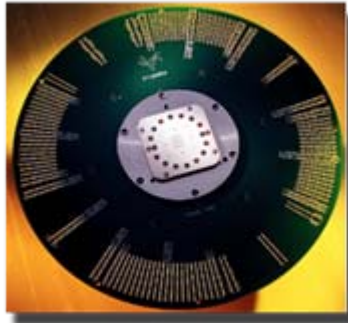


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## **3QFY08 Results Presentation**

for 3 Months Ended 31 March 08

13<sup>th</sup> May 2008

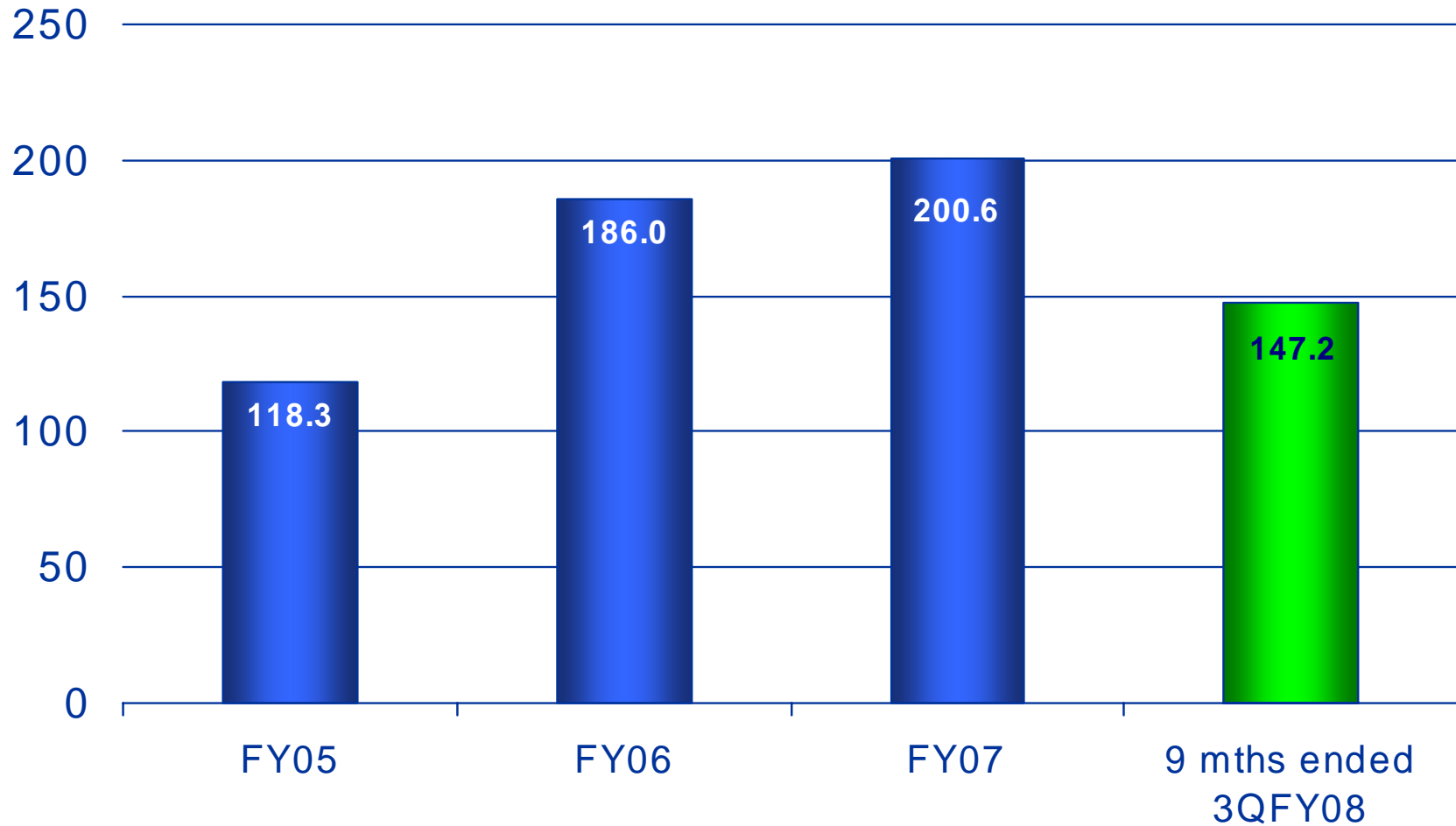
This presentation and the following discussion may contain forward looking statements by Ellipsiz Ltd ("Ellipsiz") relating to financial trends for future periods.

Some of the statements contained in this presentation or arising from this discussion which are not of historical facts are statements of future expectations with respect to financial conditions, results of operations and businesses, and related plans and objectives. Such forward looking statements are based on Ellipsiz's current views and assumptions including, but not limited to, prevailing economic and market conditions and currently available information. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or achievements to differ materially from those in the forward looking statements. Such statements are not, and should not be construed, as a representation (express or implied) as to future performance or achievements of Ellipsiz. In particular, such statements should not be regarded as a forecast or projection of future performance of Ellipsiz and must not be relied upon for any particular purpose whatsoever. It should be noted that the actual performance or achievements of Ellipsiz may vary significantly from such statements.

Results highlights (S\$m)	3QFY08	Year on Year		Sequential	
		3QFY07	Change	2QFY08	Change
<b>Revenue</b>	<b>45.6</b>	<b>44.9</b>	<b>1%</b>	<b>53.5</b>	<b>-15%</b>
<b>Gross Profit</b> Gross Profit Margin	<b>7.4</b> 16.2%	<b>12.2</b> 27.2%	<b>-39%</b> -11.0 ppt	<b>10.7</b> 20.0%	<b>-31%</b> -3.8 ppt
<b>Net Profit after Taxes &amp; MI</b> NPATMI Margin	<b>-2.0</b> -4.4%	<b>3.0</b> 6.7%	<b>-169%</b> -11.1 ppt	<b>1.0</b> 1.9%	<b>-298%</b> -6.3 ppt
<b>Basic EPS (cts)</b>	<b>-0.80</b>	<b>1.16</b>	<b>-169%</b>	<b>0.44</b>	<b>-282%</b>
<b>Diluted EPS (cts)</b>	<b>-0.80</b>	<b>1.16</b>	<b>-169%</b>	<b>0.44</b>	<b>-282%</b>
<b>Shareholders' equity</b>	<b>117.2</b>	<b>120.5</b>	<b>-3%</b>	<b>121.8</b>	<b>-4%</b>
<b>NAV per share (cts)</b>	<b>45.9</b>	<b>47.2</b>	<b>-3%</b>	<b>47.6</b>	<b>-4%</b>

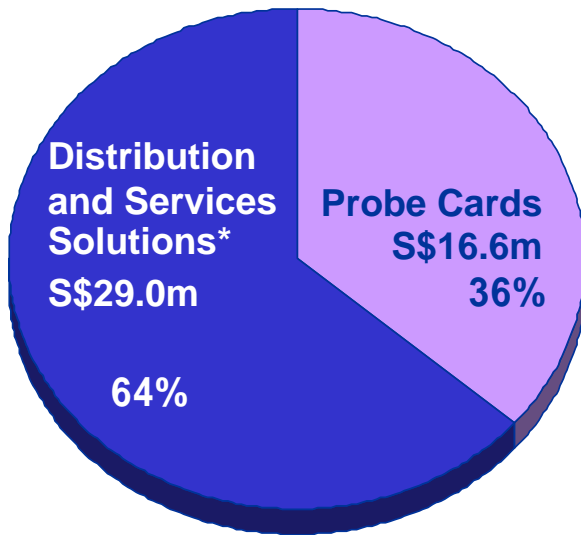
3Q: 3 months ended 31 Mar

## Revenue (S\$m)

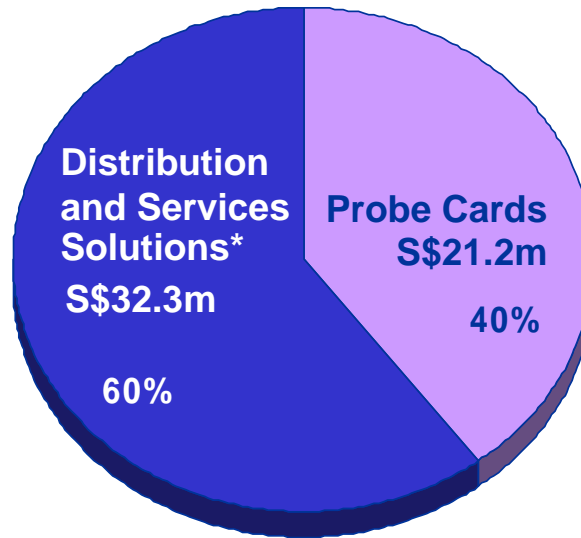


# Revenue Composition

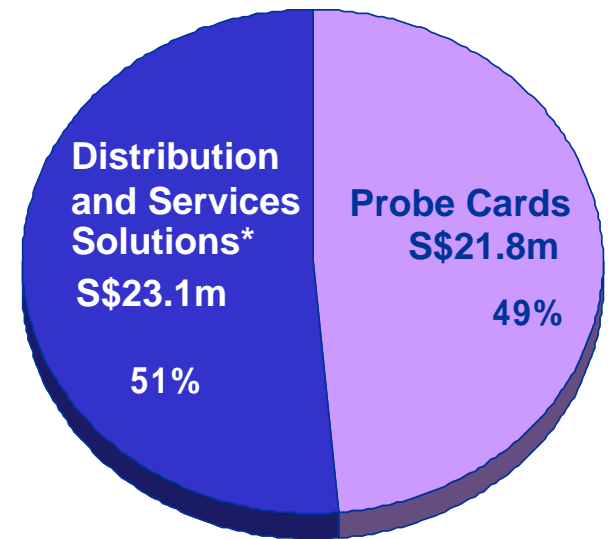
3QFY08



2QFY08



3QFY07



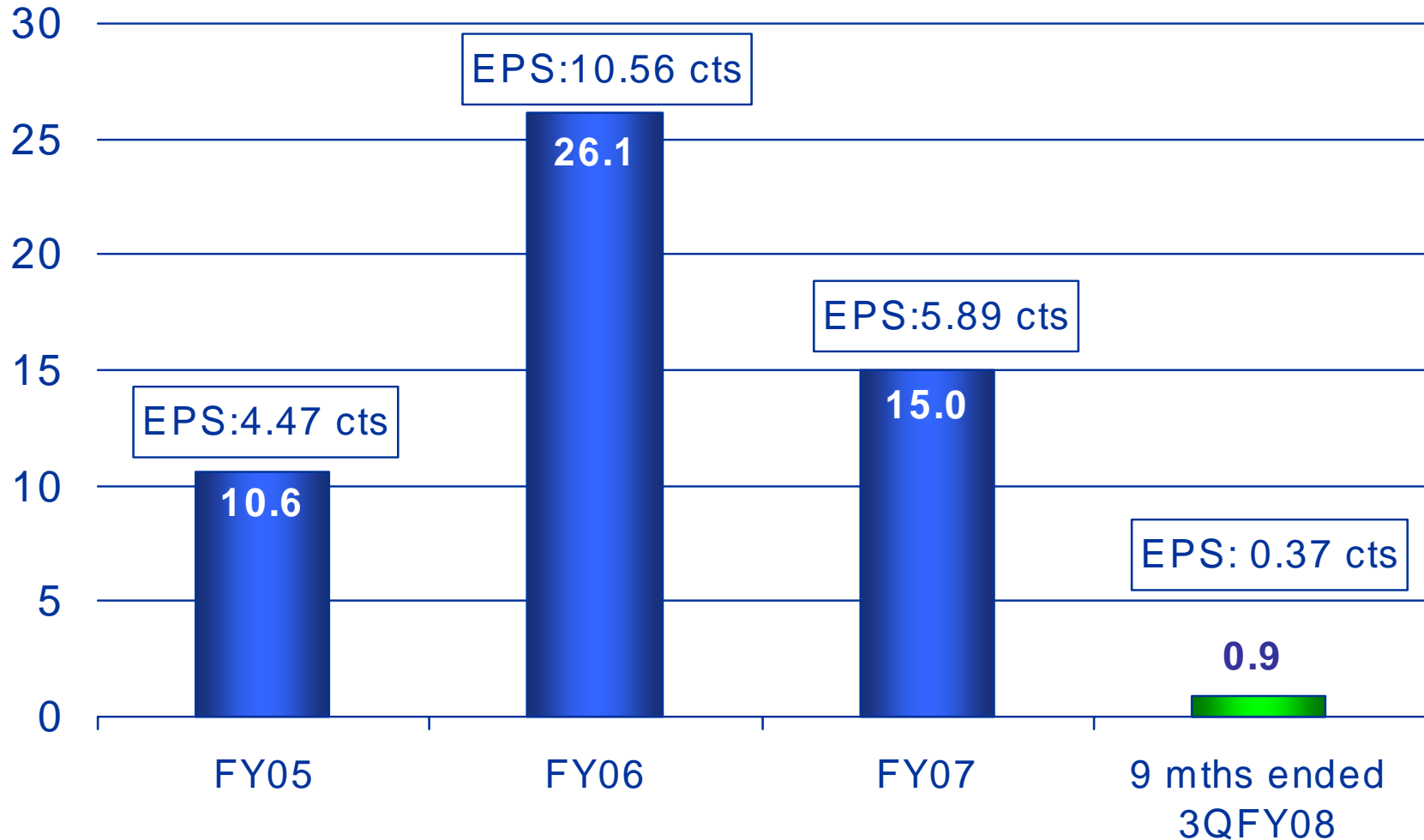
\* Includes Silicon Reclaim

Revenue (S\$m)	3QFY08	Year on Year		Sequential	
		3QFY07	Change	2QFY08	Change
<b>Probe Card</b>	<b>16.6</b>	<b>21.8</b>	<b>-23.8%</b>	<b>21.2</b>	<b>-21.7%</b>
<b>Distribution and Services Solutions*</b>	<b>29.0</b>	<b>23.1</b>	<b>+25.4%</b>	<b>32.3</b>	<b>-10.3%</b>
<b>Total</b>	<b>45.6</b>	<b>44.9</b>	<b>+1.5%</b>	<b>53.5</b>	<b>-14.8%</b>

\* Includes Silicon Reclaim

# Net Profit after Tax and MI

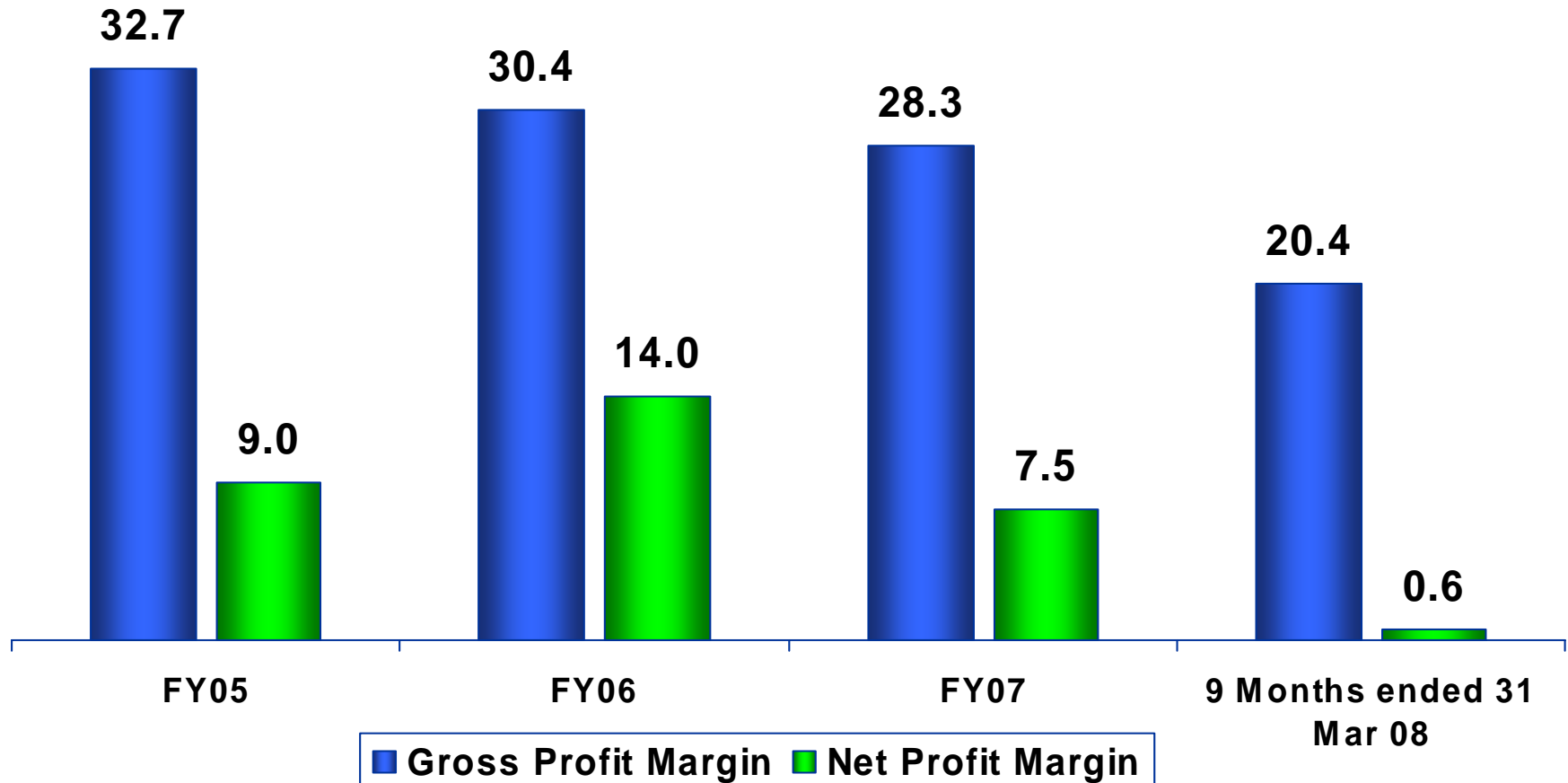
NPATMI (S\$m)



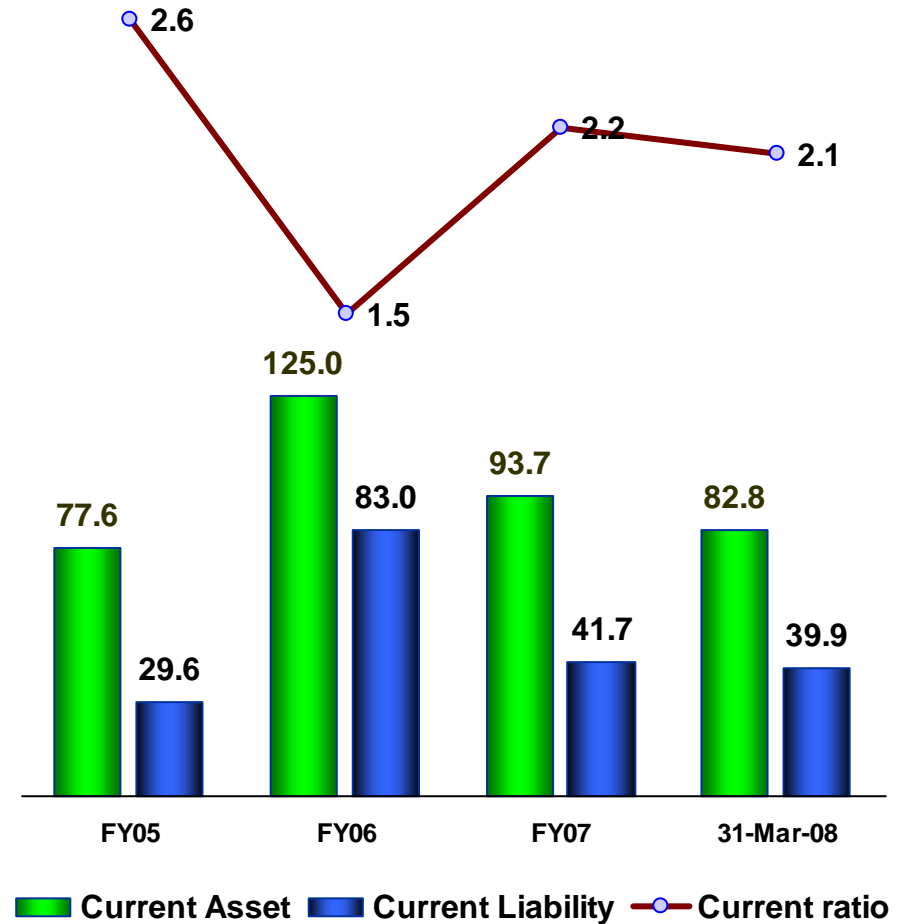
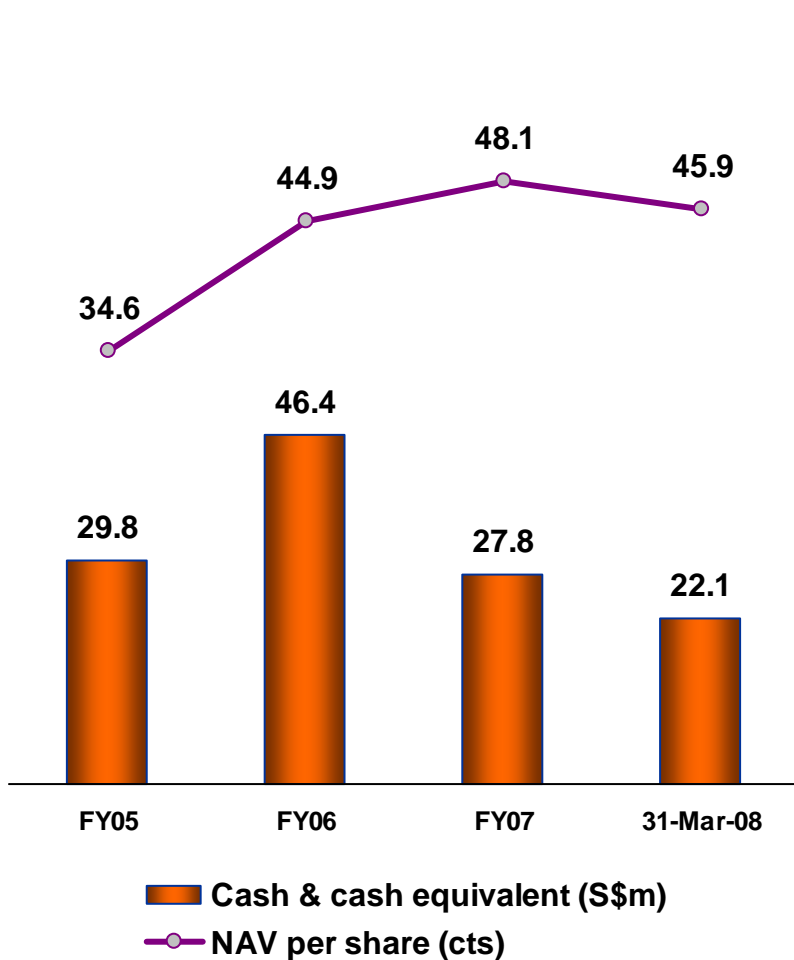
## **Decline in 3QFY08 Net Profit was mainly due to the following factors:**

- Lower gross profit from Probe Card business due to lower revenue without proportionate decrease in cost of sales which comprised significant portion of fixed cost component.
- Lower gross profit from Distribution and Services Solutions business due to declining average selling price from intense competition, pricing pressure and inventory issues.
- The weakening of USD and strengthening of Asian currencies led to relatively higher direct operating costs for our Asian operations.
- Non recurrence of one time gains in other income in this financial period.

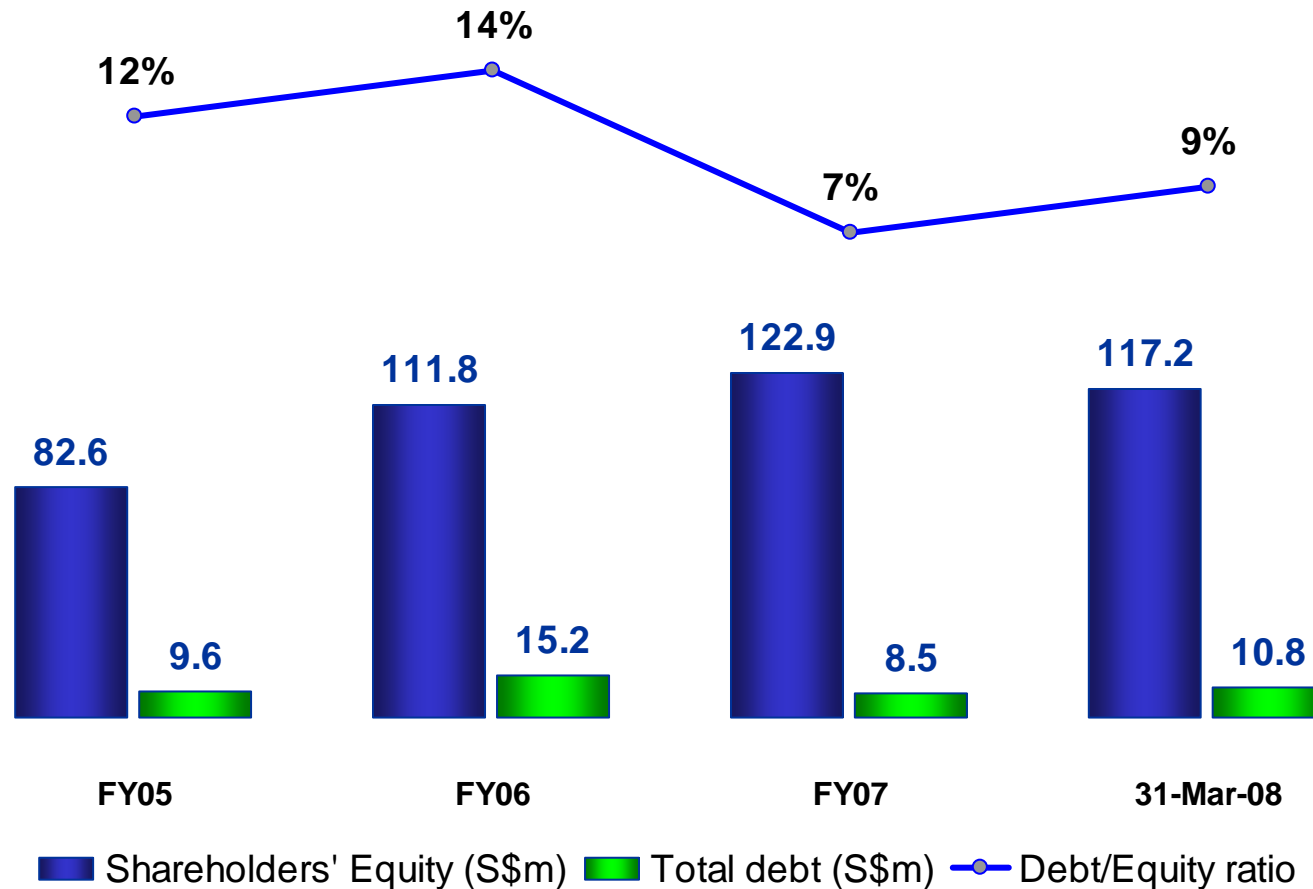
## Margin as % of Revenue



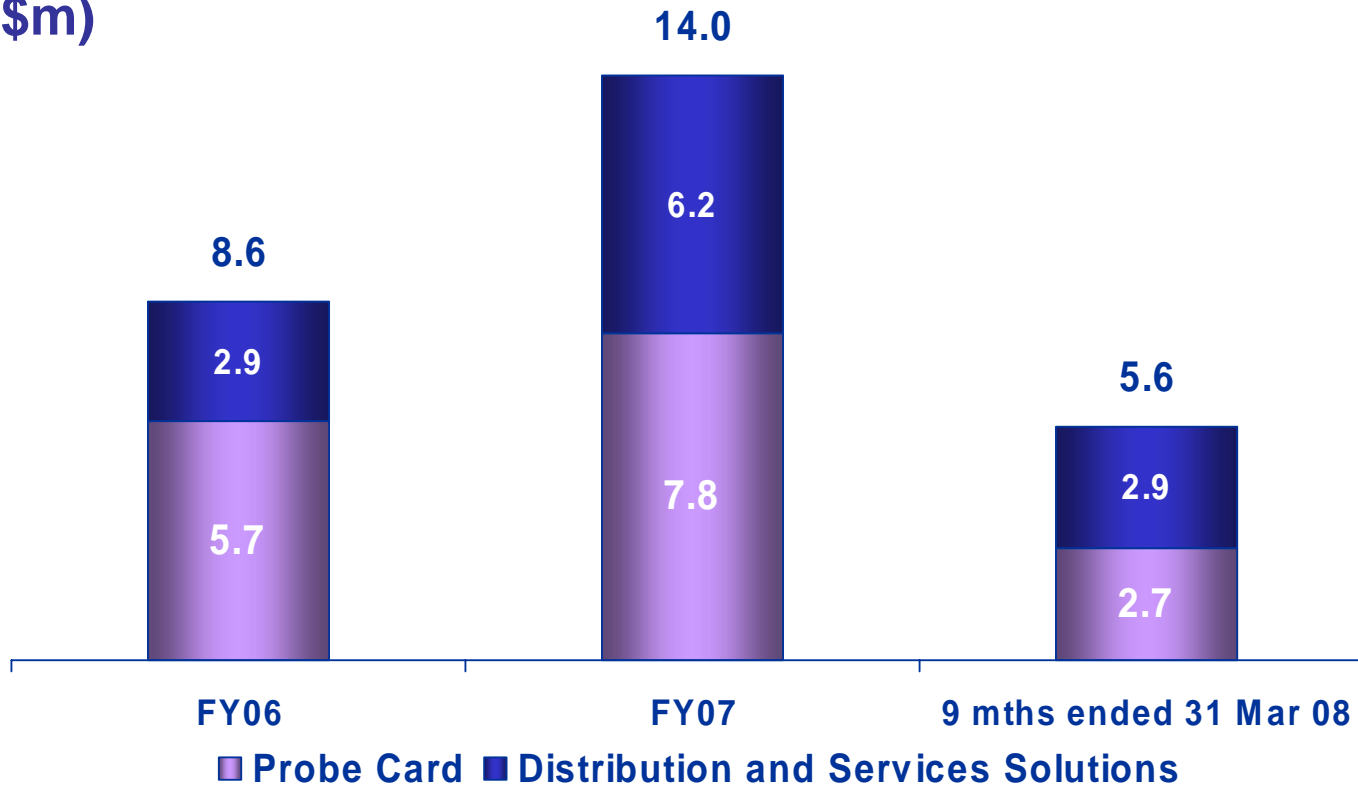
## Maintaining healthy balance sheet



## Maintaining low debt to equity ratio



Capital Expenditure (S\$m)



## Probe cards

- 3QFY08 revenue S\$16.6m, -21.7% quarter-on-quarter and -23.8% year-on-year.
- Key factors for revenue decline:
  - Weak probe card sales due to slower customer demand, ramp-down of production at a major customer and slow down in new design introduction cycles.
  - 15-20% of pricing erosion, especially on Cantilever Products, continues to put pressure on revenue and margins.
  - Limited customer demand visibility due to lack of visibility in end market demand.
- Total Probe card output for 9 months ended 31 March 08 was 2.8 million points, compared to 3.4 million points the same period a year ago.
- Vertical Probe Cards make up 24% of total probe card revenue in 3QFY08 compared to 32% in 3QFY07 (year on year) and 33% in 2QFY08 (sequentially).

## Probe cards

1. **Launched new initiative to address Memory probe card market (~50% of total US\$1.1B probe card market worldwide, VLSI)**

New products in pipeline:

- 1 Touch down (full wafer) Probe Card for 12" wafer NAND Flash
- Advanced MEMS probe card for DRAM and NOR Flash



1 Touch down probe card for NAND Flash (12" wafer)

2. **Strengthened SV Probe executive team**

- Appointment of Sergio Perez as Senior VP, Business Development for SV Probe, with the focus to drive memory probe card product and market development.
- Set up of SV subsidiary in Korea by June 2008 and appointment of Yoon JH as Head of SV Korea.

## Distribution and Services Solutions

- 3QFY08 revenue S\$29.0m, -10.3% quarter-on-quarter, +25.4% year-on-year.
- Growth mainly driven by higher revenue from facilities projects, trading activities and the acquisition of fixturing business during the financial period.
- Key Challenges:
  - Slow down in capital equipment expenditure in semiconductor industry.
  - Intensifying pricing pressure and competitions
  - Weakening USD to SGD exchange rate continues to put pressure on profit margins
- Exploring new growth opportunities including emerging segments such as Solar market and materials recycling.

## **Outlook for calendar year 2008 continues to be mixed and cautious due to challenging macroeconomic situations:**

- Gartner Inc has cut its 2008 growth forecast\* for:
  - Semiconductor Market to 3.4% from 6.2% (3 mths ago)
  - Semiconductor Capital Equipment Spending to -19.8% from -13.2% (3 mths ago)
- US subprime crisis and risk of US economic recession – this will likely impact the global economy, financial and semiconductor markets, which will in turn affect our businesses.
- Persistent high oil prices – this is likely to impact our cost of operations (higher energy cost , raw materials etc).
- Weak US dollar – likely to continue to impact our profit margins for operations based in Asia.

\*Source: Gartner Inc.,16 April 2008

**Thank you!**  
**[www.ellipsiz.com](http://www.ellipsiz.com)**

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