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*High performance contract manufacturing services to electronics companies around the world.
Our customers span the high-reliability military, medical, controls and instrumentation industries .
Since 1970, PPI-Time Zero has produced over twenty million electronic assemblies for these markets.*

Newsletter Q1 2007

FROM MY VANTAGE POINT

Dana M. Pittman, President, CEO



Dana Pittman,
President, CEO

I am very pleased to report that 2007 is off to a great start!

We have completed our first quarter and achieved our sales and financial goals. I would like to share a few of the many highlights from Q1 and update you on our forward planning.

New business introductions supported 20 percent of

Q1 sales such as:

- the new IBM platform was launched and final qualification was completed for all system level products
- our Burn-In business continues to build momentum and

Q2 will be our largest sales month-to-date for this key segment;

- multiple programs were started with the support our design partners. These design / build start ups will mature and move into production status later this year.

PPI-Time Zero continues to invest in state-of-the-art capital equipment. Flying probe diagnostic test capability was added in Q1 complimenting our GEN-RAD in-circuit platforms. We also added three IC programmers to our Programming Center. These capital additions will provide new revenue streams while providing our customers with a more complete service offering for new and existing programs.

We expect that 2007 will be a banner year for PPI-Time Zero. We have a dedicated work force, best-of-class tools and a solid customer base.

Our success is guaranteed if we continue to focus on our number one corporate initiative...and that is our passion for consistently delivering **OUTSTANDING CUSTOMER SERVICE.**

Thank you for your support. ■

Manufacturers Representatives Strong Network for Customers

PPI-Time Zero is proud to have an experienced, qualified and accomplished group of Manufacturers' Representatives working with us. We have confidence in their ability, resourcefulness and enthusiasm to satisfy your requirements. We stand behind them and will work to ensure they successfully meet our customers' objectives for cost, turnaround time and product standards.

Each manufacturers' representative joins with us in our dedication to customer satisfaction and the delivery of premier contract electronic products.

The size of each PPI-Time Zero sales region varies. Each organization is prepared to cover their assigned region and assist you in any way. Please contact the representative nearest you for additional information about our products and services. For a complete list of Sales Regions and Manufacturers Representatives. ■ visit **www.ppi-timezero.com**

START NOW!

Visit **www.ppi-timezero.com**

Click **Excess Inventory Sales**

Contact **Ed Sabik** Tel: 973-278-6500 x 515

OR **excesssales@ppi-timezero.com**

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2007 Revenue and Earnings Milestone Starts with Excellent Q1 **Frank Simons, Executive VP, Sales and Marketing**

We are well on our way to yet another milestone year having completed the first quarter on forecast with solid margins and outstanding customer service.

The Sales and Marketing Team have opened new doors at several companies during the period including: Sarnoff Corporation, Tel Instruments, BC Systems, Curtiss Wright, Casey Controls, Herley Microwave, MC Miller, Thomas Bus, Southern Manufacturing, Solar Energy Systems just to name a few. Although we have not received million dollar orders from these companies, we have either booked business with them or are in the process of making that happen.

Our Manufacturers' Representatives are hard at work in all regions of the country. They get the required exposure for PPI-Time Zero to assure we have an opportunity to compete for business in their territories when companies require a Contract Manufacturer (EMS) provider.

Systems are now being manufactured and systems have shipped in the First Quarter to IBM on the contract we have won that is for the manufacture of their Digital 1 Power Systems. This is a high-dollar, extremely sophisticated electro-mechanical system utilized in the micro-circuit technology industry. We will ship this system internationally as one of the facilities involved is located in Canada. Additionally, we have commenced prototype builds on Sarnoff Corporation product and products for TEL Instruments. The CCA's for these companies are extremely complex and require Best-of-Class Manufacturing Practices. These two companies have selected PPI-Time Zero as a vendor partner and have great confidence in our team.

We are doing very well with our excess component sales. In addition, we now offer a value-added device programming service to new and existing customers. Marketing materials to introduce these services and increase exposure will be available online through our web site. We anticipate significant short and long-term growth of these combined services.

We also added Flying Probe Testing to our wide range of test capabilities. It gives customers a no voltage, MDA typed CCA test without the capital investment in hard tooling which can be cost prohibitive in many cases. Prototype, alpha and beta new product runs are perfect applications for the equipment and offer a low-cost solution to production tests.

PPI-Time Zero is moving forward with great anticipation of setting another revenue and earnings record in 2007. Several key indicators have fueled our expectations. First, our management staff and employees enthusiastic and in position to support all the projected sales growth. We are winning business from new customers and growing business with existing customers. New equipment and expertise have been added to our facility. As always the sales and marketing team is fired up, and I am confident Fiscal Year 2007 will exceed our forecast.

Keep up the great work team! Your efforts to satisfy our customers through every step in the manufacturing process is very much appreciated by all — and very much in demand from our customers. Thank you everyone for all your continued support. ■

New Device Programming Center

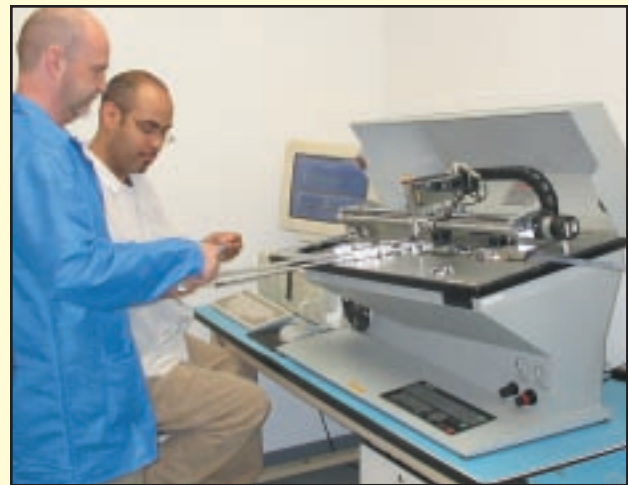
Services to Program, Test, Sort and Label Programmable Devices

PPI-TIME ZERO'S Programming Center is offered, a contract basis, to companies who need device programming support. This resource will benefit component distributors and customers who require fast-turnaround, competitive pricing and an experienced, dedicated staff. The programming service specializes in hands-on support, prototype and small to medium size lots.

The Programming Center utilizes fully automated Data I/O systems that programs, tests, sorts and labels programmable devices. Throughout the entire handling, programming and labeling process optical sensors continuously monitor devices to ensure optimum reliability.

Programming Center Services

- Universal support for DIP and SMT packages
- Fast turn-around
- 24-Hour turnaround*
- Support for over 13,000 devices
- Secure production network
- Fully automated
- Programs, tests, sorts and labels
- Programs up to 700 devices per hour
- Sophisticated Data I/O Equipment
- Meets rigorous engineer's demands
- Pick and place technology
- Continuous monitoring
- Optical reliability



The PPI-Time Zero Programming Center is prepared to meet the rigorous demands of leading engineers who want a turnkey programming solution.

For additional information on the Programming Center Services at PPI-Time Zero, contact Joe Kovacs at 973.278.6500 or jkovacs@ppi-timezero.com

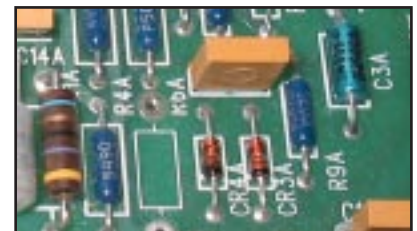
PPI-Time Zero Offers Excess Inventory Sales Thousands of Electronic Components Available

PPI-Time Zero can supply your company with electronic components direct from our excess inventory: thousands of high-tech OEM parts are available. Buy integrated circuits, semiconductors, military components, capacitors and transistors direct from PPI-Time Zero.

- All prices posted!
- Inventory updated daily!
- No brokers!
- Quantities accurate!
- Easy online access!
- Full traceability!

Visit our web site ppi-timezero.com Locate the Excess Inventory Link and click to see our complete list.

Contact Ed Sabik Tel: 973-278-6500 x 515 OR excesssales@ppi-timezero.com



Order replacement parts or support legacy programs the easy way.



Flying Probe Test Services Now Available

Fast, Cost-Effective Solution to ICT Testing of Printed Circuit Boards

PPI-TIME ZERO offers standard flying probe test services in a continuous effort to provide customers with comprehensive test services. The service provides superior technology, accuracy and flexibility. Flying probe testers utilize moving probes in place of a 'fixed' bed-of-nails fixture. Flying probe testers offers a fast and cost-effective solution to ICT testing of prototype boards, small-to-medium production runs and low volume boards. Speed and cost savings are realized from the elimination of the bed-of-nails fixture and associated programming costs.

The PPI-Time Zero flying probe test services ensure competitive pricing, fast-turnaround times, MDA fault diagnoses, comprehensive test reports and data logging. Most programs can be generated and debugged within one week.

Customers benefit from a decrease in time-to-market of new products and the addition of previously cost-prohibitive test coverage to older and /or small production runs. The PPI-Time Zero program is an additional resource for customers whose volumes cannot justify the purchase of their own flying-probe system. The services are provided so that Original Equipment Manufacturers (OEMs) can take advantage of leading-edge fixtureless test without making a capital investment.

Flying Probe Test Services

- High-performance Takaya equipment
- Max board dimensions W 500mm x D 400 mm
- Four (4) independently moving probes
- Test speeds up to .04 seconds per step
- Repeatability of +/- 50 microns
- Positioning resolution of 20 microns
- Minimum pitch of 0.20mm between probe pins
- Optical system detects backwards tantalum capacitors, misplaced components and certain specific device markings

For additional information on the Flying Probe Test Services at PPI-Time Zero, contact Joe Kovacs at 973.278.6500 or jkovacs@ppi-timezero.com ■



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