



劍麟股份有限公司  
IRON FORCE INDUSTRIAL CO., LTD.



- This report and released message contains information about corporate prospects, financial updates and sales forecasts, established on the basis of internal resources and external reference sharing. The actual performance may be different from expressed or implied predictions due to uncontrollable and/or unpredictable risks.
- All prospects reflect Iron Force' s expectations toward the future, and may be subject to change and Iron Force reserves the right to alter, update and change relevant information from time to time without prior notice.

# About Iron Force



**Establishment** April 27, 1977

**Employees** 1,900+ (including subsidiaries in China and Germany)

**Share capital** NT\$ 757,802,810

**Management** Chairman: Alan Huang ; President: Hank Huang

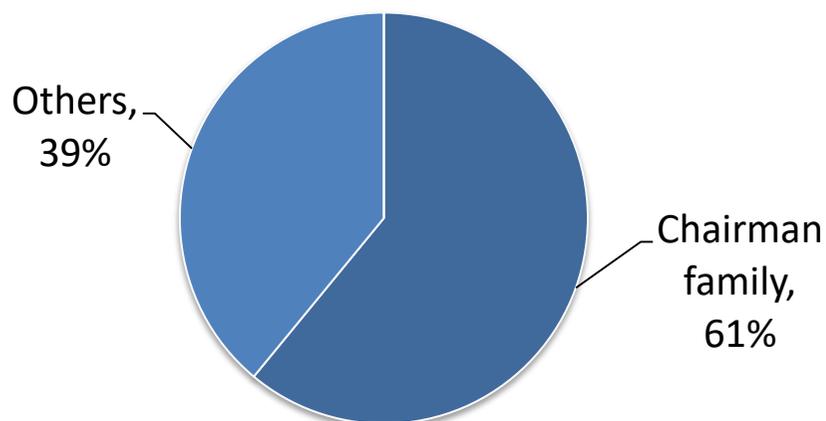
**Main business**  
 (1) Auto parts  
 (2) Display Fixtures

**Earnings** 2016 consolidated revenue of NT\$4.46bn / net profit of NT\$688 mn

## The Board of directors

Titles	Names	Main Experience
Chairman	Alan Huang	Founder of Iron Force Industrial Co., Ltd.
Director	Hank Huang	Sales manager/GM/President of Iron Force Industrial Co., Ltd
Director	Alex Chang	Previously, Chief Manager, Investment, Industrial Technology Investment Corporation; Senior VP, DelSolar Co., Ltd.
Director	Edward Way	CPA Previously, Chairman, Deloitte Taiwan & Chairman, Wei Yung Tu CPAs Office Currently, Chairman, YCSY Co., Ltd
Independent Director	Theresa Wu	CPA Previously, Partner, PwC Taiwan Currently, Chairman, Fate Design
Independent Director	Yaotsu Shih	Previously, Chairman, Fu Sheng Industrial Co., Ltd; VP, Lancer Systems
Independent Director	Judy Chang	CPA

## Shareholding structure



Aug., 2017

# About Iron Force – Company Structure



**Iron Force**  
Administration Division (AMD)  
Auto Parts Division (APD)  
Display Fixtures and Housewares Division (DHD)

100%

**Transtat Investment Ltd.**

100%

**Cortec GmbH**  
DHD in Germany (DHDG)

100%

**Huzhou Iron Force**  
APD in China (APDC)

100%

**Zhejiang Iron Force**  
DHD in China (DHDC)

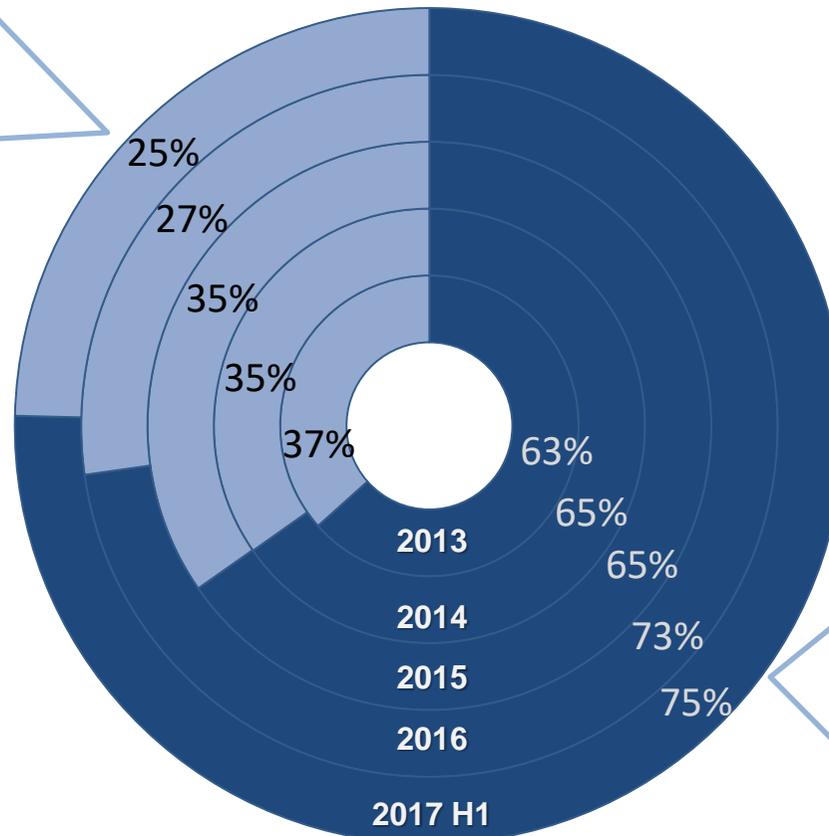


# Operating overview : Product mix breakdown



Revenue break down (%) for Iron Force

- OEM and ODM of customized store display fixtures
- Clothes hangers with a variety of different materials
- Complete retail store design



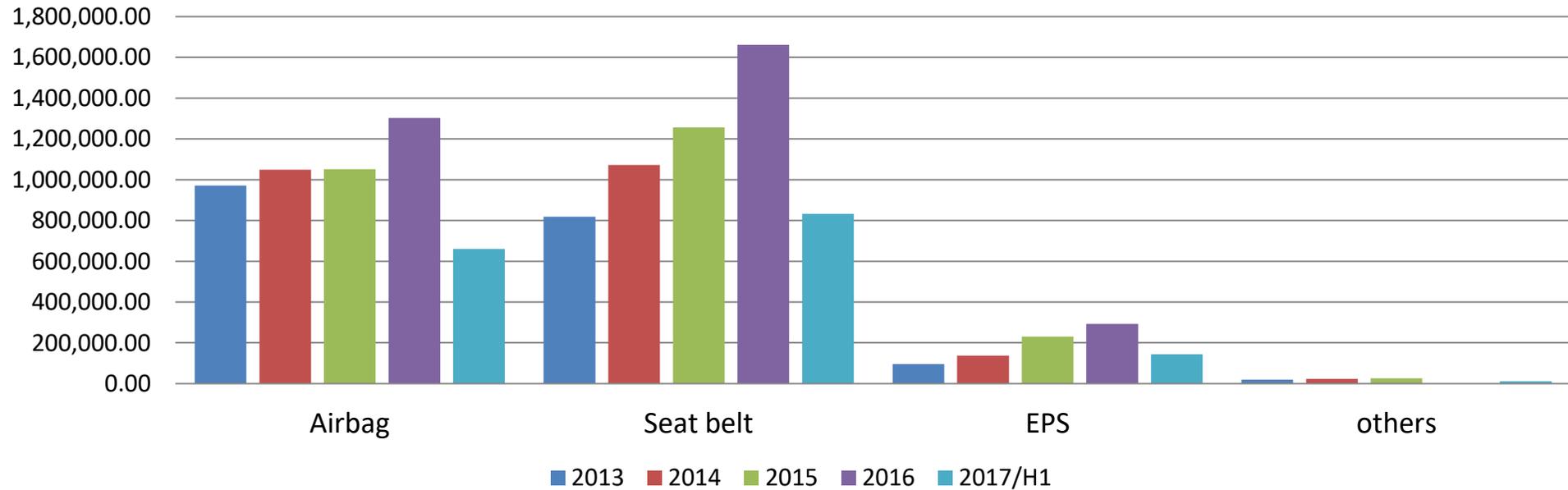
- Autoparts
- Display

- Airbag inflators and precision metal parts for automotive safety systems
- High precision metal tubes for seatbelt retractor / pre-tensioner systems
- Steering columns/shafts and related components for the EPS systeme

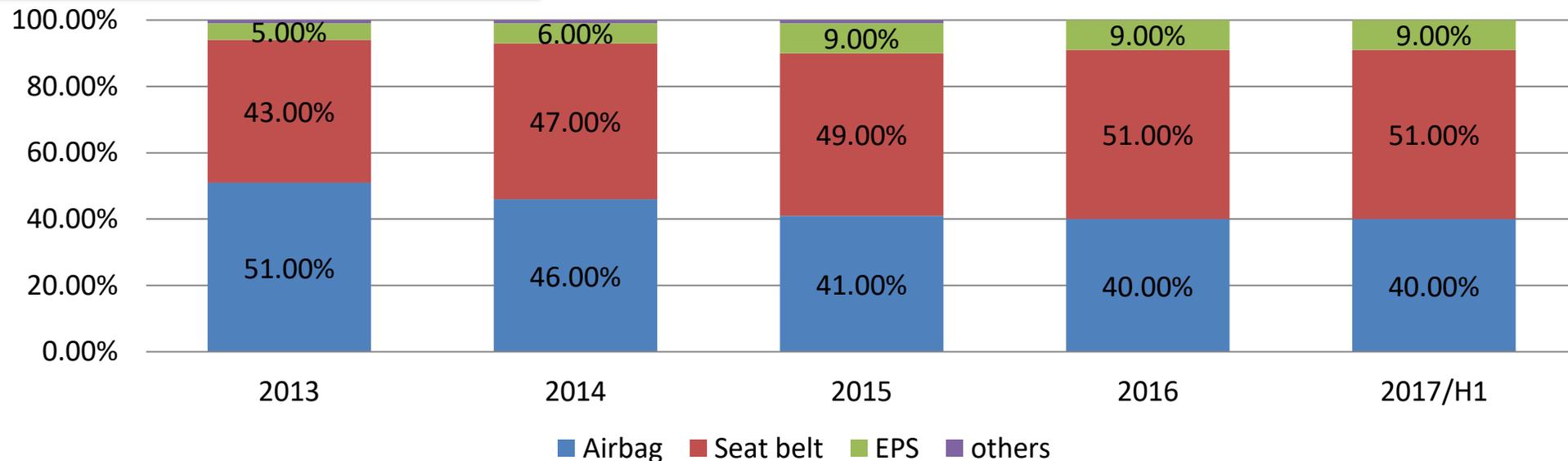
# About Iron Force – Main Autoparts Product



**Autoparts Revenue (NT Thousand)**



**Revenue break down (%) for Autoparts**



# Performance – Income Statement

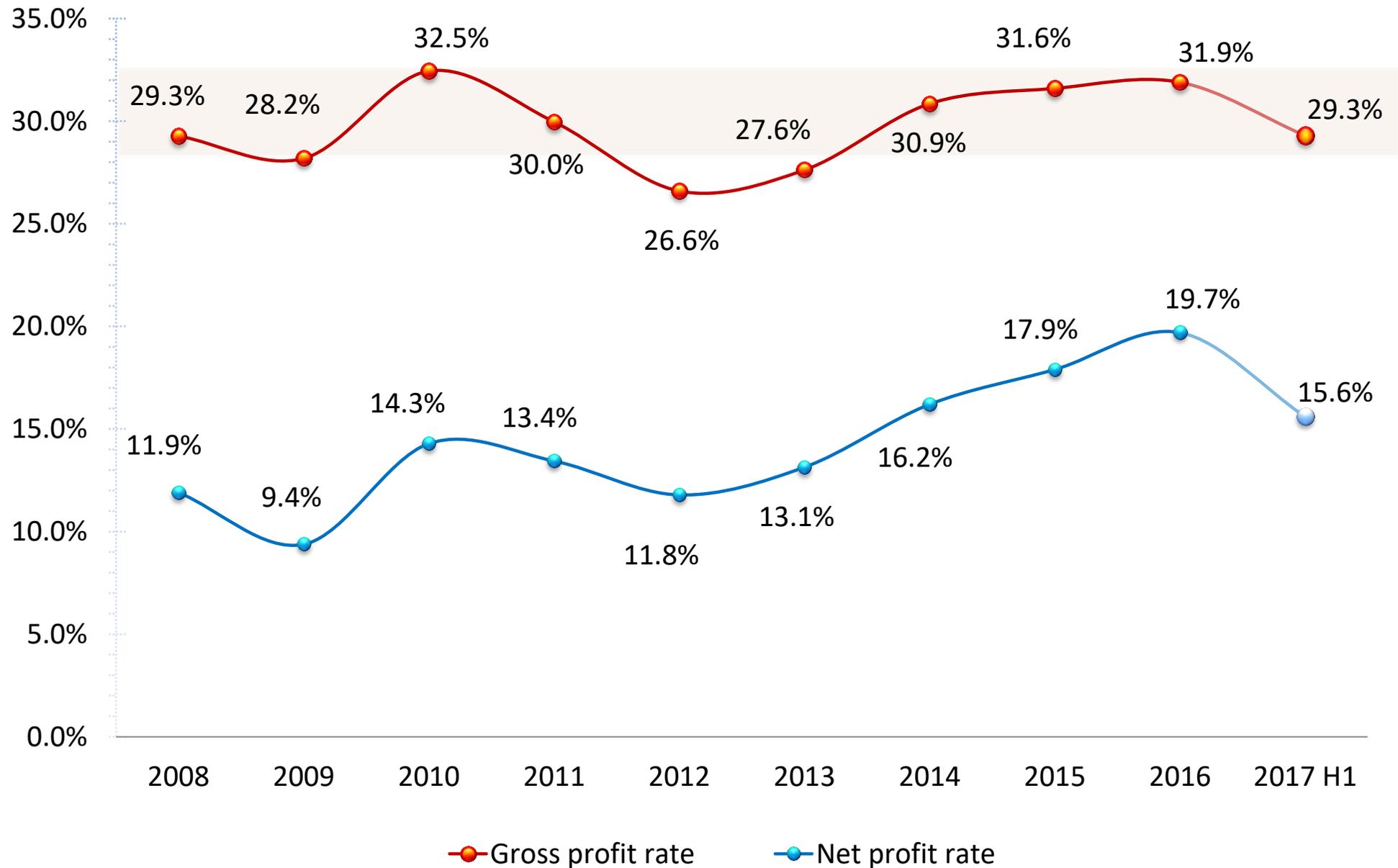


## 2013-2017/H1 Income Statement

Units : Thousand dollars ; % ; NT

	Y2013		Y2014		Y2015		Y2016		Y2017/H1	
		%		%		%		%		%
<b>Gross Sales</b>	3,020,479	100.00%	3,506,989	100.00%	3,944,842	100.00%	4,461,014	100.00%	2,183,662	100.00%
<b>Cost of Goods Sold</b>	2,186,128	72.38%	2,422,852	69.09%	2,697,479	68.38%	3,037,565	68.09%	1,543,721	70.69%
<b>Gross Profit</b>	834,351	27.62%	1,084,137	30.91%	1,247,363	31.62%	1,423,449	31.91%	639,941	29.31%
<b>Operating Expense</b>	437,499	14.48%	514,661	14.68%	542,808	13.76%	543,232	12.18%	300,471	13.76%
<b>Operating Profit</b>	396,852	13.14%	569,476	16.24%	704,555	17.86%	880,217	19.73%	339,470	15.55%
<b>Non-Operating Income (Expense)</b>	59,918	1.98%	54,850	1.56%	119,545	3.03%	49,586	1.11%	1,468	0.07%
<b>Pre-Tax Income</b>	456,770	15.12%	624,326	17.80%	824,100	20.89%	929,803	20.84%	340,938	15.61%
<b>Income Tax</b>	123,635	4.09%	137,761	3.93%	204,057	5.17%	242,112	5.43%	130,933	6.00%
<b>Net Income</b>	333,135	11.03%	486,565	13.87%	620,043	15.72%	687,691	15.42%	210,005	9.62%
<b>EPS(NTD)</b>	5.09		6.79		8.55		9.09		2.77	

# Performance – Profitability index analysis



# About Iron Force –

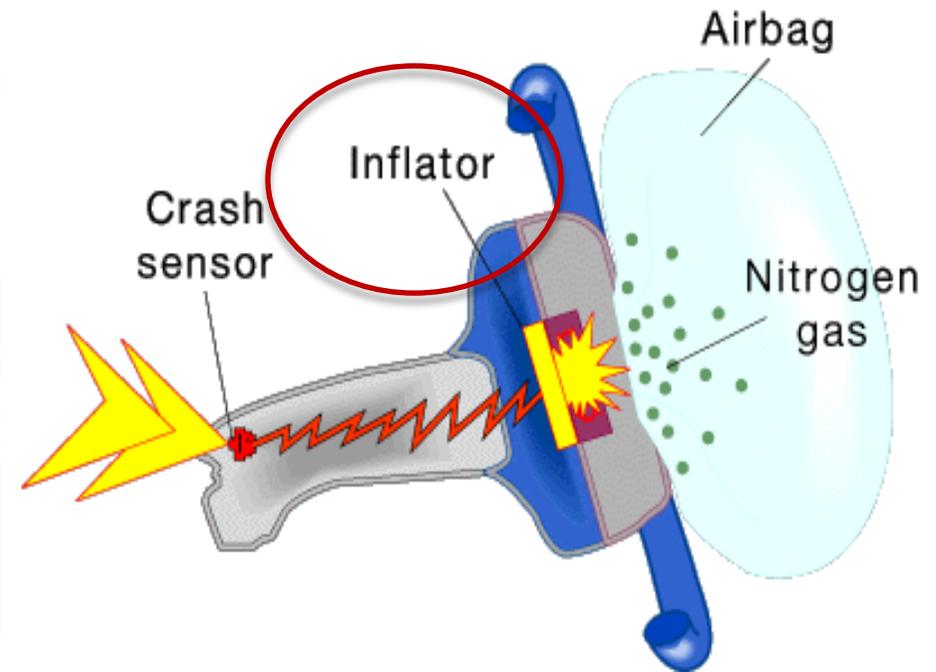
## Main Product : Airbag inflator parts



Curtain



Driver's seat



Side/Knee



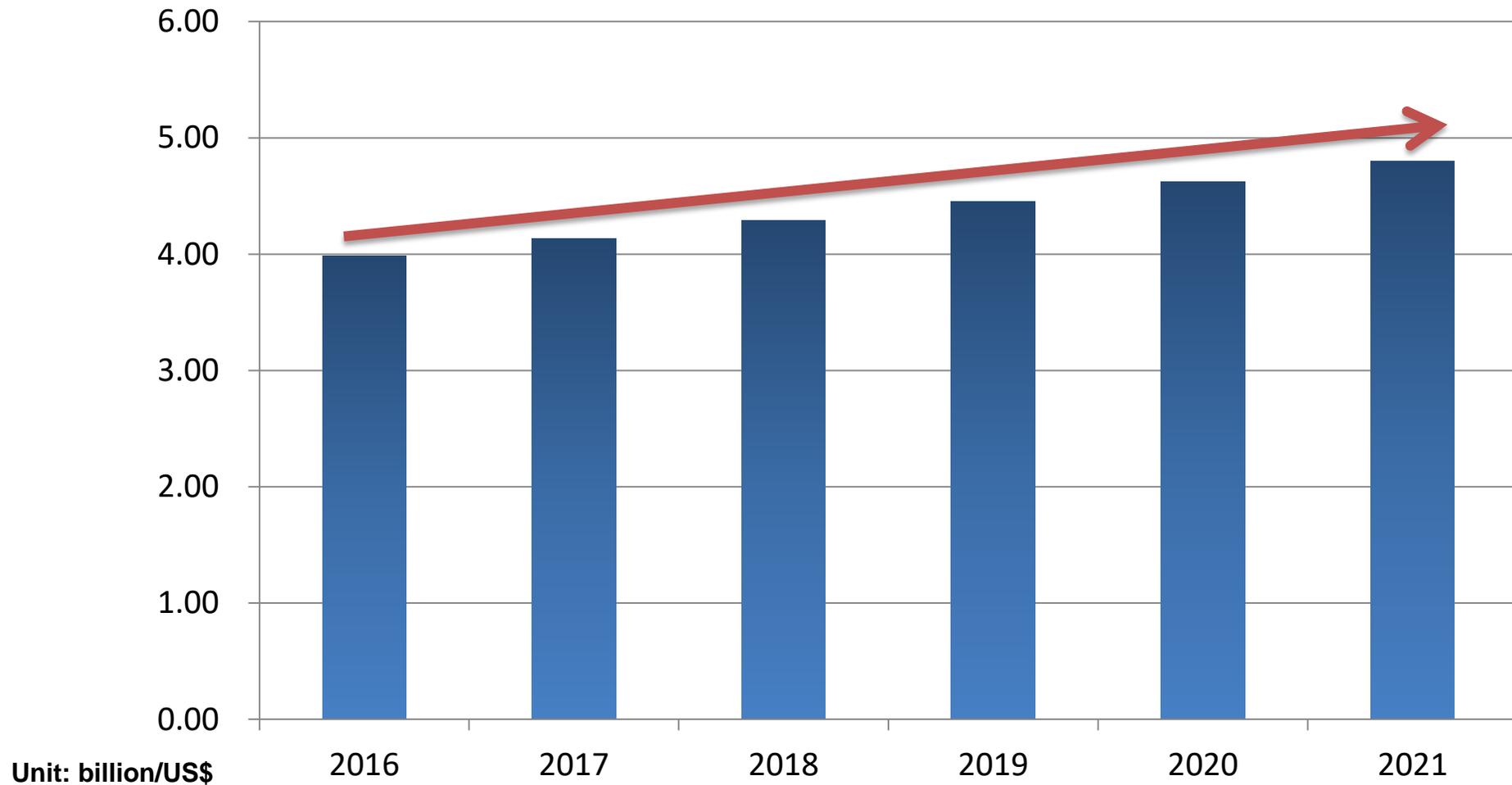
passenger's seat

# About Iron Force –



## Main Product : Airbag inflator parts

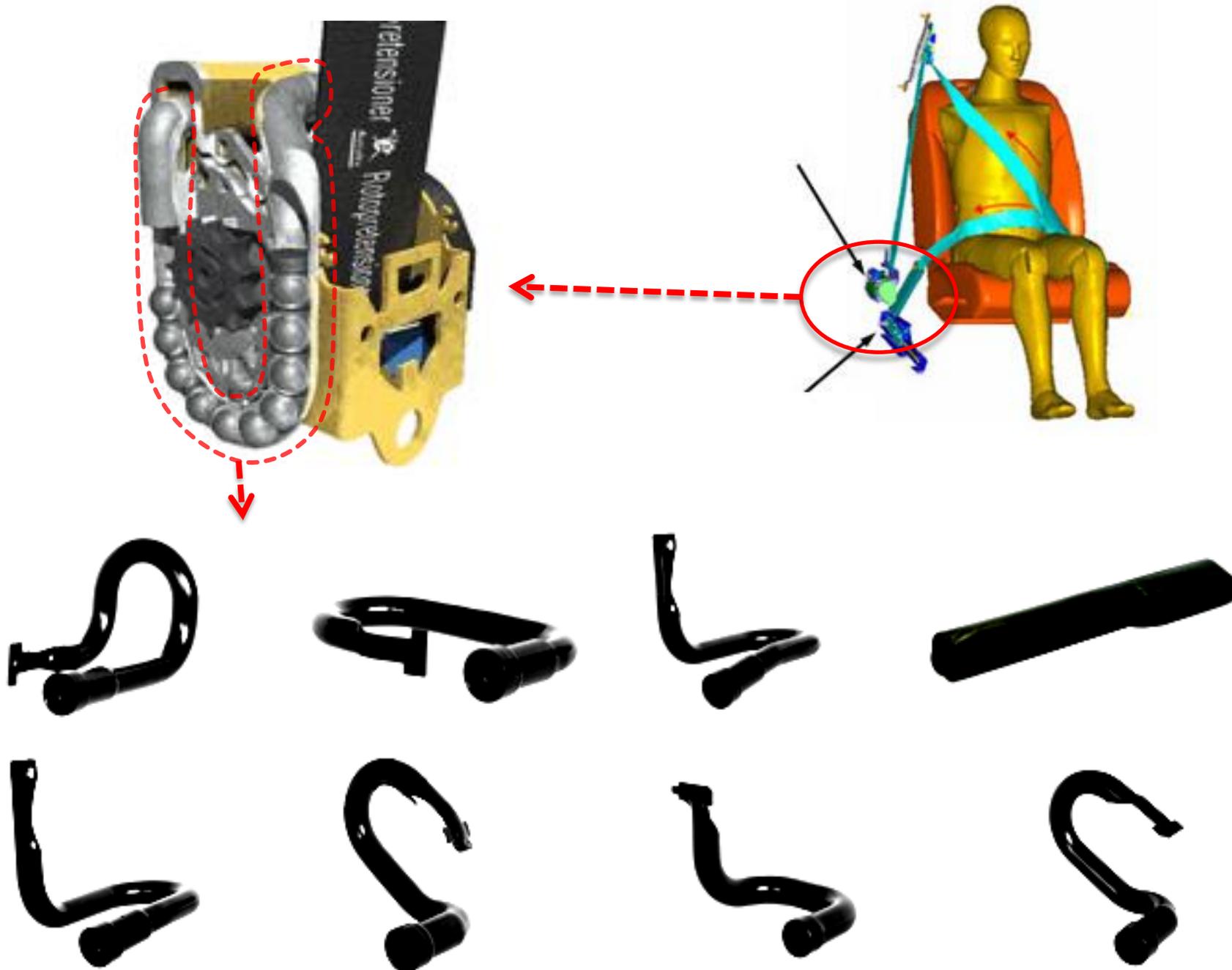
According Stratview Research forecasted that the automotive airbag inflators market promises good growth opportunity and is likely to grow at a CAGR of **3.8%** during the forecast period of 2016 to 2021 to reach \$4.8 billion in 2021. Expected growth in automotive production, introduction of more bags per car, growth in Asia Pacific, and increasing safety standards across the globe are the major drivers of airbag inflators market.



Source: Stratview Research ---Global Automotive Airbag Inflators Market by Vehicle Type (Compact Car, Midsize Car, Large Car, MPV and LCV, SUV, and Others), by Airbag Type (Front Airbag, Side Airbag, Knee Airbag, and Curtain Airbag), by Inflator Type (Pyrotechnic, Stored Gas, and Hybrid), by Region (NA, Europe, APAC, ROW), Trend, Forecast, Competitive Analysis, and Growth Opportunity: 2016 – 2021

# About Iron Force –

Main Product : Seat belt pre-tensional tube



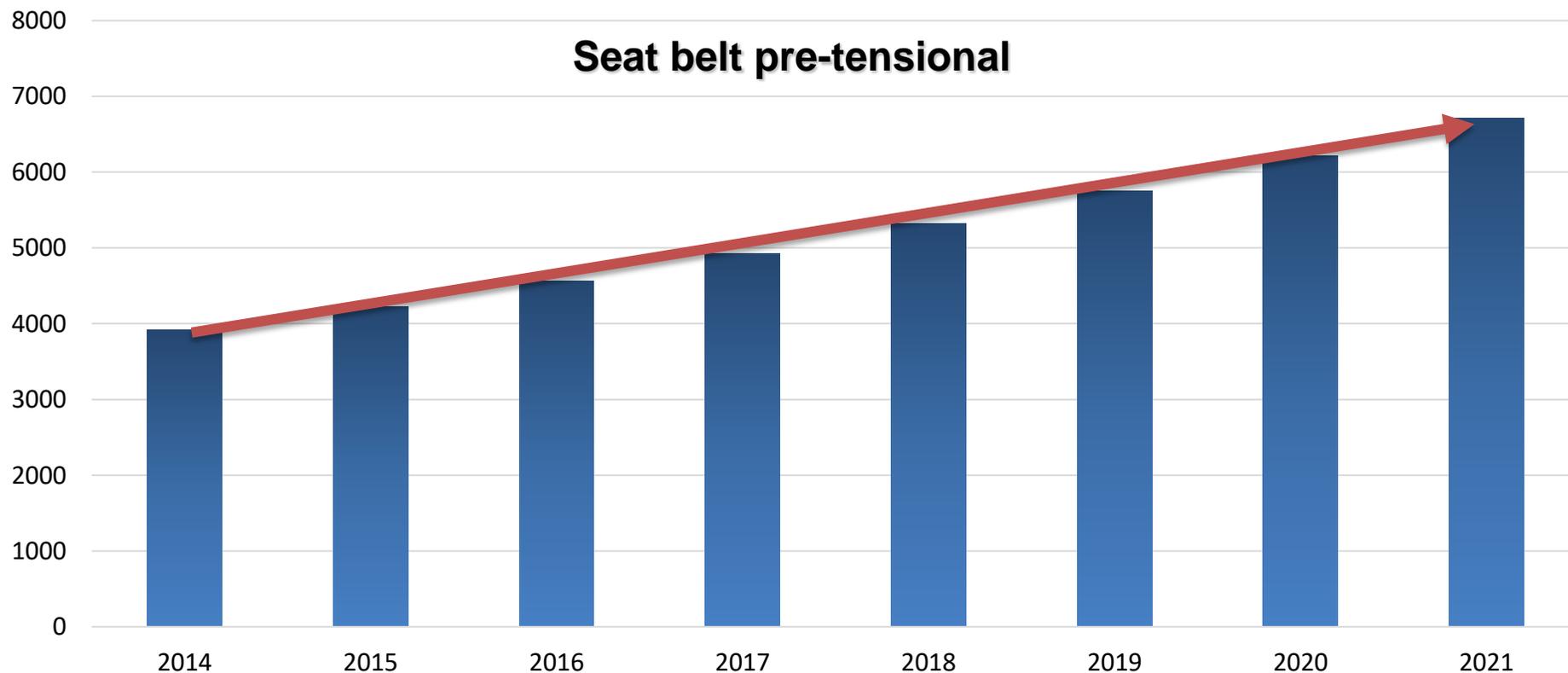
# About Iron Force –

## Main Product : Seat belt pre-tensional tube



According to the research Persistence's newest report, that the global automotive seat belt market is estimated to be valued at **US\$ 11,987.6 Mn** by the end of 2015. The market is expected to register a CAGR of 8.4% between 2015 and 2021. In terms of volume, the market accounted for 433,480 thousand units in 2014, and is expected to increase at a CAGR of **6.8%** over the forecast period to reach 684,555 thousand units by 2021 and by value to Account for **US\$ 19.5 Bn** by 2021.

By technology type, pretensioner segment was valued at **US\$ 3,913.4 Mn** in 2014 and is expected to increase at a CAGR of 8.0% over the forecast period to account for **US\$ 6,717.4 Mn** by 2021.



Unit: million/US\$

# About Iron Force –



**Main Product :** Precision tubes for electrically powered steering



## • Advantages of electrically powered steering (EPS) :

- Lower fuel consumption / CO2 emission reduction
- Tunable steering assistance characteristics
- End of line' calibration, plus built-in diagnostics
- Flexible packaging in vehicle
- Simplified vehicle logistics
- Simplified supplier chain logistics

## Penetration rate

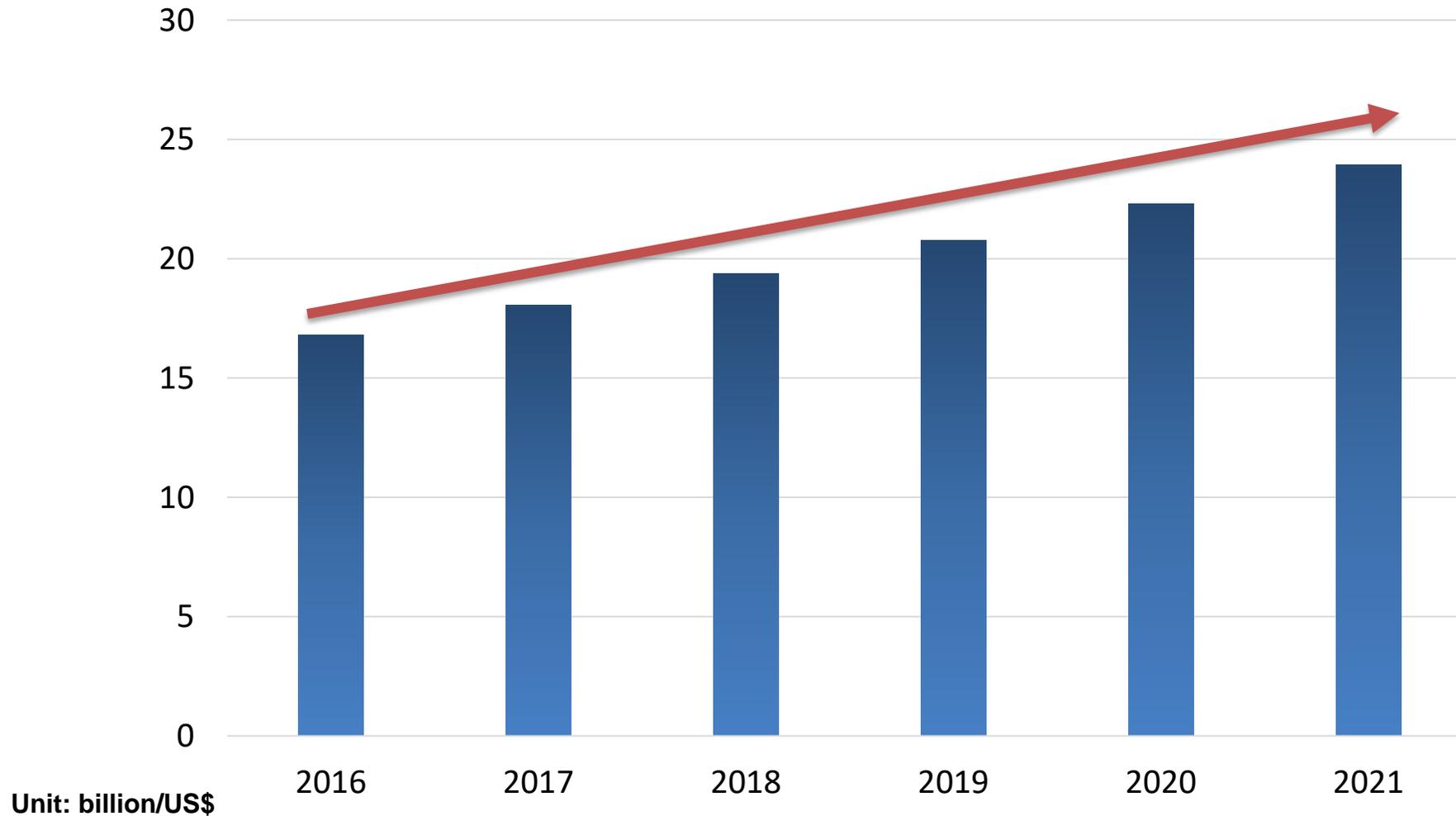
	Japan	Europe and America	China
2015	90%	75%	38%

# About Iron Force –



## Main Product : Precision tubes for electrically powered steering

According Research and Markets's report that forecasted the electric power steering (EPS) system market is projected to grow from 16.82 billion to 23.92 billion at a CAGR of 7.29% from 2016 to 2021



# Updating & Planning – New factory planning

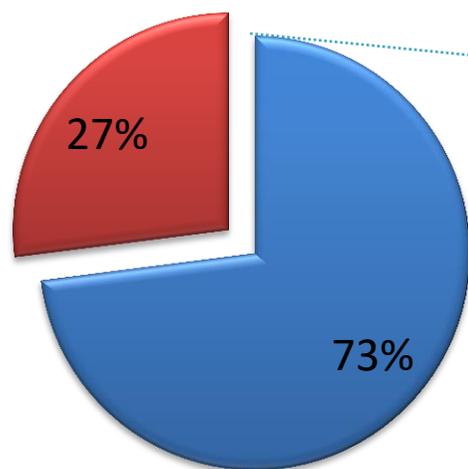


	Before Expansion	After Expansion
Plant area	14,590m <sup>2</sup>	42,570m <sup>2</sup>
Employee	1,000	1,600~

- TAKATA日本提出民事再生(含當地3家子公司) & TAKATA美國提出申請Chapter 11 (美國及墨西哥12家子公司)

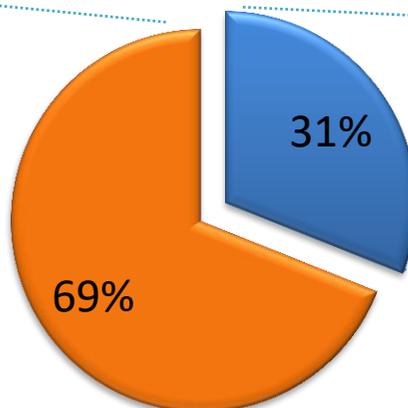
客戶別	宣告破產日	申請法院	條款
Takata 美國	2017/6/25	Delaware Court	Chapter 11
Takata 日本	2017/6/26	Tokyo Court	Civil Rehabilitation Act

- 劍麟分別與TAKATA 德國、中國、波蘭、羅馬尼亞、美國、日本 往來



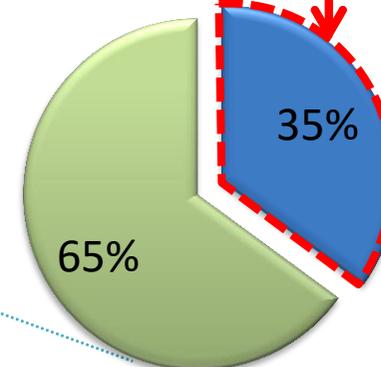
■ Autoparts ■ Display

2016



■ TAKATA ■ Others

2016



■ T- Japan & United  
■ T- Others

2016

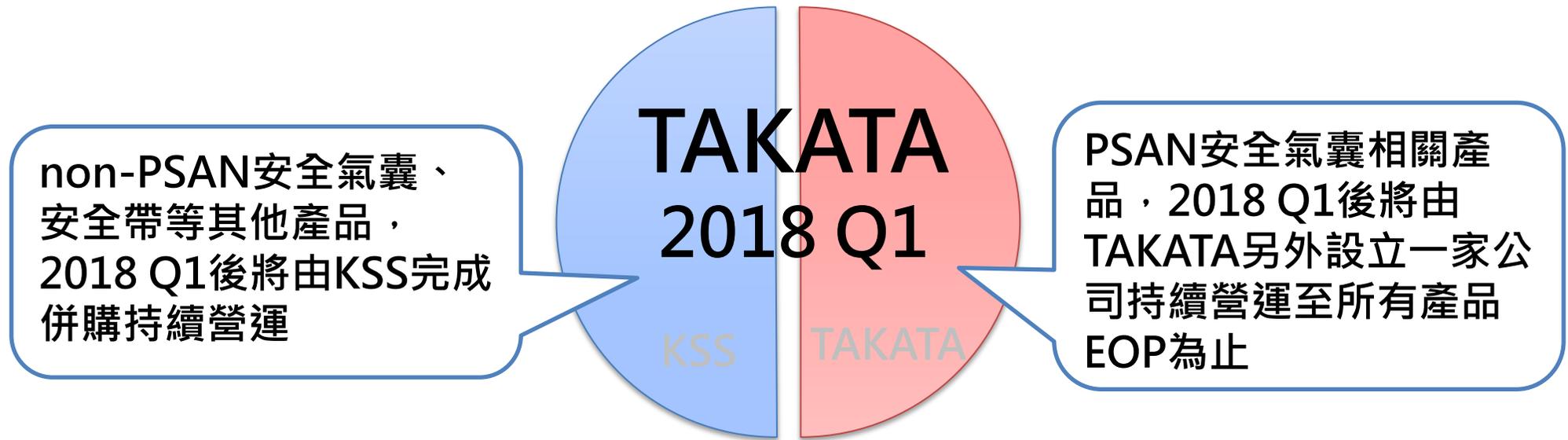
約佔集團營收  
8%

➤ 劍麟集團於TAKATA美國、日本 申請破產保護當天應收帳款餘額：

Unit : USD

Customer	Takata 美國	Takata 日本	合計
宣告破產保護日前債權	994,551	29,580	1,024,131
其中 優先債權	513,323	0	513,323
其中 一般債權	481,228	29,580	510,808
截至7月底未收回債權	994,551	9,860	1,004,411

➤ 劍麟在客戶宣告破產保護日後仍維持正常出貨，並持續關注未來發展。



- 2018 Q1前，劍麟出貨及收款對象仍維持為TAKATA各子公司
- 2018 Q1後，non-PSAN安全氣囊及預縮式安全帶相關產品，將與被KSS併購的TAKATA交易(名稱不確定會不會改)；PSAN安全氣囊相關產品則與TAKATA新設立的公司交易 (目前還在跟客戶確認那些是PSAN)。

# Thank You

Deputy speaker: Terry Lin

Email: [terrylin@irf.com.tw](mailto:terrylin@irf.com.tw)

Website: [www.ironforce.com.tw](http://www.ironforce.com.tw)

## **Disclaimer**

This presentation may contain statements that express management's expectations about future events or results rather than historical facts. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected forward-looking statements, the company cannot give assurance that such statements will prove correct. For additional information on factors that could cause company's actual results to differ from expectations reflected in forward-looking statements, please see audited reports filed with the Taiwan Stock Exchange corp.