



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



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- 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.

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About Iron Force



Establishment April 27, 1977

Employees 1,740+ (including subsidiaries in China and Germany)

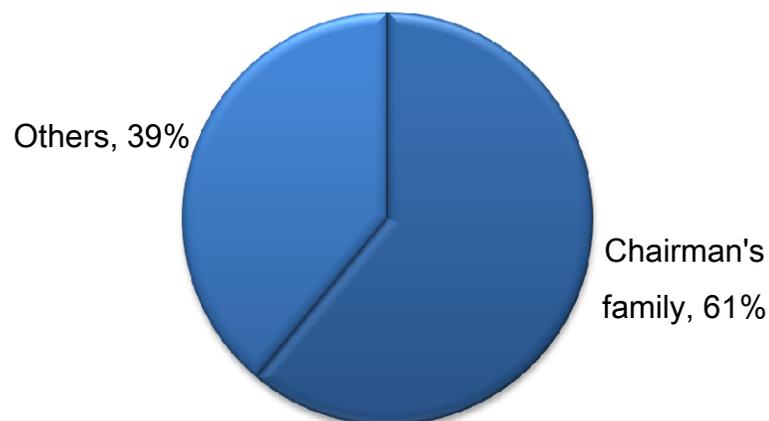
Share capital when listed NT\$ 735,050,400

Management Chairman: Alan Huang ; President: Hank Huang

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

Earnings 2015 consolidated revenue of NT\$3.9bn / net profit of NT\$620 mn

Shareholding structure



Apr., 2016

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	Previously, Chairman, Deloitte Taiwan & Chairman, Wei Yung Tu CPAs Office Currently, Chairman, YCSY Co., Ltd
Independent Director	Theresa Wu	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	

About Iron Force – Company Structure



Iron Force
President Office (PO)
Auto Parts Division (APD)
Display Fixtures and Housewares Division (DHD)

100%

Transtat Investment Ltd.

100%

Cortec GmbH
DHD in Germany (DHDG)

100%

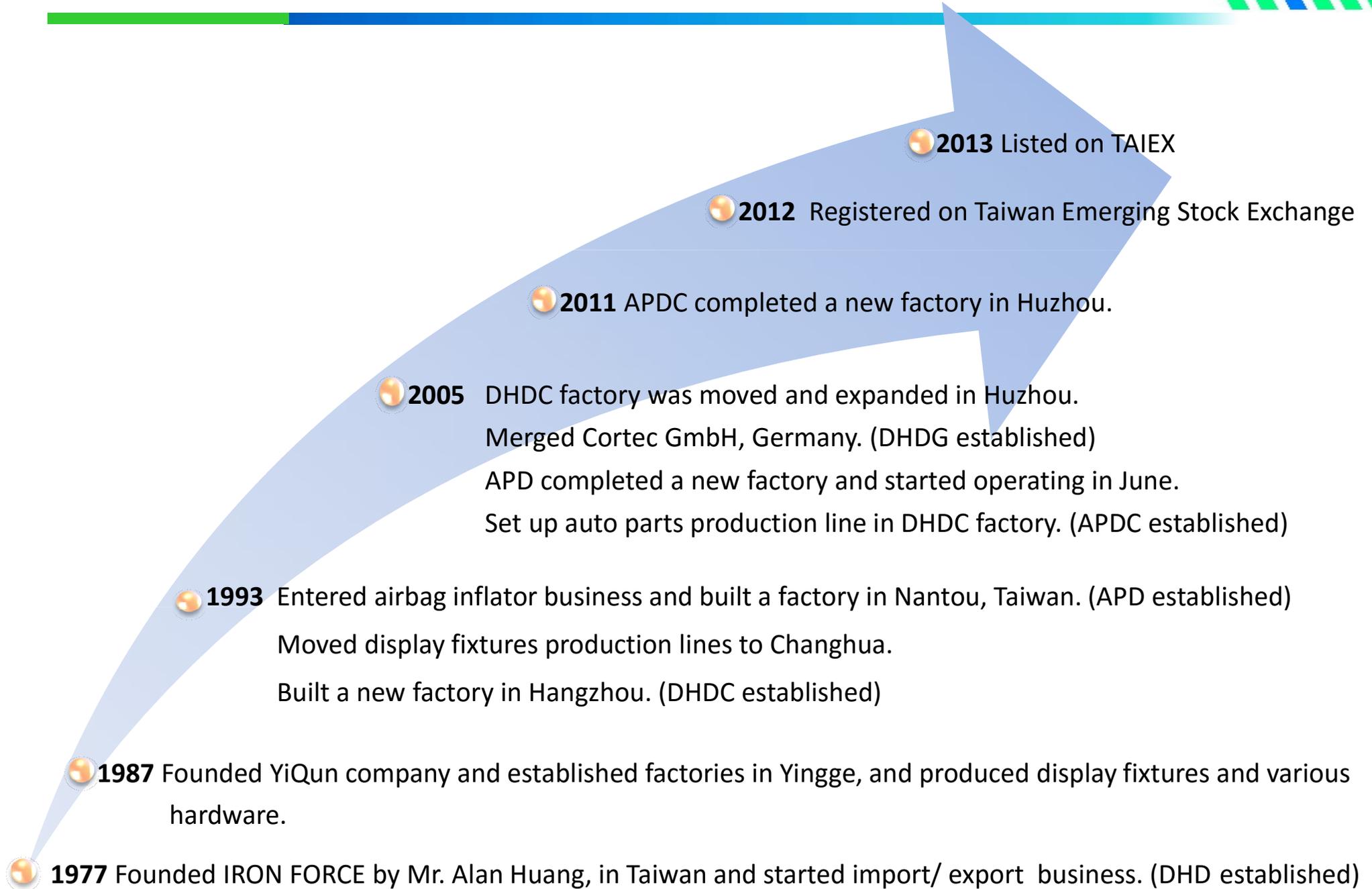
Huzhou Iron Force
APD in China (APDC)

100%

Zhejiang Iron Force
DHD in China (DHDC)



About Iron Force – Milestones



About Iron Force –

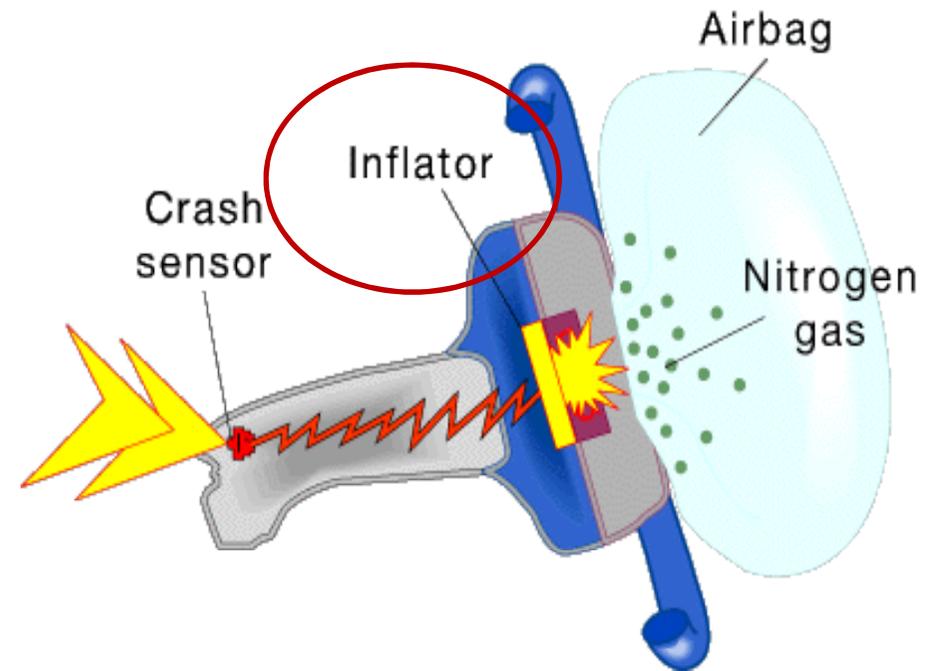
Main Product : Airbag inflator parts



Side/Curtain



Driver's seat



Side/Knee



passenger's seat

About Iron Force –

Main Product : Airbag inflator parts



Fully automated assembly line for best efficiency

Wire folding technique to produce required filtering capability



100% automated helium leakage test (1×10^{-5} scc/sec)

Multiple features (Rolling, Crimping, Punching) in continuous automated process to ensure highest efficiency



About Iron Force –

Main Product : Airbag inflator parts



Hot rolling to form required shapes with controlled thickness and hardness



Features forming at both ends with precision machining



100% automated inspection for potential defects

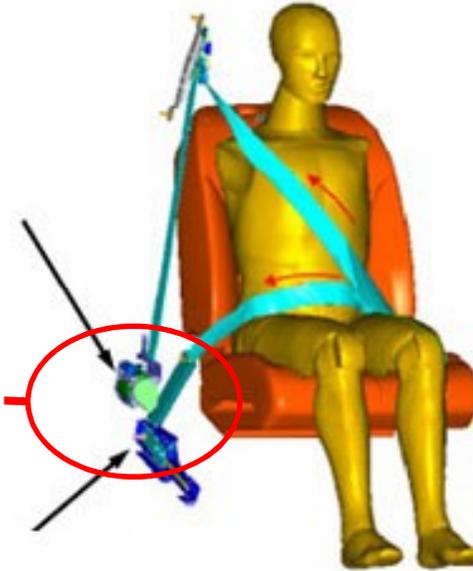
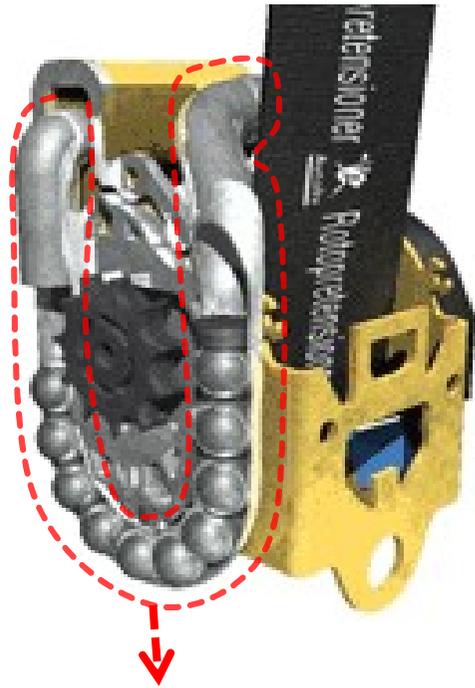


Ex: Crack detection



About Iron Force –

Main Product : Seat belt pre-tensional tube



About Iron Force –



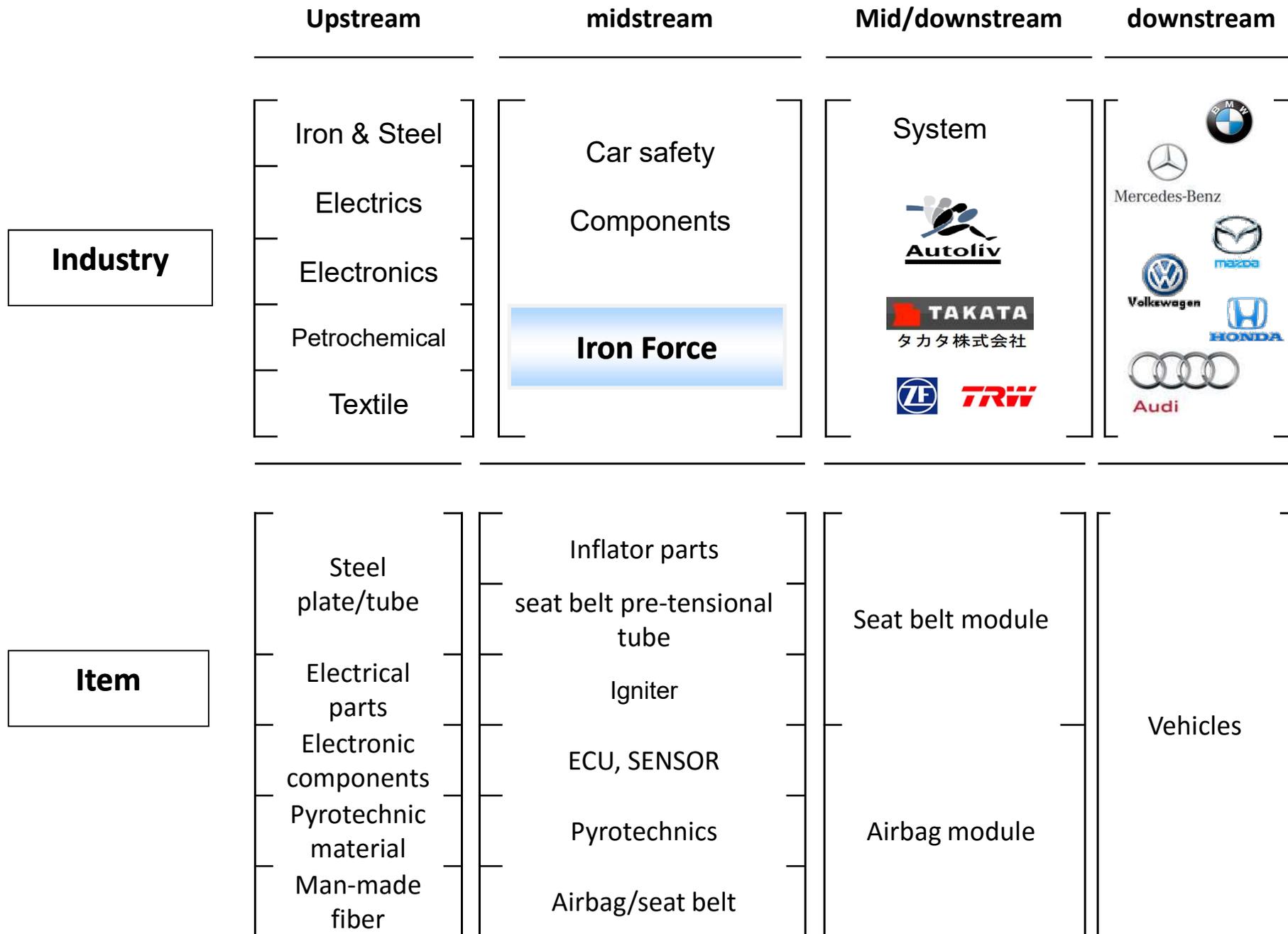
Main Product : Precision tubes for electrically powered steering



- **Advantages of electrically powered steering (EPS) :**

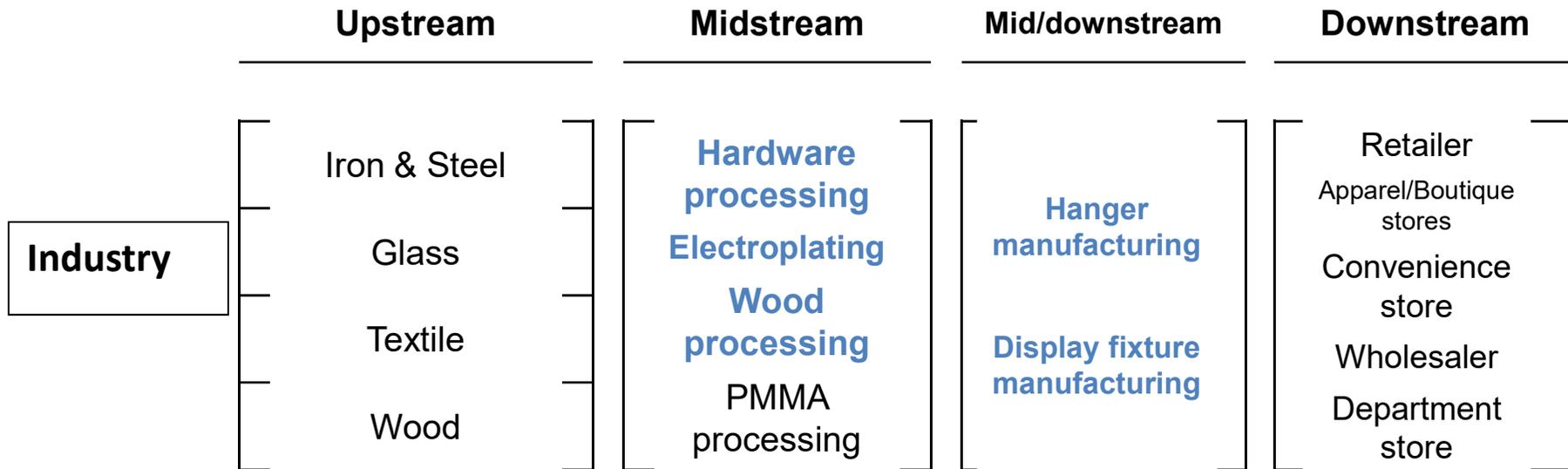
- Lower fuel consumption / CO2 emission reduction
- Tunable steering assistance characteristics
- 'End of line' calibration, plus built-in diagnostics
- Flexible packaging in vehicle
- Simplified vehicle logistics
- Simplified supplier chain logistics

Industry Overview – Auto parts industry



Industry Overview –

Display fixtures and housewares industry



Iron Force



Updating & Planning –



Operating overview : Product mix breakdown

Auto parts division continues to grow and has become the growth driver for Iron Force
 Display fixtures division provides steady cash flow

Auto Parts Division (APD)

- ✓ Developing and building specialized automated machines in house to possess key manufacturing processes/equipments
- ✓ Highly trusted by clients
- ✓ Strict quality control system
- ✓ Continuous improvement

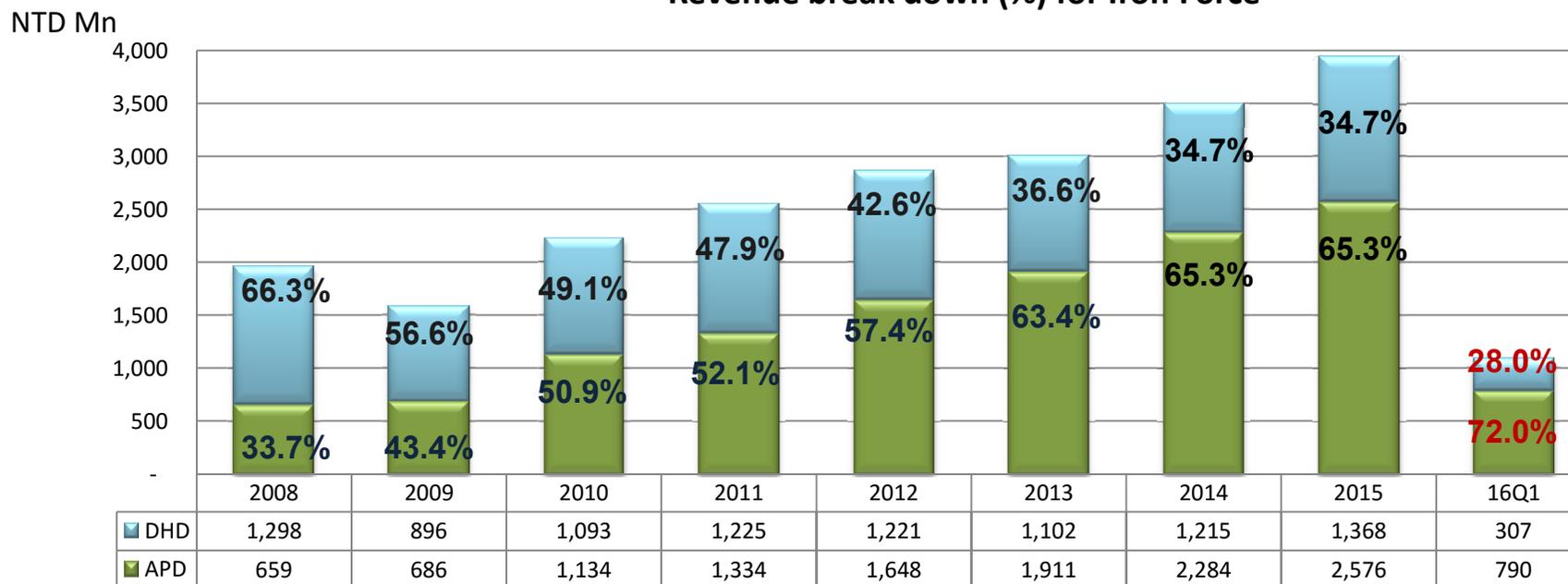
Display Fixtures and Housewares Division (DHD)

- ✓ Factories equipped with cost-effective facilities for all kinds of surface processing
- ✓ Logistic services covering Taiwan, China and Europe
- ✓ Certified supplier for many major chain stores

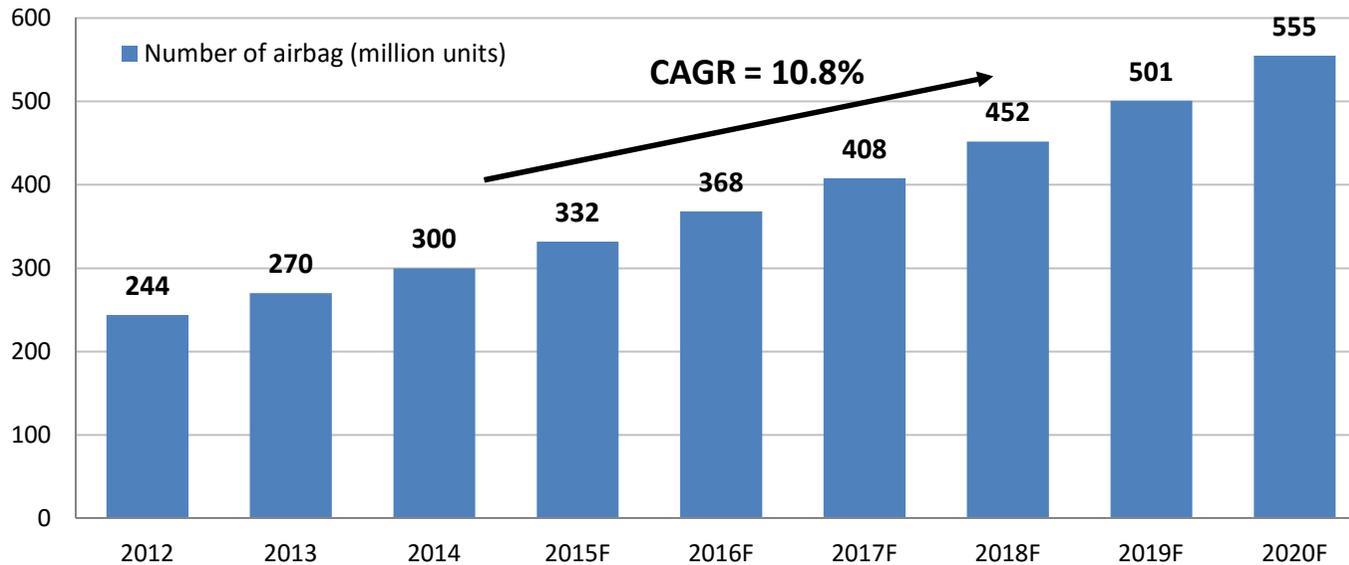
Relative Market Share (Cash Generation)

Market Growth Rate (Cash Usage)	H	Stars	Question Mark	L
		APD		
		Cash Cows	Dogs	
	L	DHD		

Revenue break down (%) for Iron Force

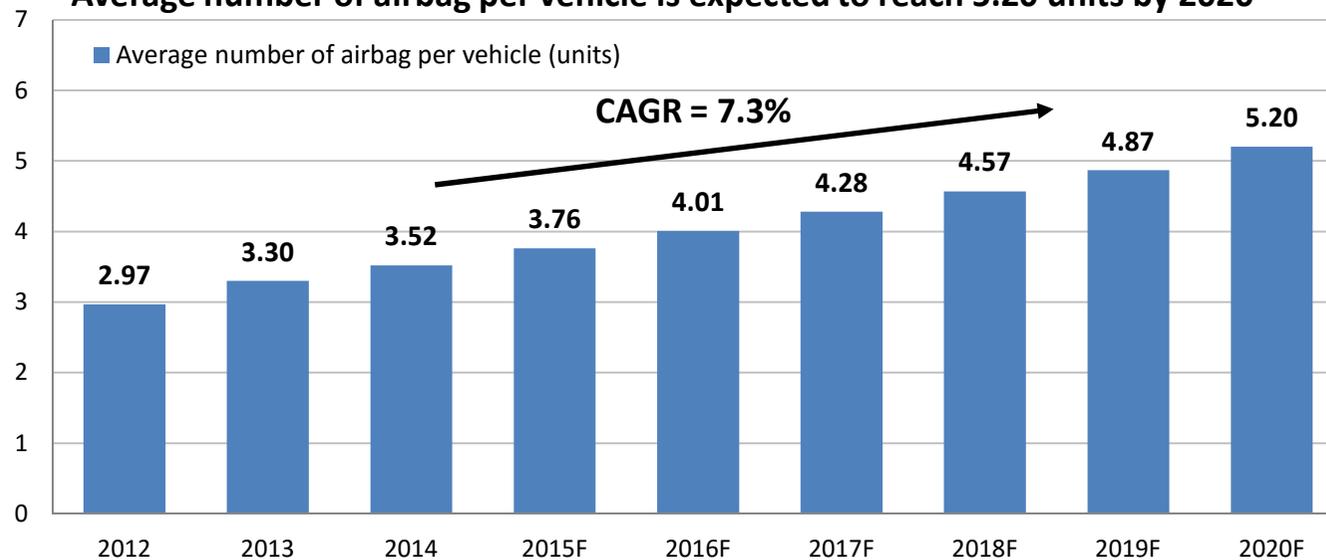


Global airbag market is expected to reach 555 million units by 2020



Data Source : GIA

Average number of airbag per vehicle is expected to reach 5.20 units by 2020



Data Source : GIA , IHS

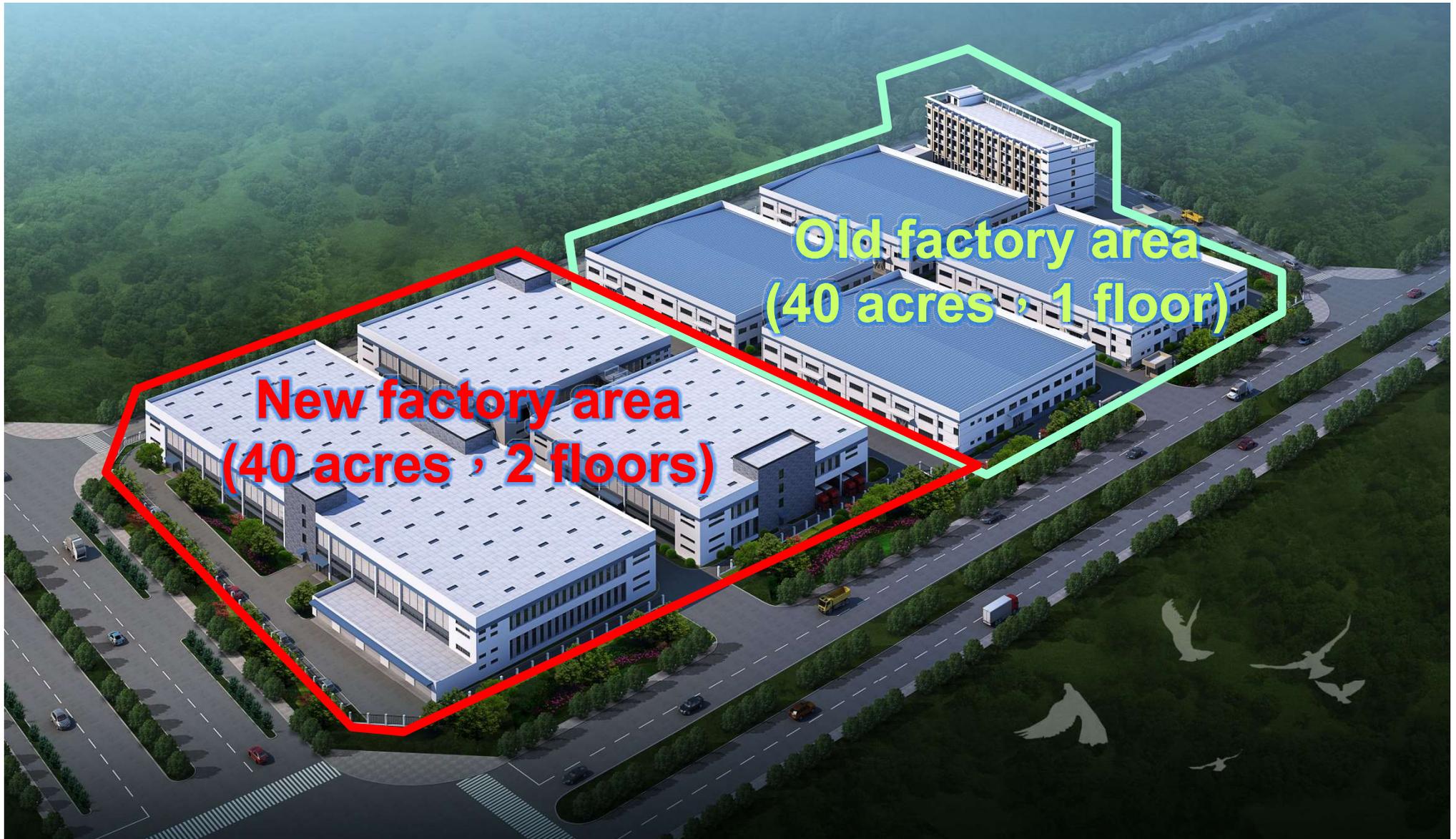
Updating & Planning – Market Breakdown



NTD (sales ; % of autoparts division sales)

	A		T		Z		Others		Total	
Airbag inflator parts	16Q1	48 Mn 6.1%	16Q1	185 Mn 23.4%	16Q1	61 Mn 7.8%	16Q1	26 Mn 3.3%	16Q1	320 Mn 40.5%
	2015	118 Mn 4.6%	2015	620 Mn 24.1%	2015	204 Mn 7.9%	2015	109 Mn 4.2%	2015	1,051 Mn 40.8%
	2014	115 Mn 5.0%	2014	644 Mn 28.2%	2014	146 Mn 6.4%	2014	141 Mn 6.2%	2014	1,047 Mn 45.8%
	2013	129 Mn 6.7%	2013	568 Mn 29.6%	2013	156 Mn 8.1%	2013	129 Mn 6.7%	2013	982 Mn 51.3%
	2012	150 Mn 9.1%	2012	592 Mn 35.9%	2012	144 Mn 8.7%	2012	112 Mn 6.8%	2012	998 Mn 60.6%
Seat belt Pre-tensional tube	16Q1	262 Mn 33.2%	16Q1	64 Mn 8.1%	16Q1	69 Mn 8.7%			16Q1	395 Mn 49.9%
	2015	867 Mn 33.7%	2015	232 Mn 9.0%	2015	179 Mn 7.0%			2015	1,279 Mn 49.6%
	2014	761 Mn 33.3%	2014	161 Mn 7.1%	2014	152 Mn 6.7%	-		2014	1,074 Mn 47.0%
	2013	620 Mn 32.4%	2013	105 Mn 5.5%	2013	94 Mn 4.9%			2013	819 Mn 42.7%
	2012	481 Mn 29.2%	2012	84 Mn 5.1%	2012	13 Mn 0.8%			2012	578 Mn 35.1%
Precision tubes for EPS		-		-	16Q1	71 Mn 8.9%			16Q1	71 Mn 8.9%
					2015	226 Mn 8.8%			2015	226 Mn 8.8%
					2014	135 Mn 5.9%		-	2014	135 Mn 5.9%
					2013	104 Mn 5.4%			2013	104 Mn 5.4%
					2012	71 Mn 4.3%			2012	71 Mn 4.3%
Others		-		-	16Q1	3 Mn	16Q1	2 Mn	16Q1	5 Mn
					2015	21 Mn	2015	0.9 Mn	2015	22 Mn
					2014	28 Mn			2014	28 Mn
					2013	11 Mn			2013	11 Mn
					2012	0.8 Mn			2012	0.8 Mn
% of autoparts group sales (2016 Q1)	39.2%		31.4%		25.8%		3.6%		790 Mn	
	310 Mn		248 Mn		204 Mn		28 Mn			
% of autoparts group sales (2015)	38.2%		33.1%		24.4%		4.3%		2,577 Mn	
	986 Mn		852 Mn		630 Mn		110 Mn			
% of autoparts group sales (2014)	38.34%		35.28%		20.20%		6.18%		2,284 Mn	
	876 Mn		806 Mn		461 Mn		141 Mn			

Updating & Planning – New factory planning



Thank You

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