

JUKEN

Juken Technology Limited FY2010 Financial Results Briefing 1 March 2011



NPAT up 726% to S\$9.7M v S\$1.2M in FY2009

- *9Mths contribution from new stepper motor and car clock business;*
- *S\$4.0M contribution from negative goodwill*

Revenue up 68% to S\$76.5M v S\$45.4M in FY2009

- *S\$13.5M first-time revenue contributions from stepper motors*
- *Sales improved across-the-board; pent-up demand since 2H2009*

Strong Balance Sheet – Cash and cash equiv of \$8.8M at 31 Dec

Dividend – Proposes first & final dividend of 0.15 cent per share; 0.20 cent special dividend

Expects FY2011 to perform better than FY2010

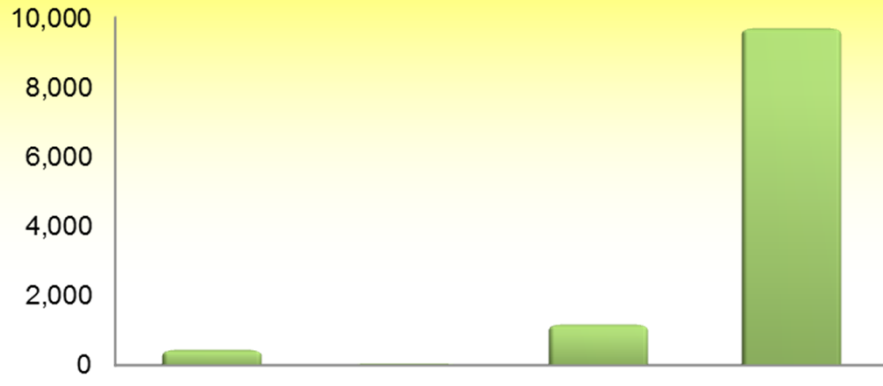
- 12Mths contribution from stepper motor & car clock business
- Demand expected continue to spill over to FY2011; moderate growth for all business segments



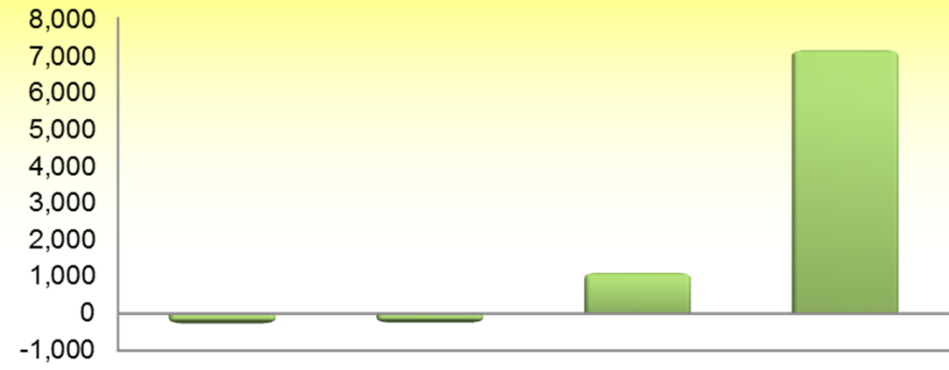
FY2010 Results Highlights



FY2010 NPAT (S\$'000)



2H2010 NPAT (S\$'000)



	FY2007	FY2008	FY2009	FY2010
■ FY	444	46	1,173	9,691

	2H2007	2H2008	2H2009	2H2010
■ 2H	-259	-236	1,107	7,132

- 2H2010 NPAT up 544% to S\$7.1M (or up 182% to S\$3.1M without negative goodwill) from S\$1.1M in FY2009
- FY2010 NPAT up 726% to S\$9.7M (or up 375% to S\$5.7M without negative goodwill) from S\$1.2 M in FY2009



Negative Goodwill

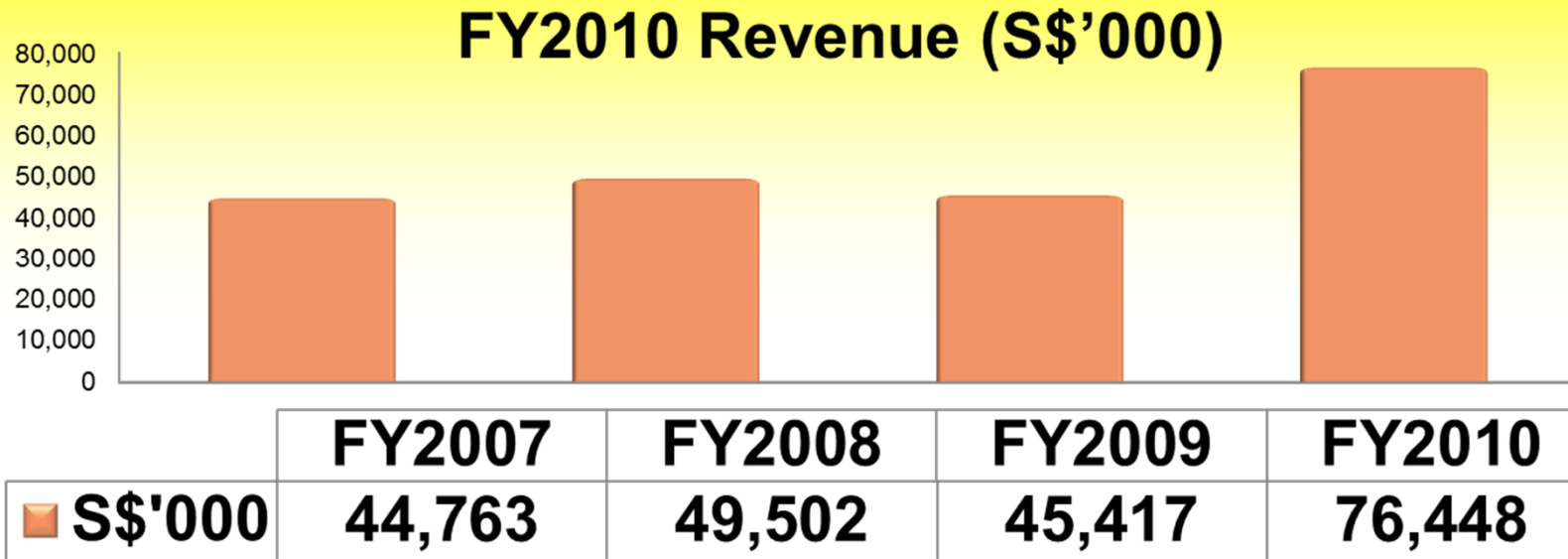
- Acquired stepper motor and car clock business in March 2010
- Financial Statement Section 1(a) Note 4 (page 2)

The financial impact to statement of comprehensive income from the Fair Valuation of the Acquisition is as follow:-

	FY2010 S\$'000
Net fair value of identified assets and liabilities	10,627
Estimated purchase consideration	(5,923)
Negative goodwill	<u>4,704</u>
Amortisation of identifiable assets and liabilities recognised during the year	(819)
Deferred tax expenses	<u>74</u>
Net gain recognised in FY2010 result	<u><u>3,959</u></u>



FY2010 Results Highlights



- **FY2010 revenue up 68% to S\$76.5 M from S\$45.4 M in FY2009**
- **Sales increased in all 9 manufacturing facilities in 6 countries; sustained pent-up demand since 2H2009**

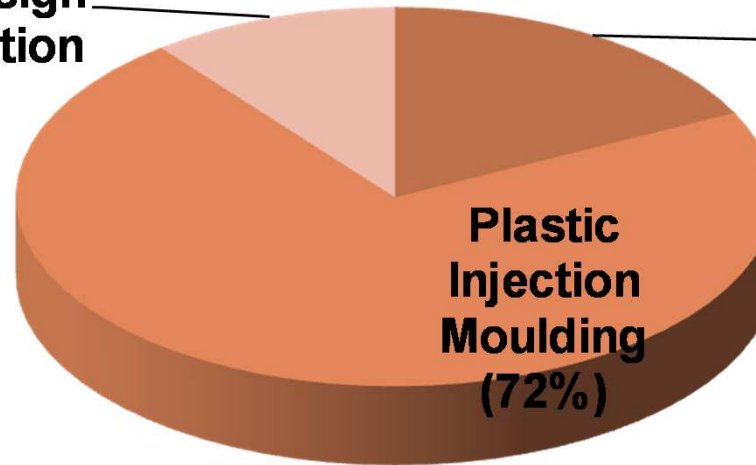


FY2010 Results Highlights

Revenue by Biz Segments

JUKEN

**Mould Design
& Fabrication
(10%)**



**Stepper Motor
& Car Clock
(9 months)
(18%)**

**Plastic
Injection
Moulding
(72%)**

- 9Mths contribution from new stepper motor and car clock businesses accounted for S\$13.5 M or 18% of Revenue
- Pent-up demand since 2H2009; Plastic Injection Moulding sales up 35% to S\$54.8M; Mould Design Fabrication sales up 56% to S\$8.1M



FY2010 Results Highlights



(S\$'000)	FY2010	FY2009	Change	2H2010	2H2009	Change
Turnover	76,448	45,417	68%	42,588	26,812	59%
Net Profit	9,691	1,173	726%	7,132	1,107	544%
Diluted EPS (cent)	3.88	0.63	516%	n.m	n.m.	n.m.

n.m. = not meaningful

Diluted EPS rose to *3.88 cents from **0.63 cent in FY2009

**based on fully diluted basis of 245,769,646 shares*

***based on potential dilutive basis of 148,698,487 shares*

NAV per share declined to *19.20 cents from **23.82 cents

**based on 235,590,604 shares @ 31 Dec 2010*

***based on 137,315,378 shares @ 31 Dec 2009*



FY2010 Results Highlights

JUKEN

Strong Balance Sheet – Cash and cash equivalents of \$8.8M at 31 Dec 2010, up from S\$8.1M at 31 Dec 2009

Dividend – Proposed:

- first & final dividend 0.15 cent per share
 - Special dividend of 0.20 cent
- (Payout approx. 9% of FY2010 net profit)



Expects FY2011 to perform better than FY2010

- **12Mths contribution from new stepper motor & car clock businesses vs 9Mths in FY2010**
- **Integrating this new biz with own manufacturing and marketing operations; improving cost & operational efficiencies; expanding customer base**
- **Expects moderate growth in all biz divisions (spill-over of pent-up demand)**
- **Cautiously optimistic despite fluctuations in foreign exchange and crude oil price (plastic resin is primary raw material)**



Business Segments



Automotive Segment (Main Business driver)

- **Continuing strong growth in PRC, recovery in US and European automotive sectors resulting in better utilization rates and improved margins**
- ***Turnover for auto segment (incl stepper motors) grew 124% in FY2010 to approx. S\$37.7 M from S\$16.8M in FY2009***



Auto Segment: Stepper Motors – the new catalyst

- **Operations, R&D & businesses in Switzerland and Zhuhai – acquired from Swatch Group**
- **Intensive marketing of “Swiss-designed, Asian manufactured” under JST brand**
- **Chinese and Indian auto companies are buying world brands and want better instrumentation**
- **Installed a fully automated assembly machine at our Singapore’s manufacturing plant in Loyang; Able to produce 8 million motors per annum, increasing total production capacity by 20%**



Non-Auto Segment: Office Automation

- Mainly based in Malaysia and PRC
- Recorded higher demand of printer-related orders
- ***Turnover for office automation segment grew 41% in FY2010 to approx. S\$7.6 M from S\$5.4 M in FY2009***



Non-Auto Segment : Cameras

- Mainly based in Malaysia and PRC and Thailand
- Increased demand from key Japanese customers
- *Turnover for cameras segment grew 25% in FY2010 to approx. S\$14.5 M from S\$11.6 M in FY2009*



Non-Auto Segment : Industrial and Home Appliances

- Mainly based in Malaysia , PRC and Indonesia
- Increased demand from utility metering and electrical switches customers
- *Turnover for Industrial and Home Appliances segment grew 60% in FY2010 to approx. S\$11.2 M from S\$7.0 M in FY2009*



About the Company



Company Snapshot

JUKEN

- **Founded in 1984 by David Wong**
- **Engaged in Tooling Design & Fabrication, Precision Plastic Injection Molding & Module Assembly with decorative capabilities.**
- **9 production facilities, all ISO QMS certified, in Singapore, Malaysia, Thailand, India, Indonesia and PRC**
- **1,400 employees; total of 403 injection molding machines (from 10 – 350 ton) as at 31 Dec 2010**
- **Global customer base comprises major tier-one auto companies like Continental, Bosch, Magna, Stoneridge, Yazaki, Visteon, Magneti Marelli, Stanley and Thyssenkrupp. Non-auto customers include Itron (utility metering), Brother, Flextronics, Nikon, Olympus and Pentax.**



Juken's Key Strengths

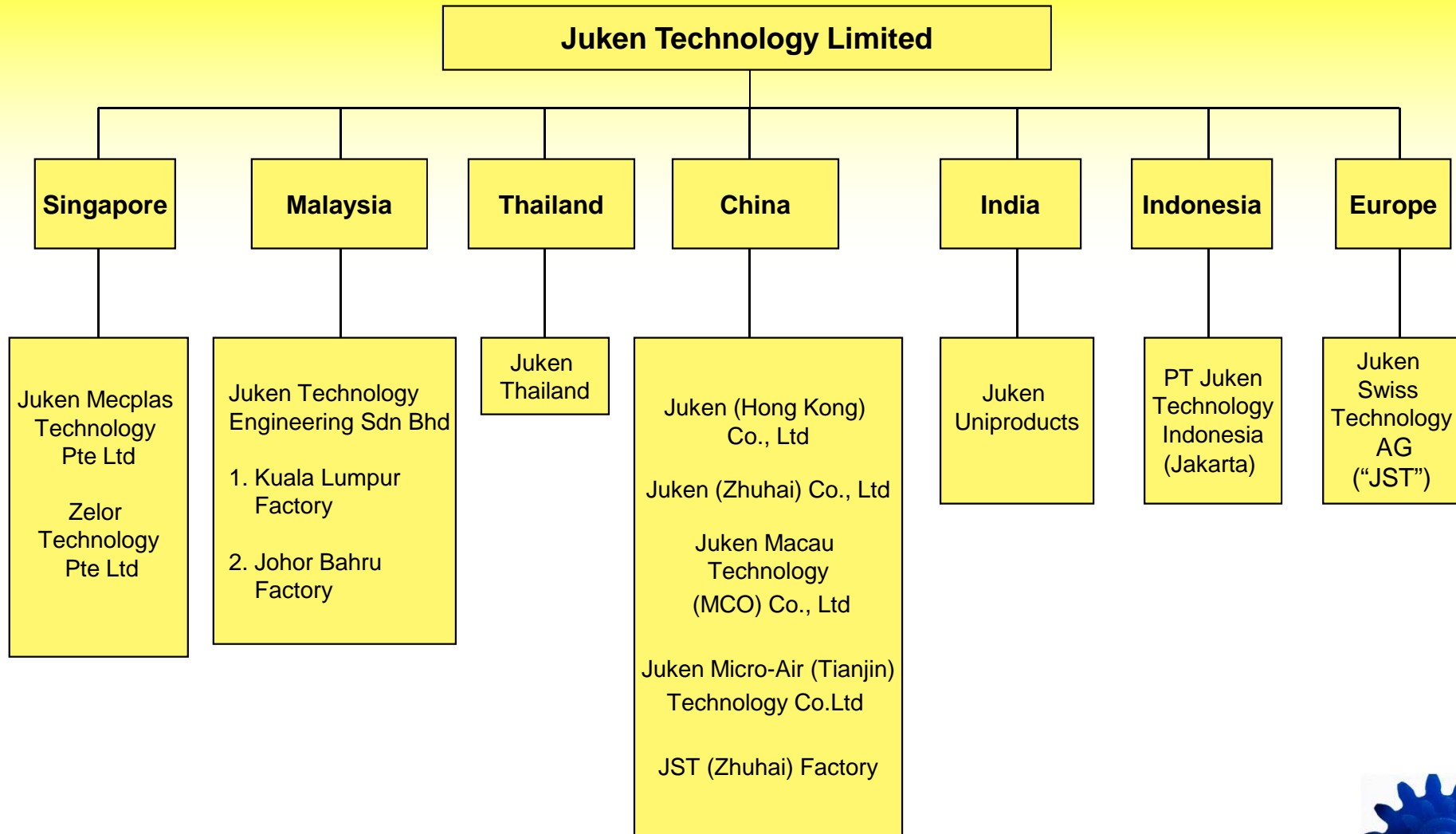
JUKEN

- **Close relationship with Juken Kogyo (through founder)**
 - access to technology from Japanese leading specialist in design/manufacture of high-precision plastic components
- **Juken Swiss Technology (new stepper motor & car clock businesses)**
 - Propelled to the world stage following the acquisition of assets & technology from The Swatch Group of Switzerland
 - strong R&D team based in Switzerland
 - strong presence in China; expansion in Europe
- **Quality products and services**
 - all our plants have attained QMS ISO certification.
- **Well-diversified customer base**
 - no single customer accounts for over 13% of sales
- **Geographical reach and proximity to customers**
 - facilities located near customers; reduces lead-time
- **Close customer relationship**
 - In 2010, more than 90% of sales from repeat customers



Group Structure

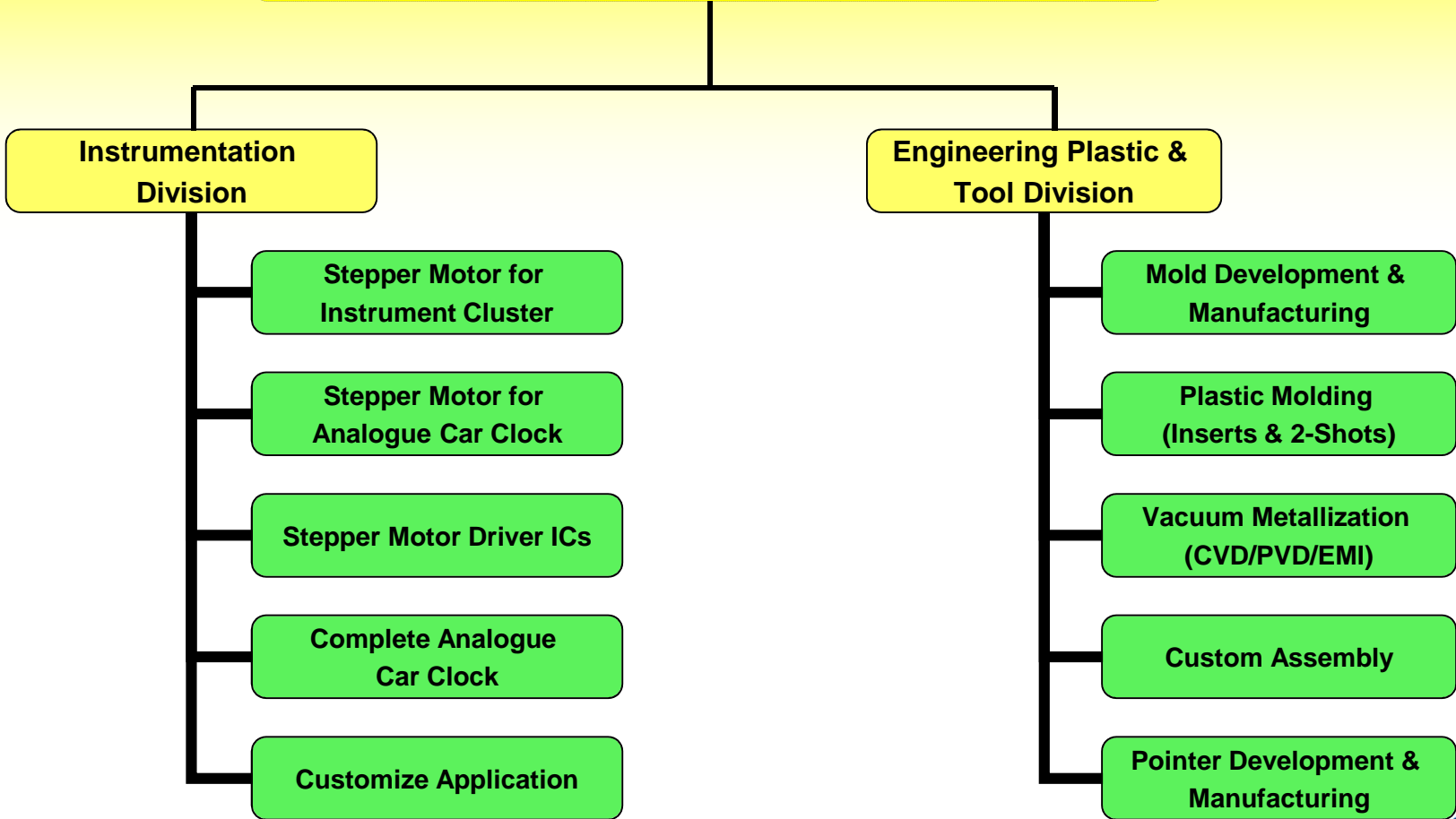
JUKEN



Juken's Business Structure



Juken Technology Limited



JUKEN

Thank You

