



PRESS RELEASE

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Ellipsiz First Half Results Hit by Sharp Drop in Global Semiconductor Equipment Sales

Company sees return to growth in next Fiscal Year (starting July 2002), from industry recovery and new markets in TFT-LCD fabs and China

Singapore, Mar 6,'02 — In a year when revenues for the semiconductor industry as a whole dropped 33%, while those for the semiconductor equipment market shrank 37%, Ellipsiz Ltd reported a loss before tax of S\$4.86m on turnover of S\$21.6m, for its first half FY2002, which ended in Dec 2001. This represented a decrease of 187% and 67% respectively from a year ago.

Said Pao Ning Yu, CEO of Ellipsiz: “The steep downturn worldwide badly affected capital spending and sentiment, especially in our key markets for equipment, ie Singapore and Taiwan. Both our core businesses, Engineering Solutions and Advanced Packaging, were hurt by cancellations and pushouts in the last half year. While Engineering Solutions managed a profit before tax of S\$693,000 under these adverse conditions, our Wafer Bumping Operation under the Advanced Packaging Division lost S\$4.5m versus a loss of S\$2m in H1 FY2001. While the Operation has been busy undergoing qualification for very interesting new products, anticipated mass production orders were pushed out, due to depressed end-market conditions. The results were exacerbated by higher overheads and depreciation costs from our expanded facility, which commenced operations in June 2001.”

Pao is sceptical of predictions in recent news reports of a recovery before the third quarter of calendar 2002. “The outlook remains cloudy, despite signs that the US economy has bottomed out. What worries us is the lack of a strong growth driver to kick-start the demand and investment cycle. We think that recent pickup in orders at some semiconductor plants

may be due to the need to replace depleted inventory. For both our Engineering Solutions and Advanced Packaging Divisions, we expect a sustainable turnaround closer to the end of the calendar year, which will be in our FY2003.”

He added, “We are realistic about the our traditional markets, and in the last six months, have put several building blocks in place so we can ride the recovery when it comes. These include developing the market in China, strengthening our distribution networks in terms of products and coverage, and reorganizing the Group so that we can scale into new markets both in the region and globally. We have also entered the thin-film transistor liquid crystal display (TFT LCD) market, which uses equipment and processes similar to those in the semiconductor industry. Currently, we are representing equipment leaders such as Nikon, Keithley, Hoya and Anelva to support equipment in AFPD, the first TFT LCD fab in Singapore.”

About Ellipsiz Ltd.

The Ellipsiz Group is a leading engineering and advanced packaging solutions provider to the semiconductor industry in Asia. The holding company, Ellipsiz Ltd., was listed on SGX in July 2000. Among its engineering solutions are the sale and support of semiconductor equipment and chemicals, turnkey failure analysis laboratories, and total chemicals management (TCM). It also offers advanced packaging services such as wafer bumping and System-in-Package manufacturing.

The Group has operations in Singapore, Malaysia, the Philippines, Taiwan, China and the USA. It had revenues of S\$100m in its FY 2001 which ended in June 2001. More information on the Group is posted on its website at www.ellipsiz.com.