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NEWS RELEASE

UMS HOLDINGS REPORTS \$25.1 MILLION TURNOVER FOR FIRST QUARTER OF FY08

- **Cash and cash equivalents stay positive at S\$22.3 million for Q1FY2008.**

Singapore, 15 May 2008 – Mainboard-listed **UMS Holdings Limited** (“**UMS**” or “**The Group**”), a leading manufacturer of mission-critical high precision components for the semiconductor, aerospace and oil and gas industries, today reported a turnover of S\$25.1 million for its first quarter of the year (“FY08”).

This represents a 31% decline quarter-on-quarter for the period ended 31 March 2008. The Group’s net earnings for the period also fell from S\$5.7 million in Q1FY07 to a net loss of S\$7.2 million in Q1FY08.

This is due to the volatility of the semiconductor industry, and a S\$7.1 million loss in forward contracts, which consists of unrealised and realised losses of S\$4.9 million and S\$2.2 million respectively as of 31 March 2008. The actual losses will be fully realised when the positions are closed in any event no later than July 2008.

The Group’s profitability was also affected by the weakening US dollar that resulted in further unrealised foreign exchange losses. An increase in provision for obsolete stock was also made during the period.

However, the Group’s cash flow stayed positive for the quarter. Cash in hand stood at S\$22.3 million for Q1FY08, compared to S\$32.5 million in Q1FY07 due mainly to the increased capital expenditure for the building of the Group’s new UMS Aerospace facility in Changi Singapore, and its new manufacturing campus in Penang.

Segmental Analysis

The Group's semiconductor business reported a revenue of S\$19.1 million as compared to S\$28.9 million in the last quarter of FY07, reflecting the overall softening of the global semiconductor industry.

CEM sales also softened in Q1FY08 to S\$6.0 million compared to S\$7.5 million in Q1FY07.

Geographical Analysis

In terms of geographical markets, sales in all its key markets eased. Revenue from its US operations – its biggest contributor – declined from S\$28.0 million in Q1FY07 to S\$18.7 million in Q1FY08, primarily due to the softer US economy and the weaker semiconductor equipment sector.

The Group's Singapore operations remained stable, contributing S\$4.2 million to the Group's total revenue.

On the Group's performance to date, Mr. Andy Luong, Chief Executive Officer of UMS Holdings, said, "We are on track with our plans to expand into new business segments, namely aerospace and oil and gas, and we are keeping in line with the group's plans for a diversified portfolio of businesses – including semiconductor, CEM, oil and gas and renewable energy."

Group Earnings Per Share (EPS) for Q1FY08 fell from 1.50 cents to -1.83 cents from the previous corresponding period. It also reported a Net Asset Value (NAV) of 49.12 cents.

Group Outlook

Moving forward, the Group expects the semiconductor equipment industry to remain soft for FY2008. According to Semiconductor Equipment and Materials International (SEMI), this trend reflects the uncertainty in the overall semiconductor industry and the current US economic conditions.

However, the Group is poised to benefit from its new business forays. Said Mr. Luong, "Our UMS Aerospace facility at Changi is now ready to take on contracts for

global aerospace companies and we will continue to secure more contracts in the oil and gas sector – especially with the soaring oil prices and the frantic pace of Energy and Petroleum (E&P) projects.

Our Penang campus is progressing well and will be able to provide greater cost efficiencies for our core business segments. The campus is due to be completed and up for production by FY2009. The Penang plant is qualified by a Canadian solar energy giant for the production of solar chambers. This will signify our nascent entry into the renewable energy sector.

While the global semiconductor industry's visibility in the next 12 months remains unclear, that will not stop us from extending our Merge-In Transit (MIT) System Integration to take on bigger value projects with better margins. The Group will continue to look for new opportunities to improve our CEM business as well."

Barring any unforeseen circumstances and having reviewed management's internal forecast, the Board of Directors are optimistic that the Group will be profitable in FY08.

About UMS Holdings Limited

UMS Holdings Limited engages in manufacturing of mission-critical high precision components, and complex electromechanical assembly and final testing, serving the semiconductor equipment manufacturers, aerospace and oil field precision component manufacturers and other industries.

Headquartered in Singapore, the Group has production facilities in Singapore, Malaysia and China as well as offices in Fremont and Austin, USA.

UMS Holdings has also launched into the aerospace and oil & gas sectors to capture the higher value-added manufactured components capitalizing on its core competencies in precision machining.

Issued on behalf of UMS Holdings Limited

For more information, please contact:

Ms. Tham Moon Yee – tmy@stratagemconsultants.com
Mr. Lee Yew Meng – yewmeng@stratagemconsultants.com
Ms. Heather Chua – heather@stratagemconsultants.com

Stratagem Consultants Pte Ltd:

Tel: 65 6227 0502

Fax: 65 6227 5663