



NEWS RELEASE

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

FASTECH SYNERGY LTD ANNOUNCES

Q2 2006 FINANCIAL RESULTS

MANILA, Philippines – 26 July 2006. Fastech Synergy Ltd announced today its Financial Results for the second quarter ending 30 June 2006.

The Group recorded a slightly lower net sales for the quarter amounting to \$3.14 million, compared with the \$3.19 million in the sequential quarter and \$3.67 million in the same quarter last year.

Actual production of 82.65 million units for the quarter was down by 4.5%, from 86.55 million units in the preceding quarter.

Value Added Sales dropped by 5% or \$123,000 from \$2.27million in the sequential quarter to \$2.14 million this quarter. This was primarily due to lower volume shipped during the current period.

Gross loss for the quarter was \$596,000 from a gross loss of \$455,000 in the first quarter of this year. However, the Group's net loss for the quarter was lower at \$1.35 million from a net loss of \$1.52 million in the sequential quarter and net loss of \$1.56 million in the second quarter of 2005. This was brought about by foreign exchange gains as well as the lower operating expenses during the quarter.

The Group's semiconductor assembly and test business contributed 73% (from 63% in 2Q 2005) to the total sales while the RF Microwave business added 27% (previously 37% in 2Q 2005). The semiconductor assembly and test business includes discrete & power semiconductors products and integrated circuits. RF Microwave business, on the other hand, includes PCB assemblies, microwave modules and radio frequency devices.

Business Outlook

“Based on customer forecasts, the Group expects, for the coming quarter, a slight improvement in its RF Microwave business while maintaining the same level of performance for its semiconductor business.” said Allan P. Timonera, President.

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 1,100 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 ENDED 30 JUNE 2006

| | Group | | | | | |
|---|------------------------------|------------------------------|------------------------------|---------------------------------|---------------------------------|------------------------------|
| | USD ('000) | | | | | |
| | Quarter Ended 30/06/06 | Quarter Ended 30/06/05 | Increase/ (Decrease) % | Six Months ended 30/06/06 | Six Months ended 30/06/05 | Increase/ (Decrease) % |
| Revenues | 3,142 | 3,674 | (14.5) | 6,335 | 8,323 | (23.9) |
| Cost of goods sold | 3,738 | 4,096 | (8.7) | 7,387 | 8,999 | (17.9) |
| Gross profit (loss) | (596) | (422) | 41.2 | (1,052) | (676) | 55.6 |
| Sales and marketing | (77) | (70) | 9.3 | (135) | (162) | (16.9) |
| Other expenses | 132 | (94) | (241.0) | 12 | (245) | (105.1) |
| Interest and bank charges | (201) | (190) | 5.9 | (407) | (391) | 3.9 |
| General and administrative | (601) | (806) | (25.4) | (1,278) | (1,575) | (18.8) |
| Share in joint venture results | 0 | 9 | (100.0) | (3) | 10 | (133.9) |
| Loss before income tax | 1,344 | 1,573 | (14.6) | 2,863 | 3,039 | (5.8) |
| Provision for income tax | (3) | (1) | 2.0 | (6) | 1 | 2.0 |
| Loss for the year | 1,347 | 1,572 | (14.3) | 2,869 | 3,040 | (5.6) |
| Attributable to: | | | | | | |
| Minority interest | (2) | 9 | (117.4) | (0) | 21 | (100.2) |
| Equity holders of the Group | 1,349 | 1,563 | (13.7) | 2,869 | 3,019 | (5.0) |
| Loss per share for profit attributable to equity holders of the Group (basic and fully diluted basis) | (0.008) | (0.009) | (13.7) | (0.017) | (0.018) | (5.0) |

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
30 JUNE 2006

| | Group | | Company | |
|--|----------------|----------------|---------------|---------------|
| | USD ('000) | | USD ('000) | |
| | 30/06/06 | 31/12/05 | 30/06/06 | 31/12/05 |
| Non-Current Assets | | | | |
| Property, plant and equipment | 16,687 | 18,965 | - | - |
| Investments in subsidiaries | | | 9,620 | 9,620 |
| Investment in a joint venture | (0) | 161 | 0 | 192 |
| Other non-current assets | 508 | 453 | - | - |
| | 17,195 | 19,579 | 9,620 | 9,812 |
| Current Assets | | | | |
| Inventories | 973 | 898 | - | |
| Trade and other receivables | 1,592 | 1,819 | 11,493 | 11,403 |
| Prepaid expenses and other current assets | 774 | 709 | 5 | 9 |
| Cash and bank balances | 199 | 381 | 1 | 1 |
| | 3,538 | 3,807 | 11,499 | 11,413 |
| Equipment held for sale | 215 | 228 | - | - |
| Current Liabilities | | | | |
| Loans payable | 1,224 | 2,582 | - | - |
| Accounts payable and accrued expenses | 5,686 | 5,364 | 221 | 163 |
| Income tax payable | 9 | 51 | - | - |
| Current portion of long term debt | 1,571 | 3,314 | 1,149 | 1,149 |
| Current portion of liability under finance lease | 119 | 152 | - | - |
| | 8,610 | 11,463 | 1,370 | 1,312 |
| Net Current Assets (Liabilities) | (4,856) | (7,428) | 10,129 | 10,101 |
| Non- Current Liabilities | | | | |
| Long-term debt - net of current portion | 4,081 | 1,003 | - | - |
| Liability under finance lease net of current portion | | 46 | - | - |
| Deferred tax liability | 113 | 115 | - | - |
| | 4,194 | 1,164 | - | - |
| Net Assets | 8,145 | 10,987 | 19,749 | 19,913 |
| Equity | | | | |
| Equity attributable to the Group's equity holders | | | | |
| Capital stock | 16,819 | 16,819 | 16,819 | 16,819 |
| Share premium | 4,041 | 4,041 | 4,041 | 4,041 |
| Contributed surplus | - | - | 2,269 | 2,269 |
| Equity Option | 191 | 164 | 191 | 164 |
| Retained earnings (Deficit) | (13,015) | (10,147) | (3,570) | (3,380) |
| | 8,035 | 10,877 | 19,749 | 19,913 |
| Minority Interests | 110 | 110 | - | - |
| Total Equity | 8,145 | 10,987 | 19,749 | 19,913 |

FASTECH SYNERGY LTD AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 JUNE 2006

| | For the six months ended 30 | |
|--|-----------------------------|--------------|
| | June | |
| | Group | |
| | 2006 | 2005 |
| | USD ('000) | USD ('000) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Loss before income tax and minority interests | 2,863 | 3,039 |
| Adjustments for: | | |
| Depreciation and amortization | 2,362 | 2,644 |
| Provisions for: | | |
| Inventory obsolescence | 10 | 6 |
| Interest expense | 412 | 406 |
| Unrealized foreign exchange losses | (10) | 88 |
| Amortization of pre-paid rent | 77 | 58 |
| Write-off of property and equipment | | 8 |
| Share in joint venture results | 3 | (10) |
| Interest income | (6) | (14) |
| Operating income before working capital changes | (12) | 147 |
| Decrease(increase) in: | | |
| Trade and other receivables | 227 | 1,282 |
| Prepaid expenses and other current assets | (142) | (69) |
| Inventories | (75) | 376 |
| Increase in accounts payable and accrued expenses | 283 | (767) |
| Net cash generated from operations | 280 | 969 |
| Interest paid | (326) | (367) |
| Income tax paid | (51) | (52) |
| Interest received | 6 | |
| Net cash generated from operating activities | (90) | 550 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (189) | (208) |
| Proceeds from sale of equipment | 156 | 90 |
| Liability under capital lease | (10) | (3) |
| Decrease(increase) in other non-current assets | (55) | 152 |
| Net cash used in investing activities | (98) | 31 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from : | | |
| Loans payable | | 655 |
| Payments of: | | |
| Loans payable | (21) | (844) |
| Long-term debt | | (138) |
| Decrease in Investment in Joint Venture | | |
| Increase (decrease) in Equity Option | 26 | |
| Net cash used in financing activities | 6 | (327) |
| Net increase (decrease) in cash and bank balances | (182) | 254 |
| Cash and bank balances at the beginning of the period | 381 | 178 |
| Cash and bank balances at the end of the year | 199 | 432 |