



Datacraft Asia

Q1 FY2007 Results

2 February 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.

- CEO Bill Padfield
 - Q1 FY2007 Overview
- CFO Philip Chu
 - Financial Highlights
- CEO Bill Padfield
 - Operational Highlights
 - Summary
- Q&A

Good start to the year - PAT increased 47% Y/Y and backlog reached US\$156m

Services key contributor to revenue and earnings growth

- Services achieved healthy revenue and margin improvements
- Continued success in focusing on services and quality business
- All three service business units improved results; MS best performer

US\$156m backlog

- Highest backlog in 5 years
- Strong bookings from Media & Communications, Financial Services sectors

US\$128.7m Revenue

- Services revenue growth (↑13% y/y) outpaced hardware revenue (↑3% y/y)
- By geography - Greater China, Asean, India & NZ did well



7% y/y

19.2% Gross Margin

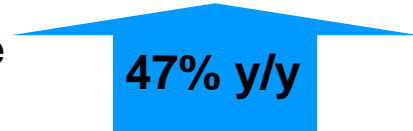
- Up from 18.0% in Q1 FY2006
- Reflects higher margins from services and hardware
- Also helped by higher proportion of revenue from services



1.2 pct point y/y

US\$6.2m PAT

- Higher revenue, stronger gross margin, lower effective tax rate



47% y/y

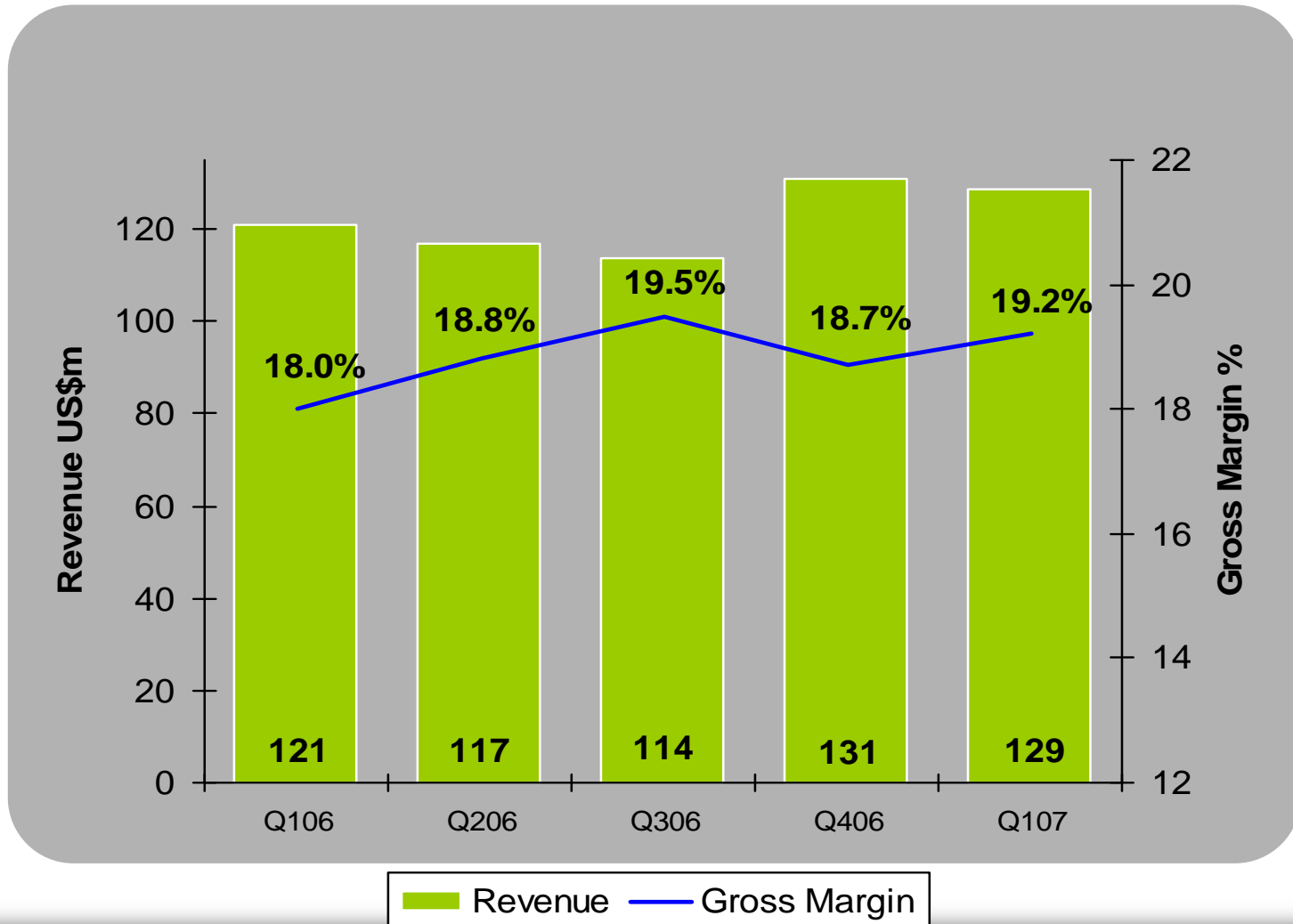


Financial Highlights

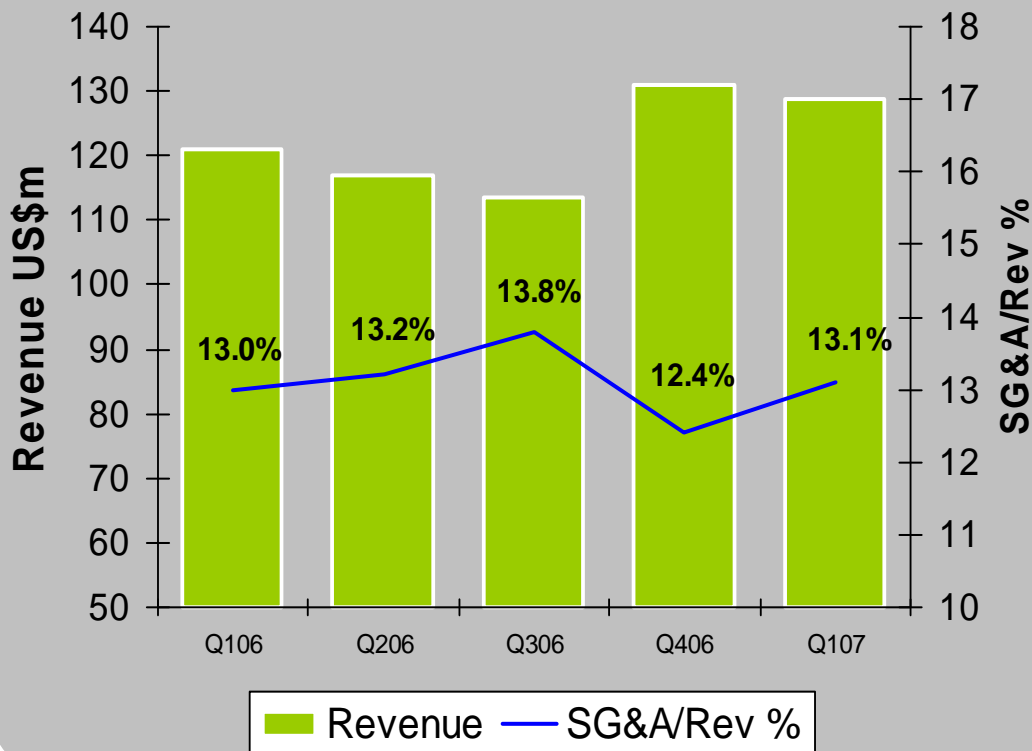
Q1 FY2007 Operating Results

US\$M	Q1'07	Q1'06	Y/Y %	Q4'06	Sequential %
Revenue	128.7	120.8	+7%	130.9	-2%
Gross Profit	24.7	21.8	+13%	24.5	+1%
GM %	19.2%	18.0%		18.7%	
EBITDA	9.2	7.4	+24%	9.6	-5%
EBIT	7.3	5.5	+32%	7.7	-6%
PBT	8.5	6.1	+39%	9.0	-5%
PBT %	6.6%	5.1%		6.8%	
PAT	6.2	4.2	+47%	6.5	-4%
Basic EPS (US ct)	1.38	0.91	+52%	1.42	-3%

Revenue and Gross Margin

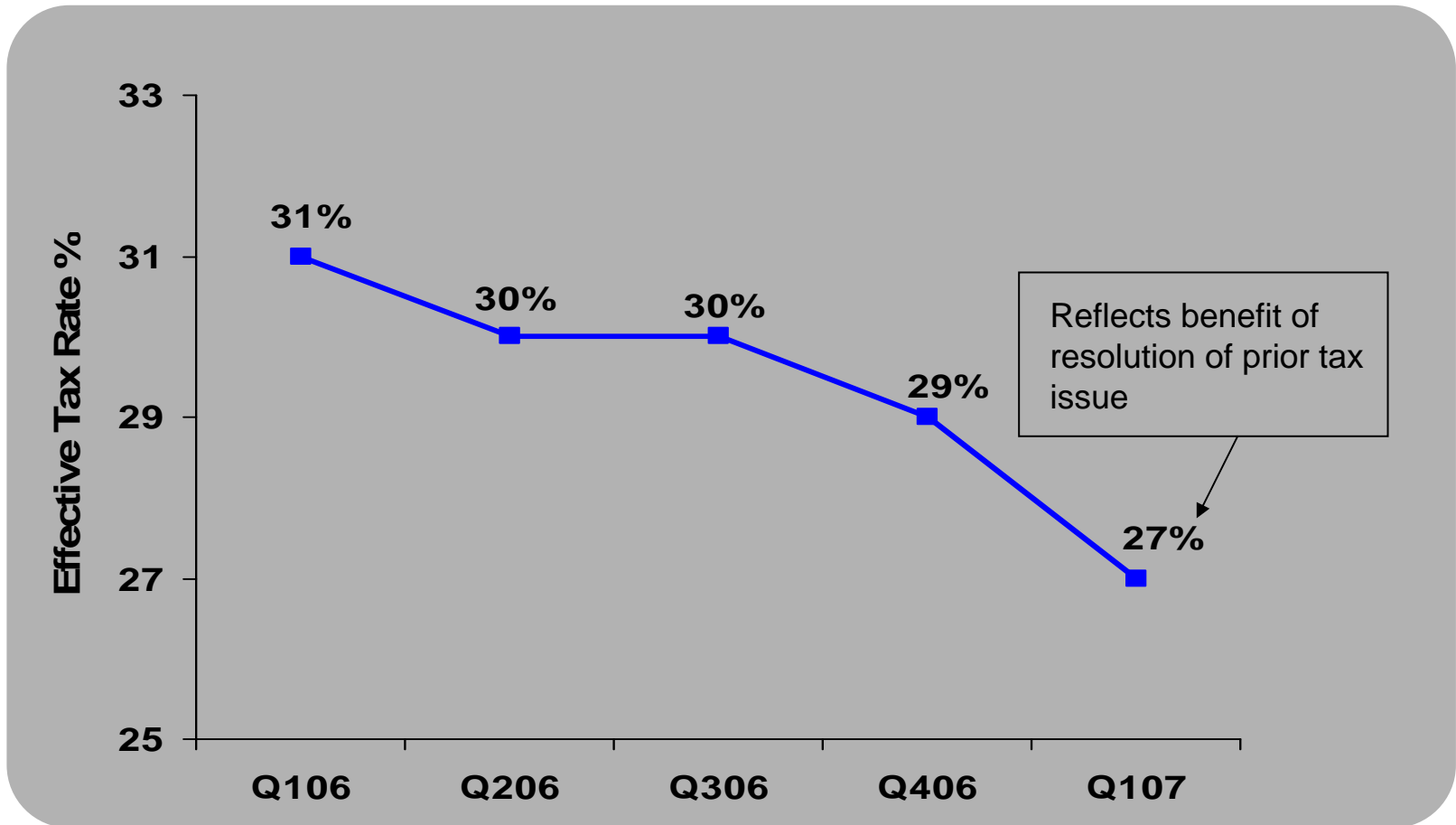


SG&A/Revenue %



- Q1 SG&A expense totalled US\$16.8m or 13.1% of revenue
- In terms of \$ comparison, SG&A was up by 7.1% y/y and 3.3% sequentially
- Reflects annual salary increase and new headcount added

Effective Tax Rate



Balance Sheet Highlights

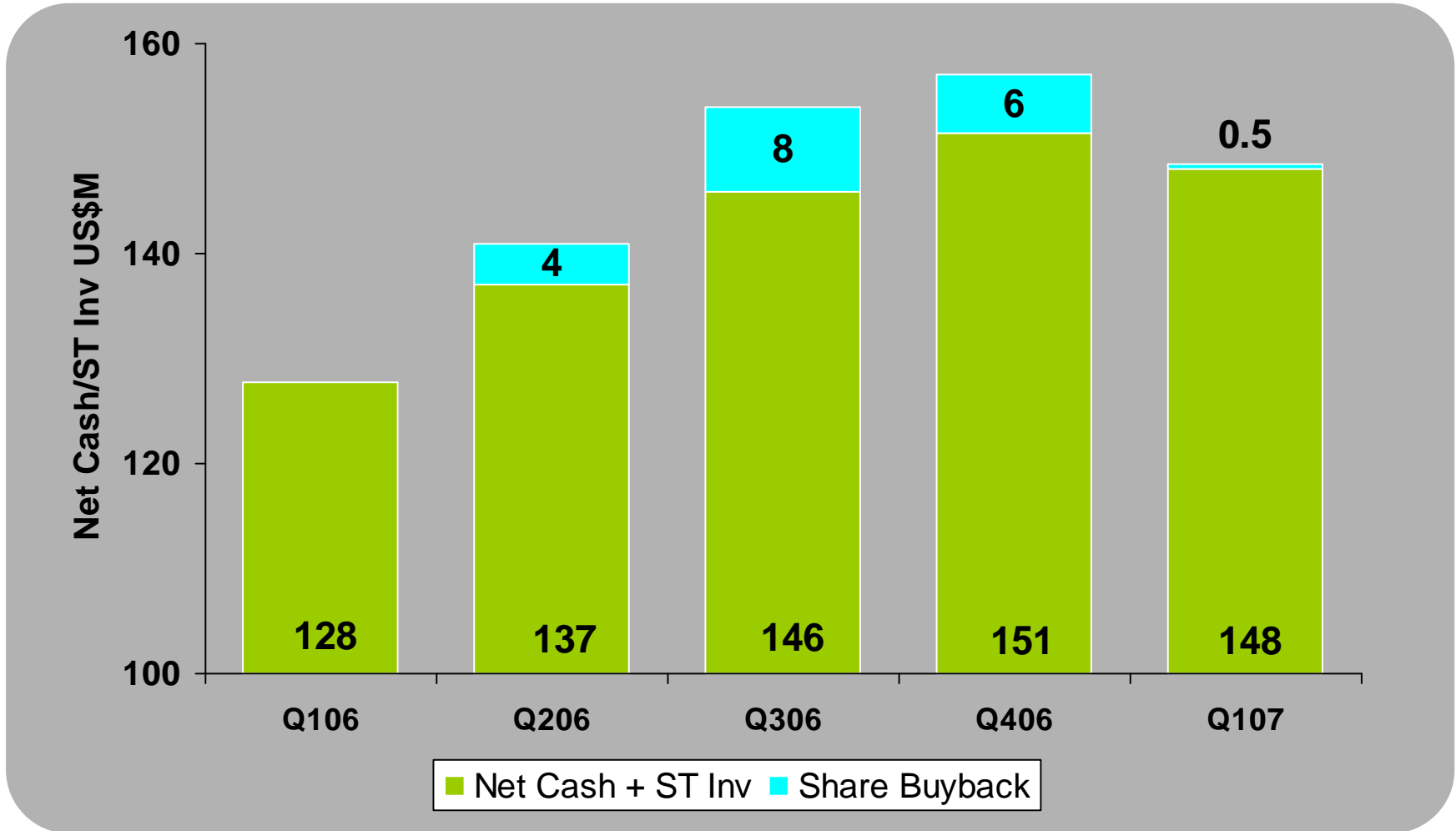
US\$M	Dec '06	Sep '06	Dec '05
DSO	68 days	61 days	67 days
- Trade Debtors	101.6	96.3	85.8
Trade Creditors	59.7	62.0	44.8
Fixed Assets	12.9	12.9	13.7
Inventory	11.9	9.5	8.1
Net Cash + ST Inv	147.9	151.4	127.7
Shareholders Funds	199.6	190.8	181.3

Cash Flow Summary

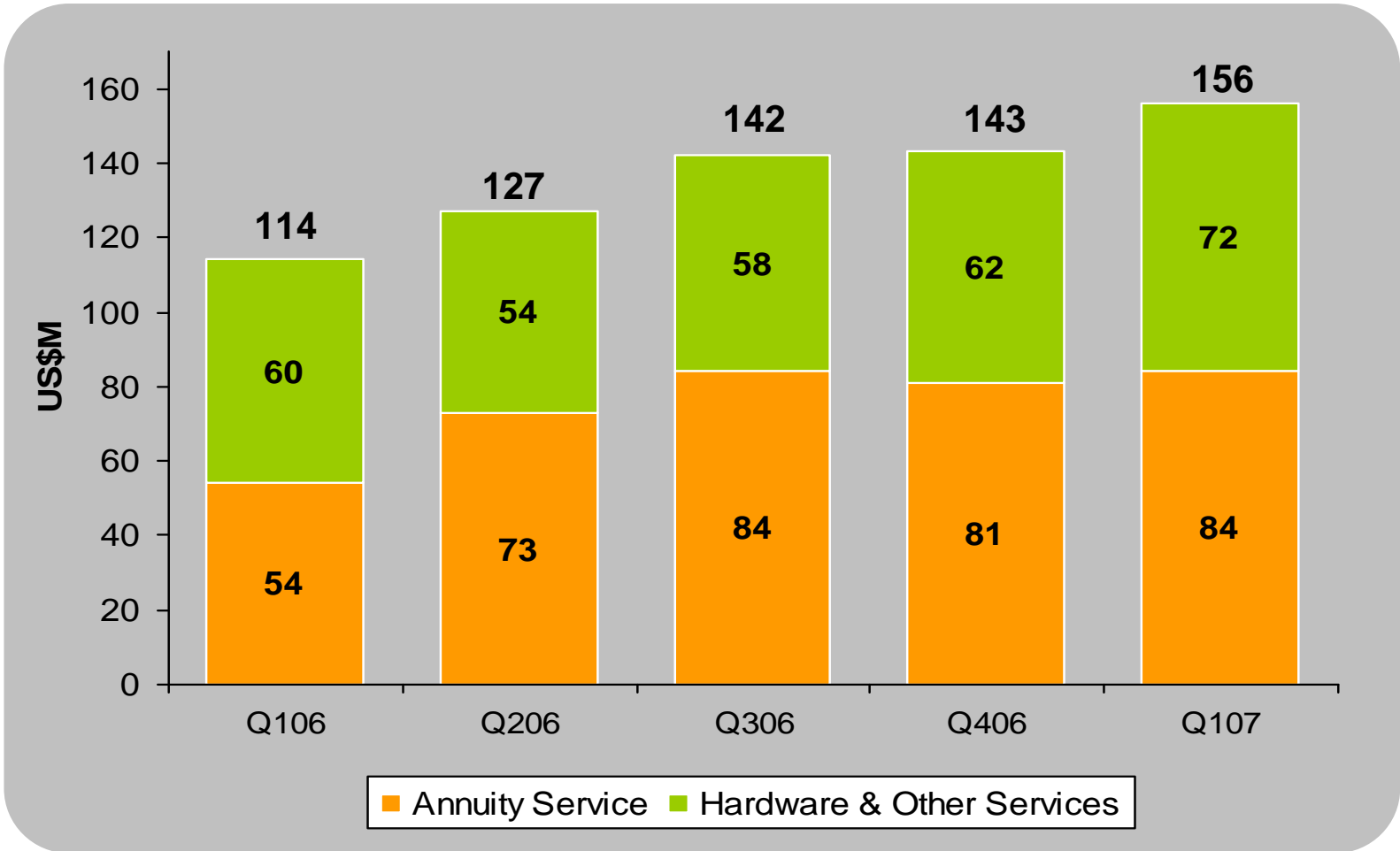
US\$M	3 months to Dec 06
Beginning Net Cash + ST Investments	151.4
Cash flow from operations *	(3.2)
Share Buyback	(0.5)
Capex	(1.7)
Others	2.0
Ending Net Cash + ST Investments	147.9

* Cash flow from operations impacted by increase in working capital i.e. inventory, trade receivables and trade creditors, as well as payment of year-end bonuses

Net Cash/ST Investments



Backlog Profile

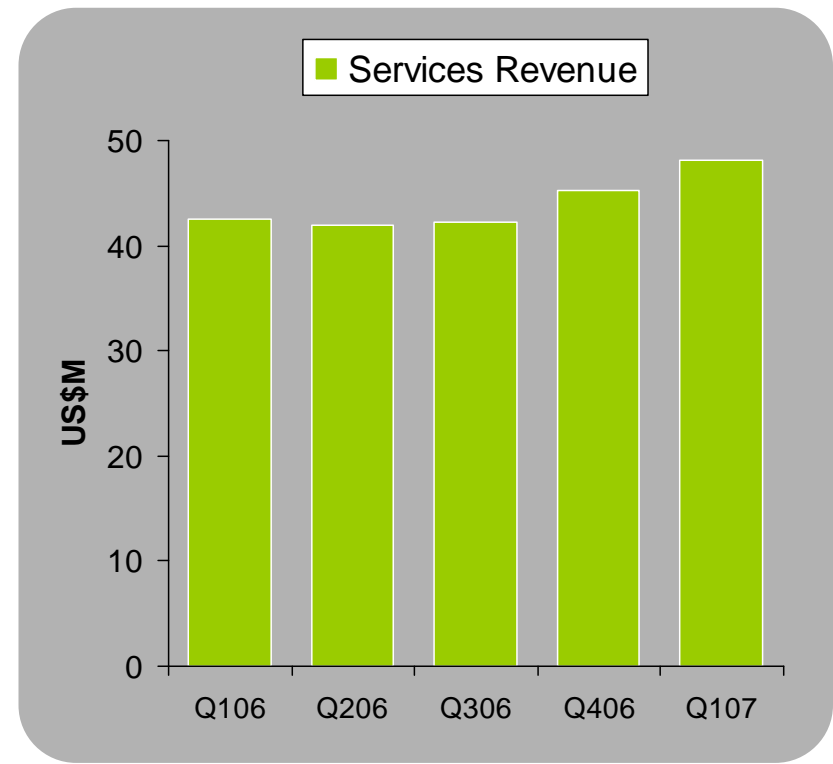
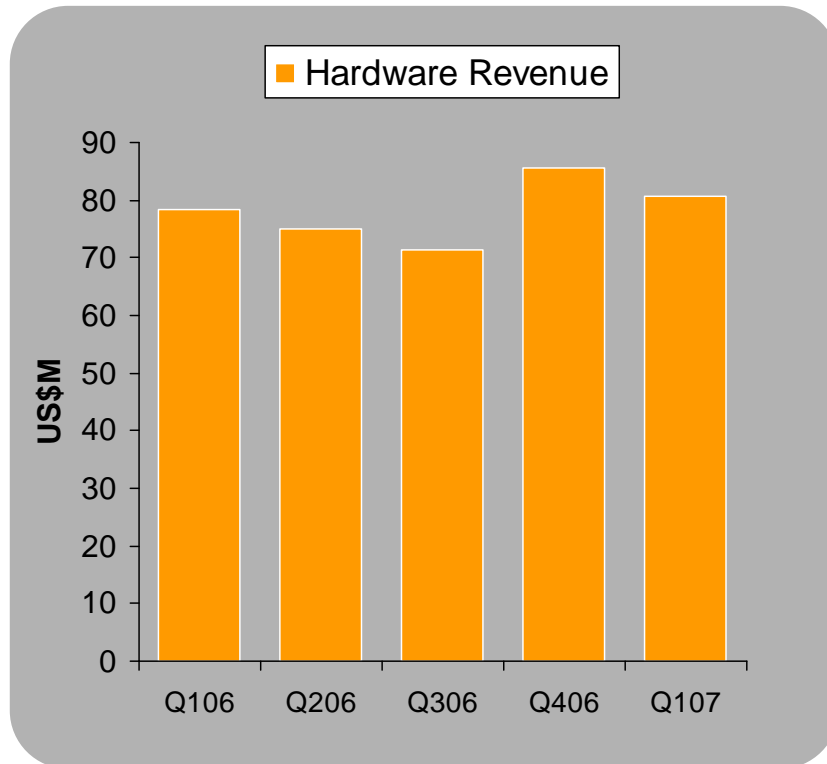


- Q1 share purchase
 - Bought back 450k shares for US\$527k
(average price = US\$1.17)
- Cumulative share purchase
 - To-date bought back 17.6m shares for US\$18.2m
(average price = US\$1.04)
- Share buyback mandate renewed at 30 Jan 2007 AGM
 - Up to maximum of 10% of issued share capital
- US\$21.2m Dividend
 - Will be paid on 23 Feb 2007



Operational Highlights

Hardware & Services Revenue



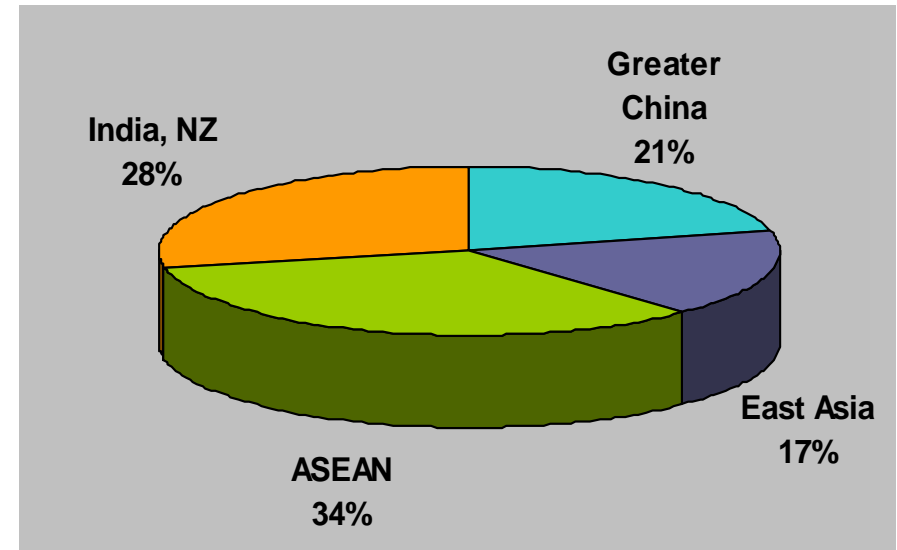
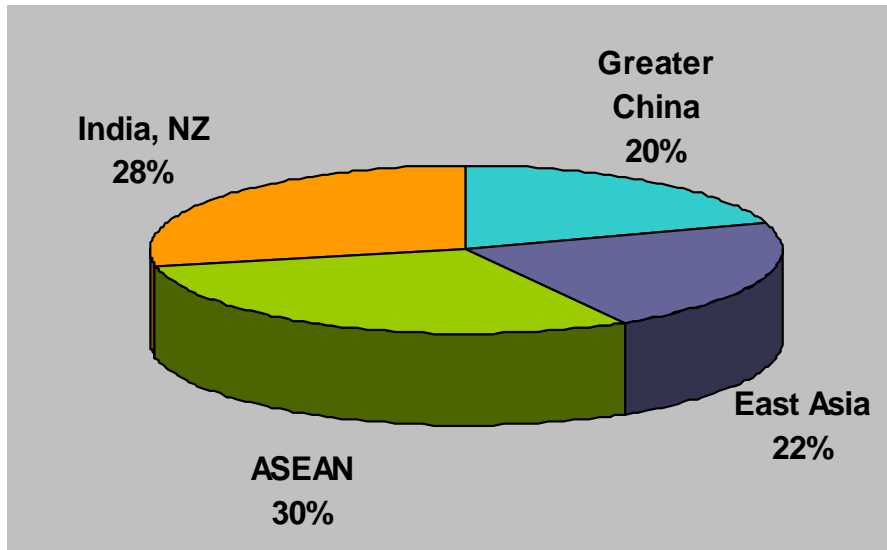
■ Q1 HW rev accounted for 63% of group rev
■ ↑3% y/y; ↓6% q/q

■ Q1 SVCE rev accounted for 37% of group rev
■ ↑13% y/y; ↑6% q/q

Revenue by Geographic Regions

Q1'06

Q1'07



Q1'07 Performance

- Greater China – all round improvement from China, HK and Taiwan
- India & NZ – sustained strong performance

- East Asia – revenue decline mainly due to Japan's performance. Sequentially Japan saw a pick-up in revenue from Q4'06
- ASEAN – strong results especially from Singapore, Indonesia, Malaysia

Financial Services and Others

- Japan – US\$3m design and deployment of a new IT & Network facility for a multinational financial institution
- India – US\$2.3m Network enhancement for a foreign financial institution
- India – US\$2.1m multi-year Services and Support agreement with a leading local bank
- Malaysia – US\$1.1m enhancement of the client integration systems for a leading Asian bank
- Thailand – US\$900k enhancement of the Disaster Recovery Center for a leading local bank
- India – US\$1.5m design and deployment of a new campus IT and Network for a US software and consulting organization
- Philippines – US\$1.1m Call Center systems expansion for a leading call center outsourcing organization
- Korea – US\$950k Network Migration for a major Korean transportation corporation

Media & Communications

- Asia – US\$6m Central Office upgrade for a global service provider
- India – US\$4m multi-year Services and Support Maintenance contract with a leading service provider
- India – US\$1.3m Datacenter upgrade for a leading service provider
- Indonesia – US\$1m OSS enhancement for a leading service provider
- Indonesia – US\$1m Core Network upgrade for a leading local service provider
- Philippines – US\$500k Network Upgrade for a leading mobile service provider



Future Outlook

- Positive momentum in market place
 - CEO met with over 70 clients in 9 countries during Nov06 – Jan07
 - Sees sustained demand for our solutions and services
- US\$156m backlog highest in 5 years
 - Strong bookings from Media & Communications, Financial Services sectors
 - US\$13m increase over Q4's US\$143m due to growth in both hardware and services
- Stronger hardware backlog
 - Positive for Q2 revenue outlook despite it being a seasonally slower quarter
 - Blended gross margin may moderate

- Good start to the year
 - 47% growth in bottom-line on 7% revenue growth
 - Led by success in services business
 - US\$156m backlog highest in 5 years
- Healthy backlog bodes well for Q2
 - Q2 traditionally slower quarter
 - Outlook positive underpinned by US\$156m backlog
 - Stronger hardware backlog may impact gross margin



THANK YOU