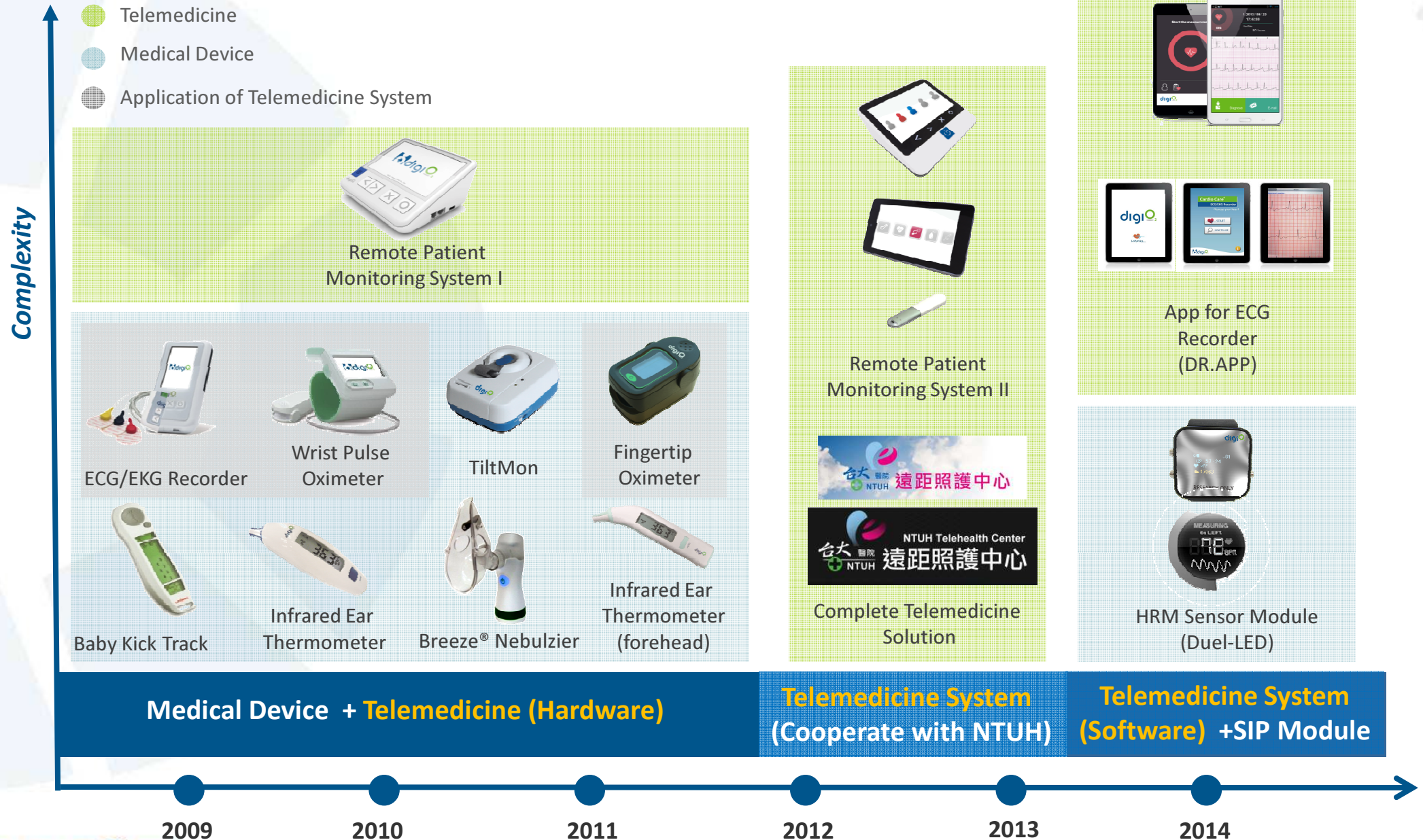
Supplied customized cable assembly for the diagnostic equipment, such as X-ray, surgery , LSS, lunar , ultrasound, patient monitor, MR, and CT

OEM **PCBA** for GE HC

ODM **Cable + PCBA**



# SINBON's Success in Healthcare & Telemedicine



# Global Service Network



## Headquarter

-Taipei, Taiwan

## Sales / Marketing Offices

-Seattle, USA

-New York, USA

-Chicago, USA

-Nashville, USA

-Manchester, UK

-Nagoya, Japan

-Inchon, Korea

-Taipei, Taiwan

-Beijing, China

-Qingdao, China

-Jiangyin, China

-Shanghai, China

-Tongcheng, China

-Shenzhen, China

-Xiamen, China

-Chongqing, China (Planning)

## Manufacturing Sites

-Miaoli, Taiwan

-Beijing, China

-Jiangyin, China

-Tongcheng, China

-Nashville, USA

## R&D Offices

-Taipei, Taiwan

-Beijing, China

-Jiangyin, China

-Tongcheng, China

## Hubs

-Seattle, USA

-Nashville, USA

-Orlando, USA

# Manufacturing Site



Miaoli



Beijing



Jiangyin plant I



Jiangyin plant II



Jiangyin raw cable plant



Tongcheng



# Beijing Manufacturing Plant



- **Features:**  
Cable Assembly  
High Mix Low Volume (ex. medical, industrial...)
- **Space:** 84,122 ft<sup>2</sup>
- **Manpower:** 508
- **Workmanship Standard Compliance:**

|                  |                      |
|------------------|----------------------|
| IPC-610, Class2  | ISO 9001             |
| IPC-620, Class 2 | ISO 14001            |
| UL               | ISO 13485            |
| OHSAS 18001:2007 | Green Partner (Sony) |

Beijing



# Jiangyin Manufacturing Plant



## ■ Features:

Cable / PCBA / Box build  
High Mix Low Volume / High Volume Low Mix  
(cover diverse industries)

## ■ Space:

Plant I- 139,933 ft<sup>2</sup>, II- 230,890 ft<sup>2</sup>, III- 21,528 ft<sup>2</sup>

## ■ Manpower: 2,612

## ■ Workmanship Standard Compliance:

|                  |           |               |
|------------------|-----------|---------------|
| IPC-620, Class 2 | ISO 9001  | Eco-Partner   |
| IPC-610, Class 2 | ISO 14001 | UL            |
| TS 16949         | ISO 13485 | Green Partner |

Jiangyin



# Tongchen Manufacturing Plant



## ■ Features:

Cable Assembly  
High Volume Low Mix (ex. IT, consumer electronics, industrial control machine and vehicle fields...)

■ Space: 64,585 ft<sup>2</sup>

■ Manpower: 550

## ■ Workmanship Standard Compliance:

|          |         |                       |
|----------|---------|-----------------------|
| ISO 9001 | IPC-620 | EICC                  |
| ISO14001 | UL      | Green Partner (Canon) |

## Tongchen



# Miaoli Manufacturing Plant



## ■ Features:

Cable Assembly

PCB Assembly

High Mix Low Volume (ex. industrial, semi-conductor, auto charger...)

## ■ Available Space: 78,168 ft<sup>2</sup>

## ■ Manpower: 223

## ■ Workmanship Standard Compliance:

IPC-610, Class 2

IECQ

ISO 13485

IPC-620, Class 2

UL

ISO 9001

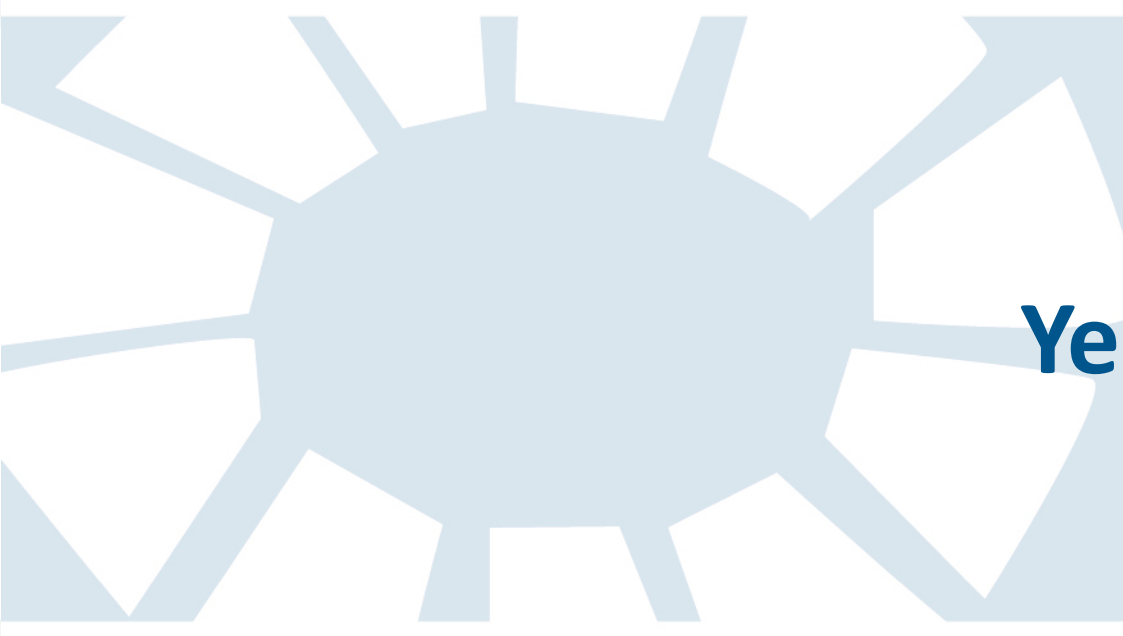
ISO 14001

GMP

ISO 14064-1

Miaoli



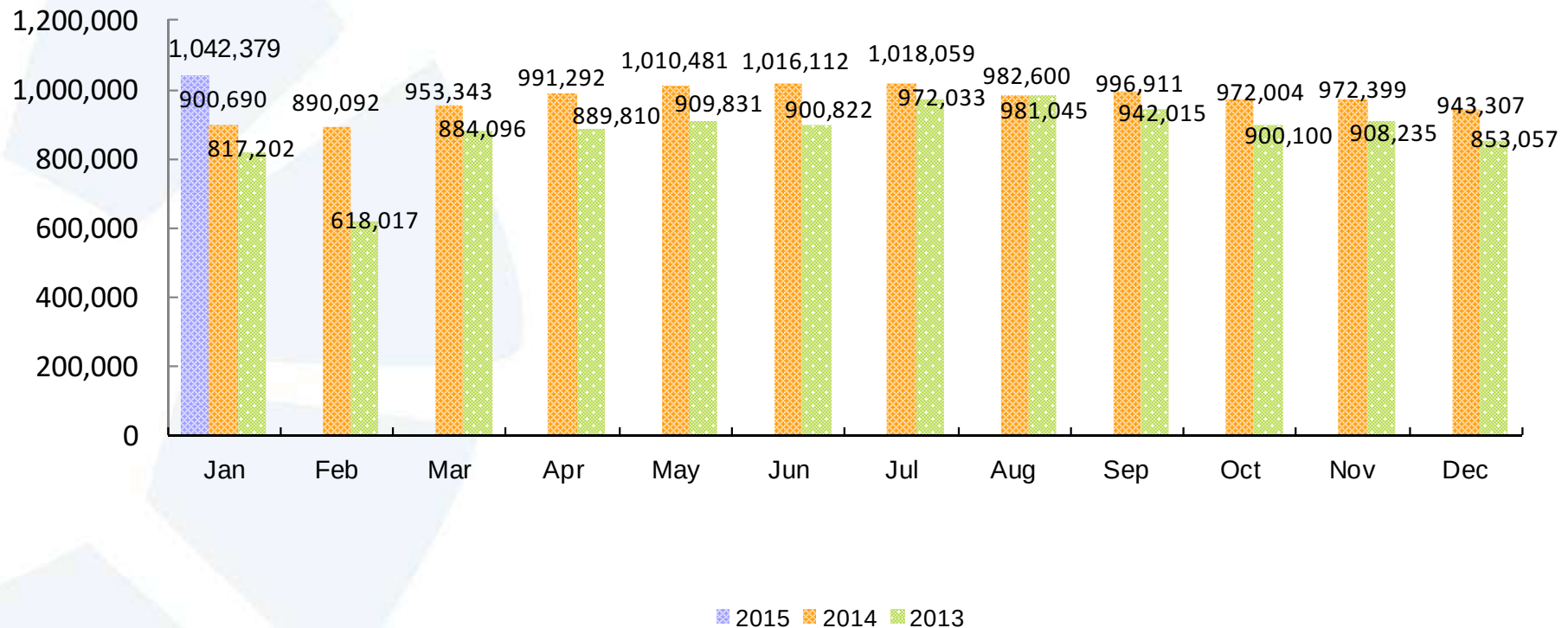
A stylized sun graphic with a central circle and radiating lines, positioned on the left side of the slide.

# **Year To Date Performance**



# Monthly Consolidated Revenue

NTD in thousand



**2014 Jan. to Dec. non-audited consolidated sales : NTD 11,647,291 in thousands**

**2015 Jan. non-audited consolidated sales : NTD 1,042,379 in thousands**

# Last 5 Quarters Result Highlight

| (NTD in thousand)      | Q3'14     | Q2'14     | Q1'14     | Q4'13     | Q3'13     |
|------------------------|-----------|-----------|-----------|-----------|-----------|
| Net Sales              | 2,989,579 | 3,019,801 | 2,741,173 | 2,641,592 | 2,895,131 |
| Gross Profit           | 649,541   | 656,010   | 596,831   | 588,671   | 611,813   |
| Gross Profit %         | 21.73%    | 21.72%    | 21.77%    | 22.28%    | 21.13%    |
| Operation Income       | 257,650   | 283,381   | 220,717   | 170,534   | 201,102   |
| Non-operating Income   | 41,242    | 39,728    | 62,888    | 31,284    | 64,439    |
| Non-operating Expenses | (8,827)   | (8,364)   | (8,562)   | (32,966)  | 27,606    |
| Income before Taxes    | 290,065   | 314,745   | 275,043   | 168,852   | 293,147   |
| Income Taxes           | (65,154)  | (99,943)  | (78,715)  | (53,521)  | (89,407)  |
| Minority Interests     | (422)     | (5,101)   | (4,460)   | (35,877)  | (7,558)   |
| Net Income             | 225,333   | 219,903   | 200,788   | 151,208   | 211,298   |
| Net Profit %           | 7.54%     | 7.28%     | 7.32%     | 5.72%     | 7.30%     |
| EPS (NTD in dollars)   | 1.09      | 1.06      | 0.97      | 0.72      | 1.02      |
| Stockholders' Equity   | 4,756,643 | 4,482,739 | 4,811,817 | 4,653,253 | 4,279,475 |
| ROE (quarterly)        | 4.74%     | 4.91%     | 4.17%     | 3.25%     | 4.94%     |

# Last Five 3rd-Quarter Results Highlight

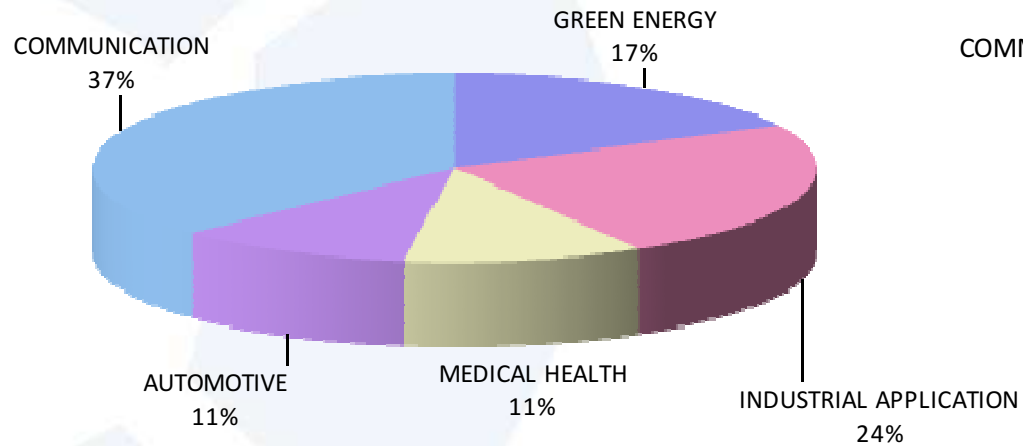
| (NTD in thousand)    | Q3'10     | Q3'11     | Q3'12     | Q3'13     | Q3'14     |
|----------------------|-----------|-----------|-----------|-----------|-----------|
| Net Sales            | 2,338,218 | 2,285,291 | 2,637,918 | 2,895,131 | 2,989,579 |
| Gross Profit         | 464,971   | 465,764   | 540,524   | 611,813   | 649,541   |
| Gross Profit %       | 19.89%    | 20.38%    | 20.49%    | 21.13%    | 21.73%    |
| Operation Income     | 180,236   | 114,567   | 165,236   | 201,102   | 257,650   |
| Net Income           | 101,515   | 114,154   | 177,966   | 211,298   | 225,333   |
| Net Profit %         | 4.34%     | 5.00%     | 6.75%     | 7.30%     | 7.54%     |
| EPS (NTD in dollars) | 0.56      | 0.63      | 0.97      | 1.02      | 1.09      |

# Revenues by Market Segment I

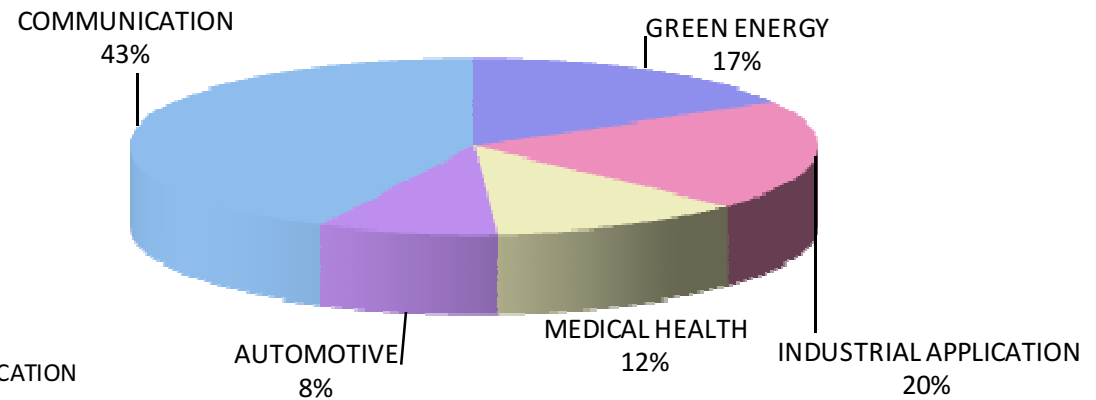
| Unit : NTD in thousand | 2014              | 2013              | Increase<br>(Decrease) | %          |
|------------------------|-------------------|-------------------|------------------------|------------|
| Industry               | Sub-Total         | Sub-Total         |                        |            |
| GREEN ENERGY           | 2,047,996         | 1,774,024         | 273,972                | 15%        |
| INDUSTRIAL APPLICATION | 2,789,033         | 2,123,872         | 665,162                | 31%        |
| MEDICAL HEALTH         | 1,251,573         | 1,263,267         | (11,694)               | -1%        |
| AUTOMOTIVE             | 1,233,655         | 887,291           | 346,365                | 39%        |
| COMMUNICATION          | 4,325,033         | 4,506,807         | (181,773)              | -4%        |
| <b>Total</b>           | <b>11,647,291</b> | <b>10,555,261</b> | <b>1,092,030</b>       | <b>10%</b> |

# Revenues by Market Segment II

2014 Jan ~ Dec Revenue by Market Segment



2013 Jan ~ Dec Revenue by Market Segment



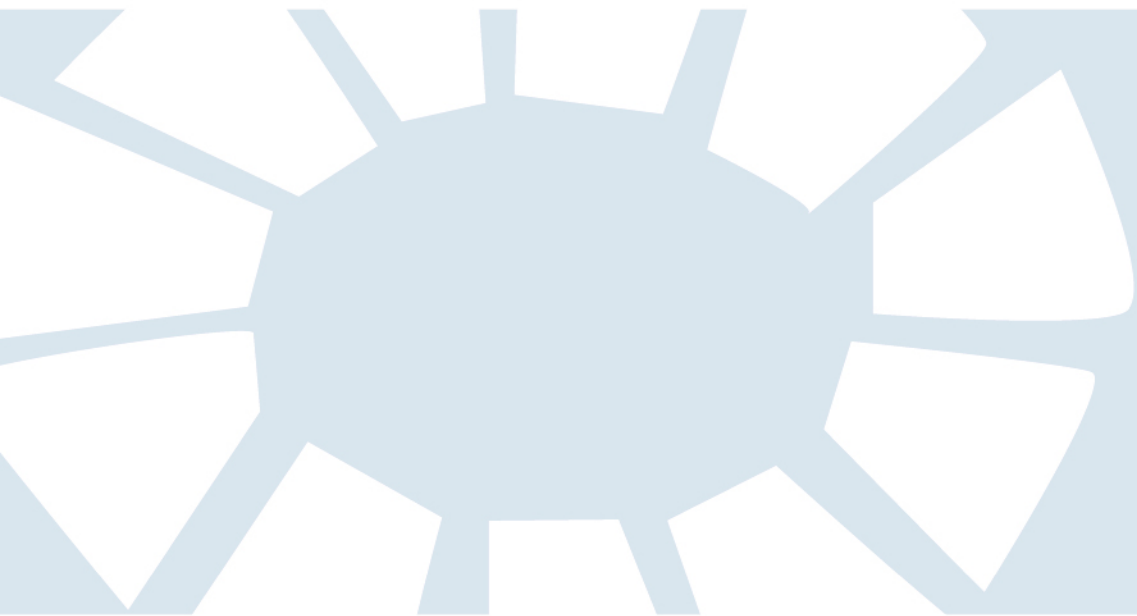


# Financial Ratio

| Ratio                                                  | 2012    | 2013    | 2014 3Q |
|--------------------------------------------------------|---------|---------|---------|
| Debt Ratio                                             | 53.70%  | 50.42%  | 51.28%  |
| Long-term funds to property, plant and equipment Ratio | 290.99% | 321.56% | 353.16% |
| Current Ratio                                          | 154.91% | 164.03% | 164.09% |
| Quick Ratio                                            | 115.25% | 123.72% | 121.93% |
| Times Interest Earned Ratio                            | 12.90   | 24.39   | 35.83   |
| A/R Turnover                                           | 3.71    | 3.59    | 3.77    |
| A/P Turnover                                           | 5.03    | 4.77    | 4.37    |
| Inventory Turnover                                     | 4.66    | 4.96    | 5.39    |
| Property ,plant and equipment turnover                 | 5.95    | 6.69    | 7.62    |
| Total Assets Turnover                                  | 1.13    | 1.12    | 1.18    |
| ROA                                                    | 6.08%   | 7.00%   | 8.80%   |
| ROE                                                    | 12.58%  | 13.88%  | 17.57%  |
| Profit before tax to capital                           | 36.25%  | 41.75%  | 56.49%  |
| Net Profit Rate                                        | 4.78%   | 5.76%   | 7.27%   |
| EPS (NT\$)                                             | 2.93    | 3.20    | 3.11    |

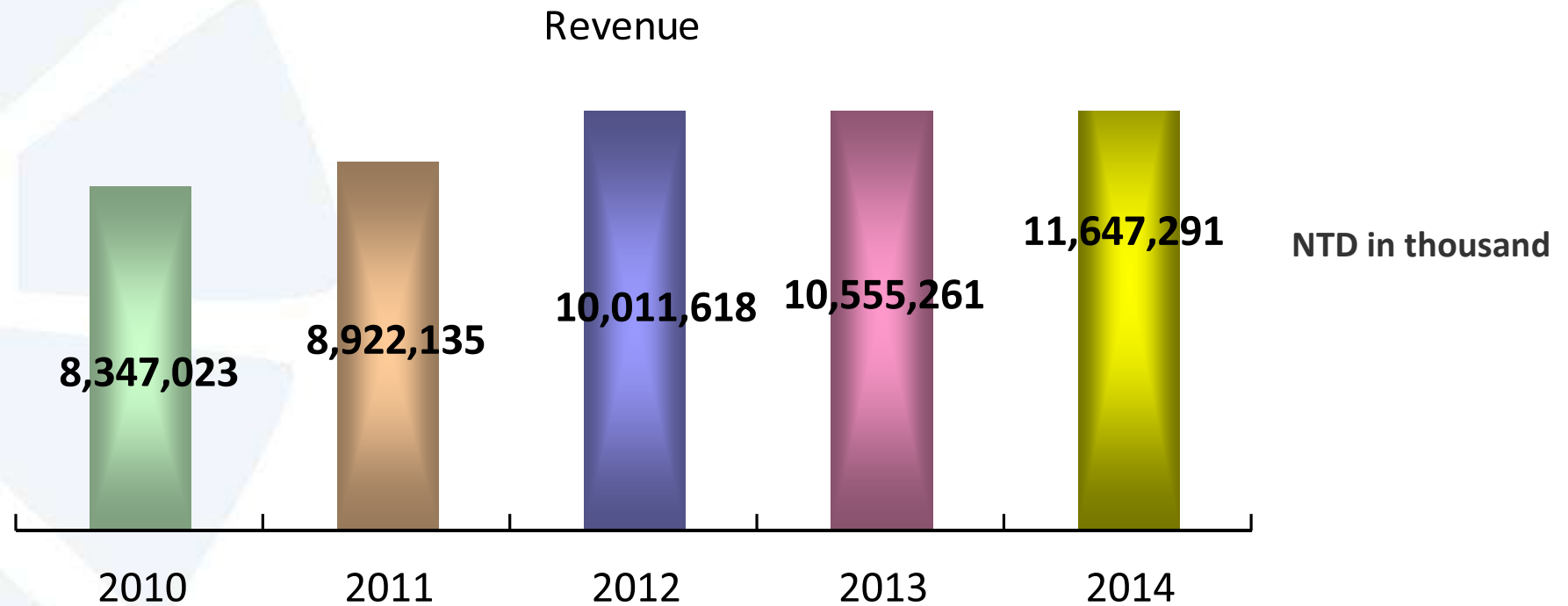
PS1: 2014 3Q ratio has been annualized but EPS.

PS2: You may download completed financial statements at <http://www.sinbon.com/investor-relations/financial-statement/>



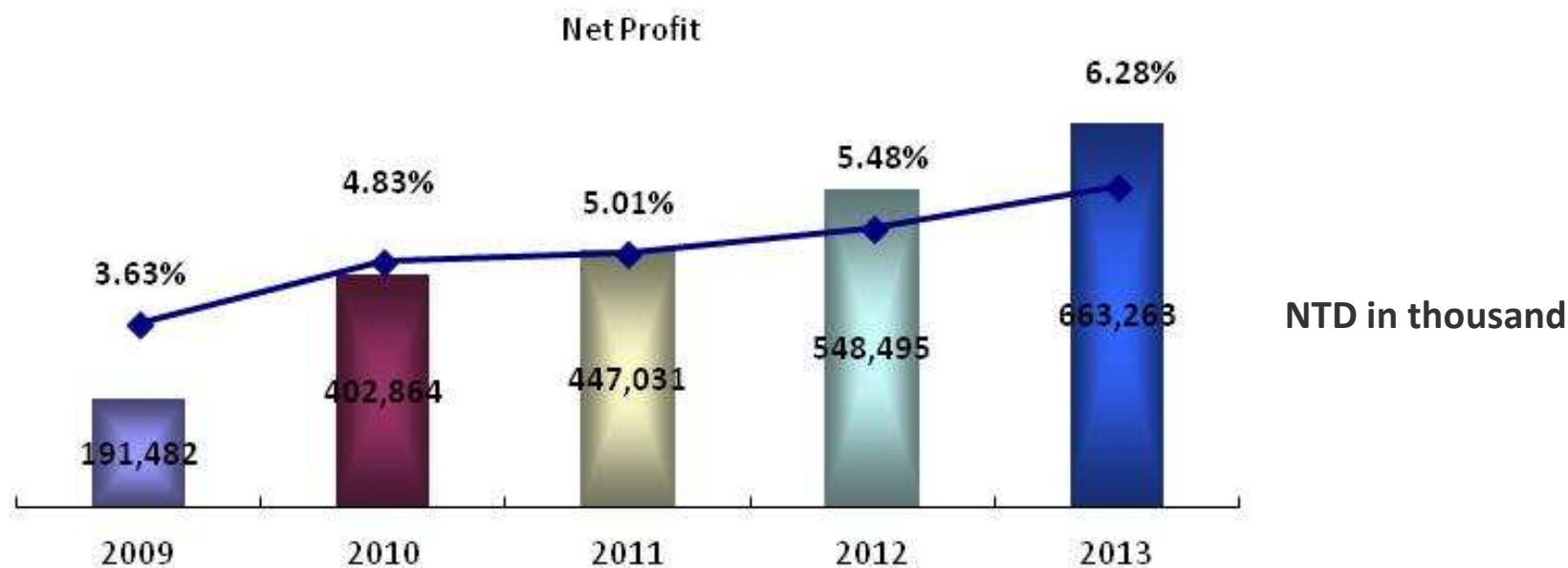
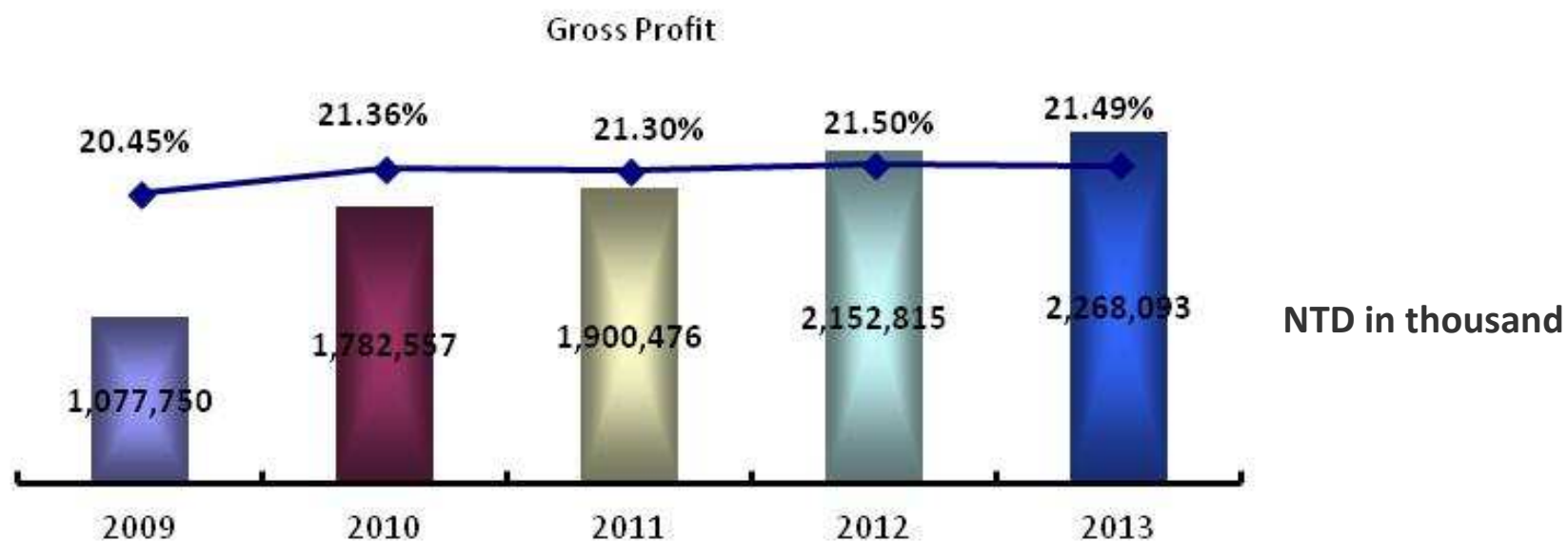
# **Financial Records**

# Revenue Achievements



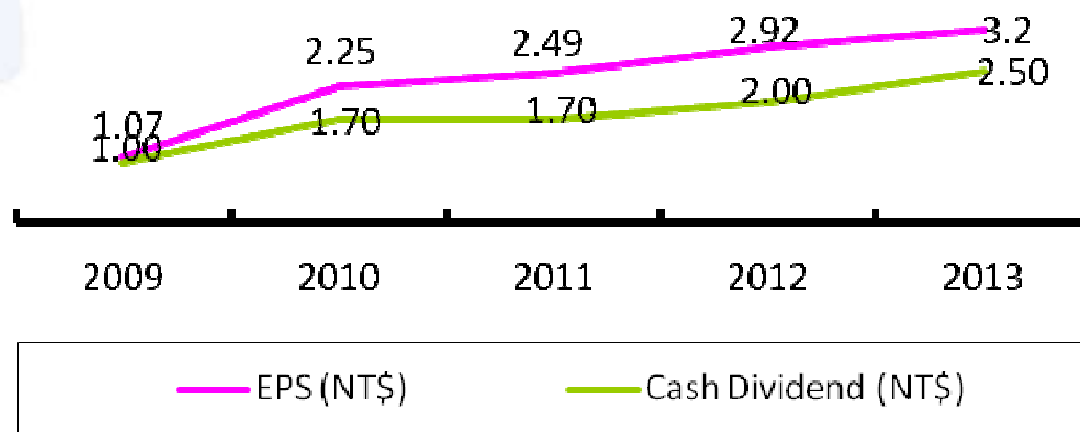
PS: 2014 non-audited yet.

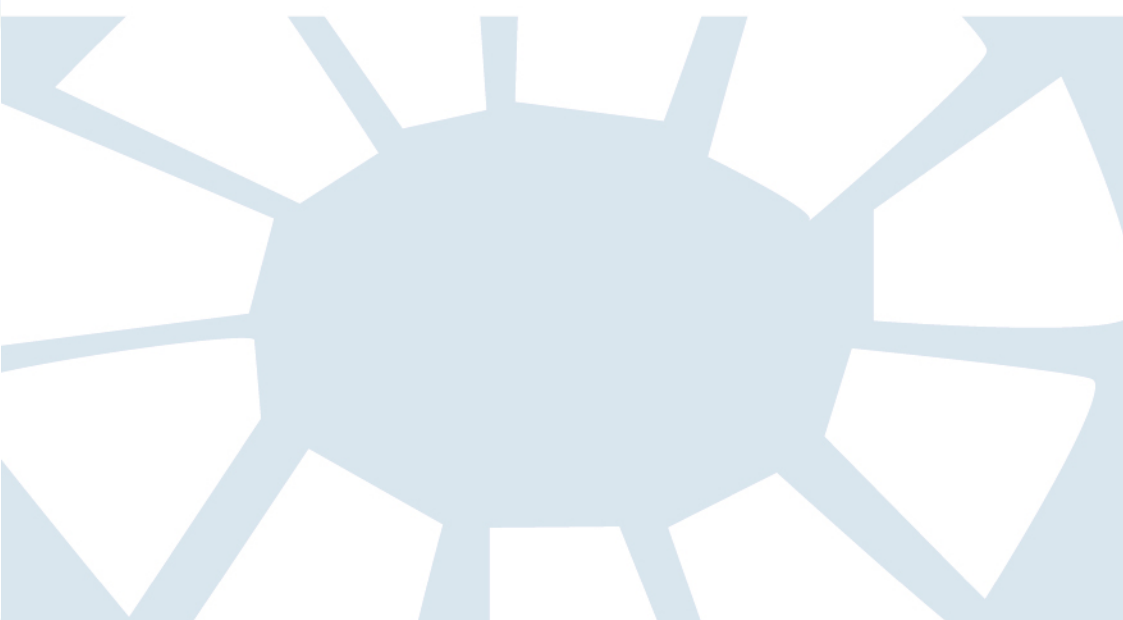
# Profitability



## Last 5-Year Dividend Policy

|                       | 2009 | 2010 | 2011 | 2012 | 2013 |
|-----------------------|------|------|------|------|------|
| EPS (NT\$)            | 1.07 | 2.25 | 2.49 | 2.92 | 3.2  |
| Cash Dividend (NT\$)  | 1.00 | 1.70 | 1.70 | 2.00 | 2.50 |
| Stock Dividend (NT\$) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| SUM                   | 1.00 | 1.70 | 1.70 | 2.00 | 2.50 |
| Payout Ratio          | 93%  | 76%  | 68%  | 68%  | 78%  |





## **Business Outlook**



# MAGIC

Medical  
Health



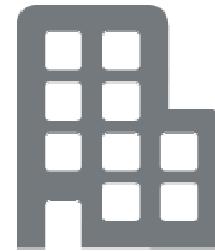
Automotive



Green  
Energy



Industrial  
Application



Communication





## Application



**Positron Emission Tomography**



**Magnetic Resonance Imaging**



**Radiography (X-Ray)**



**Ultrasound Equipment**



**Patient Monitor**

## Major Customers



**PHILIPS**

**TOSHIBA**



**COVIDIEN**

## Application



**Automotive Audio  
& Video systems**



**Parking Related  
Device**



**Oxygen Sensor**



**Car Charger -  
Industrial**



**EV Charger**

## Automotive

### Major Customers



**DELPHI**



## Application



### Solar

(Micro-inverter,  
Central inverter,  
DC-Converter)



### Wind Turbine

(Hub, Nacelle,  
Tower, Tower  
base)

## Major Customers





## Application



**Energy  
Distribution**



**Electrical Control  
Cabinet**



**Industrial Cooling  
System**



**Automation  
and Control**



**Nuclear Power Cabinet**



**Sensor Control  
Diagnostic Equipment**

## Major Customers

**Schneider**  
Electric

invenSUS  
**Foxboro**



**Honeywell**

**SIEMENS**



## Application



**Construction & Transportation**



**Agriculture Equipment**



**Marking and Image Coding**



**Industrial Printing Equipment**

## Major Customers





## Application



Semiconductor Equipment



Cradle and PDA

## Major Customers

**ASML**

**DENSO**

**MOTOROLA**  
**symbol**

**DATALOGIC™**

**Intermec®**  
by Honeywell





## Application



RF Cable And Antenna For Industrial PDA/  
Smart Phone/ Tablet PC/ WLAN/E-  
Reader/Gaming Machine

## Major Customers



**SINBON**  
[www.sinbon.com](http://www.sinbon.com)

thank you

Integrity  
Innovative  
Sincere

