

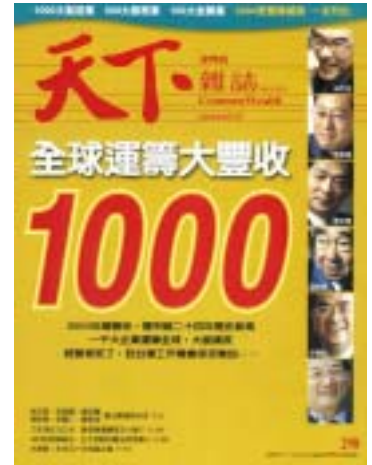


VICTOR Newsletter

~ Top 9 machine tool builders in Taiwan 07/05/2004

VICTOR continues No. 1 in year 2003:

According to this year's issue of the *Common Wealth* magazine released on 1st May 2004, *Victor Taichung Machinery should be still at the TOP position* among the Taiwanese machine tool manufacturers. However, Victor Taichung did not offer the sales information to this magazine in time (as waiting for the confirmation by the accountant on the fiscal annual report in 2003), so this magazine missed to include the Victor Taichung in the list. The following chart shows the **Top 9** machine tool companies in Taiwan and their overall company ranking among all manufacturing companies (computer, semi-conductor, chemical, etc.) and there will be another commercial magazine available soon and Victor will be included for sure in the top 1000 manufacturers in Taiwan in that magazine.



Top 9 Machine Tool Builders in Taiwan!!

Ranking in top 1000 enterprises.			M.T. ranking	Company name	Sales turnover USD 1 mil's	Capital USD 1 mil's	Workers (No. of)	Main product (listed as larger % of overall sales first)
'01	'02	'03						
385	397	366	1	VICTOR Taichung	116	113	686	M/C tools and PIM
592	566	483	2	Supermax (Yeong Chin)	87.6	16.4	581	M/C tools and PIM
610	624	504	3	TOPPER (Tong-Tai)	84.6	21.5	382	M/C tools, PCB drilling
402	580	606	4	FEELER (Fair Friend)l	66.1	44.2	291	M/C tools, car elevators
854	776	690	5	Taiwan Takisawa	55.1	14.3	192	M/C tools, PCB drilling
802	798	818	6	Hartford (She Hong)	43.6	19.7	166	M/C tools
538	-	858	7	FEMCO + KAFO	41	6.57	175	Lathes, M/C tools
		872	8	AWEA	40.6	14.2	198	M/C tools
-	-	981	9	LEADWELL	33.5	18.3	135	M/C tools, car elevators
879	913	-	-	JOHNFORD				M/C tools
969	983		-	DAH-LIH				M/C tools
769	998		-	Chevalier (Falcon)				Grinding, M/C tools
800	-	-	-	QUASER				M/C machining centers

Remark:

1. Exchange rate is based on 1USD=33.5 TWD.
2. **FEMCO** (Far East) machine tool division has been spun off and merged by **KAFO** (machining center builder in stock market) in 2002 so the sales of FEMCO+KAFO is big enough to be top 1000 in 2003.
3. **GOODWAY** is a 22% shareholder of **AWEA** Mechantronic (double column M/C builder) and we expect the sales of these two companies could be merged together sooner or later in the near future.
4. **VICTOR** will downsize the capital to USD10 million to erase the debt in year 2005.