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FOR IMMEDIATE RELEASE

Avi-Tech posts 1Q2010 revenue of S\$6.8M and PBT of S\$1.1 M

- ***Maintains strong cash position of S\$51.3M***
- ***Intensifies Burn-In Board business in USA***
- ***Awarded ISO 13485 certification to pursue more opportunities in engineering services and system integration for the life science and medical equipment industry***

SINGAPORE – TUESDAY, 10 NOVEMBER 2009 – Mainboard-listed Avi-Tech Electronics Limited (“Avi-Tech”), one of the region’s leading ‘one-stop’ total Burn-In solutions providers to the semiconductor industry, today announced its unaudited financial results for the three months ended 30 September 2009 (“1Q2010”).

Group Financial Snapshot

In S\$'million	1Q2010	1Q2009	+/- %
Revenue	6.8	9.2	-25.2
Gross profit	2.2	3.7	-38.9
Profit before tax (“PBT”)	1.1	2.3	-53.4
Net profit for the period	0.9	1.9	-50.1
Earnings per share (diluted) based on weighted average number of ordinary shares (in cents)	0.27	0.54	-
Cash balances	51.3	50.9	-
	As at 30 Sep 09	As at 30 Jun 09	
Total equity for the Group	65.24	64.33	

The Group’s net asset value (“NAV”) per share is 18.90 cents as at 30 September 2009, which is higher than the Group’s NAV of 18.63 cents as at 30 June 2009.

Results analysis

Avi-Tech’s 1Q2010 revenue declined by 25.2% to S\$6.8M in 1Q2010 from S\$9.2M in 1Q2009 due to a

decrease in revenue from the Burn-In and the Engineering services and Equipment Distribution business segments. The overall decline was largely attributed to weak customer demand arising from the global economic downturn. This was despite a 49.2% increase in revenue from the Group's Board Manufacturing business to S\$2.1M compared to 1Q2009.

On the back of lower revenue, gross profit declined by 38.9%, from S\$3.7M in 1Q2009 to S\$2.2M in 1Q2010. Group gross margins fell by 7.3% from 40% in 1Q2009 to 32.7% in 1Q2010.

The Group, however, registered an operating income of S\$0.5M in 1Q2010 as compared to S\$0.2M in the same quarter last year, an increase of 134.5%. This was due primarily to a one-time sale of scrap materials and receipts from the Singapore Government's "Job Credit Scheme". Administrative expenses increased by 9.8% from S\$1.4M in 1Q2009 to S\$1.6M this quarter on account of foreign currency exchange adjustment loss of S\$0.4M.

Group PBT of S\$1.1M, was a 53.4% decrease from S\$2.3M in the same quarter of last year. Net profit fell by 50.1% to S\$0.9M from S\$1.9M in 1Q2009 stemming from lower revenue and foreign exchange losses.

The Group's balance sheet held strong with cash and cash equivalents of S\$51.3M in 1Q2010, an increase of S\$0.4M from the same period last year.

Mr EH Lim, CEO of Avi-Tech Electronics Limited, said, "Although there is general consensus that the world economic crisis has abated, our 1Q2010 financial results reflects the fact that recovery will be a slow and prolonged one. We are pleased that we have made great strides in our Board Manufacturing business in the United States, as evidenced by the sector's strong showing and our growing number of customers there. With the Company's recent success in achieving ISO 13485 certification in respect of the quality management systems for medical devices, the management is positive of growing its business in the life sciences and medical equipment industry. We are confident that our entry into the life science and medical equipment business will pick up as the economy improves, as will the demand for our Burn-In services."

Trends & Growth Strategies

While there are increasing signs of improvement in the global economic climate, the Group anticipates that in the short term its various businesses will continue to feel the impact from the slow economy. There have, however, been some positive indications that 2010 will see a recovery in global semiconductor sales, which augurs well for the Group. With its strong business fundamentals and track record in service excellence, the Group is well-placed to take advantage of any growth opportunities.

Added Mr Lim, "On the operations side, we will continue to manage overhead costs, increase productivity and maintain our competitive edge in every area of business. We will simultaneously look for new growth opportunities, expanding the breadth and depth of our products and services. The life

science and medical equipment industry is one area that we have successfully ventured into, leveraging off our expertise in Engineering services and system integration. It is our constant ability to innovate, while building on our core competencies, that will enable us to ride out this period of slower growth and to emerge stronger and more diversified in terms of products and services, markets and customers.”

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This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

About Avi-Tech Electronics Limited (Co. Reg. No. 198105976)

Incorporated in Singapore in 1981 and listed on the Main Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”) in 2007, Avi-Tech Electronics Limited (“Avi-Tech”) is one of the region’s leading one-stop total Burn-In solutions providers to the semiconductor industry.

Burn-in and related services

- Static Burn-In, Dynamic Burn-In and Test During Burn-In (“TDBI”) for semiconductor manufacturers
- Tape and reel service for customers who need their finished products to be delivered in a reel form

Burn-in boards and boards-related products

- Design, manufacture and assembly of Burn-In Boards for different types of Burn-In Systems

Engineering services and equipment distribution

- Full turnkey system integration services (built to design) and equipment manufacturing (design and build) services including parts procurement and fabrication, assembly and verification for various industries including life sciences
- Technical services such as field service and application support for all third party equipment distributed
- Equipment distribution including equipment and related products used in the semiconductor industry, in particular, third party Burn-In and test equipment

Headquartered in Singapore, we have production facilities in Singapore and overseas. Our Singapore production facilities supports the Burn-In of different semiconductor device types ranging from microprocessors, memories, micro-controllers, automotive control circuits and custom-made chips to the latest pin grid array and ball grid array. We have established market presence in Singapore, Malaysia, Thailand, the Philippines, Taiwan, People’s Republic of China (“PRC”), Japan, United States of America (“USA”) and Europe.

In consonance with our commitment towards business excellence and Quality Assurance, we garnered the Singapore Quality Class award by SPRING Singapore in 1998, with renewals for this award in 2001, 2003 and 2005. We were also awarded the Enterprise 50 award by the Singapore Economic Development Board in 1999 (Ranking: 1st) and was conferred the prestigious Singapore Quality Award by the SQA Governing Council supported by SPRING Singapore in 2008. In addition, we have achieved ISO 9001, ISO 14001 and ISO 13485 certifications.

For more information, please visit: <http://www.avi-tech.com.sg>

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