



UMS Holdings Limited
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NET PROFIT SURGED 126% TO S\$4.8 MILLION IN 3Q2013, CONTINUES QUARTERLY DIVIDEND OF SINGAPORE 1.0 CENTS

Highlights

- Higher component sales from the Semicon segment resulted in higher revenue of S\$25.4 million in 3Q2013 compared to S\$23.0 million a year ago, representing an increase of 11%
- Net Profits surged 126% to S\$4.8 million in 3Q2013 compared to S\$2.1 million in 3Q2012 due to higher revenue and lower expenses

Financial Highlights:

S\$ (million)	3 months 3Q2013 A	3 months 2Q2013 B	Change (A-B)/B	3 months 3Q2012 C	Change (A-C)/C	9 months 9M2013 D	9 months 9M2012 E	Change (D-E)/E
Revenue	25.4	32.8	↓ 23%	23.0	↑ 11%	86.0	91.6	↓ 6%
Profit before tax	5.5	8.7	↓ 37%	2.3	↑ 133%	19.9	17.8	↑ 12%
Net profit	4.8	7.8	↓ 38%	2.1	↑ 126%	17.9	15.8	↑ 13%
Free Cash Flow generated	6.3	7.3	↓ 14%	8.1	↓ 22%	20.0	22.5	↓ 11%

SINGAPORE, 13 November 2013 – SGX Mainboard-listed UMS Holdings Limited (“UMS” or “the Group”), a strategic integration partner in manufacturing and engineering for front-end semiconductor equipment manufacturers, today announced a healthy set of financial results for the three months ended 30 September 2013 (“3Q2013”).

For the period under review, UMS’ revenue improved 11% to S\$25.4 million from S\$23.0 million a year ago (“3Q2012”) as a result of higher component sales in the Semicon business segment.

Revenue declined 23% when compared to the preceding quarter (“2Q2013”), which is within the Group’s expectation. In its previous results announcement, the Group had indicated that the recovery in the global semiconductor industry will experience a “breather” for a short period after two consecutive quarters of strong demand driven by the foundries’ investment programs. The Group had since witnessed stronger orders and increased business activities.

For the nine months ended 30 September 2013 (“9M2013”), UMS’ revenue decreased 6% to S\$86.0 million from S\$91.6 million in the previous corresponding period (“9M2012”).

Profitability

In 3Q2013, UMS’ gross material margin remained healthy at 53% as compared to 54% in 3Q2012. For the period under review, the Group incurred lower depreciation of S\$1.8 million as compared to S\$2.8 million in 3Q2012 and this is due to some assets being fully depreciated. Other charges were also reduced from S\$1.7 million a year ago to S\$0.4 million in 3Q2013. The reduction in other charges included a lower exchange loss of S\$0.2 million (3Q2012: S\$0.8 million loss) arising from the depreciation of the US dollar, lower inventory provision as well as no provision for doubtful debts in 3Q2013. Over the same period, the

Group's other expenses increased from S\$2.6 million in 3Q2012 to S\$3.0 million due to higher machine and equipment repairs costs incurred.

As a result, UMS' net profit jumped 126% to S\$4.8 million in 3Q2013 from S\$2.1 million in 3Q2012.

For the 9M2013, UMS' gross material margin of 50% was comparable to that in 9M2012 while its net profit increased 13% to S\$17.9 million in 9M2013 from S\$15.8 million in 9M2012.

Strong Cash Generation Ability

Continuing UMS' good cash flow generation ability, the Group recorded a positive operating cash flow of S\$7.0 million and free cash flow of S\$6.3 million in 3Q2013, compared to S\$9.0 million and S\$8.1 million respectively in 3Q2012.

For the nine month comparison, UMS generated positive operating cash flow of S\$21.1 million and free cash flow of S\$20.0 million in 9M2013, as compared to S\$23.6 million and S\$22.5 million respectively in 9M2012.

As of 30 September 2013, the Group has no debt and its net cash and cash equivalents remain healthy at S\$30.1 million as compared to that of S\$15.4 million as at 31 December 2012. As a result, the Directors are pleased to propose a dividend of ONE (1) Singapore cent per share for this quarter, bringing the total dividend paid and proposed to-date for FY2013 to THREE (3) Singapore cents per share.

Outlook

Going into the last quarter of 2013, the Group is witnessing stronger orders and increased activities as demands from customers are picking up as compared to 3Q2013. Hence, it is optimistic that the last quarter of this year will be better than that of last year.

Sharing similar sentiments, a leading research institute, Garner's latest update, which was published on 19 September 2013, mentioned that global semiconductor equipment quarterly revenues are beginning to improve and positive movement in the book-to-bill ratio indicates that spending for equipment will pick up later in the remainder of 2013.

Commenting on its latest financial performance, Mr Andy Luong, Chief Executive Officer, UMS Holdings Limited remarked "***Despite the brief slowdown in the global semiconductor industry, we have performed relatively well. Business activities have increased since then and we are confident of a good final quarter to end FY2013. The positive momentum will likely to continue into the first half of 2014 and we are optimistic with our first quarter performance next year.***"

#End of Release#

Note: This press release is to be read in conjunction with the related mandatory announcement filed by UMS on SGX net.

ISSUED ON BEHALF OF **UMS HOLDINGS LIMITED**
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About UMS Holdings Limited

Incorporated in Singapore on January 17, 2001, UMS Holdings Limited is a one-stop strategic integration partner providing equipment manufacturing and engineering services to Original Equipment Manufacturers of semiconductors and related products. The Group is in the business of front-end semi-conductor equipment contract manufacturing and is also involved in complex electromechanical assembly and final testing devices. The products we offer include modular and integration system for original semiconductor equipment manufacturing. Other industries that we also support include the electronic, machine tools and oil and gas.

Headquartered in Singapore, the Group has production facilities in Singapore, Malaysia as well as Texas and California, USA.