



Powerchip Headquarters

Everyone is very glad to have moved back to the Powerchip building after temporarily working out of an office in Mount Waverley whilst some changes were being made to our premises in South Melbourne. Specially built in 1999, the three-storey building boasts easy access to the workshop and office areas, and being only a 2 minute walk from Clarendon Street means we're enjoying our lunches again!

We have also added a new courtesy car to the fleet, a Mercedes-Benz featuring clutchless manual transmission.

Please forward all postal enquiries to PO Box 919, South Melbourne, 3205.

Our new numbers are:

P (03) 9681 6888

F (03) 9681 6999



M5 Alive

Powerchip is excited to announce that we are commencing the final phase of our development for the BMW E60 M5. We have been doing an extensive amount of R&D after obtaining the M5's DME directly from BMW, which is considered by many to be the most advanced computer to be used in a road-going car.

Powerchip's Development Department will be flying to Sydney over the next few days to complete the upgrade for public release.

If you wish to register your interest for when the upgrade is made available in the coming weeks, then please either call us on (03) 9681 6888, or simply visit our website at www.powerchipgroup.com.



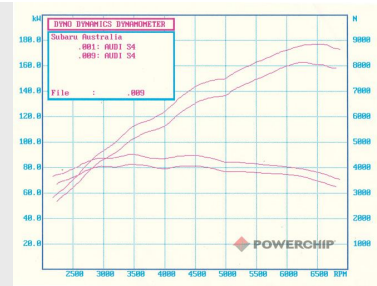
Community Fuel Frenzy

There has been quite a lot of talk in the community regarding the current trend in fuel prices. Most will recall the uproar when prices jumped 30% at the bowser to \$1.00/L only a few years ago. Only recently have they again jumped 30%, and fuel economy is on everybody's mind.

An excellent benefit of Powerchip upgrades is the ability to get an improvement in fuel economy at part throttle (where the car is used most of the time.) Because there is more power and torque at lower RPM, your engine doesn't have to work quite as hard to do the same job, and thus does not use as much petrol.

Powerchip has been getting calls from customers recently wanting to know how much better their car can improve on fuel economy, as well as getting the best performance from our Technology. Obviously different driving habits can dictate different fuel consumption figures, so the general rule of thumb is the more aggressive you drive your car, the less you will notice the improvement on your fuel guage (but some would argue, the more fun you would have!)

Due to the current community trend toward LPGas, diesel, and the search for better economy, we would encourage your customers to consider a Powerchip upgrade to get the best out of their car. Please call us on (03) 9681 6888 to get specific information on any upgrades.



Developments

Powerchip has recently been completing both on-road as well as dynamometer development on a number of vehicle upgrades across our range, with excellent results.

Some of our recent additions include an Audi S4 V8, running around 162kw@wheels in stock trim. With the Powerchip software being applied to the car, it ran just under 180kw@wheels on a state-of-the-art Dyno Dynamic AWD dyno. For a naturally aspirated vehicle with AWD drivetrain loss, we were quite pleased with the results. Especially as the numbers on screen translated to an awesome 'push-in-the-back' rush, which at the end of the day is really what it's all about.

Another product hot from the Development Department's soldering station is one that we are again, very happy with. The VW Golf 1.9L TDi upgrade is something everyone here at Powerchip have been looking forward to releasing to the public, due to the impressive gains that make the Golf feel much more responsive, powerful, and torquey. The feedback we've received is especially promising. The release of the Golf 1.9L TDi upgrade, comes on the heels of VW Week here at Powerchip.

Keep an eye on the website for all the latest news as they come to hand.



GenIII serial tuned!

Powerchip recently changed its upgrading techniques to enable us to perform Powerchip software uploads for GenIII through the Serial Port of the car, located under the steering wheel.

This feature means that it is now even easier to perform the upgrade on your customers 5.7L. The installation is performed by simply plugging your laptop into the diagnostic port of the car with cords on loan from Powerchip, rather than having your ECU sent to us. The difference goes from 3 days of turn-around time for open-heart, to 10 minutes of non-invasive surgery, directly to the brains of the car. All that is needed is a laptop and access to the internet (Powerchip can supply a laptop on request.)

If you would like any more information on the upgrade, then please call us on (03) 9681 6888.



Powerchip International Update

Due to the rapid expansion of Powerchip over the past 11 years, we have now setup a global distribution system with over 5 countries already possessing a Powerchip office or fitting center. Powerchip has now established an international presence, and are continually developing new regions to service.

Our latest expansion project to emerge has been with North America. This is the largest market in the world, with more vehicles registered on the road in Los Angeles than there is in the whole of Australia. This opportunity has only become possible thanks to the vision of Stuart Appleby (one of the leading golfers on the PGA tour), who has invested in the international expansion. Stuart is a 'car-nut' and first contacted us for a chip for his cars (he owns a BMW X5, M5 and M3). He liked the results so much, he invested in the company!

Powerchip USA is located in Santa Monica, Los Angeles, California, and have produced very positive cash-flow results in the last 18months of the 2 years the office has been open. To read the BRW's Fast 100 article outlining (Powerchip Group CEO) Wayne Besanko's experience in gaining US market share, visit our website at www.powerchipgroup.com.

With Powerchip USA moving into a new location in the heart of Los Angeles' most premier automotive area, and being only minutes away from the famous 405 and 10 freeway intersection, (as well as Powerchip Australia moving into their new offices in South Melbourne,) we're looking forward to this new era of Powerchip Group.



Powerchip installed to NIN's Trent Reznor's BMW 745Li

Powerchip recently installed a Powerchip in the BMW 745Li owned by famous musician Trent Reznor from Nine Inch Nails. He purchased a Powerchip upgrade from our office in California and his vehicle is pictured. Nine Inch Nails has been recognized as one of the leaders of the electronic music movement. Known for his innovation and unique style, Trent Reznor has received such accolade as one of the "25 Most Influential People in America" from Time Magazine and the "Most Vital Artist in Music Today" from Spin Magazine.



Wood Chip

Champion golfer Tiger Woods (pictured left) had a Powerchip upgrade installed on his Porsche 996 Twin Turbo after speaking with his neighbour Stuart Appleby (pictured with Woods) about the advantages of getting the Powerchip.

Mark O'Meara also had the Powerchip installed on his 996TT, and in fact was one of our first customers.

Tiger Woods' Powerchip upgrade was even the hot topic of discussion at a Press Conference. To read the article, take a look at www.powerchipgroup.com.



New Ford BF Falcon Range

The Development Department are currently finalizing the Powerchip upgrades for both Ford and FPV BF ranges, to coincide with their release.

We have developed our very own software in-house to ensure that the upgrade is of the highest quality, and we are all very happy with the results thus far. The R&D process was significantly reduced due to the incredible success of our BA upgrades, of which we've had excellent feedback.

If you would like to register your interest in the BF, then please feel free to email us at jcross@powerchipgroup.com, or simply enter your details on our website, www.powerchipgroup.com.



6.0L LS2 Development

Powerchip's Research and Development Department is currently finalizing an upgrade for the new GenIV LS2 6.0L V8 in HSV's line-up. The engine (which takes over from the GenIII LS1 5.7L V8) uses leading ECU technology, meaning Powerchip's R&D team are working overtime to bring the HSV enthusiasts of Australia even more power from their engines. We are achieving some promising results from this upgrade, and will provide further details as they come to hand.

If you would like to register your interested so as to be contacted when we release the product, then please either call us on (03) 9681 6888, or simply visit our website www.powerchipgroup.com.



Visit Powerchip at SEMA 2005

Powerchip will be attending the SEMA show for the 4th year!

SEMA is held in Las Vegas, from November 1st to 4th, and always ensures a busy end to the year.

This year we are located in the Racing & Performance section at booth #20743.

If you are attending the trade show, please stop by and say hi to us!

We are also exhibiting the mighty EvoSport/Powerchip M3 on our stand.

More information about the SEMA show can be obtained at www.semashow.com.



All Still Well

You may recall recently Nick Stillwell's BMW E30 Race Car had a competitors product removed and was then updated using Powerchip's Emulation Technology.

After the 325iS produced an erratic idle on cold starts and was running incorrect air/fuel ratios, Nick gave Powerchip a call to help solve the problem. While we had the car, we also tuned the E30 (within the competition rules!) to make sure it was running at peak performance. The 2001 Dutton Rally Outright Winner reported that with the Powerchip upgrade and some improved exhaust modifications, he had shaved a second off his lap times!

"The car went very well and power delivery was clean and consistent. Throttle response was greatly improved and there is no hunting at idle any more. Ripper job! Can't wait to see what we can do next!
Thanks for the great help... "

News travels fast, and within a couple of weeks friend and fellow Dutton Rally Outright Winner (2002) Glenn Kenneday, as well as BMW Technician Nathan Geier, both had Powerchip technology applied to their cars.

At a recent race meeting Nick came in 3rd, Glenn came 2nd (after qualifying pole position), and Nathan took out 1st place.

Powerchip congratulates them, and wishes them all the best for the future!

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