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## NEWS RELEASE

### **Micro-Mechanics Achieves Record Revenue and Net Profit in FY2017**

- Net profit jumped 24.2% to S\$14.8 million on revenue of S\$57.2 million
- Sound balance sheet – Cash of S\$23.4 million and zero debt
- Proposes final dividend of 4 cents per share and special dividend of 1 cent per share
- Total dividends of 8 cents per share for FY2017, up from 6 cents per share in FY2016

**Singapore, 28 August 2017** – Micro-Mechanics (Holdings) Ltd. (“Micro-Mechanics” or the “Group”), a manufacturer of high precision tools and parts used in process-critical applications for the semiconductor industry, today reported that its net profit jumped 24.2% to a record level of S\$14.8 million for the 12 months ended 30 June 2017 (“FY2017”).

The Group’s strong bottom line result in FY2017 was attained on the back of revenue growth of 11.7% to S\$57.2 million, an expansion in gross profit margin to 57.4% and a tight rein on expense structure.

For the fourth quarter ended 30 June 2017 (“4Q17”), Micro-Mechanics’ net profit leapt 60.9% to reach a quarterly record of S\$4.6 million. Group revenue soared 19.5% to S\$15.4 million in 4Q17. This reflected the strong upturn of the global semiconductor industry during the first six months of 2017 as statistics compiled by the Semiconductor Industry Association showed world-wide chip sales grew 20.8% to US\$190.5 billion.

Micro-Mechanics is proposing to pay a final dividend of 4 cents per share and a special dividend of 1 cent per share on 17 November 2017. This will bring total dividends for FY2017 to 8 cents per share compared to 6 cents for FY2016. Including these final and special dividends, the Group would have distributed a total of 53.9 cents per share to shareholders since its public listing in 2003.

CEO of Micro-Mechanics, Mr Chris Borch said, “The Group benefited from the strong pick-up in the semiconductor industry during the past six months to achieve record revenue and net profit in FY2017. In line with our consistent practice of rewarding our shareholders for their continuous support, we are pleased to share the Group’s better performance with them by paying higher dividends for FY2017.

The World Semiconductor Trade Statistics recently raised its 2017 semiconductor sales growth forecast to 11.5% from its previous prediction of 6.5%. We believe the robust first-half start to the year may foreshadow a prolonged period of stronger industry growth as chips become increasingly used in nearly every aspect of modern life. With factories in China, Malaysia, the Philippines, Singapore, the USA and our sales office in Taiwan, Micro-Mechanics is well-positioned to provide fast, effective and local support to our customers in the world’s major semiconductor markets.”

As at 30 June 2017, Micro-Mechanics maintained a sound balance sheet with total assets of S\$65.6 million, shareholders’ equity of S\$54.8 million, cash and cash equivalents of S\$23.4 million and no bank borrowings.

*This news release should be read in conjunction with the Group’s financial statements posted on the SGX website on 28 August 2017.*

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**About Micro-Mechanics**

Micro-Mechanics designs, manufactures and markets high precision tools and parts used in process-critical applications for the wafer-fabrication and assembly processes of the semiconductor industry.

The Group serves a worldwide base of customers from five manufacturing facilities located in Singapore, Malaysia, China, the Philippines and the USA, and a direct sales presence in Taiwan and Europe. Micro-Mechanics' strategy is to relentlessly pursue product and operational improvements while providing fast, effective and local support to its customers worldwide.

In addition to designing and manufacturing a market-leading range of consumable tools and parts used in the assembly and testing of semiconductors, the Group also engages in the contract manufacturing of precision parts and tools used in process-critical applications for the semiconductor wafer-fabrication industry.

Since listing on the Singapore Exchange in June 2003, Micro-Mechanics has won over 20 awards in recognition of its high standards of corporate governance, quality of disclosure, transparency and investor relations.

For more information, please visit the Group's website at [www.micro-mechanics.com](http://www.micro-mechanics.com)