



*International Contract Manufacturer to Capital
Equipment and Consumer Industries*

ELECTROTECH INVESTMENTS LIMITED

2Q FY2008 Results Presentation

❖ Financial Review

- ❖ 2Q FY2008

- ❖ 1H FY2008

❖ Business Review and Outlook

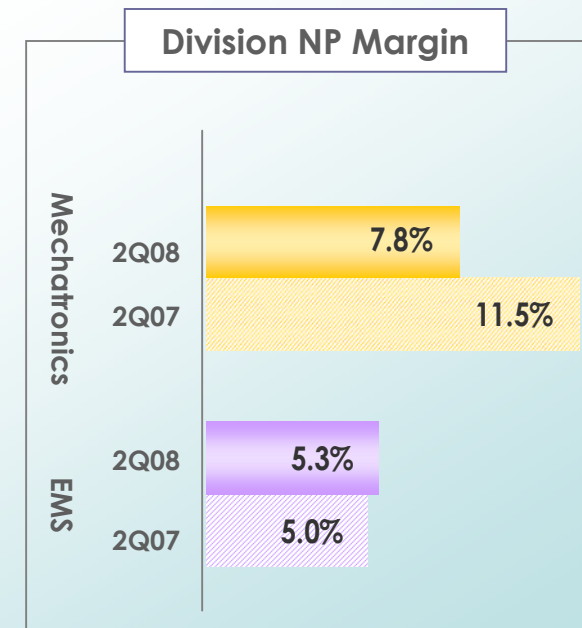
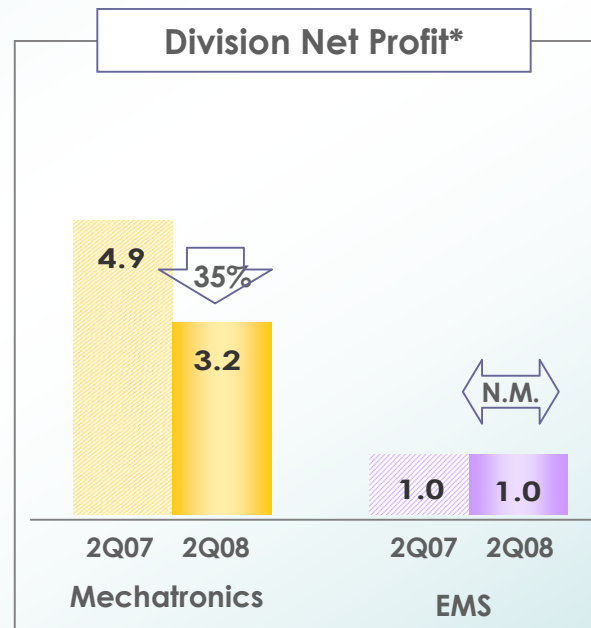
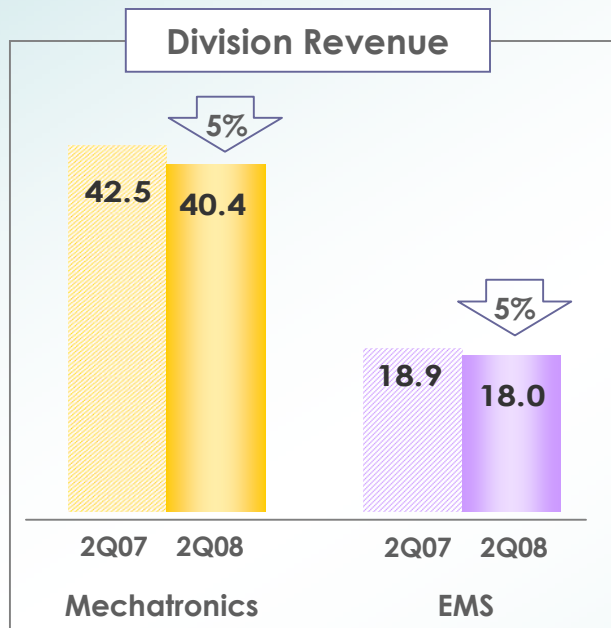
- ❖ Mechatronics Division

- ❖ EMS Division

❖ Questions and Answers

2Q08 – P&L Snapshot

(\$ m)	2Q08	2Q07	Chg y-o-y
Revenue	58.4	61.4	(5%)
Gross Profit	8.1	10.7	(24%)
Profit Before Tax	5.1	7.5	(32%)
Net Profit (NP)	4.0	5.9	(31%)
NP Margin	6.9%	9.5%	-
Effective Tax Rate	20.9%	22.0%	-



*Note: Excludes Investment Division

ElectroTech Investments Limited

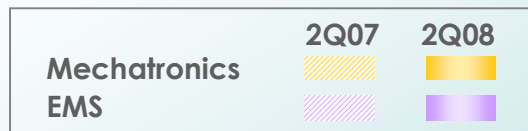
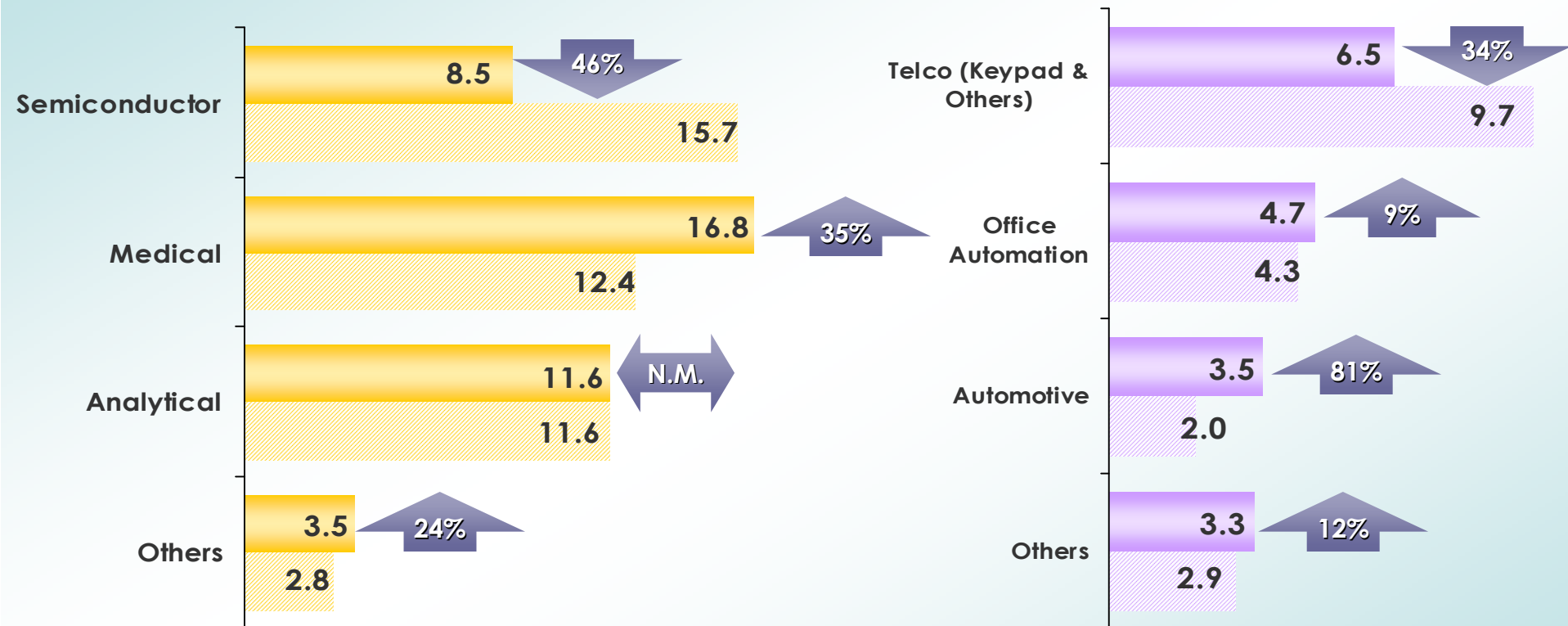
2Q08 - Division Revenue Analysis



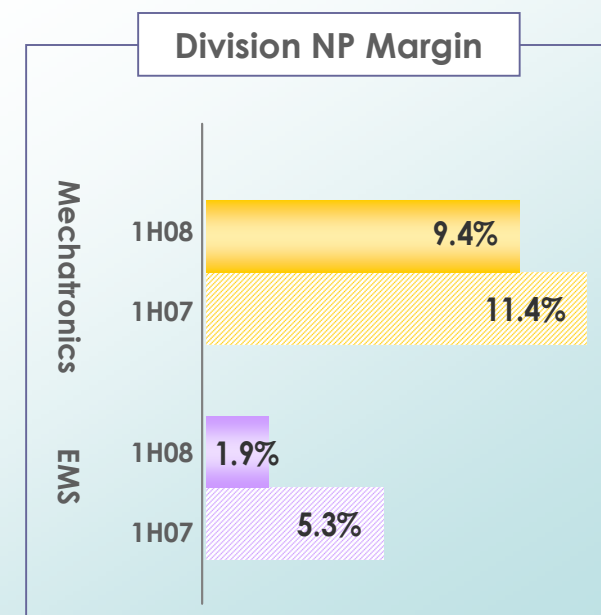
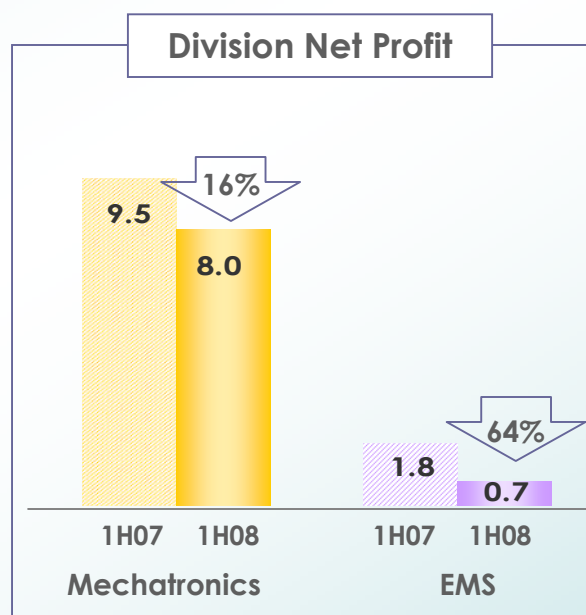
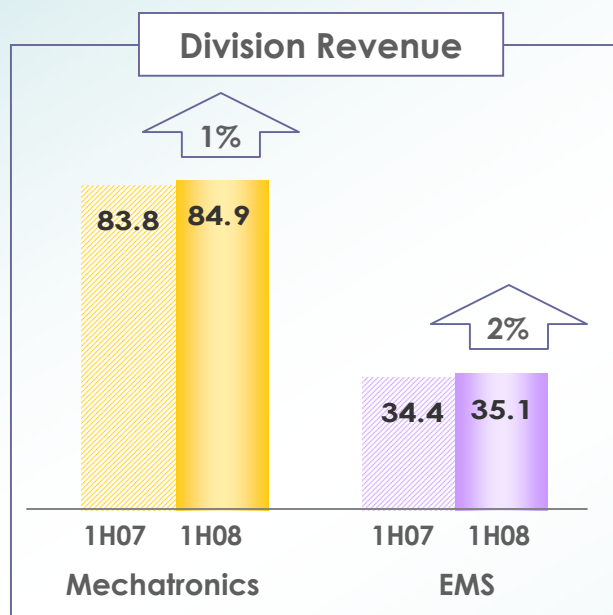
2Q FY2008 Results Briefing

MECHATRONICS (\$\$ m)

EMS (\$\$ m)



(\$\$ m)	1H08	1H07	Chg y-o-y
Revenue	120.1	118.2	2%
Gross Profit	17.7	20.7	(14%)
Profit Before Tax	11.1	14.3	(23%)
Net Profit (NP)	8.4	11.3	(26%)
NP Margin	7.0%	9.6%	-
Effective Tax Rate	23.9%	20.9%	-



*Note: Excludes Investment Division

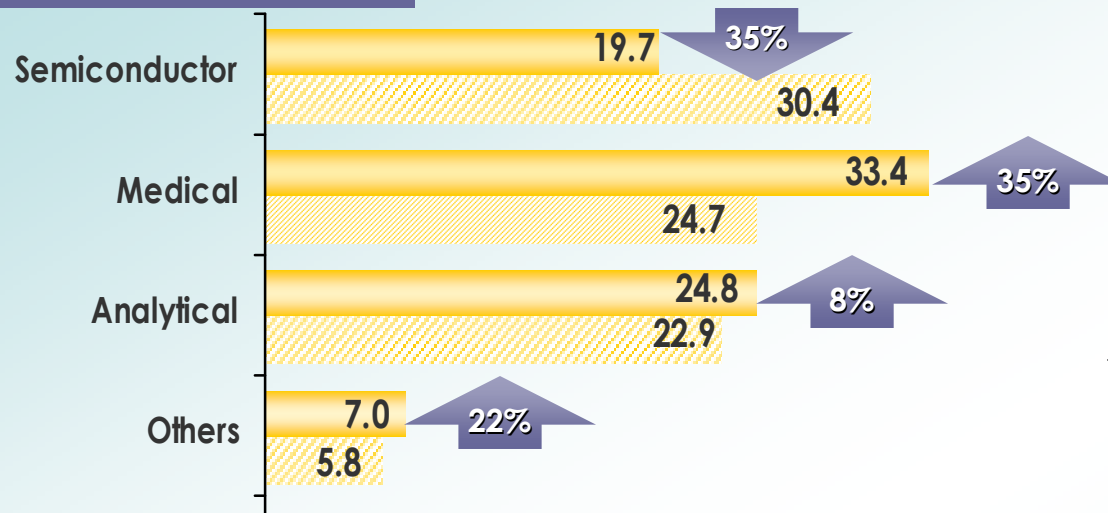
ElectroTech Investments Limited

1H08 – Group Revenue Analysis

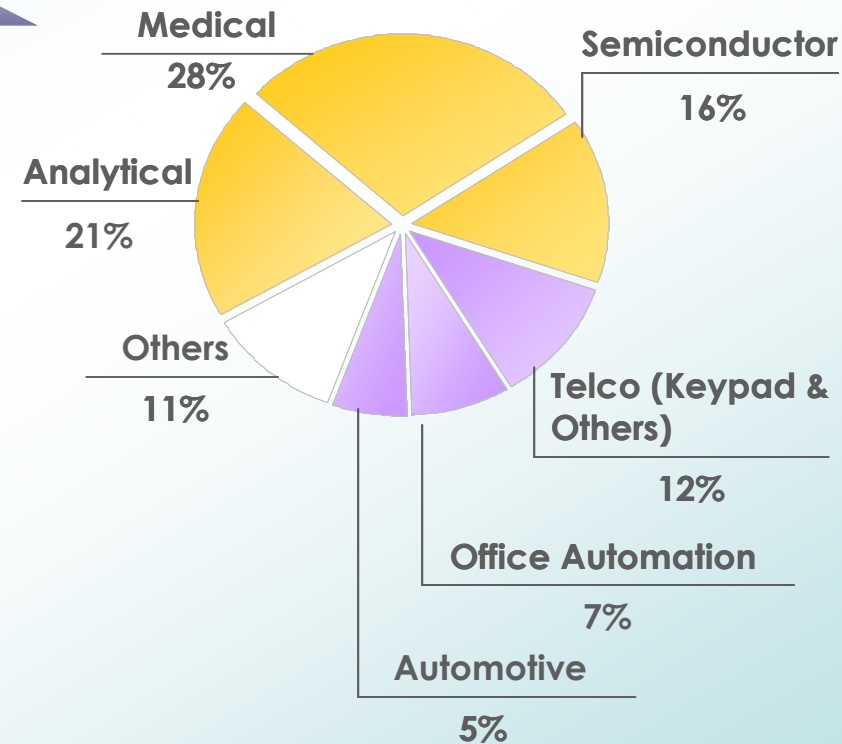


2Q FY2008 Results Briefing

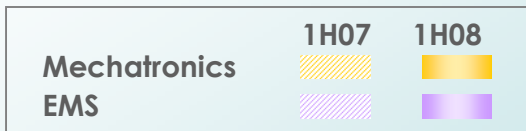
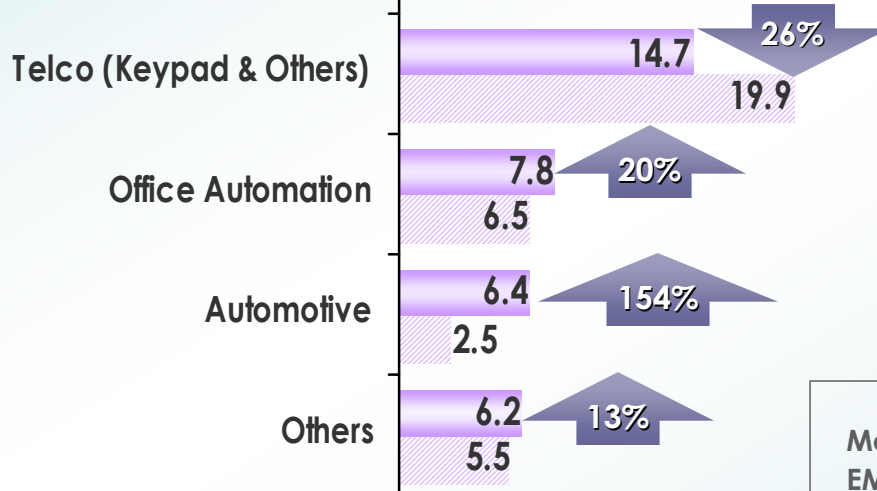
MECHATRONICS (\$\$ m)



Breakdown by Business Segment

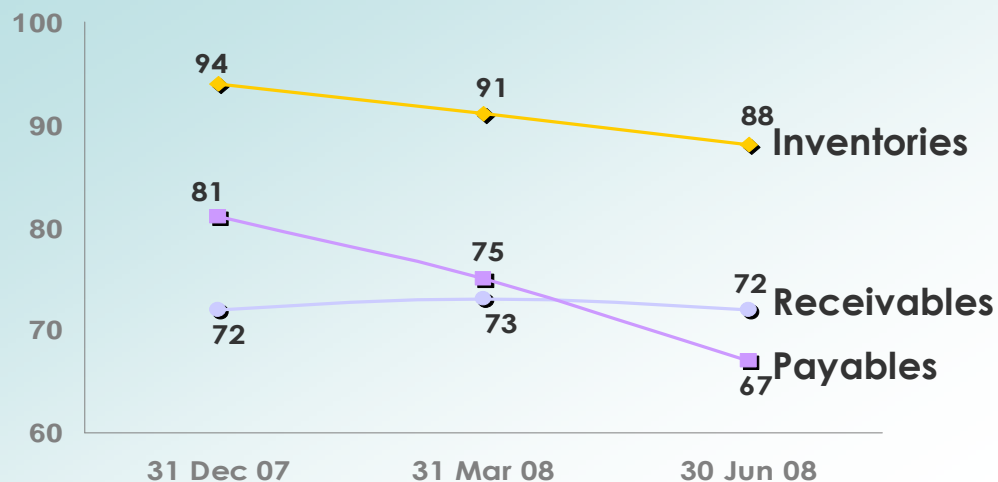


EMS (\$\$ m)

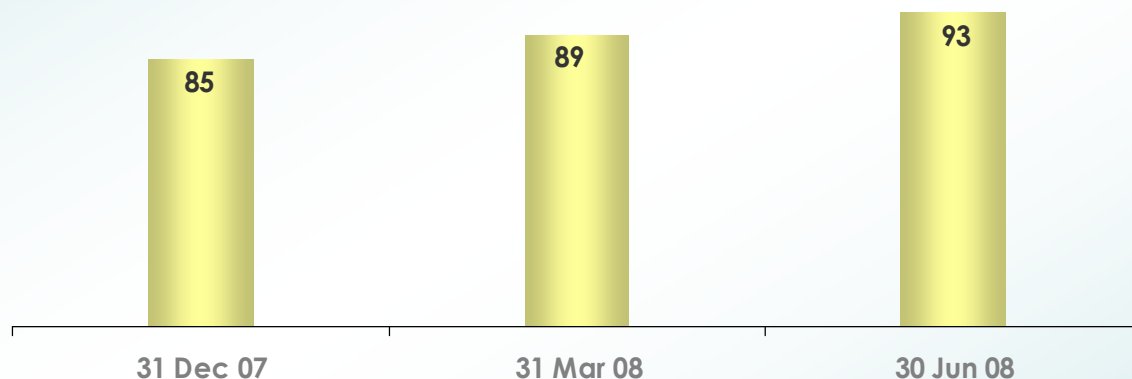


Breakdown by Division:
Mechatronics – 71%, EMS – 29%

Turnover Days



Cash Conversion Cycle (Days)



Cash Conversion Cycle (Days) = Days sales outstanding + Days inventory outstanding – Days payables outstanding

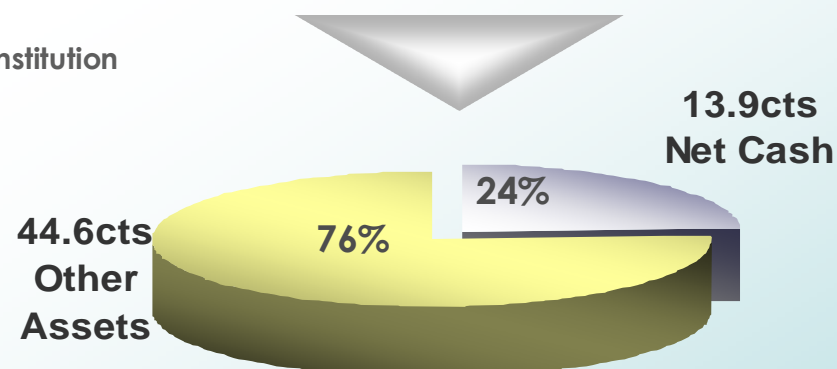
(\$\$ m)	1H08	1H07
Net cash flow from operations	7.2	3.0
Capital expenditure	1.5	3.6
Free cash flow	5.7	(0.6)

Balance Sheet Highlights

2Q FY2008 Results Briefing

Balance Sheet (\$\$ m)	30 Jun 08	31 Dec 07
Cash and cash equivalents *	43.1	44.0
Total borrowings	0.7	0.8
Net gearing	Net cash	Net cash
Shareholders' equity	178.2	178.3
Net asset value per share (Scents)	58.5	58.5

* Included short term fund with a financial institution



	30 Jun 08	31 Dec 07
Return-On-Average Equity	9.5%*	13.6%
Return-On-Average Equity (ex-Net Cash)	12.5%*	18.4%

*Annualised figures

Share Price (as at 31 Jul '08)	S\$0.40
Market Capitalisation (S\$ m)	121.9
Trailing earnings per share (Scents)**	6.60
Trailing Price/earnings ratio	6.1
Trailing Price/earnings ratio (ex-Net cash)	4.0
Price/NAV	0.7

**Based on sum of earnings per share of last four quarters ended 2Q08



Mechatronics Division

Business Review & Outlook

Mechatronics Division

Sales and Net Profit

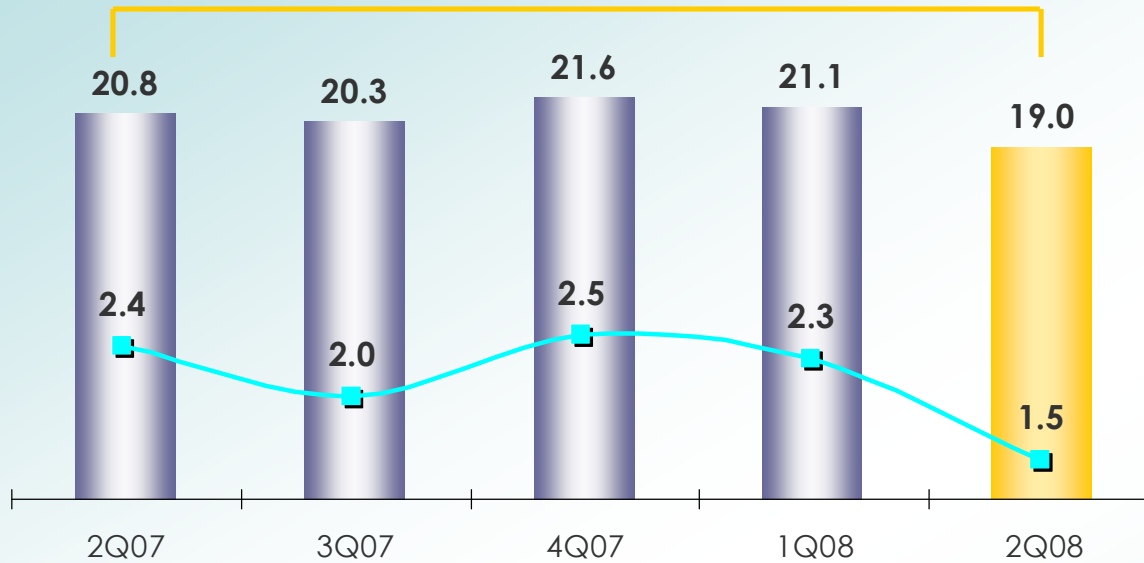


2Q FY2008 Results Briefing

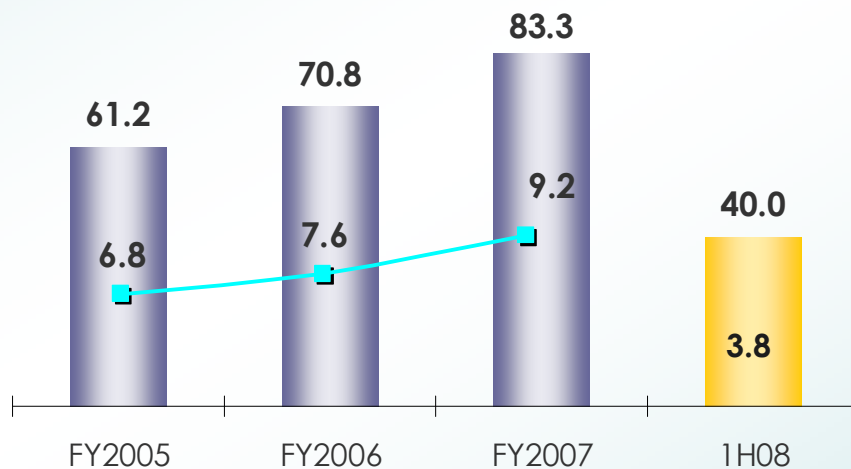
Revenue: -9%
Net Profit: -38%

Currency: Euro million

■ Revenue
— Net profit



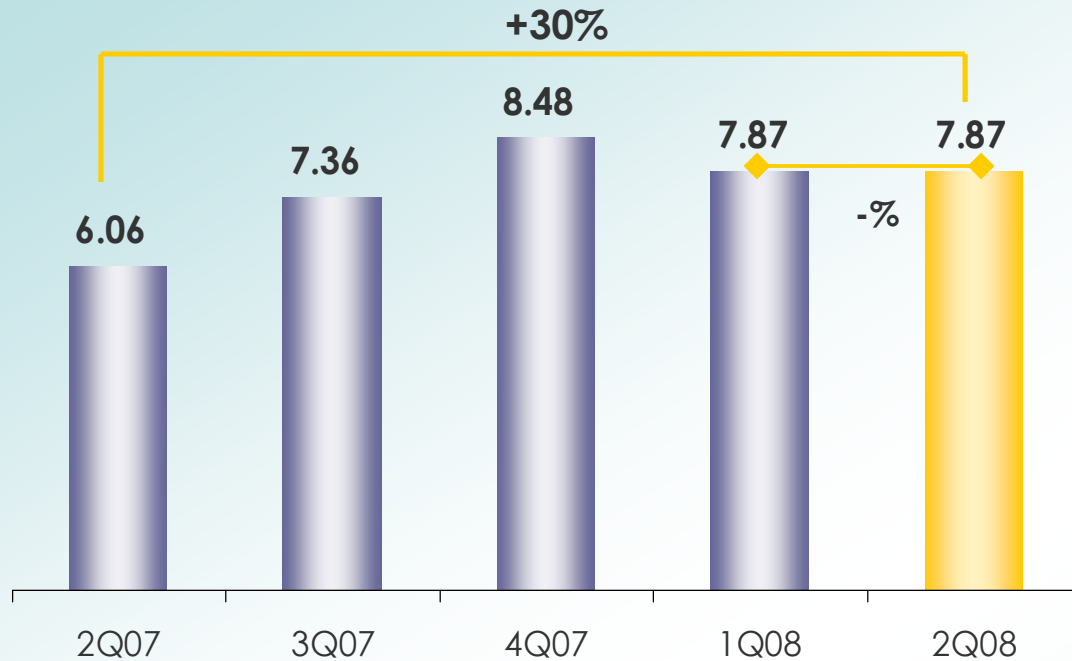
Net Profit Margin	
2Q07	11.5%
3Q07	10.0%
4Q07	11.6%
1Q08	10.9%
2Q08	7.9%



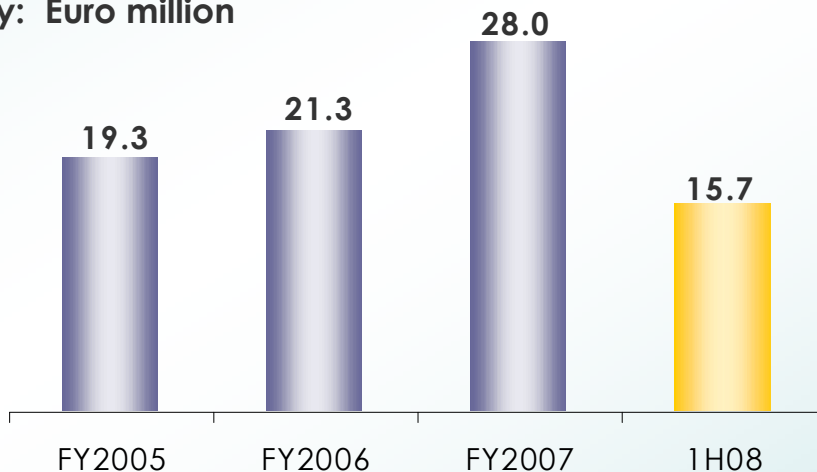
Net Profit Margin	
FY2005	11.1%
FY2006	10.7%
FY2007	11.0%
1H08	9.5%

Mechatronics Division

Sales Analysis – Medical Segment



Currency: Euro million

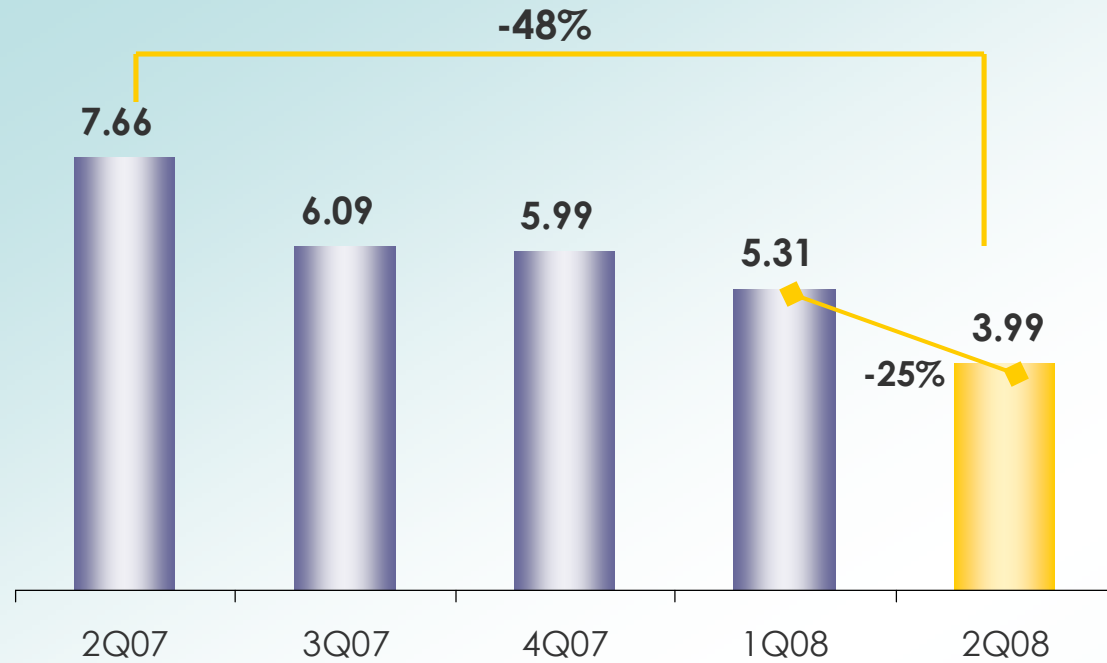


2Q08 Review:

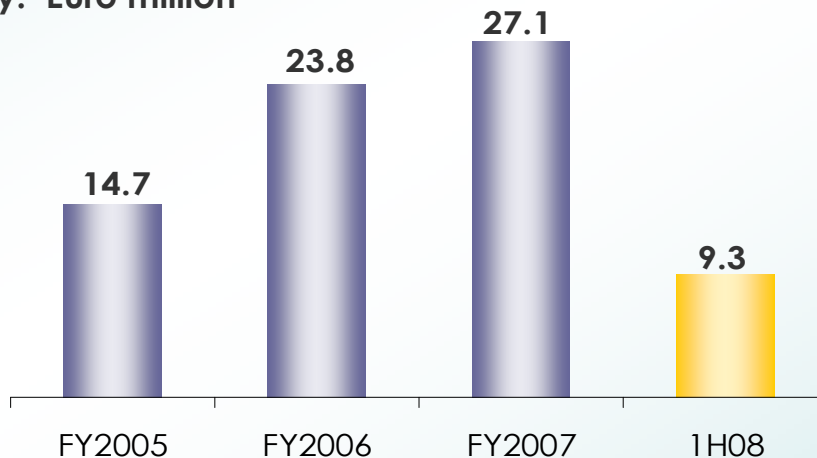
- Revenue driven mainly by increased orders for a product launched in 3Q07 for an existing customer
- Offset the delayed market introduction of a new product for another customer

Mechatronics Division

Sales Analysis – Semiconductor Segment



Currency: Euro million

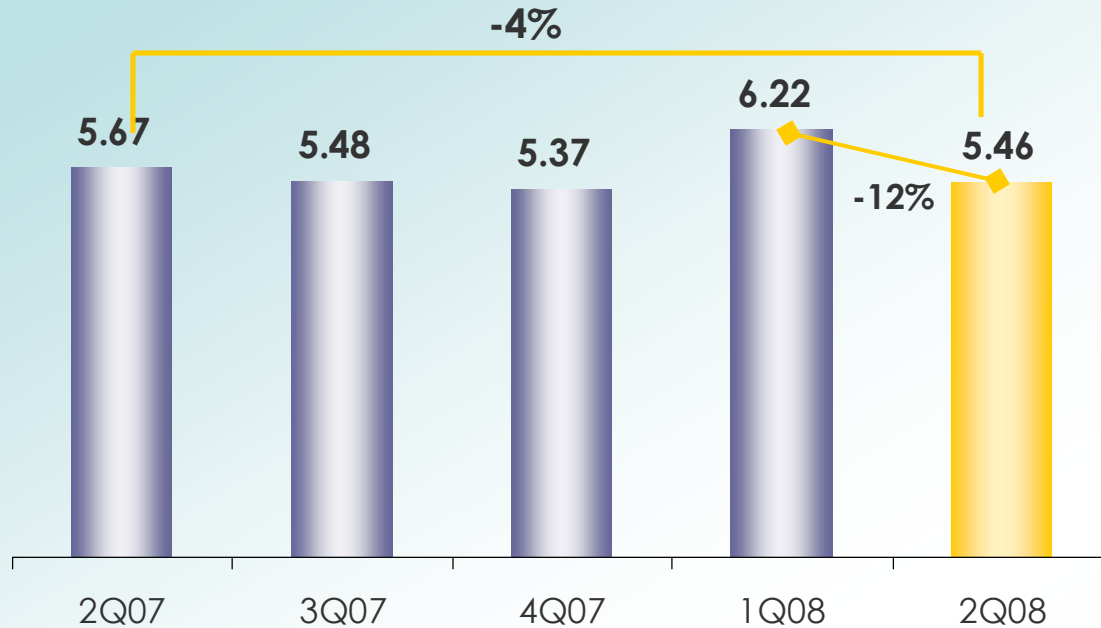


2Q08 Review:

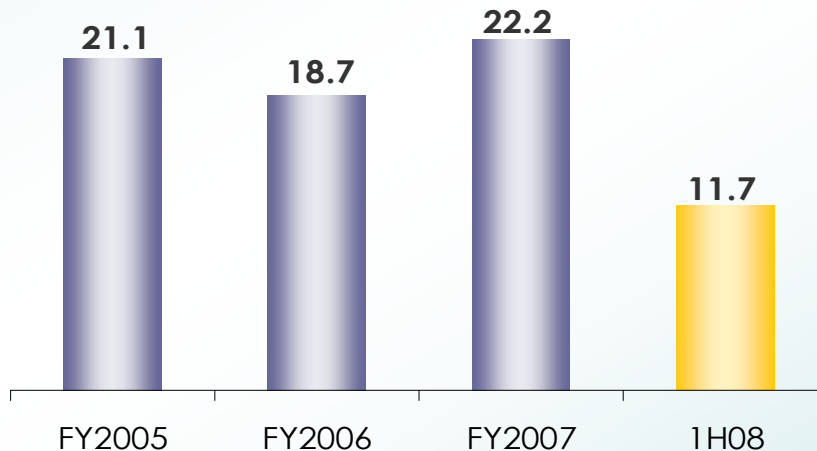
- Revenue felt the impact of the sharp cyclical downturn in the semiconductor industry

Mechatronics Division

Sales Analysis – Analytical Segment



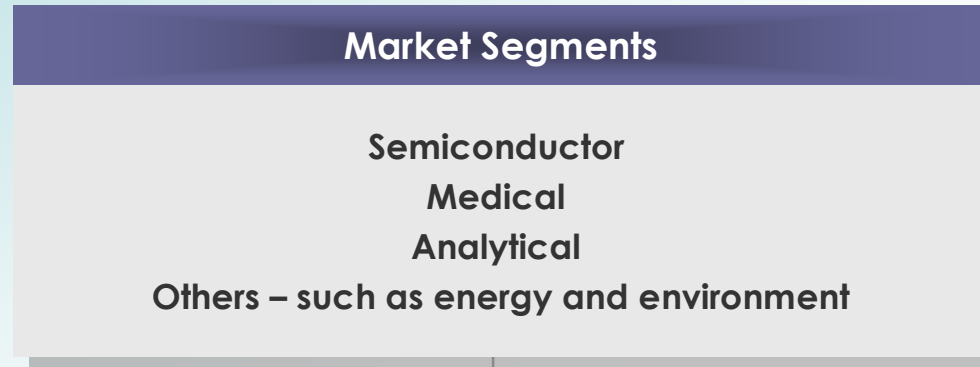
Currency: Euro million



2Q08 Review:

- Revenue remains relatively stable in spite of current global market conditions
- Postponement of delivery for a new product by a customer affected revenue growth

Frencken Netherlands	Medical	<ul style="list-style-type: none"> • Redesign project for enhancement of an existing product 	<ul style="list-style-type: none"> • 2 new development projects – commercial production anticipated in 4Q09
	Semiconductor	<ul style="list-style-type: none"> • Recently completed project for a new customer - commercial production expected in 3Q/4Q08 	<ul style="list-style-type: none"> • New design & development project for next generation lithography equipment
	Analytical	<ul style="list-style-type: none"> • Ongoing development project - commercial production expected by 4Q09 	
Frencken Malaysia	Medical	<ul style="list-style-type: none"> • Volume ramp-up of an existing module transferred from Frencken Netherlands expected in 3Q/4Q08 	<ul style="list-style-type: none"> • Qualification of the next transfer module to commence in 4Q08
	Semiconductor	<ul style="list-style-type: none"> • Qualification of a range of modules for a new customer has commenced – date of commercial production to be determined closer to full product approval 	
	Analytical	<ul style="list-style-type: none"> • Ongoing qualification for the transfer of a higher integration level of an existing module from Frencken Netherlands 	



Strategic Initiatives

- Focus on design and assembly projects while increasing outsourcing of machined components
- Continuous product transfers to Frencken Malaysia
- M&As for geographical expansion and faster time-to-market
- Build global presence in strategic, key and emerging markets

Strategic Alliances

- CFFR alliance with 3 other 'best in class' technology companies
- First project has progressed to prototyping and system test – initial orders for production received
- Embarking on 3 new projects for new and existing customers

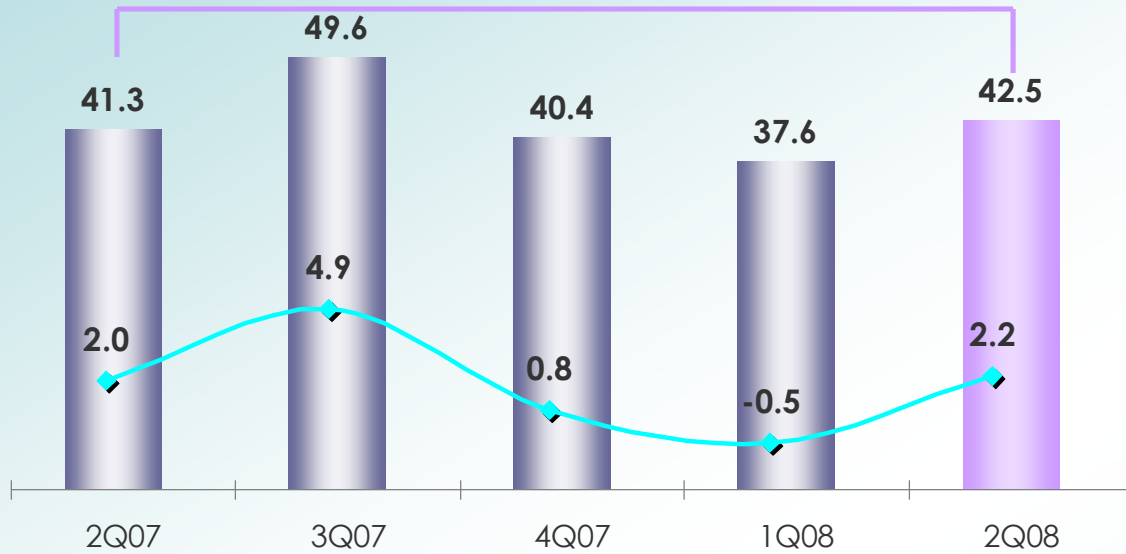


EMS Division Business Review & Outlook

EMS Division

Sales and Net Profit

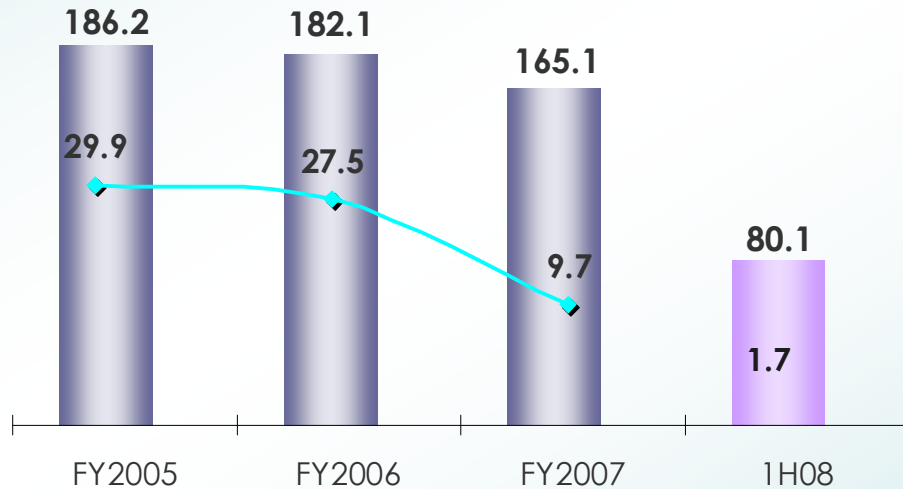
Revenue: +3%
Net Profit: +9%



Currency: RM million

■ Revenue
— Net profit

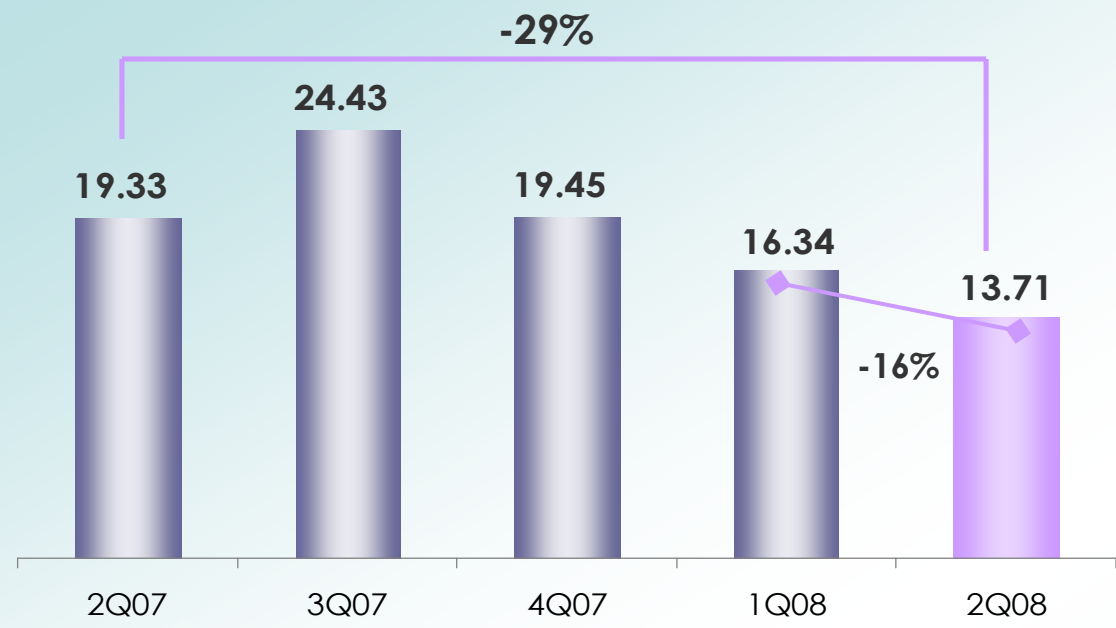
Net Profit Margin	
2Q07	4.8%
3Q07	9.9%
4Q07	2.0%
1Q08	-1.3%
2Q08	5.2%



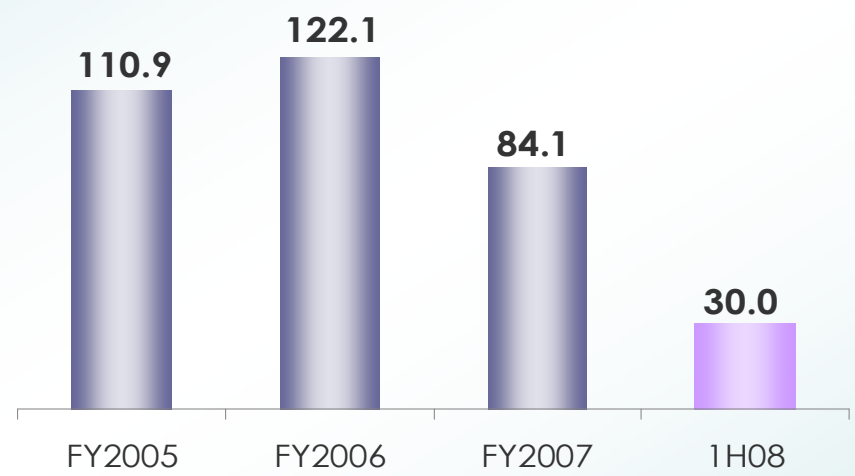
Net Profit Margin	
FY2005	16.1%
FY2006	15.1%
FY2007	5.9%
1H08	2.1%

EMS Division

Sales Analysis – Keypad Segment

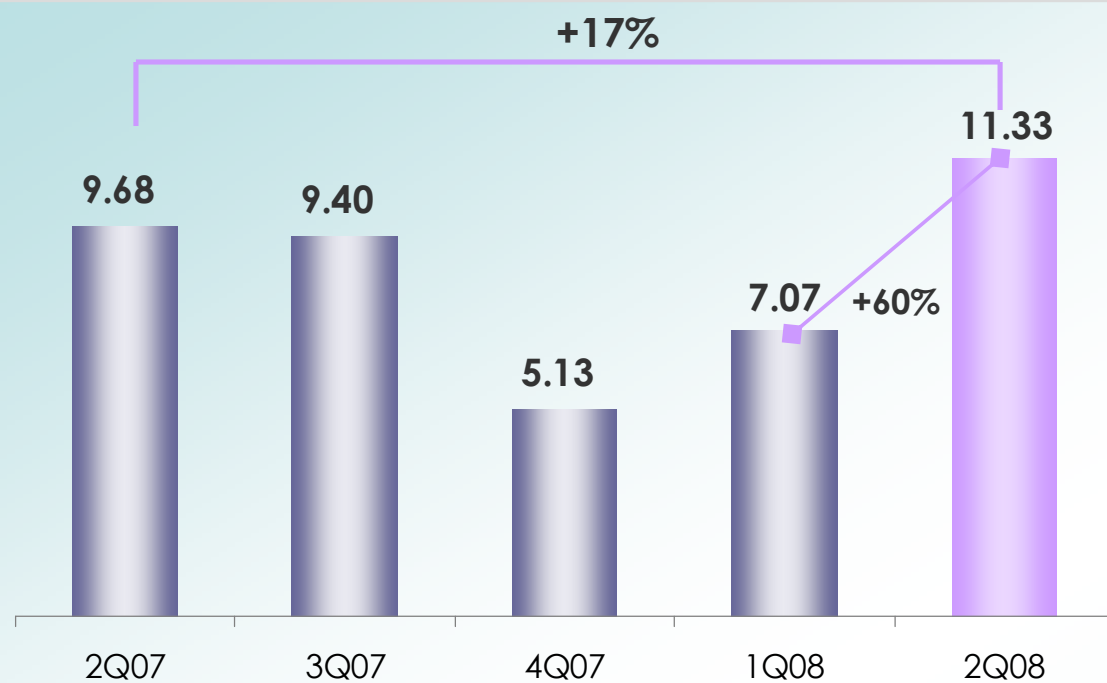


Currency: RM million

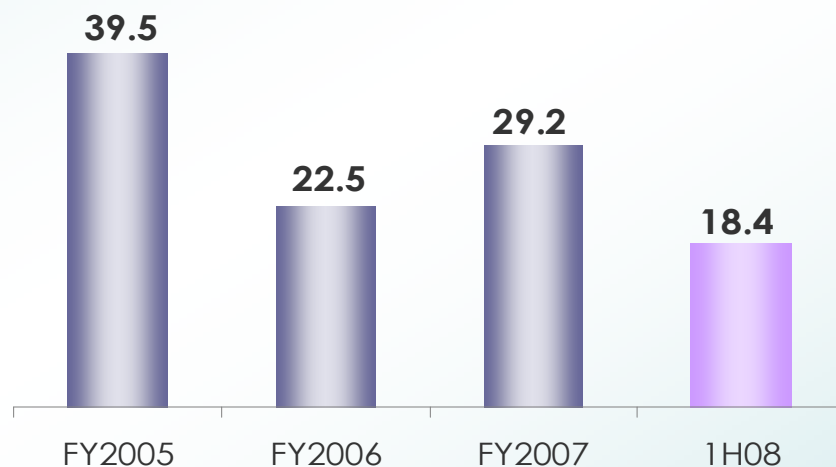


2Q08 Review:

- Business conditions in the global handset market remained challenging
- Commercial production of “sputtering” type keypads delayed from 2Q to 3Q08



Currency: RM million

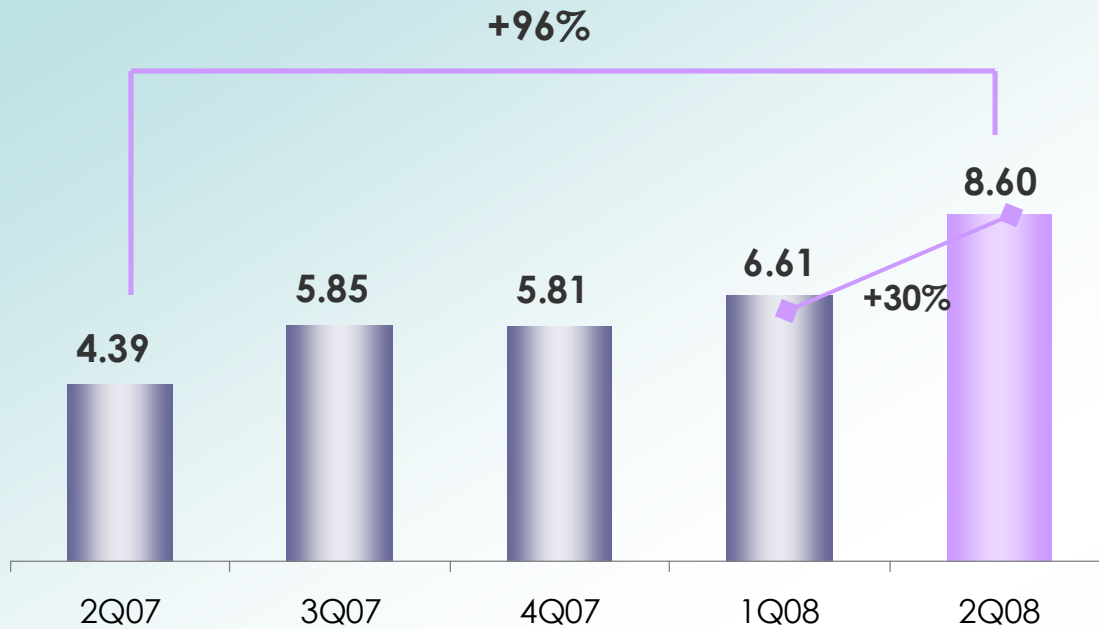


2Q08 Review:

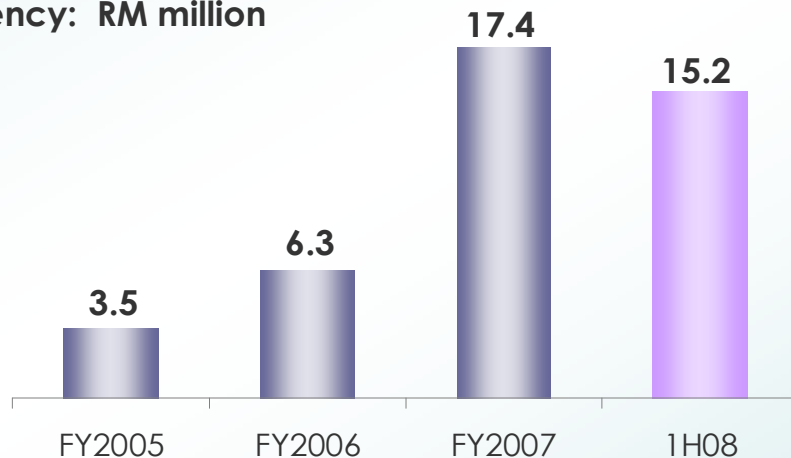
- Revenue driven by the recent commercial production launch of mailing system products for a major customer

EMS Division

Sales Analysis – Automotive Segment



Currency: RM million



2Q08 Review:

- Revenue driven by a higher number of industrialisation projects that went into commercial production
- Growth hampered by the slowdown in the USA market – being the designated market for some of the recently commercialised products

Keypad	<ul style="list-style-type: none">• Capping production capacity of keypads and strategically allocating more capacity to the Automotive segment	<ul style="list-style-type: none">• New models/projects with anticipated commercial production phasing in from 4Q08
Office Automation	<ul style="list-style-type: none">• 2 ongoing industrialisation projects with anticipated commercial production in 1Q09 and 4Q09	<ul style="list-style-type: none">• 1 new industrialisation project to commence in 4Q08 with commercial production targeted for 4Q10
Automotive	<ul style="list-style-type: none">• Ongoing industrialisation projects with anticipated production launches in 2H08 and 1H09	<ul style="list-style-type: none">• Building up assembly and test facilities for the automotive module business

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- the risk that we may be unable to realise our anticipated growth strategies and expected internal growth;
- changes in and new developments in technologies and trends;
- changes in currency exchange rates;
- changes in customer preferences and needs;
- changes in competitive conditions in our customers' industries and our ability to compete under these conditions;
- changes in pricing for our products; and
- changes in our future capital needs and the availability of financing and capital to fund these needs.

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Thank You

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