

27 February 2009
Share Data (26 Feb 2009)
\$S\$0.015

Issued Capital	570 M
Market Cap.	\$8.550 M
12-mth price range	1.0 – 8.0 cts
Reuters Code	EUCN.SI
Bloomberg	EUCON SP

Shareholdings Statistics
(As at 31 December 2008)
Top 5 shareholders

Wen Yao-Long***	23.26%
<i>(including deemed interest in Sunny Worldwide)</i>	
United Overseas Bank Nominees**	9.86%
Chen Ming-Hsing***	5.92%
UOB Kay Hian Pte Ltd	2.61%
Huang Shih An*	2.55%

Free Float 55.81%
NB:

***) Directors of Eucon Holding Limited
 (***) Includes 51,482,085 (9.03%) shares held in trust for Europronic Investment Pte Ltd
 (*) Director of Europronic Group Ltd, holding company of Europronic Investment Pte Ltd

Company Background

- Founded in 1988 by Chairman & CEO, Mr. Wen Yao-Long, Eucon Holding Limited is an integrated PCB solution provider for PCB manufacturers in China and Taiwan.
- Eucon offers four outsourcing services, namely, PCB operations, Laser drilling, Mechanical drilling and Routing, which are provided through its six subsidiaries – 1 located in Taiwan and 5 in Shanghai, PRC.

Analyst Coverage

	Report Date	Call	Target Price
OCBC Research	10/8/07	N.R.	NA
Phillip Securities	12/1/07	HOLD	\$S\$0.19
DMG & Partners	15/9/06	BUY	\$S\$0.48
Westcomb Group	28/7/06	BUY	\$S\$0.36

Peer Comparison

	Eucon	Jadason	Multi-Chem
Share price on 26 Feb 09 (\$)	0.015	0.035	0.095
FY08 EPS (cts) #	(1.88)	(0.20)	(0.25)
NAV/share (cts) as at FY08 #	14.50	13.66	21.23
FY08 Dividend per share (cts)	-	-	-
Historical PER	-	-	-
Historical P/NAV	0.10	0.26	0.45
Dividend yield (%)	-	-	-

Taken from FY2008 results announcement

4Q08 vs. 4Q07 & FY08 vs. FY07

- Revenue for FY2008 increased 3% to \$119.6 million from \$116.1 million last year, as a result of stronger sales for the first nine months in FY2008 (9M08), compared with 9M07.
- Revenue for 4Q08 declined by 45% from \$35.3 million in 4Q07 to \$19.5 million in 4Q08, due to deteriorating market demand for electronic products owing to the worldwide economic downturn caused by the US financial crisis.
- Gross Profit for FY2008 decreased by 36% from \$18.7 million in FY2007 to \$11.9 million, due to lower sales and higher cost of sales such as increased cost of direct materials for PCB manufacturing and depreciation costs from machineries

Business outlook

- FY2009 expected to be a challenging year for the Group
- Market demand for PCB services to deteriorate
 - Bleak global economic conditions to affect purchasing power and consumer demand for electronic products
 - Increased market competition
- Management will continue efforts to cut costs and monitor financial position closely

Profit and Loss Highlights

\$S\$ m	FY08	FY07	Chg %	4Q08	4Q07	Chg %
Revenue	119.6	116.1	3	19.5	35.3	(45)
Gross profit	11.9	18.7	(36)	(2.9)	5.9	NM
Finance costs	(4.7)	(3.7)	(27)	(1.2)	(1.1)	(7)
Pre-tax Profit (Loss)	(11.1)	7.3	NM	(12.6)	3.3	NM
Tax expense	(0.6)	(0.1)	(741)	(0.1)	0.3	NM
Net Profit (Loss)	(11.7)	7.2	NM	12.7	3.6	NM
EPS (cts)	(1.88)	1.16	-	(2.08)	0.53	-
NAV/share (cts)	14.50	15.60	-	-	-	-

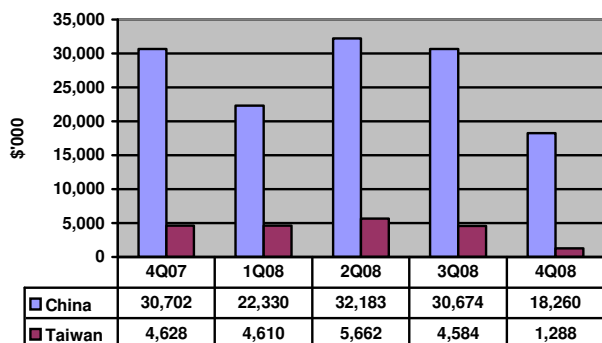
Cash Flow Highlights

\$S\$ m	FY08	FY07	4Q08	4Q07
Cash flows from operating activities	31.5	10.7	9.8	(1.4)
Cash flow (used in) investing activities	(20.8)	(23.1)	(7.7)	(2.8)
Cash flow (used in) from financing activities	(8.4)	15.3	0.6	8.3
Net change in cash & cash equivalents	2.3	2.9	2.7	4.1
Forex changes on foreign currencies	(0.1)	(0.7)	1.5	(1.4)
Opening cash & cash equivalents	21.0	18.8	19.0	18.3
Closing cash & cash equivalents	23.2	21.0	23.2	21.0

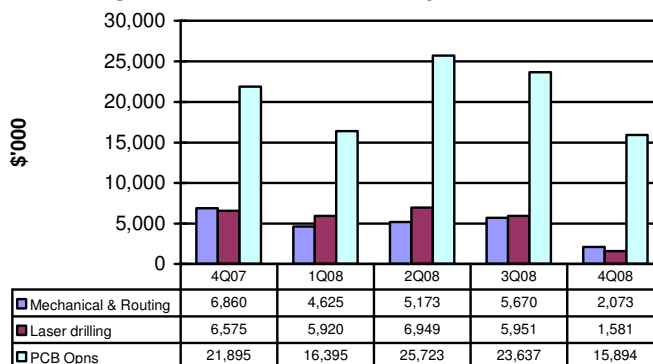
Balance Sheet Highlights

\$S\$ m	31/12/08	30/9/08	31/6/08	31/3/08
Cash & bank balances (including bank deposits)	24.2	25.5	23.6	26.5
Trade receivables	35.4	55.1	55.1	39.3
Other receivables & prepayments	0.8	2.6	1.9	3.2
Inventories	6.8	13.1	12.9	12.0
Property, plant & equipment	125.9	133.0	130.8	124.8
Land use rights	4.5	4.5	4.3	4.3
Trade payables	26.6	38.2	37.8	27.0
Other payables	8.8	15.5	15.9	10.5
Bank borrowings & debts	75.0	83.1	83.2	82.9
Shareholders' equity	84.9	98.1	93.8	90.8

Revenue by Geographical Market



Segmental Revenue Quarterly Trend



Production Capabilities

Subsidiary	Machines for			Other facilities
	Mechanical Drilling	Laser Drilling	Routing	
LGANG (TW)	-	73	-	-
Shanghai Zeng Kang	45	-	16	-
Shanghai Yaolong	35	-	17	-
Shanghai Zhuo Kai*	10	15	-	Outer-layer PCB mfg
Shanghai Eu Ya*	-	-	-	Inner-layer PCB mfg, mass lamination
Shanghai Lian Han Xin	66	-	-	-
Total	156	88	33	

*Total output capability of approximately 800,000 sq feet monthly

5-Year Financial Information

Profit and Loss (S\$'000)					
	FY04	FY05	FY06	FY07	FY08
Revenue	41,820	74,740	111,752	116,138	119,591
Profit (Loss) before tax	10,614	15,144	16,413	7,323	(11,115)
Net Profit (Loss)	8,256	12,579	15,333	7,257	(11,670)
Depreciation	8,320	10,877	13,271	17,001	20,328
Amortization of goodwill	225	-	-	-	-
Interest expenses	1,439	1,792	2,352	3,673	4,670
Pretax profit margin	25.4%	20.3%	14.7%	6.3%	-9.3%
Net profit margin	19.7%	16.8%	13.7%	6.2%	-9.8%
Net profit growth	-17.7%	+52.4%	+21.9%	-52.7%	-258.1%

Balance Sheet (S\$ million)					
	FY04	FY05	FY06	FY07	FY08
Cash & bank balances (including deposits)	9.0	15.3	20.0	27.1	24.2
Trade receivables	12.4	36.8	37.5	53.2	35.4
Other receivables & prepayments	1.4	2.0	2.7	3.1	0.8
Inventories	1.1	4.2	10.2	10.4	6.8
Land use rights	-	-	-	4.4	4.5
Property, plant & equipment	91.2	90.4	117.3	129.4	125.9
Trade payables	3.9	14.6	23.9	29.2	26.6
Other payables	8.3	8.8	16.1	14.3	8.8
Bank borrowings & debts	37.4	46.8	61.1	91.9	75.0
Shareholders' equity	71.0	83.0	91.0	92.8	84.9

Top 5 Customers (Jan – Dec 2008)

PCB Operations

1. Wus Print Circuit (KunShan) Co.,Ltd
2. Cosmotech Co.,Ltd
3. Circuitech(British Virgin Island)Ltd.
4. Triking International Inc
5. Goodwell

Laser Drilling

1. Unimicron Technology Corp.
2. Nan Ya Printed Circuit Board Corp.
3. Kinsus Interconnect Technology Corp.
4. Shanghai Unitech Electronics Co.,Ltd
5. SuZhou Gold Circuit Co., Ltd

Mechanical Drilling & Routing

1. Shanghai Unitech Electronics Co., Ltd
2. Wus Print Circuit (KunShan) Co.,Ltd
3. ShangHai Meadville Electronics Co.,Ltd
4. An Aspocomp-Chinpoon Company
5. Shanghai Han Zhan Electronic Technology Co.,Ltd.

Contact Information

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Key Financial Ratios

	FY04	FY05	FY06	FY07	FY08
No of shares (in mil)	570.0	570.0	570.0	570.0	570.0
EPS (cents)	1.72	2.21	2.69	1.16	(1.88)
NAV / share	11.76	13.87	15.28	15.60	14.50
Dividend / share (cents)	0.50	0.50	0.50	-	-
Return on Average shareholders' equity (%)	14.4	16.3	17.6	7.9	-13.1
Return on average assets (%)	7.6	9.2	8.9	3.4	-5.3
Current Ratio	0.63x	0.97x	0.79x	0.87x	0.72x
Net Gearing	0.32x	0.31x	0.39x	0.62x	0.49x