



SINBON

2018Q2 RESULTS & PROSPECTS

Prepared by Finance Department
2018/7

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.

SINBON AT A GLANCE

Solution Provider

As an integrated **SOLUTION PROVIDER** in the “**MAGIC**” industries, it’s our mission to create increasing value through continuous development on technologies and services to our customers worldwide.

Listed on Taiwan Stock Exchange (Code # 3023)



29_y

Founded in 1989



73[↑]

Capital
USD million



4000[↑]

Worldwide employees



6

Factories
in Asia, Europe, America



20[↑]

Global service sites



100[↑]

Branded customers

NEVER STOP INNOVATING

Milestone

do the **MAGIC+**

-Cable Assembly
-Component Distribution

1989

-Box Build
-PCB Assembly
-Cable Assembly
-Component Distribution

1999

-System Integration
-Box Build
-PCB Assembly
-Cable Assembly
-Component Distribution

2009

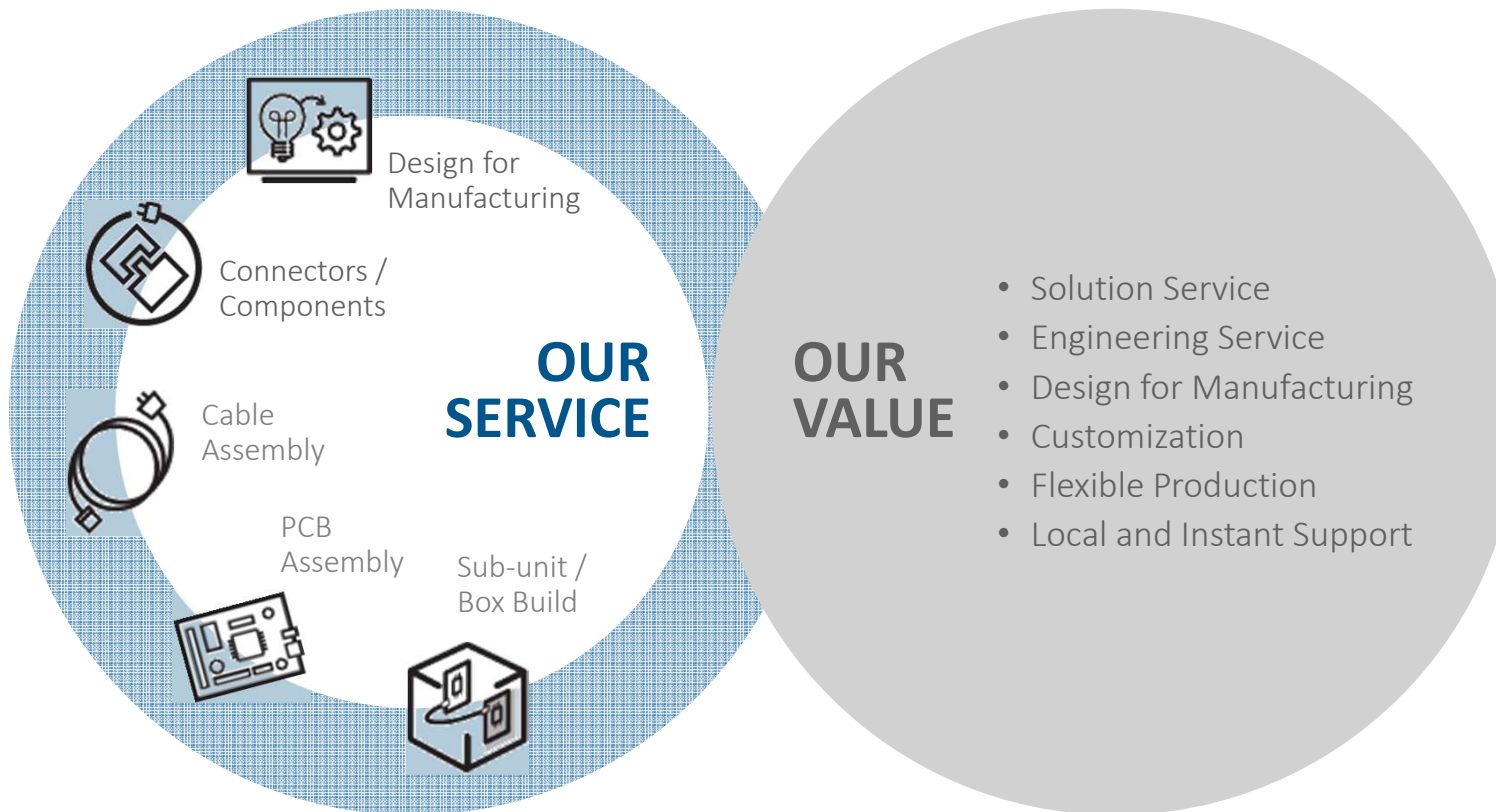
-System Integration
-Box Build
-PCB Assembly
-Cable Assembly
-Component Distribution

2017



CREATE VALUE TO CUSTOMER

Value-added Solution



do the **MAGIC+**

MAKE CABLE INVINCIBLE

Cable Assembly

OUR
CABLE
CAN



Swim
Waterproof



Fire walk
Flame-retardant



Sunbathe
UV resistant



Dip into oil
Oil resistant



Be stepped
Rugged



Be smart
Integrated with PCBA

CAPABILITY
& STRENGTH

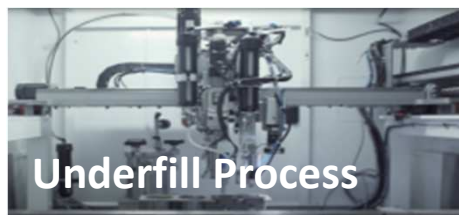
- Soldering : 16 AWG - 44 AWG wire
- Crimping : 4/0 AWG - 34 AWG wire / Max:240 mm²
- Molding : PE / PVC / TPE / ABS / TPO / PU / TPU

- Excellent at over molding and low pressure molding
- Multiple wires or cables assembled together
- Sourcing and verification of alternative materials
- Automated processes

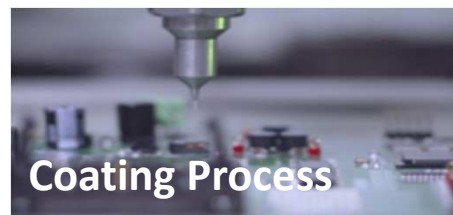
BE SMART THAN JUST A CABLE

PCB Assembly

FEATURES



- DIP and SMT process capability
- Single sided, double sided
- BGA rework station
- Lean production
- SMT Error Prevention System (EPS)
- Includes **ICT, AOI, J-TAG, SPI**, and other regular tests



- PCB size : 50x50mm~460x510mm
- Chip size : QFP, BGA, μ BGA, CSP (Max.:100*100mm)
- Chip dimensions: 0201 (inch)
- Mounting accuracy: ± 0.035 mm ~ 0.08 mm/chip (Cpk ≥ 1.33)

DESIGN FOR MANUFACTURING

Box Build

Electronic Engineering

Power management / Interface data transmission / Remote side charging function / Board level design / Radio frequency technology

Firmware Capabilities

MCU firmware design / Device driver / OS porting / Boot loader development

Software Capabilities

AP design (PC / mobile) / Web service design / Data base design

Mechanical Design

ME customized design / Tooling services / ID customized design / 3D modeling

Auto Test

Test AP design / Real time data display / Fixture design

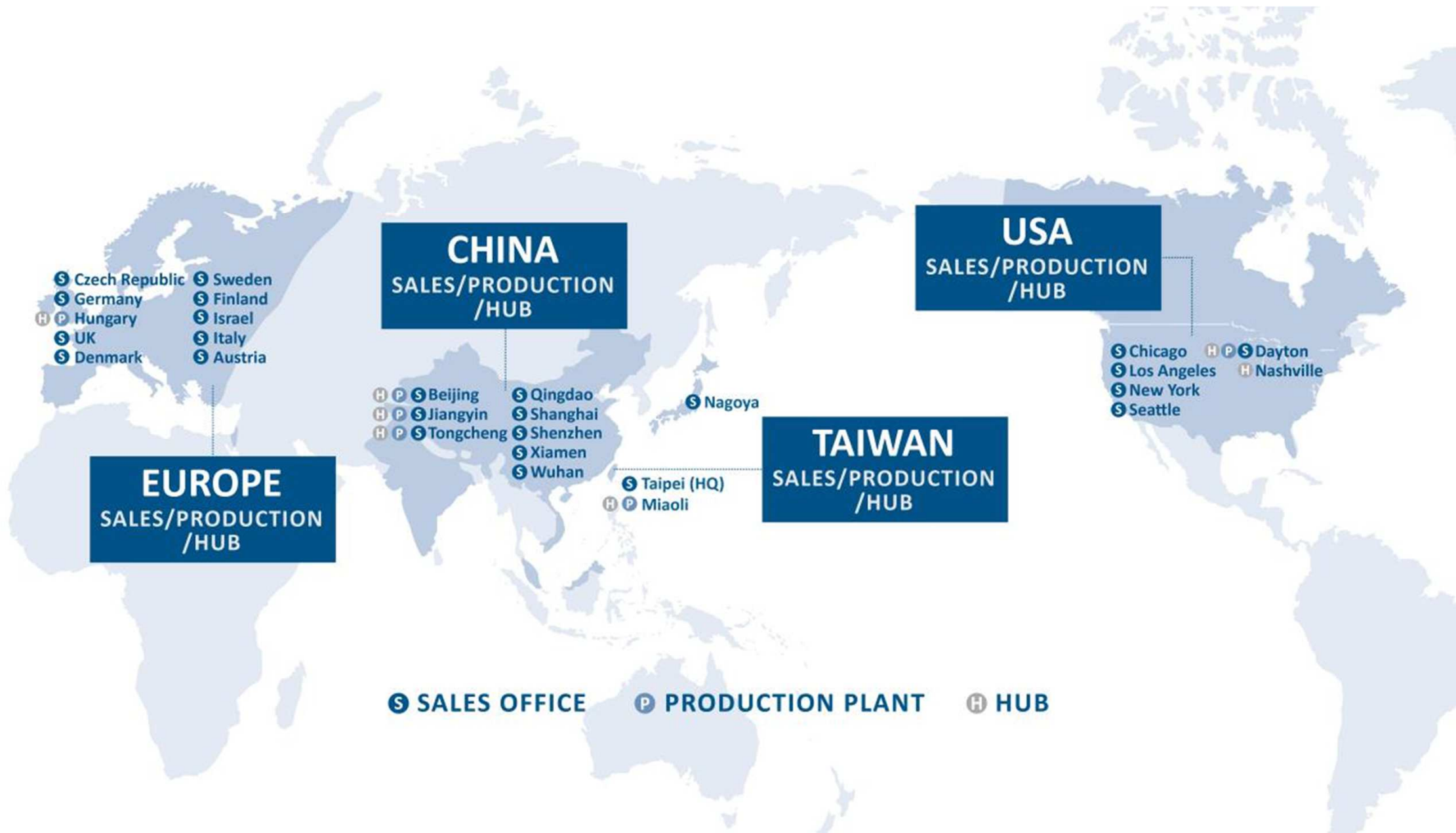
Design Quality Engineering

Function validation / Reliability validation / EMC / Safety validation



Global Service Network

do the MAGIC+



MIAOLI FACTORY

Taiwan



FEATURES

Cable assembly
PCB assembly
High mix low volume
Clean room

AVAILABLE SPACE

7,262 m²

MANPOWER

>300

STANDARD COMPLIANCE

AS 9100
GMP
IECQ
IPC-610, Class 2
IPC-620, Class 2
ISO 9001
ISO 14001
ISO 14064-1
OHSAS 18001
SA 8000
TS 16949
UL



TATABÁNYA FACTORY

Hungary



FEATURES

Fiber optic cable assembly
Copper cable assembly
High mix low volume
High volume

STANDARD COMPLIANCE

ISO 9001
ISO 14001
IPC-620, class 2
ISO 26000 (In preparation)
TS 16949 (In preparation)

AVAILABLE SPACE

4,600 m²

MANPOWER

>200

A stylized map of the United States is shown on the left side of the slide. The state of Ohio is highlighted in a solid dark blue color. The word "DAYTON" is written in large, light blue, sans-serif capital letters across the center of the Ohio map.

DAYTON FACTORY

USA

DAYTON

FEATURES

- Cable assembly
- PCB assembly
- Ball grid array assembly
- Hybrid assembly
- Value-added service

AVAILABLE SPACE

4,645 m²

MANPOWER

>90

STANDARD COMPLIANCE

- ISO 9001
- IPC-610, class 2
- IPC-620, class 2
- ISO 13485 (In preparation)

A stylized map of China is shown on the left side of the slide. The map is light blue with a white outline. The province of Beijing is highlighted in a darker blue. The word "BEIJING" is written in large, bold, grey capital letters across the highlighted area. To the left of the map, there is a partial view of a grey circular graphic.

BEIJING FACTORY

China

FEATURES

Cable assembly
PCB assembly
Box build
HV cable lab
High mix low volume

AVAILABLE SPACE

9,915 m²

MANPOWER

>600

STANDARD COMPLIANCE

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

JIANGYIN FACTORY

China



JIANGYIN

FEATURES

Cable assembly
PCB assembly
Box build
Raw cable factory
Tooling center
Laboratory
High mix low volume
High volume low mix

AVAILABLE SPACE

Factory I – 13,000 m²
Factory II – 21,450 m²
Factory III – 2,000 m²

MANPOWER

>2,300

STANDARD COMPLIANCE

AS 9100
Eco-Partner
FDA
Green Partner
IPC-610, Class 2
IPC-620, Class 2
ISO 9001
ISO 14001
ISO 13485
MedAccred
TS 16949
UL



A stylized map of China is shown on the left side of the slide. The map is light blue with a darker blue outline. The province of Jiangxi is highlighted in a solid dark blue color. The word "TONGCHENG" is written in large, light gray, sans-serif capital letters across the highlighted area.

TONGCHENG FACTORY

China

FEATURES

Cable assembly
Tooling center
Laboratory

AVAILABLE SPACE

6,000 m²

MANPOWER

>400

STANDARD COMPLIANCE

EICC
Green Partner (Canon)
ISO 9001
ISO14001
TS 16949
UL

DISTRIBUTION IN GREAT CHINA



STRATEGY PARTNERS

Components

HIROSE
NDK
Prisemi (芯導)
Awinic (艾為)
MEMChip (芯巧)
Chipsailing (芯盾航)

RF Solutions

INPAQ (佳邦)
Antenova
Acsip (群登)
Quetel (移遠通信)
SIM (晨訊)
SparkLAN (速連通訊)

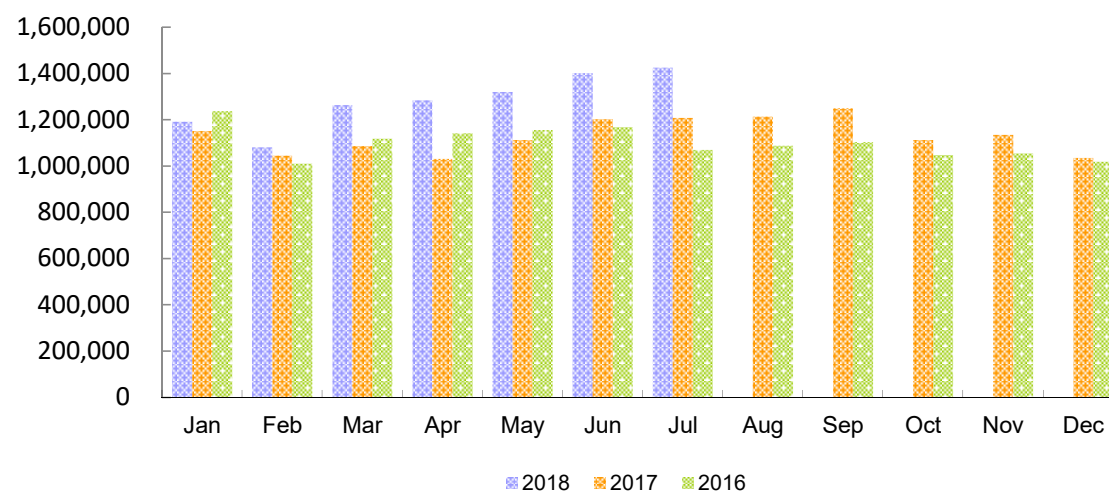


Financial Focus

MONTHLY REVENUE

Non-audited and Consolidated

	2018	2017	2016	2015
Jan	1,192,179	1,151,241	1,237,837	1,042,379
Feb	1,080,475	1,044,775	1,010,416	911,258
Mar	1,263,544	1,086,436	1,118,070	1,053,172
Apr	1,284,709	1,031,539	1,142,696	1,073,415
May	1,320,190	1,112,308	1,156,504	1,032,846
Jun	1,402,581	1,203,510	1,167,868	1,034,087
Jul	1,425,256	1,208,239	1,069,748	1,055,491
Aug		1,214,617	1,088,207	1,083,968
Sep		1,250,674	1,102,747	1,085,092
Oct		1,113,106	1,047,481	1,018,131
Nov		1,135,489	1,054,954	963,901
Dec		1,035,184	1,019,057	935,084
Total	8,968,934	13,587,118	13,215,585	12,288,823



LAST 5 YEARS RESULT HIGHLIGHT

Audited

	2013	2014	2015	2016	2017
(NTD in thousand)	Consolidated	Consolidated	Consolidated	Consolidated	Consolidated
Net Sales	10,555,261	11,642,719	12,111,258	12,925,843	13,061,439
YOY(%)	5.43%	10.30%	4.02%	6.73%	1.05%
COGS	(8,287,168)	(9,112,319)	(9,389,101)	(9,716,741)	(9,781,088)
Gross Profit	2,268,093	2,530,400	2,722,157	3,209,102	3,280,351
Gross Profit(%)	21.49%	21.73%	22.48%	24.83%	25.11%
Operating Expenses	(1,535,095)	(1,579,810)	(1,655,368)	(1,790,898)	(1,887,205)
Operation Income	732,998	950,590	1,066,789	1,418,204	1,393,146
Operation Profit(%)	6.94%	8.16%	8.81%	10.97%	10.67%
Net Non-operating P/L	134,046	92,932	303,220	178,840	226,398
Income before Taxes	867,044	1,043,522	1,370,009	1,597,044	1,619,544
Income Taxes	(258,618)	(268,575)	(415,906)	(435,309)	(395,456)
Less: Minority Interests	(54,837)	(18,805)	(16,092)	4,349	(2,383)
Net Income	663,263	793,752	970,195	1,157,386	1,226,471
Net Profit(%)	6.28%	6.82%	8.01%	8.95%	9.39%
Outstanding Shares('000)	207,671	207,671	214,224	225,416	225,416
Basic EPS(NTD)	3.20	3.82	4.53	5.15	5.44

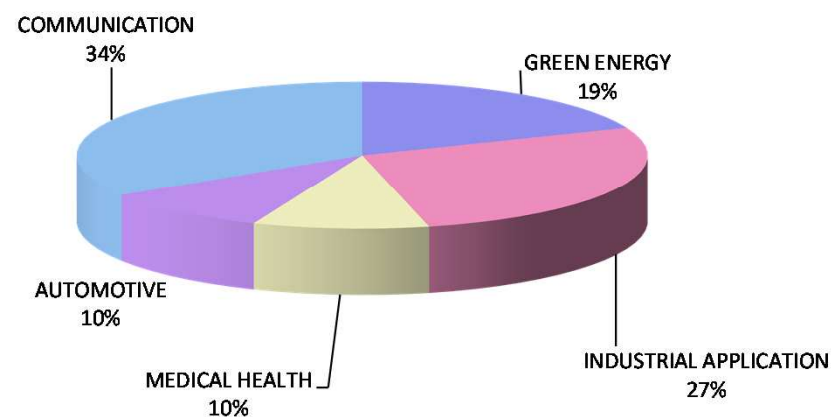
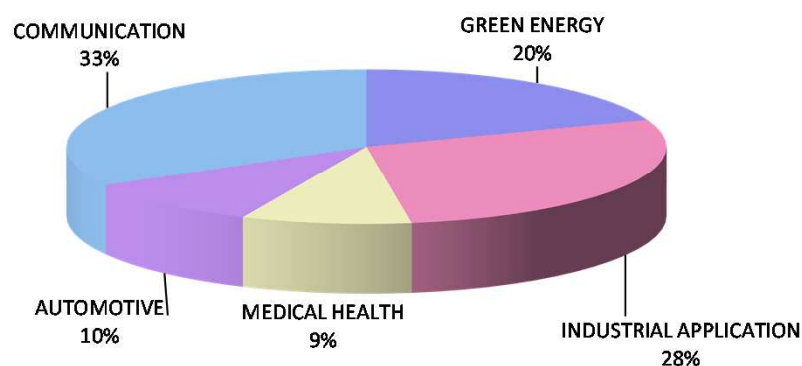
LAST 5 QUARTERS RESULT HIGHLIGHT

Audited or Reviewed

(NTD in thousand)	Q2'18	Q1'18	Q4'17	Q3'17	Q2'17
Net Sales	3,940,772	3,486,218	3,009,396	3,506,985	3,331,157
Gross Profit	969,555	875,685	756,511	875,480	851,409
Gross Profit %	24.60%	25.12%	25.14%	24.96%	25.56%
Operation Income	346,886	340,156	196,976	434,806	366,732
Non-operating Income	225,987	9,217	120,366	33,785	114,276
Non-operating Expenses	(9,659)	(30,314)	(13,135)	(7,320)	(5,603)
Income before Taxes	563,214	319,059	304,207	461,271	475,405
Income Taxes	(143,328)	(47,911)	(63,418)	(107,547)	(130,938)
Minority Interests	(8,990)	(5,413)	(12,670)	2,810	4,306
Net Income	428,876	276,561	253,460	350,914	340,160
Net Profit %	10.88%	7.93%	8.42%	10.01%	10.21%
EPS (NTD in dollars)	1.90	1.23	1.12	1.56	1.51
Stockholders' Equity	5,901,805	6,311,637	6,084,637	5,815,886	5,375,557
ROE (quaterly)	7.27%	4.38%	4.17%	6.03%	6.33%

REVENUES BY MARKET SEGMENT (YEARLY)

Unit : NTD in thousand	2017	2016	Increase (Decrease)	%
Industry	Sub-Total	Sub-Total		
GREEN ENERGY	2,522,430	2,438,450	83,980	3%
INDUSTRIAL APPLICATION	3,693,855	3,538,380	155,475	4%
MEDICAL HEALTH	1,195,107	1,285,611	(90,504)	-7%
AUTOMOTIVE	1,304,426	1,257,729	46,697	4%
COMMUNICATION	4,345,621	4,405,673	(60,052)	-1%
Total	13,061,439	12,925,843	135,596	1%

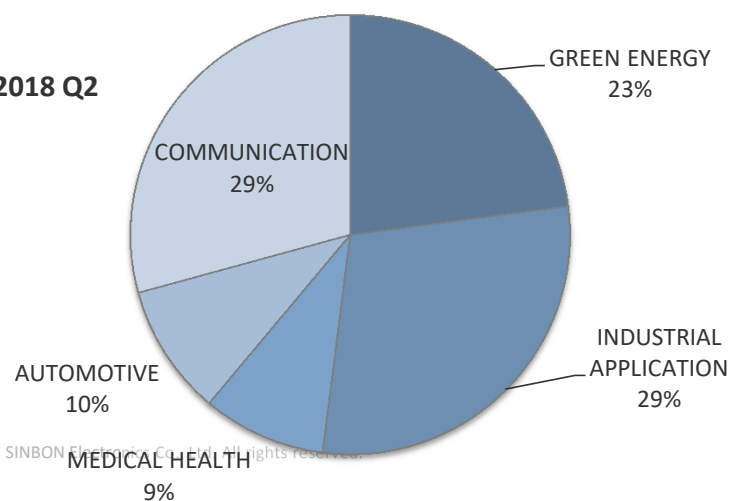


REVENUES BY MARKET SEGMENT (YTD)

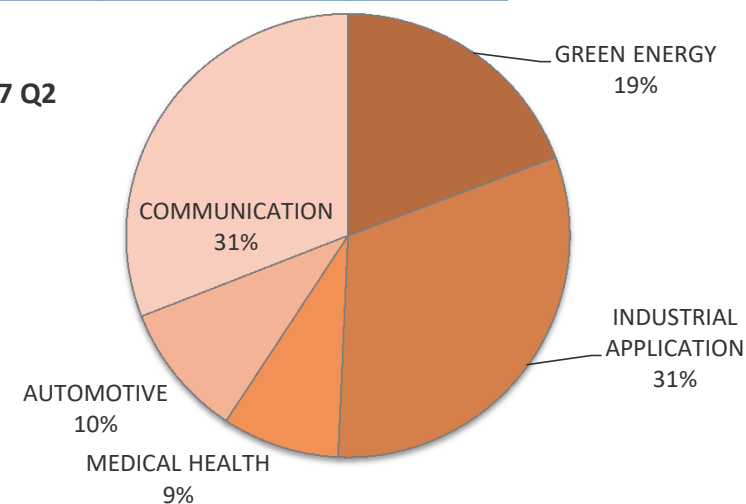
NTD in thousand

Industry	2018 Q2	2017 Q2	Increase (Decrease)	%
GREEN ENERGY	1,702,549	1,259,829	442,720	35%
INDUSTRIAL APPLICATION	2,160,724	2,059,335	101,389	5%
MEDICAL HEALTH	674,033	559,493	114,540	20%
AUTOMOTIVE	716,806	641,911	74,895	12%
COMMUNICATION	2,172,878	2,024,490	148,388	7%
Total	7,426,990	6,545,058	881,932	13%

2018 Q2



2017 Q2



FINANCIAL RATIO

Ratio	2013	2014	2015	2016	2017	2018Q2
Debt Ratio	50.42%	51.52%	49.27%	47.85%	49.71%	54.97%
Long-term funds to property, plant and equipment Ratio	321.56%	349.93%	397.86%	432.88%	474.09%	380.13%
Current Ratio	164.03%	165.75%	166.75%	174.54%	177.53%	152.20%
Quick Ratio	123.72%	121.24%	122.32%	130.90%	125.04%	109.44%
Times Interest Earned Ratio	24.39	26.71	36.81	57.74	55.41	52.02
A/R Turnover	3.59	3.76	3.94	4.14	3.85	3.78
A/P Turnover	4.77	4.52	5.01	4.91	4.92	4.98
Inventory Turnover	4.96	4.93	4.57	4.38	4.08	4.01
Property ,plant and equipment turnover	6.69	7.53	8.03	9.08	8.79	8.80
Total Assets Turnover	1.12	1.17	1.09	1.16	1.04	1.09
ROA	7.00%	8.14%	9.13%	10.68%	10.69%	10.17%
ROE	13.88%	15.92%	17.80%	20.35%	20.27%	22.58%
Profit before tax to capital	41.75%	50.25%	62.95%	70.85%	71.85%	78.28%
Net Profit Rate	5.76%	6.66%	7.88%	8.99%	9.39%	9.30%
Basic EPS (NT\$)	3.20	3.82	4.53	5.15	5.44	3.13

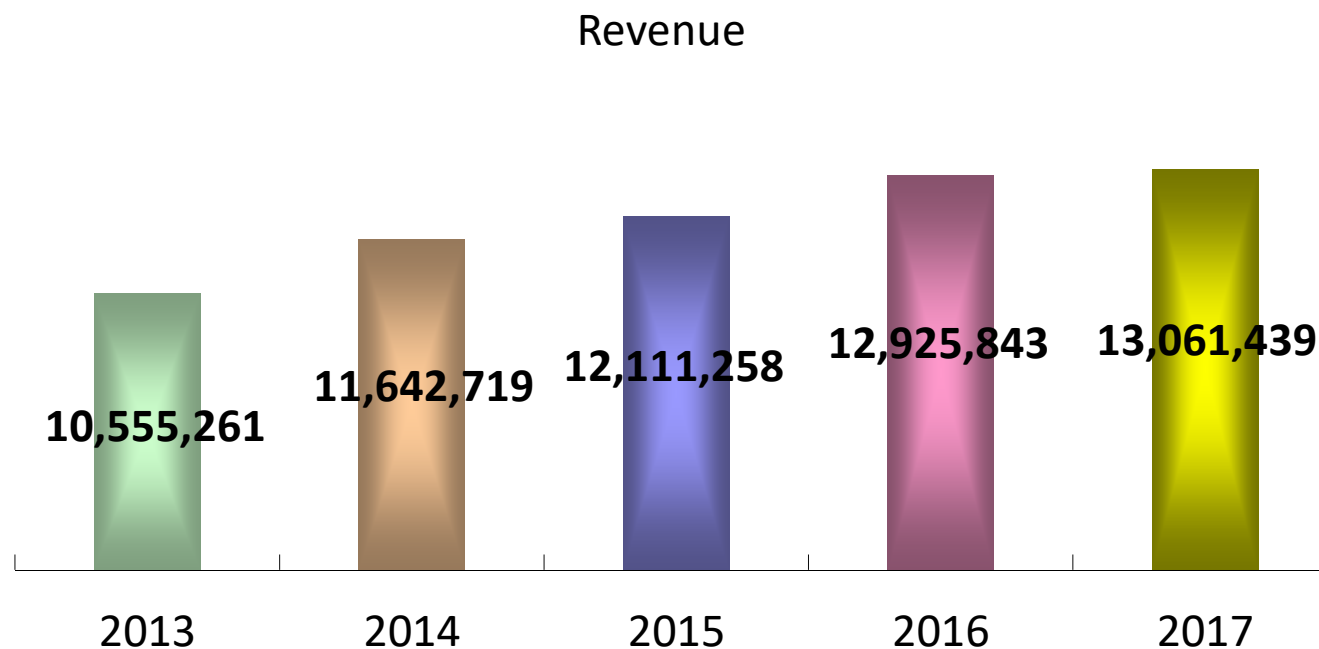
PS: You may download completed financial statements at <http://www.sinbon.com/investor-relations/financial-statement/>

Financial Records

do the MAGIC+

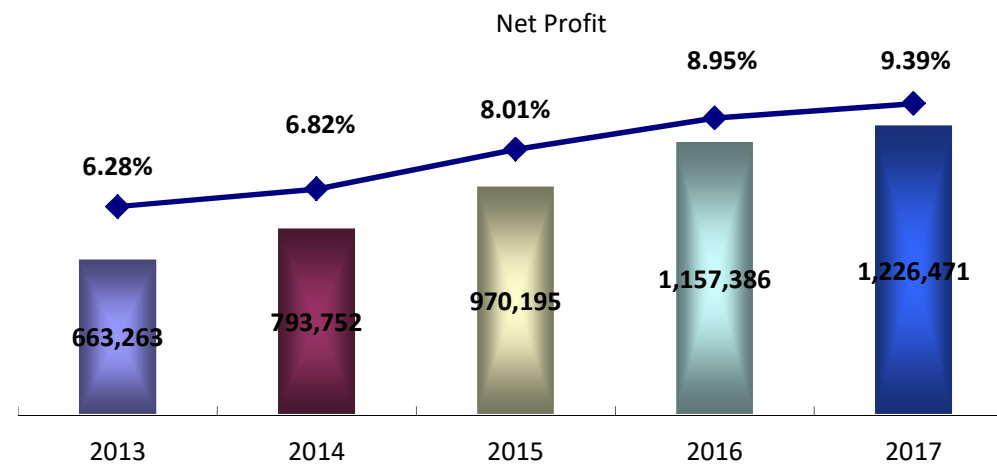
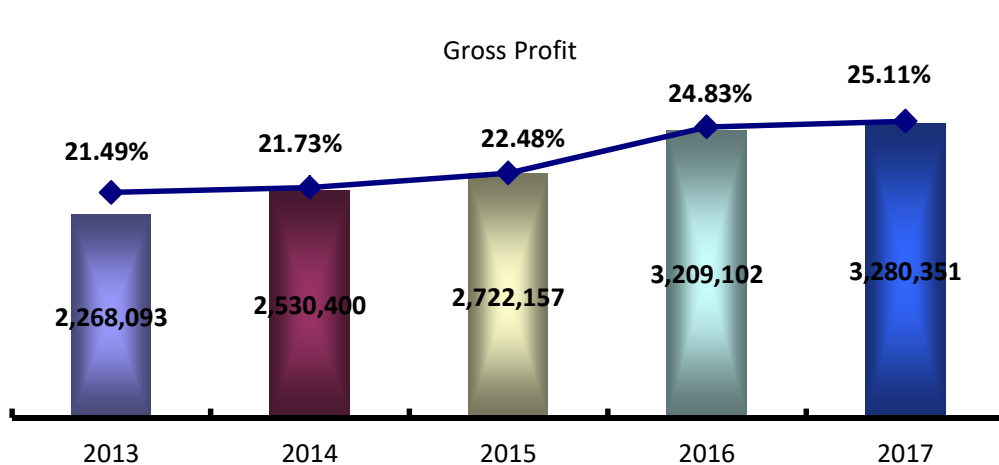
REVENUE ACHIEVEMENTS

NTD in thousand



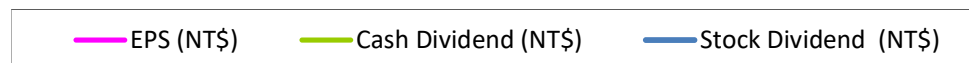
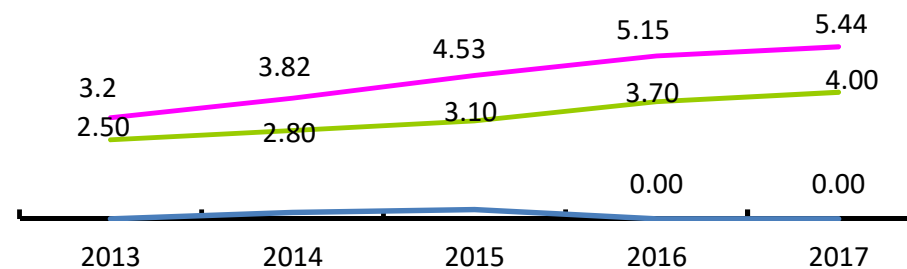
PROFITABILITY

NTD in thousand



LAST 5-YEAR DIVIDEND POLICY

	2013	2014	2015	2016	2017
EPS (NT\$)	3.2	3.82	4.53	5.15	5.44
Cash Dividend (NT\$)	2.50	2.80	3.10	3.70	4.00
Stock Dividend (NT\$)	0.00	0.20	0.30	0.00	0.00
Total Dividend	2.50	3.00	3.40	3.70	4.00
Payout Ratio	78%	79%	75%	72%	74%
Annual Avg. Stock Price	30.52	48.9	53.82	69.3	75.83
Yield	8.19%	6.13%	6.32%	5.34%	5.27%



Business Outlook

do the MAGIC+

DO THE MAGIC⁺

Solution Services in Five Fields



Medical Health



Automotive & Aviation



Green Energy



Industrial Application



Communication

do the **MAGIC⁺**

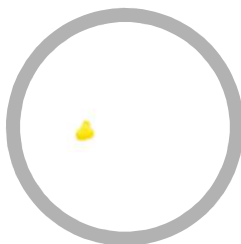
Intelligent / Integrated / International



MEDICAL HEALTH

APPLICATIONS

Diagnostic Imaging Equipment
Aesthetic Equipment
Patient Monitor
Fitness Equipment
Electric Bicycle
Massage Equipment



MAJOR CUSTOMERS

Carestream
Family
GE Healthcare
JOHNSON
Lumenis
Medtronic
Neusoft
Philips
Toshiba
United Imaging



AUTOMOTIVE & AVIATION

APPLICATIONS

Electric Vehicle Charging System
Automotive Applications
Parking-related System
Motorsport
Aviation



MAJOR CUSTOMERS

Delphi
Denso
Fujitsu
Honda
HTK
Lear
Magna
Mitsubishi
Nissan
TTE





GREEN ENERGY



APPLICATIONS

Wind Energy
Solar Energy
Smart Grid



MAJOR CUSTOMERS

APS
Enphase
Envision
Gamesa
GE
Goldwind
Guoxuan High-tech
NEGO
Siemens
SunPower
Trinasolar
Vestas



INDUSTRIAL APPLICATION

APPLICATIONS

Energy Distribution
Automation & Control
Construction & Transportation
Industrial Robot
High Precision Equipment

Material Handling
Field Engineering
Safety & Security
Data Capture



MAJOR CUSTOMERS

ASML
Datalogic
Dover
HAAS
Honeywell
Husmann
Parker
Schneider
Siemens
Trimble
Xplore
Zebra



COMMUNICATION

APPLICATIONS

RF Applications
Mobile Device
Digital Home
Antennas (design & manufacturing)

IoT (consumer & industrial)
Data Centers
Telecom
Fiber Optics



MAJOR CUSTOMERS

ASUS
Belden
CommScope
Datwyler
DJI
Garmin
Hisense
Lenovo
Letv
Logitech
R&M
Vivo

OUR MAGIC SERVICE TO MEET YOUR NEEDS

Business Coverage



Medical Health



Automotive & Aviation



Green Energy



Industrial Application



Communication



Component



Cable assembly



PCB assembly



Box build



System integration



In progress



thank you

danke děkuji ありがとう merci gracias
grazie kiitos הודות köszöni tak tack