

Press Release

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VisDynamics sees better FY07 earnings with new product

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VISDYNAMICS Holdings Bhd expects better earnings for the financial year ending Oct 31, 2007 (FY07), in anticipation of higher revenue from its high-speed tray-based inspection equipment.

Its chairman Khairil Anuar Abdullah said it expected its tray-based machine, which uses its proprietary laser-based technology for the inspection of semiconductors, to contribute 40% to its revenue in FY07.

"It (tray-based machine) is giving a greater margin to us. It has got a throughput almost two times higher than the nearest competitors. The product mix and margin get better.

"People are more interested to take this machine. Hopefully the number of these machines that we will sell will be more," he told reporters after the company's AGM in Kuala Lumpur yesterday.

Its chief executive officer Choy Ngee Hoe said it launched the tray-based machine last September and this had enabled it to penetrate high-end markets like Taiwan.

He added that the tray-based equipment had a higher price, ranging between US\$200,000 (RM685,750) and US\$280,000,

than that of gravity-based equipment (US\$150,000).

VisDynamics makes automated test equipment (ATE) that is used to test and inspect integrated circuits produced by semiconductor manufacturers.

Its clients include Amkor Technology Inc and STATS ChipPAC Ltd, which are among the top five semiconductor contract manufacturers in the world.

Its products include gravity-based equipment, which are used to inspect medium-sized integrated circuits with lesser functions, and tray-based equipment, which utilises laser-based technology to inspect high-value, multi-functions integrated circuits.

The company's FY06 net profit slumped 85% to RM540,109 from RM2.19 million for the period from Jan 3, 2005 to Oct 31, 2005. The gravity-based machine contributed 85% to the group's FY06 revenue of RM6.31 million.

Choy said it focussed more on strengthening the company's foundations last year than maximising profitability, spending more on overheads and distribution, for the

PICTURE BY SUHAIMI YUSUF



Khairil Anuar

PICTURE BY KENNY YAI



Choy

"sustainability and longevity of its profit stream".

He said it had a 0.04% market share in the global ATE market, which was forecast at US\$4.75 billion last year, and thus there was room to grow.

Apart from developing a wider portfolio of products, Choy said it would look at mergers and acquisitions to expand its business, but no such talks had been initiated as yet.

On the strengthening of the ringgit, Choy said it did impact its bottom line, but the company remained competitive as most of its rivals in Singapore and Europe were also facing the same problem.