

Fotronics...

Technology we have, future is ours

www.fotronics.com

Fotronics Corporation Berhad

(Company No.: 640352-A) (Incorporated in Malaysia under the Companies Act, 1965)

No. 16, Jalan 227, Section 51A 46100 Petaling Jaya Selangor Darul Ehsan Tel: +603 7873 5927 Fax: +603 7873 5928 PROSPECTUS

Fotronics.

Fotronics Corporation Berhad

(Company No.: 640352-A)
(Incorporated in Malaysia under the Companies Act, 1965)

- I. PUBLIC ISSUE OF 50,745,000 NEW ORDINARY SHARES OF RM0.10 EACH AT AN ISSUE PRICE OF RM1.00 PER SHARE PAYABLE IN FULL ON APPLICATION COMPRISING:
- 2,500,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY THE MALAYSIAN PUBLIC;
- 2,500,000 NEW ORDINARY SHARES OF RM0.10 EACH AVAILABLE FOR APPLICATION BY ELIGIBLE DIRECTORS, EMPLOYEES, CUSTOMERS AND SUPPLIERS OF FOTRONICS CORPORATION BERHAD AND ITS SUBSIDIARY COMPANIES; AND
- 45,745,000 NEW ORDINARY SHARES OF RM0.10 EACH BY WAY OF PRIVATE PLACEMENT TO IDENTIFIED INVESTORS
- II. OFFER OF EMPLOYEES' SHARE OPTION SCHEME OPTIONS IN FOTRONICS CORPORATION BERHAD TO ITS NON-EXECUTIVE DIRECTORS

IN CONJUNCTION WITH THE LISTING OF FOTRONICS CORPORATION BERHAD ON THE MESDAQ MARKET OF BURSA MALAYSIA SECURITIES BERHAD (FORMERLY KNOWN AS MALAYSIA SECURITIES EXCHANGE BERHAD)

Adviser, Sponsor, Underwriter and Placement Agent



AVENUE SECURITIES SDN BHD (682-X)

(A Participating Organisation of Bursa Malaysia Securities Berhad) (Wholly-Owned Subsidiary of Avenue Capital Resources Berhad)

FOR INFORMATION CONCERNING CERTAIN RISK FACTORS WHICH SHOULD BE CONSIDERED BY PROSPECTIVE INVESTORS, SEE "RISK FACTORS" IN SECTION 4 HEREOF

This Prospectus is dated 5 January 2005

THIS PROSPECTUS HAS BEEN SEEN AND APPROVED BY THE DIRECTORS AND PROMOTERS OF FOTRONICS CORPORATION BERHAD ("FOTRONICS" OR "COMPANY") AND THEY COLLECTIVELY AND INDIVIDUALLY ACCEPT FULL RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN AND CONFIRM, HAVING MADE ALL REASONABLE ENQUIRIES, AND TO THE BEST OF THEIR KNOWLEDGE AND BELIEF, THERE ARE NO FALSE OR MISLEADING STATEMENTS OR OTHER FACTS, THE OMISSION OF WHICH WOULD MAKE ANY STATEMENT HEREIN FALSE AND/OR MISLEADING. THE DIRECTORS HEREBY ACCEPT FULL RESPONSIBILITY FOR THE PROFIT ESTIMATE INCLUDED IN THIS PROSPECTUS AND CONFIRM THAT THE PROFIT ESTIMATE HAS BEEN PREPARED BASED ON ASSUMPTIONS MADE.

AVENUE SECURITIES SDN BHD, BEING THE ADVISER, SPONSOR, PLACEMENT AGENT AND UNDERWRITER, ACKNOWLEDGES THAT, BASED ON ALL AVAILABLE INFORMATION, AND TO THE BEST OF ITS KNOWLEDGE AND BELIEF, THIS PROSPECTUS CONSTITUTES A FULL AND TRUE DISCLOSURE OF ALL MATERIAL FACTS CONCERNING THE PUBLIC ISSUE OF 50,745,000 NEW ORDINARY SHARES OF RM0.10 EACH IN FOTRONICS ("FOTRONICS SHARES" OR "SHARES") AT AN ISSUE PRICE OF RM1.00 PER SHARE ("PUBLIC ISSUE") AND IS SATISFIED THAT ANY PROFIT ESTIMATE (FOR WHICH THE DIRECTORS OF THE COMPANY ARE FULLY RESPONSIBLE), PREPARED FOR INCLUSION IN THE PROSPECTUS HAS BEEN STATED BY THE DIRECTORS AFTER DUE AND CAREFUL ENQUIRY AND HAS BEEN DULY REVIEWED BY THE REPORTING ACCOUTANTS.

BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES") (FORMERLY KNOWN AS THE MALAYSIA SECURITIES EXCHANGE BERHAD) AND THE SECURITIES COMMISSION ("SC") HAVE APPROVED THE PUBLIC ISSUE AND THAT THE APPROVALS SHALL NOT BE TAKEN TO INDICATE THAT THE BURSA SECURITIES AND THE SC RECOMMEND THE PUBLIC ISSUE.

THE SC SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. INVESTORS SHOULD RELY ON THEIR OWN EVALUATION TO ASSESS THE MERITS AND RISKS OF THE INVESTMENT. IN CONSIDERING THE INVESTMENT, INVESTORS WHO ARE IN ANY DOUBT AS TO THE ACTION TO BE TAKEN, SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.

THE BURSA SECURITIES SHALL NOT BE LIABLE FOR ANY NON-DISCLOSURE ON THE PART OF THE COMPANY AND TAKES NO RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS, MAKES NO REPRESENTATION AS TO ITS CORRECTNESS OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM OR IN RELIANCE UPON THE WHOLE OR ANY PART OF THE CONTENTS OF THIS PROSPECTUS. ADMISSION TO THE OFFICIAL LIST IS NOT TO BE TAKEN AS AN INDICATION OF THE MERITS OF THE COMPANY OR OF ITS ORDINARY SHARES.

A COPY OF THIS PROSPECTUS HAS BEEN REGISTERED WITH THE SC. A COPY OF THIS PROSPECTUS, TOGETHER WITH THE APPLICATION FORM HAVE ALSO BEEN LODGED WITH THE REGISTRAR OF COMPANIES WHO TAKES NO RESPONSIBILITY FOR ITS CONTENTS.

THIS COMPANY IS CLASSIFIED AS SYARIAH-APPROVED BY THE SYARIAH ADVISORY COUNCIL ("SAC") OF THE SC BASED ON THE LATEST 12-MONTH AUDITED FINANCIAL YEAR AND REMAINS VALID FROM THE DATE OF THE ISSUANCE OF THE PROSPECTUS UNTIL THE NEXT SYARIAH COMPLIANCE REVIEW IS UNDERTAKEN BY THE SAC OF THE SC, AND THE NEW STATUS IS RELEASED IN THE UPDATED LIST OF SYARIAH APPROVED SECURITIES EITHER ON THE LAST FRIDAY OF THE MONTH OF APRIL OR OCTOBER.

THE SYARIAH STATUS FOR THIS COMPANY CANNOT BE USED FOR OTHER FUND-RAISING ACTIVITIES.

CHARACTERISTICS OF THE MESDAQ MARKET OF BURSA SECURITIES:

INVESTORS SHOULD BE AWARE THAT THE MESDAQ IS A DISTINCT MARKET FROM THE MAIN AND SECOND BOARDS IN MANY RESPECTS. IN PARTICULAR, COMPANIES LISTED ON THE MESDAQ ARE SUBJECT TO DIFFERENT QUANTITATIVE AND QUALITATIVE REQUIREMENTS, WHICH HAVE BEEN PRIMARILY DESIGNED TO ACCOMMODATE HIGH GROWTH AND/OR TECHNOLOGY COMPANIES.

COMPANIES THAT ARE LISTED ON THE MESDAQ MAY NOT HAVE AN OPERATING HISTORY OR ANY PROFIT RECORD PRIOR TO LISTING. AS SUCH, WHILST POTENTIAL INVESTMENT RETURNS MAY BE RELATIVELY HIGH, COMPANIES LISTED ON THE MESDAQ MAY BE OF HIGHER INVESTMENT RISK.

THE REGULATORY PHILOSOPHY UNDERLYING THE MESDAQ MARKET IS THAT THE MARKET SHOULD BE ALLOWED TO DETERMINE THE MERITS OF THE SECURITIES/INSTRUMENTS IN A PARTICULAR COMPANY. HENCE, AS WITH ALL INVESTMENT, PROSPECTIVE INVESTORS SHOULD BE AWARE OF ALL POTENTIAL RISKS IN INVESTING IN SUCH COMPANIES AND SHOULD MAKE THE DECISION TO INVEST AFTER DUE AND CAREFUL CONSIDERATION BY REFERRING TO, AMONGST OTHERS, THE PROSPECTUS, LATEST FINANCIAL STATEMENTS AND CORPORATE ANNOUNCEMENTS. IN THIS RESPECT, ADVICE FROM A SECURITIES PROFESSIONAL/ADVISER IS STRONGLY RECOMMENDED.

THIS PROSPECTUS CAN ALSO BE VIEWED OR DOWNLOADED FROM BURSA SECURITIES' WEBSITE AT WWW.BURSAMALAYSIA.COM.

INDICATIVE TIMETABLE

The indicative timing of events leading up to the listing of and quotation for Fotronics' (as hereinafter defined) entire issued and paid-up share capital on the MESDAQ Market is set out below:

Event	Date			
Date of Prospectus 5 January				
Opening date of application for the Public Issue Shares (as hereinafter defined)	5 January 2005			
Closing date of application for the Public Issue Shares*	17 January 2005			

Event	Tentative Date	
Date of balloting of application	19 January 2005	
Despatch of notices of allotment for the Fotronics Shares to successful applicants	25 January 2005	
Listing of and quotation for Fotronics' entire issued and paid-up share capital on the MESDAQ Market	31 January 2005	

Note:

* The Directors and/or Promoters of Fotronics and the Underwriter/Placement Agent may in their absolute discretion mutually extend the closing date of the application to a further date or dates. Should the closing date of the application be extended, the dates for the balloting, allotment and listing of Fotronics' entire issued and paid-up share capital on the MESDAQ Market would be extended accordingly. Fotronics will notify the parties via an advertisement in a widely circulated Bahasa Malaysia and English newspaper in Malaysia in the event there is an extension of time on the closing date of the application.

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DEFINITIONS

Except where the context otherwise requires, the following definitions (in alphabetical order) shall apply throughout this Prospectus:

"Acquisitions" : Acquisition of FMSB, Acquisition of MPC and Acquisition of

Vtrek (HK), collectively

"Acquisition of FMSB" : Acquisition by Fotronics of 6,000,000 ordinary shares of RM1.00

each in FMSB, representing the entire issued and paid-up share capital therein from FInc, for a purchase consideration of RM1,285,663 satisfied by the issuance of 12,856,630 new

Fotronics Shares at an issue price of RM0.10 per Share

"Acquisition of MPC" : Acquisition by Fotronics of 5,000,000 ordinary shares of SGD1.00

each in MPC, representing the entire issued and paid-up share capital therein from the Vendors of MPC, for a purchase consideration of RM13,937,695 satisfied by the issuance of 139,376,950 new Fotronics Shares at an issue price of RM0.10 per

Share

"Acquisition of Vtrek (HK)" : Acquisition by Fotronics of 3,306,000 ordinary shares of HKD1.00

each in Vtrek (HK), representing 60.0% of the issued and paid-up share capital therein from MPC, for a purchase consideration of RM157,039 satisfied by cash after the completion of the

Acquisition of MPC

"Act" : Companies Act, 1965 or any statutory modification, amendment or

re-enactment thereof for the time being in force

"ADA" : Authorised Depository Agent

"ADA Code" : ADA (Broker) Code

"Application" : The application for the Public Issue Shares by way of Application

Form or by way of Electronic Share Application

"Application Form(s)" : The printed application form(s) for the application for the Public

Issue Shares

"ATM" : Automated Teller Machine

"Avenue" : Avenue Securities Sdn Bhd (682-X)

"BER" : Business Economic Research (001368812-T)

"Board" : Board of Directors

"BNM" : Bank Negara Malaysia

"Bursa Securities" : Bursa Malaysia Securities Berhad (formerly known as the

Malaysia Securities Exchange Berhad) (635988-W)

"CDS" : Central Depository System

"China" : People's Republic of China

"Deloitte" or "Reporting

Accountants"

Deloitte KassimChan (AF 0080)

"Depository" : Bursa Malaysia Depository Sdn Bhd (formerly known as the

Malaysian Central Depository Sdn Bhd) (165570-W)

"EGM" : Extraordinary general meeting

"Electronic Share Application : Application for Public Issue Shares through a Participating

Financial Institution's ATM

"EPS" ; Earnings per share

"ESOS" : Employees' share option scheme

"ESOS Bye-Laws" : Bye-laws of the ESOS as set out in Section 15 of this Prospectus

"FIC" : Foreign Investment Committee

"FInc": Futek Incorporated (0201-01-010878), a company incorporated in

Japan

"FIPL" : Fotronics Incorporated (S) Pte Ltd (200303215N), a wholly-owned

subsidiary company of Fotronics and a company incorporated in

Singapore

"FMSB" : Futek Malaysia Sdn Bhd (171485-V), a wholly-owned subsidiary

company of Fotronics and a company incorporated in Malaysia

"Fotronics" or "Company" : Fotronics Corporation Berhad (640352-A)

"Fotronics Group" or "Group" : Fotronics and its subsidiary companies

"Fotronics Share(s)" or "Share(s)" : Ordinary share(s) of RM0.10 each in Fotronics

"FTSB" : Future Technology Sdn Bhd (159814-H), a wholly-owned

subsidiary company of FMSB and a company incorporated in

Malaysia

"GDP" : Gross Domestic Product

"HKD" : Hong Kong Dollar

"Hong Kong" : Hong Kong SAR

"Increase in Authorised Share : Increase

Capital"

Increase in the authorised share capital of Fotronics from RM100,000 comprising 1,000,000 Shares to RM100,000,000

comprising 1,000,000,000 Shares

"Issue Price": Issue price of RM1.00 per Share for the Public Issue Shares

"Listing": Admission to the Official List of the MESDAQ Market and the

listing of and quotation for the entire issued and paid-up share capital of Fotronics of RM20,297,860 comprising 202,978,600 Fotronics Shares on the MESDAQ Market and new Fotronics Shares to be issued pursuant to the ESOS, representing not more than ten percent (10%) of the issued and paid-up share capital of

Fotronics at any one time

"Listing Requirements" : The Listing Requirements of Bursa Securities for the MESDAQ

Market

"Listing Scheme": Increase in Authorised Share Capital, Acquisitions, Shareholders'

Arrangements, Public Issue, establishment of ESOS and Listing,

collectively

"Mazlan" or "Legal Adviser" : Mazlan & Associates

"Memcorp" : Memcorp Holdings Limited (482434), a company incorporated in

the British Virgin Islands

"MESDAQ Market" : MESDAQ Market of Bursa Securities

"MIDF Consultancy and Corporate Services Sendirian Berhad

(11324-H)

"MITI" : Ministry of International Trade and Industry

"MPC" : M-Precision Centre Pte Ltd (200010193W), a wholly-owned

subsidiary company of Fotronics and a company incorporated in

Singapore

"NBV" : Net book value

"NTA" : Net tangible assets

"Options": The right of an option holder to subscribe for new Fotronics

Shares pursuant to a contract constituted by the acceptance of an

offer in the manner indicated in the ESOS Bye-Laws

"Participating Financial

Institution(s)"

Refers to the participating financial institutions for Electronic

Share Application as listed in Section 19.5 of this Prospectus

"PE Multiple" : Price to earnings multiple

"Placement Agent" or

"Underwriter"

Avenue

"Placement Shares": 45,745,000 new Fotronics Shares to be placed out to identified

investors pursuant to the Private Placement

"Private Placement": Private placement of 45,745,000 new Fotronics Shares to

identified investors at an issue price of RM1.00 per Share

"Promoters" : Memcorp, Flnc, Seah Bak Seng, Ng Kwok Leung, George and

YEPL, collectively

"Public Issue Shares" : 50,745,000 new Fotronics Shares to be issued at an issue price of

RM1.00 per Share payable in full on application pursuant to the

Public Issue

"Public Issue" : Public issue of 50,745,000 new Fotronics Shares at an issue price

of RM1.00 per Share comprising:

• 2,500,000 new Fotronics Shares available for application by

the Malaysian public;

• 2,500,000 new Fotronics Shares available for application by

the eligible Directors, employees, customers and suppliers of

the Fotronics Group; and

Private Placement

"RM" and "sen" : Ringgit Malaysia and sen, respectively

"RMB" : Chinese Renminbi

"ROC" : Registrar of Companies

"ROE" : Return on Equity

"R&D" : Research and development

"SAC" : Syariah Advisory Council

"SC's Guidelines" : Policies and Guidelines on Issue/Offer of Securities

"SC" : Securities Commission

"SGD" : Singapore Dollar

"Shareholders' Arrangements" : Shareholders' Arrangement-I and Shareholders' Arrangement-II,

collectively

"Shareholders' Arrangement-I" : Disposal by Seah Bak Seng of 24,332,331 Fotronics Shares issued

pursuant to the Acquisition of MPC to Vital Lux Ventures Sdn Bhd, Perfect Debut Sdn Bhd and Danau Dimensi Sdn Bhd for a

total cash consideration of RM24,332,331

"Shareholders' Arrangement-II" : Disposal by the Vendors of MPC of an aggregate of 91,980,755

Fotronics Shares issued pursuant to the Acquisition of MPC to

Memcorp for a total cash consideration of RM91,980,755

"Singapore" : Republic of Singapore

"Technical Assistance and Know-

How Agreement"

The technical assistance and know-how agreement dated 28

February 2004 entered into between Fotronics and FInc, of which

the salient terms are set out in Section 5.4.11 of this Prospectus

"UK"

United Kingdom

"USA"

United States of America

"USD"

United States Dollar

"Vendors of MPC"

Seah Bak Seng, Seah Wee Kiat, Willie, Ng Kwok Leung, George

and YEPL, collectively

"Vtrek (China)"

Vtrek Precision Industry Co Ltd (QDGSZZi No. 302262), a

wholly-owned subsidiary company of Vtrek (HK) and a company

established in China

"Vtrek (HK)"

Vtrek Precision Centre (HK) Pte Limited (358511), a 60.0%-

owned subsidiary company of Fotronics and a company

incorporated in Hong Kong

"Vtrek (HK) Group"

Vtrek (HK) and its wholly-owned subsidiary company, Vtrek

(China), collectively

"Yen"

: Japanese Yen

"YEPL"

Yauw Enterprise Pte Ltd (197800881K), a company incorporated

in Singapore

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TECHNICAL DEFINITIONS

Unless otherwise indicated, the following technical definitions shall apply throughout this Prospectus:

"AIS"

Area Image Sensor

AIS is a group of photosensors arranged in a gridlike pattern covering the entire field of view, enabling the photosensors to record the view all at once (as a camera records an image on film)

"AES"

Aerospace Electronic Systems

AES refers to systems for communication, navigation, flight control and management and weather radar systems. It is used in the advanced electronics and avionics system for the military aircraft, defence and space systems, as well as in large and

regional air transport, business and general aviation

"AIT"

Advanced Intelligent Tape

AIT is a magnetic tape storage system. It uses eight (8) millimetre cassette tapes that can hold up to 100 gigabytes of data. AIT uses helical scanning technology and is typically used in data backup

and data storage

"ALS"

Aircraft Landing Systems

ALS refers to the wheels, brakes and landing gear for the landing

systems of the aircraft

"AV"

Audio-video (sometimes referred to as audio-visual)

AV is frequently used as a generic term for the audio and video components and capabilities in home entertainment system and

related product descriptions

"CAD/CAM"

Computer Aided Design/Computer Aided Manufacturing

CAD/CAM refers to applications to design and manufacture products. Once a design has been produced with the CAD application, the computer then programs instructions for the automated manufacture of the product and controls the

manufacturing process

"CCD"

Charged Coupled Device

CCD is one of the two (2) main types of image sensors used in digital cameras. When a picture is taken, the CCD is struck by light coming through the camera's lens. Each of the thousands or millions of tiny pixels that make up the CCD convert this light into

electrons

"CD-R"

Compact Disc-Recordable

CD-R is a type of write once, read many compact disc format that

allows one-time recording on a disc

"CMOS"

Complementary-Metal-Oxide-Semiconductor

CMOS is a semiconductor fabrication technology used to make chips for computer processors, computer memory and image

sensors

TECHNICAL DEFINITIONS (cont'd)

"CMOS image sensor" A CMOS image sensor is another type of image sensor (the other

type being CCD used in digital cameras). The CMOS image sensor is a device similar to a computer chip which senses light focused on its surface. Both CMOS and CCD chips sense light through similar mechanisms and convert photons into electrons. However, CMOS image sensors include basic image-processing circuitry that CCD sensors do not have. This gives devices with

CMOS sensors an edge when it comes to size, cost and battery life

"CNC" Computer Numerically Controlled

Refers to the computer control of machine tools for the purpose of

manufacturing complex parts repeatedly

"DAT" Digital Audio Tape

DAT is a type of magnetic tape that uses a scheme called helical scan to record data. A DAT cartridge is slightly larger than a credit card in width and height and contains a magnetic tape that can hold from two (2) to 24 gigabytes of data. It can support data

transfer rates of about two (2) megabytes per second

"DDS" Digital Data Storage

The most common format for DAT cartridges is DDS

"DLT" Digital Linear Tape

DLT is a type of magnetic tape storage device. DLT drives are faster than most other types of tape drives, achieving transfer rates

of 2.5 megabytes per second

"DVD" Digital Versatile Disc

> DVD is an optical disc technology. DVD can hold 8.5 gigabytes of information on one (1) of its two (2) sides. With two (2) layers on each of its two (2) sides, it will hold up to 17 gigabytes of video, audio or other information. DVD can hold more than 28 times as much information compared to a CD-ROM or Compact

Disc-Read Only Memory

D-VHS Digital-VHS

> D-VHS is a new digital recording system using existing VHS/VCR format. D-VHS machines record and play back standard VHS tapes in the same way that the existing VCR does, but they are also able to record HDTV programming through a

data link to an integrated HDTV television

"HDD" Hard Disk Drive

> A HDD is the mechanism that controls the positioning, reading and writing of the hard disc, which furnishes the largest amount of

data storage for the personal computer

"HDTV" High Definition Television

> A television system with approximately twice the horizontal and twice the vertical resolution of current 525-line and 625-line systems, component colour coding a picture aspect ratio of 16:9

and a frame rate of at least 24 hertz

TECHNICAL DEFINITIONS (cont'd)

"Helical scanning technology" : Helical scanning technology was adapted from VHS recording

technology where tape is driven at a slow speed past a fast rotating

cylinder which is mounted at an angle

"ICT" : Information, Communication, Technology generally refers to the

electrical and electronics, computers and office machinery and

telecommunications industries

"Linear scanning technology" : Linear (or static) recording technology drives a fast tape past a

stationary read/write magnetic recording head. The difference between helical scanning and linear scanning is the rate of magnetic recording head and tape wear. An advantage of this recording method is that files can be quickly found and accessed because the read/write magnetic recording head can quickly step up or down to the correct track. If a file is in the middle of a full tape, the magnetic recording head can also adjust onto the correct track, reducing the need to search the entire tape. Hence, linear scanning technology tends to reduce contact between the tape and

the magnetic recording head

"LTO" : Linear Tape Open

LTO is an open standard for a backup tape system, providing

formats for both fast data access and high storage capacity

"Magnetic recording technology" : Magnetic recording technology is the technical process of

recording audio and visual information, text and programmes on a

magnetic medium

"MPEG" : Motion Pictures Expert Group

The term refers to the family of digital video compression standards and file formats developed by the Motion Pictures Expert Group, which works with the International Organisation for Standardisation ("ISO"). These files can contain both audio and video. Though they are compressed, MPEG files maintain most of

the original quality of the uncompressed movie

"OEM" : Original Equipment Manufacturer

OEM refers to a company that supplies equipment to other companies to resell or incorporate into another product using the

reseller's brand name

"OPU" : Optical pick-up unit

OPU consists of a series of micro-optic lenses, a semiconductor diode and a detector. It is used to focus light on the laser diode and light energy is used to inscribe information onto a compact

disc

"PDA" : Personal Digital Assistant

PDA is a term for any small mobile hand-held device that provides computing and information storage and retrieval capabilities for

personal or business use, often for keeping schedule calendars and

address book information handy

TECHNICAL DEFINITIONS (cont'd)

"Photonics technology": Photonics technology is concerned with the emission,

transmission, deflection, amplification and detection of light using optical components and instruments, lasers and other light sources, fibre optics, electro-optical instrumentation, related hardware and

electronics and sophisticated systems

"PHS" : Personal Handyphone System

A Personal Handyphone is a lightweight portable wireless telephone that functions as a cordless phone in the home and as a handphone elsewhere. The Personal Handyphone also handles

voice, facsimile and video signals

"SAIT" : Super Advanced Intelligent Tape

SAIT is a magnetic tape storage system which can hold up to 1.3

terabytes of data on a half inch ("1/2") tape cartridge

"SDLT" : Super Digital Linear Tape

SDLT is a magnetic tape storage system which has a native

capacity starting at 110 gigabytes and advancing to over one (1)

terabyte over multiple product generations

"VCD" : Video Compact Disc

VCD is a Compact Disc ("CD") that uses MPEG compression standards to contain video, graphics or audio information. A VCD has the capacity to hold up to 74/80 minutes on 650 megabytes/700 megabytes CDs respectively of full-motion video along with quality stereo sound. VCDs can be played on stand alone VCD and DVD players and on all computers with a CD-ROM and/or Digital Versatile Disc-Read Only Memory ("DVD-

ROM") drives with a software decoder or player

"VCR" ; Video Cassette Recorder

VCR is a magnetic tape recorder for recording and playing back

television programmes

"VHS" : Video Home System

VHS refers to the standard home video cassette format which has

half inch ("1/2") videotape and up to 160 minutes playing time

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