



Financial Results Presentation

Q2/H1 FY2007 ended 31 Mar 2007

9 May 2007



Cautionary Note on Forward-Looking Statements


Any statements regarding the potential future performance of the Group are based upon a range of assumptions which Datacraft's management, from their experience, believe are reasonable. However, these statements are estimates only and no assumption can be guaranteed. Any differences between actual conditions and the assumptions may result in a material variance between the actual future performance of the Group and that estimated in this presentation.

- Q2 FY2007 Overview
- Financial Highlights
- Operational Highlights
- Summary
- Strategic Partnership with SCS in Japan
- Q&A

Good results in Q2 - robust revenue, strong earnings, growing backlog

Robust revenue

- Revenue grew 23% y/y (+12% sequentially) to US\$143.8m
- Double-digit revenue growth for both services and hardware
 - services +18%; hardware +26%
- Growth balanced across all 4 geographic regions



23% y/y

Healthy gross margin

- 18.7% gross margin comparable to 18.8% last year
- Stable service and hardware margins
- In line with expectations, gross margin eased from 19.2% last quarter due to higher hardware revenue mix this quarter

Strong PBT and margin

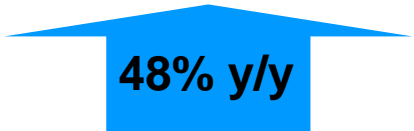
- PBT rose 41% to US\$10.5m from US\$7.4m last year (excluding one-time US\$5.2m insurance settlement in Q2'06)
- 7.3% PBT margin is highest in 6 years, even as the Group stepped up hiring and investments



41% y/y

Robust bottom-line

- PAT increased 48% to US\$7.6m from US\$5.1m last year
- 5.3% PAT margin is also highest in 6 years



48% y/y

Backlog continued to grow

- US\$169m ending backlog, surpassing record \$156m last quarter
- Increase in backlog attributed to higher annuity service backlog



Financial Highlights

Q2 FY2007 Operating Results

US\$M	Q2'07	Q2'06	Y/Y %	Q1'07	Sequential %
Revenue	143.8	116.9	+23%	128.7	+12%
Gross Profit	27.0	22.0	+22%	24.7	+9%
<i>GM %</i>	18.7%	18.8%		19.2%	
EBITDA	11.1	8.6	+30%	9.2	+22%
EBIT	9.3	6.5	+44%	7.3	+29%
PBT	10.5	7.4	+41%	8.5	+23%
<i>PBT %</i>	7.3%	6.4%		6.6%	
PAT attrib to shareholders	7.6	5.1	+48%	6.2	+23%
Basic EPS (US cts)	1.70	1.10	+54%	1.38	+23%

Including one-time US\$5.15m insurance settlement received in Q2'06 :

PBT	10.5	12.6	-17%
PAT attrib to shareholders	7.6	10.3	-26%

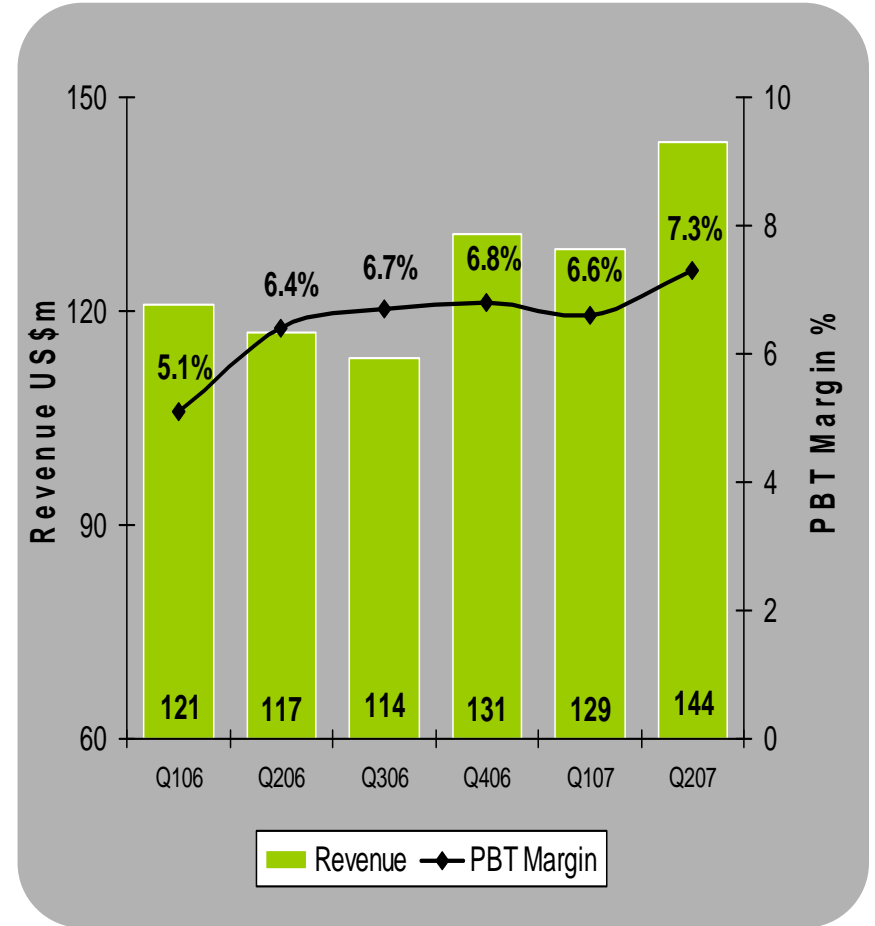
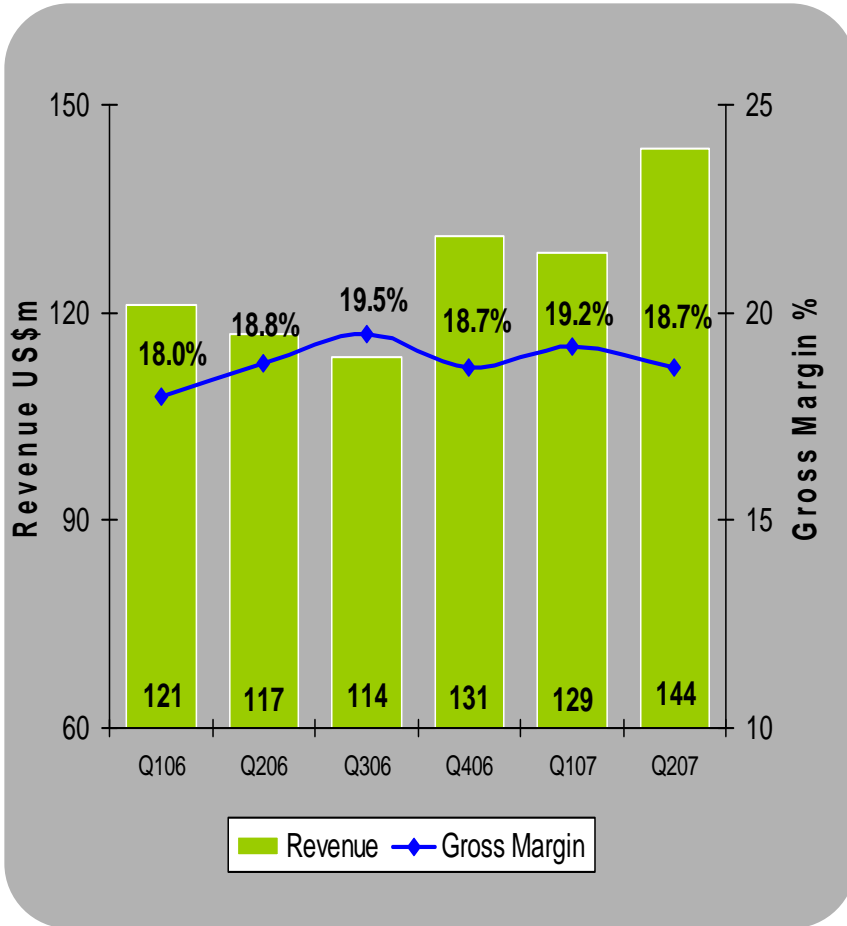
H1 FY2007 Operating Results

US\$M	H1'07	H1'06	Y/Y %	H2'06	Sequential %
Revenue	272.5	237.7	+15%	244.5	+11%
Gross Profit	51.6	43.8	+18%	46.6	+11%
<i>GM %</i>	18.9%	18.4%		19.1%	
EBITDA	20.3	16.0	+27%	18.1	+12%
EBIT	16.6	12.0	+39%	14.2	+17%
PBT	19.0	13.6	+40%	16.6	+15%
<i>PBT %</i>	7.0%	5.7%		6.8%	
PAT attrib to shareholders	13.8	9.4	+48%	11.8	+18%
Basic EPS (US cts)	3.08	2.01	+53%	2.57	+20%

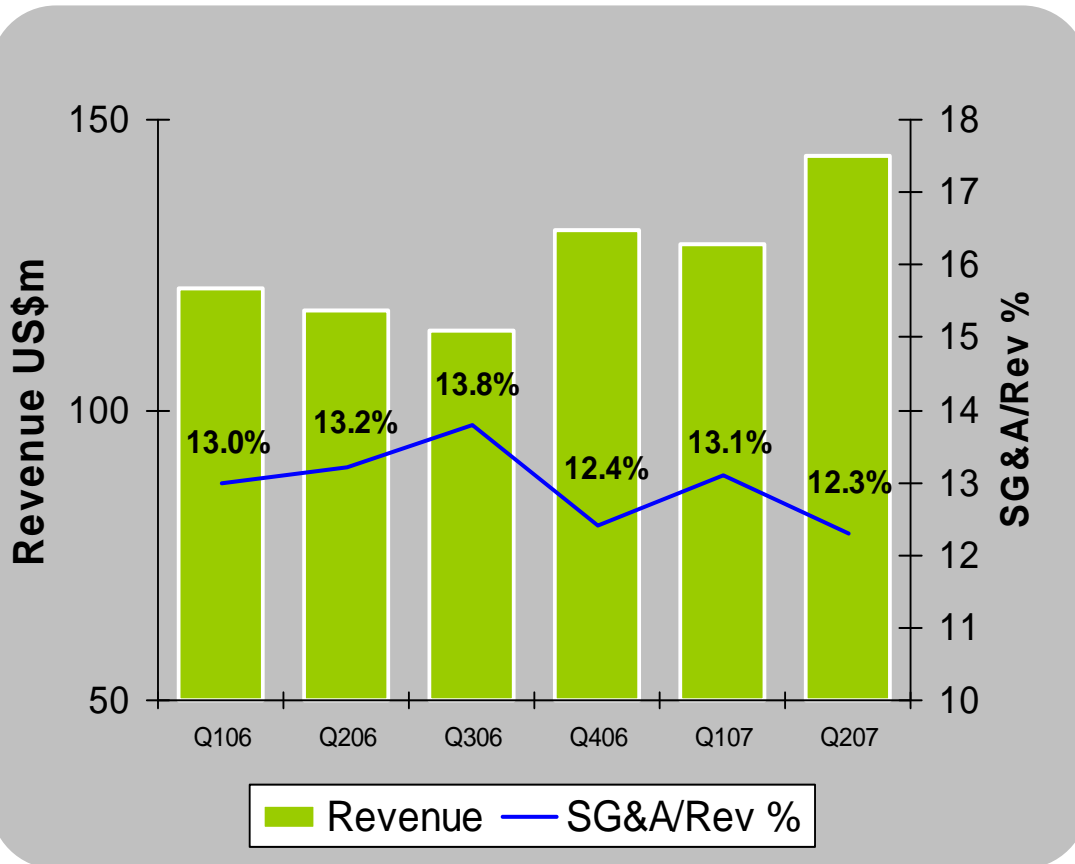
Including one-time US\$5.15m insurance settlement received in Q2'06 :

PBT	19.0	18.7	+2%
PAT attrib to shareholders	13.8	14.5	-5%

Revenue vs Gross & PBT Margins



SG&A/Revenue %



- Q2 SG&A expense totalled US\$17.6m or 12.3% of revenue
- In terms of \$ comparison, SG&A was up by 14.6% y/y and 4.8% sequentially
- Continue to add and develop capabilities in select geographies

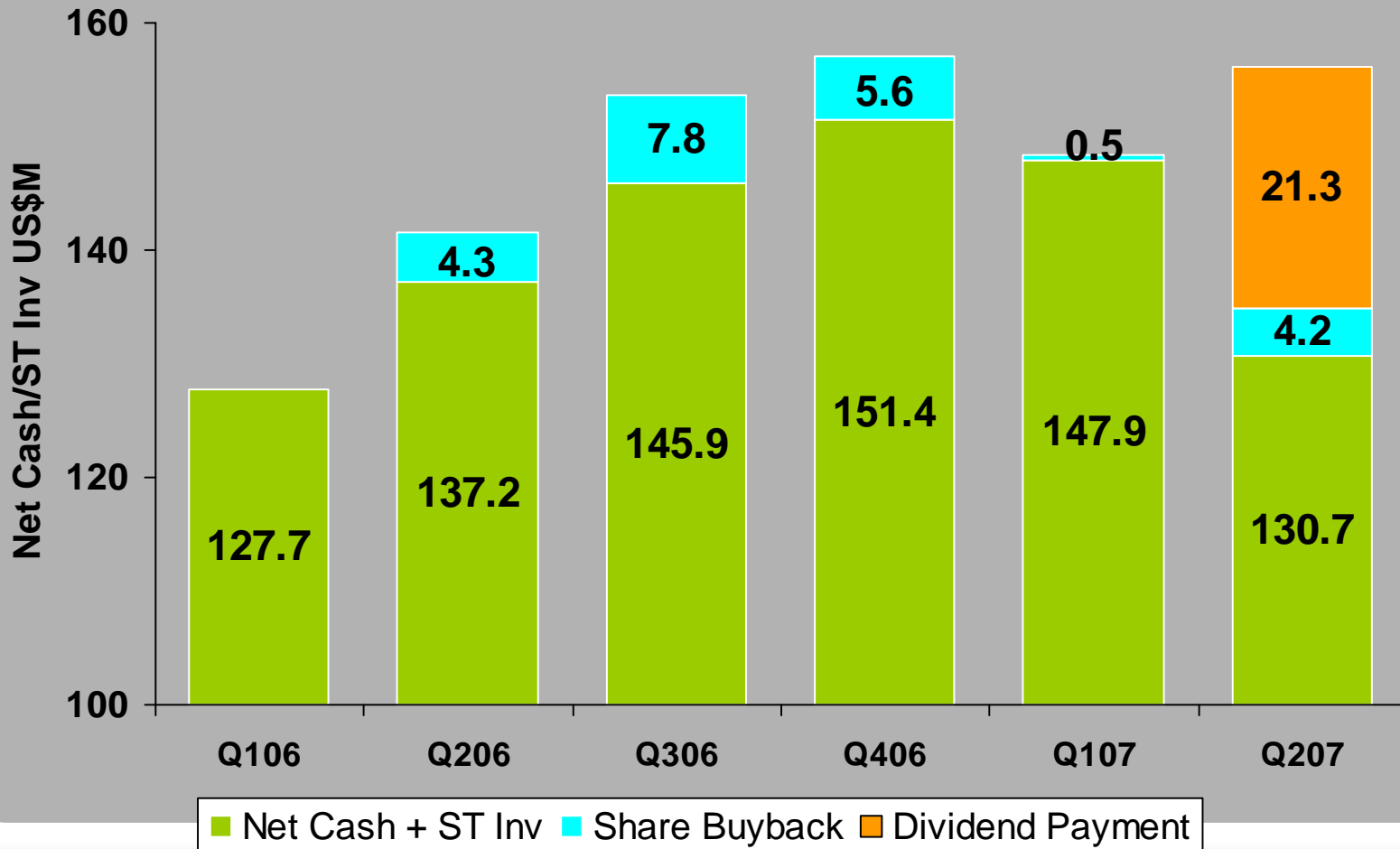
Balance Sheet Highlights

US\$M	Mar'07	Dec'06	Mar'06
DSO	67 days	68 days	69 days
- Trade Debtors	114.2	101.6	93.2
Trade Creditors	77.9	59.7	54.9
Fixed Assets	14.3	12.9	13.0
Inventory	17.3	11.9	10.0
Net Cash + ST Inv	130.7	147.9	137.2
<i>Cash utilised in Q2'07 on dividend, share buyback</i>	<i>25.5</i>		
Shareholders Funds	183.5	199.6	191.0

Cash Flow Summary

US\$M	3 months to Mar 07	6 months to Mar 07
Beginning Net Cash + ST Investments	147.9	151.4
Cash flow from operations	10.3	7.1
Dividend	(21.3)	(21.3)
Share Buyback	(4.2)	(4.8)
Capex	(3.1)	(4.9)
Others/ cash settlement for options	1.1	3.1
Ending Net Cash + ST Investments	130.7	130.7

Net Cash/ST Investments

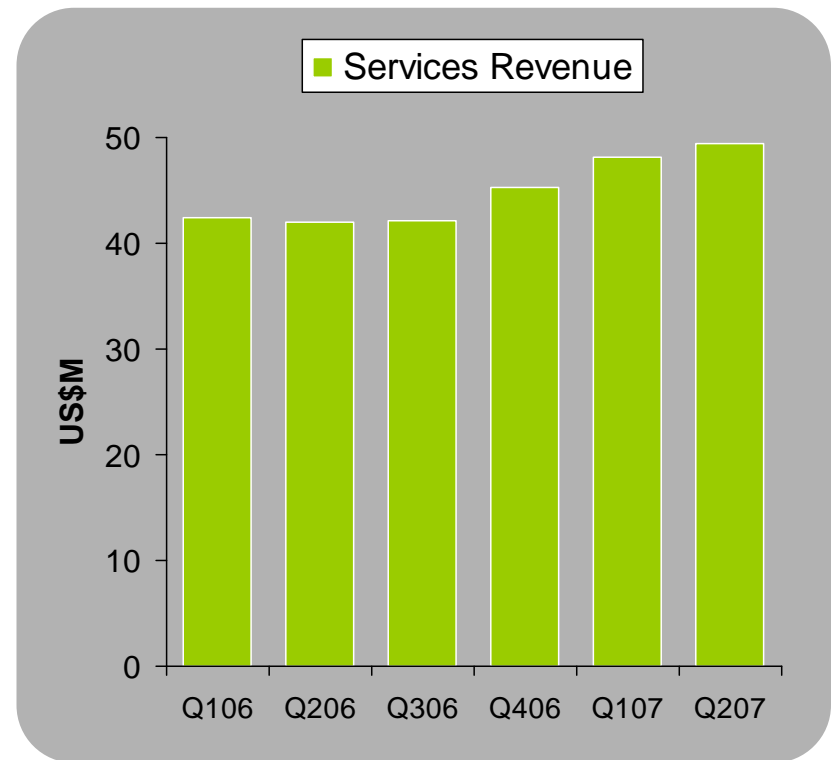
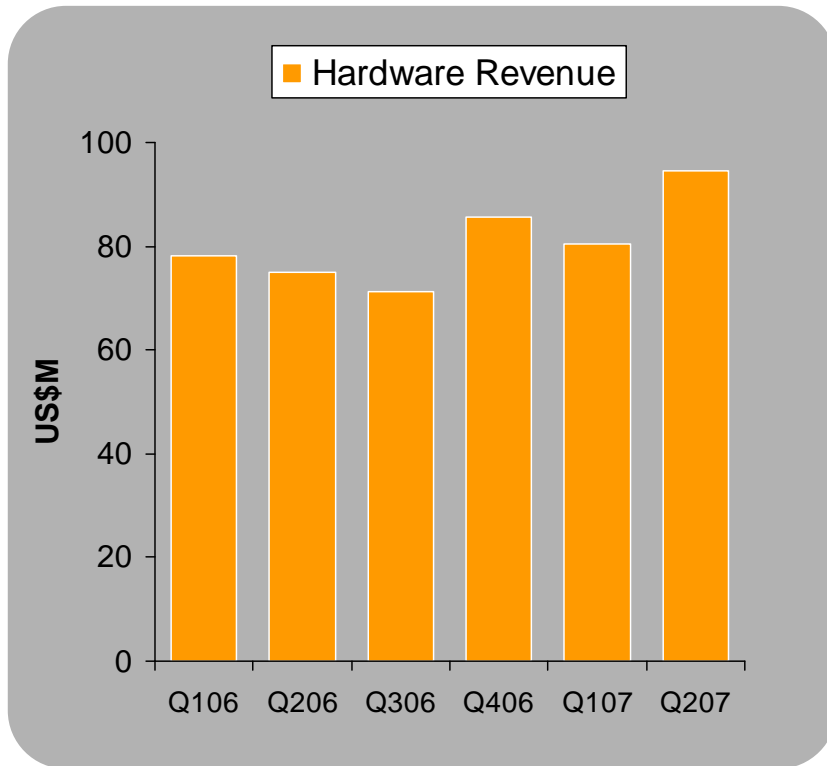


- Q2 share purchase
 - Bought back 3.7m shares for US\$4.2m
(average price = US\$1.14)
- 1H share purchase
 - Year-to-date bought back 4.2m shares for US\$4.8m
(average price = US\$1.15)
- Total purchase since inception of share buyback program
 - Since Jan 2006, bought back 21.3m shares for US\$22.5m
(average price = US\$1.06)
 - Repurchased shares held in treasury
 - Current shares outstanding, excluding treasury shares = 447.2m
(reduced by 4.5%)



Operational Highlights

Hardware & Services Revenue



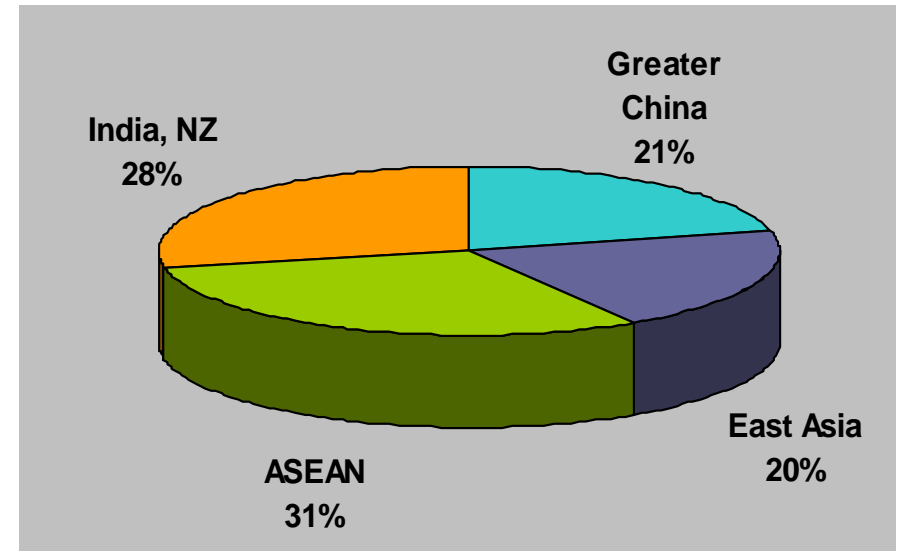
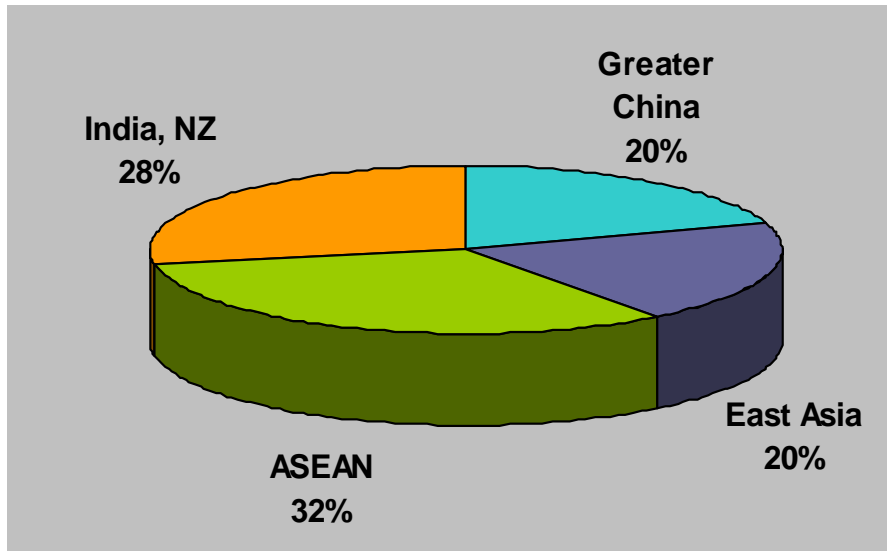
■ Q2 HW rev accounted for 66% of group rev
■ ↑ 26% y/y; ↑ 17% q/q

■ Q2 SVCE rev accounted for 34% of group rev
■ ↑ 18% y/y; ↑ 3% q/q

Revenue by Geographic Regions

Q2'06

Q2'07



Q2'07 Performance

- Growth balanced across 4 geographic regions
- Each region grew its revenue by 17% to 32%
- Especially strong results from India, Singapore, Hong Kong, China, Malaysia
- East Asia back to growth. Japan continues to see improvement in revenue

Media & Communications

- India – US\$4.5m NGN metro-ethernet deployment for a leading broadband service provider
- Korea – US\$5m broadband network and system expansion for VOD and IPTV deployment for a leading broadband service provider
- Indonesia – US\$1.9m expansion of IP network to support messaging services for a leading mobile service provider
- China – US\$1.4m multimedia IP broadband infrastructure for a leading broadband cable provider

Manufacturing

- Asia – US\$2.6m service and support agreement with an MNC telecommunications manufacturing corporation
- India – US\$2m IT and network enhancement project for a leading software house
- HK – US\$850k next generation storage solution for a leading IT organisation

Travel & Transportation

- Asia – US\$1.4m Team Empowerment and storage solutions for a leading airport authority

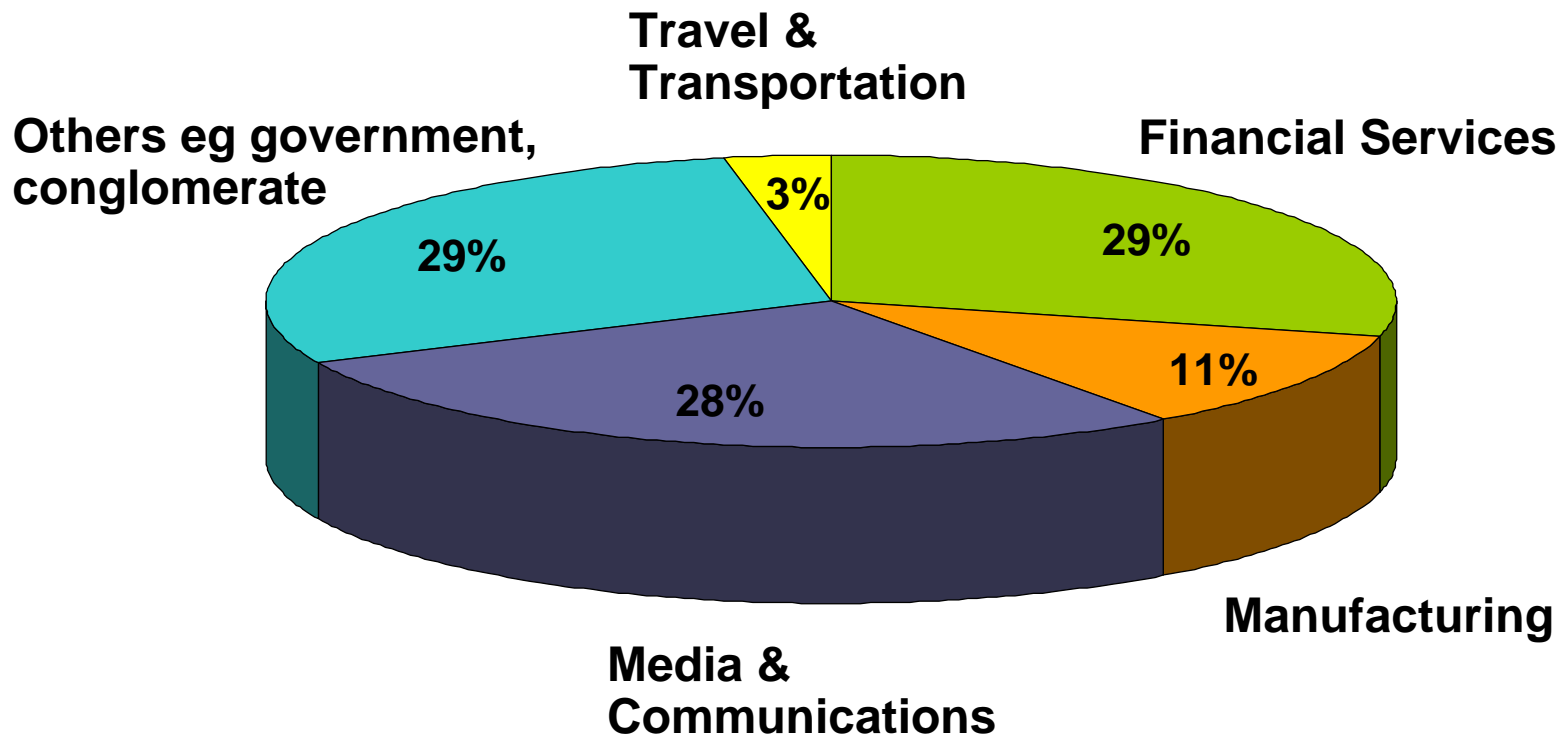
Financial Services

- Asia – US\$10.8m data centre enhancement project in multiple countries for a global financial corporation
- India – US\$2.9m expansion project for a foreign financial institution
- India – US\$1.5m IP network deployment for a major foreign bank
- NZ – US\$1.3m IP convergence for branch office rollout for a banking corporation
- China – US\$1.2m IP network expansion for a foreign financial institution

Others

- Asia – US\$1.8m security solutions for a regulatory body
- Korea – US\$1.8m network expansion and services support maintenance contract for a Korean conglomerate
- Greater China – US\$1.2m IP network deployment for an utility organisation
- Asean – US\$750k of IT systems for a leading university
- China – US\$600k network expansion for a US retail giant

1H'07 Revenue by Verticals

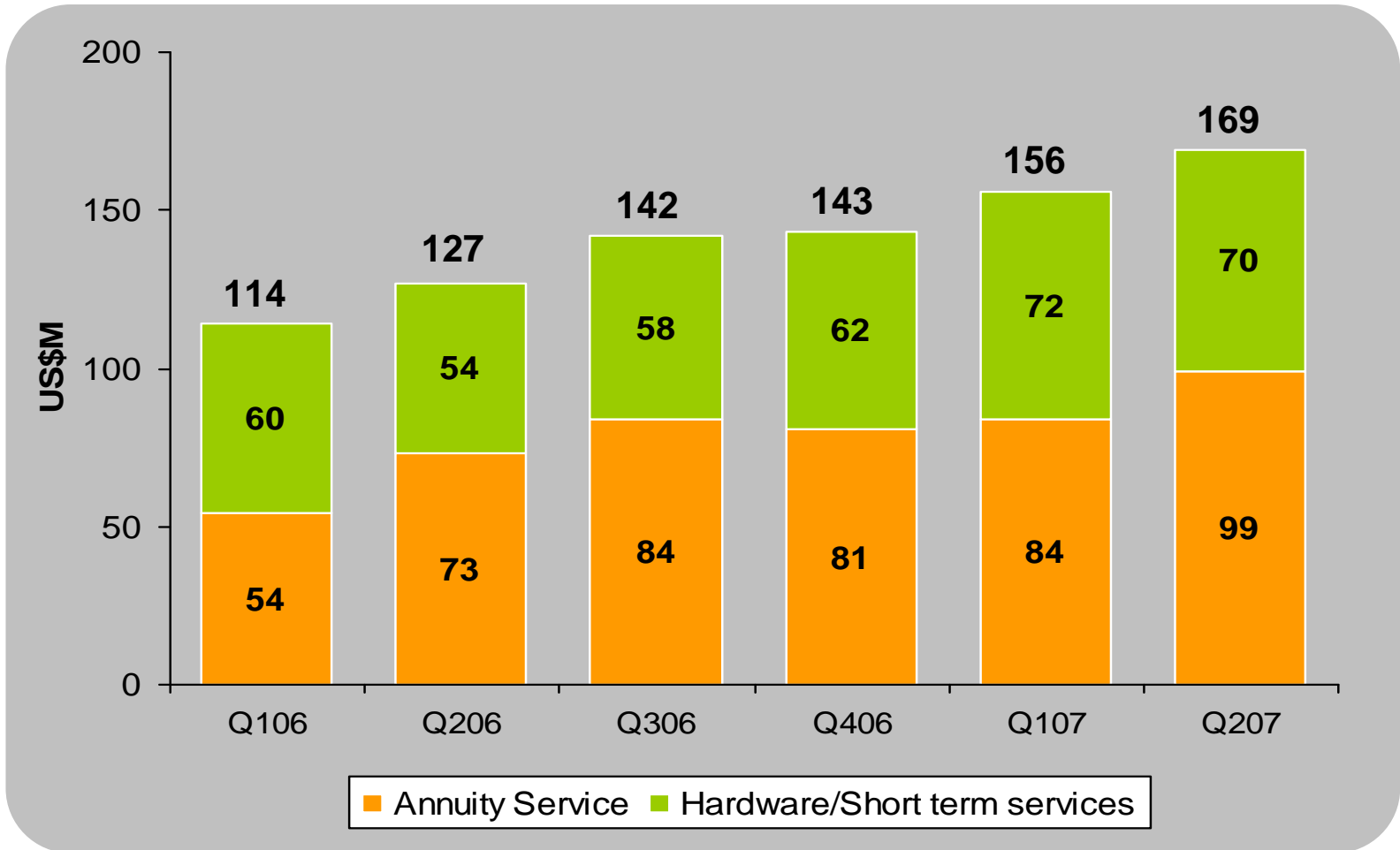




Future Outlook

- Demand for our solutions and services remains robust
 - Focus on the 4 target verticals => improve solutions portfolio, client traction and engagement
- US\$169m backlog sets a new record
 - Backlog increased by US\$13m from US\$156m last quarter
 - Driven by strong up-tick in annuity service backlog (+US\$15m sequentially)
- Outlook positive
 - Short term outlook underpinned by US\$70m backlog for hardware/short term services, which is comparable to US\$72m in prior quarter
 - Growth in annuity service backlog, in line with our strategy, also bodes well for future

Backlog



- Pleasing set of results in Q2
 - Robust top line (+23% y/y) and bottom line (+48% y/y)
 - US\$169m backlog sets another new record, thanks to growth in annuity service backlog
 - Continue to execute well against our financial objectives : revenue, margins, cash flow
- Outlook positive
 - Q3 outlook supported by US\$70m hardware/short term services backlog, similar to Q2's level
 - Longer term outlook underpinned by growing annuity service backlog



Strategic Partnership with Sumisho Computer Systems Corporation (SCS)

SCS is a listed member of the Sumitomo Corporation Group

Datacraft and SCS forms 50:50 JV in Japan

- About the JV
 - JV will be co-branded with the names of SCS and Datacraft
 - Key business focus - IT infrastructure monitoring, management and maintenance services, leveraging on Datacraft's expertise (Uptime and Insite)
 - Target clients - SCS's client base of Japanese corporations

- Financial impact
 - Investments and resources required at the start will be modest – leverage on existing infrastructure and support of Datacraft, SCS
 - Financial impact on Datacraft's current financial year is not expected to be material

- Timeframe
 - JV agreement expected to be completed by year end 2007

- 56% owned by Sumitomo Corporation
- Listed on Tokyo Stock Exchange with US\$1.2b market cap
- Leading provider of IT services and application software in Japan
- 3 key businesses:
 - Industry-specific application software for the financial, distribution and manufacturing industries
 - Proprietary ERP software
 - Platform solutions - IT architecture and infrastructure, data centre operations
- US\$1.2b revenue in FY Mar07
- Extensive client base of blue chip Japanese corporations, including the Sumitomo Corporation Group

- Good strategic fit
 - Minimal overlap in service offerings and client base between Datacraft and SCS
 - Datacraft's established expertise in managed services (Uptime and Insite) augments SCS's service offerings
 - SCS's client base of blue chip Japanese corporations complements Datacraft's largely foreign MNC client base in Japan
 - SCS can leverage on Datacraft's presence in Asia-Pacific to support their clients who are expanding overseas
- Enhance profile of Datacraft in Japan, especially to the Japanese corporations
- In line with Datacraft's strategic goal to collaborate with strong, reputable local player in Japan



THANK YOU