



JURONG TECHNOLOGIES INDUSTRIAL CORPN. LTD

PRESS RELEASE – Jurong Technologies’ 1Q08 Results

Jurong Technologies Records 1Q08 Net Profit Of S\$5.7 Million On Revenue Of S\$146.0 Million

- 1Q08 net profit lower than 1Q07 due to lower orders from major customer but offset by sales from new products and growing Brazil market
- Consolidated operations in Singapore, Malaysia and Indonesia into mega-site in Nursajaya, Johor, Malaysia, to reduce operating cost and improve efficiency
- Transferring excess production lines in Asia to Brazil to optimize production capacities and meet rising demand
- Ongoing business restructuring efforts to strengthen cash position and further reduce gearing level by end FY2008

S\$ (million)	1Q08	1Q07	%chg
Revenue	146.0	218.3	(33.1)
Gross Profit	28.1	35.6	(21.1)
Operating Profit	8.0	14.7	(45.6)
Net Profit attributable to shareholders	5.7	12.8	(55.5)
*EPS (fully diluted)	0.95 cent	2.86 cents	(66.8)
*NAV Per Share	48.55 cents	55.87 cents	(13.1)

**Calculations based on weighted average of 608 million shares for 1Q08 and 466 million shares for 1Q07*

**Calculations based on 608 million shares and 466 million shares as at the end of 1Q08 and 1Q07, respectively*

SINGAPORE, 13 May 2008 – Jurong Technologies Industrial Corpn. Ltd (“Jurong Technologies” or “the Group”), a leading electronics manufacturing services (“EMS”) and original design manufacturing (“ODM”) provider, announced today its results for the first quarter of the financial year 2008 (“1Q08”), and said that its business restructuring efforts are progressing smoothly and will help the Group to strengthen its cash position and further reduce its gearing level by end FY2008.

The Group recorded net profit attributable to shareholders of S\$5.7 million in 1Q08 from S\$12.8 million in 1Q07 on revenue of S\$146.0 million and S\$218.3 million, respectively. The weaker financial performance is mainly due to lower sales of handset Printed Circuit Board Assembly (“PCBA”) and modular products, which is partly mitigated by contributions from new product segments – ultra-low-cost (“ULC”) mobile phones, wireless local loop (“WLL”) phones and PC motherboards – which recorded sales of



JURONG TECHNOLOGIES INDUSTRIAL CORPN. LTD

S\$17.1 million in 1Q08 despite commencing volume production only towards end FY2007.

As part of its business restructuring efforts, the Group had consolidated its operations in Indonesia (Batam), Malaysia (Cemerlang) and Singapore into a new 32,000 sqm facility in Nursajaya, Malaysia. The new facility will house all of the Group's manufacturing services under one roof, thus improving efficiency and significantly reduce operational expenses.

Apart from Malaysia, the Group also plans to further expand its operations in Jaguariuna, Brazil, to meet rising demand for its ODM products and services from the emerging Latin America market. Sales from its Brazil facility have been increasing steadily and the growth momentum has continued into 1Q08, as sales from this market rose to S\$34.1 million from S\$32.6 million in 4Q07. The Group will transfer some of its excess production lines from Asia to its Brazil facility to meet growing demand and optimise its production capacities.

"We are pleased that our efforts to restructure the Group's operations are starting to bear fruits. We have succeeded in growing new revenue streams in the higher-margin ODM space and continue to expand our market presence in Latin America through our Brazil operations. At the same time, we have managed to reduce our operational costs and improve efficiency by consolidating our manufacturing operations. Both of these developments will help to improve the Group's margins and improve our profitability in the long term," said Mr Cheang Chee Ming, President and Chief Executive Officer of Jurong Technologies.

Looking ahead, Mr Cheang said, "We believe that the long term outlook for the wireless communications industry remain very positive. We intend to invest and develop new capabilities to secure new customers within this industry and are currently in negotiation with several new customers to support them on new wireless communication products. We will also continue with our business restructuring efforts to assess our various business assets and may implement further divestments to strengthen the Group's cash position and reduce our borrowings."

~ ends ~



JURONG TECHNOLOGIES INDUSTRIAL CORPN. LTD

About Jurong Technologies Industrial Corpn. Ltd

Established in 1986, Singapore Exchange Main Board-listed Jurong Technologies provides Electronics Manufacturing Services ("EMS") to Original Equipment Manufacturers ("OEMs") in the wireless communication, networking, PC peripherals and industrial sectors.

Leveraging on our core EMS capabilities, the Group is also moving up the value chain to become a full-fledged Original Design Manufacturer ("ODM"), with proprietary technologies in the design and manufacture of products for the wireless communication, healthcare and consumer electronic sectors.

Headquartered in Singapore, Jurong Technologies has a global manufacturing footprint with production facilities in Singapore, Malaysia (Nusajaya), China (Suzhou and Tianjin), Indonesia (Batam) and Brazil (Jaguariuna), as well as sales and marketing support offices in Singapore and the United States.

Our fully-integrated operations provide a complete spectrum of manufacturing solutions to meet the needs of our customers in a fast-changing and competitive global electronics industry. Our services range from product design and process development, precision engineering, system integration, supply chain management and material management capabilities

For more information, please contact:

WeR1 Consultants Pte Ltd

29 Scotts Road

Singapore 228224

Tel: (65) 6737-4844 Fax: (65) 6737-4944

Contact:

Roger Ng rogerng@wer1.net or Chan Fook Leong chanfl@wer1.net