

**UMS HOLDINGS LIMITED**  
**COMPANY REGISTRATION NO: 200100340R**  
**Full Year Financial Statement And Dividend Announcement**

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

- 1 (a) An income statement and statement of comprehensive income, or a statement of comprehensive income (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 2012**

	Group					
	4Q			Full Year Ended		
	31-Dec-12	31-Dec-11	Change	31-Dec-12	31-Dec-11	Change
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	21,631	25,156	-14%	113,212	114,427	-1%
Net finance expense (Note (a))	(59)	26	N.M	(196)	(116)	69%
Changes in inventories	(6,351)	(3,954)	61%	(11,175)	(1,429)	682%
Raw material purchases and sub-contractors charges	(6,423)	(7,585)	-15%	(46,193)	(49,199)	-6%
Employee benefits expense	(2,203)	(3,072)	-28%	(11,561)	(12,768)	-9%
Depreciation expense	(2,612)	(2,576)	1%	(10,593)	(10,572)	0%
Other expenses (Note (b))	(2,586)	(2,579)	0%	(10,901)	(11,543)	-6%
Other (charges)/ credits (Note (c))	(550)	966	N.M	(3,908)	2,523	N.M
<b>Profit before income tax</b>	<b>847</b>	<b>6,382</b>	<b>-87%</b>	<b>18,685</b>	<b>31,323</b>	<b>-40%</b>
Income tax expense (Note (d))	365	(667)	N.M	(1,687)	(3,683)	-54%
<b>Profit for the period from continuing operations</b>	<b>1,212</b>	<b>5,715</b>	<b>-79%</b>	<b>16,998</b>	<b>27,640</b>	<b>-39%</b>
<b>Attributable to:</b>						
Equity holders of the Company	1,212	5,715	-79%	16,998	27,640	-39%
Minority interests	-	-	N.M	-	-	N.M
	<b>1,212</b>	<b>5,715</b>	<b>-79%</b>	<b>16,998</b>	<b>27,640</b>	<b>-39%</b>
Earnings per ordinary share (in cents)						
- basic and diluted	0.35	1.66	-79%	4.94	8.04	-39%

N.M - Not meaningful

## **NOTES TO INCOME STATEMENT**

### **Note (a) Net finance (expense)/ income**

	<b>Group</b>					
	<b>4Q</b>			<b>Full Year Ended</b>		
	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Interest income	13	57	-77%	71	95	-25%
Interest expense	(72)	(31)	132%	(267)	(211)	27%
Finance expenses - net	(59)	26	N.M	(196)	(116)	69%

### **Note (b) Other expenses**

	<b>Group</b>					
	<b>4Q</b>			<b>Full Year Ended</b>		
	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Legal and professional fees (Note (i))	(78)	(624)	-88%	(408)	(1,684)	-76%
Rental expense (includes leasing of land) (Note (ii))	(473)	(350)	35%	(1,803)	(1,503)	20%
Utilities	(1,011)	(999)	1%	(4,347)	(4,396)	-1%
Freight charges	(77)	(55)	40%	(551)	(840)	-34%
Upkeep of machinery	(289)	(199)	45%	(1,438)	(1,188)	21%
Upkeep of properties	(26)	(3)	767%	(158)	(216)	-27%
Insurance	(77)	(44)	75%	(225)	(189)	19%
Others	(555)	(305)	82%	(1,971)	(1,527)	29%
	(2,586)	(2,579)	0%	(10,901)	(11,543)	-6%

Note 1(a)(b) (i) - The decrease in legal and professional fees were mainly due to fees incurred in connection with the Company's dual listing plans in Korea in year 2011 and which did not eventuate.

Note 1 (a)(b)(ii) – The increase in rental expense was mainly due to additional rental space as compared to last year.

**Note (c) Other (charges) / credits**

	<b>Group</b>					
	<b>4Q</b>			<b>Full Year Ended</b>		
	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Foreign exchange gain/ (losses) (Note (i))	39	615	-94%	(1,341)	192	N.M
Reversal of/ (provision) for trade doubtful debts	86	-	N.M	(137)	-	N.M
Bad Debts written off	(61)	-	N.M	(61)	-	N.M
Gain on reversal merger of investment	35	-	N.M	35	-	N.M
Gain on disposal of assets classified as held for sale (Note (ii))	-	-	N.M	-	3,110	-100%
Reversal of provision on disposal of assets classified as held for sale	-	-	N.M	-	400	-100%
Gain on disposal of property, plant and equipment	6	7	-14%	6	7	-14%
Property, plant & equipment written off	-	(5)	-100%	(7)	(23)	-70%
Inventories written off	-	-	N.M	(279)	(74)	277%
Provision for impairment of inventories (net)	(661)	156	N.M	(2,159)	(1,457)	48%
Gain on disposal of a subsidiary	-	150	-100%	-	91	-100%
Others	6	43	-86%	35	277	-87%
	<u>(550)</u>	<u>966</u>	<u>N.M</u>	<u>(3,908)</u>	<u>2,523</u>	<u>N.M</u>

Note 1(a)(c)(i) - The increase in exchange losses was due to depreciation of the US dollar during the year.

Note 1(a)(c)(ii) - This relates to the disposal of factory buildings in Penang, Malaysia and Singapore in 3Q2011.

**Note (d) Income tax**

	<b>Group</b>					
	<b>4Q</b>			<b>Full Year Ended</b>		
	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
Income tax:						
- Current	437	(1,802)	N.M	(1,615)	(4,627)	-65%
- Deferred tax	(72)	1,135	N.M	(72)	944	N.M
	<u>365</u>	<u>(667)</u>	<u>N.M</u>	<u>(1,687)</u>	<u>(3,683)</u>	<u>-54%</u>

**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-12 S\$'000	31-Dec-11 S\$'000	31-Dec-12 S\$'000	31-Dec-11 S\$'000
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash and cash equivalents (Note (ii))	32,532	37,947	658	3,242
Trade receivables and other current assets (Note (iii))	13,274	11,081	2,026	4,729
Inventories (Note (iv))	27,000	33,076	-	-
	<u>72,806</u>	<u>82,104</u>	<u>2,684</u>	<u>7,971</u>
<b>Non-Current Assets</b>				
Investment in subsidiaries (Note (i))	-	-	192,415	180,444
Property, plant and equipment	50,230	59,495	-	-
Investment property	3,068	3,390	-	-
Financial assets, held-to-maturity	4,276	4,545	-	-
Goodwill (Note (v))	81,683	60,702	-	-
	<u>139,257</u>	<u>128,132</u>	<u>192,415</u>	<u>180,444</u>
<b>Total Assets</b>	<b><u>212,063</u></b>	<b><u>210,236</u></b>	<b><u>195,099</u></b>	<b><u>188,415</u></b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current Liabilities</b>				
Short term borrowing (Note (ii))	17,100	-	-	-
Trade and other payables (Note (vi))	10,341	15,336	4,763	3,751
Income tax payable	1,221	3,923	22	29
Current portion of finance leases obligation (Note (vii))	138	2,527	-	-
	<u>28,800</u>	<u>21,786</u>	<u>4,785</u>	<u>3,780</u>
<b>Non Current Liabilities</b>				
Deferred tax	2,186	2,082	10	-
Finance leases obligation (Note (vii))	-	138	-	-
Long-term provision *	564	800	-	-
	<u>2,750</u>	<u>3,020</u>	<u>10</u>	<u>-</u>
<b>Total Liabilities</b>	<b><u>31,550</u></b>	<b><u>24,806</u></b>	<b><u>4,795</u></b>	<b><u>3,780</u></b>
<b>Capital and Reserves</b>				
Share Capital	136,623	136,623	136,623	136,623
Reserves	(2,833)	(1,543)	85	85
Retained earnings	46,723	50,350	53,596	47,927
<b>Total Equity</b>	<b><u>180,513</u></b>	<b><u>185,430</u></b>	<b><u>190,304</u></b>	<b><u>184,635</u></b>
<b>Total Liabilities and Equity</b>	<b><u>212,063</u></b>	<b><u>210,236</u></b>	<b><u>195,099</u></b>	<b><u>188,415</u></b>

\* Provision for reinstatement of leased premises.

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

The details of the subsidiaries as at 31 December 2012 are as follows:

Name	Effective percentage of equity held by the group		Company's cost of investment	
	31-Dec-2012 %	31-Dec-2011 %	31-Dec-2012 S\$'000	31-Dec-2011 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 <sup>1</sup> (Singapore)	-	100	-	403
UMS Pte Ltd (Singapore)	100	100	127,039	127,039
ASL International Trading, Inc <sup>3,4</sup> (United States)	-	100	-	33
UMS Aerospace Pte Ltd (Singapore)	100	100	20,000	20,000
UMS Solar Pte Ltd <sup>1</sup> (Singapore)	-	100	-	10
Integrated Manufacturing Technologies Pte Ltd <sup>2</sup> (Singapore)	100	-	19,803	-
Integrated Manufacturing Technologies Inc. <sup>2,4</sup> (United States)	100	-	8,196	-
Ultimate Machining Solutions (M) Sdn. Bhd. (Malaysia)	100	100	30,772	30,772
Unquoted equity shares, at cost			216,171	188,618
Add: Expenses recognised relating to equity settled share-based payments			42	42
Less: Provision for impairment			(23,798)	(8,216)
			192,415	180,444
<u>Held through UMS International Pte Ltd</u>				
Ultimate Manufacturing Solutions (M) Sdn. Bhd (Malaysia)	100	100		
<u>Held through UMS Pte Ltd</u>				
UMS Solutions Pte Ltd (Singapore)	100	100		
<u>Held through Ultimate Machining Solutions (M) Sdn. Bhd.</u>				
A1 Metal Sdn. Bhd. <sup>1</sup> (Malaysia)	-	100		

**Note:**

<sup>1</sup> The subsidiaries were deregistered, during the year.

<sup>2</sup> The subsidiaries were acquired during the year.

<sup>3</sup> During the year, the Company increased its investment in ASL International Trading, Inc (ASL) by subscribing to an additional 6,350,478 ordinary shares of USD1.00 each.

<sup>4</sup> During the year, subsequent to the acquisition of Integrated Manufacturing Technologies Inc (IMT USA) by ASL, the two companies merged to become one legal entity. IMT USA is the name of the merged entity.

Note 1(b)(i)(ii) – The decrease in cash and cash equivalents by S\$5.4 million and increase in short-term borrowing of S\$17.1 million were mainly due to the acquisition of Integrated Manufacturing Technologies Pte Ltd (“IMT-S”) and Integrated Manufacturing Technologies Inc (“IMT-USA”).

Note 1(b)(i)(iii) – Trade receivables and other current assets increased by S\$2.2 million mainly due to longer credit term given to a key customer during the period.

Note 1(b)(i)(iv) – The decrease in the inventories by S\$6.1 million was due to lower material purchases, inventory provision and inventory adjustments made during the period.

Note 1(b)(i)(v) – The increase in goodwill was due to the acquisition of IMT-S and IMT-USA and this represents the excess of the cost of acquisition over the group's interest in the fair value of their net tangible assets as at the date of acquisition.

Note 1(b)(i)(vi) – The decrease in trade and other payables by S\$5.0 million was mainly due to lower purchases made during the period.

Note 1(b)(i)(vii) – The total decrease in finance lease obligations by S\$2.5 million was due to repayments made during the period.

#### 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 December 2012			As at 31 Dec 2011		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
17,238	-	17,238	2,527	-	2,527

Amount repayable after one year

As at 31 December 2012			As at 31 Dec 2011		
Secured	Unsecured	Total	Secured	Unsecured	Total
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	138	-	138

#### Details of any collateral

The Group's borrowings comprise mainly finance leases and short term bank borrowing. The finance leases are secured by mortgages over the plant and machinery of a subsidiary and the short term bank borrowings are secured by corporate guarantee.

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

	Group			
	4Q		Full Year Ended	
	31-Dec-12 S\$'000	31-Dec-11 S\$'000	31-Dec-12 S\$'000	31-Dec-11 S\$'000
<b>Cash flows from operating activities</b>				
Net profit before income tax	847	6,382	18,685	31,323
Adjustments for:				
Depreciation expense	2,612	2,576	10,593	10,572
(Reversal of) / provision for trade doubtful debts	(86)	-	137	-
Bad debts written off	61	-	61	-
Provision for impairment of inventories (net)	661	(156)	2,159	1,457
Inventories written off	-	-	279	74
Property, plant and equipment written off	-	5	7	23
Gain on disposal of assets classified as held for sale	-	-	-	(3,110)
Reversal of provision on disposal of asset classified as held for sale	-	-	-	(400)
Gain on disposal of property, plant and equipment	(6)	(7)	(6)	(7)
Gain on reversal merger of investment	(35)	-	(35)	-
Gain on disposal of a subsidiary	-	(150)	-	(91)
Interest income	(13)	(57)	(71)	(95)
Interest expense	72	31	267	211
Unrealised foreign exchange (gain)/ losses	(1,293)	(230)	1,527	(1,271)
<b>Operating cash flow before working capital changes</b>	<b>2,820</b>	<b>8,394</b>	<b>33,603</b>	<b>38,686</b>
Changes in operating assets and liabilities:				
Trade receivables and other current assets	(1,676)	(7,081)	1,796	9,506
Inventories	6,742	4,035	7,314	(102)
Trade and other payables	(297)	567	(6,836)	(4,097)
<b>Cash generated from operations</b>	<b>7,589</b>	<b>5,915</b>	<b>35,877</b>	<b>43,993</b>
Income tax paid	(166)	(156)	(4,827)	(4,811)
<b>Net cash generated from operating activities</b>	<b>7,423</b>	<b>5,759</b>	<b>31,050</b>	<b>39,182</b>
<b>Cash flows from investing activities</b>				
Proceeds from disposal of property, plant and equipment	8	8	9	8
Purchase of property, plant and equipment	(659)	(324)	(1,747)	(7,481)
Proceeds from disposal of assets classified as held for sale	-	-	-	9,922
Net cash inflow on disposal of a subsidiary	-	611	-	551
Net cash outflow on acquisition of subsidiaries	-	-	(27,061)	-
Interest received	13	57	71	95
<b>Net cash (used in)/ generated from investing activities</b>	<b>(638)</b>	<b>352</b>	<b>(28,728)</b>	<b>3,095</b>
<b>Cash flows from financing activities</b>				
Proceeds from short-term borrowing	-	-	30,155	-
Repayment of short-term borrowing	(55)	-	(13,055)	-
Dividends paid	(6,875)	(3,438)	(20,625)	(20,626)
Repayment of finance leases obligation	(442)	(895)	(2,527)	(4,474)
(Increase)/ decrease in fixed deposit - restricted	(1)	(4)	21	(44)
Interest paid	(72)	(31)	(267)	(211)
<b>Net cash used in financing activities</b>	<b>(7,445)</b>	<b>(4,368)</b>	<b>(6,298)</b>	<b>(25,355)</b>
Net effect of exchange rate changes	(339)	238	(1,417)	449
Net (decrease)/ increase in cash and cash equivalents	(999)	1,981	(5,393)	17,371
Cash and cash equivalents at beginning of the period	33,275	35,688	37,669	20,298
<b>Cash and cash equivalents at end of the period</b>	<b>32,276</b>	<b>37,669</b>	<b>32,276</b>	<b>37,669</b>
Fixed deposit - restricted in use			256	278
<b>Cash and cash equivalents in the Balance Sheet</b>			<b>32,532</b>	<b>37,947</b>

- 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			Full Year Ended		
	31-Dec-12 S\$'000	31-Dec-11 S\$'000	Change %	31-Dec-12 S\$'000	31-Dec-11 S\$'000	Change %
<b>Profit for the period</b>	1,212	5,715	-79%	16,998	27,640	-39%
Other comprehensive income:						
Currency translation differences arising on consolidation	(225)	294	N.M	(1,290)	(464)	178%
<b>Total comprehensive income for the period</b>	<b>987</b>	<b>6,009</b>	<b>-84%</b>	<b>15,708</b>	<b>27,176</b>	<b>-42%</b>
<b>Attributable to:</b>						
Equity holders of the Company	987	6,009	-84%	15,708	27,176	-42%
Minority interests	-	-	N.M	-	-	N.M



1(e)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distribution to shareholders, together with a comparative statement for the corresponding period of the immediate preceding financial year.

	Share Capital S\$'000	Statutory Reserve S\$'000	Foreign Exchange Translation Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
<b>Group</b>					
<b>As at 1 January 2011</b>	136,623	51	(1,079)	43,336	178,931
<b>Changes in equity for first quarter</b>					
Profit for the period	-	-	-	7,553	7,553
Other comprehensive income for the period	-	-	(66)	-	(66)
<b>Total comprehensive income for the quarter</b>	-	-	(66)	7,553	7,487
<b>As at 31 March 2011</b>	136,623	51	(1,145)	50,889	186,418
<b>Changes in equity for second quarter</b>					
Profit for the period	-	-	-	7,031	7,031
Other comprehensive income for the period	-	-	(793)	-	(793)
<b>Total comprehensive income for the quarter</b>	-	-	(793)	7,031	6,238
Disposal of a subsidiary	-	(51)	-	-	(51)
Dividend paid	-	-	-	(13,750)	(13,750)
<b>As at 30 June 2011</b>	136,623	-	(1,938)	44,170	178,855
<b>Changes in equity for third quarter</b>					
Profit for the period	-	-	-	7,341	7,341
Other comprehensive income for the period	-	-	101	-	101
<b>Total comprehensive income for the quarter</b>	-	-	101	7,341	7,442
Dividend paid	-	-	-	(3,438)	(3,438)
<b>As at 30 September 2011</b>	136,623	-	(1,837)	48,073	182,859
<b>Changes in equity for fourth quarter</b>					
Profit for the period	-	-	-	5,715	5,715
Other comprehensive income for the period	-	-	294	-	294
<b>Total comprehensive income for the quarter</b>	-	-	294	5,715	6,009
Dividend paid	-	-	-	(3,438)	(3,438)
<b>As at 31 December 2011</b>	136,623	-	(1,543)	50,350	185,430

<b>Group</b>	<b>Share Capital S\$' 000</b>	<b>Statutory Reserve S\$'000</b>	<b>Foreign Exchange Translation Reserve S\$'000</b>	<b>Retained Earnings S\$' 000</b>	<b>Total equity attributable to equity of holders of the Company S\$'000</b>
<b>As at 1 January 2012</b>	136,623	-	(1,543)	50,350	185,430
<b>Changes in equity for first quarter</b>					
Profit for the period	-	-	-	6,032	6,032
Other comprehensive income for the period	-	-	180	-	180
<b>Total comprehensive income for the quarter</b>	-	-	180	6,032	6,212
<b>As at 31 March 2012</b>	<u>136,623</u>	<u>-</u>	<u>(1,363)</u>	<u>56,382</u>	<u>191,642</u>
<b>Changes in equity for second quarter</b>					
Profit for the period	-	-	-	7,625	7,625
Other comprehensive income for the period	-	-	(1,094)	-	(1,094)
<b>Total comprehensive income for the quarter</b>	-	-	(1,094)	7,625	6,531
Dividend paid	-	-	-	(10,313)	(10,313)
<b>As at 30 June 2012</b>	<u>136,623</u>	<u>-</u>	<u>(2,457)</u>	<u>53,694</u>	<u>187,860</u>
<b>Changes in equity for third quarter</b>					
Profit for the period	-	-	-	2,129	2,129
Other comprehensive income for the period	-	-	(151)	-	(151)
<b>Total comprehensive income for the quarter</b>	-	-	(151)	2,129	1,978
Dividend paid	-	-	-	(3,437)	(3,437)
<b>As at 30 September 2012</b>	<u>136,623</u>	<u>-</u>	<u>(2,608)</u>	<u>52,386</u>	<u>186,401</u>
<b>Changes in equity for fourth quarter</b>					
Profit for the period	-	-	-	1,212	1,212
Other comprehensive income for the period	-	-	(225)	-	(225)
<b>Total comprehensive income for the quarter</b>	-	-	(225)	1,212	987
Dividend paid	-	-	-	(6,875)	(6,875)
<b>As at 31 December 2012</b>	<u>136,623</u>	<u>-</u>	<u>(2,833)</u>	<u>46,723</u>	<u>180,513</u>

<b>Company</b>	<b>Share Capital S\$'000</b>	<b>Capital Reserve S\$'000</b>	<b>Retained Earnings S\$'000</b>	<b>Total equity attributable to equity of holders of the Company S\$'000</b>
<b>As at 1 January 2011</b>	136,623	85	29,802	166,510
<b>Changes in equity for first quarter</b>				
Loss for the period	-	-	(693)	(693)
<b>Total comprehensive expenses for the quarter</b>	-	-	(693)	(693)
<b>As at 31 March 2011</b>	136,623	85	29,109	165,817
<b>Changes in equity for second quarter</b>				
Profit for the period	-	-	24,037	24,037
<b>Total comprehensive income for the quarter</b>	-	-	24,037	24,037
Dividend paid	-	-	(13,750)	(13,750)
<b>As at 30 June 2011</b>	136,623	85	39,396	176,104
<b>Changes in equity for third quarter</b>				
Loss for the period	-	-	(616)	(616)
<b>Total comprehensive expenses for the quarter</b>	-	-	(616)	(616)
Dividend paid	-	-	(3,438)	(3,438)
<b>As at 30 September 2011</b>	136,623	85	35,342	172,050
<b>Changes in equity for fourth quarter</b>				
Profits for the period	-	-	16,023	16,023
<b>Total comprehensive expenses for the quarter</b>	-	-	16,023	16,023
Dividend paid	-	-	(3,438)	(3,438)
<b>As at 31 December 2011</b>	136,623	85	47,927	184,635

Company	Share Capital S\$'000	Capital Reserve S\$'000	Retained Earnings S\$'000	Total equity attributable to equity of holders of the Company S\$'000
<b>As at 1 January 2012</b>	136,623	85	47,927	184,635
<b>Changes in equity for first quarter</b>				
Profit for the period	-	-	1,296	1,296
<b>Total comprehensive expenses for the quarter</b>	-	-	1,296	1,296
<b>As at 31 March 2012</b>	136,623	85	49,223	185,931
<b>Changes in equity for second quarter</b>				
Loss for the period	-	-	(216)	(216)
<b>Total comprehensive income for the quarter</b>	-	-	(216)	(216)
Dividend paid	-	-	(10,313)	(10,313)
<b>As at 30 June 2012</b>	136,623	85	38,694	175,402
<b>Changes in equity for third quarter</b>				
Profit for the period	-	-	22,475	22,475
<b>Total comprehensive expenses for the quarter</b>	-	-	22,475	22,475
Dividend paid	-	-	(3,437)	(3,437)
<b>As at 30 September 2012</b>	136,623	85	57,732	194,440
<b>Changes in equity for fourth quarter</b>				
Profits for the period	-	-	2,739	2,739
<b>Total comprehensive expenses for the quarter</b>	-	-	2,739	2,739
Dividend paid	-	-	(6,875)	(6,875)
<b>As at 31 December 2012</b>	136,623	85	53,596	190,304

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 ended 31 December 2011 to 31 December 2012.

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 2012 was 343,754,327 (31 December 2011: 343,754,327).

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.

There was no treasury share as at 31 December 2011 and 31 December 2012.

**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).**

Not applicable.

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

Except as stated in Note 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the financial year ended 31 December 2011.

**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.**

The Group has adopted all the new and revised Singapore Financial Reporting Standards (FRS) and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2012.

The adoption of the new/ revised FRS and INT FRS does not result in any significant changes to the accounting policies of the Group and has no material effect on the amounts reported for the current and prior periods.

**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)	Group			
	4Q		Full Year Ended	
	31-Dec-12	31-Dec-11	31-Dec-12	31-Dec-11
(a) Based on weighted average number of outstanding ordinary shares in issue; and	0.35 cents	1.66 cents	4.94 cents	8.04 cents
(b) On a fully diluted basis	0.35 cents	1.66 cents	4.94 cents	8.04 cents

The basic earning per share for the latest and the previous corresponding period have been calculated based on the weighted average number of 343,754,327 of outstanding ordinary shares. The diluted earnings per share for the latest and the previous corresponding period have been calculated based on 343,754,327 of outstanding ordinary shares.

**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-12	31-Dec-11	31-Dec-12	31-Dec-11
Net asset per ordinary share based on existing issued share capital as at end of period reported on	52.51 cents	53.94 cents	55.36 cents	53.71 cents

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 343,754,327 and 343,754,327 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.

**Revenue**

**Full Year 2012 Vs 2011**

	<b>Group</b>		
	<b>Full Year Ended</b>		
	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Business Segments</b>			
Contract Equipment Manufacturing (CEM)	6,557	7,180	-9%
Semiconductor (Semicon)	106,655	107,247	-1%
	<b>113,212</b>	<b>114,427</b>	<b>-1%</b>
<b>Geographical Regions</b>			
Singapore	72,664	69,344	5%
United States of America ('US')	21,893	27,666	-21%
Others	18,655	17,417	7%
	<b>113,212</b>	<b>114,427</b>	<b>-1%</b>

**Revenue**

**4Q 2012 Vs 4Q 2011**

	<b>Group</b>		
	<b>4Q</b>		
	<b>31-Dec-12</b>	<b>31-Dec-11</b>	<b>Change</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>
<b>Business Segments</b>			
Contract Equipment Manufacturing (CEM)	1,375	2,471	-44%
Semiconductor (Semicon)	20,256	22,685	-11%
	<b>21,631</b>	<b>25,156</b>	<b>-14%</b>
<b>Geographical Regions</b>			
Singapore	12,431	15,696	-21%
United States of America ('US')	5,112	5,256	-3%
Others	4,088	4,204	-3%
	<b>21,631</b>	<b>25,156</b>	<b>-14%</b>

**Revenue**

UMS revenue for the three months ended 31 December 2012 ("4Q2012") decreased 14% to S\$21.6 million, as compared to S\$25.2 million in the previous corresponding period ("4Q2011"). Quarter-on-quarter, UMS 4Q2012 revenue declined 6% from S\$23.0 million in the preceding quarter ("3Q2012"). This was attributed to the continued weakness in the global economy, which has weakened consumer demand, thus causing a number of semiconductor equipment end users to review the timing of their investment and capital expenditure programs.

For the period of 4Q2012, revenue in the Semicon segment decreased 11% to S\$20.3 million from S\$22.7 million in 4Q2011. Revenue contribution from the CEM segment decreased 44% to S\$1.4 million in 4Q2012, compared to that of S\$2.5 million a year ago. Compared to the preceding quarter of 3Q2012, Semicon revenue in 4Q2012 decreased 8% while CEM revenue in 4Q2012 increased by 35%.

Geographically, Singapore continued to be the key revenue contributor of UMS, contributing S\$12.4 million in 4Q2012, representing a decline of 21% as compared to S\$15.7 million in 4Q2011. For the same period, revenue derived from the US in 4Q2012 decreased 3% to S\$5.1 million as compared to that of S\$5.3 million in 4Q2011, while the 4Q2012 revenue from Others decreased 3% from S\$4.2 million in 4Q2011 to S\$4.1 million.

For the year ended 31 December 2012 ("FY2012"), UMS revenue remained relatively flat at S\$113.2 million, compared to S\$114.4 million a year ago ("FY2011"). Similarly, revenue from Semicon segment stood relatively flat at S\$106.7 million in FY2012 (FY2011: S\$107.2 million). Revenue from CEM segment declined 9% from S\$7.2 million in FY2011 to S\$6.6 million in FY2012.

Over the same period, UMS revenue from Singapore in FY2012 grew 5% from S\$69.3 million in FY2011 to S\$72.7 million. Revenue from US decreased 21% from S\$27.7 million in FY2011 to S\$21.9 million in FY2012 while revenue from Other improved 7% from S\$17.4million in FY2011 to S\$18.7million in FY2012.

### **Profitability**

For the quarter under review, UMS 4Q2012 gross material margin declined to 41% compared to 54% in 4Q2011. This decline in margin was partly attributed to UMS extending price discount on some products lines.

Personnel related costs (i.e. employee benefits expense) decreased 28% to S\$2.2 million in 4Q2012, as compared to S\$3.1 million a year ago. Depreciation expenses and other expenses both stood at S\$2.6 million each in 4Q2012, which were largely unchanged compared with the corresponding period a year ago.

Other charges/credits recorded a loss of S\$0.6 million in 4Q2012 as compared to a gain of S\$1.0 million in 4Q2011. The gain of S\$1.0 million in 4Q2011 was mainly attributed to a foreign exchange gain and reversal of provision for impairment of inventory. In contrast, the loss of S\$0.6 million in 4Q2012 was mainly due to a net provision for slow moving and obsolete inventory of S\$0.7 million after taking into consideration of the write back of inventory previously provided.

UMS recorded a tax credit of S\$0.4 million in 4Q2012, as a result of the reversal of excess tax provisions in prior quarters.

As a result of the above, UMS reported a lower net profit attributable to equity holders of S\$1.2 million in 4Q2012, representing a 79% decrease from S\$5.7 million in 4Q2011.

For the period of FY2012, UMS gross material margin declined to 49% from 56% in FY2011 mainly due to lower margin in 4Q2012. Personnel related costs (i.e. employee benefits expense) for FY2012 was S\$11.6 million, a decline of 9% as compared to S\$12.8 million a year ago. Depreciation expenses for FY2012 stood flat at S\$10.6 million (FY2011: S\$10.6 million).

Other expenses decreased 6% from S\$11.5 million in FY2011 to S\$10.9 million in FY2012. Other credits/charges in FY2012 recorded a loss of S\$3.9 million as compared to a gain of S\$2.5 million in FY2011. Tax expenses decreased 54% to S\$1.7 million in FY2012, as compared to S\$3.7 million in FY2011.

For the full year of FY2012, UMS net profit attributable to equity holders decreased 39% to S\$17.0 million, from S\$27.6 million in FY2011.

### **Cashflow**

Despite the decline in net profit, UMS maintains a good track record of generating positive operating cash flow of S\$7.4 million as well as free cash flow of S\$6.8 million in 4Q2012, compared to those of S\$5.8 million and S\$5.4 million respectively in 4Q2011.

For the year of FY2012, UMS generated positive operating cash flow of S\$31.1 million and free cash flow of S\$29.3 million, as compared to S\$39.2 million and S\$31.7 million respectively in FY2011.

As of 31 December 2012, UMS net cash and cash equivalents remained positive, standing healthily at S\$15.4 million compared to that of S\$37.9 million as at 31 December 2011.

## **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.**

The decrease in business volume in 4Q2012 was in line with the management's expectation. Previously, the Group had announced that its key customer had revised their forecast downwards due to weaker-than-expected demand from the foundries as investment plans were delayed.

This was a result of weak consumer demand, exacerbated by the continued European crisis and global economic uncertainties. This was particularly evident in the ongoing declines in personal computer sales.

However, forecasted demand has improved for 1H2013, which is in line with expected improved global billing data for the similar period. Additionally, a major global foundry had reportedly demanded advance delivery of the front-end equipment needed for its 28nm process, which had seen brisk demand. The key customer of UMS is one of the fab-tool makers that will benefit from this early delivery.

Internally, UMS is progressing well on the relocation of its operations to Penang. This will help to reduce operating costs and alleviate the shortage of labour in Singapore.

**11 Dividend**

**(a) Current Financial Period Reported**

Any dividend declared for the current financial period reported on? **Yes**

Name of Dividend	Proposed Final Dividend	Proposed Special Dividend
Dividend Type	Cash	Not applicable
Dividend Amount (SGD)	2.0 cents per ordinary share, (tax exempt one-tier)	Not applicable
Tax rate	Not applicable	Not applicable

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

Name of Dividend	Proposed Final Dividend	Proposed Special Dividend
Dividend Type	Cash	Cash
Dividend Amount (SGD)	2.0 cents per ordinary share, (tax exempt one-tier)	1.0 cent per ordinary share, (tax exempt one-tier)
Tax rate	Not applicable	Not applicable

**(c) Date payable**

The proposed Final Dividend, if approved at the forthcoming Annual General Meeting of the Company, will be paid on 29 May 2013.

**(d) Books closure date**

NOTICE IS HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on 10 May 2013, for the purpose of determining members' entitlements to the Final Dividend of 2.0 cents per ordinary share (tax-exempt one-tier) for the financial year ending 31 December 2012.

Duly completed registrable transfers received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623 up to the close of business at 5.00 p.m. on 9 May 2013 will be registered before entitlement to the Proposed Final Dividend is determined. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares at 5.00 p.m. on 9 May 2013 will be entitled to the Proposed Final Dividend.



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

Not applicable.

13 **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.**

<b>From 1 Jan 2012 to 17 Feb 2012</b>	
Name of interested person	Aggregate value of all interested person transactions conducted during the financial period under review shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
	<b>S\$'000</b>
<b>Integrated Manufacturing Technologies Pte Ltd ("IMT-S")</b>	
Sales of semi-conductor equipment components	-
Provision of human resource services, and rent and utilities	146
Subcontractor works involving welding and tube bending	1,356
<b>Integrated Manufacturing Technologies Inc. ("IMT-USA")</b>	
Sales of semi-conductor equipment components	-
Purchases of components, assemblies, consumables and spares	43
Subcontractor works involving welding and tube bending	18

Note: Transactions above are with companies in which Luong Andy and Lee Luong Sylvia S Y have a direct and deemed equity interest prior to the Group's acquisition of these companies.

The aggregate value of IPT entered into between the Group and IMT-S and IMT-USA for the period ended on acquisition date amounted to S\$1,563,000 which represented approximately 1.3% of the Group's latest audited net tangible assets as at 31 December 2011.

The shareholders have approved the IPT mandate via a shareholder meeting on 16 August 2011.

The nature of the interested person transactions between the Group and each of IMT-S and IMT-USA are set out in more detail in the Company's circular to Shareholders dated 25 July 2011 in respect of the IPT General Mandate.

However, IMT-S and IMT-USA have since been acquired via a shareholders' EGM dated 1 February 2012 as set out in the Company's circular to Shareholders dated 12 January 2012. The IMT-S acquisition was completed on 17 February 2012. The IMT-USA acquisition, which was a condition precedent to completion of the IMT-S acquisition, was completed on 14 February 2012.

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

- 14 **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**

	<u>CEM</u>		<u>Semiconductor</u>		<u>Total for continuing operations</u>	
	2012 S\$'000	2011 S\$'000	2012 S\$'000	2011 S\$'000	2012 S\$'000	2011 S\$'000
<b>Group</b>						
Total segment sales	13,659	13,150	138,408	135,250	152,067	148,400
Inter-segment sales	(7,102)	(5,970)	(31,753)	(28,003)	(38,855)	(33,973)
Sales to external parties	6,557	7,180	106,655	107,247	113,212	114,427
<b>Adjusted EBITDA</b>	3,070	4,133	26,404	37,878	29,474	42,011
Finance income	3	3	68	92	71	95
Finance expense	51	193	216	18	267	211
Depreciation	2,925	3,272	7,668	7,300	10,593	10,572
<b>Total assets</b>	17,410	22,263	334,931	361,116	352,341	383,379
Total assets includes:						
Additions to property, plant and equipment	-	-	1,747	7,481	1,747	7,481
<b>Total liabilities</b>	10,679	16,847	41,260	50,304	51,939	67,151

	<b>Group</b>	
	2012 S\$'000	2011 S\$'000
Adjusted EBITDA for reportable segments	29,474	42,011
Depreciation	(10,593)	(10,572)
Finance expense	(267)	(211)
Finance income	71	95
Profit before income tax	18,685	31,323

## Geographical Segments

Group	Singapore		USA		Others		Total	
	2012	2011	2012	2011	2012	2011	2012	2011
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Total sales to external parties	72,664	69,344	21,893	27,666	18,655	17,417	113,212	114,427
Other geographical information:								
Non-current assets:								
Property, plant and equipment	16,767	23,401	170	-	33,293	36,094	50,230	59,495
Investment property	3,068	3,390	-	-	-	-	3,068	3,390
Goodwill	80,759	59,778	-	-	924	924	81,683	60,702
	100,594	86,569	170	-	34,217	37,018	134,981	123,587

A reconciliation of total assets for reportable segments to total assets is as follows:

	Group	
	2012	2011
	S\$'000	S\$'000
Total asset for reportable segments from continued operations	352,341	383,379
Elimination of inter-segment receivables	(140,278)	(173,143)
Total assets	212,063	210,236

A reconciliation of total liabilities for reportable segments to total liabilities is as follows:

	Group	
	2012	2011
	S\$'000	S\$'000
Total liabilities for reportable segments from continued	51,939	67,151
Elimination of inter-segment payables	(20,389)	(42,345)
Total liabilities	31,550	24,806

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

Not applicable.

**16 A breakdown of sales as follows:**

		Group		Change
		2012	2011	
		S\$'000	S\$'000	%
(a)	Sales reported for first half	68,629	67,621	1%
(b)	Operating profit after tax before deducting minority interests reported for first half year	13,657	14,584	-6%
(c)	Sales reported for second year	44,583	46,806	-5%
(d)	Operating profit after tax before deducting minority interests reported for second half year	3,341	13,056	-74%

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

	<b>2012</b>	<b>2011</b>
<b>Ordinary</b>	<b>S\$'000</b>	<b>S\$'000</b>
Interim Dividend	10,312	10,313
Proposed Final Dividend	6,875	6,875
Proposed Special Dividend	-	3,438
<b>Total</b>	<b>17,187</b>	<b>20,626</b>

The current year final dividend is declared based on outstanding ordinary shares of 343,754,327.

18 **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704 (13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that there is no person occupying a managerial position in the Company who is a relative of the director, chief executive officer or substantial shareholder of the Company.

On behalf of the Board

**Luong Andy**  
Chief Executive Officer

**Stanley Loh Meng Chong**  
Executive Director

**BY ORDER OF THE BOARD**

**Luong Andy**  
**Chief Executive Officer**  
28 February 2013