



**UMS Holdings Limited**  
 25 Changi North Rise  
 Changi North Industrial Estate  
 Singapore 498778  
 Tel: (65) 6543 2272  
 Fax: (65) 6543 0623

Company Registration No.: 200100340R

## UMS DELIVERS RECORD-BREAKING NET PROFIT OF S\$28.9 MILLION IN FY2013

### Highlights

- Robust demand from customers led Group to report its strongest set of full year results in the Group's history with net profit jumping 70% to S\$28.9 million
- Group proposes final dividend of 2.0 Singapore cents per share and special dividend of 1.5 Singapore cents per share, bringing the total dividend paid and proposed for FY2013 to 6.5 Singapore cents per share
- The Group foresees strong demand for semiconductor equipment to continue into the new financial year in 2014

### Financial Highlights:

S\$ (million)	3 months 4Q2013 A	3 months 4Q2012 B	Change (A-B)/B	3 months 3Q2013 C	Change (A-C)/C	12 months FY2013 D	12 months FY2012 E	Change (D-E)/E
Revenue	34.5	21.6	↑ 59%	25.4	↑ 36%	120.5	113.2	↑ 6%
Profit before tax	12.8	0.8	↑ 1411%	5.5	↑ 135%	32.7	18.7	↑ 70%
Net profit	11.0	1.2	↑ 806%	4.8	↑ 128%	28.9	17.0	↑ 70%

**SINGAPORE, 28 February 2014** – 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 an outstanding set of financial results for the full year ended 31 December 2013 (“FY2013”).

For the three months ended 31 December 2013 (“4Q2013”), UMS’ revenue jumped by 59% to S\$34.5 million from S\$21.6 million a year ago (“4Q2012”) as a result of higher semiconductor component and integrated system sales registered in the quarter. Similarly, when compared to the preceding quarter ended 30 September 2013 (“3Q2013”), revenue increased by 36%.

For the full year under review, UMS’ revenue in FY2013 improved 6% to S\$120.5 million compared to S\$113.2 million a year ago (“FY2012”). This improvement was attributed mainly to the strong performance of the last quarter of the financial year.

### **Profitability**

In 4Q2013, UMS’ gross material margin increased by 22 percentage points over 4Q2012 and this mainly due to better product mix and inventory provisions. Employee benefits expense increased by 80% from S\$2.2 million in 4Q2012 to S\$4.0 million in 4Q2013 as a result of higher headcount and overtime costs incurred to achieve higher production output as well as higher bonus provisions. Depreciation expenses decreased from S\$2.6 million in 4Q2012 to S\$2.0 million in 4Q2013 as a result of some assets being fully depreciated.

Other expenses increased by 19% from S\$2.6 million in 4Q2012 to S\$3.1 million in 4Q2013 mainly due to higher machinery repairs incurred during the quarter. Other charges was reduced from S\$0.6 million in 4Q2012 to a credit of S\$0.2 million in 4Q2013. The improvement was a result of exchange gain resulting from

the appreciation of USD against SGD in 4Q2013 as well as lower inventory provisions in 4Q2013 as compared to 4Q2012.

As a result, UMS recorded a stellar quarter, reporting an 806% surge in net profit to S\$11.0 million in 4Q2013.

For the full year, UMS' gross material margin increased to 54% in FY2013 as compared to 49% in FY2012 while net profit increased by 70% from S\$17.0 million in FY2012 to S\$28.9 million for FY2013, the highest in the Group's history.

### **Strong Cash Generation Ability Continues**

The Group registered a positive operating cash flow of S\$6.7 million and free cash flow of S\$5.8 million in 4Q2013, compared to S\$7.4 million and S\$6.8 million respectively in 4Q2012. Over the same period, the cash flow generated as a percentage of net profit was lower than those of previous quarters. This was mainly due to increased working capital deployed to support higher business volume in the current and coming quarters.

For the full year, UMS generated a positive operating cash flow of S\$27.8 million and free cash flow of S\$25.8 million, as compared to S\$31.1 million and S\$29.3 million respectively in FY2012.

As of 31 December 2013, UMS has no debt and its net cash and cash equivalents remained healthy at S\$29.2 million as compared to that of \$15.3 million as at 31 December 2012.

As a result, the Directors are pleased to propose a final dividend of TWO (2.0) Singapore cents and a special dividend of ONE and HALF (1.5) Singapore cents per share for this quarter, bringing the total dividend paid and proposed for FY2013 to SIX and HALF (6.5) Singapore cents per share.

## Outlook

The Group registered a good set of financial performance during the fourth quarter of FY2013, as the global semiconductor equipment industry resumed its growth and foundries picked up pace on their capital expenditure programs..

Going into 2014, a leading global semiconductor trade association, the SEMI forecasts that the 2014 semiconductor equipment sales will grow by 23.2% over 2013. 2015 sales are also expected to continue to grow — increasing 2.4 percent with Japan, Europe, Korea, China, and Rest of World regions registering positive growth<sup>1</sup> (published on Dec 2013). As such stronger orders and increased activities during this last quarter will likely continue into the first half of FY2014.

Commenting on its latest financial performance, Mr Andy Luong, Chief Executive Officer, UMS Holdings Limited remarked “***We are extremely pleased with this record set of financial performance. As we continue to challenge ourselves and seek to outperform ourselves in the future, we will also seek opportunities to drive shareholder value through both organic growth and undertake M&A activities that can enhance the Group’s profitability and/or market position. We remain committed to reward shareholders through regular dividends to share the success of the Company.***”

Footnote:

Refer to <http://www.semi.org/en/en/node/48216> for SEMI citation

#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**  
BY CAPITAL ACCESS COMMUNICATIONS PTE LTD:

Edwin Lee  
Email: [edwinlee@capitalaccess.com.sg](mailto:edwinlee@capitalaccess.com.sg)  
Mobile: +65 9660 7361

### **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.