

1 April 2004

Fact Sheet

AUTRON CORPORATION

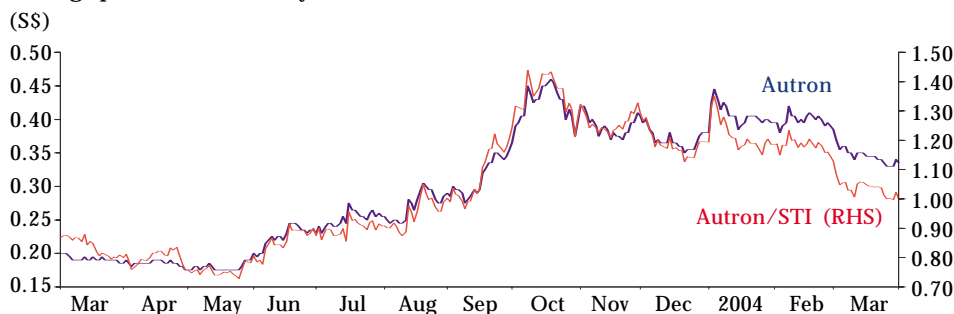
Total Solutions Provider For Capital Equipment

S\$0.335

Autron is a leading equipment distributor for the electronics industry in Asia. The Group has 30 sales & service centres covering Greater China (Taiwan, Hong Kong and China) and Southeast Asia (Singapore, Malaysia, Thailand, Philippines and Australia). 20 of its sales & service centres are located in China where it has a one-third share of the SMT equipment market. Its key equipment principals are Assembleon (formally Philips EMT) for pick & place machines and Speedline Technologies for screen printers, wave soldering systems, reflow ovens and liquid dispensing systems. It has an established network of over 500 customers in the Asia Pacific region.

Surge in earnings driven by Reconditioned Equipment Business. The shift of manufacturing activities from Southeast Asia, Central Europe and Mexico to North Asia resulted in a huge supply of inexpensive used machines. Autron refurbishes these used equipment, upgrades them to meet customers' requirement for better performance and provides warranties for 6 months to a year. The Recon business appeals to cost-conscious companies by reducing capex for capacity expansion and technology upgrade. Its 10,000sq-ft Recon facility at Tai Seng Drive commenced operations in Jun 02 and already accounted for 49% of net profit and 10% of sales in 1H04. Growth going forward will be driven by demand from Vietnam, India and China markets.

Developing IC Equipment into a manufacturing arm. Autron acquired IC Equipment, a contract design and manufacturing company for the backend semiconductor equipment industry, for S\$5m in Dec 02. The acquisition enables the Group to produce equipment and spare parts for its principals. It will co-manufacture and develop products with its principals, which yield better profit margins while providing a low-cost manufacturing solution to its principals. IC Equipment has recently developed an LED tape & reel equipment for surface mount LED processing. The equipment has an operating speed of over 20,000 units per hour and offers the best throughput in the industry.



Sector	Technology	
Bloomberg	AAT SP	
Website	www.autroncorp.com	
Exchange Rate	S\$1.675/US\$	
52-Wk Range (S\$)	0.47/0.17	
52-Wk Avg Daily Vol. ('000)	7,609	
No. of Shares (m)	694.8	
Market Cap (S\$m)	232.8	
	(US\$m)	139.0
Major Shareholders		
Seletar Investments P/L	8.6	
Book NTA per Share (AS)	0.05	
ROE (%)	17.9	
Net Debt per Share (AS)	0.01	
Alternate Instruments	Nil	
Results Due		
Interim	Feb	
Final	Sep	
Market PE - STI (x)		
2003	21.0	
2004F	17.8	
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Year to 30 June	Turnover (A\$m)	EBITDA (A\$m)	Net Profit (A\$m)	EPS (A cents)	EPS Growth (%)	PE (x)	EV/EBITDA (x)	DPS (cents)
2001	170.2	19.1	14.0	2.9	(68.8)	8.9	9.8	0.5
2002	152.6	(13.8)	(17.2)	(3.3)	n.m	n.m	n.m	0.0
2003	169.3	16.6	11.5	2.0	n.m	13.2	11.3	0.5
2004F*	217.2	26.2	14.8	2.1	6.6	12.4	7.1	0.5
2005F*	245.3	30.9	18.0	2.6	23.8	10.0	6.0	0.5

* Consensus

Accelerated expansion into North Asia via acquisitions. Autron made a strategic decision to focus on North Asia through the acquisition of American Tec in Jul 00. The Group also acquired Taiwan Sigma Equipment Corp and Info-Tek Technology (now grouped under Taiwan Autron Corp), two of the leading suppliers of electronics equipment in Taiwan, in May 01. American Tec supplies to the indigenous Chinese electronics manufacturers while Taiwan Autron Corp services Taiwanese companies who are increasingly relocating to China.

American Tec has a 20-year track record in the equipment business while the Taiwanese companies have been operating for 25 years. Key management staff from these companies continue to run the businesses. Samuel Wu from American Tec is Group CEO of Autron while Run Run Cheng remains as Managing Director of Taiwan Autron Corp. The North Asia operation accounted for 65% of sales in 1H04 compared to an insignificant contribution 3 years ago.

Partnership with Assembleon. Philips has picked Autron as a strategic partner for its capital equipment arm, Assembleon. Assembleon is one of the four major manufacturers of pick & place machines besides Siemens, Fuji and Panasonic. Autron will be the exclusive distributor and after-sales service provider for Assembleon in Asia. The Group will also produce machine parts such as trolley, feeders and robotic arms used in Assembleon's equipment line.

Temasek a strategic investor. Temasek Holdings, the Government's investment holding company, acquired a 9% stake in Autron for S\$10.3m through Seletar Investments. Temasek has reduced its stake to 3.75% in Jan 04 but continues to take a keen interest in the future of the Group.

On-going share buy-back scheme. Management regards the current share price as not fully reflective of its intrinsic value. The Group continues to maintain a buy-back scheme and plans to buy back up to 29.8m shares.

Proposed warrant issue. Autron has proposed a renounceable rights issue of up to 231.6m warrants at an issue price of S\$0.02 each, on the basis of one warrant for every three ordinary shares. It received in-principle approval from SGX on 19 Mar 04. The listing and quotation of the warrants on SGX is subject to approval from the ASX.

1H04 Financial Performance

Profit & Loss

(S\$m)	1H04	1H03	yoy % Change
Turnover	127.0	104.4	21.6
EBIT	10.9	5.6	94.6
Net Profit	9.1	7.5	21.6
EPS (cents)	1.31	0.94	39.4
Gross Margin (%)	21	19	-
EBIT Margin (%)	8.6	5.4	-
Net Margin (%)	7.2	4.9	-
Operating Expense per S\$1 in Revenue (cents)	17	20	(15.0)

Source: Autron

Segmental Breakdown By Regions

	1H04	(%)	1H03	(%)	yoy % Change
Turnover (S\$m)					
North Asia	82.2	64.7	81.6	78.2	0.7
South Asia	44.8	35.3	22.8	21.8	96.5
Total	127.0	100.0	104.4	100.0	21.6
EBIT (S\$m)					
North Asia	3.5	32.1	4.2	75.0	(16.7)
South Asia	7.4	67.9	1.4	25.0	428.6
Total	10.9	100.0	5.6	100.0	94.6
EBIT Margin (%)					
North Asia	4.3		5.1		
South Asia	16.5		6.1		
Total	8.6		5.4		

Source: Autron

Segmental Breakdown By Activities

	1H04	(%)	1H03	(%)	yoy % Change
Turnover (S\$m)					
New Machine Distribution	100.1	78.8	100.0	95.8	0.1
Value-added Services	19.2	15.1	2.7	2.6	611.1
Manufacturing	7.7	6.1	1.7	1.6	352.9
Total	127.0	100.0	104.4	100.0	21.6
EBIT (S\$m)					
New Machine Distribution	4.8	44.0	5.3	94.6	(9.4)
Value-added Services	6.0	55.0	0.4	7.1	1400.0
Manufacturing	0.1	0.9	(0.1)	(1.8)	(200.0)
Total	10.9	100.0	5.6	100.0	94.6
EBIT Margin (%)					
New Machine Distribution	4.8		5.3		
Value-added Services	31.3		14.8		
Manufacturing	1.3		(5.9)		
Total	8.6		5.4		

Source: Autron

Autron's Business Model

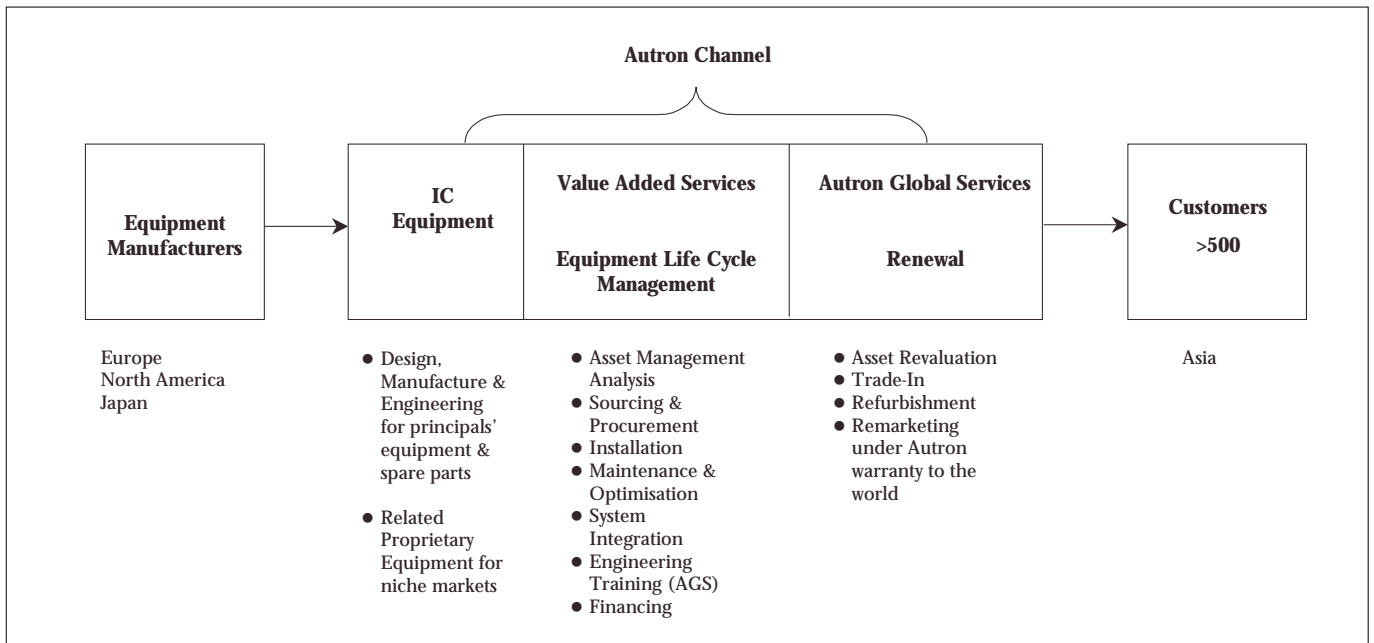
Autron's Business Model is Founded In:

- **Total solutions** - Extends beyond distribution to include installation, project management, consultancy, training and technical applications, logistical support, software integration, servicing, maintenance and repairs
- **Extensive coverage, proximity to customer** - Distribution and engineering support network covers all key electronics manufacturing locations in the fastest-growing regions



- Technical Support**
- Consulting & Design
 - Software Integration
 - Training & Accreditation
 - Spare Parts Hub
 - Repair & Logistics

Providing a Total Solution for Equipment Principals



Source: Autron

Well Established Customer Base of over 500 Companies

Industrial & Automotive Electronics Manufacturers

Delphi, Robert Bosch and Allied Signal

Consumer Electronics Manufacturers

Chang Hong, TCL, Konka, Haier, Philips, Hisense, Shinco, Ningbo Bird, ZTE and CCT

Global Contract Manufacturers

Solectron, Jabil Circuits, Celestica, Flextronics, Hon Hai and Sanmina-SCI.

Semiconductor Manufacturers

NEC, Motorola, Mitsubishi, Intel, Huajing, Philips, Apack, Amkor/Anan, Samsung, ASE, OSE, Siliconware, Agilent, Olympus, ST Microelectronics, Electroglas, OSI Systems, Daiichi and Teradyne.

Computer & IT Manufacturers

Foxconn, Compal, FIC, Acer, Hewlett Packard, Legend, Compaq, Asustek, Inventec, Delta, Giga-Byte and MSI

PCB Manufacturers

Elec & Eltek, Viasystem, Multec, Wus and Gold Circuit

Telecommunications Manufacturers

Nokia, Ericsson, Motorola, Huawei, Acer Communications and DB Tel

Hard Disk Drive Manufacturers

Seagate, Maxtor and Western Digital.

Source: Autron

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