



ENG TEKNOLOGI HOLDINGS BHD

Investment Briefing 2Q 2009

3 September 2009
Hotel Equatorial, Kuala Lumpur



Contents

- 1 Business Overview
- 2 1H 09 Review
- 3 Business/Market Trend
- 4 2009 Outlook & Prospects
- 5 Q & A

Business Overview – Core Business & Products



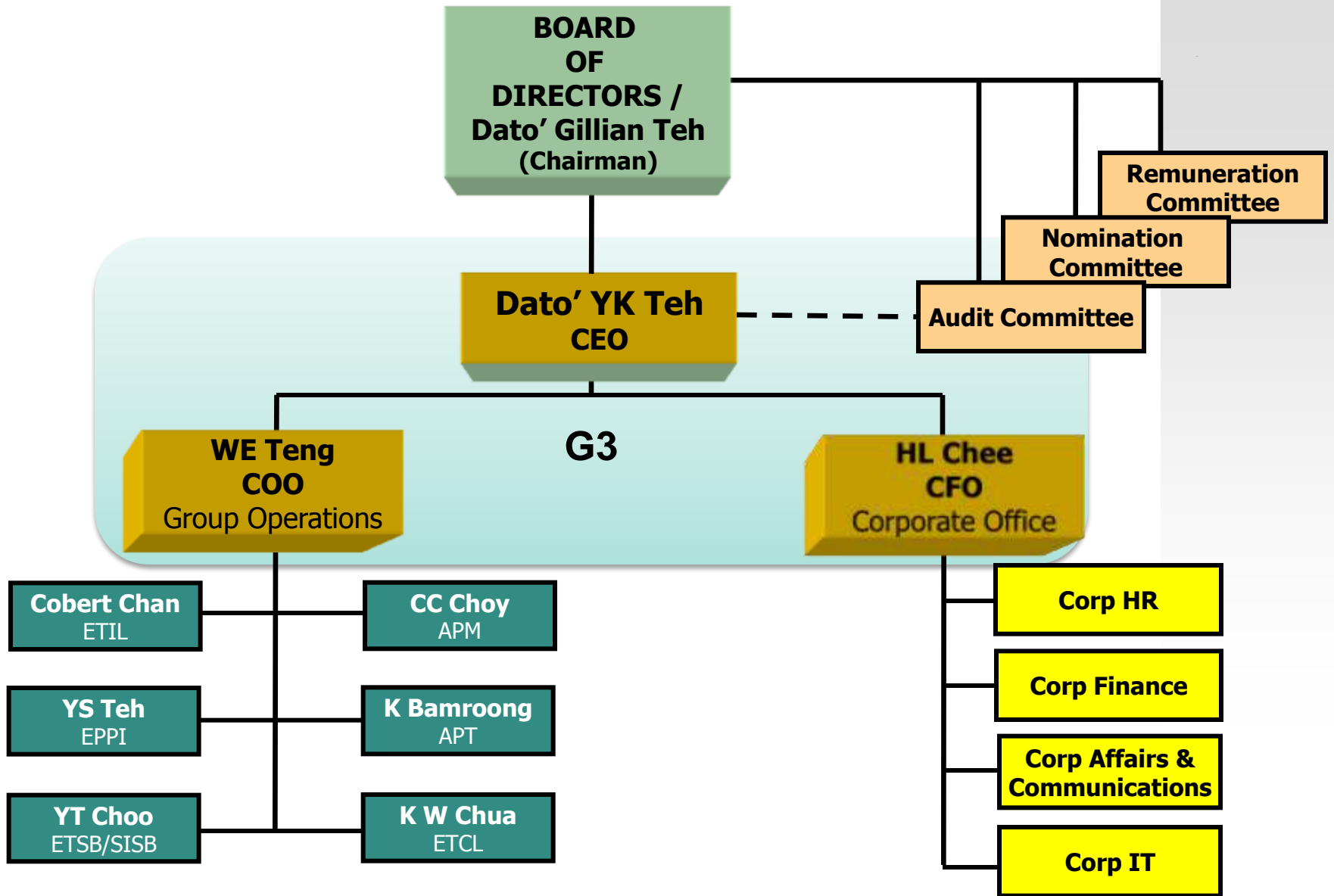
- Precision engineering components manufacturing
- Major global components supplier for HDD industry



- Major products:
 - HDD Baseplates
 - HDD Actuators → Coil Assy
 - Other HDD Components
 - Industrial Products and Components



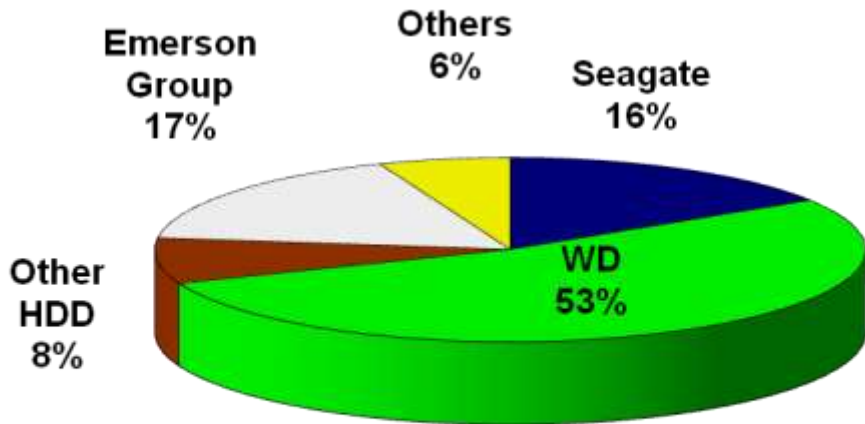
Organisation Chart



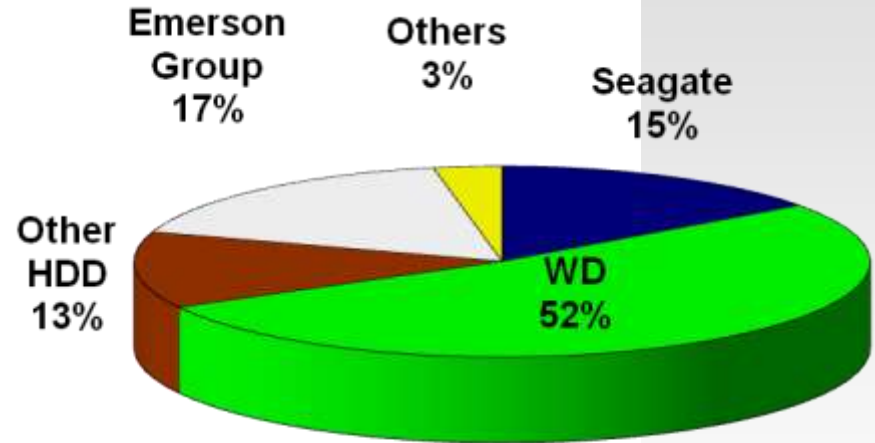
Business Overview

Breakdown by Major Customers by Revenue

RM MIL



Q1'09 Revenue – RM101 Million



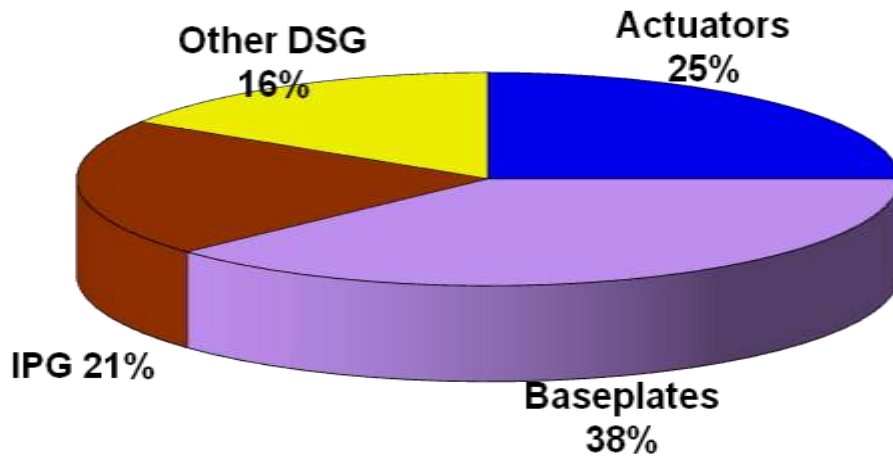
Q2'09 Revenue – RM106 Million

1H'09 REVENUE – RM207 MILLION

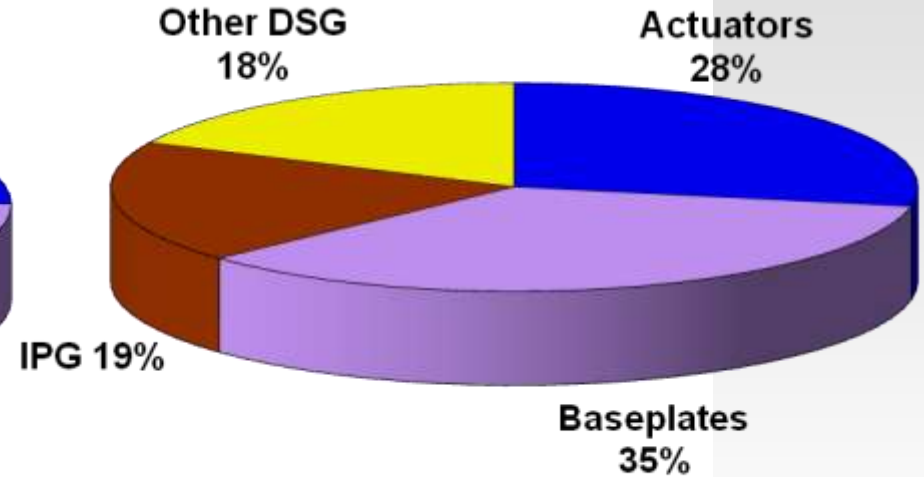
Business Overview

Breakdown by Products by Revenue

RM Mil



Q1'09 Revenue – RM101 Million



Q2'09 Revenue – RM106 Million

1H'09 REVENUE – RM207 MILLION

1H'09 Review: Profit & Loss

RM mil	Q2'09	Q1'09	1H'09	1H'08	VAR % 1H'09 vs 1H'08	FY'08	FY'07
REVENUE	105.9	100.8	206.7	287.4	-28%	554.9	500.6
PBT	13.0	(0.2)	12.8	30.0	-57%	41.7	12.6
NET PROFIT	11.5	(0.1)	11.4	19.0	-40%	24.5	14.8
EBIDTA	24.2	12.1	36.3	53.4	-32%	90.3	58.4
EPS (sen)	9.6	(0.1)	9.5	16.0	-40%	20.5	12.4
ROCE (%)	5%	0%	5%	9%	-43%	11%	7%

REMARKS:

- 1) Revenue was up by 6% (Q2'09 vs Q1'09), however earnings improved RM13 million due to cost cutting efforts.
- 2) All subsidiaries returned to profits in Q2'09.
- 3) Major event - acquired balance 25% of Altum in Q1'09.

1H'09 Review: Engtek HDD Components Shipments

Units shipped (mil pcs)	Q3'08	Q4'08	Q1'09	Q2'09
Baseplates	12.4	9.0	6.2	7.0
Actuators	8.8	6.8	6.6	10.0
<u>Capacity Utilisation</u>				
Baseplates	80%	50%	50%	65%
Actuators	80%	60%	60%	80%

1H'09 Review: Balance Sheet

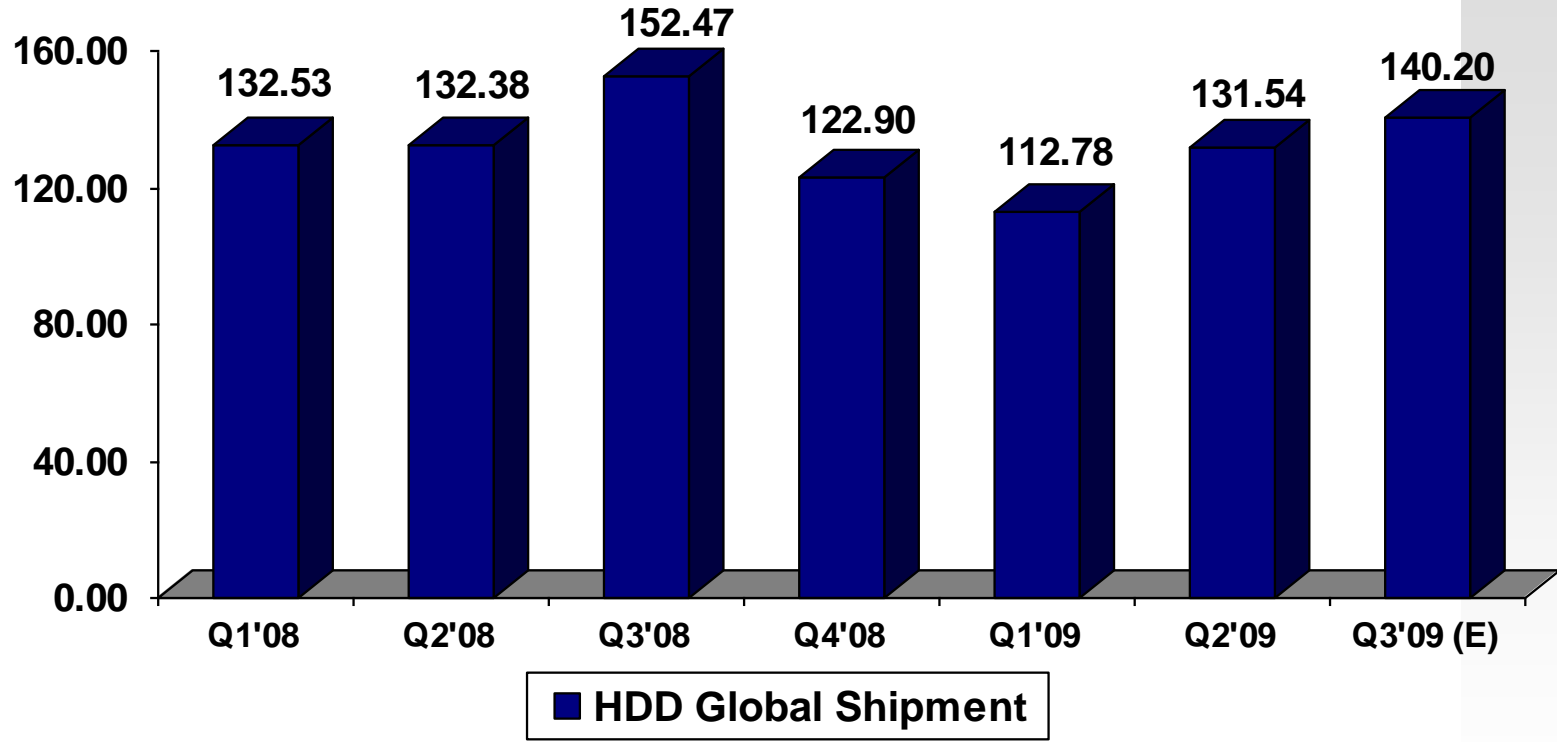
RM mil	1H'09	2008	2007	2006
PPE	136.1	155.4	146.4	159.0
OTHER NON-CURRENT ASSETS	38.7	38.9	46.7	42.5
CURRENT ASSETS	190.2	230.6	246.5	213.1
CURRENT LIABILITIES	(125.1)	(175.8)	(195.2)	(178.0)
NON-CURRENT LIABILITIES	(28.7)	(24.8)	(31.1)	(34.7)
	211.2	224.3	213.3	201.9
SHAREHOLDERS' FUNDS	209.3	199.8	193.0	182.5
MINORITY INTERESTS	1.9	24.5	20.3	19.3
	211.2	224.3	213.3	201.9
CURRENT RATIO	1.52	1.31	1.26	1.20
GEARING	0.13	0.12	0.16	0.17
NET GEARING	0.19	0.35	0.36	0.42

REMARKS:

- 1) Current ratio improved to 1.52 ⇒ best in recent times.
- 2) Net gearing down to <0.2 ⇒ signifies group has stronger resilience.

BUSINESS/ MARKET TREND: HDD Market (Global Shipments)

Mil Units

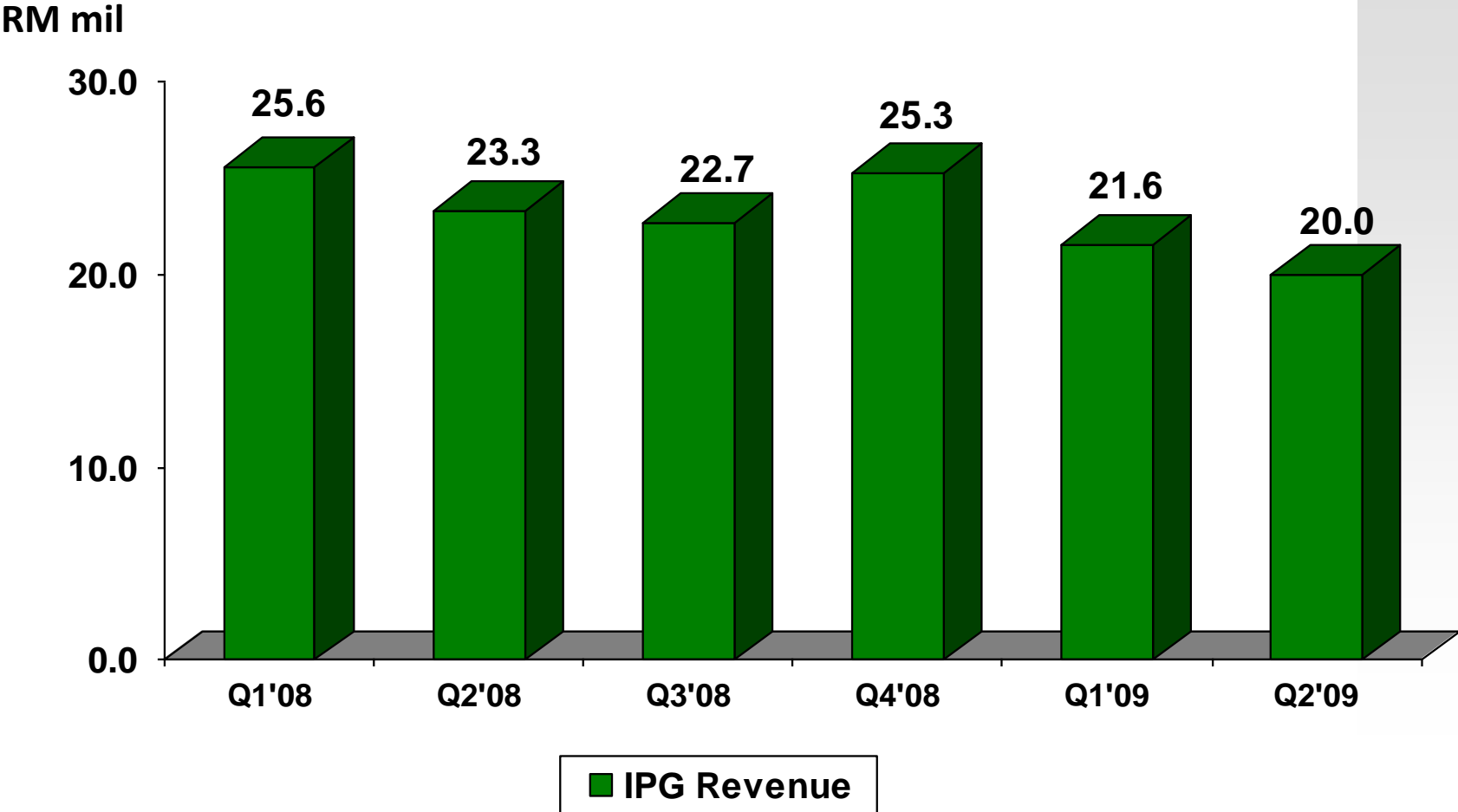


BREAKDOWN IN FORM FACTORS

	Q1'08	Q2'08	Q3'08	Q4'08	Q1'09	Q2'09	Q3'09 (E)
3.5"	77.80	74.74	79.91	65.60	64.00	67.30	68.97
2.5"	49.38	53.49	66.20	53.90	45.93	61.65	68.41

Source: Trendfocus

BUSINESS/ MARKET TREND: IPG (Engtek's Revenue)



2009 Outlook & Prospects

- **Global economic crisis has impacted HDD sector beginning Q4'08. However, situation has stabilised since Q2'09 and order patterns are improving.**
- **Engtek remains cautious but optimistic with present order trend information from customers.**
- **With a leaner operation and stronger resilience, Engtek is prepared for increased volume for ensuing year.**
- **Capex for 2009 - <RM15 Mil as there are available machines.**
- **“Fallout” of competitors – opportunity for Engtek.**
- **Optimistic on FY 2009 being profitable.**



Thank You

Q & A session

Dato' Teh Yong Khoon , Chief Executive Officer

Eng Teknologi Holdings Bhd

Plot 69-70 Pesara Kampung Jawa

Bayan Lepas Industrial Zone

11900 Bayan Lepas, Penang

Tel: 604-644 0122 (G) / 604-644 9760

Fax : 604-6423430

Website : www.engtek.com

