



ELECTROTECH INVESTMENTS LIMITED

1Q FY2005 Results Presentation

June 1, 2005

Presentation Outline

- ◆ **Business Overview**
- ◆ **Financial Highlights**
- ◆ **Growth Strategies**
- ◆ **New Developments & Growth Drivers**
- ◆ **Understanding Mechatronics**

Business Overview



- an international group providing **Contract Design** and **Manufacturing** services to a diverse customer base in various industry sectors and countries.

Together, the **Mechatronics** and **EMS** Divisions provide our international client base with a comprehensive range of outsourcing services from **single key components** to **modules** and **complete box built machines, equipment and products** such as but not limited to

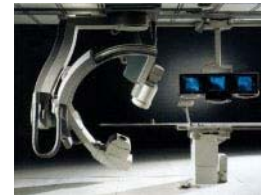
Mechatronics Division



Precision Components



Modules



Complete Machines



EMS Division



Key Components



Modules



Box Built Products



Financial Highlights at a Glance

(S\$m)	FY2004	FY2003	Chg YoY	1QFY05	1QFY04	Chg YoY
Revenue	193.6	118.8	63%	53.8	39.7	36%
Gross Profit	44.8	20.5	118%	13.4	8.3	61%
Profit before tax	29.6	4.0	635%	9.7	4.8	103%
Net Profit	21.7	1.1	1959%	6.8	3.1	120%

Financial Year ended December 31

Financial Indicators

	FY2004	FY2003	1QFY05	1QFY04
Gross Margin	23.1%	17.3%	24.9%	20.9%
PBT Margin	15.3%	3.4%	18.0%	12.0%
Net Margin	11.2%	0.9%	12.6%	7.8%
ROE	23.9%	1.5%	*27.7%	*13.6%
EPS (cents)	8.95	0.44	2.78	1.28
NAV/share (cents)	37.35	28.68	40.13	37.35

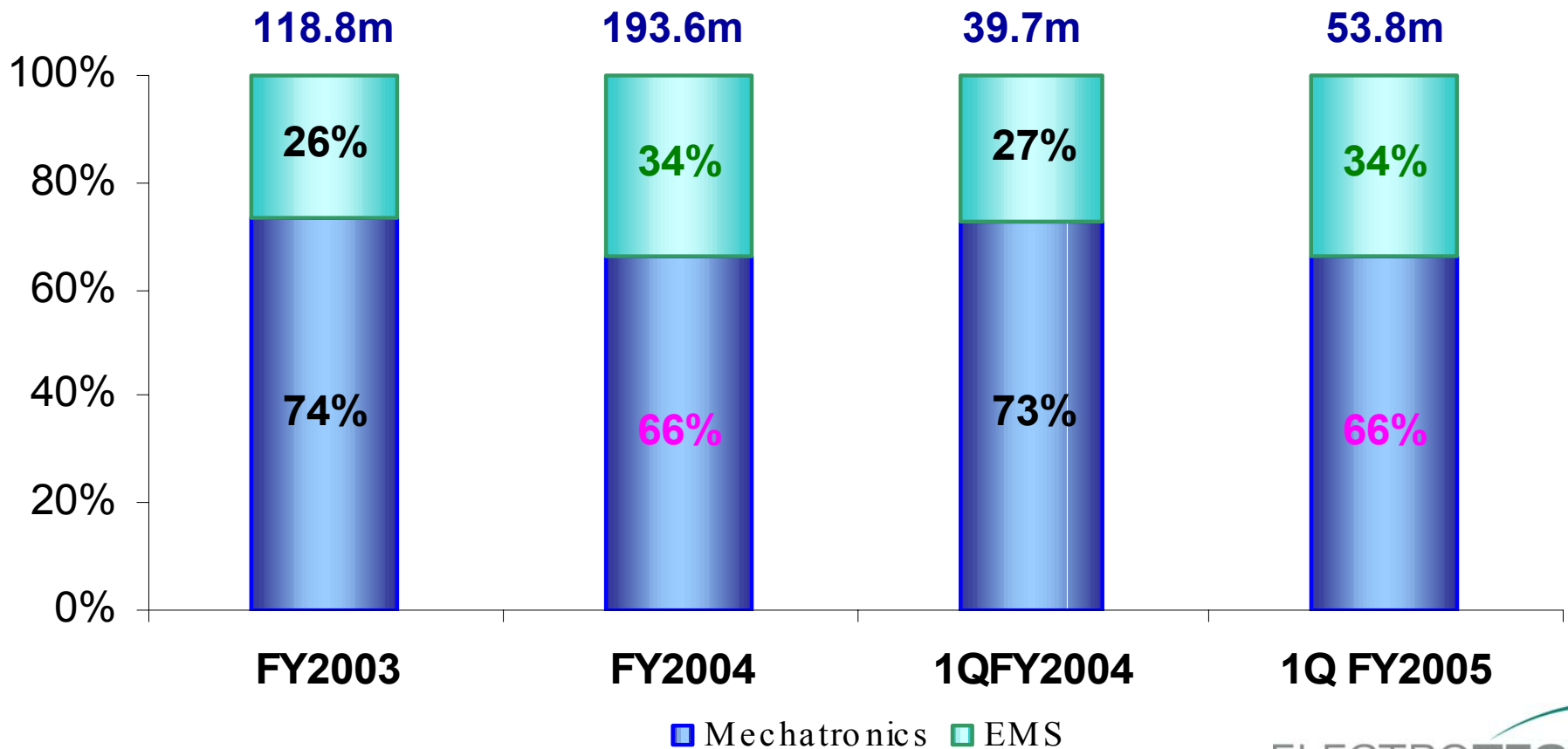
**Annualized figures*

Financial Year ended December 31

ELECTROTECH 

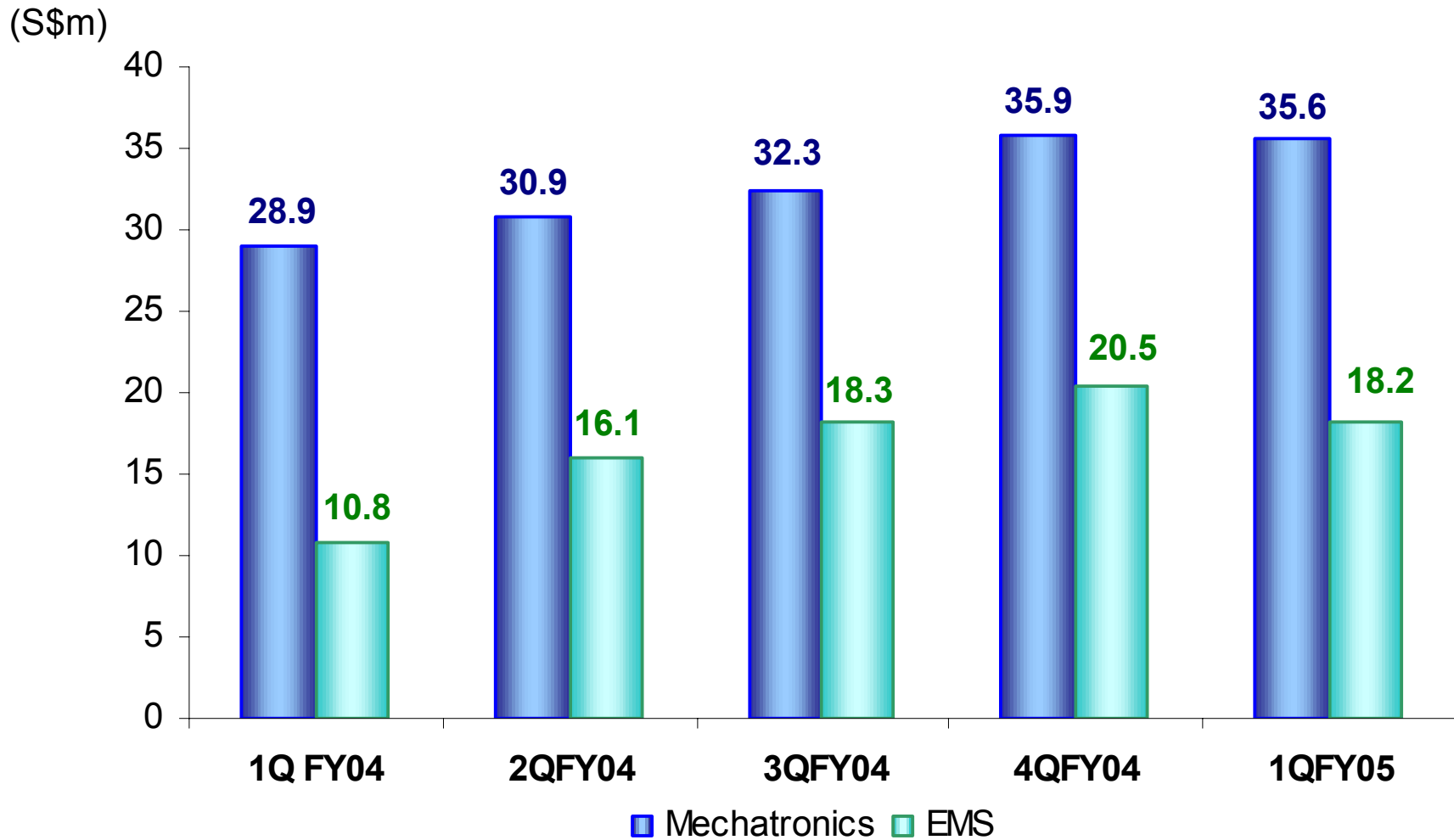
Revenue by Business Divisions

- ◆ Mechatronics and EMS Divisions contributed 66% and 34% in FY2004 and 1Q FY2005 respectively.



Financial Year ended December 31

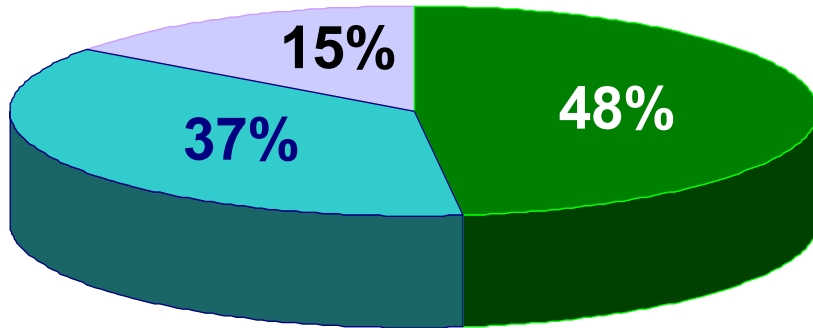
Revenue Trend by Business Divisions



Financial Year ended December 31

EMS Revenue by Industry

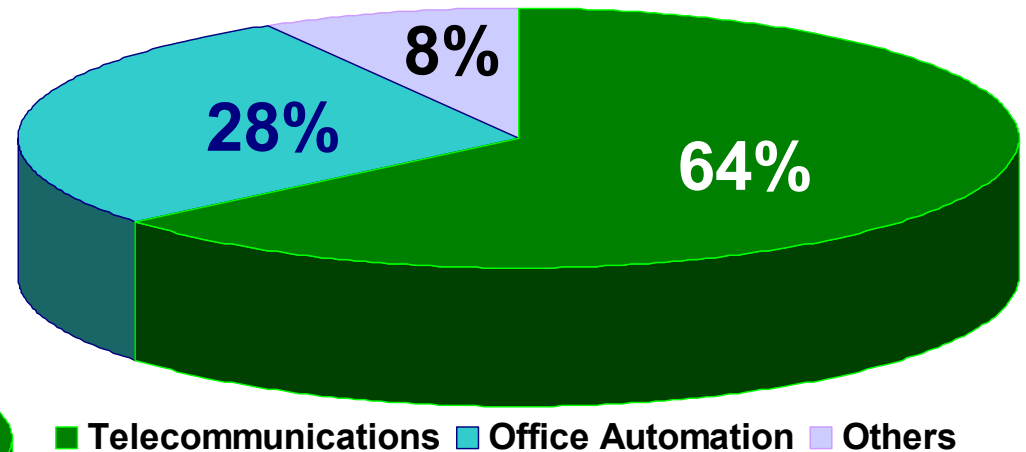
- ◆ Increased of keypad production and improved customer base contributed to the higher revenue
- ◆ EMS revenue grew 69% year-on-year



Revenue = S\$10.8m

1Q FY2004

1Q FY2005
Revenue = S\$18.2m

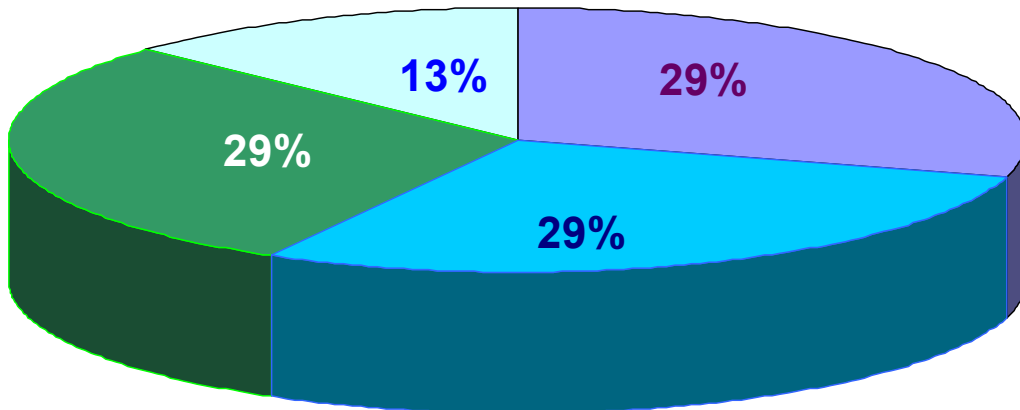


Mechatronics Revenue by Industry

- ◆ Revenue for Mechatronics continues to grow steadily, with a 23% increase.
- ◆ Growth was driven by increased revenue from the medical, analytical and semiconductor sectors

1Q FY2004

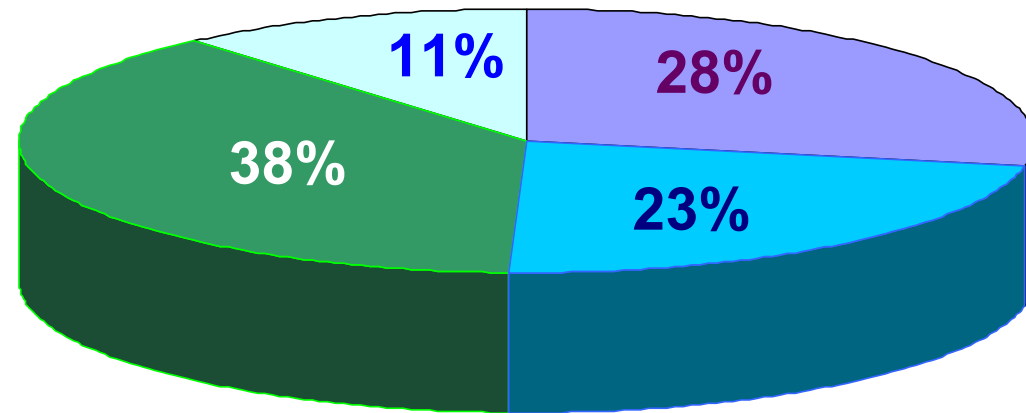
Revenue = S\$28.9m



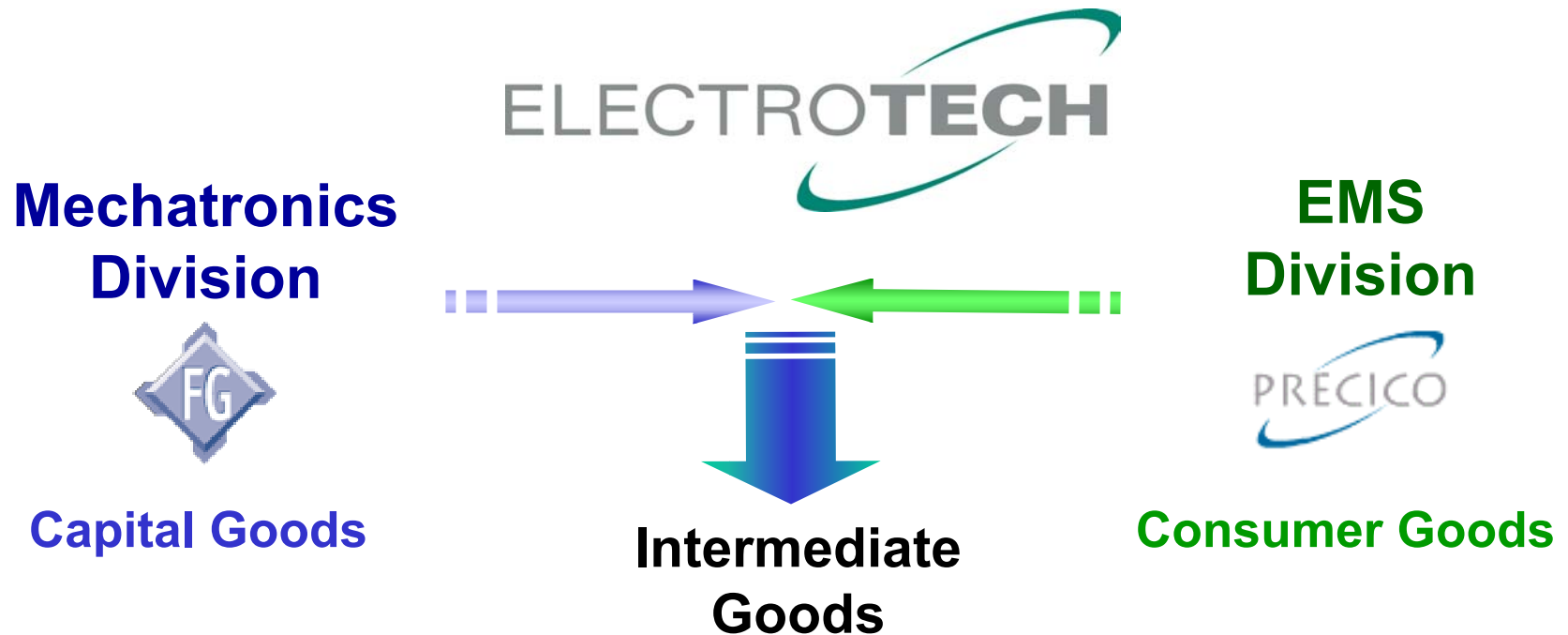
■ Semiconductor ■ Medical ■ Analytical ■ Others

1Q FY2005

Revenue = S\$35.6m



Growth Strategies



- ◆ Capitalise on the Group's diverse and broad technologies and capabilities towards new markets and products
- ◆ Leverage on the geographical presence of the two divisions to expand and diversify the Group's business
- ◆ Strategic technical and technology collaboration and synergistic acquisition

Prestigious Customer Base

- ◆ Most of our customers are market leaders in their respective specialist sectors

Mechatronics Division

**ASM Lithography
Assembléon
Leica Microsystems
Süss Microtec
Philips Medical Systems
Bayer Diagnostics
FEI Company
PANalytical
Urenco
Fokker Elmo**

EMS Division

**Koike / Shin-Etsu
Kanematsu
Fuji
Motorola
Argos, Index and
Littlewoods
Canon
Xerox
Neopost Industrie
Flextronics
Hitachi
Sony**

Mechatronics Division – New Developments

◆ Mechatronics Division

- o Expanded clean room (class 10,000) assembly space to approximately 1,000 sq metres
- o Sourcing additional space to expand mechatronics assembly in Europe to cater for increased business
- o Created a dedicated sub-micron technology department to manufacture components with tolerances of ± 0.5 micron
- o Installed robotics and tool management system to improve overall machining efficiency
- o Expanded mechatronics assembly floor space (including a clean room) at our Malaysian facility
- o Expanding and growing our mechatronics business to capitalise on increased outsourcing demands in Asia
- o Focus on design and technology advancements in areas of vacuum, air bearings linear motors and drive unit technologies
- o Expanding our market in Europe – in the midst of setting up marketing, sales and engineering outfit in Germany (jointly with EMS Division)

Mechatronics Division – Growth Drivers

- o A newly developed mechanical guiding system for surgical equipment has commenced into commercial production in 2005
- o An advanced and modular patient table is expected to commence commercial production by 1Q 2006
- o Developed two new modules for electron microscopes and commercial production in 2005 has commenced
- o A re-engineered lower cost version Electron Beam Pattern Generator has commenced production while various other accessories are under development and expected to go into commercial production within 2005
- o Received commercial orders for a complete module assembly in analytical equipment for a new Japanese client, and production has commenced.
 - **The first successful penetration into the Asian market**
- o A new Reticle Masking System we jointly developed with client was launched for their new generation stepper machines.
 - Under development for special applications and commercial production is expected to commence within 2005.
- o A new analytical device for a market leader in analytical equipment sector has progressed into commercial production in 2005.
- o New contacts with various potential clients in France and Germany have been made.

EMS Division – New Developments

◆ EMS Division

- o Complete re-layout of the box built production floor into flexible work cells for high and low volume
(40% space saving readily made available for new business expansion)
- o Acquiring additional production space, machines and equipment to increase mobile phone keypads production in 4Q FY2005
(approximately 30% increase over present capacity)
- o Focus on surface coating technologies to expand mobile phone keypads business and diversify to new products and market segments
- o Commercial production has commenced in 2005 for two new customers in the automotive sector
- o A number of new projects have been secured at the electronics unit
 - development work commencing in 2005
 - commercial production targeted for 2006 and 2007

EMS Division – Growth Drivers

- o Mobile keypad demand continue to be strong with orders for a number of new models with higher process complexities
- o Capitalising on our integrated design and manufacturing services towards turnkey high mix and medium to low volume products
- o Target increasing outsourcing trend by tier 2 and niche product companies



ELECTROTECH INVESTMENTS LIMITED

Thank You