

FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 , Q3 & Q4), HALF-YEAR AND FULL YEAR RESULTS

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

Statements of profit or loss and other comprehensive income

	Note	Group					
		Three months ended 31 Mar			Year ended 31 Mar		
		2014 HK\$'000	2013 HK\$'000	Change %	2014 HK\$'000	2013 HK\$'000	Change %
Revenue	(i)	144,054	144,920	(0.6)	697,144	621,541	12.2
Cost of sales		(113,874)	(112,397)	1.3	(561,097)	(489,603)	14.6
Gross Profit	(i)	30,180	32,523	(7.2)	136,047	131,938	3.1
Other income (including interest income)	(ii)	131	1,122	(88.3)	1,754	16,961	(89.7)
Distribution costs	(iii)	2,643	5,005	(47.2)	(4,017)	(2,020)	98.9
Administrative expenses	(iv)	(26,713)	(24,189)	10.4	(108,966)	(113,645)	(4.1)
Finance costs		(3,959)	(4,221)	(6.2)	(15,728)	(15,668)	0.4
Profit before restructuring expenses and income tax		2,282	10,240	(77.7)	9,090	17,566	(48.3)
Gain on Restructuring		-	159,088	-	-	268,058	-
Restructuring expenses		-	-	-	-	(9,375)	-
Profit before income tax		2,282	169,328	(98.7)	9,090	276,249	(96.7)
Income tax (charge) credit	(v)	(743)	(972)	(23.6)	(2,525)	504	NM
Profit attributable to the owners of the Company		1,539	168,356	(99.1)	6,565	276,753	(97.6)
Other comprehensive income for the period							
Exchange difference arising from translation of foreign operations which may be reclassified subsequently to profit or loss	(vi)	811	(271)	NM	(1,726)	(439)	293.2
Currency translation reserve reclassified to profit or loss upon deconsolidation of Scheme Subsidiaries		-	(159,088)	-	-	(159,088)	-
Total comprehensive income for the period attributable to the owners of the Company		2,350	8,997	(73.9)	4,839	117,226	(95.9)

Profit attributable to the owners of the Company is arrived after charging (crediting) the following:-

		Group					
		Three months ended 31 Mar			Year ended 31 Mar		
		2014 HK\$'000	2013 HK\$'000	Change %	2014 HK\$'000	2013 HK\$'000	Change %
Interest on borrowings		3,959	4,221	(6.2)	15,728	15,668	0.4
Amortisation of prepaid lease payment		43	54	(20.4)	171	418	(59.1)
Depreciation of property, plant and equipment		2,614	2,990	(12.6)	10,861	16,515	(34.2)
Allowance (Write back of) for inventories		1,159	(2,909)	NM	(715)	(5,619)	(87.3)
Write back of doubtful debt	(iii)	(4,866)	(7,033)	(30.8)	(4,866)	(7,033)	(30.8)
Net (gain) loss on disposal of property, plant and equipment	(ii)	-	(719)	-	170	(14,266)	NM
Foreign exchange (gain) loss	(vii)	(209)	577	NM	2,138	1,419	50.7
Interest income		(5)	(3)	66.7	(16)	(26)	(38.5)

Notes

- (i) The increase in revenue for twelve months ended 31 March 2014 was mainly due to higher demand for industrial control products. Gross margin for the three months and twelve months ended 31 March 2014 decreased to 21.0% and 19.5% respectively from 22.4% and 21.2% in the corresponding period last year due mainly to higher component and assembly costs.
- (ii) Higher other income for the twelve months ended 31 March 2013 was mainly due to the disposal of equipment as announced on 26 September 2012.
- (iii) Distribution costs included write back of doubtful debts of HK\$4.8 million and HK\$7.0 million for the three months and twelve months ended 31 March 2014 and 31 March 2013 respectively.
- (iv) The increase in administrative expenses for the three months were mainly due to the higher staff costs.
- (v) The income tax credit for the twelve months ended 31 March 2013 represents a reversal of overprovision for income tax made in previous years.
- (vi) The exchange difference recognised directly in equity for the twelve months ended 31 March 2014 was due to the appreciation of the Renminbi against USD.
- (vii) The foreign exchange loss for the twelve months ended 31 March 2014 and 31 March 2013 was mainly due to the appreciation of the Renminbi against USD.

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED

Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)

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

Statements of Financial Position

	<i>Note</i>	Group			Company		
		31-Mar-14	31-Mar-13	Change	31-Mar-14	31-Mar-13	Change
		HK\$'000	HK\$'000	%	HK\$'000	HK\$'000	%
ASSETS							
Current assets:							
Cash and cash equivalents	(i)	8,971	12,087	(25.8)	54	32	68.8
Trade receivables	(ii)	62,546	94,559	(33.9)	-	-	-
Bills receivables		-	2,395	-	-	-	-
Other receivables and prepayments	(iii)	3,363	2,282	47.4	5,860	156	3,656.4
Prepaid lease payments		171	168	1.8	-	-	-
Inventories	(iv)	42,348	36,246	16.8	-	-	-
Total current assets		117,399	147,737	(20.5)	5,914	188	3,045.7
Non-current assets:							
Property, plant and equipment		129,897	140,892	(7.8)	-	-	-
Prepaid lease payments		6,104	6,163	(1.0)	-	-	-
Non-current other receivables	(iii)	-	588	-	-	-	-
Investment in subsidiaries		-	-	-	-	-	-
Total non-current assets		136,001	147,643	(7.9)	-	-	-
Total assets		253,400	295,380	(14.2)	5,914	188	3,045.7
LIABILITIES AND EQUITY							
Current liabilities:							
Discounted bills with recourse		-	2,395	-	-	-	-
Trade payables	(v)	110,694	152,426	(27.4)	-	-	-
Other payables	(vi)	38,148	29,834	27.9	928	3,415	(72.8)
Borrowings - due within one year		167,854	183,867	(8.7)	-	-	-
Income tax payable		565	639	(11.6)	-	-	-
Total current liabilities		317,261	369,161	(14.1)	928	3,415	(72.8)
Capital and reserves:							
Share capital		37,104	35,504	4.5	37,104	35,504	4.5
Share premium		3,481	-	NM	3,481	-	NM
Currency translation reserve		18,402	20,128	(8.6)	-	-	-
Accumulated losses		(122,848)	(129,413)	(5.1)	(35,599)	(38,731)	(8.1)
Deficiency of total equity		(63,861)	(73,781)	(13.4)	4,986	(3,227)	NM
Total liabilities and equity		253,400	295,380	(14.2)	5,914	188	3,045.7

#NM - Not Meaningful

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED**Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)***Notes*

- (i) The decrease in bank balance was due to higher working capital requirement as a result of higher revenue.
- (ii) The lower trade receivables was mainly due to improved collections.
- (iii) The increase in other receivable and prepayment was mainly due to the certain payment recoverable for Scheme Subsidiaries and the reclassification on non-current other receivables to current assets.
- (iv) The increase in inventory was mainly due to higher level of operating activities.
- (v) The lower trade payables was mainly due to shortened payment cycle as a result of improved trade collections.
- (vi) The increase in other payable were mainly due to higher administrative and finance costs accrued as at 31 March 2014.

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 March 2014		As at 31 March 2013	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
100,971	66,883	136,754	49,508

Amount repayable after one year

As at 31 March 2014		As at 31 March 2013	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	-	-	-

Details of any collateral

At 31 March 2014 and 31 March 2013, the secured borrowings were secured by certain properties of the Group and Scheme Subsidiaries.

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED
Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)

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

Statements of Cash Flows

	Group			
	Three months ended 31 Mar		Year ended 31 Mar	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Operating activities:				
Profit before income tax	2,282	169,328	9,090	276,249
Adjustments for:				
Amortisation of prepaid lease payments	43	54	171	418
Depreciation expense	2,614	2,990	10,861	16,515
Finance costs	3,959	4,221	15,728	15,668
Net (gain) loss on disposal of property, plant and equipment	-	(719)	170	(14,266)
Gain on Restructuring	-	(159,088)	-	(268,058)
Allowance (Reversal of) for inventories	1,159	(2,909)	(715)	(5,619)
Reversal of doubtful debts	(4,866)	(7,033)	(4,866)	(7,033)
Interest income	(5)	(3)	(16)	(26)
Operating cash flows before movements in working capital	5,186	6,841	30,423	13,848
Bills receivables	-	(2,395)	2,395	(468)
Trade receivables	19,142	(25,857)	36,941	3,805
Other receivables and prepayments	1,931	(22)	(466)	(229)
Inventories	3,604	(1,603)	(4,739)	7,513
Trade payables	(34,557)	6,147	(41,919)	(2,109)
Other payables	5,484	(3,150)	6,657	(22,374)
Cash generated (used in) from operations	790	(20,039)	29,292	(14)
Income tax paid	(925)	(790)	(2,611)	(3,346)
Interest paid	(2,949)	(4,522)	(14,314)	(15,757)
Interest received	5	3	16	26
Net cash (used in) from operating activities	(3,079)	(25,348)	12,383	(19,091)
Investing activities:				
Purchase of property, plant and equipment	(169)	(887)	(1,027)	(1,389)
Proceeds from disposal of property, plant and equipment	924	919	3,411	19,832
Net cash from investing activities	755	32	2,384	18,443
Financing activities:				
Proceeds from short-term borrowings	134,593	332,721	927,100	475,045
Repayment of short-term borrowings	(134,557)	(307,030)	(947,987)	(465,530)
Increase (decrease) in discounted bills with recourse	-	2,395	(2,395)	468
Proceed from issue share capital	-	-	5,457	30,000
Share issuance expense	-	-	(376)	-
Net cash outflow on debt restructuring	-	-	-	(43,472)
Net cash from (used in) financing activities	36	28,086	(18,201)	(3,489)
Net (decrease) increase in cash and cash equivalents	(2,288)	2,770	(3,434)	(4,137)
Cash and cash equivalents at beginning of period	11,093	9,288	12,087	16,196
Net effect of exchange rate changes in consolidating subsidiaries	166	29	318	28
Cash and cash equivalents at end of period	8,971	12,087	8,971	12,087

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED
Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)

1(d)(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 capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statements of changes in equity

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Other non- distributable reserves HK\$'000	Currency translation reserve HK\$'000	Accumulated loss HK\$'000	Total HK\$'000
<u>GROUP</u>							
Balance at 1 April 2012	52,567	64,590	80,253	28,534	179,655	(628,606)	(223,007)
Capital reduction	(49,063)	(64,590)	(80,253)	-	-	193,906	-
Share issue	32,000	-	-	-	-	-	32,000
Effect of the Creditors' Schemes	-	-	-	(28,534)	(159,088)	187,622	-
Total comprehensive (loss) income for the period	-	-	-	-	(168)	108,397	108,229
Balance at 31 December 2012	35,504	-	-	-	20,399	(138,681)	(82,778)
Total comprehensive (loss) income for the period	-	-	-	-	(271)	9,268	8,997
Balance at 31 March 2013	35,504	-	-	-	20,128	(129,413)	(73,781)
Share issue	1,600	3,857	-	-	-	-	5,457
Share issuance expense	-	(376)	-	-	-	-	(376)
Total comprehensive income (loss) for the period	-	-	-	-	(2,537)	5,026	2,489
Balance at 31 December 2013	37,104	3,481	-	-	17,591	(124,387)	(66,211)
Total comprehensive income for the period	-	-	-	-	811	1,539	2,350
Balance at 31 March 2014	37,104	3,481	-	-	18,402	(122,848)	(63,861)
<u>COMPANY</u>							
Balance at 1 April 2012	52,567	64,590	80,253	-	-	(201,634)	(4,224)
Capital reduction	(49,063)	(64,590)	(80,253)	-	-	193,906	-
Share issue	32,000	-	-	-	-	-	32,000
Total comprehensive loss for the period	-	-	-	-	-	(30,801)	(30,801)
Balance at 31 December 2012	35,504	-	-	-	-	(38,529)	(3,025)
Total comprehensive loss for the period	-	-	-	-	-	(202)	(202)
Balance at 31 March 2013	35,504	-	-	-	-	(38,731)	(3,227)
Share issue	1,600	3,857	-	-	-	-	5,457
Share issuance expense	-	(376)	-	-	-	-	(376)
Total comprehensive loss for the period	-	-	-	-	-	(3,154)	(3,154)
Balance at 31 December 2013	37,104	3,481	-	-	-	(41,885)	(1,300)
Total comprehensive income for the period	-	-	-	-	-	6,286	6,286
Balance at 31 March 2014	37,104	3,481	-	-	-	(35,599)	4,986

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED

Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issues, bonus issue, share buy-backs, exercise of share options or warrant, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on.**

During the three months ended 31 March 2014, there was no change in the Company's issued share capital.

State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, 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.

At 31 March 2014 and 31 March 2013, the Company had no outstanding share options. The Company does not have any treasury shares.

- 1(d)(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.**

As at 31 March 2014, the total number of issued shares was 185,522,331 (31 March 2013: 177,522,331).

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

Not applicable

- 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 auditors.

- 3. Where the figure have been audited or reviewed, the auditors' report (including any 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.**

The Group has applied the same accounting policies and methods of computation as in the most recently audited annual financial statements.

In this current financial period, the Group has adopted all the new and revised International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB that are relevant to its operations and effective for annual periods beginning on or after 1 April 2013. The adoption of these new/revised IFRSs and IFRIC does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

- 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 reasons for, and the effect of, the change.**

Not applicable

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED

Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)

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

	Group			
	Three months ended 31 March			
	2014		2013	
	Basic HK\$'000	Diluted HK\$'000	Basic HK\$'000	Diluted HK\$'000
Profit attributable to the owners of the Company	1,539	1,539	168,356	168,356
	No. of shares ('000)		No. of shares ('000)	
Weighted average number of ordinary shares	185,522	185,522	177,522	177,522
Adjustment for potentially dilutive ordinary shares	-	-	-	-
Weighted average number of ordinary shares used to compute earnings per share	185,522	185,522	177,522	177,522
Profit per share (HK cents)	0.83	0.83	94.84	94.84

	Group			
	Year ended 31 March			
	2014		2013	
	Basic HK\$'000	Diluted HK\$'000	Basic HK\$'000	Diluted HK\$'000
Profit attributable to the owners of the Company	6,565	6,565	276,753	276,753
	No. of shares ('000)		No. of shares ('000)	
Weighted average number of ordinary shares	181,139	181,139	85,029	85,029
Adjustment for potentially dilutive ordinary shares	-	-	-	-
Weighted average number of ordinary shares used to compute earnings per share	181,139	181,139	85,029	85,029
Profit per share (HK cents)	3.62	3.62	325.48	325.48

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :
(a) current financial period reported on; and
(b) immediately preceding financial year.

	Group		Company	
	31-Mar-14 HK\$	31-Mar-13 HK\$	31-Mar-14 HK\$	31-Mar-13 HK\$
Net asset value per ordinary share based on the total number of issued shares at the end of the financial period	(0.34)	(0.42)	0.03	(0.02)

Based upon the total number of issued shares as at 31 March 2014 of 185,522,331 ordinary shares (31 March 2013: 177,522,331).

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED**Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)**

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 of 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) seasonal or cyclical factors; and
- (b) any material factors that affected the cash flow, working capital, asset or liabilities of the group during the financial period reported on.

The Group's revenue for the three months ended 31 March 2014 was HK\$144.1 million (S\$23.2 million) as compared to HK\$144.9 million (S\$23.3 million) in the corresponding period of the previous financial year. Profit attributable to shareholders was HK\$1.5 million (S\$0.24 million) as compared to HK\$168.4 million (S\$27.1 million) previously. If the restructuring gain of HK\$159.1 million (S\$25.6 million) from the currency translation reserve reclassified to income statement upon deconsolidation of scheme subsidiaries were to be excluded, the operating profit for the same quarter last year would have been HK\$9.3 million (S\$1.5 million). Profit per share for the quarter was HK\$0.008 (S\$0.0013) as compared to HK\$0.95 (S\$0.15) for the corresponding quarter last year. Net asset value per share as at 31 March 2014 was a negative HK\$0.34 (S\$0.05) as compared to that as at 31 March 2013 of a negative HK\$0.42 (S\$0.068).

On a quarter-to-quarter basis, revenue decreased from HK\$180.0 million (S\$29.0 million) to HK\$144.1 million (S\$23.2 million) due mainly to the seasonal long holiday periods in Q1 2014.

For the financial year ended 31 March 2014, the Group's revenue increased to HK\$697.1 million (S\$112.3 million) from HK\$621.5 million (S\$100.1 million) in the previous financial year mainly due to higher demand for industrial control products. Gross margin for the twelve months ended 31 March 2014 decreased to 19.5% from 21.2% in the last financial year because of a lower revenue portion from consignment business. Profit attributable to shareholders was HK\$6.6 million (S\$1.1 million) for the full year. The profit figure reported for FY2013 was HK\$276.8 million (S\$44.6 million) which includes the gain on restructuring and restructuring expense of HK\$258.7 million (S\$41.7 million). For a year-on-year comparison purpose, if the net exceptional gain amount was excluded, the profit figure would be HK\$18.1 million (S\$2.9 million) for FY2013.

Revenue contribution by products is as follows:-

	Q4FY2014	Q4FY2013	FY2014	FY2013
Industrial controls	93%	91%	92%	84%
Automotive electronics	-	2%	-	2%
Digital audio video	-	7%	1%	2%
Consumer & others	7%	-	7%	12%

Revenue contribution by customers' country of origin is as follows:

	Q4FY2014	Q4FY2013	FY2014	FY2013
Japan	9%	9%	7%	10%
Korea	1%	-	1%	-
Europe & US	86%	84%	88%	84%
Other Asian countries	4%	7%	4%	6%

Capital investment for the year ended 31 March 2014 was HK\$1.0 million (S\$0.16 million) mainly for the enhancement of production equipment and plant and facilities.

Footnote: The exchange rate used above is S\$1.00 = HK\$6.21

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

The current announced results are in line with the Q3FY2014 results announcement made on 27 January 2014

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED**Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)****10. A commentary at the date of the 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 global economic recovery continues into 2014. However, the Q1 2014 GDP growth in both US and Europe were below expectation. China economy continues to slow down. Japan's economy holds steady. Emerging market economy is just stable. However, there are recent developments in political unrest and territorial disputes in parts of Europe and Asia. These factors have introduced more uncertainty and volatility. The economic outlook remains cautious.

SMT's recovery continues to gain momentum. We are seeing increases in demand from most of our existing customers, in particular those from Europe. There are new projects and new customers. Our outlook is positive. However, the escalating operating costs in China remain challenging.

In March 2014, the Company received a delisting notification from the SGX-ST. The Company's shares were suspended from trading since 12 April 2014. As we have been unable to source a reasonable cash exit alternative for the shareholders from our major shareholders, we will be seeking the shareholders' approval in respect of exit alternatives for the shareholders. A circular setting out the details of these exit alternatives will be announced in due course.

As the Company is on a recovery path, the largest shareholder and the management plan to continue the present operation after delisting. SMT will then become a private Bermuda company.

11. Dividend**(a) Current Financial Period Reported on**

Any dividend declared for the current financial period reported on? None

Name of Dividend: -
Dividend Type: -
Dividend Amount: -

Par value of shares: -
Tax Rate: -

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

Name of Dividend: -
Dividend Type: -
Dividend Amount: -

Par value of shares: -
Tax Rate: -

(c) Date payable:

Not applicable

(d) Books closure date:

Not applicable

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

No dividend was declared for the year ended 31 March 2014.

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

The Group does not have any general mandate from shareholders for interested person transactions pursuant to Rule 920.

14. Negative assurance confirmation on interim financial results under Rule 705(5) of the Listing Manual

Not required for announcement on full year results.

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

15. 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.

Reportable segments

The Group principally engages in the provision of electronic manufacturing services to original equipment manufacturers and the revenue are segregated into sales of goods and subcontracting income.

	Automatives Electronics HK\$'000	Digital Audio Video HK\$'000	Industrial Controls HK\$'000	Other consumer products HK\$'000	Total HK\$'000
Group					
2014					
Revenue					
Japan	-	-	48,888	-	48,888
Korea	-	-	775	4,323	5,098
North America & Europe	-	-	573,259	40,321	613,580
PRC	-	4,967	-	3,122	8,089
Asia (Note)	-	-	15,776	5,713	21,489
	-	4,967	638,698	53,479	697,144
Sale of goods	-	-	573,159	40,538	613,697
Subcontracting income	-	4,967	65,539	12,941	83,447
	-	4,967	638,698	53,479	697,144
Result					
Segment result	-	298	25,142	2,550	27,990
Other operating income					1,754
Central administrative costs					(4,926)
Finance costs					(15,728)
Profit before income tax					9,090
Income tax					(2,525)
Profit attributable to shareholders					6,565

	Automatives Electronics HK\$'000	Digital Audio Video HK\$'000	Industrial Controls HK\$'000	Other consumer products HK\$'000	Total HK\$'000
Group					
2013					
Revenue					
Japan	9,761	-	52,888	1	62,650
Korea	-	-	1,353	-	1,353
North America & Europe	-	-	451,483	69,753	521,236
PRC	2,470	10,221	-	19	12,710
Asia (Note)	-	-	18,759	4,833	23,592
	12,231	10,221	524,483	74,606	621,541
Sale of goods	-	-	452,118	69,477	521,595
Subcontracting income	12,231	10,221	72,365	5,129	99,946
	12,231	10,221	524,483	74,606	621,541
Result					
Segment result	1,154	709	15,441	3,852	21,156
Other operating income					16,961
Restructuring gain					268,058
Central administrative costs					(14,258)
Finance costs					(15,668)
Profit before income tax					276,249
Income tax credit					504
Profit attributable to shareholders					276,753

Note: Asia excludes Japan, Korea and the PRC

SURFACE MOUNT TECHNOLOGY (HOLDINGS) LIMITED
Fourth Quarter and Full Year Financial Statement and Dividend Announcement (cont'd)

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

There were no material changes in contributions to turnover and earnings by the geographical segments. For business segments, please refer to paragraph 8 above.

17. A breakdown of sales

		Group		
		FY2014	FY2013	Increase /
		HK\$'000	HK\$'000	(Decrease)
				%
(a)	Sales reported for first half year	373,072	306,193	21.8
(b)	Operating profit (loss) after tax reported for the first half year	4,089	(5,681)	NM
(c)	Sales reported for second half year	324,072	315,348	2.8
(d)	Operating profit after tax reported for second half year	2,476	282,434	(99.1)

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

	2014	2013
	HK\$'000	HK\$'000
(a)	Ordinary	-
(b)	Preference	-
	<u>Not applicable</u>	<u>Not applicable</u>
(c)	Total	-

19. Disclosure of person occupying a managerial position who are related to a Director; CEO or Substantial Shareholder

For the Financial Year Ended

2014/3/31

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Chan Shu Pang, Eddy	33	Son of Professor KB Chan, Chairman & Senior Managing Director.	Information Technology and Business Manager	No Change.
			Responsible for the information technology management and business development.	
			The position was first held in 2010.	

BY ORDER OF THE BOARD

Woo May Poh
Company Secretary
23 May 2014