



*Manufacturing Integration Technology Ltd*

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## **PRESS RELEASE**

### **MIT incurs S\$0.83m loss in 1H 2016 on sales of S\$21.8m**

- **Loss due to market slowdown and forex losses**
- **Positive operating cash flow of S\$4.8m leads to higher cash position of S\$22.7m**

Singapore, 5 August 2016 – The Board of Directors of Manufacturing Integration Technology Ltd (MIT or the Group) today announced its half-year results for the period ending 30 June 2016.

MIT recorded a 59% drop in sales to S\$21.8m during 1H 2016 from S\$53.3m in 1H 2015. This decline was mainly due to a slowdown across the semiconductor and contract manufacturing services while no sales were recorded in the solar segment. Coupled with a foreign exchange loss of S\$0.69m, the Group registered a net loss after tax of S\$0.83m, down from a profit of \$12.9m in the same period last year.

On the positive side, the Group achieved a positive cash flow from operating activities of S\$4.8m during this period. Despite outflows involving investments in tooling & IT resources (S\$0.43m), dividend payment (S\$1.11m), and repayment of bank loans (S\$0.45m), we ended the period with a higher cash and cash equivalent of S\$22.7m, an increase of 11% when compared with the end of FY2015. This cash balance is equivalent to 10.1 cents per share.

As at 5 August 2016, our order book stood at S\$12.7m, which is a low number by recent standards. But this is in line with Gartner's forecast that worldwide semiconductor capital spending will decline 4.7% in 2016. On the bright side, we continue to entertain and discuss significant projects with leading international and Asian semiconductor IDMs, OSATs and foundries. We are hopeful that some of these projects will lead to a bottoming of our sales in 2H 2016 and see an upturn in 2017. Specifically, we see a strong interest in advanced packaging from leading players in the mobile communication industry.

In contract manufacturing, we are discussing with an existing customer to extend the scope of our services from the current module level assembly to a full system assembly. If successful, we should see an improvement in contract manufacturing sales from 2017 onwards.

Enquiries from the solar equipment sector are expected to remain weak.

Despite these challenging conditions, Management is working to return the Group back to profitability in the second half of the year.



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## **About Manufacturing Integration Technology Ltd (“MIT”)**

Incorporated in 1992 and listed on the Singapore Exchange’s Mainboard since 1999, MIT is a leading provider of integrated automation solutions to the semiconductor industry worldwide. Its range of high-end equipment include wafer level die marking, sorting and inspection systems, It has also entered into the renewable energy market by producing its proprietary range of solar panel manufacturing equipment for the PV market. The Group has furthermore diversified its business to provide contract equipment manufacturing and precision engineering services to the broader markets with a manufacturing footprint in Shanghai, China. Please visit our website at [www.mit.com.sg](http://www.mit.com.sg).

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