



2006 Q1 Results Conference Call

April 26, 2006

LIFECYCLE SOLUTIONS FOR OEMs



Safe Harbor Statement

This presentation may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. The words “believe,” “expect,” “anticipate,” “estimate,” “project,” “goals,” “should,” “plan” or “planning” and similar expressions identify forward-looking statements that speak only as of the date thereof. All forward-looking statements are subject to certain risks and uncertainties that could cause events and the Company’s actual results to differ materially from those expressed or implied. The most significant of such risks, uncertainties and other factors are described in Item 6 of the Company’s Form 10-KSB and under the section entitled “Risk Factors”.





Vision

To be the **world-leading provider of innovative global professional services** to manufacturers with **sophisticated computing technologies** in their products, integral to the **success of our customers**, with experts across our organization that are acknowledged by our customers and our competitors as **the best in the business**.





Recent Management Changes

Mike Sayre

President and Chief Executive Officer

John Bair

Chief Technology and Innovation Officer

Rob Harris

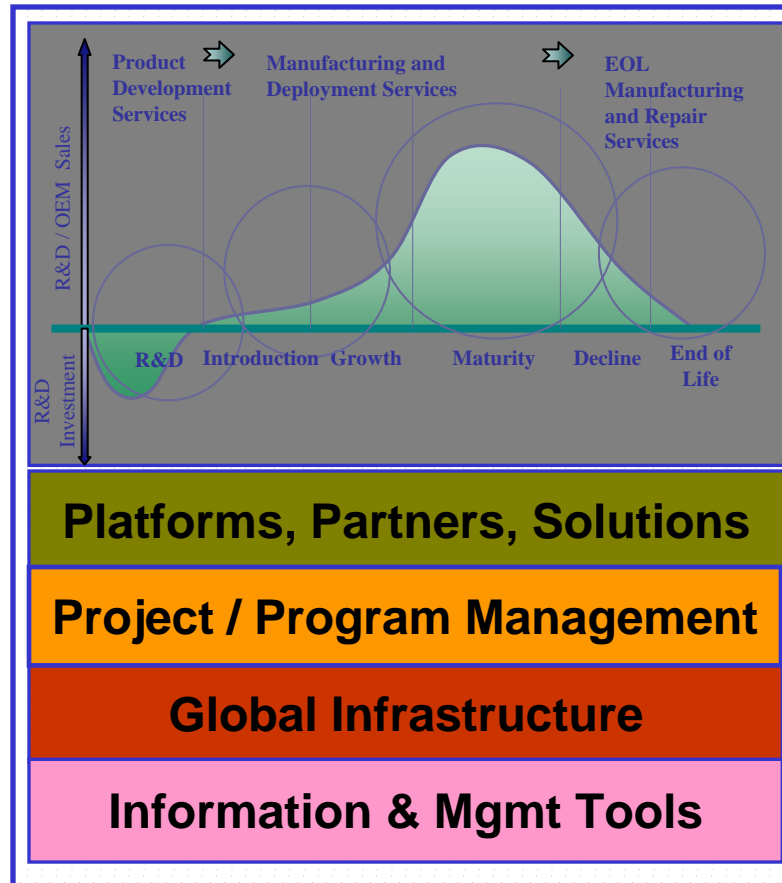
Vice President, Global Sales and Marketing,
and General Manager of International
Business

George Mehok

Vice President, Business Solutions Group



Fulcrum Initiative



Fulcrum is...

- Professional Services
- Turn-key, cradle-to-grave service programs
- Products and programs that can manage a high degree of complexity
- A comprehensive approach to product development and lifecycle management
- A unified, collaborative, out-sourcing alternative



Fulcrum Research



Catapult Thinking®

Research | Strategy | Design

Selected quotes from customer interviews performed by our marketing research and strategy consultants **Catapult Thinking** out of Boston, Massachusetts:

“So, if we can just manage PDSi, and PDSi, in turn, manages 10 suppliers or 20 suppliers for us, that’s 19 less interfaces that we have to deal with, and they can provide us much better information than we are able to pull ourselves because we don’t have the IT infrastructure to do it anymore.”

“I think that if they can map this out and articulate how the model works, it would help companies like us to really build a model ahead of time so that we are in this together. We are playing this game together.”

“I need to be able to get good service in multiple locations around the world. 40% of our revenues comes from outside the U.S., so it’s important to be able to have that ability and capabilities outside.”

“I think they’re good innovators...they do think about what kinds of things we can do differently or better or next. They’re very good technologically. I would have a hard time replacing them.”





Financial Goals

- Annual sales of \$100 million by 2009
- 25% average annual revenue growth in future years
- 15% organic growth annually, acquisitions to supplement
- Gross profit margin in mid-20% range by 2008
- SG&A expenses in high teens by 2007 ⁽¹⁾
- SG&A expenses in mid-teens by 2009 ⁽¹⁾

⁽¹⁾ as a percent of sales

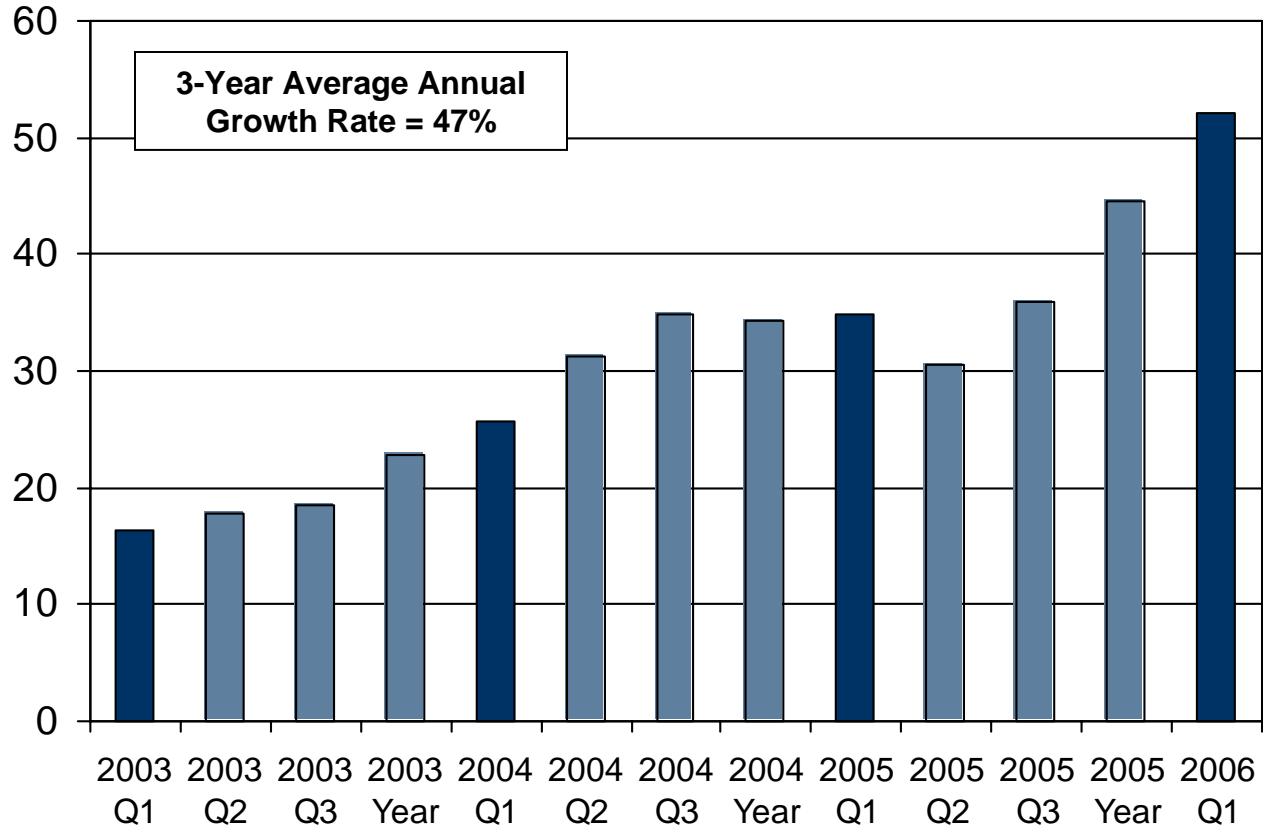




Sales

Trailing 4 Quarters

(\$ millions)

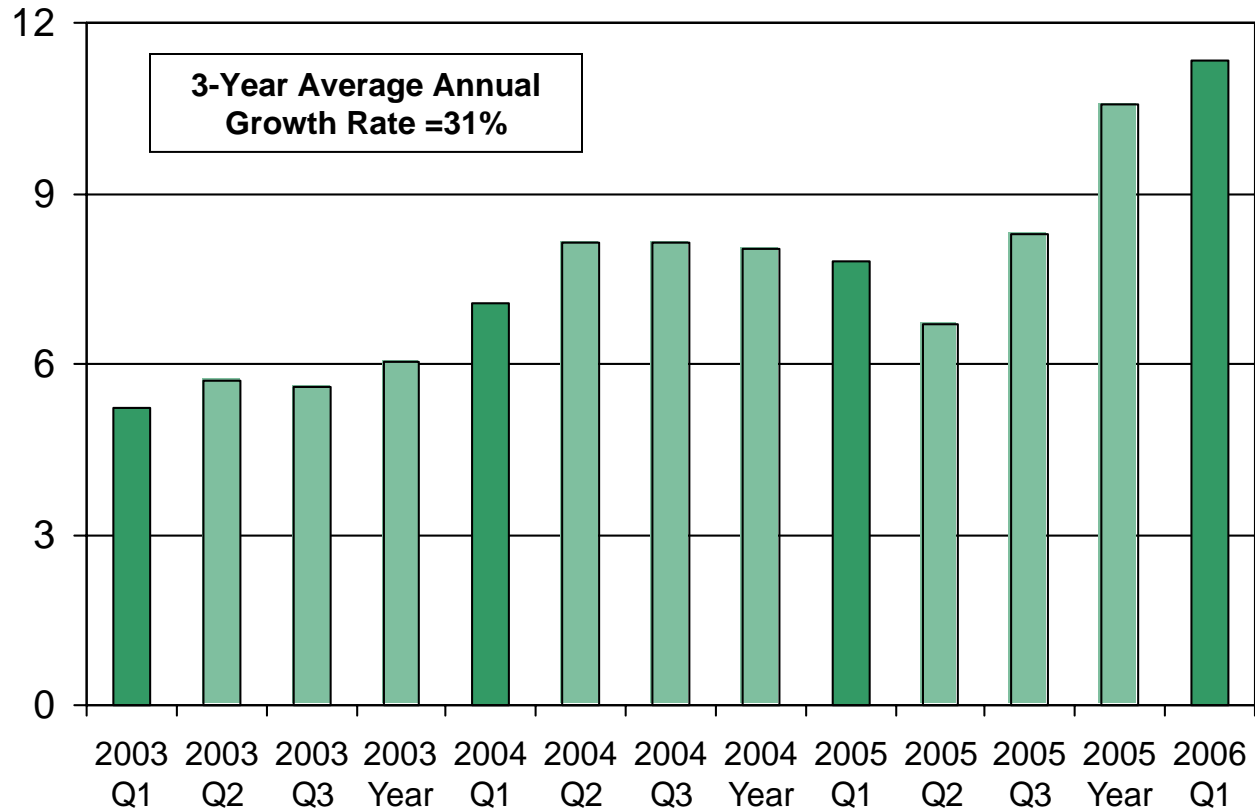




Gross Profit

Trailing 4 Quarters

(\$ millions)

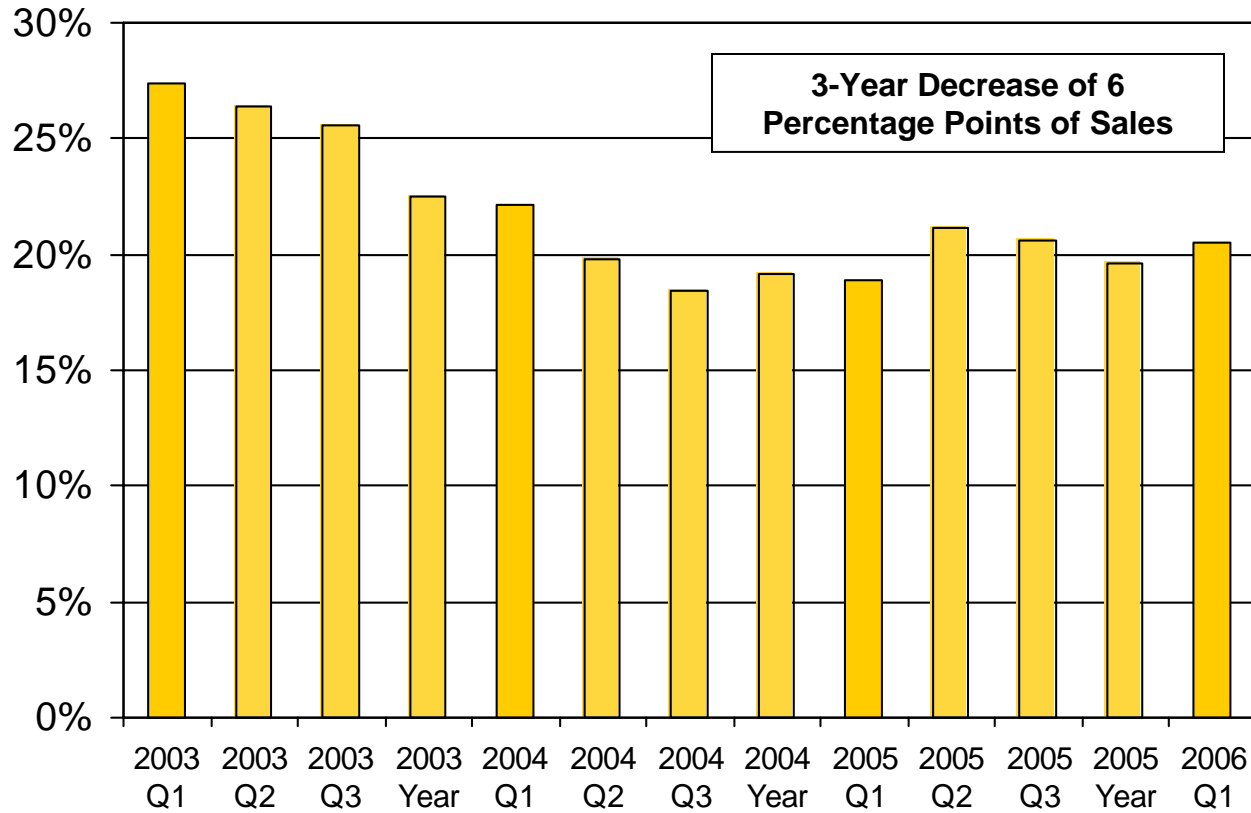




Operating Expense

Trailing 4 Quarters

(% of sales)

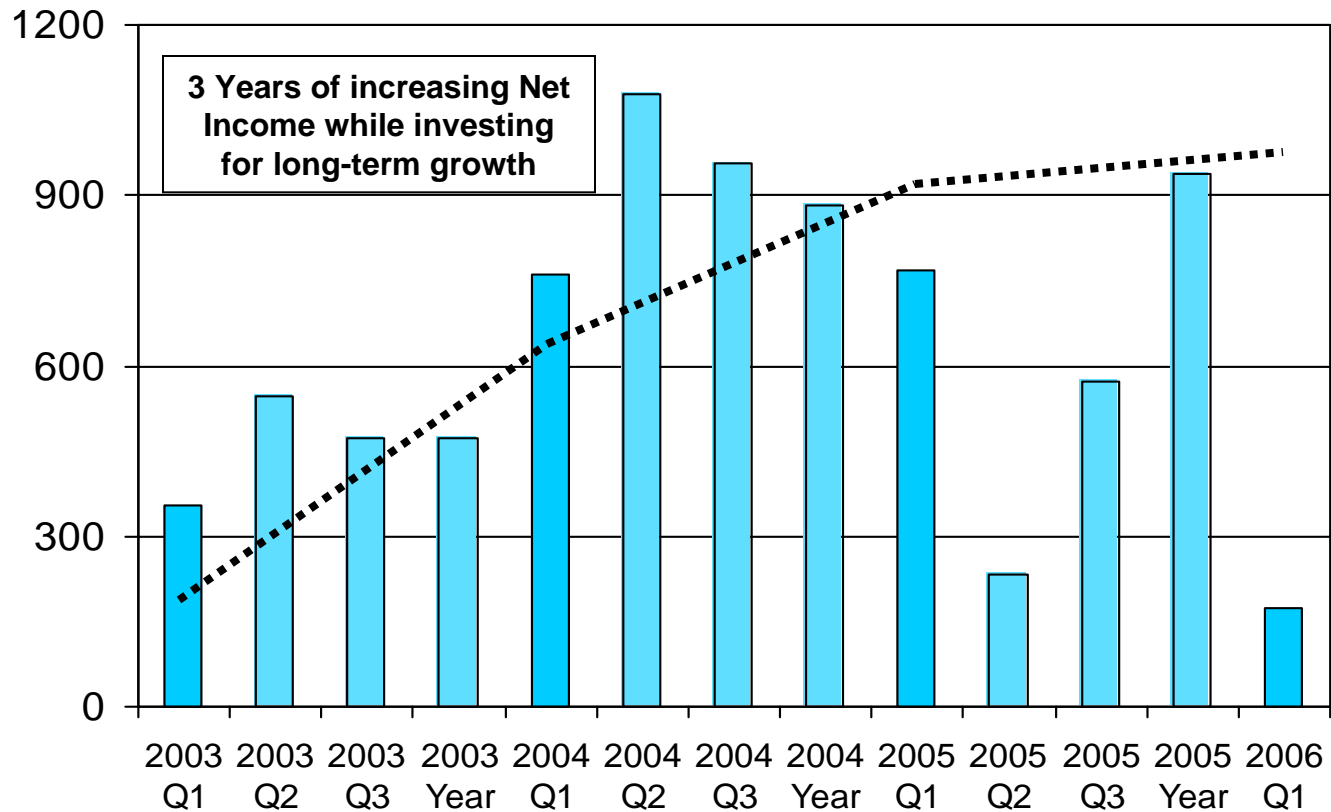




Net Income

Trailing 4 Quarters

(\$ thousands)



- Contract to provide design, manufacturing, global deployment and lifecycle management for Dilithium Networks' 3G wireless platforms.
- Partnered with ASIS, a 2U AdvancedTCA[®] shelf computer

- Record second quarter and year sales anticipated
- Seek additional efficiencies to create more leverage in the business
- Increase global presence in select markets
- Grow customer relationships with enhanced systems and higher value-added programs



THE POWER OF
PARTNERSHIP

