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RESULTS HIGHLIGHTS

S$'000	Q4 2012	Q4 2011	+/-%	FY 2012	FY 2011	+/-%
Revenue	7,960	8,441	(5.7)	32,807	33,933	(3.3)
Gross (loss)/ profit	(79)	2,038	NM	3,313	9,468	(65.0)
Profit Before Tax	(2,631)	(889)	(196.0)	(8,479)	1,975	NM
(Loss)/ profit For the Year	(2,392)	(1,206)	98.3	(8,181)	1,059	NM
Earnings Per Share (cents)	(0.69)	(0.35)	97.1	(2.38)	0.31	NM

- Revenue decrease of 3.3% to S$32.8 million in FY 2012 from S$33.9 million in FY 2011 driven primarily due to decrease in sales from the Burn-In Services business segment due to the restructuring in operations of a major customer
- Decrease in revenue is partially off-set by the increase in revenue contribution from the Engineering Services business segment due to the booking of revenue of a major contract and contribution from the Imaging Equipment and Energy Efficient Products business segment

CEO'S COMMENTARY

"FY 2012 was a very challenging year for the Group. The loss for the period was primarily due to losses by our Imaging Equipment and Energy Efficient Products business segment and the poor performance of the Burn-In Services business segment."

"The Imaging Equipment and Energy Efficient Product business segment requires substantial research and development, time taken for the development of new products to replace older models which resulted in high operating expenses, and there was also a limited upside in sales due to current range of product line becoming less marketable. However, this business segment has started to contribute to our Group revenue with sales of S$6.0 million in FY 2012 compared to S$2.7 million in FY 2011. In addition, as announced by the Company in July this year, our US subsidiary Aplegen Inc. entered into a license and supply agreement with Labnet International Inc., a subsidiary of Corning Incorporated and part of Corning's Life Sciences business segment, to develop, manufacture and supply a line of proprietary imaging systems to Labnet International Inc, a worldwide supplier of laboratory equipment." said Mr EH Lim, CEO, Avi-Tech Electronics Limited.

"Going forward, further investments in the Imaging Equipment and Energy Efficient Products business segment are

expected due to the continuous need to invest in the development of new products and although several new products have been developed and launched, we expect the performance of this business segment to remain weak in the new financial year. The global economic environment remains highly uncertain, particularly with the ongoing Eurozone debt crisis. The overall market for the Group's products, especially the newly developed products by the Imaging Equipment and Energy Efficient Products business segment remains challenging. The world-wide sales in the semiconductors industry have declined and this is expected to impact the demand for the Group's services and products, namely the Burn-in Services and Burn-in Boards and Boards Manufacturing business segments."

"We remain cautiously optimistic of our long-term investment in the Imaging Equipment and Energy Efficient Products business segment and growth prospects. We will continue our efforts to contain costs and increase productivity." Mr Lim added: "Since our inception in 1981, Avi-Tech have weathered through numerous economic cycles and through it all, we have emerged relatively stronger. I would like to thank my management team who has demonstrated resourcefulness and resilience in leading the company forward and the support of our staff and shareholders."

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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.

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