



MEMTECH INTERNATIONAL LTD

(Incorporated in the Republic of Singapore)
Company Registration Number: 200312032Z

NEWS RELEASE

MEMTECH'S 3Q 2007 NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS INCREASES 42.1% TO US\$4.6 MILLION

- **Revenue up 32.6% to US\$36.9 million**
- **Gross Profit up 22.1% to US\$9.7 million**
- **Net Profit up 42.1% to US\$4.6 million**

Singapore, October 31, 2007 – Main board-listed Memtech International Ltd. (“Memtech” or the “Group”) (万德国际有限公司), an integrated precision moulded components manufacturer for the mobile phone and automotive industries, today reported a net profit attributable to shareholders of US\$4.6 million on a revenue of US\$36.9 million for the three months ended September 30, 2007 (“3Q 2007”).

Riding on the recovery of the mobile phone market and increased orders from domestic and international customers, revenue increased 32.6% or US\$9.1 million to US\$36.9 million from the previous corresponding period.

Gross profit rose 22.1% to US\$9.7 million in 3Q 2007. Gross profit margins however fell marginally to 26.3%, impacted by lower selling prices, higher raw material prices and labour costs. This was nonetheless an improvement over the gross profit margin of 24.1% recorded in 2Q 2007.

Enthused Mr Chuang Wen Fu, (庄文甫), Executive Chairman of Memtech: “We are pleased to have posted an impressive set of 3Q 2007 results, following two quarters of weakness in the international mobile phone market. Rebounding from a challenging first half, the Group has managed to achieve a 42.1% surge in profit attributable to shareholders to US\$4.6 million.”

Moving forward, Memtech intends to focus on actively sourcing for new products to complement its business in the long run. The Group’s investment in VLU Corporation Limited, a 25% owned Korean company specialising in the R&D, design and manufacturing of magnesium alloy products, is slated to kick start one test production line by 1Q 2008. VLU is expected to further expand its operations by end 2008.

“We believe that demand for magnesium components will increase rapidly within the next 3 to 5 years. Leveraging on the strategic expansion and diversification of Memtech’s scope of service and product range, we are confident of enhancing our competitiveness in the long run”, concluded Mr. Chuang.

Barring unforeseen circumstances, the Group expects its strong performance to be sustained in Q4 2007.

About Memtech International Ltd

Listed on the Main Board of the Singapore Exchange in 2004, Memtech produces high-end silicone rubber, plastic and silicone rubber plastic hybrid keypads primarily for the mobile phone and automotive industries. The Group offers a one-stop solution, beginning from the initial stage of engineering design and mould fabrication to the manufacture and assembly of the components. It also manufactures lenses, plastic components and casings for mobile phone and notebook manufacturers.

Currently, the Group operates three keypad manufacturing facilities in Dongguan, Nantong and Huzhou. They are strategically located in the major mobile phone manufacturing hubs in the PRC, namely the Pearl River Delta (Dongguan, Shenzhen and Guangzhou), and the Yangtze River Delta (Shanghai, Suzhou and Hangzhou). The Group's facility in Kunshan manufactures plastic components and casing, primarily for digital cameras and mobile phones. It also operates a lens manufacturing facility in Dongguan. In 2006, the Group set up a joint venture antenna business with a design house located in Shenzhen and manufacturing facility in Dongguan.

Memtech's customers include major mobile phone manufacturers in the world, such as UT Starcom Telecom Co., Ltd, Ningbo Bird Co., Ltd, Lenovo Group Limited, Hua Wei, Philips China, Motorola, Flextronics, Foxconn, Vtech and LG.

ISSUED ON BEHALF OF	:	Memtech International Ltd
BY	:	Citigate Dewe Rogerson, i.MAGE Pte Ltd 1 Raffles Place #26-02 OUB Centre SINGAPORE 048616
CONTACT	:	Andrew Cheng / Jean Zhuang at telephone
DURING OFFICE HOURS	:	6534-5122 (Office)
AFTER OFFICE HOURS	:	9633-7377 / 9781-3924 (Handphone)
EMAIL	:	andrew.cheng@citigatedrimage.com jean.zhuang@citigatedrimage.com

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