

Good Will Instrument CO., LTD.(2423)

Investor Conference

2017.11

GW INSTEK
Simply Reliable

GOOD WILL INSTRUMENT CO., LTD.



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Company profile

Basic Information

Date of Establishment : September, 1975

Business revenues : NT 2,200,000,000 (2016)

**Operation HQs : No. 7-1, Jhongsing Road, Tucheng Dist.,
New Taipei City (288000 square feet)**

Employees : 375 (Taiwan), 671 (Global)

**Main business : Test and measurement instruments,
environmental testing equipment, video
surveillance system**

**Stock listed : Taiwan Stock Exchange listed in the year of
2000**

The importance of Test and Measurement Instruments

T&M instruments are the foundation of electronic technology development.



Test and measurement instruments

Electrical and electronic industries

- 1 | R &D
- 2 | Design
- 3 | Production
- 4 | Quality Control
- 5 | Maintenance

Electronic instruments

Education

- 1 | Research and scientific institutions
- 2 | Educational experiments for electronics related departments

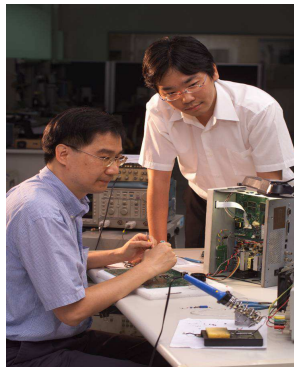
GW Instek's Competitive Edge



Extensive
product
combinations



Global
marketing
channels and
brand



Small
quantity and
large variety
production



GW INSTEK

GOOD WILL INSTRUMENT CO., LTD. |

Private Brand Omnipresent Channels Globally Positioned

8 Subsidiaries 80 Countries 400 Distributors



Our Customers

Our customers are from various electronics related fields, including consumer electronics, IT, power and energy industries, universities and colleges, and government institutions. Industrial applications include R&D, manufacturing, quality control, after sales services, etc. from many well-known brand names domestically and internationally.



Five Product Lines One Stop Meets All Your Requirements



Power Supplies

- DC Power Supplies
- DC Electronic Loads
- DC High Speed Power Supplies
- DC High Precision Power Supplies
- AC Power Supplies



Oscilloscopes

- 350MHz Digital Oscilloscope
- Mixed Signal Oscilloscope
- Mixed Domain Oscilloscope
- Analog Oscilloscope



Spectrum Analyzers

- 3.25GHz Spectrum Analyzer
- ASK/FSK General Tester



Signal Sources

- 320MHz Function Generator
- 80MHz Arbitrary Function Generator



T&M Meters

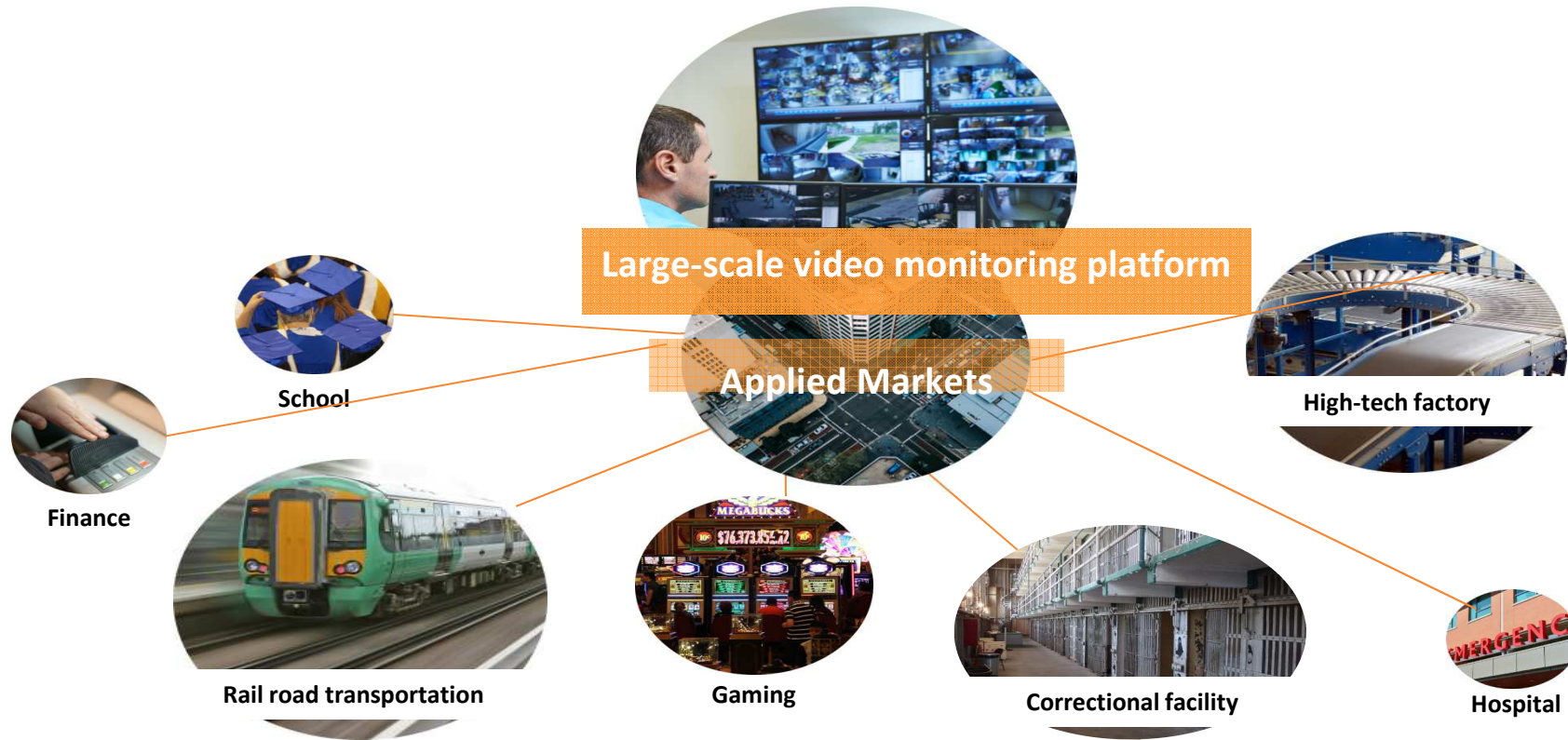
- 1k/500VA Safety Tester
- 6 1/2 Digital Meter
- LCR Meter
- Mini Ohm Meter



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Video Surveillance System



R&D Investment and New Products

32

32% of Taiwan employees are R&D engineers

10

10% of the annual revenue are invested in R&D

3

3 R&D centers located in Taiwan, Suzhou and Japan

10

On average, 10 new products were launched every year from 2013 to 2016.

2015

2016

2017



Division of Production-Two Factories Create Competitive Advantage

- **Global Channels and Brand Product R&D Small Quantity and Large Variety Production**

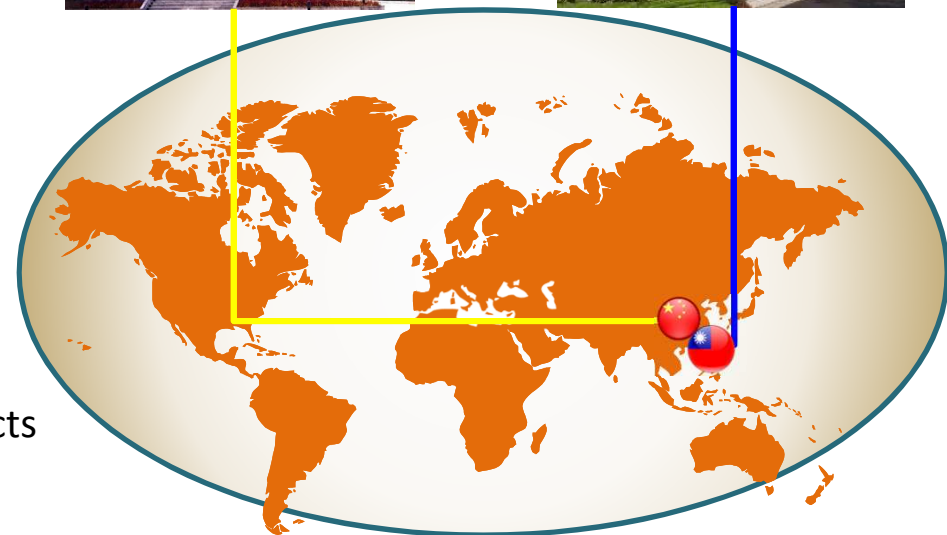
■ Production HQs

- Relocated to Tucheng in 2005 for the expanded floor space
- Mainly produces new products/small quantity products
- Employees: 375 (production line: 110)



■ Suzhou Factory

- Established in 2000
- Mainly produces large quantity products
- Employees: 222 (production line: 150)





The Production Capability of Small Quantity and Large Variety

Small quantity , large variety, excellent quality and flexible production advantage to achieve the objective of QCD (high Quality, low Cost and fast Delivery)

Conveyer Production

Cell Production



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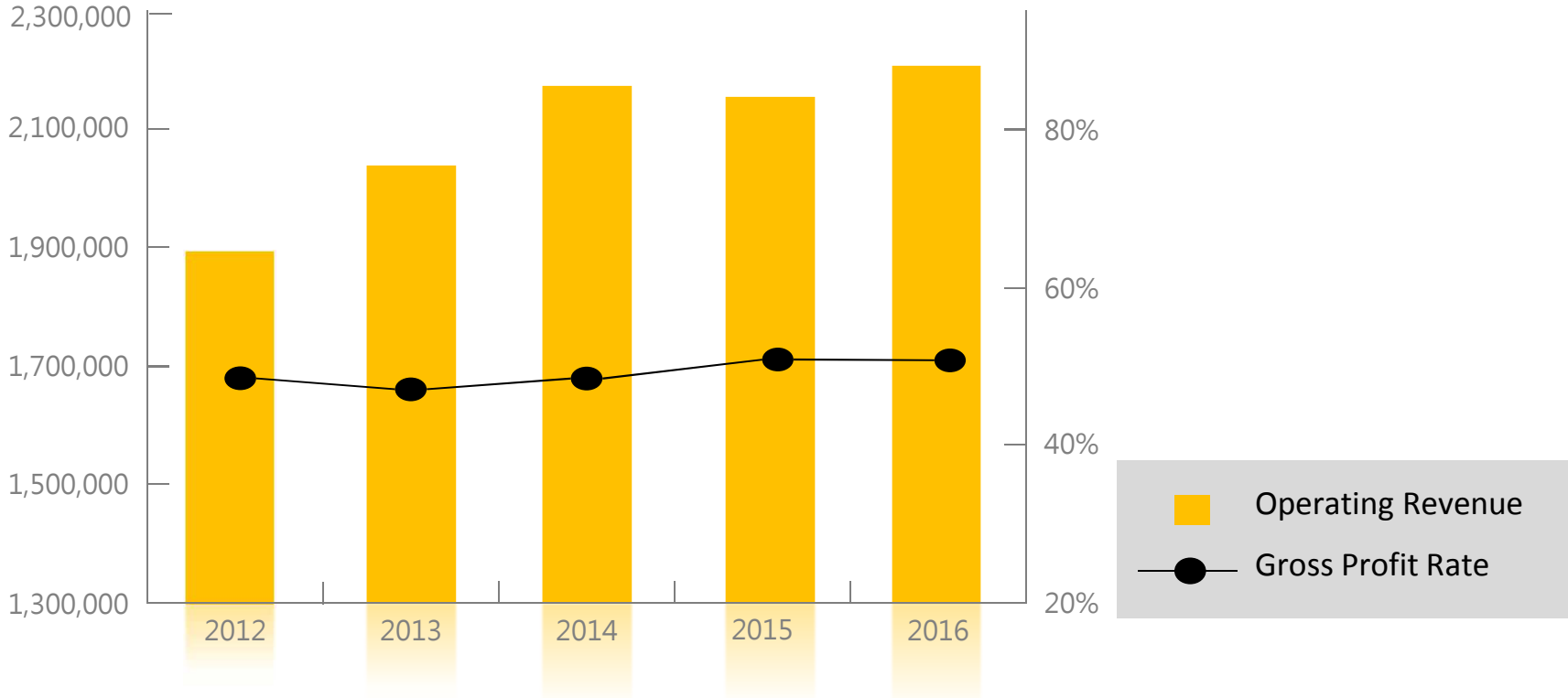
Consolidated Statement for 2015, 2016, and Q3 2017

Account Item	<u>Q3 2017</u>	<u>2016</u>	<u>2015</u>
Operating Revenue	1,694,411	2,205,675	2,157,025
Gross Profit	833,638	1,095,461	1,065,535
Gross Profit Rate	49%	50%	49%
Operating Expense	619,933	855,684	865,654
Operating Expense Rate	37%	39%	40%
Non-Operating Revenue&Expense	77,886	63,132	62,380
Net Income	238,010	254,390	231,201
Net Income Rate	14%	12%	11%
Earning Per Share	1.64	1.76	1.60

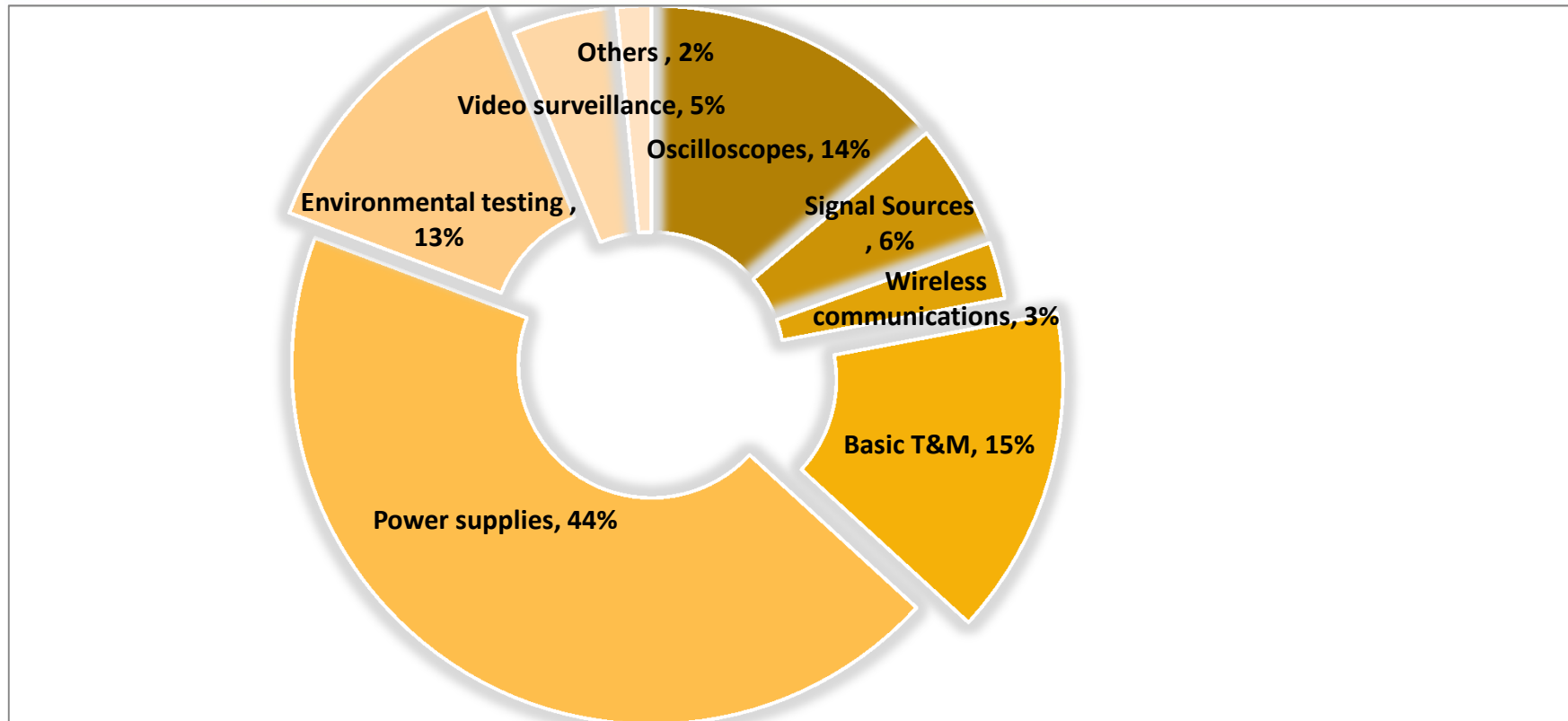
(EPS in one NT dollar: others in NT1000)

(Statement prepared and verified by Ernst & Young accounting firm)

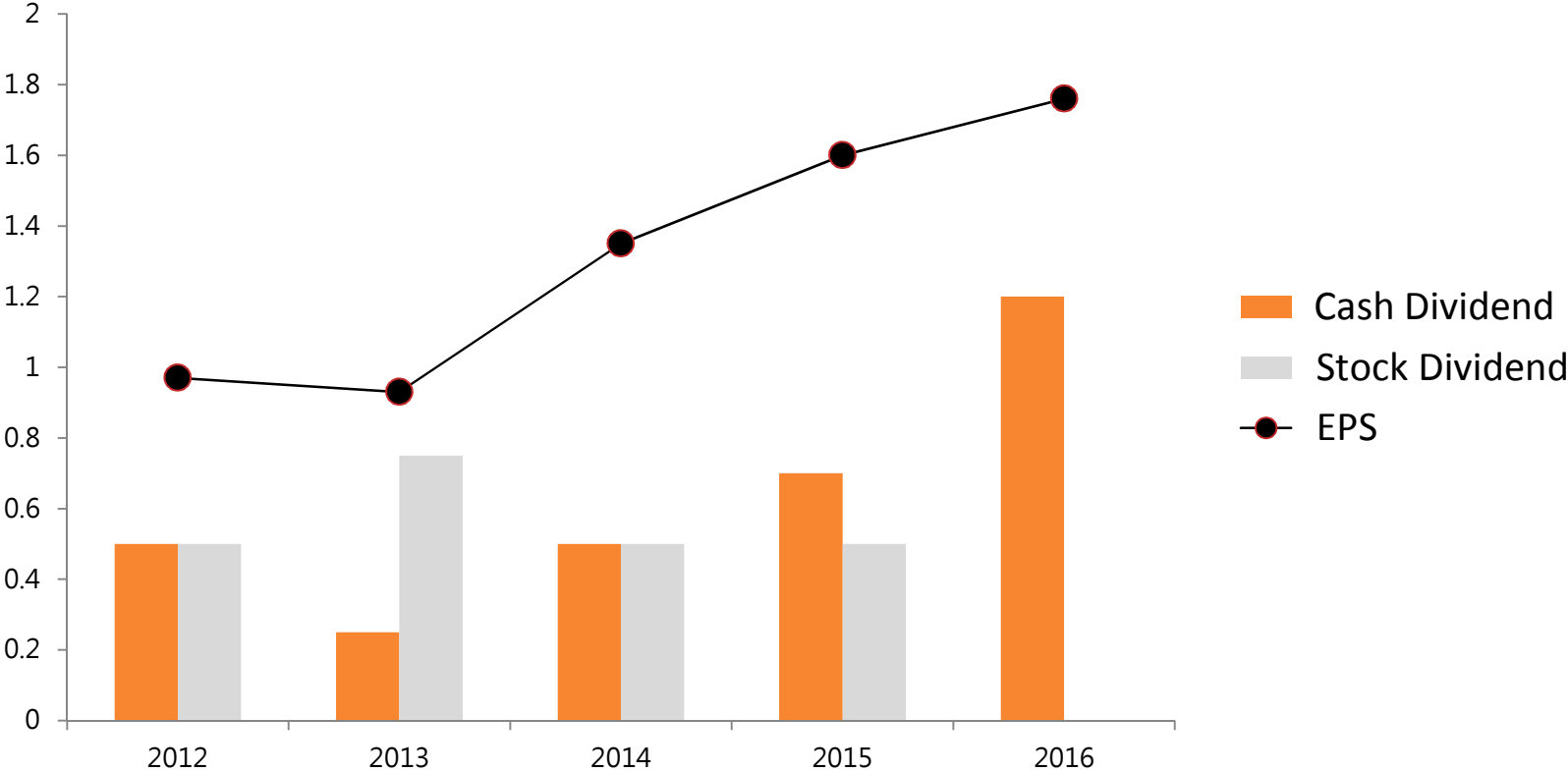
Consolidated Operating Revenue and Profit Margin for the Recent Five Years



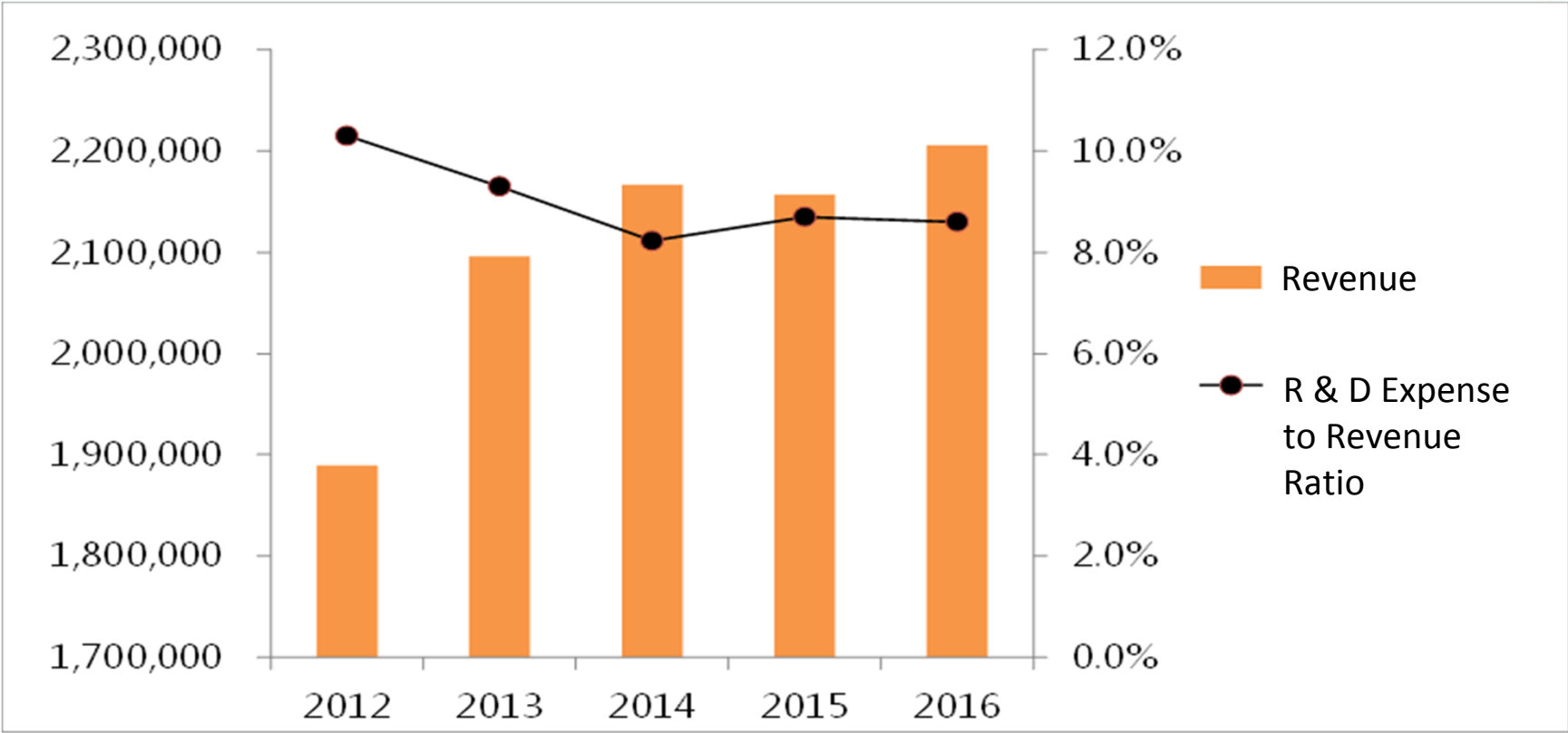
Sales Ratio in Q3 2017 by Products



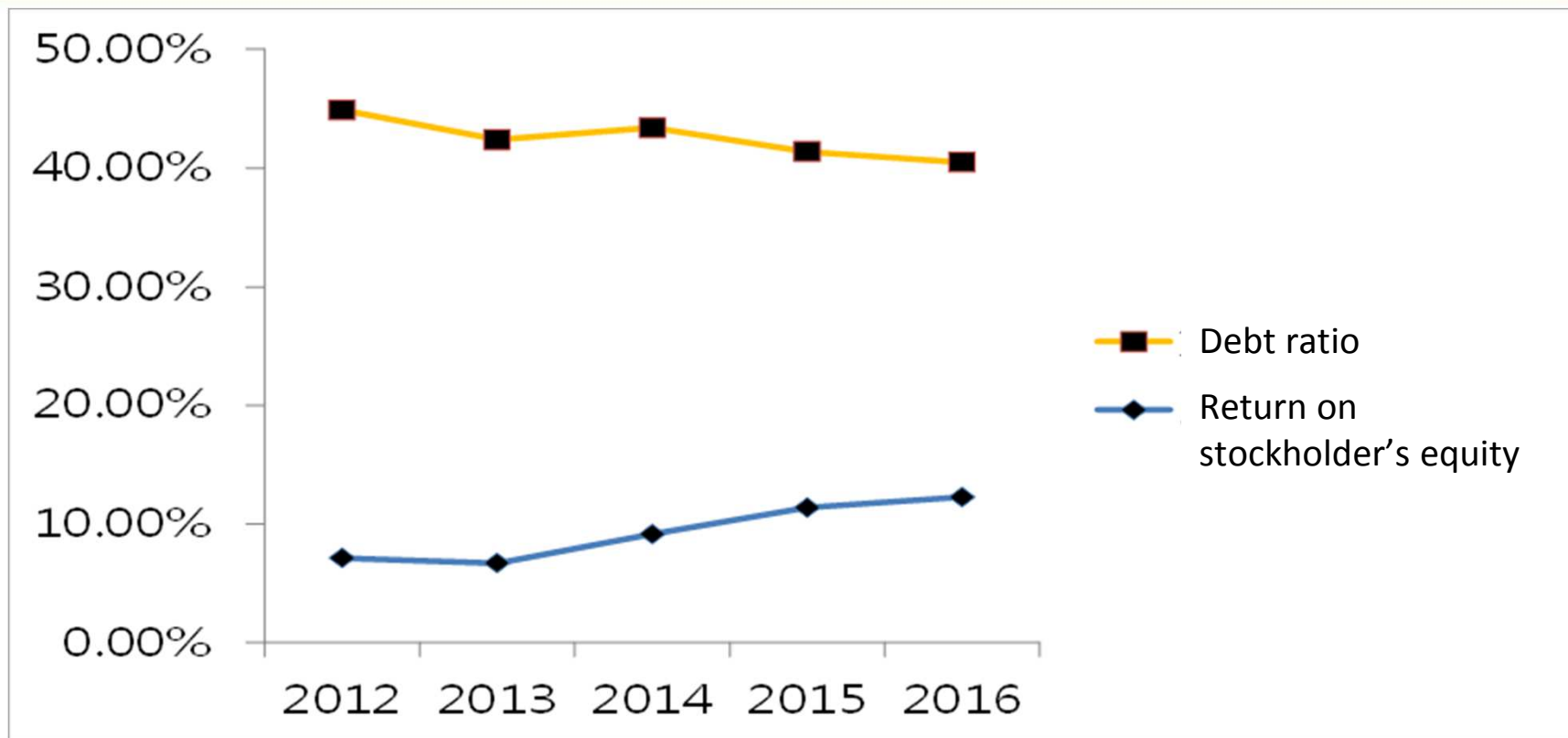
Dividend Policy for the Recent Five Years



R&D Expense to Consolidated Revenue Ratio for the Recent Five Years



Financial Ratio Trend



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GW Instek has won the 4th Taiwan MITTELSTAND Award



Winning factors:

- Own key technologies for electronic instruments and one of a few manufacturers capable of manufacturing both oscilloscopes and spectrum analyzers
- Provide high quality , high efficiency and lowest cost products
- Marketing products to more than 80 countries around the world with GW Instek brand

GW Instek frequently wins Taiwan Excellence Awards



C1100 ASK/FSK General Tester and GPM-8213 Digital Power Meter have been recognized by the Ministry of Economic Affairs by awarding them the 26th Taiwan Excellence Award. Both products reveal their excellences by innovative design, friendly user interface, and multiple hardware patents.

GW Instek frequently wins Taiwan Excellence Awards



GSP-9330 3.25GHz spectrum analyzer won the 25th Taiwan Excellence Award by its fast sweeping and signal demodulation capability.

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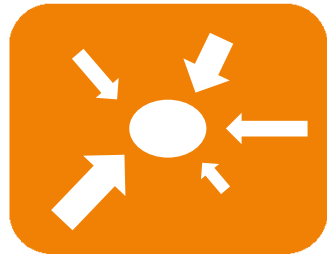
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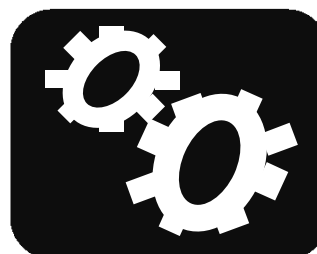
Future Outlook

The driving force for the future development

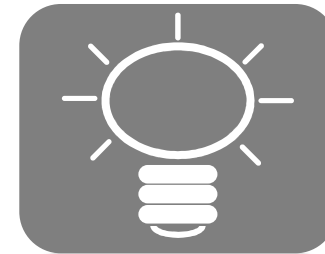
Strengthen channel services



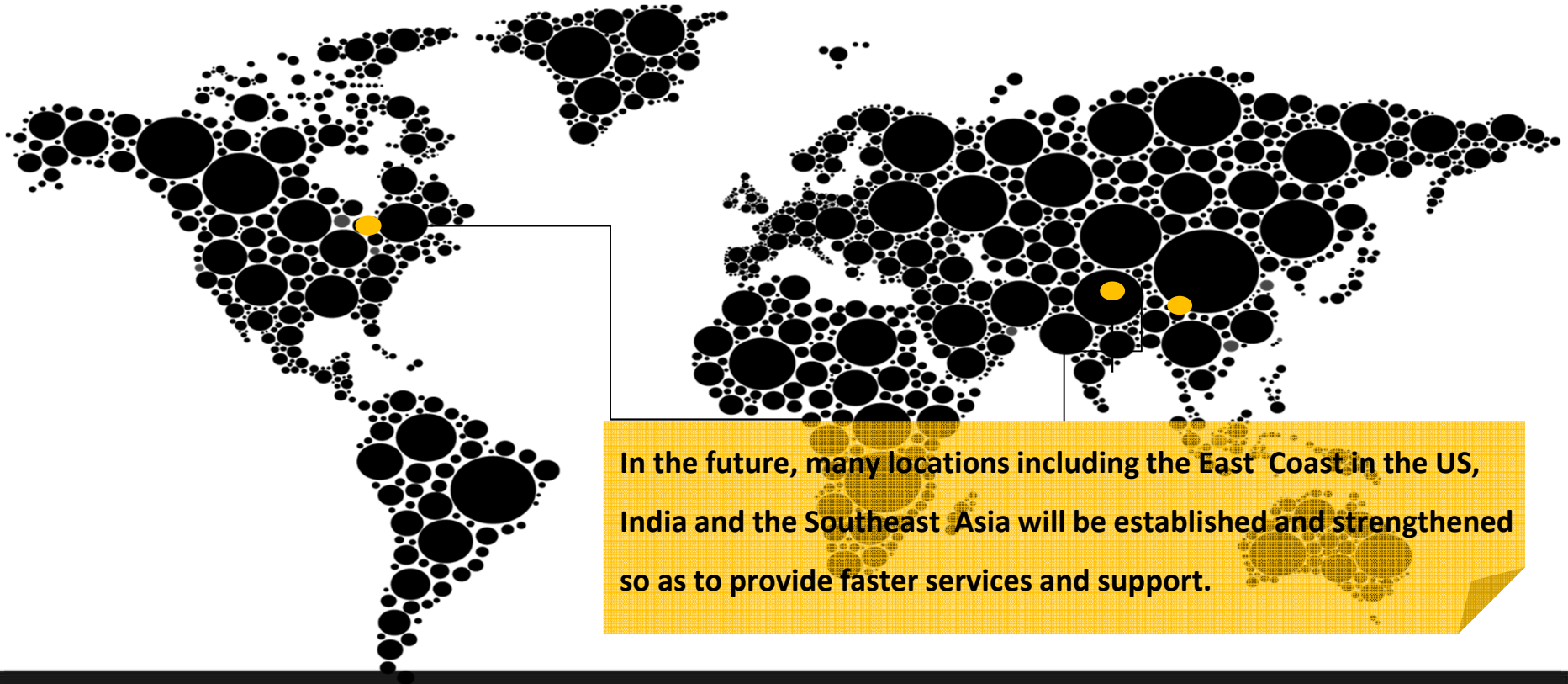
Emerging industries



Continuing mergers and acquisitions



Strengthen Channel Services



In the future, many locations including the East Coast in the US, India and the Southeast Asia will be established and strengthened so as to provide faster services and support.

Emerging Industries

Automotive Electronics

- Environmental testing equipment (performance durability)
- Aging test (power supply, electronic load)
- Performance testing (general instruments)
- Testing center

Energy industries

- Power supply, electronic load
- Performance testing (general instruments)

IoT industries

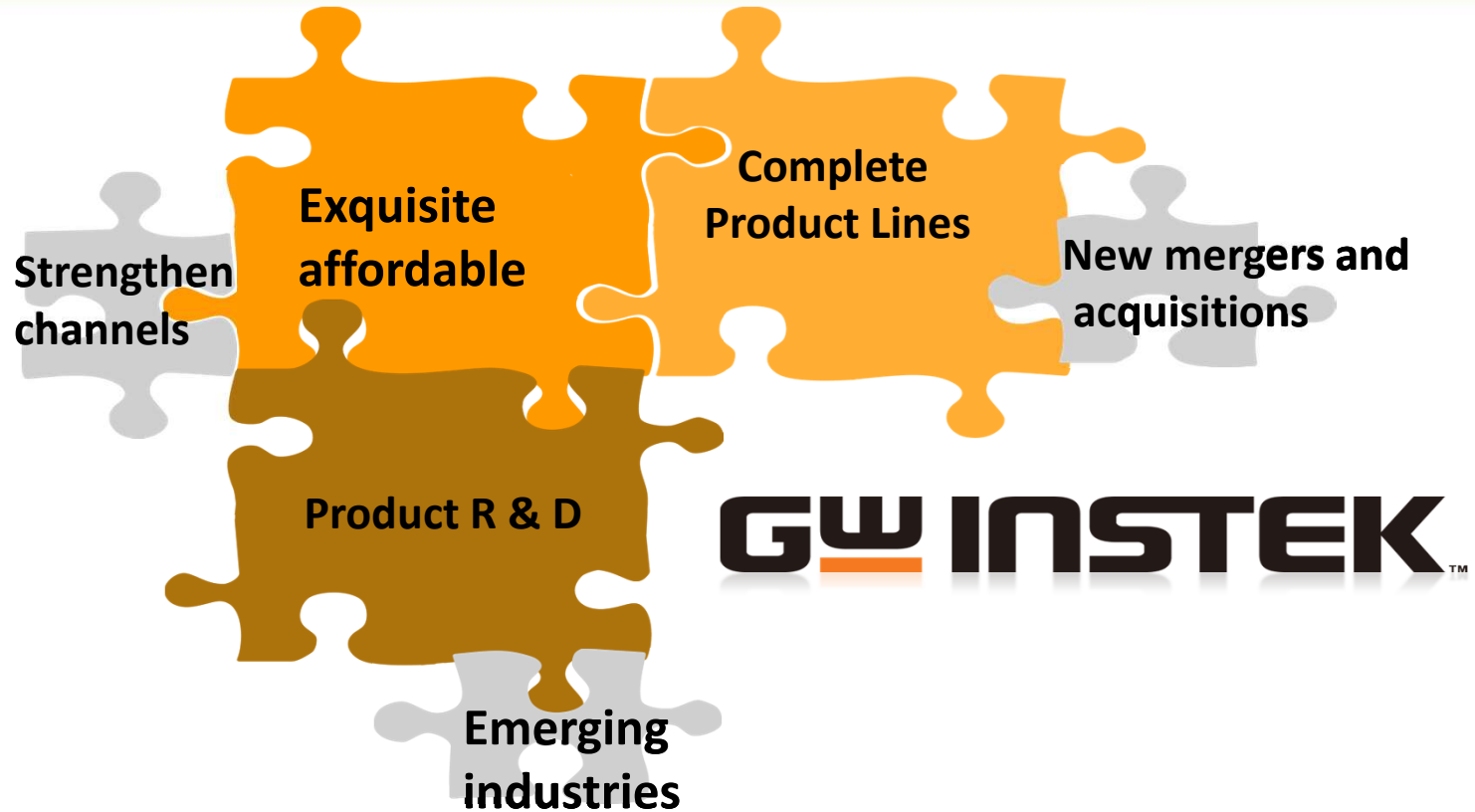
- Wireless communications equipment
- Performance testing (general instruments)

Continuing Mergers and Acquisitions



To expand business operating size, companies with multiplying benefits in terms of **markets**, **brand names**, **channels** or **technologies** will be sought after for mergers and acquisitions.

Conclusions



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**Thanks for your
Attention**