



宏致電子股份有限公司

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ACES ELECTRONIC COMPANY PROFILE Second Quarter 2009 Results

2009/09/01



知識 視野・價值 態度・承諾 執行力



Agenda

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Part 1 : Company Overview

Part 2 : Product Introduction and Applications

Part 3 : Revenue Record

Part 4 : Financial Results



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Part 1

Company Overview



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Company Overview

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- Established: Nov, 1996
- Capital: NTD 860 Million
- Employees: 7,095 (June., 2009)
- Headquarters: Taoyuan, Taiwan
- Affiliates: ACES Dongguan, ACES Kunshan, ACES Singapore and ACES Trading
- Main products: Fine pitch and high density electrical connectors for portable electrical devices
- Certification: ISO9001, ISO14001, TL9000, UL, ...



Plants Overview

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	ACES TAIWAN	ACES DONG GUAN	ACES KUN SHAN	ACES KS QingYang
Outlook				
Function	Marketing Sales Product design Tooling design/Fabrication Molding Assembly	Sales Tooling Design/Fabrication Molding Stamping Assembly	Tooling Design/Fabrication Stamping Assembly	1st Phase Opening: 10/24, 2007 2nd Phase Opening: 9/20/2008 Sales Molding Assembly
Employee (2009.06)	228	1,831	5,032	



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Part 2

Product Introduction and Applications



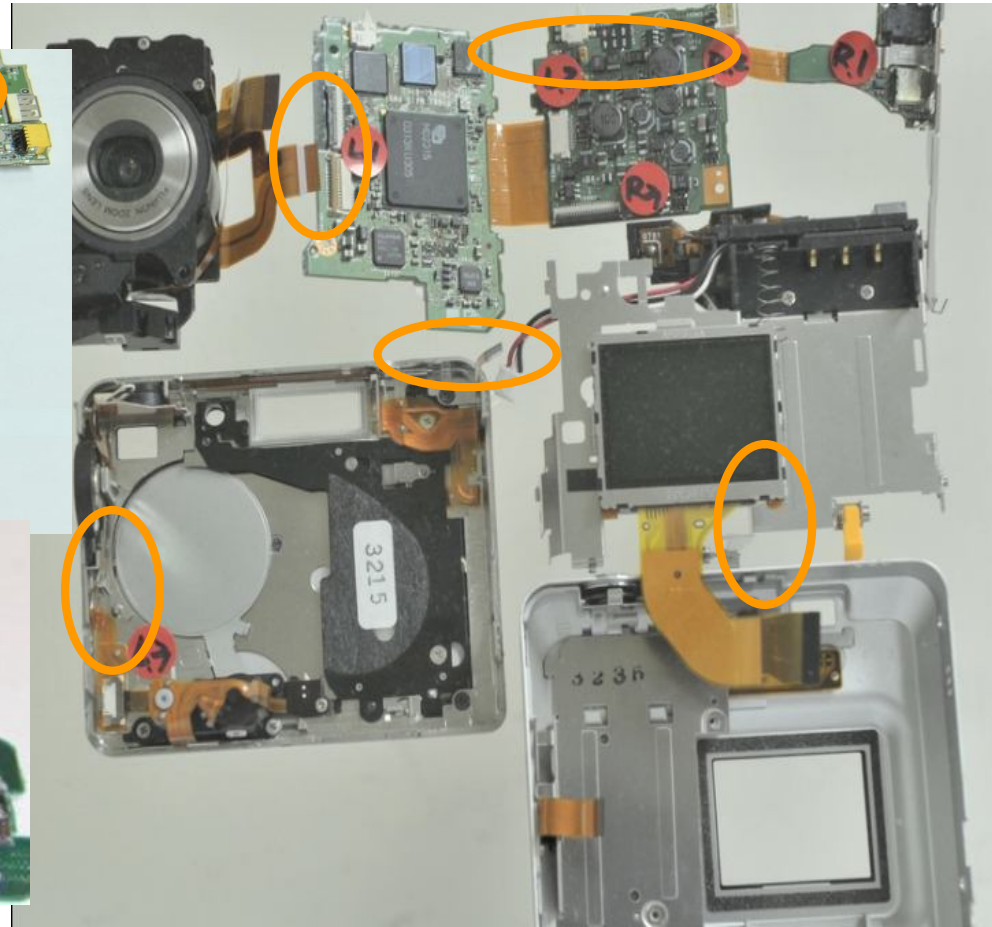
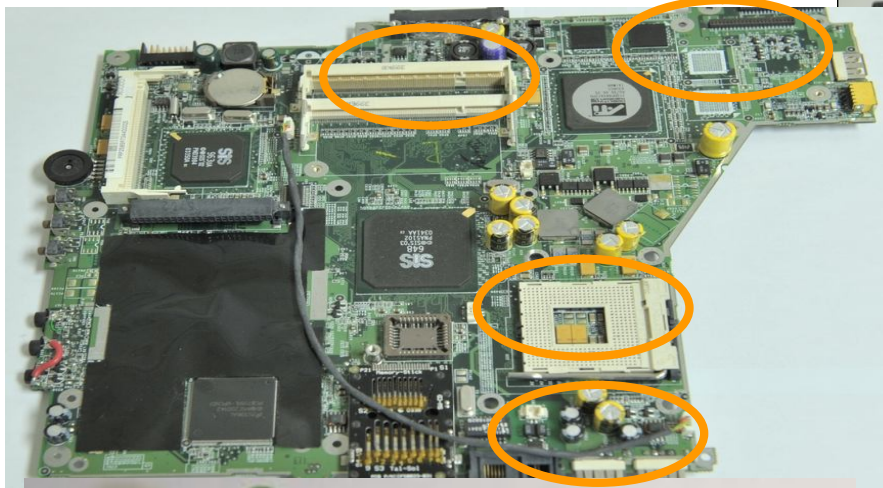
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Product Introduction

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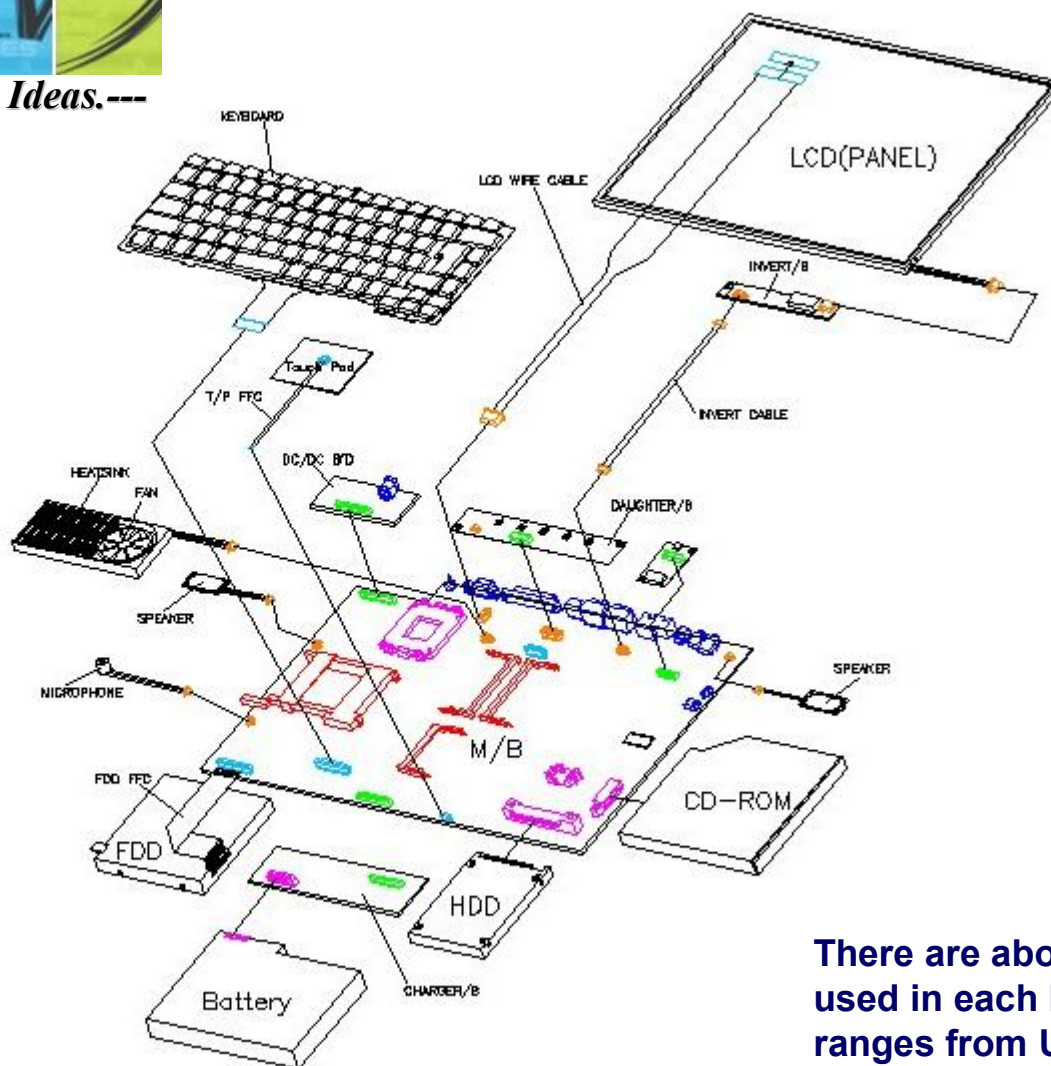
Aces' connectors can be used for different types of electronic products to connect electrical power and signals between subsystems.





Product Introduction

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BTB CONN.

WTB CONN.

FPC/FFC CONN.

CARD CONN.

I/O CONN.

OTHERS

There are about 35-45pcs of connectors used in each Notebook PC. Overall cost ranges from USD9 to USD15, depending on different types of design in each product.



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Product Applications





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Main Customers

- **All NB makers in Taiwan are Aces' customers.**
- **Aces' major customers are all leading suppliers in each territory.**



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Part 3

Revenue Record

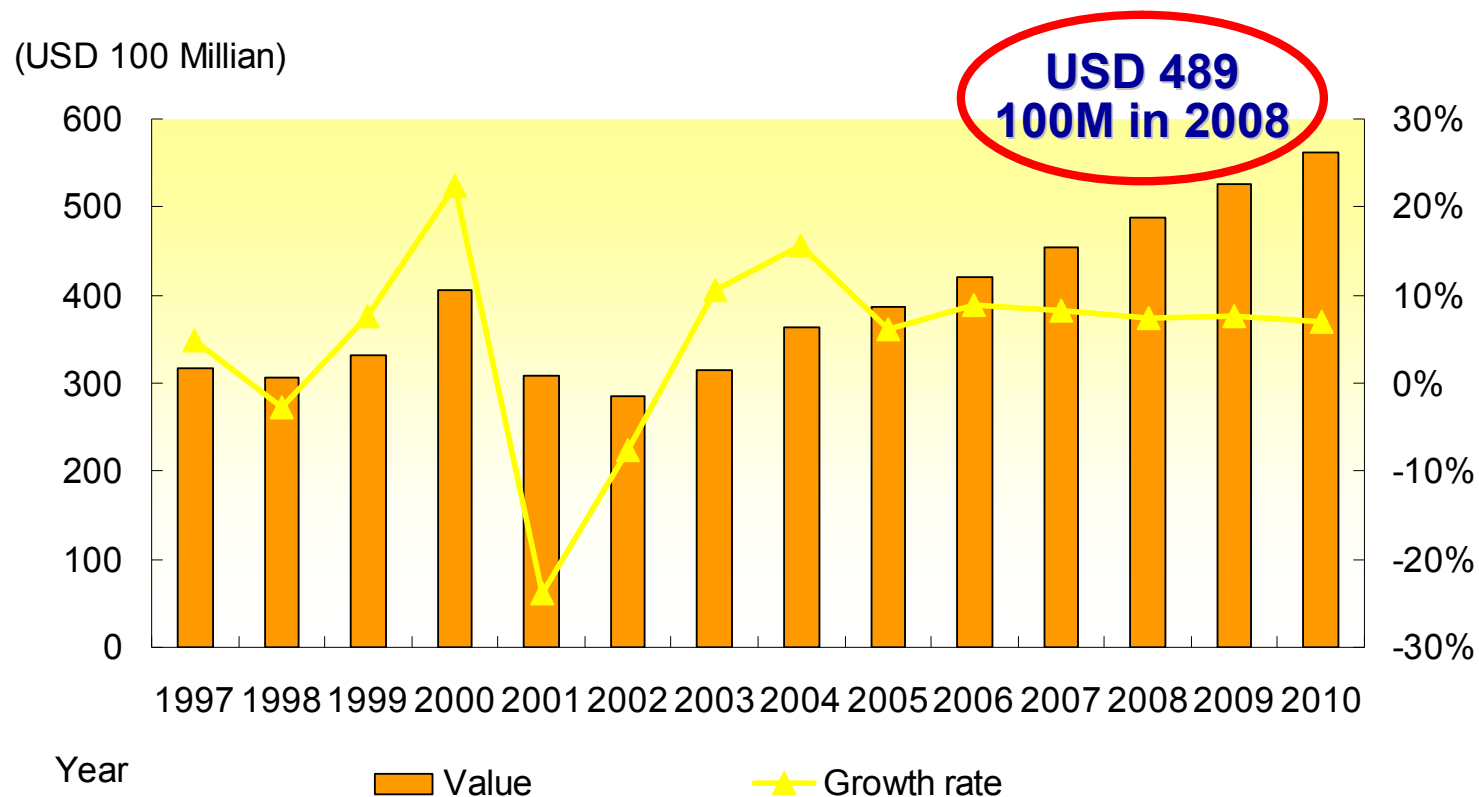


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Global Connector Production Value

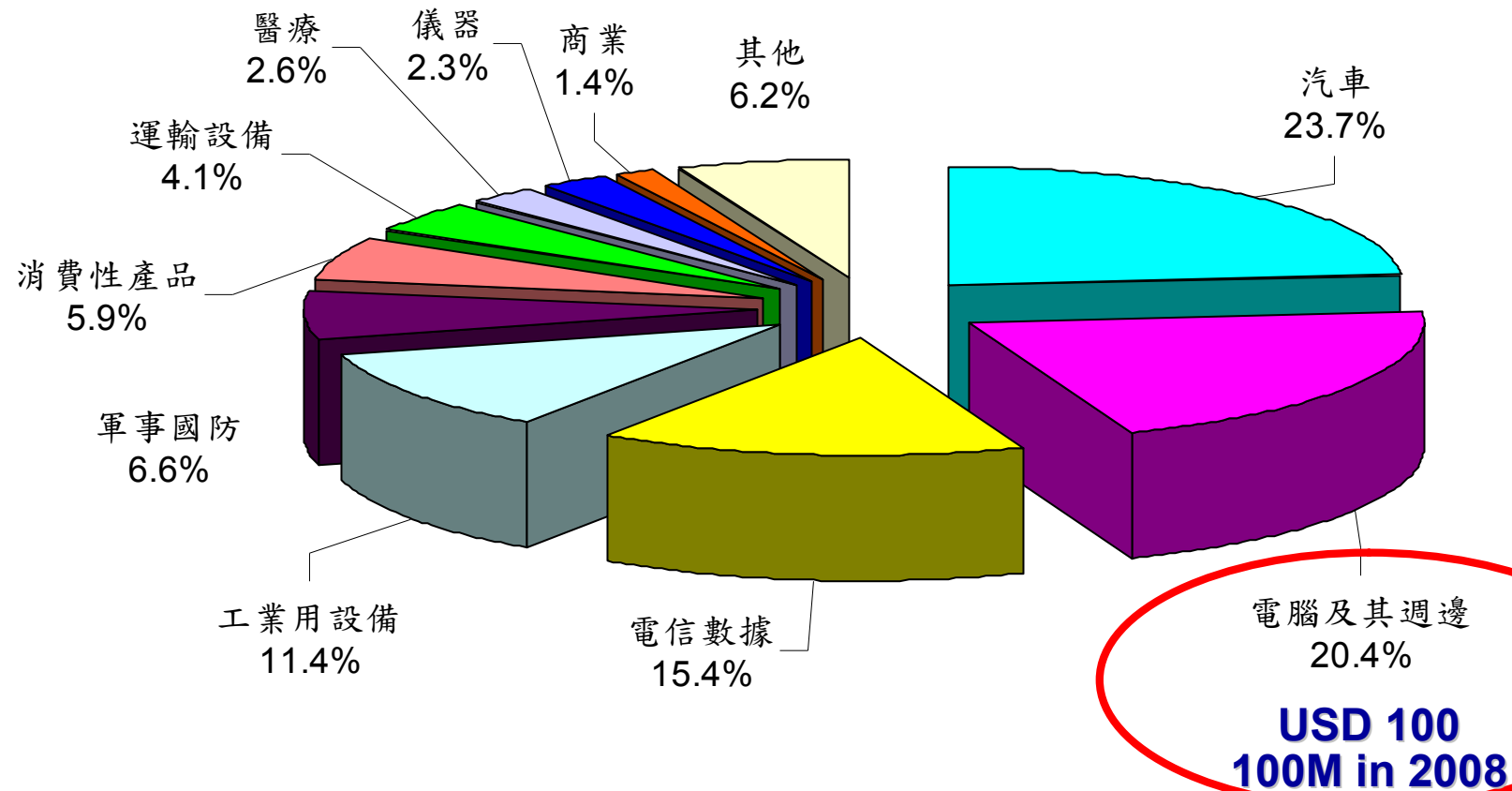


Resource : IEK(2008/04)



Global Product Applications

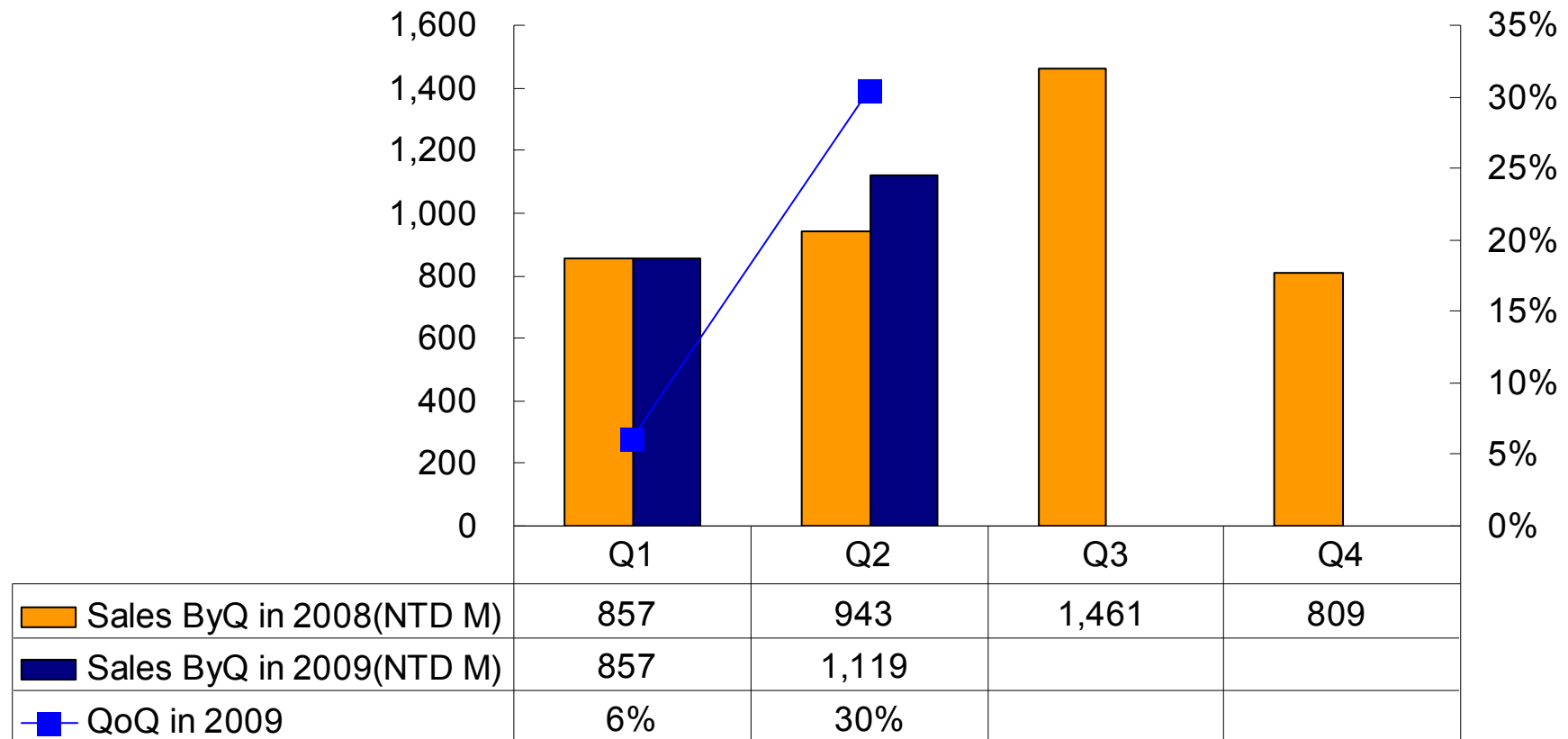
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Resource : IEK (2008/04)



Consolidated Revenue (QoQ)





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Part 4

1H 09 Financial Results



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Income Statement-YoY Comparison

Unit: NT\$ Thousand (Except Per Share Data)

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	H1'09 (Audited)		H1'08 (Audited)		YoY Change %
Net Sales	1,976,026	100.0%	1,800,183	100.0%	9.8%
Cost of Goods Sold	-1,205,998	-61.0%	-1,196,060	-66.4%	
Gross Profit	770,028	39.0%	604,123	33.6%	27.5%
Operating Expenses	-291,919	-14.8%	-285,359	-15.9%	
Operating Income (Loss)	478,109	24.2%	318,764	17.7%	50.0%
Net Non-operating Income	18,367	0.9%	-52,334	-2.9%	
Income (Loss) before Tax	496,476	25.1%	266,430	14.8%	86.3%
Income Tax Benefit (Expense)	-32,087	-1.6%	-87,058	-4.8%	
Minority interest income	1,355	0.1%	-16	-0.0%	
Net Income (Loss)	465,744	23.6%	179,356	10.0%	159.7%
Basic EPS (NT\$) ^(a)	NT\$5.65		NT\$2.30		
EPS (NT\$) ^(b)	NT\$5.42		NT\$2.30		
Depreciation & Amortization	111,058	5.6%	55,219	3.1%	101.1%
Revenue from sale of scraps	62,257	3.2%	84,883	4.7%	-26.7%
EBITDA (Operating Income + D&A)	589,167	29.8%	373,983	20.8%	57.5%

(a) 2008、2009H1 Basic EPS were calculated based on total weighted average outstanding shares of 78,073k and 82,384K

(b) 2008、2009H1 Basic EPS were calculated based on total outstanding shares of 78,073k and 85,953K



Income Statement-QoQ Comparison

Unit: NT\$ Thousand (Except Per Share Data)

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	Q2'09 (Audited)		Q1'09 (Unaudited)		QoQ Change %
Net Sales	1,118,599	100.0%	857,427	100.0%	30.5%
Cost of Goods Sold	-680,952	-60.9%	-525,046	-61.2%	
Gross Profit	437,647	39.1%	332,381	38.8%	31.7%
Operating Expenses	-160,806	-14.4%	-131,113	-15.3%	
Operating Income (Loss)	276,841	24.7%	201,268	23.5%	37.5%
Net Non-operating Income	-13,944	-1.2%	32,311	3.8%	
Income (Loss) before Tax	262,897	23.5%	233,579	27.2%	12.6%
Income Tax Benefit(Expense)	34,455	3.1%	-66,542	-7.8%	
Minority interest income	1,648	0.1%	-293	-0.0%	
Net Income (Loss)	299,000	26.7%	166,744	19.4%	79.3%
Basic EPS (NT\$) ^(a)	3.63		2.02		
EPS (NT\$) ^(b)	3.48		1.94		
Depreciation & Amortization	56,034	5.0%	55,024	6.4%	1.8%
Revenue from sale of scraps	34,888	3.1%	27,369	3.2%	27.5%
EBITDA (Operating Income + D&A)	332,875	29.8%	256,292	29.9%	29.9%

(a) 2008、2009H1 Basic EPS were calculated based on total weighted average outstanding shares of 78,073k and 82,384K

(b) 2009H1 Basic EPS were calculated based on total outstanding shares of 85,953K



Balance Sheet Highlights

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Unit : NT\$ Thousand

	1H'09 (Audited)	1Q'09 (Unaudited)	1H'08 (Audited)	QoQ Change %	YoY Change %
Cash	1,312,207	1,385,211	762,140	-5.3%	72.2%
AR	1,511,140	1,110,546	1,319,902	36.1%	14.5%
Inventory	294,971	249,356	349,915	18.3%	13.0%
Short Term Debt	54,010	212,420	227,674	-74.6%	-76.3%
Capital	947,822	859,534	780,734	10.3%	21.4%
Equity	2,865,220	2,885,570	1,781,931	-0.7%	60.8%
Total Assets	4,709,800	4,315,990	3,797,600	9.1%	24.0%

Inventory Turnover (Days) ^(a)	38	40	43
AR Turnover (Days)	131	129	134
Total Liability to Total Assets	39%	33%	53%
Debt to Equity	64%	50%	113%
Net Debt to Equity	59%	42%	100%
ROE	18%	6%	10%

(a) Annualized, calculated by dividing the average inventory into the cost of goods sold during such period, then multiplying by 365 days.



Cash Flow Highlights

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	1H'09 (Audited)	2Q'09 (Unaudited)	1Q'09 (Unaudited)	1H'08 (Audited)	YoY Change %	QoQ Change %
From Operating	402,041	125,473	276,568	187,816	114.1%	-54.6%
Net Profit (Loss)	464,389	297,352	167,037	179,372	158.9%	78.0%
Depreciation & Amortizatic	108,388	53,364	55,024	55,219	96.6%	-3.0%
From Investment	-177,397	-113,847	-63,550	-330,281	46.3%	79.1%
Capital Expenditure	-168,746	-98,261	-70,485	-347,691	51.5%	39.4%
From Financing	61,704	-57,344	119,048	147,728	-58.2%	-148.2%
Issued shares	248,160	0	248,160	0		
Short Term Debt	-186,456	-57,344	-129,112	147,728	-226.2%	-55.6%
Cash Balance	1,312,207	1,312,207	1,385,211	762,140		
Free Cash Flow	224,644	11,626	213,018	-142,465		

(=Operating+ Investment Cashflow)



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力求務實
向不可能的任務挑戰

ACES

Let's touch the world.

Thank you!