

CHENG SHIN RUBBER IND. CO., LTD.



瑪吉斯輪胎

Investor Conference

2013.04.10



愛惜台灣 Made in Taiwan



Safe Harbor Notice

This presentation is based on the information obtained from various sources which the Company believes to be reliable. But at some point in the future, there are a variety of factors which could cause actual results to differ materially from those statements. Therefore, please refer to the information on MOPS website as the main basis if any adjustment has been made. (<http://mops.twse.com.tw/mops/web/index>)

Agenda

- **Opening** Mr. Wu, Hsuan Miao / Vice President
- **Operating Results** Mr. Lo, Yung Li / Director
- **Outlook** Mr. Lo, Yung Li / Director
- **Q & A** Mr. Wu, Hsuan Miao / Vice President
Mr. Lo, Yung Li / Director

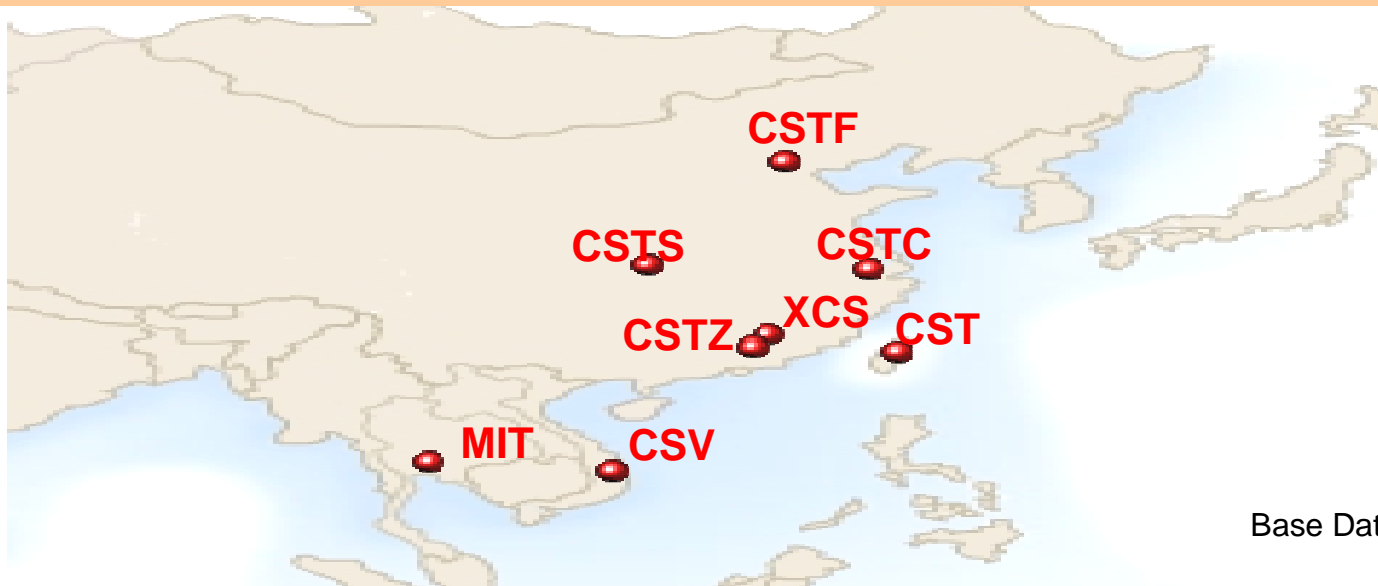


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Operating Results

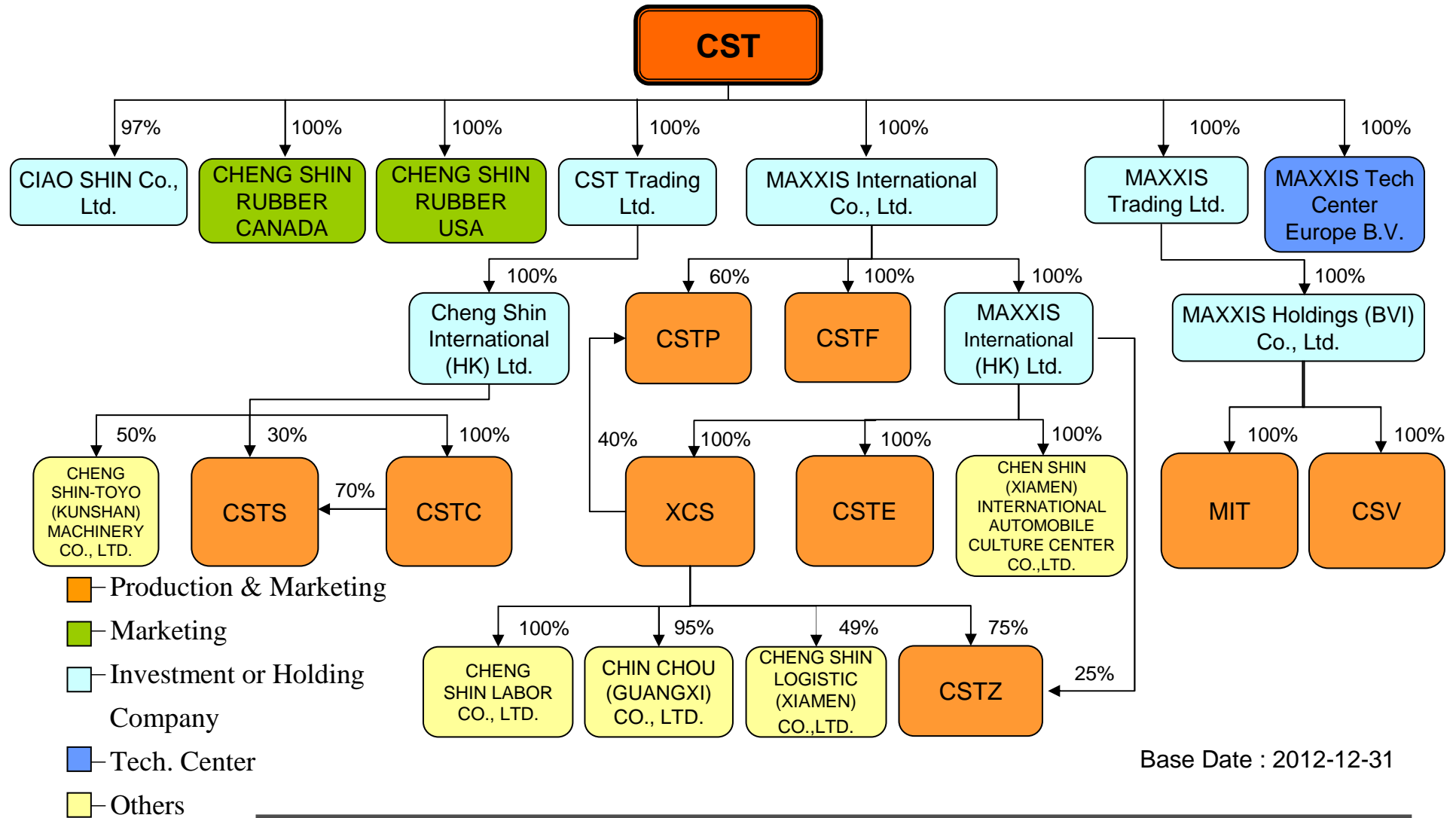
Company Introduction

Foundation:	Jan, 1967	IPO:	Dec, 1987
Headquarters:	Chunghwa, TW	Capital:	NT\$ 28.186 billion
Chairman:	Luo, Jye	Number of employees: 4,700 (Taiwan) 28,900 (Global)	
President:	Chen, Yun-Hwa		



Base Date : 2012-12-31

Organization Chart



Base Date : 2012-12-31

Income Statement Overview

(Unconsolidated)

Unit : NT\$ million

	2012		2011	
	Amount	%	Amount	%
NET SALES	25,094	100	24,461	100
COST OF GOODS SOLD	(20,118)	(80)	(20,568)	(84)
GROSS PROFIT BEFORE AFFILIATES ELIMINATION	4,976	20	3,893	16
GROSS PROFIT	4,924	20	3,956	16
OPERATING EXPENSES	(3,380)	(14)	(2,943)	(12)
INCOME FROM OPERATIONS	1,544	6	1,013	4
NON-OPERATING INCOME AND GAINS	16,393	65	8,707	36
NON-OPERATING EXPENSES AND LOSSES	(580)	(2)	(351)	(2)
INCOME BEFORE INCOME TAX	17,357	69	9,369	38
NET INCOME	15,894	63	8,536	35
EARNINGS PER SHARE (NT\$)	5.64		3.03	

Source : CST Financial Report

Balance Sheet Overview

(Unconsolidated)

Unit : NT\$ million

	2012		2011	
	Amount	%	Amount	%
Cash and cash equivalents	4,071	4	1,994	3
Inventories	2,718	3	2,714	3
Long-term investments	63,607	69	53,676	69
Net property, plant and equipment	17,232	19	14,280	18
Total Assets	92,974	100	78,363	100

	2012		2011	
	Amount	%	Amount	%
Current Liabilities	7,266	8	4,846	6
Long-Term Liabilities	19,988	21	18,800	24
Total Shareholders' Equity	62,880	68	51,825	66
Total Liabilities and Shareholders' Equity	92,974	100	78,363	100

Source : CST Financial Report

Cash Flow Statement Overview

(Unconsolidated)

Unit : NT\$ million

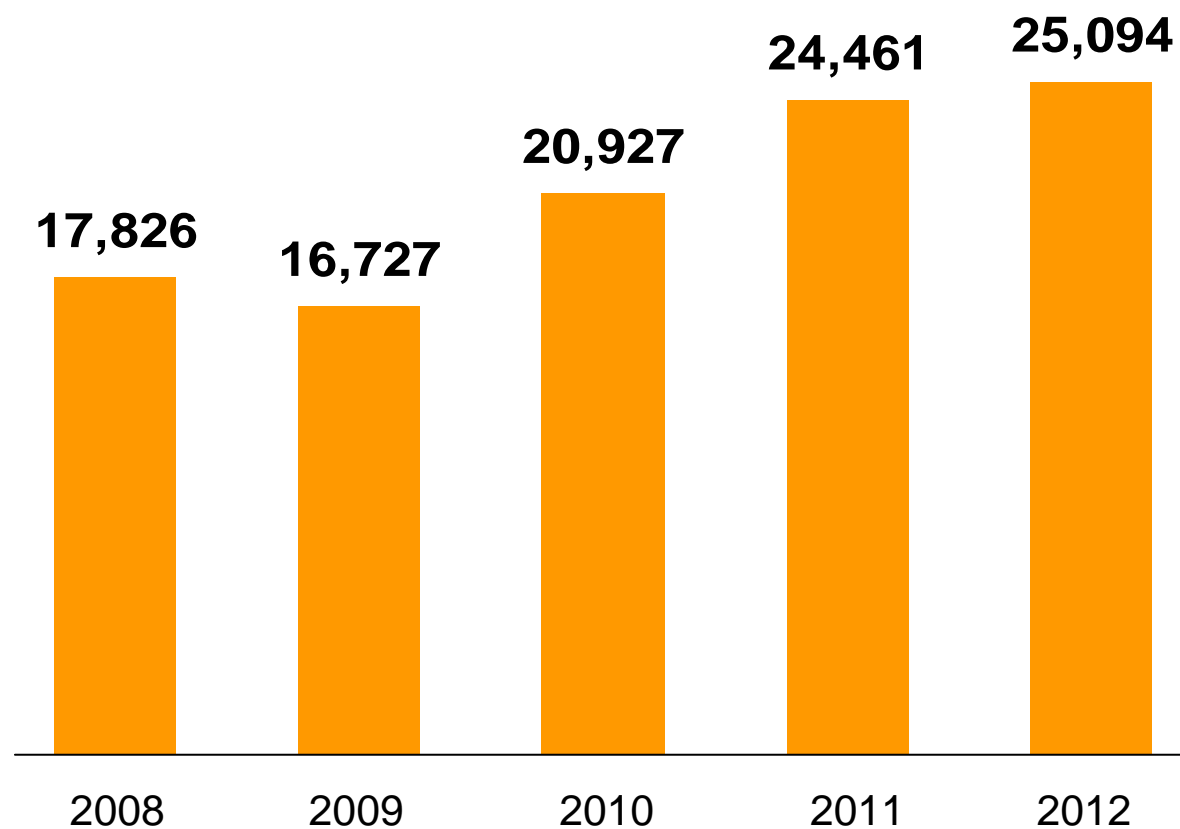
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES	5,935	3,951
Net Income	15,894	8,536
Depreciation and amortization	1,251	1,036
Cash dividends received from equity method investees	3,173	3,717
Equity in earnings of equity method investees, net	(14,737)	(7,290)
CASH FLOWS FROM INVESTING ACTIVITIES	(3,628)	(5,389)
Acquisitions of Property, plant and equipment	(4,767)	(5,664)
CASH FLOWS FROM FINANCING ACTIVITIES	(273)	849
Increase (decrease) in loans	3,188	4,970
Cash dividends	(3,461)	(4,121)

Source : CST Financial Report

Revenues

(Unconsolidated)

Unit : NT\$ million

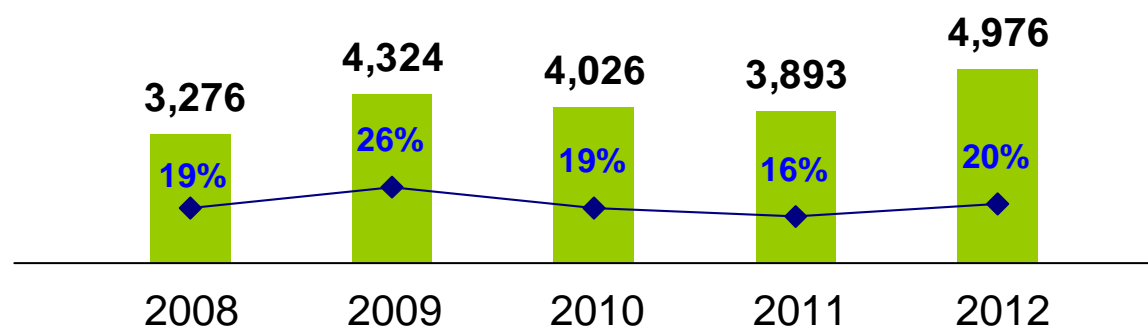


Source : CST Financial Report

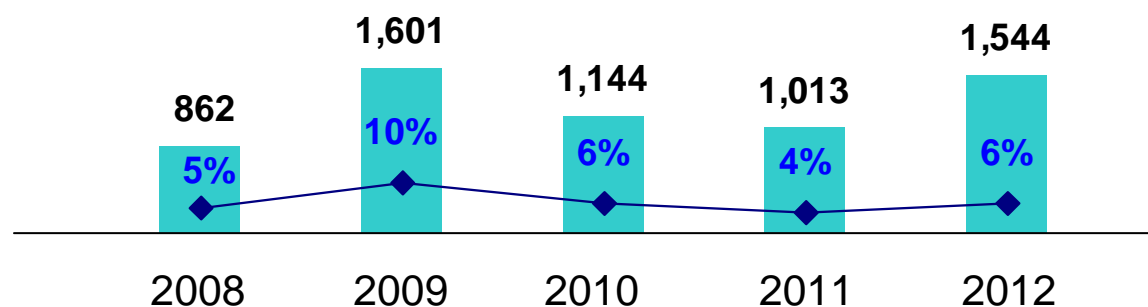
Gross Profit and Operating Income (Unconsolidated)

Unit : NT\$ million & % of sales

Gross Profit & % of sales



Operating Income & % of sales



Source : CST Financial Report

Income Statement Overview

(Consolidated)

Unit : NT\$ million

	2012		2011	
	Amount	%	Amount	%
NET SALES	130,269	100	119,960	100
COST OF GOODS SOLD	(99,601)	(76)	(98,867)	(82)
GROSS PROFIT	30,668	24	21,093	18
OPERATING EXPENSES	(11,550)	(9)	(9,478)	(8)
INCOME FROM OPERATIONS	19,118	15	11,615	10
NON-OPERATING INCOME AND GAINS	1,728	1	644	-
NON-OPERATING EXPENSES AND LOSSES	(1,460)	(1)	(1,396)	(1)
INCOME BEFORE INCOME TAX	19,386	15	10,863	9
NET INCOME	15,894	12	8,536	7
EARNINGS PER SHARE (NT\$)	5.64		3.03	

Source : CST Financial Report

Balance Sheet Overview

(Consolidated)

Unit : NT\$ million

	2012		2011	
	Amount	%	Amount	%
Cash and cash equivalents	15,612	11	18,604	13
Inventories	20,122	13	20,528	14
Advance payments and construction in progress	15,362	10	21,152	15
Net property, plant and equipment	96,475	64	83,210	58
Total Assets	151,091	100	142,786	100

	2012		2011	
	Amount	%	Amount	%
Current Liabilities	39,464	26	37,319	26
Long-Term Liabilities	44,642	30	50,453	35
Total Shareholders' Equity	63,427	42	52,261	37
Total Liabilities and Shareholders' Equity	151,091	100	142,786	100

Source : CST Financial Report

Statement of Cash Flow Overview

(Consolidated)

Unit : NT\$ million

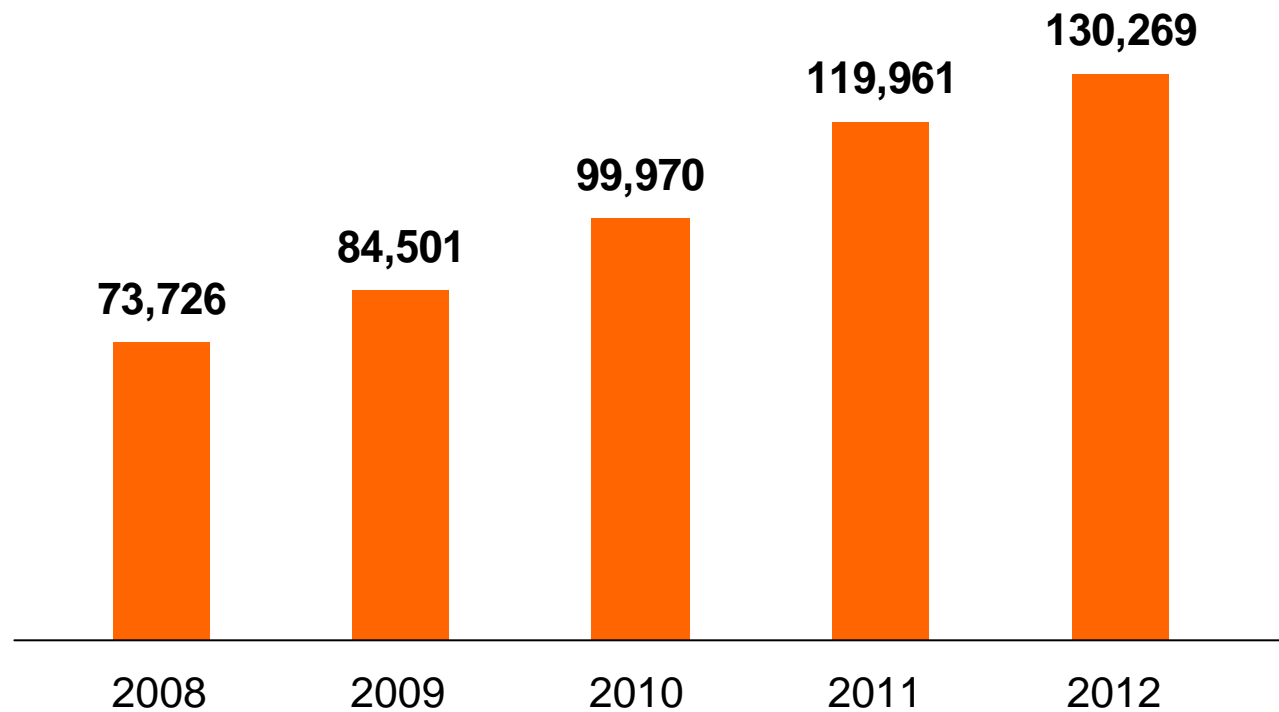
	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES	26,862	6,452
Net income	15,967	8,587
Depreciation and amortization	7,613	6,588
Changes in operating assets and liabilities (note)	1,223	(7,628)
CASH FLOWS FROM INVESTING ACTIVITIES	(23,579)	(28,836)
Acquisitions of Property, plant and equipment	(24,514)	(27,272)
CASH FLOWS FROM FINANCING ACTIVITIES	(5,359)	21,919
Increase (decrease) in loans	(1,910)	25,923
Cash dividends	(3,461)	(4,121)

Note : including Notes and accounts receivable, Receivables from related parties, inventories, Notes and accounts payable, income tax payable, accrued expenses

Source : CST Financial Report

Revenues (Consolidated)

Unit : NT\$ million

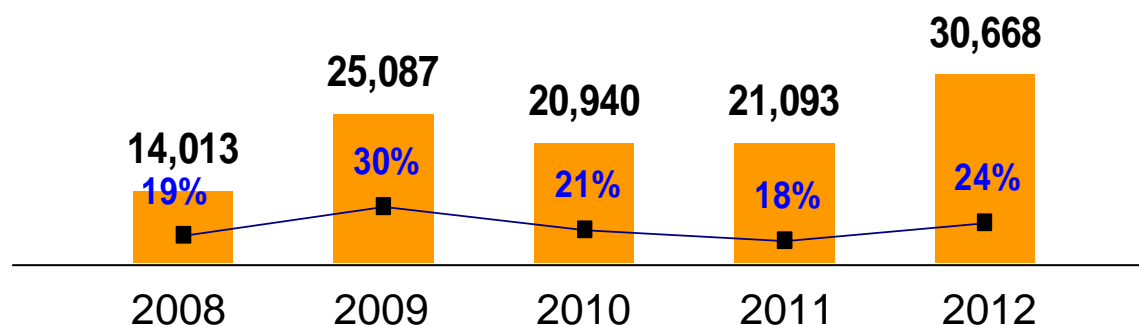


Source : CST Financial Report

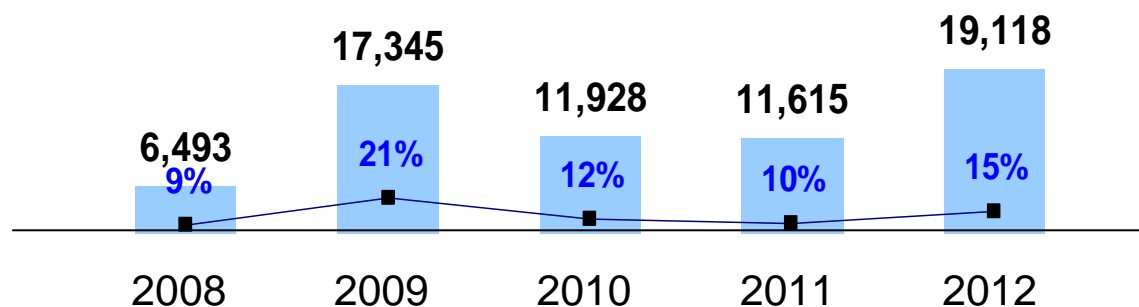
Gross Profit and Operating Income (Consolidated)

Unit : NT\$ million & % of sales

Gross Profit & % of sales



Operating Income & % of sales

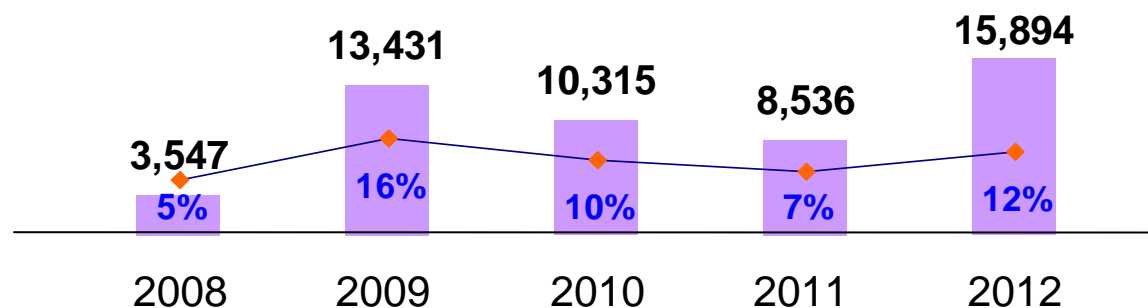


Source : CST Financial Report

Net Income - Attributable to shareholders of the parent (Consolidated) & EPS

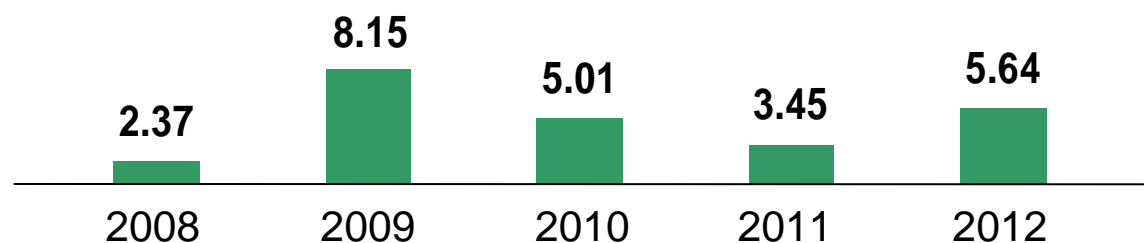
Unit : NT\$ million & % of sales

Net Income - Attributable to shareholders of the parent & % of sales



Unit : NT\$

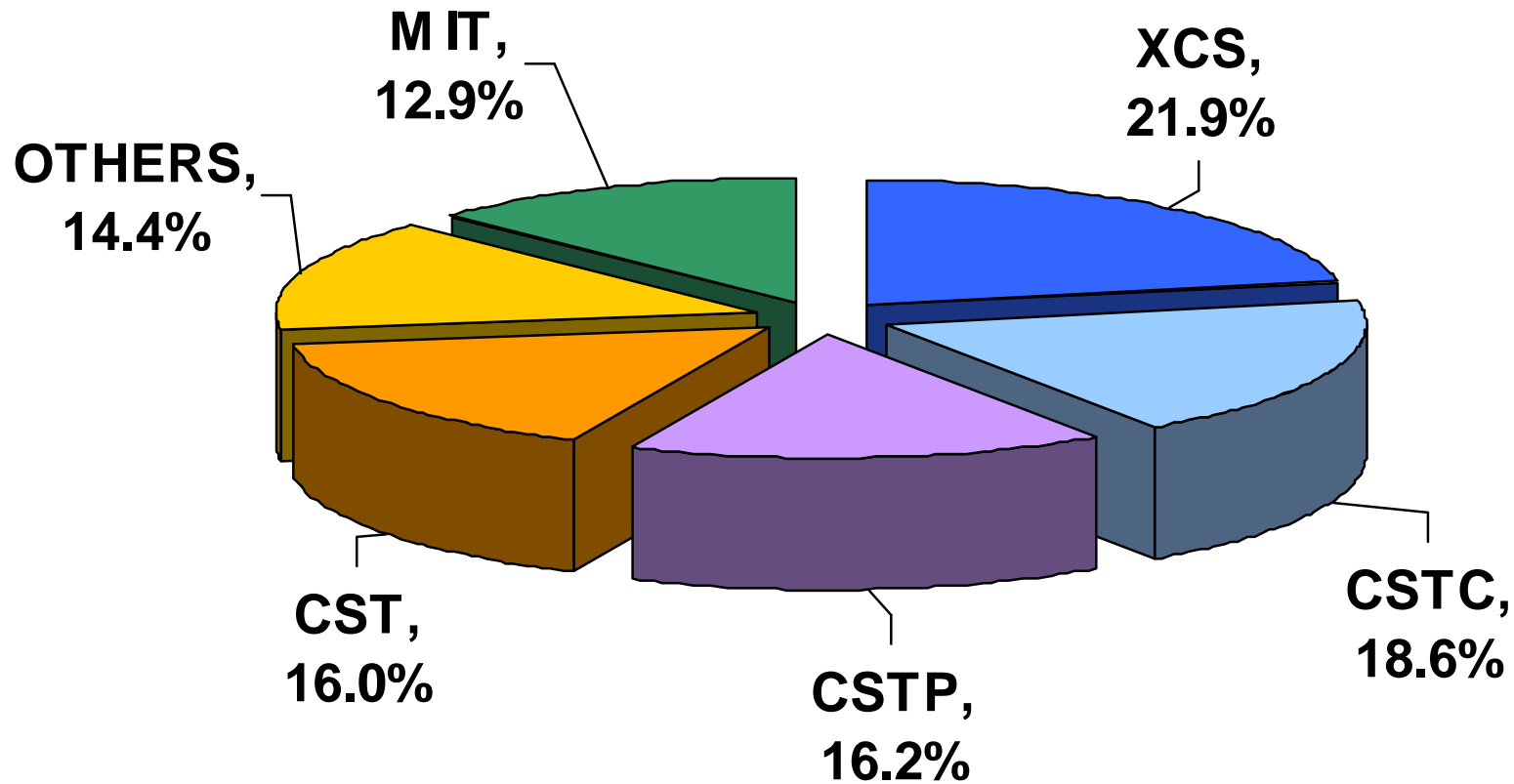
EPS



Source : CST Financial Report

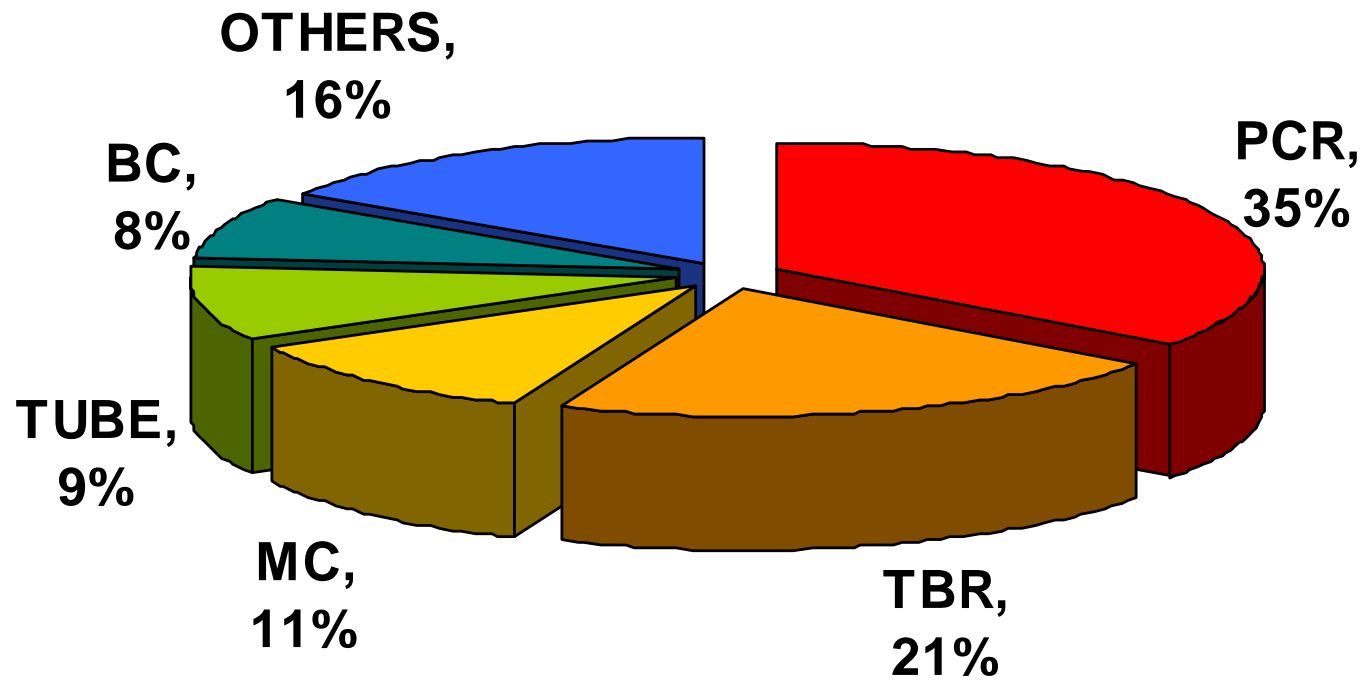
Based on issued shares each year

Revenues by Subsidiary



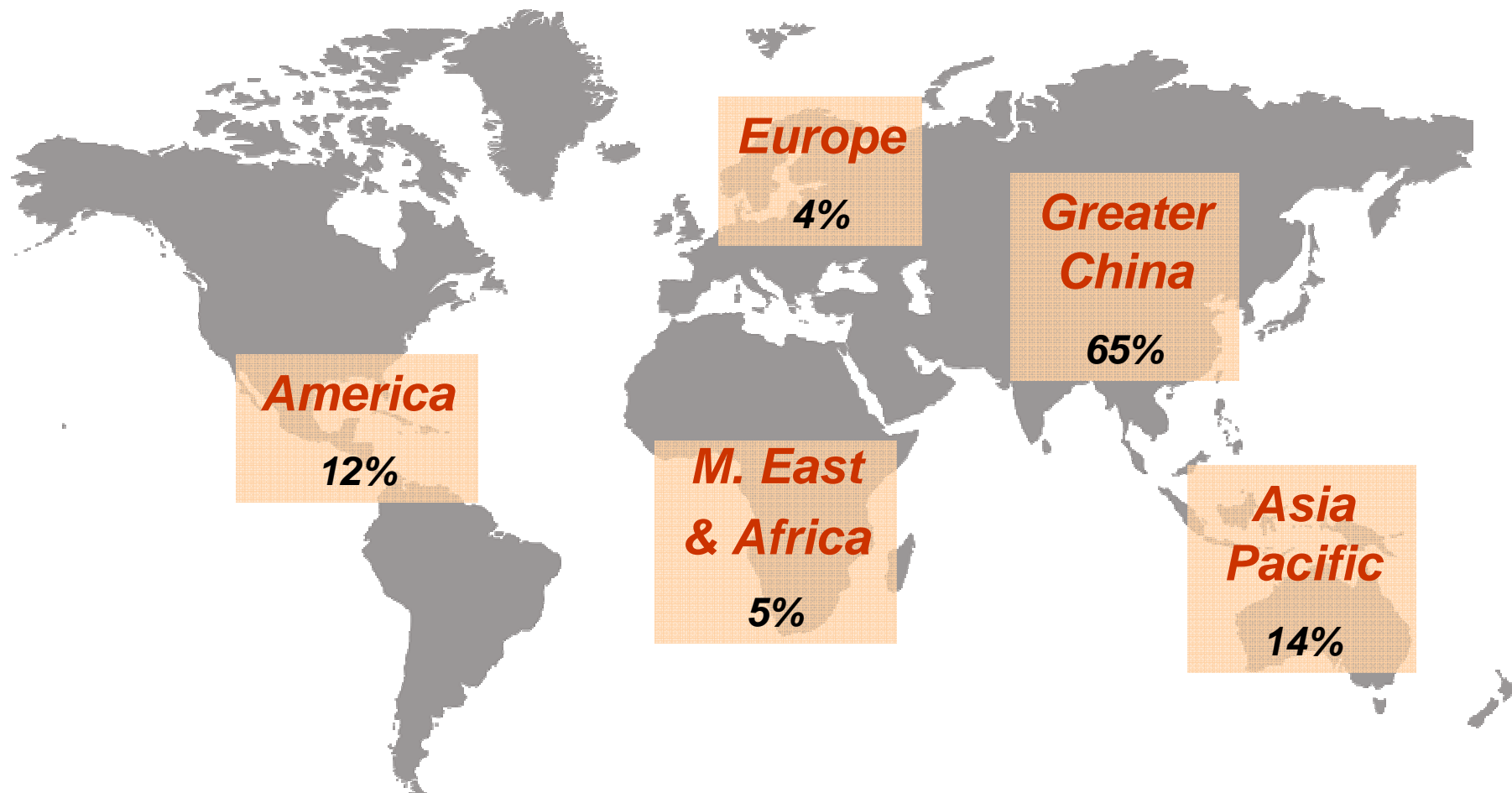
Source : CST Financial Report (Consolidated)(2012)

Revenues by Product



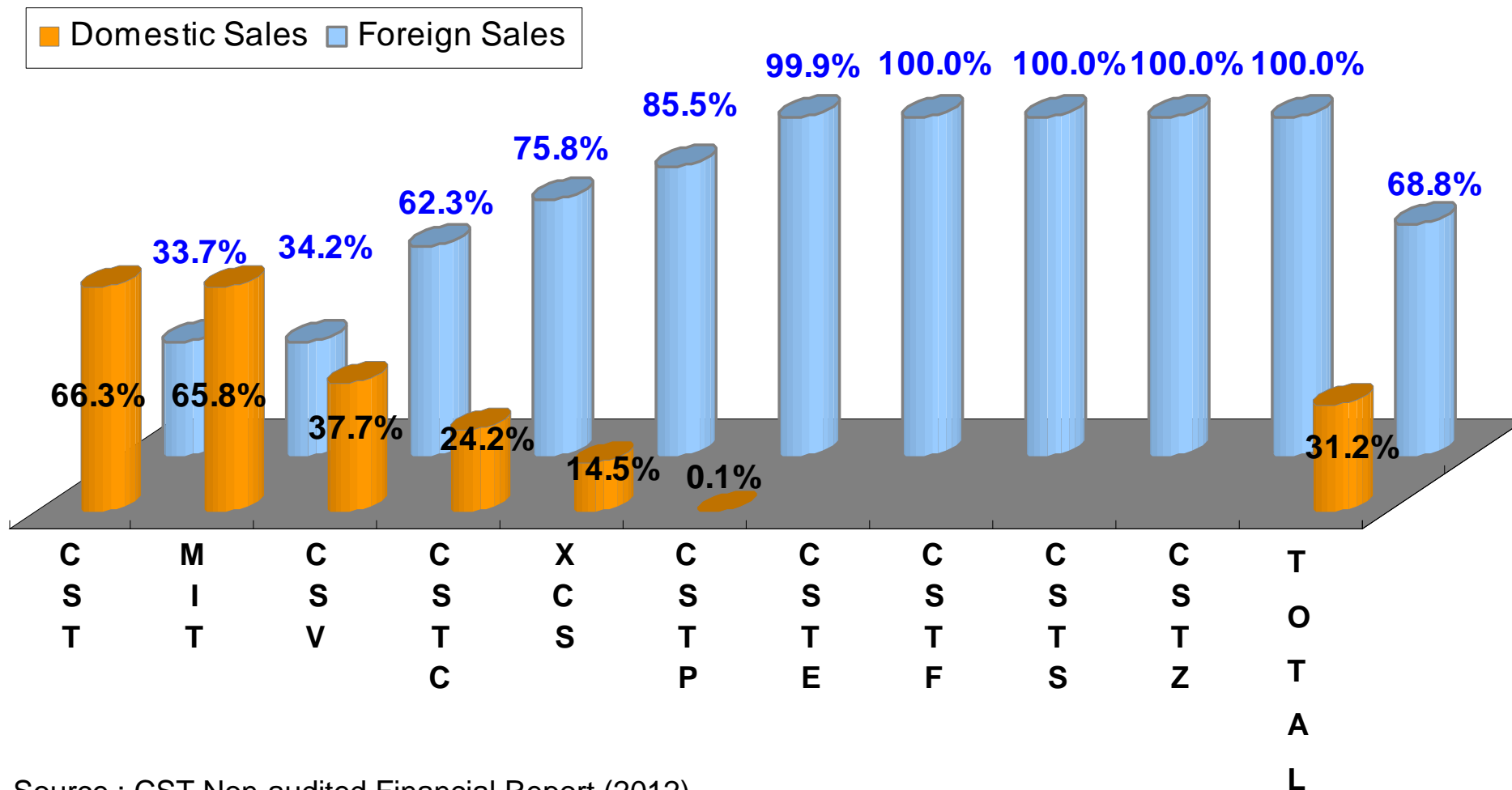
Source : CST Non-audited Financial Report (2012)

Revenues by Region



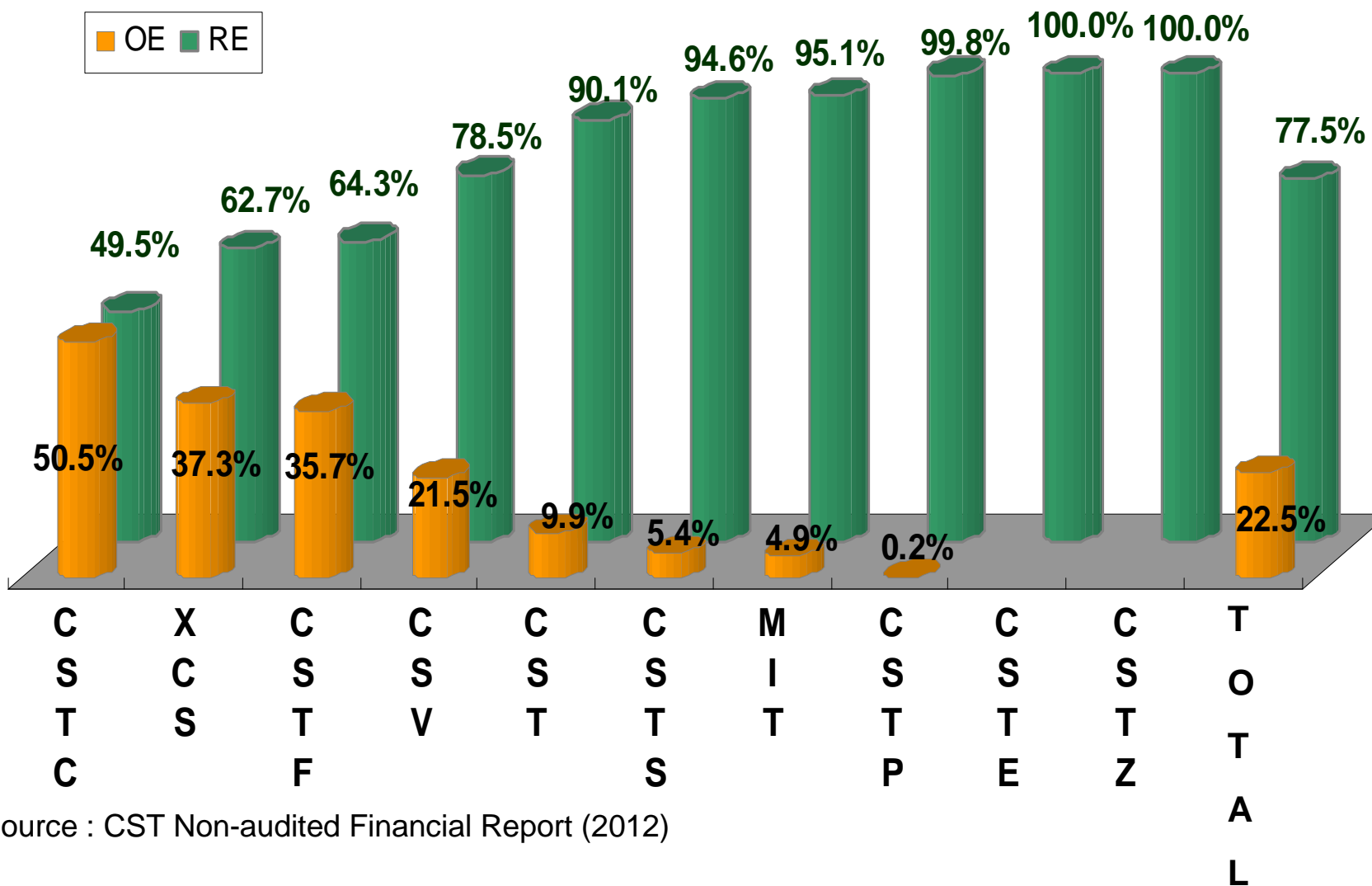
Source : CST Non-audited Financial Report (2012)

Revenues by Domestic & Foreign Sales



Source : CST Non-audited Financial Report (2012)

Revenues by OE & RE Customer



Source : CST Non-audited Financial Report (2012)

Production Configuration

	C S T	X C S	C S T C	C S T P	C S T F	M I T	C S T E	C S V	C S T S	C S T Z
PCR	○	○	○			○			○	
TBR	○		○	○		○				
MC	○	○			○			○		○
BC	○	○			○					○
TUBE	○						○	○		
OTHERS	○	○			○			○		○

Base Date : 2012-12-31

Production Capacity

Unit : thousand pcs / day

Product	Capacity
PCR	131
TBR	14
MC	173
BC	449
TUBE	616
OTHERS	85
TOTAL	1,468

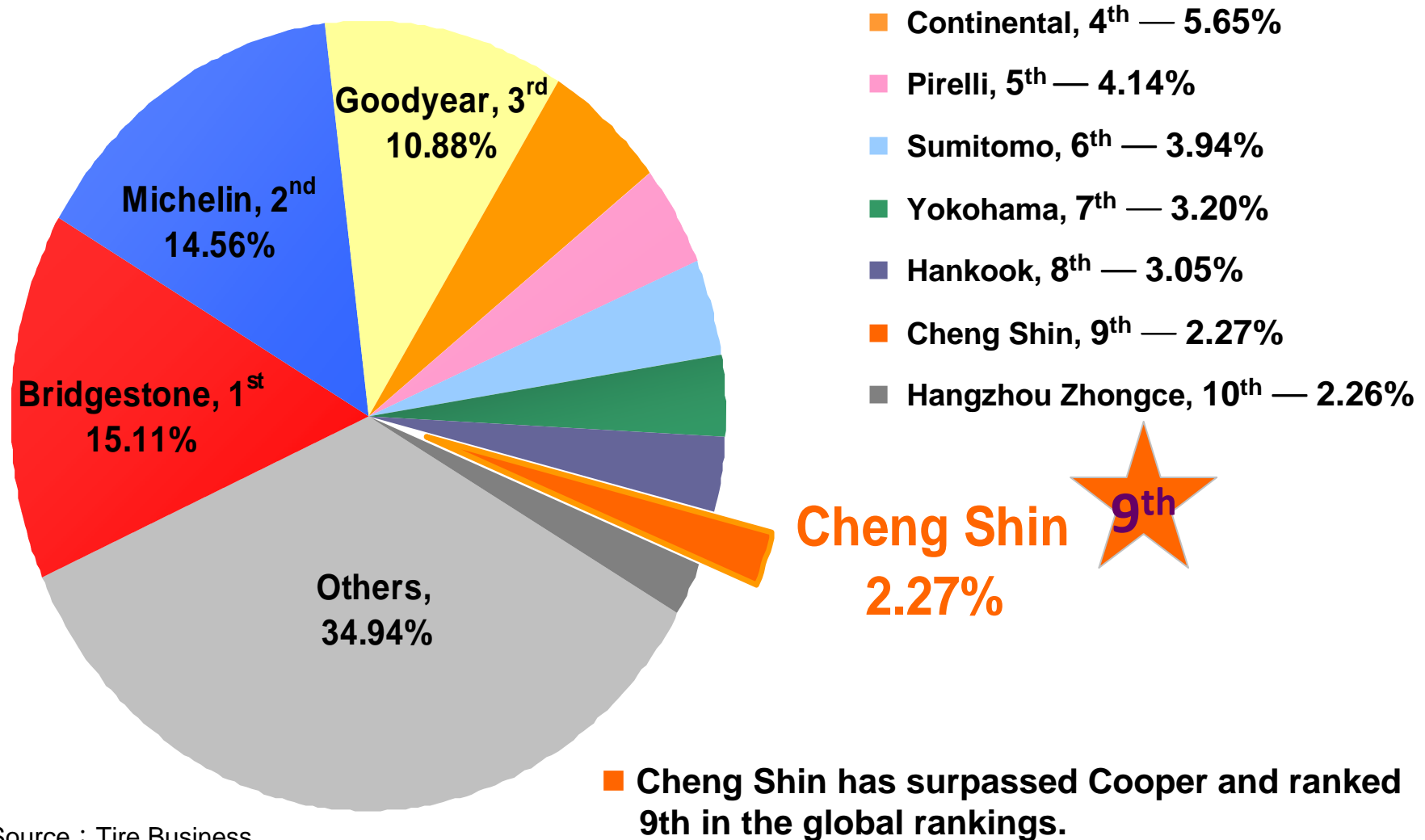
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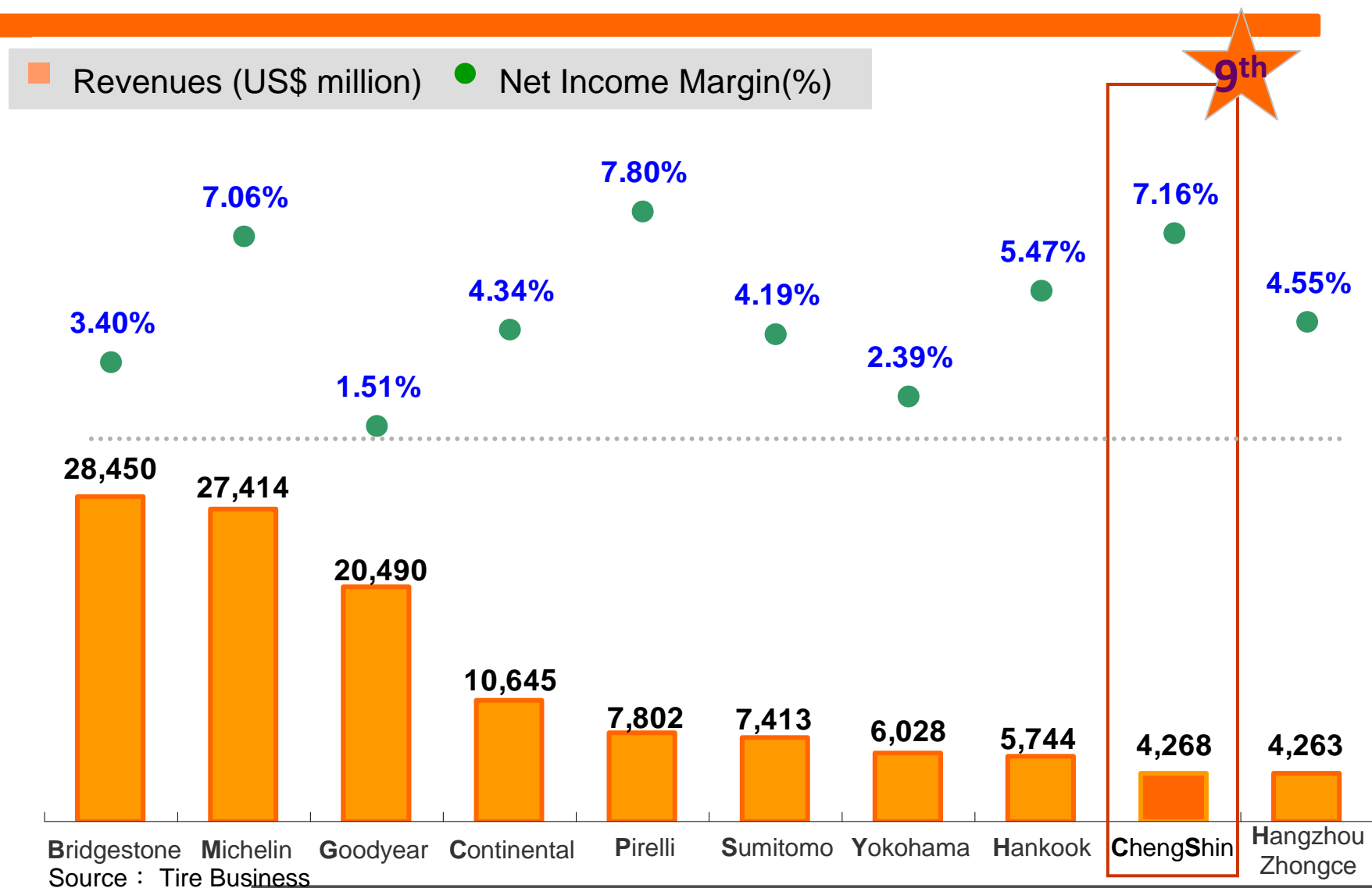
Outlook

Market Share of Global Top 75 Tire Makers (2011)



Source : Tire Business

Revenues of Global Top 10 Tire Makers (2011)



Outlook

- ❖ **Develop expansion program continually, and keep looking for new investment sites.**
- ❖ **Continually set up goals in developing higher quality products that meet safety and environmental standards.**



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Q & A

**Thanks for coming and kindly
appreciate your support.**

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 MOPS website : <http://mops.twse.com.tw/mops/web/index>

