



NEWS RELEASE

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All currency figures stated in this news release are in US Dollars.

FASTECH SYNERGY LTD ANNOUNCES

Q2 2008 FINANCIAL RESULTS

MANILA, Philippines – 31 July 2008. Fastech Synergy Ltd announced today its Financial Results for the second quarter ending 30 June 2008.

The Group had a net sales of \$3.11 million for the current period, \$88,000 or 2.9% higher compared with the \$3.02 million net sales for the previous quarter. Net sales for the same period last year was \$3.76 million.

A gross profit of \$45,000 was registered for the current period, compared with a gross loss of \$386,000 for the first quarter 2008, and gross profit of \$108,000 for the second quarter of last year. The Group started to realize the benefits of the cost reduction exercise it implemented before the end of the previous quarter, as it reduced its Cost of Sales (COS) by \$344,000 to \$3.06M for the current period compared with the previous quarter COS of \$3.41M. This was made possible even with the higher level of revenue for the current period. Cost of Sales for the same period last year was \$3.65M.

Operating expenses (Opex) also was reduced by \$124,000 to \$515,000 for the current period compared with the \$639,000 Opex for the first quarter of 2008. Opex for the same period last year was \$682,000.

Net loss of \$219,000 for the current period was lower by \$935,000 compared with the previous quarter net loss of \$1.15 million. This however, includes a forex gain of \$455,000 compared with a previous quarter forex gain of only \$90,000 as the Philippine Peso continued to weaken against the US Dollar during the second quarter 2008. Net loss for the same period last year was \$1.07 million.

About Fastech Synergy Ltd

Fastech Synergy Ltd is a leading provider of semiconductor assembly and test services that is listed on the main board of the Stock Exchange of Singapore. Fastech provides complete assembly/test solutions for semiconductor components and module assembly products used in consumer electronics, personal computers and peripherals, telecommunication equipment, medical and office equipment, automotive systems and industrial applications. It employs approximately 600 employees.

For more information, visit Fastech's website at <http://www.fastechsynergy.com>.

Safe Harbor Statement

This press release contains forward-looking statements that are based on management's assumptions and expectations and that involve risks and uncertainties. Actual results could differ materially from those expressed or implied by such statements. Such risks and uncertainties include, but may not necessarily be limited to, dependence on key customers, cyclical nature of the semiconductor industry, increased competition, foreign exchange fluctuations, working capital cost and availability, political and regulatory considerations, technological and commercialization delays, lengthy sales and qualification cycles, cost concerns in manufacturing, manufacturing capability and capacity and other factors. Fastech assumes no obligation to update these forward-looking statements.

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE QUARTER AND SIX MONTHS ENDED 30 JUNE 2008

	Group					
	USD ('000)					
	Quarter Ended 30/06/08	Quarter Ended 30/06/07	Increase/ (Decrease) % Change	Six Months ended 30/06/08	Six Months ended 30/06/07	Increase/ (Decrease) % Change
Revenues	3,108	3,761	(17.4)	6,128	7,062	(13.2)
Cost of goods sold	(3,063)	(3,653)	(16.1)	(6,470)	(7,215)	(10.3)
Gross profit / (loss)	45	108	(58.1)	(342)	(153)	123.6
Other income	17	23	(26.4)	33	118	(72.4)
Other expenses	(43)	-	(100.0)	(88)	(4)	1,958.0
Sales and marketing expenses	(44)	(77)	(42.8)	(98)	(128)	(23.1)
Foreign currency gain/(loss)	455	(304)	(249.7)	546	(342)	(259.4)
Interest and bank charges - net	(173)	(208)	(16.8)	(358)	(394)	(9.2)
General and administrative	(471)	(605)	(22.2)	(1,057)	(1,195)	(11.5)
Income / (Loss) before income tax	(214)	(1,063)	(79.8)	(1,364)	(2,098)	(35.0)
Provision for income tax	(6)	(5)	23.8	(10)	(8)	18.4
Net Income / (loss) for the period	(220)	(1,068)	(79.4)	(1,374)	(2,106)	(34.8)
Attributable to:						
Minority interest	(1)	-	(100.0)	(1)	-	(100.0)
Equity holders of the Company	(219)	(1,068)	(79.5)	(1,373)	(2,106)	(34.8)
	(220)	(1,068)	(79.4)	(1,374)	(2,106)	(34.8)
Loss per share for profit attributable to equity holders of the Company (basic and fully diluted basis)	(0.001)	(0.006)	(82.8)	(0.007)	(0.013)	(45.2)

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
30 JUNE 2008

	Group		Company	
	USD ('000)		USD ('000)	
	30/06/08	31/12/07	30/06/08	31/12/07
Non-Current Assets				
Property, plant and equipment	10,299	11,779	-	-
Other non-current assets	608	530	-	-
	10,907	12,309	-	-
Current Assets				
Inventories	906	1,043	-	-
Trade and other receivables	1,404	1,659	-	-
Advances to affiliates	-	-	2,949	3,624
Prepaid expenses and other current assets	392	671	5	2
Cash and bank balances	327	345	1	1
	3,029	3,718	2,955	3,627
Current Liabilities				
Loans payable	1,340	1,453	-	-
Accounts payable and accrued expenses	5,871	6,547	309	565
Income tax payable	24	42	-	-
Current portion of long term debt	2,151	3,392	-	1,149
Current portion of liability under finance lease	61	95	-	-
	9,447	11,529	309	1,714
Net Current Assets (Liabilities)	(6,418)	(7,811)	2,646	1,913
Non- Current Liabilities				
Long-term debt - net of current portion	3,106	2,668	941	-
Net benefit liability	526	586	-	-
Deferred tax liability	253	268	-	-
	3,885	3,522	941	-
Net Assets	604	976	1,705	1,913
Equity				
Equity attributable to the equity holders of the Company				
Capital stock	200	168	200	168
Share premium	969	-	969	-
Contributed surplus	3,216	3,216	5,484	5,484
Equity Option	208	208	208	208
Retained earnings (Deficit)	(3,898)	(2,524)	(5,156)	(3,947)
	695	1,068	1,705	1,913
Minority Interests	(91)	(92)	-	-
Total Equity	604	976	1,705	1,913

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2008

For the six months ended 30 June	
Group	
2008 USD ('000)	2007 USD ('000)

CASH FLOWS FROM OPERATING ACTIVITIES

Income / (Loss) before income tax and minority interests	(1,364)	(2,098)
Adjustments for:		
Depreciation and amortization	1,752	2,040
Unrealized foreign exchange (gain)/loss	(283)	342
Interest expense	358	394
Inventory obsolescence	1	26
Gain/(Loss) on disposal of property and equipment	4	(9)
Operating income before working capital changes	<u>468</u>	<u>695</u>
Decrease(increase) in:		
Inventories	136	(34)
Trade and other receivables	255	(140)
Prepaid expenses and other current assets	279	(266)
Increase (decrease) in accounts payable and accrued expenses	<u>(652)</u>	<u>461</u>
Net cash generated from operations	486	716
Interest paid	(134)	(47)
Income tax paid	<u>(21)</u>	<u>(14)</u>
Net cash generated from operating activities	<u>331</u>	<u>655</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sale of equipment	22	51
Purchase of property, plant and equipment	(293)	(264)
Increase in other non-current assets	(78)	(86)
Net cash used in investing activities	<u>(349)</u>	<u>(299)</u>

CASH FLOWS FROM FINANCING ACTIVITIES

Payments of:		
Loans payable	-	(51)
Net cash used in financing activities	<u>-</u>	<u>(51)</u>

Net increase (decrease) in cash and bank balances	(18)	305
Cash and bank balances at the beginning of the period	<u>345</u>	<u>245</u>
Cash and bank balances at the end of the period	<u>327</u>	<u>550</u>