

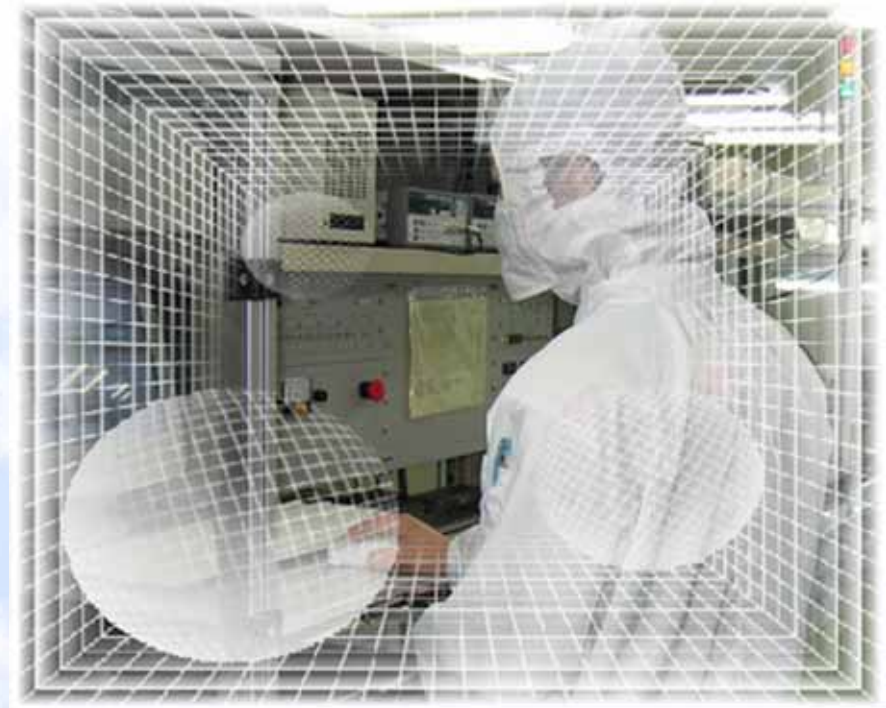
TXC OVERVIEW



2011.5

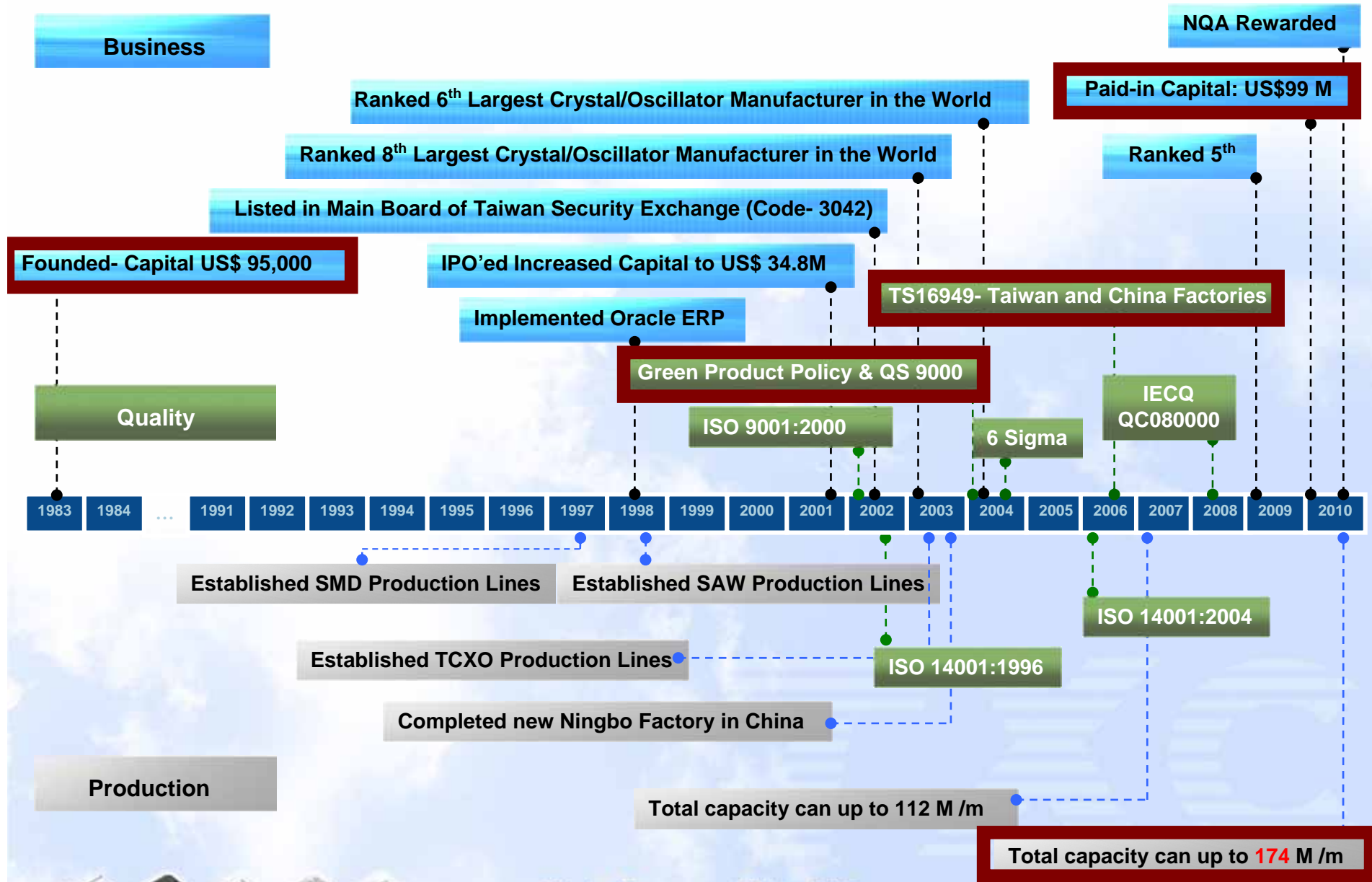


-  **Company Overview**
-  **Products & Technology**
-  **Sales & Marketing**
-  **Financial Overview**



- **TXC Corporation, founded in 1983, is a leading professional *frequency control product manufacturer*. We have devoted to the research, design, manufacture, and sale of *Dual-Inline-Package (DIP)* and *Surface Mount Device (SMD)* quartz crystal products. TXC now specializes in four categories of products such as high quality Quartz Crystal, Crystal Oscillator (CXO), Surface Acoustic Wave (SAW) Filter, and Timing Module (TM).**
- **Our goal is to add value to our customers by providing a complete solution of frequency devices and modules, design-in service to fully satisfy various needs of the esteemed customers. We believe based upon the competence of *cost effectiveness, quality, lead-time, and customer service* TXC will go beyond customers' expectation.**
- www.txccorp.com

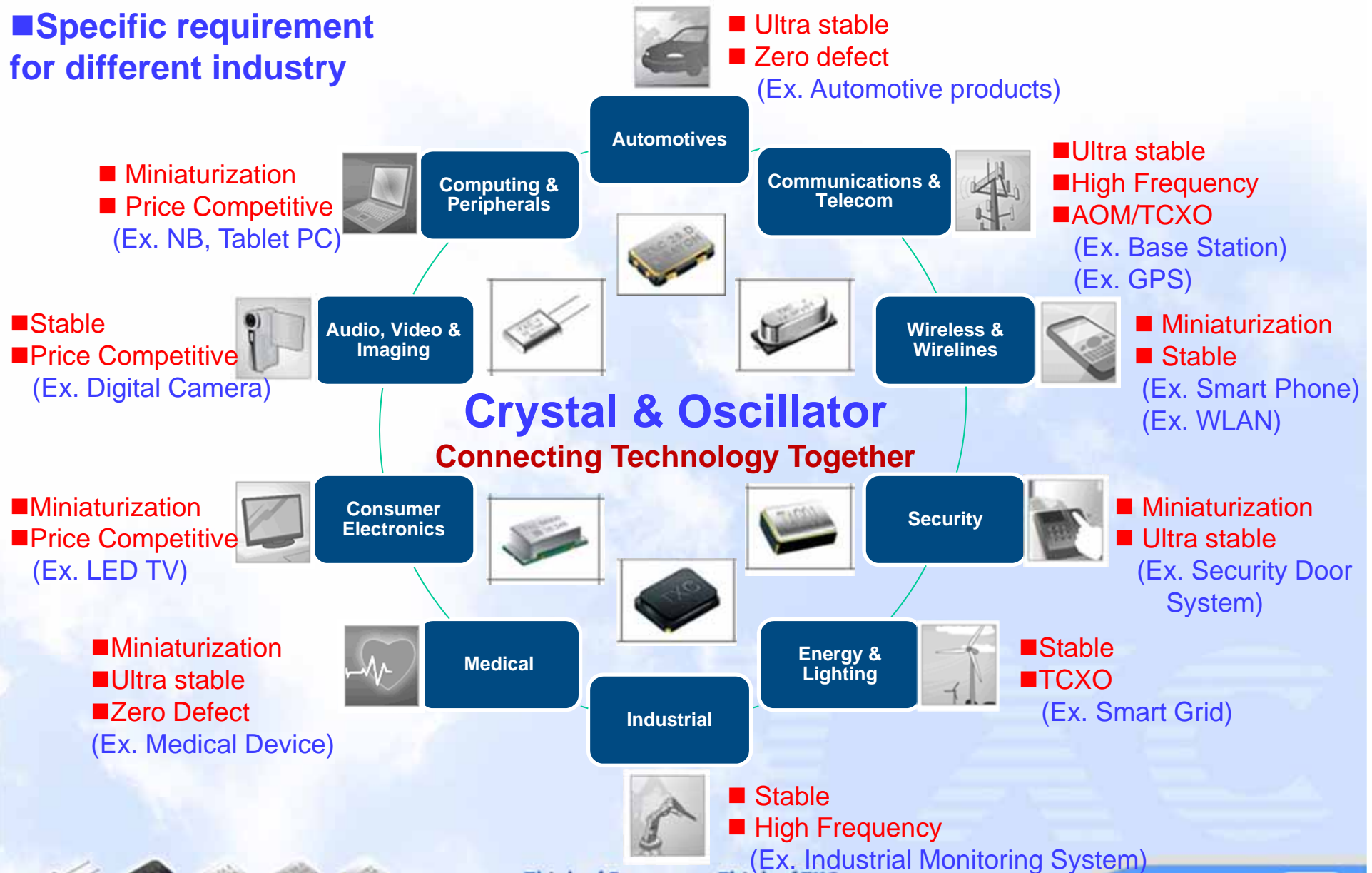




Headquarter -	Taiwan Taipei
Factories(2)-	Taiwan Ping-Cheng China Ningbo China Chong-Qing (Future)
Sales FAEs(10) - Field Application Engineer	Taiwan Taipei China Shanghai, Suzhou, Shenzhen, Wuhan USA LA Japan Yokohama, Osaka Europe Singapore
Distributors(12)-	Europe-UK, Germany.....
Representative (8)-	Korea, India, Mexico.....

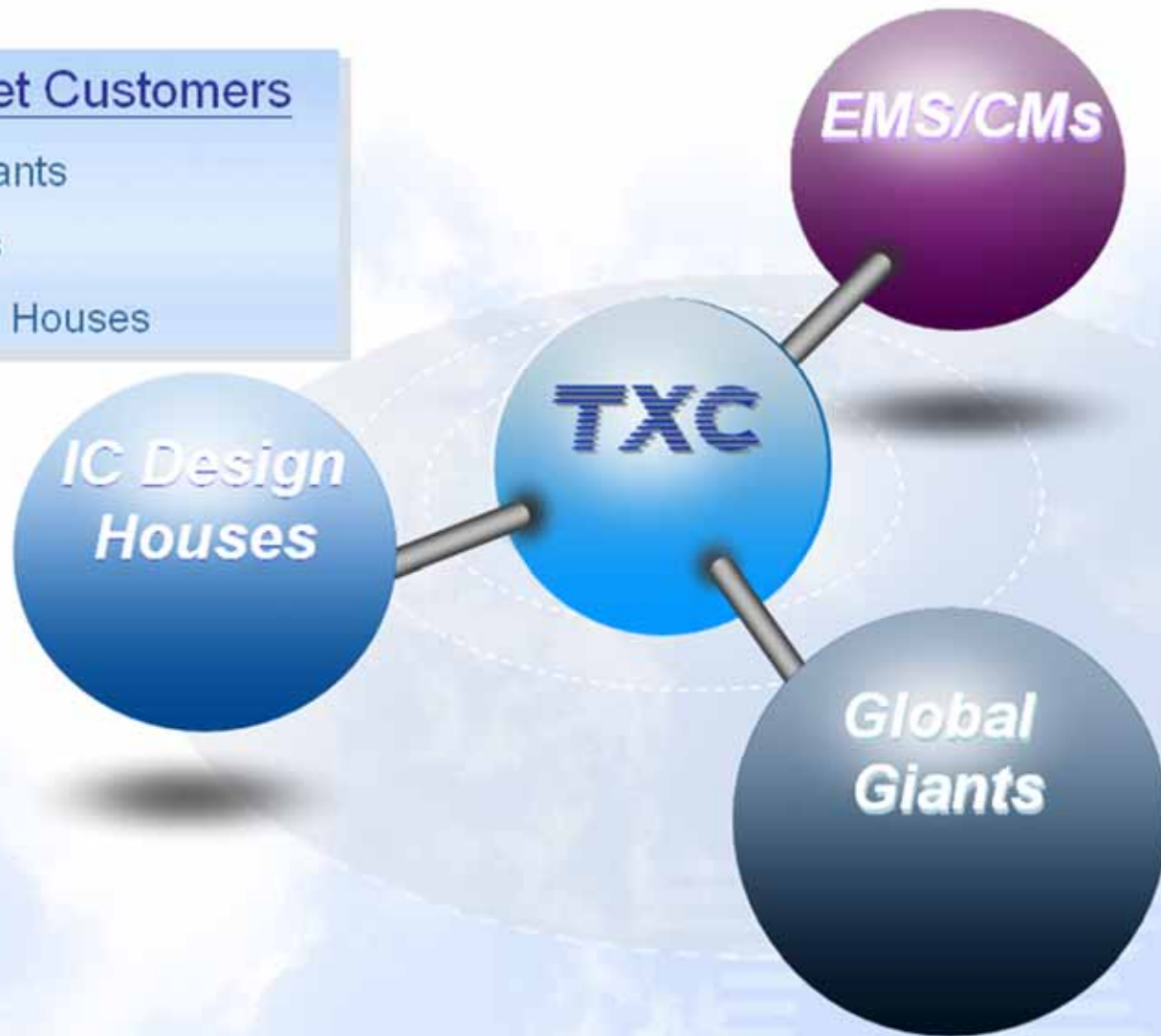


Specific requirement for different industry



Our Target Customers

- Global Giants
- EMS/CMs
- IC Design Houses



Worldwide Ranking & Market Share

Worldwide Revenue of the Top Crystal and Oscillator Suppliers (Unit: Millions of USD)

Rank	Market Player	Countries	2007	2008	2009	2010	(08-09) Change %	(09-10) Change %	2008 Market Share	2009 Market Share	2010 Market Share
1	Epson Toyocom	Japan	656	675	641	793	-5.01%	23.69%	19.90%	22.10%	22.72%
2	NDK	Japan	649	571	459	547	-19.60%	19.23%	16.90%	15.80%	15.68%
3	KDS	Japan	293	327	271	391	-17.03%	44.01%	9.70%	9.40%	11.19%
4	TXC	Taiwan	192	222	241	301	8.33%	25.16%	6.60%	8.30%	8.62%
5	Kyocera Kinseki	Japan	380	304	292	297	-3.82%	1.47%	9.00%	10.10%	8.50%
6	Ventron	USA	206	200	148	205	-26.05%	38.61%	5.90%	5.10%	5.87%
7	Hosonic	Taiwan	-	119	97	109	-18.24%	11.61%	3.50%	3.40%	3.11%
8	Rakon	New Zealand	109	96	82	106	-15.10%	29.94%	2.80%	2.80%	3.03%
9	Taitien	Taiwan	-	-	-	75	-	-	-	-	2.15%
10	TEW	Japan	88	75	60	66	-19.87%	9.98%	2.20%	2.10%	1.89%
11	Micro Crystal	Switzerland	62	56	48	57	-15.18%	20.00%	1.70%	1.60%	1.63%
12	Pericom	USA	57	53	48	56	-10.19%	18.07%	1.60%	1.60%	1.61%
13	River	Japan	60	51	41	47	-20.00%	14.95%	1.50%	1.40%	1.34%
14	Conner-Winfield	Singapore	46	44	35	39	-20.23%	10.26%	1.30%	1.20%	1.11%
15	Fox	USA	51	40	34	38	-14.00%	9.88%	1.20%	1.20%	1.08%
-	Others	-	-	-	-	364	-	-	-	-	10.44%
		Total Revenue	3,564	3,388	2,900	3,491	-14.39%	20.37%			

* Data Courtesy of CS & A

CS&A forecasts 7.2% YoY Growth in 2011, and 4.9% in 2012

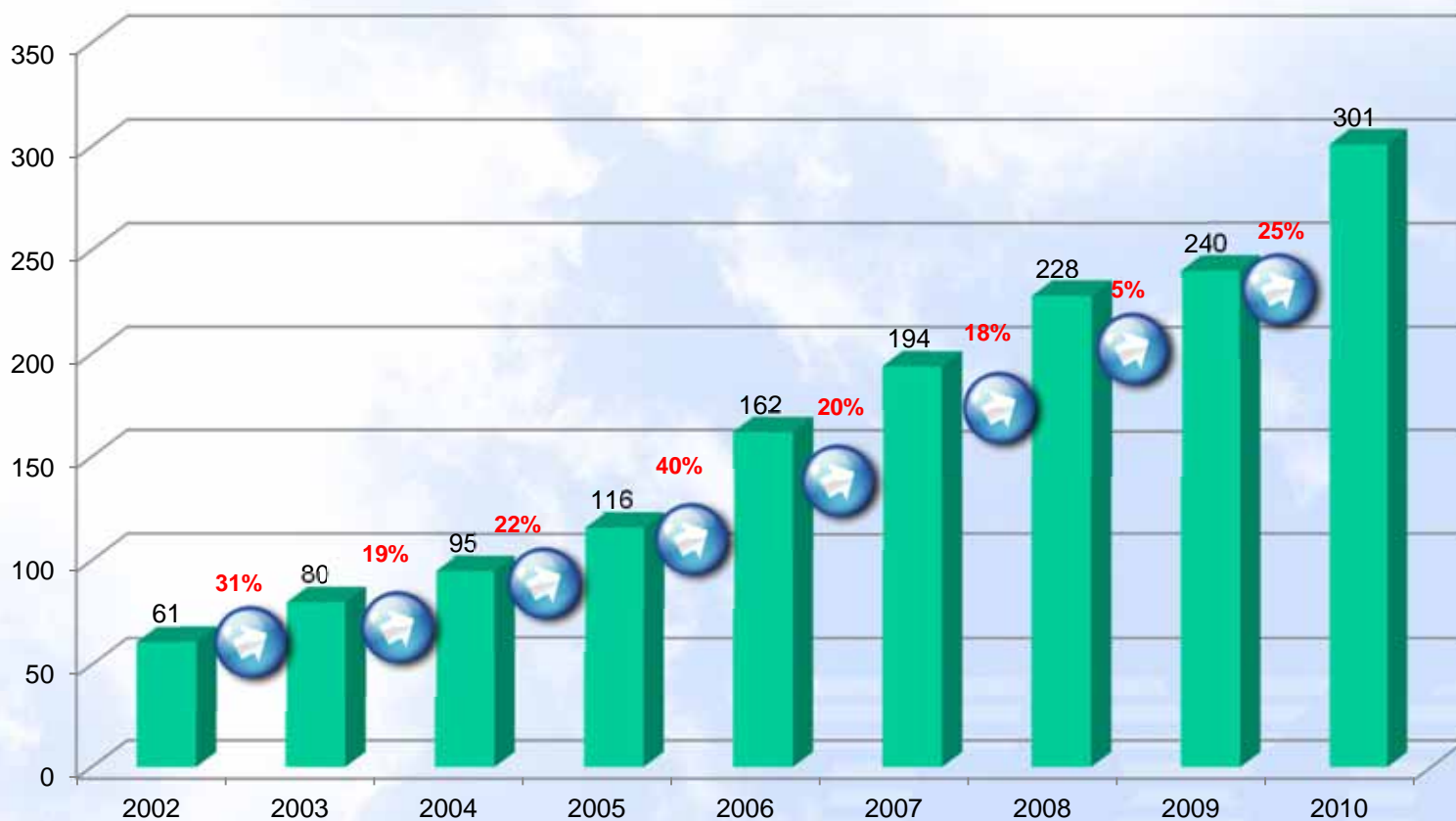


Competitive Advantage of TXC

	TXC	Competitors of Japan	Competitors of Taiwan	Competitors of China
Overhead Cost	Medium	High	Medium	Low
Quotation advantage due to JPY appreciation	High	Low	High	High
Market Focus	Asia (Growing)	USA, Europe (Declining)	Asia (Growing)	China (Growing)
Flexibility	High	Low	High	High
Relationship with ODM	High	Low	High	Low
Diversification	High PC, Automotive, Networking, Mobile, Consumer, Global	High Automotive, Networking, Mobile, Consumer, Global	Low Specific to one or two field	Low PC, Consumer
Ability Of Production Line Transfer	High	High	Medium	Medium
Economic Scale	High (SMD)	Highest (SMD & TCXO)	Low	High (DIP)
Manufacturing Technology	High 2016,1612	High 1612,1210	Medium 2520,2016	Low 3225,2520
Quality Control	High	Highest	Medium	Low

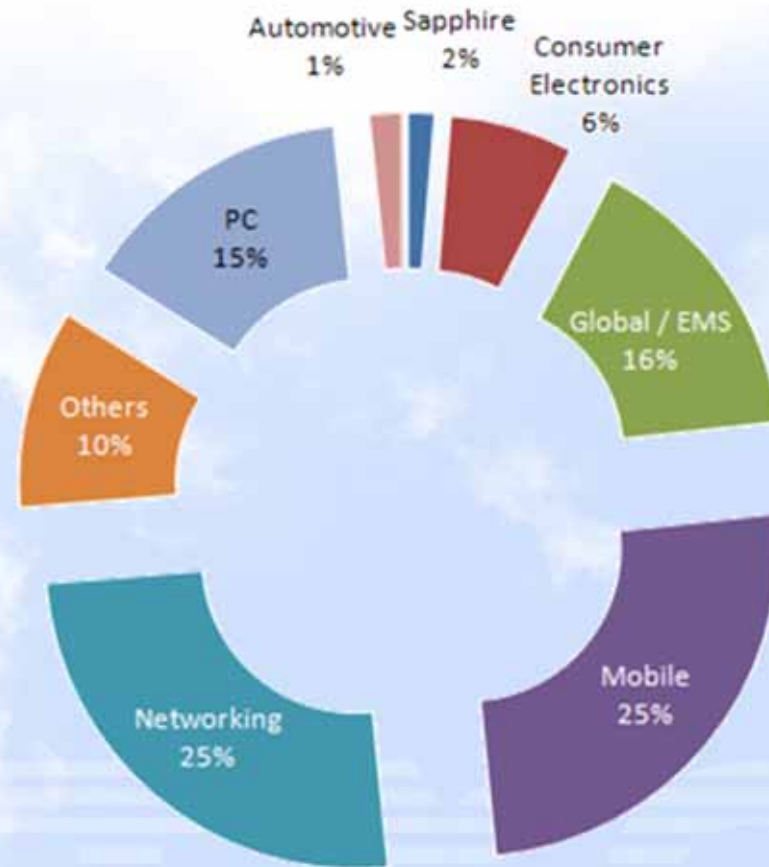
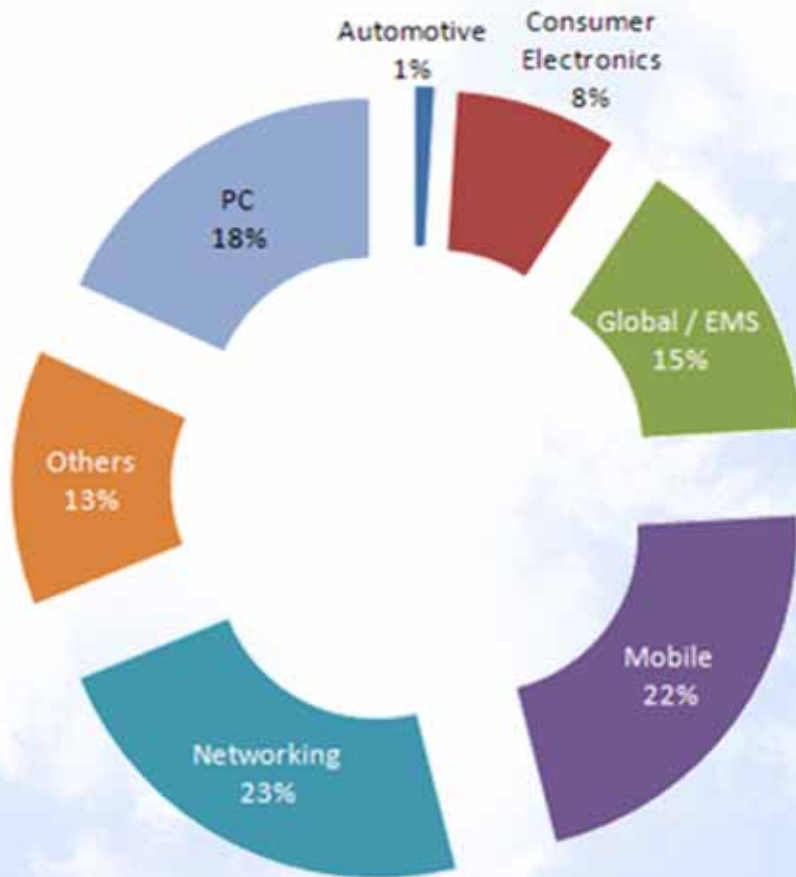


(Unit: Millions of USD) / 1USD = 29 NTD



2010

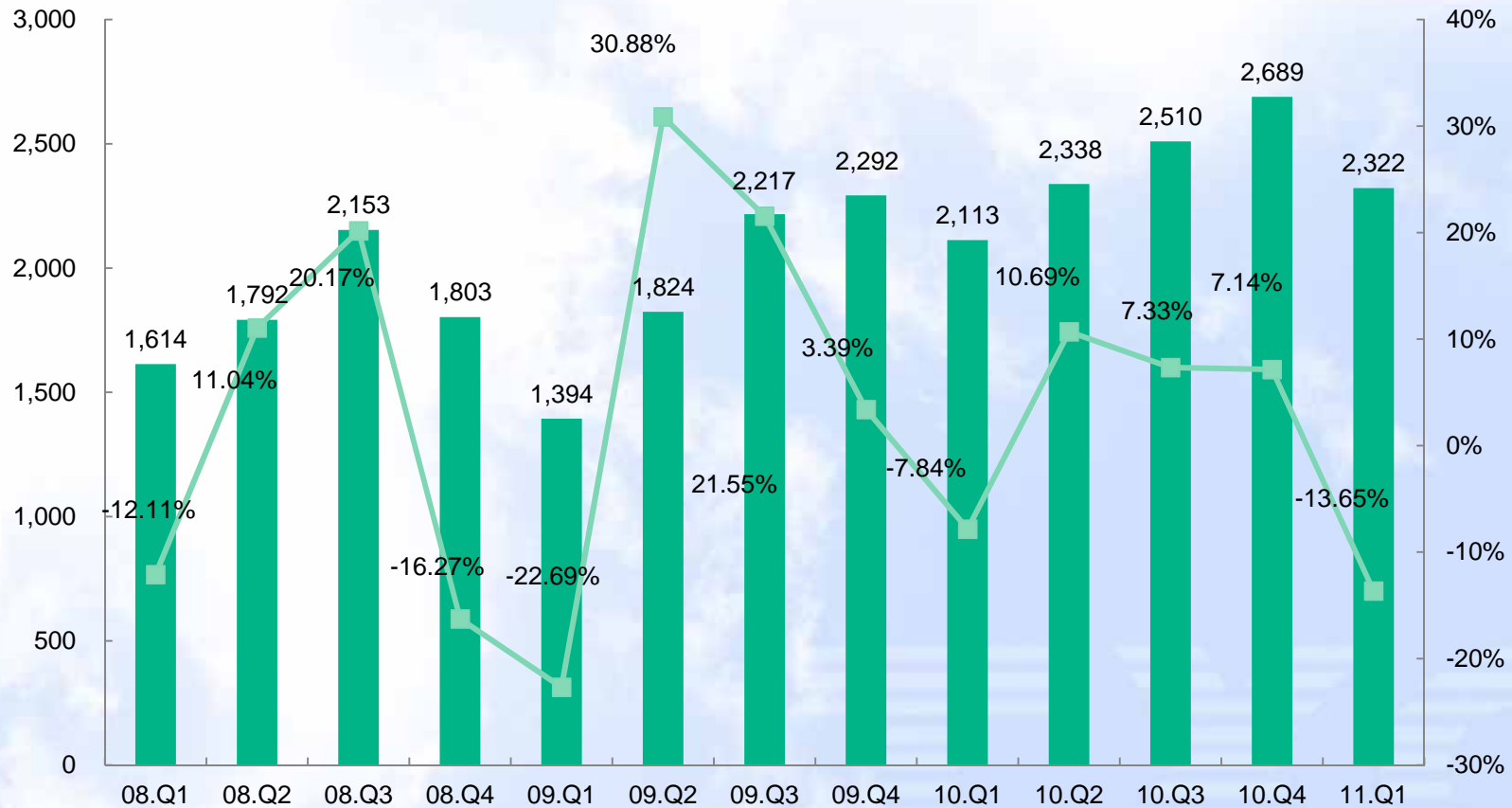
2011(E)



Revenue Trend

1 USD = 29 NTD

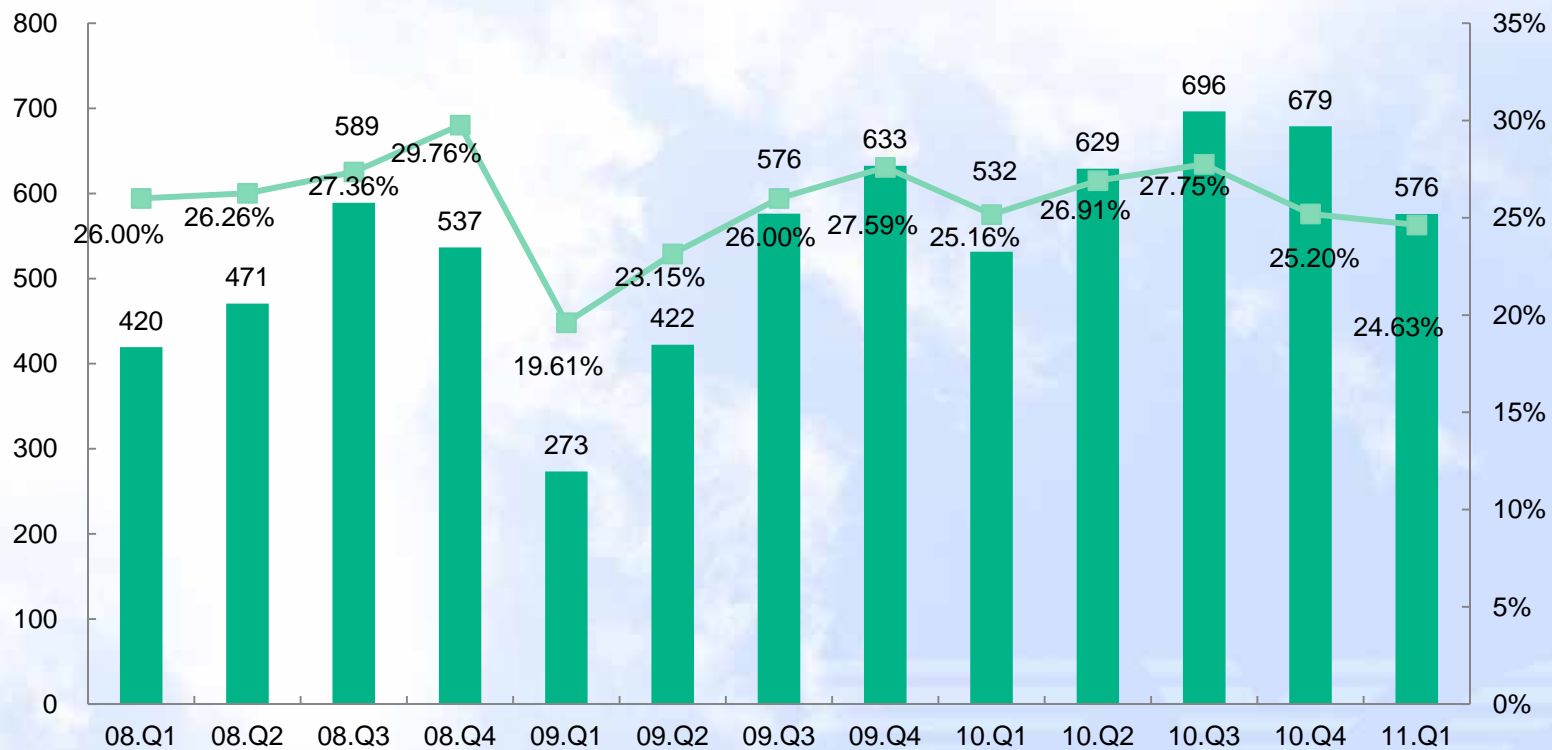
Unit: \$NT in Million



Gross Profit Trend

1 USD = 29 NTD

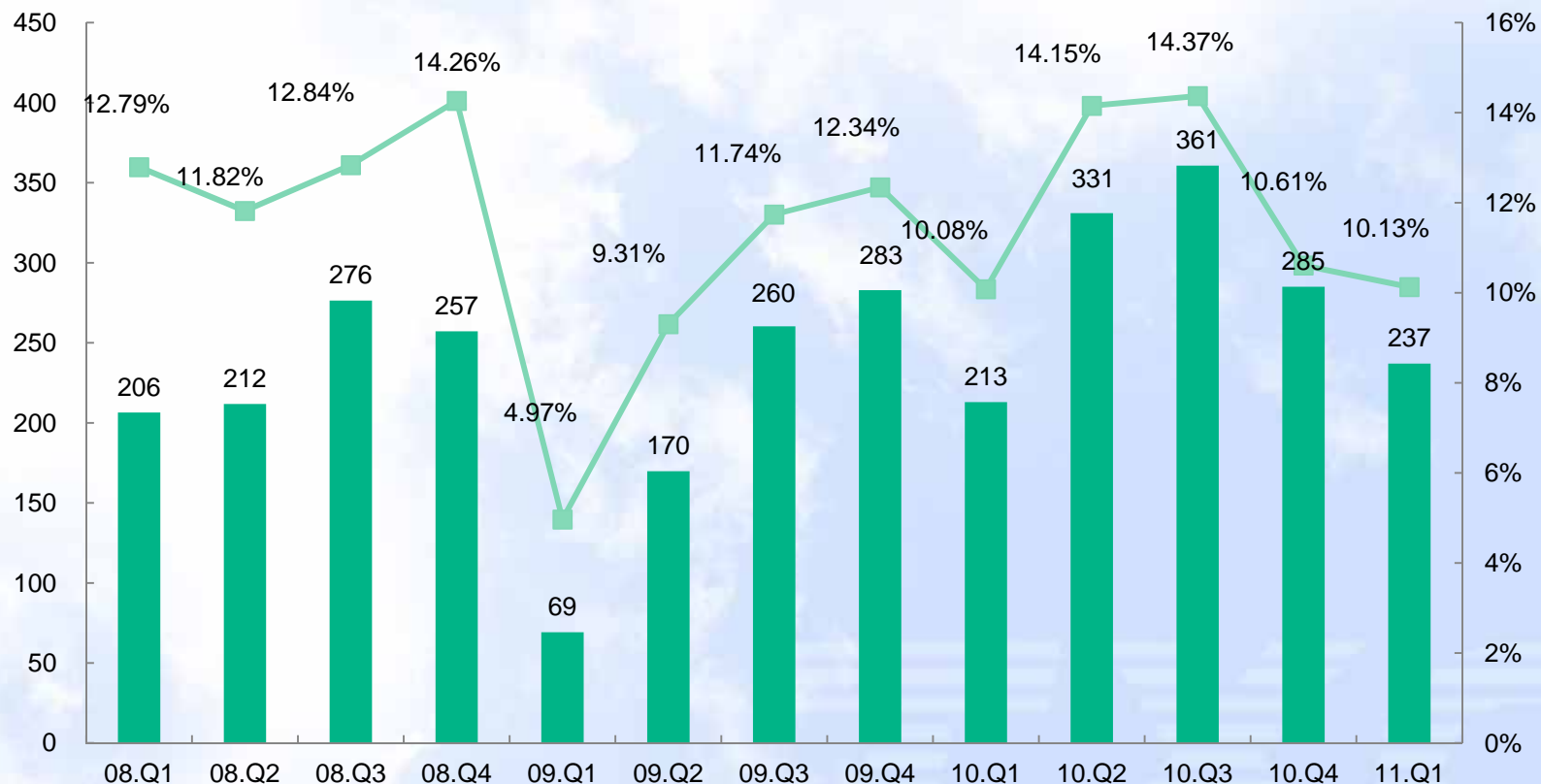
Unit: \$NT in Million



Net Profit Trend

1 USD = 29 NTD

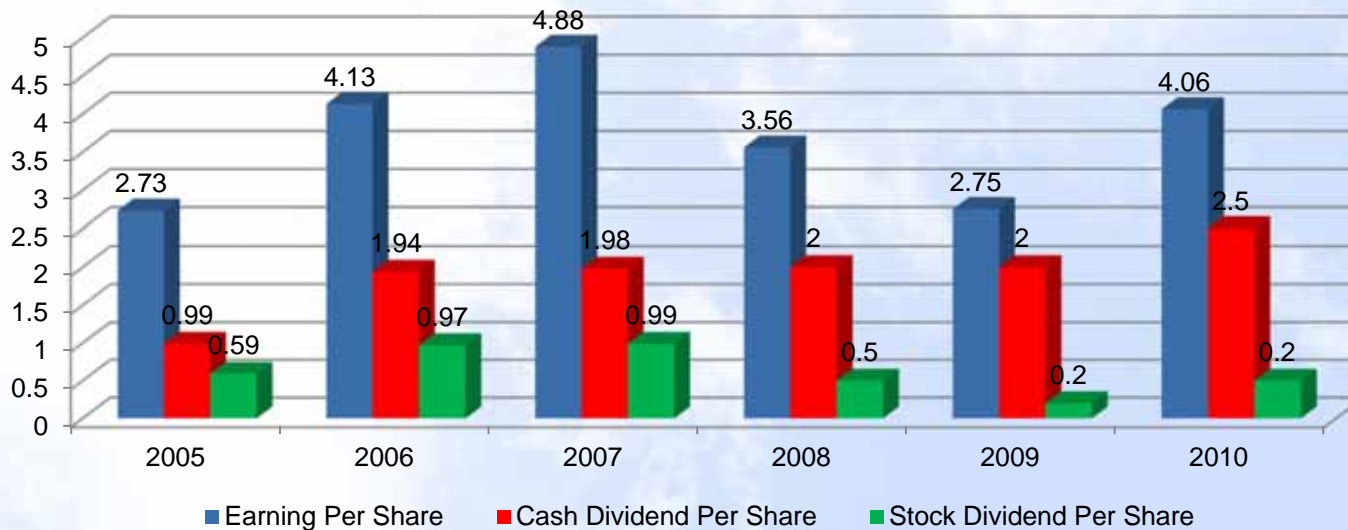
Unit: \$NT in Million



	Items			Notes
<i>Ping-Cheng factory</i>	Factories		265,000	
	Equipments		925,000	
	>Manufacturing	850,000		Production Lines: TCXO/AOM*6 X'TAL*2 Sapphire related (300 millions)
	>R & D	75,000		X'TAL (1210),AOM Samples
	Computers		23,000	
	Others		12,500	
	Total		1,225,500	
	 			
<i>NGB factory</i>	Factories		22,700	
	Equipments		92,000	
	Computers		2,400	
	Others		1,150	
	Total		118,250	
 				
<i>Total</i>			1,343,750	
<i>CKG factory</i>	Factories		250,000	Q3/Q4
	Equipments		150,000	10 Production Lines (New & Old)



- Compensation payable to directors and supervisors
 - 2%(2010)
- Employee Bonus
 - 15%(2010)



	2005	2006	2007	2008	2009	2010
Earning Per Share	2.73	4.13	4.88	3.56	2.75	4.06
Cash Dividend Per Share	0.99	1.94	1.98	2.00	2.00	2.50
Stock Dividend Per Share	0.59	0.97	0.99	0.50	0.20	0.20



New Project : Sapphire Substrate

- **LED Related Application**

- 1. Backlight
- 2. LED signboard
- 3. Lighting

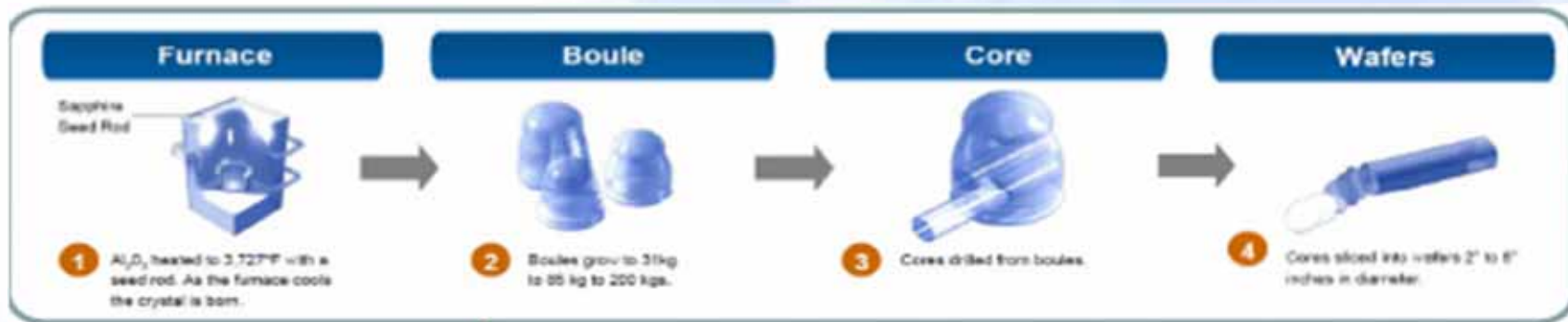
- **Capital Expenditure Plan (2011)**

- 260 million NT for equipments
- 100 million NT for factory

- **Targeted Position within LED industry**

- Upstream of Epitaxy manufacturer

- **Manufacturing process TXC will involve in**



- **1. Crystal Growing**
- **2. Cutting / Lapping / Polishing**
- **3. PSS**



Revenue will grow gradually and stably.

Gross margin will be improved due to better product mix (eliminating effect of FX)

China Market is still the major sales driving force

AOM products shipment will ramp up along with raising Cloud Computing and Smart Grid applications

The company will continue penetrating worldwide market with Smart Phone and GPS Applications

New Business will bring new growth momentum

