

PART I – INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3) HALF YEAR AND FULL YEAR ANNOUNCEMENTS

- 1 (a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

UNAUDITED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

	Group					
	4Q			Full Year Ended		
	2009 S\$'000	2008 S\$'000	Change %	2009 S\$'000	2008 S\$'000	Change %
Revenue	16,996	17,482	-3%	47,267	93,372	-49%
Net financial expense (Note (a))	(148)	(139)	6%	(538)	(4,916)	-89%
Changes in inventories	298	(1,483)	N.M	(5,677)	937	N.M
Raw material purchases and sub-contractors charges	(7,644)	(5,248)	46%	(13,814)	(36,280)	-62%
Employee benefits expense	(2,606)	(3,324)	-22%	(7,614)	(19,782)	-62%
Depreciation expense	(2,835)	(3,195)	-11%	(11,740)	(12,972)	-9%
Other expenses (Note (b))	(2,110)	(2,550)	-17%	(7,754)	(14,730)	-47%
Other (charges)/ credits (Note (c))	(1,280)	5	N.M	(25,466)	(2,823)	802%
Profit/(Loss) before income tax	671	1,548	-57%	(25,336)	2,806	N.M
Income tax credit/(expense) (Note (d))	472	(905)	N.M	1,008	(995)	N.M
Profit/(Loss) for the period from continuing operations	1,143	643	78%	(24,328)	1,811	N.M
Attributable to:						
Equity holders of the Company	1,143	643	78%	(24,328)	1,811	N.M
Minority interests	-	-	N.M	-	-	N.M
	1,143	643	78%	(24,328)	1,811	N.M
Earnings per ordinary share (in cents) - basic and diluted	0.32	0.18	78%	-6.87	0.49	N.M

N.M - Not meaningful

NOTES TO INCOME STATEMENT

Note (a) Net financial expense

	Group					
	4Q			Full Year Ended		
	2009	2008	Change	2009	2008	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Interest income	26	13	100%	72	55	31%
Interest expense	(174)	(152)	14%	(610)	(467)	31%
Loss on forward contracts	-	-	N.M	-	(4,504)	N.M
Financial expense - net	(148)	(139)	6%	(538)	(4,916)	-89%

Note (b) Other expenses

	Group					
	4Q			Full Year Ended		
	2009	2008	Change	2009	2008	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Legal and professional fees (Note (i))	(70)	(146)	-52%	(213)	(1,203)	-82%
Rental expense (includes leasing of land) (Note (ii))	(349)	(477)	-27%	(1,409)	(1,940)	-27%
Utilities (Note (iii))	(854)	(1,285)	-34%	(2,837)	(5,007)	-43%
Freight charges	(86)	(85)	1%	(322)	(827)	-61%
Upkeep of properties	(67)	(87)	-23%	(210)	(709)	-70%
Upkeep of machinery (Note (iv))	(229)	(259)	-12%	(822)	(1,672)	-51%
Others	(455)	(211)	116%	(1,941)	(3,372)	-42%
	(2,110)	(2,550)	-17%	(7,754)	(14,730)	-47%

Note 1(a)(b) (i) - The decrease in legal and professional fees in FY 2009 compared to FY 2008 was mainly due to a one-time due diligence fees that was incurred in 1Q 2008 in relation to a potential new business and fund raising exercise that was subsequently aborted.

Note 1(a)(b)(ii) – The decrease in rental of property was mainly due to the cessation of a property lease in Changi North in June 2008 and UMS Suzhou being placed on voluntary liquidation on 12 January 2009.

Note 1(a)(b)(iii) - The decrease in utilities in FY 2009 compared to FY 2008 was mainly due to lower production volume.

Note 1 (a)(b)(iv) – The decrease in the upkeep of machinery was mainly due to the reduced machinery maintenance carried out and as a result of lower production volume when compared to FY 2008.

Note (c) Other (charges)/ credits

	Group					
	4Q			Full Year Ended		
	2009	2008	Change	2009	2008	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Loss)/Gain on exchange difference	(58)	248	N.M	(2,210)	(82)	2595%
Gain on disposal of assets classified as held for sale (Note (i))	-	-	N.M	-	1,816	N.M
Gain on disposal of property, plant & equipment	-	196	-100%	12	19	-37%
Write-back/ (Provision) for doubtful debts- Trade	135	(173)	N.M	135	(173)	N.M
Provision for doubtful debts- Non-trade	(20)	-	N.M	(20)	-	N.M
Impairment loss on property, plant & equipment	-	339	N.M	-	(168)	N.M
Property, plant & equipment written off	-	(187)	-100%	(17)	(850)	-98%
(Provision)/ Reversal for obsolete stock	(1,248)	288	N.M	(3,521)	(1,892)	86%
Stock written off	(150)	-	N.M	(150)	-	N.M
Loss on disposal of subsidiary	-	(718)	N.M	-	(718)	-100%
Impairment of goodwill	-	-	N.M	(20,000)	(793)	2422%
Others	61	12	N.M	305	18	1594%
	(1,280)	5	N.M	(25,466)	(2,823)	802%

Note 1(a)(c) (i) - This relates to the disposal of factory building in Changi South in January 2008.

Note (d) Income tax

	Group					
	4Q			Full Year Ended		
	2009	2008	Change	2009	2008	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Income tax:						
- Current	(63)	(217)	-71%	(122)	(307)	-60%
- Deferred tax	535	(688)	N.M	1,130	(688)	N.M
	472	(905)	N.M	1,008	(995)	N.M

1(b)(i) A statement of financial position (for the issuer and the group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31 Dec 2009 S\$'000	31 Dec 2008 S\$'000	31 Dec 2009 S\$'000	31 Dec 2008 S\$'000
ASSETS				
Current Assets				
Cash and cash equivalents	24,678	19,111	922	362
Trade and other receivables (Note (ii))	11,120	9,872	7,836	10,942
Inventories (Note (iii))	25,248	30,925	-	-
	61,046	59,908	8,758	11,304
Asset classified as held for sale (vii)	630	-	-	-
	61,676	59,908	8,758	11,304
Non-Current Assets				
Investment in subsidiaries (Note (i))	-	-	136,662	138,986
Property, plant and equipment	76,214	86,313	-	-
Financial assets, held-to-maturity	4,891	5,075	-	-
Investment property	3,838	3,398	-	-
Goodwill	60,702	80,702	-	-
Other long-term loan receivables	-	-	-	1,265
	145,645	175,488	136,662	140,251
Total Assets	207,321	235,396	145,420	151,555
LIABILITIES AND EQUITY				
Current Liabilities				
Short term borrowings	2,000	7,323	-	-
Trade and other payables (Note (iv))	19,675	28,338	749	3,073
Income tax payable	691	644	81	63
Current portion of long-term borrowings (Note (v))	670	-	-	-
Current portion of finance leases obligation (Note (vi))	4,773	1,959	-	-
	27,809	38,264	830	3,136
Non Current Liabilities				
Deferred taxation	2,538	3,683	-	1
Long-term borrowings (Note (v))	7,289	-	-	-
Finance leases obligation (Note (vi))	5,653	2,968	-	-
Long-term provision *	1,200	1,200	-	-
	16,680	7,851	-	1
Total Liabilities	44,489	46,115	830	3,137
Equity attributable to owners of the parent				
Share Capital	152,822	152,822	152,822	152,822
Treasury shares	(13,494)	(13,496)	(13,494)	(13,496)
Other components of equity	(1,504)	(1,154)	85	68
Retained earnings	25,008	51,109	5,177	9,024
Total equity	162,832	189,281	144,590	148,418
Total liabilities and equity	207,321	235,396	145,420	151,555

Note 1 (b)(i)(i) Investment in Subsidiaries

The details of the subsidiaries as at 31 December 2009 are as follows:

Name	Effective percentage of equity held by the group		Company's cost of investment	
	31-Dec-09 %	31-Dec-08 %	31-Dec-09 S\$'000	31-Dec-08 S\$'000
<u>Held by the Company</u>				
UMS Systems Pte Ltd (Singapore)	100	100	9,561	9,561
UMS International Pte Ltd (Singapore)	100	100	800	800
NCS Engineering Pte Ltd (Singapore)	100	100	403	403
UMS Pte Ltd (Singapore)	100	100	126,983	126,983
Ultimate Manufacturing Solutions (Suzhou) Co., Ltd (The People's Republic of China)	100	100	2,102	2,102
ASL International Trading, Inc (United States)	100	100	33	33
UMS Aerospace Pte Ltd (Singapore)	100	100	-	-
UMS Solar Pte Ltd (Singapore)	100	100	-	-
Ultimate Machining Solutions (M) Sdn. Bhd. (Malaysia)	100	100	-	-
Unquoted equity shares, at cost			139,882	139,882
Add: expenses recognized relating to equity settled share-based payments			42	42
Add: corporate guarantee given to subsidiaries			56	56
Less: Provision for impairment			(3,318)	(994)
			<u>136,662</u>	<u>138,986</u>
<u>Held through UMS International Pte Ltd</u>				
Norelco Centreline (KL) Sdn. Bhd. (Malaysia)	100	100		
Ultimate Manufacturing Solutions (M) Sdn. Bhd (Malaysia)	100	100		
Norelco Centreline (Hong Kong) Pte Limited (Hong Kong)	100	100		
<u>Held through UMS Pte Ltd</u>				
UMS Solutions Pte Ltd (Singapore)	100	100		

Note 1(b)(i)(ii) – The increase in trade and other receivables by S\$1.2 million were mainly due to higher sales.

Note 1(b)(i)(iii) – The decrease in the inventories by S\$5.7 million was due to shipment of inventories to customers, and inventory provision made in FY 2009 amounting to S\$3.5 million.

Note 1(b)(i)(iv) – The decline in trade and other payables by S\$8.7 million was mainly due to settlement of payables relating to capital expenditure in Penang and machineries acquired by UMS Aerospace last year (see note 1(b)(i)(vi)).

Note 1(b)(i)(v) – The drawdown of long-term borrowings was to fund the capital expenditure relating to new facility in Malaysia.

Note 1(b)(i)(vi) – The increase in finance lease obligation by S\$5.5 million was due to the drawdown of hire purchase loans for new machineries in UMS Aerospace partially offset by repayments made during the period.

Note 1(b)(i)(vii) – A factory building is presented separately as 'Asset classified as held for sale' in the balance sheet following the decision of management to sell this factory building in Penang, Malaysia to third parties.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31 Dec 2009			As at 31 Dec 2008		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
5,443	2,000	7,443	3,783	5,499	9,282

Amount repayable after one year

As at 31 Dec 2009			As at 31 Dec 2008		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
12,942	-	12,942	2,968	-	2,968

Details of any collateral

The Group's borrowings comprise mainly term loans and finance leases. The long-term borrowings are secured by a fixed charged over the freehold land and building of a subsidiary. The finance leases are secured by mortgages over the plant and machinery of a subsidiary.

1(c) **A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			
	4Q			Full Year Ended
	2009	2008	2009	2008
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities				
Net profit/(loss) before income tax	671	1,548	(25,336)	2,806
Adjustments for:				
Impairment of goodwill	-	-	20,000	793
Depreciation expense	2,835	3,195	11,740	12,972
Gain on disposal of property, plant and equipment	-	(196)	(12)	(19)
Write back/ (provision) for trade doubtful debts	(135)	173	(135)	173
Provision for non-trade doubtful debts	20	-	20	-
Provision for obsolete stock	1,248	(288)	3,521	1,892
Stock written off	150	-	150	-
Property, plant and equipment written off	-	187	17	850
Gain on disposal of assets classified as held for sale	-	-	-	(1,816)
Loss on disposal of subsidiary	-	718	-	718
Interest income	(26)	(13)	(72)	(55)
Interest expense	174	152	610	467
Impairment loss on property, plant and equipment	-	(339)	-	168
Unrealised foreign exchange adjustment (gain)/loss	686	546	1,677	(6,716)
	5,623	5,683	12,180	12,233
Operating cash flow before working capital changes				
Trade and other receivables	1,763	7,787	(451)	14,766
Inventories	(1,695)	218	2,007	(2,829)
Trade and other payables	3,368	(799)	224	(10,707)
Cash generated from operations	9,059	12,889	13,960	13,463
Income tax (paid)/ refunded	1	25	(37)	308
Net cash generated from operating activities	9,060	12,914	13,923	13,771
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	-	12	13	82
Purchase of property, plant and equipment	(4,356)	(5,049)	(14,110)	(21,059)
Proceeds from sale of club membership	-	-	-	53
Proceeds from disposal of assets classified as held for sale	-	-	-	7,000
Proceeds from disposal of subsidiary company	-	4,104	-	4,104
Interest received	26	13	72	55
Net cash used in investing activities	(4,330)	(920)	(14,025)	(9,765)
Cash flows from financing activities				
(Repayment of)/Proceeds from borrowings	(207)	(4,039)	2,635	5,112
Dividends Paid	-	-	(1,771)	(3,615)
Share buy-back and cancelled	-	(779)	-	(2,902)
Purchase of treasury shares	-	-	-	(5,890)
Finance leases obligation - net	2,600	(2,609)	5,499	2,789
Fixed deposit - restricted	103	(18)	125	(176)
Interest paid	(174)	(151)	(610)	(467)
Net cash generated from/ (used in) financing activities	2,322	(7,596)	5,878	(5,149)
Net effect of exchange rate changes	(177)	(599)	(85)	(1,278)
Net increase in cash and cash equivalents	6,875	3,799	5,691	(2,421)
Cash and cash equivalents at beginning of the period	17,622	15,007	18,806	21,227
Cash and cash equivalents at end of the period	24,497	18,806	24,497	18,806

Cash and Cash Equivalents in the Consolidated Cash Flow Statement

	Group	
	12 Months Ended	
	31-Dec-09	31-Dec-08
	S\$'000	S\$'000
Cash and cash equivalents	24,678	19,111
Less : Fixed deposit - restricted in use	(181)	(305)
As above	<u>24,497</u>	<u>18,806</u>

- 1(d) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	4Q			12 months ended		
	2009 S\$'000	2008 S\$'000	Change %	2009 S\$'000	2008 S\$'000	Change %
Profit/(Loss) for the period	1,143	643	78%	(24,328)	1,811	N.M
Currency translation gain/ (loss)	49	(486)	N.M	(350)	(801)	-56%
Total comprehensive expenses for the period	1,192	157	659%	(24,678)	1,010	N.M
Attributable to:						
Equity holders of the Company	1,192	157	659%	(24,678)	1,010	N.M
Minority interests	-	-	N.M	-	-	N.M
	1,192	157	659%	(24,678)	1,010	N.M

Company	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserves S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
As at 1 January 2008	155,981	(7,883)	124	2,546	150,768
Changes in equity for first quarter					
Total comprehensive income for the quarter	-	-	-	4,000	4,000
As at 31 March 2008	155,981	(7,883)	124	6,546	154,768
Changes in equity for second quarter					
Cancellation of shares	(2,123)	-	-	-	(2,123)
Share-based payments granted to employees	-	14	(14)	-	-
Purchase of treasury shares	-	(5,890)	-	-	(5,890)
Dividends paid	-	-	-	(3,615)	(3,615)
As at 30 June 2008	153,858	(13,759)	110	2,931	143,140
Changes in equity for third quarter					
Total comprehensive income for the quarter	-	-	-	-	-
As at 30 September 2008	153,858	(13,759)	110	2,931	143,140
Changes in equity for fourth quarter					
Total comprehensive income for the quarter	-	-	-	6,093	6,093
Share-based payments granted to employees	-	6	(42)	-	(36)
Cancellation of shares	(1,036)	257	-	-	(779)
Employee share grant	-	-	-	-	-
As at 31 December 2008	152,822	(13,496)	68	9,024	148,418

Company	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
As at 1 January 2009	152,822	(13,496)	68	9,024	148,418
Changes in equity for first quarter					
Total comprehensive expenses for the quarter	-	-	-	(2,107)	(2,107)
As at 31 March 2009	152,822	(13,496)	68	6,917	146,311
Changes in equity for second quarter					
Total comprehensive expenses for the quarter	-	-	-	(988)	(988)
Dividends paid	-	-	-	(1,771)	(1,771)
As at 30 June 2009	152,822	(13,496)	68	4,158	143,552
Changes in equity for third quarter					
Total comprehensive expenses for the quarter	-	-	-	116	116
Share-based payments granted to employees	-	2	-	(2)	-
As at 30 September 2009	152,822	(13,494)	68	4,272	143,668
Changes in equity for fourth quarter					
Total comprehensive expenses for the quarter	-	-	17	905	922
As at 31 December 2009	152,822	(13,494)	85	5,177	144,590

- 1(e) (ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purposes since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all outstanding convertibles, as well as the number of shares held as treasury shares of the issuer, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

There was no change in the Company's issued share capital since last financial year.

- 1(e)(iii) **To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares as at 31 December 2009 was 354,233,327(31 December 2008: 354,228,661).

- 1(e)(iv) **A statement showing all sales, transfers, disposals, cancellation and/ or use of treasury shares as at the end of the current financial period reported on.**

Treasury shares	Group and Company	
	No of ordinary shares	Share capital S\$'000
Balance as at 1 January 2009	39,375,623	13,496
Used for shares under the Restricted Share Plan for staff	(4,666)	(2)
Balance as at 31 December 2009	<u>39,370,957</u>	<u>13,494</u>

On 26 August 2009, the Company transferred 4,666 treasury shares for the purposes of the UMS Restricted Share Plan. Accordingly, such treasury shares were issued and allotted to its employees pursuant to the awards granted to them under the UMS Restricted Share Plan.

- 2 **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by our external auditors.

- 3 **Where the figures have been audited or reviewed, the auditors' report (including and qualifications or emphasis of matter).**

N.A

4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group adopted the new/revised FRS and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2009. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or revised FRS that are relevant to the Group:

FRS 1 (Revised)	Presentation of Financial Statements
Amendments to FRS 23	Borrowings Costs
FRS 108	Operating Segments

The adoption of the above FRS did not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of the change.

See 4 above.

6 Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per share (EPS)	4 Q		12 Months Ended	
	2009	2008	2009	2008
(a) Based on weighted average number of outstanding ordinary shares in issue; and	0.32 cents	0.18 cents	-6.87 cents	0.49 cents
(b) On a fully diluted basis	0.32 cents	0.18 cents	-6.87 cents	0.49 cents

For Note 6 above, the basic earnings per share for the full financial year ended 2009 and previous corresponding period have been calculated based on the weighted average number of 354,230,297 and 369,737,531 of outstanding ordinary shares. Basic earning per share for 4Q 2009 and the previous corresponding period have been calculated based on the weighted average number of 354,233,327 and 359,466,291 of outstanding ordinary shares respectively. The diluted earnings per share for the full financial year ended 2009 and the previous corresponding period have been calculated based on 354,230,297 and 369,737,531 of outstanding ordinary shares respectively. The diluted earnings per share for 4Q 2009 and the previous corresponding period have been calculated based on 354,233,327 and 359,466,291 of outstanding ordinary shares respectively.

7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediate preceding financial year.

	Group		Company	
	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
Net asset per ordinary share based on existing issued share capital as at end of period reported on	45.97 cents	53.44 cents	40.82cents	41.90 cents

For note 7 above, the net asset per outstanding ordinary share as at the latest period and as at the end of the previous financial year have been calculated based on 354,233,327 and 354,228,661 outstanding ordinary shares.

8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion on the following:

- (a) any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonable or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

FY2009 Vs FY2008

	12 Months Ended		Change %
	2009 S\$'000	2008 S\$'000	
Business Segments			
Contract Equipment Manufacturing (CEM)	7,372	20,934	-65%
Semiconductor (Semicon)	39,895	72,438	-45%
	47,267	93,372	-49%
Geographical Regions			
Singapore	5,622	10,803	-48%
United States of America ('US')	31,362	68,046	-54%
Others	10,283	14,523	-29%
	47,267	93,372	-49%

4Q 2009 Vs 4Q 2008

	4Q		Change %
	2009 S\$'000	2008 S\$'000	
Business Segments			
Contract Equipment Manufacturing (CEM)	340	4,223	-92%
Semiconductor (Semicon)	16,656	13,259	26%
	16,996	17,482	-3%
Geographical Regions			
Singapore	1,824	1,115	64%
United States of America ('US')	12,471	10,396	20%
Others	2,701	5,971	-55%
	16,996	17,482	-3%

Revenue

The global semiconductor industry is currently on a recovery path, as reflected by the Group's performance for 4QFY09.

Group revenue rose by 49% from S\$11.4 million in 3QFY09 to S\$17 million in 4QFY09 as the Group continues to enjoy significant recovery in semiconductor business volume, as well as the improving global demand for new semicon equipment to produce new, faster and more energy efficient DDR chips. The Group's semiconductor sales increased to S\$16.7 million in 4QFY09 compared to S\$11.1 million in 3QFY09.

On a quarterly basis, Group revenue eased by 3% to S\$17 million in 4QFY09 compared to S\$17.5 million reported in 4QFY08. The lower revenue for 4QFY09 is mainly due to the decrease in CEM sales, which arose from softer contributions from its oil and gas business and the Group's decision to exit from the HDD industry.

Overall Group revenue decreased by 49% to S\$47.3 million for the year ended Dec 31 2009 compared with FY08. This was due to the global recessionary climate, which adversely affected the semiconductor industry in the first half of 2009.

The Group's semiconductor business remains the core activity of the Group, accounting for 98% of the Group's revenue for 4QFY09 and 84% for the full year.

Compared to FY2008, sales in the semiconductor segment shrunk 45% to S\$39.9 million in FY2009, mainly due to the soft global semiconductor industry in the first half of 2009.

The Group's Contract Equipment Manufacturing (CEM) also weakened as sales fell 65% to S\$7.4 million in FY2009 from S\$20.9 million in FY2008, due to softer sales in oil and gas sector and the Group's strategic decision to exit the HDD business.

However, with the recovery in the global semicon industry in the second half of 2009, the Group's semiconductor business segment soared to S\$16.7 million in 4QFY09, signifying a 49% increase from S\$11.1 million generated in 3QFY09, and a 26% increase from S\$13.3 million generated in 4QFY08.

In terms of geographical performance, the United States of America (US) remained the largest market for the group – reporting a jump in sales from S\$6.6 million in 3QFY09 to S\$12.5 million in 4QFY09. This represents a quarter-on-quarter increase of 90%, and a 20% increase from 4Q2008, as the semicon industry recovery picked up speed during the last quarter of 2009. Revenue in Singapore also increased 64% to S\$1.8 million in 4QFY09 compared to S\$1.1 million in 4QFY08, due to the surge of semicon shipment to customers.

But for the full financial year, revenue from US and Singapore decreased by 54% and 48% respectively, due mainly to the soft semiconductor market globally in the first half of 2009.

Profitability

While the Group reported a net loss of S\$24.3 million for the full year ended 31 December 2009, it was mainly attributable to the non-cash impairment of goodwill, amounting to S\$20 million, lower sales as well as provision for stock obsolescence and forex differences resulting from a weaker US currency in the period under review. Excluding the impairment of goodwill, the net loss would have narrowed to S\$4.3 million for the full year ended 31 December 2009.

The Group began to turn around in 3QFY09 with a net profit of \$0.12 million. This profit uptrend continued into 4QFY09 when the net profit surged almost 10 fold to S\$1.1 million – due to the significant recovery in semiconductor business volume in the last two quarters of 2009.

On a yearly basis, the Group had also undertaken effective cost cutting measures during the challenging operating environment. Staff costs and other expenses reduced 62% and 47% respectively in FY2009.

Cashflow

The Group's cashflow remained healthy.

The Group generated positive net cash from operating activities of S\$9 million in 4QFY09. This represents a 287% growth from the S\$2.3 million in 3QFY09. The net increase in cash was mainly attributed to the higher revenue.

Cash and cash held by the Group stood at S\$24.5 million at end 4QFY09, a 39% increase compared to S\$17.6 million at end 3QFY09 and a 30% increase compared to the S\$18.8 million at end 4QFY08.

9 Where a forecast, or prospect statement has been previously disclosed to the shareholders, any variance between it and the actual results.

We are in line with our previous announcement.

10 A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

After contracting an estimated - 11.5% in 2009 to US\$220.1 billion, the global semiconductor market is expected to post growth of 12.2% to US\$246.9 billion in 2010, according to World Semiconductor Trade Statistics (WSTS). The report also stated that the Asia Pacific region is expected to continue to be the fastest growing region, increasing by 8.2% and potentially reaching sales of US\$107.6billion in 2010.

And according to Semiconductor Industry Association (SIA), worldwide sales of semiconductors rose to US\$22.6 billion in November 2009, a 3.7% increase from October 2009 when sales were US\$21.8 billion. For 2010, both WSTS and SIA have projected worldwide rebound of semiconductor sales of about 6.5-7.3%.

The Semiconductor Equipment and Materials International (SEMI) also projects worldwide semiconductor Equipment Sales to Grow 53% in 2010. SEMI is upbeat on worldwide sales of equipment for wafer processing, assembly and packaging.

As we move forward, we are optimistic, having secured orders up to 2Q FY2010. We also took advantage of the early 2009 economic downturn to expand the Group's facilities in Penang, Malaysia, which now have ready capacity to ramp up production to meet any increase in orders from our customers.

The Group will also work towards growing recurring income from the supply of parts and consumables to customers. We believe that our strategy of focusing on core competencies in the original semiconductor equipment manufacturing sector, as well as undertaking selected oil and gas projects as a supportive business, will stand the Group in good stead over the long term.

We will also be undertaking more integration projects as a strategic partner for our customers. This will allow UMS to gain better control and derive efficiencies of scale, by leveraging on our supply chain management.

11 Dividend

(a) Current Financial Period Reported

Any dividend declared for the current financial period reported on?

Name of Dividend: Final
Dividend Type: Cash
Dividend Amount per Share: 1.0 cent per share (final) (one-tier tax exempt)
Par Value of Shares: N.A

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend: Final
Dividend Type: Cash
Dividend Amount per Share: 0.5 cent per share (final) (one-tier tax exempt)
Par Value of Shares: N.A

(c) Date payable

To be advised

(d) Books closure date

To be advised

12 If no dividend has been declared/recommended, a statement to that effect.

N.A

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 13 Segmented revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Business Segments

	CEM		Semiconductor		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total Revenue *	9,797	21,248	48,295	87,542	(10,825)	(15,418)	47,267	93,372
Segment results	819	1,419	10,733	21,254	856	844	12,408	23,517
Unallocated Financial Income							72	55
Unallocated Financial Expenses							(610)	(4,971)
Depreciation Expenses							(11,740)	(12,972)
Unallocated Expenses							(25,466)	(2,823)
(Loss)/ Profit before income tax							(25,336)	2,806
Income tax expenses							1,008	(995)
Minority interests, net of tax							-	-
Net (loss)/ profit for the year							(24,328)	1,811
Group assets and liabilities								
Segment assets	5,476	10,665	28,634	26,896	-	-	34,110	37,561
Unallocated assets							173,211	197,835
Total assets							207,321	235,396
Segment liabilities	3,263	10,361	11,008	9,886	-	-	14,271	20,247
Unallocated liabilities							30,218	25,868
Total liabilities							44,489	46,115

Geographical Segments

	Singapore		USA		Others		Eliminations		Total	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total revenue *	9,862	13,622	31,362	68,046	16,868	27,082	(10,825)	(15,418)	47,267	93,332
Other geographical information:										
Segment assets	166,715	189,928	103	184	40,503	45,284	-	-	207,321	235,396
Capital Expenditure	36	10,686	-	-	3,409	18,456	-	-	3,445	29,142
Depreciation	9,036	10,086	-	-	2,704	2,886	-	-	11,740	12,972

14 In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

N.A.

15 A breakdown of sales as follows:

	2009	Group 2008	Change
	S\$'000	S\$'000	%
(a) Sales reported for first half	18,865	54,666	N.A.
(b) Operating profit/loss after tax before deducting minority interests reported for first half year	(25,590)	254	N.A.
(c) Sales reported for second year	28,402	38,706	N.A.
(d) Operating profit/loss after tax before deducting minority interests reported for second half year	1,262	1,557	N.A.

16 A breakdown of total annual dividend (in dollar value) of the issuer's latest full year and its previous full year.

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Ordinary	3,542	1,771
Preference	-	-
Total	<u>3,542</u>	<u>1,771</u>

The current year dividend is declared based on outstanding ordinary shares of 354,233,327 (excluded treasury shares of 39,370,957)

BY ORDER OF THE BOARD

Luong Andy
Chief Executive Officer
1 March 2010