

5 February 2004

**The Manager
Company Announcements Office
Australian Stock Exchange Limited**

Dear Sir

re : Autron Corporation Limited's entry into the Light Emitting Diodes (LED) market.

The Board of Directors of Autron Corporation Limited ("Autron" or the "Company") is pleased to announce that its design and manufacturing subsidiary, IC Equipment Pte Ltd ("IC Equipment") has developed its proprietary Light Emitting Diodes (LED) Tape and Reel equipment for the fast growing LED market.

The LED market is a dynamic industry with growth driven not only by existing applications such as signage and backlights for mobile appliances, but also by the emergence of new applications such as vehicle headlamps, airport lighting and dental curing tools.

Recognising the market potential, IC Equipment has developed the high-precision Star-Flash Series of Taping machine – a high speed taping handler – dedicated to Surface Mount LEDs processing. The machine is targeted at Surface Mount Technology (SMT) chip manufacturers and optoelectronic component and LED manufacturers in China, Korea, Taiwan and Japan.

The machine's differentiating qualities include:

- Higher operating speed with the ability to process at least 20,000 units of per hour (UPH) with Mean Time Between Failure (MTBA) of more than one hour.
- Capability in handling devices in all shapes and sizes, including units as small as 0.5mm X 1.0mm.
- Standards-based, fulfilling the industry's requirements as well as adaptability to rapid technological development.
- Robustness of platform that guarantees accuracy and reliability.

Enclosed for release to the market is a copy of the Company's detailed press release.

Yours faithfully
Autron Corporation Limited



**Tan Cheng Leong
Group Executive Chairman**

copy to: The Singapore Exchange Securities Trading Limited
for the attention of Ms June Sim/Ms Darrell Lam

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Autron Corporation announces entry into the fast growing and high margin LED market

The *Star-Flash SS-20s* is the highest speed and precision Tape and Reel equipment in the industry today

Singapore, February 05, 2004 – Autron Corporation Limited ('Autron Corporation') today announced that its wholly-owned design and manufacturing subsidiary, IC Equipment Pte Ltd ('IC Equipment') has developed its proprietary LED (Light Emitting Diode) Tape and Reel equipment for the fast growing LED market.

LEDs have evolved significantly in the last 5 years, with growth rate as high as 58% a year, with the LED market estimated to reach US\$3 billion by 2006. In spite of slow economic growth worldwide, LEDs continue to penetrate new and existing markets. In North America, LEDs claim 20% of the traffic signal industry, up from just 8% a year or two ago. According to the *Light Emitting Diodes 2002, The Strategic Summit for LEDs in Illumination*, success of LEDs lies in their longevity (LEDs outlast incandescent lamps by a factor of 10), energy efficiency, durability, low maintenance cost, and compact size. Replacing conventional lamps with LEDs in the United States alone will bring energy benefits of up to US\$100 billion by 2025, saving up to 120 gigawatts of electricity annually. Specifically, the market for high-brightness LEDs grew by 58% last year and achieved worldwide revenues of around US\$1.2 billion. The opportunity of solid-state lighting (10 times and 2 times improvement in efficiency compared to incandescent and fluorescent lamps, respectively) for energy reduction is simply too important to pass. (*'Revolution in Lighting: Building the Science and Technology Base for Ultra-Efficient Solid-State Lighting'*)

The LED market is a dynamic industry that continues to expand, driven not only by existing applications such as signage and backlights for mobile appliances, but also by the emergence of new applications such as car headlamps, airport lighting and dental curing tools.

Recognizing this growth, IC Equipment has developed the high precision *Star-Flash Series* of taping machine – a high-speed taping handler – specially dedicated to Surface Mount LEDs processing. At an operating speed of over 20,000 units per hour (UPH), this equipment is the fastest and therefore having the best throughput in the industry.

The machine is state-of-the-art equipment with impeccable performances. Built upon the internationally acclaimed NT-16 platform, coupled with the innovations and expertise of two world-class Semiconductor equipment makers, the *Star-Flash Series* is truly in a league of its own:-

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- High operating speed of over 20,000 units per hours (UPH) with Mean Time Between Failure (MTBA) of more than one hour.
- Capability of handling devices in all shapes and sizes – even units as small as 0.5 x 1.0mm.
- Standards-based product that fulfills the industry's requirements and capable of adapting to rapid technology development.
- Robust platform that guarantees precise accuracy and unmatched reliability.

The Star-Flash Series utilizes a direct-drive turret instead of the conventional mechanical cam system. This industry-leading technology enables the system to overcome traditional limitations experienced by cam-driven systems.

Cam-driven systems are mechanically operated and hence, are prone to wear and tear – especially after prolonged operation. Besides a limited lifespan, the accuracy and repeatability of cam systems also rely heavily on the quality and frequency of its maintenance. Bi-yearly or quarterly servicing is generally required and the process is tedious and messy. *Star-Flash Series* patented direct-drive technology is more flexible and eliminates the need for regular maintenance, without compromising on the system's accuracy and reliability.

Being PC-controlled, the *Star-Flash Series* is packed with far superior processing capabilities over PLC-controlled systems.

Key features of the equipment include a rich graphical display with user-friendly Human-Machine Interface (HMI). The equipment is easily setup and managed, with built-in administrative tools including auto recovery, performance monitoring, interlocks and alarms, logging security system and data recording and processing functions.

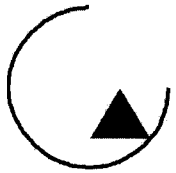
The global LED taping equipment market is predicted to grow from an estimated US\$3.2 billion in 2004 to US\$5.6 billion in 2008. IC Equipment believes that it is the first Asian company outside Japan to successfully develop a high-end (comprising high speed and high precision) product for the industry.

In Asia, Japanese companies are the current market leaders in the design and manufacture of LED Tape & Reel equipment.

"Autron Corporation today is the largest supplier of production equipment to manufacturers in the electronics industry in Asia, particularly in the PCBA (Printed Circuit Board Assembly) sector. We remain focused on our core distribution business in

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that sector as we continue to improve and strengthen our position in the electronics supply chain in the region by offering value-added higher margin initiatives to our substantial customer base (of more than 600 MNCs and local major Asian companies). IC Equipment compliments tremendously to our business model with its ability to offer proven design and manufacturing expertise to our principals as we move production of components, spare parts and complete system from Europe and North America to be produced in Asia where demand for these products is highest and growing at the fastest rate, especially China," said Mr Tan Cheng Leong, Group Executive Chairman of Autron Corporation Limited.

"By leveraging on IC Equipment, Autron Corporation is now able to maximise and respond speedily and proactively to demand opportunities in many sectors of the electronics manufacturing industry which have been identified by our own vast network of sales and engineering offices throughout the region. In some cases, we would even take the lead, just like this instance. Here, we must give credit to our Taiwanese subsidiary Taiwan Autron Corporation which has spotted the vast potential of this market sector which is much less crowded and even faster growing through their market research over the past many months. We are equally proud of our own manufacturing arm, IC Equipment which has not only enable Autron Corporation to enter into this high value market with strong growth potential, but also positioning our entry at the premium end of the industry, thus allowing us to enjoy good margins. We felt that the successful development of this product within such a short span of time to rival the best in the industry is something both Autron Corporation and Singapore should be proud of." commented Mr Tan.

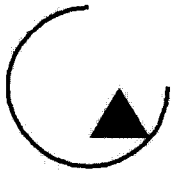
Building on the Company's core competencies in the distribution of SMT equipment in the last 25 years, Autron Corporation would add on another sales and engineering division to bring this product to fast growing markets for LEDs in Taiwan, Korea, China and Japan.

Mr TY Lim, Managing Director of IC Equipment said, "IC Equipment has already generated much interest in the equipment and is now holding intense discussions with several prospective customers. The Company expects to sell over 100 sets of this equipment over the next 2 years. The *Star-Flash SS-20s* which is the highest speed and precision Tape and Reel equipment produced so far is the first in the series of several other machines along the product line which we intend to launch in the near future. As we have successfully manufactured this product, we intend to hold on to our lead position in the industry."

Established in 1984, IC Equipment has built up a solid reputation as a world-class manufacturer of electronics equipment especially in the semiconductor industry. The Company's core competencies include equipment manufacturing expertise, supply base management, full turnkey manufacturing, supplier liability management, in-house design

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and continuation engineering. Additionally, it also produces its proprietary brand of semiconductor equipment.

In December 2002, IC Equipment was acquired by Autron Corporation through a share swap valued at approximately S\$3 million. In September 2003, the Company sold 26.67 percent of its total enlarged share capital for approximately S\$8 million by way of a convertible preference shares to JAFCO Asia Technology Fund ("JATF") managed by venture capitalist JAFCO Investment (Asia Pacific) Ltd.

Autron Corporation Limited (Reuters AAT.AX and AAT.SI; Bloomberg AAT AU and AAT SP) is headquartered in Singapore and dual-listed on the ASX and SGX-ST. The company distributes capital equipment to the electronics manufacturing services industry through its 30 sales and service centres in Greater China and South East Asia. Major principals include Assembléon and Speedline. Our global headquarters is located at 53 Serangoon North Avenue 4 Singapore 555852. Please visit us on the web at www.autroncorp.com

Autron Corporation Limited is not related to Autron Electronics Pty Ltd

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Autron Corporation Limited is an unrelated and distinct entity to Autron Electronics Pty Ltd