



## NEWS RELEASE

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

### FASTECH SYNERGY LTD ANNOUNCES YEAR 2007 AND Q4 2007 FINANCIAL RESULTS

**MANILA, Philippines – 30 January 2008.** Fastech Synergy Ltd. announced today the financial results for the 4<sup>th</sup> Quarter and the Full Year Audited Financial Results ending 31 December 2007. Except for the adverse effect of foreign currency exchange losses due to the appreciation of the Philippine Peso, the Group reported an overall improvement in its profitability indicators compared with its performance in the previous year.

The Group's 2007 revenue improved by 5.9%, to \$14.13 million from the previous year's revenue of \$13.35 million. The growth in revenue in 2007 reflected the improvements in business conditions of the Group's semiconductor business segment. Also, this revenue growth reversed the two-year downtrend in revenue since 2005.

A gross profit of \$10,000 was registered for the current year. Although minimal, this represents a remarkable turnaround from the gross loss of \$1.69 million registered in the previous year. The unrelenting efforts of the Group to reduce its manufacturing and operating costs through various cost control measures have allowed it to register a lower cost of sales for the current year of \$14.12 million, from \$15.03 million cost of sales for the previous year. This was made possible in spite of the adverse impact in the Group's manufacturing and operating costs brought about by the appreciation of the Philippine peso and the rising costs of raw materials (gold & copper) as well as energy costs.

Loss from operations for the current year was reduced by \$1.85 million to \$2.51 million for the current year compared with the loss from operations of \$4.36 million for the previous year. A forex loss of \$1.35 million, however was registered for the current year, compared with the forex loss of \$400K for the

previous year. This contributed to the net loss of \$4.63 million for the current year compared with the net loss of \$5.81 million for the previous year.

#### 4<sup>th</sup> Quarter Highlights

For the 4th quarter, the Group's turnover amounted to \$3.63 million compared with \$3.44 million in the previous quarter and \$3.68 million in the 4th quarter of 2006. Gross profit of \$147,000 was registered for the current period compared with the gross profit of \$15,000 for the previous quarter, and the gross loss of \$395,000 for the 4th quarter of 2006.

#### Other Highlights for the Year 2007

The improvement in sales and the continuing cost control measures have allowed the Group to post three consecutive quarters of gross profit starting in the 2<sup>nd</sup> quarter of 2007, reversing the gross loss trend since Q3 of 2004.

Also, during the year, the Group started and completed additional capabilities in its Semiconductor business segment through its new investments in two production lines. In addition, major line transfers involving three semiconductor packages from a U.S.-based customer were completed in the 2<sup>nd</sup> half of 2007. The Group believes these lines will have significant contribution to the Group's revenue by the 2<sup>nd</sup> quarter of 2008.

#### 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 800 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 STATEMENTS OF PROFIT AND LOSS**  
**FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006**

	Group					
	USD ('000)					
	Quarter Ended 31/12/07	Quarter Ended 31/12/06	Increase/ (Decrease) % Change	Year ended 31/12/07	Year ended 31/12/06	Increase/ (Decrease) % Change
<b>Revenues</b>	<b>3,626</b>	3,683	(1.5)	<b>14,131</b>	13,345	5.9
<b>Cost of goods sold</b>	<b>3,479</b>	4,078	(14.7)	<b>14,121</b>	15,034	(6.1)
<b>Gross Income (Loss)</b>	<b>147</b>	(395)	(137.3)	<b>10</b>	(1,689)	(100.6)
<b>Other income</b>	-	69	(100.0)	<b>144</b>	103	40.0
<b>Share in joint venture results</b>	-	-	-	-	(3)	(100.0)
<b>Other expenses</b>	<b>(58)</b>	(185)	(68.8)	<b>(54)</b>	(193)	(72.3)
<b>Sales and marketing expenses</b>	<b>(69)</b>	(56)	22.1	<b>(250)</b>	(285)	(12.2)
<b>Foreign currency losses</b>	<b>(682)</b>	(208)	227.7	<b>(1,351)</b>	(400)	237.9
<b>Interest and bank charges - net</b>	<b>(160)</b>	(216)	(25.9)	<b>(764)</b>	(831)	(8.1)
<b>General and administrative</b>	<b>(542)</b>	(570)	(4.9)	<b>(2,266)</b>	(2,383)	(4.9)
<b>Loss before income tax</b>	<b>1,364</b>	1,561	(12.6)	<b>4,531</b>	5,681	(20.2)
<b>Provision for income tax</b>	<b>85</b>	112	(24.1)	<b>98</b>	126	(22.2)
<b>Net loss</b>	<b>1,449</b>	1,673	(13.4)	<b>4,629</b>	5,807	(20.3)
<b>Attributable to:</b>						
<b>Minority interest</b>	-	-	-	<b>(1)</b>	(2)	(53.3)
<b>Equity holders of the Company</b>	<b>1,449</b>	1,673	(13.4)	<b>4,630</b>	5,809	(20.3)
<b>Loss per share for profit attributable to equity holders of the Company (basic and fully diluted basis)</b>	<b>(0.009)</b>	(0.010)	(11.6)	<b>(0.028)</b>	(0.035)	(20.3)

**FASTECH SYNERGY LTD AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**31 DECEMBER 2007 AND 2006**

	Group		Company	
	USD ('000)		USD ('000)	
	31/12/07	31/12/06	31/12/07	31/12/06
<b>Non-Current Assets</b>				
Property, plant and equipment	11,779	14,730	-	-
Investments in subsidiaries	-	-	-	9,620
Other non-current assets	530	493	-	-
	<b>12,309</b>	<b>15,223</b>	<b>-</b>	<b>9,620</b>
<b>Current Assets</b>				
Inventories	1,043	729	-	-
Trade receivables	1,659	1,371	-	-
Advances to affiliates	-	-	3,624	12,492
Prepaid expenses and other current assets	671	945	2	9
Cash and bank balances	345	245	1	2
	<b>3,718</b>	<b>3,291</b>	<b>3,627</b>	<b>12,503</b>
<b>Current Liabilities</b>				
Loans payable	1,453	1,275	-	-
Accounts payable and accrued expenses	6,547	5,042	565	358
Income tax payable	42	42	-	-
Current portion of long term debt	3,392	2,075	1,149	1,149
Current portion of liability under finance lease	95	39	-	-
	<b>11,529</b>	<b>8,473</b>	<b>1,714</b>	<b>1,507</b>
<b>Net Current Assets (Liabilities)</b>	<b>(7,811)</b>	<b>(5,182)</b>	<b>1,913</b>	<b>10,996</b>
<b>Non- Current Liabilities</b>				
Long-term debt - net of current portion	2,668	3,695	-	-
Liability under finance lease net of current portion	-	27	-	-
Retirement Benefit Liability	586	518	-	-
Deferred tax liability	268	194	-	-
	<b>3,522</b>	<b>4,434</b>	<b>-</b>	<b>-</b>
<b>Net Assets</b>	<b>976</b>	<b>5,607</b>	<b>1,913</b>	<b>20,616</b>
<b>Equity</b>				
<b>Equity attributable to the equity holders of the Company</b>				
Capital stock	168	16,819	168	16,819
Share premium	-	4,041	-	4,041
Contributed surplus	3,216	-	5,484	2,269
Equity Option	208	208	208	208
Retained earnings (Deficit)	(2,524)	(15,369)	(3,947)	(2,721)
	<b>1,068</b>	<b>5,699</b>	<b>1,913</b>	<b>20,616</b>
<b>Minority Interests</b>	<b>(92)</b>	<b>(92)</b>	<b>-</b>	<b>-</b>
<b>Total Equity</b>	<b>976</b>	<b>5,607</b>	<b>1,913</b>	<b>20,616</b>

**FASTECH SYNERGY LTD AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED 31 DECEMBER 2007 AND 2006**

For years ended 31 December	
Group	
2007 USD ('000)	2006 USD ('000)

**CASH FLOWS FROM OPERATING ACTIVITIES**

Loss before income tax and minority interests	(4,531)	(5,682)
Adjustments for:		
Depreciation and amortization	3,946	4,582
Unrealized foreign exchange losses (gains)	760	1,369
Interest expense	765	836
Loss on sale of joint venture	-	45
Loss on termination of liability under finance lease	-	33
Inventory obsolescence	26	16
Impairment losses on machinery and equipment	-	10
Share in joint venture results	-	3
Interest income	(1)	(5)
Loss on disposal of assets held for sale	-	11
Operating income (loss) before working capital changes	965	1,218
Decrease(increase) in:		
Inventories	(340)	153
Trade receivables	(289)	449
Prepaid expenses and other current assets	274	(236)
Increase (decrease) in accounts payable and accrued expenses	746	(530)
Net cash generated from operations	1,356	1,054
Interest paid	(125)	(726)
Income tax paid	(50)	(53)
Interest received	1	5
<b>Net cash generated from operating activities</b>	<b>1,182</b>	<b>280</b>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from sale of equipment	43	11
Purchase of property, plant and equipment	(1,038)	(295)
Increase in other non-current assets	(36)	(40)
Reversal of previously recognized dilution loss	-	166
Proceeds from disposal of assets held for sale	-	2
<b>Net cash used in investing activities</b>	<b>(1,031)</b>	<b>(156)</b>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payments of:		
Loans payable	(51)	(71)
Liability under finance lease	-	(30)
Increase in equity option	-	44
Increase (decrease) in minority interest	-	(203)
<b>Net cash used in financing activities</b>	<b>(51)</b>	<b>(260)</b>
<b>Net increase (decrease) in cash and bank balances</b>	<b>100</b>	<b>(136)</b>
Cash and bank balances at the beginning of the period	245	381
<b>Cash and bank balances at the end of the year</b>	<b>345</b>	<b>245</b>