



PRESS RELEASE

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Ellipsiz Stays On The Right Track, Achieves 152 Per Cent Growth In Profitability And Declares Dividends For The First Time

Growth is fuelled by core wafer fab business and execution of wafer bump turnkey solution; new business growth engines will generate recurrent revenues

Singapore, August 19, 2004 Ellipsiz reported an \$8.2 million profit after tax for its financial year (FY) 2004, which ended in June 2004. Profit grew by 152 per cent and was achieved on revenues of \$69.5 million, which was a year-on-year increase of 36 per cent.

The Group's earnings per share (basic) of 3.88 cents was up by 149 per cent, and its earnings per share (diluted) of 3.85 cents rose by 148 per cent. Its net asset value per ordinary share of 30.27 cents was an increase of 57 per cent year-on-year.

The Group's continued growth comes on the back of its strengthened core Wafer Fab Solutions division, with revenues of \$65 million, up 36 per cent from \$47.9 million in FY2003. Formerly known as Engineering Solutions, the Wafer Fab Solutions division contributed 93 per cent of FY2004 revenues. This division provides lithography, chemicals, facilities management, reliability and reclaim solutions to customers such as Chartered, 1st Silicon, SMIC, TSMC, UMC and UMCi.

Profitability was further strengthened with the implementation of the wafer bump turnkey solution for China's premier foundry, SMIC. This turnkey project generated a profit of \$6.4 million, of which \$4.7 million went towards the reversal of impairment on plant, property and equipment. Recurrent revenues at the Group level also increased to 53 per cent of total revenues, up from 46 per cent a year ago.

“We have delivered on our earlier expectations to return to double-digit growth in revenues, and to return to profitability,” said Xavier Chong, Chairman and CEO of Ellipsiz. “Based on our first half results, the market responded positively in February by fully subscribing to our placement of 39 million shares. With the proceeds of \$25 million, we have been able to make the necessary investments and acquisitions to maximise growth opportunities in the semiconductor industry.”

During the year, Ellipsiz reorganised and adopted a new business structure, comprising three main divisions – Fabless Solutions, Wafer Fab Solutions and Test & Advanced Packaging Solutions. Ellipsiz expanded its ownership of wafer reclaim specialist, International Semiconductor Products (ISP), and extended its reach into qualification and reliability services by setting up a lab sited at the government-linked Shanghai ICRD Centre. Ellipsiz also expanded its joint-venture with probe card leader, SV Probe Holding, by raising its 40 per cent stake to 50 per cent. The enlarged joint-venture will also include a stake in SV Probe’s subsidiary in San Jose, USA.

Added Xavier, “We expect the IC industry to continue growing, with Asia-Pacific, especially China, outpacing the rest of the world. While we anticipate moderated growth for the second half of the year, we still foresee a positive trend for demand in the capital equipment market. Given the peaks and troughs of this industry, we have ventured further to cultivate new and value-added business niches, and to build a more stable foundation for sustainable growth. The three business divisions, operating in niche areas, are expected to have recurring revenues, thus better positioning us to ride out the industry cycles. While the Wafer Fab Solutions division continues to sustain our current business, the new business engines have the potential to multiply recurrent income and drive our business growth. We are pleased to partner with leading companies such as SV Probe, ISP and Shanghai ICRD Centre to develop these growth engines. Our goal is to position them as world-class global players in terms of revenues and market share.”

Xavier summed up, “This year’s results were a turnaround from the previous two years of loss-making. We have delivered on our commitment to recover and return to profitability in

FY2004, and will continue to drive our growth in FY2005 and beyond. We could not have achieved this without the support from our customers, partners, employees and shareholders.”

As a result of its positive business performance, Ellipsiz has, for the first time, proposed a dividend of 0.6875 cents per ordinary share which constitutes 2.75 per cent of par value, less tax at 20 per cent. This proposal is subject to the approval of shareholders.

About Ellipsiz Ltd.

The Ellipsiz Group is a leading engineering solutions provider to the semiconductor industry in Asia. The holding company, Ellipsiz Ltd., was listed on SGX in July 2000.

Its customers include the Region's wafer fabs, test houses, and IC designers (fabless). Among its offerings are equipment distribution and technical support; lithography applications; wafer reclaim; parts clean; pump refurbishment; facility services including turnkey facilities hookup, total chemicals, gas and abatement management, and turnkey fab relocation; qualification and reliability service laboratories with HF and RF capability; probe card distribution and applications; and test services including wafer sort and final test. It also licenses its proprietary electroplating wafer bumping technology to foundries and advanced packaging houses.

The Group has operations in Singapore, Malaysia, Taiwan, Vietnam, China and USA. More information on the Group is posted on its website at www.ellipsiz.com