



NEWS RELEASE

Micro-Mechanics Net Profit Surges 107% to S\$3.7 million in 3Q15

- Group's quarterly revenue and net profit climbed to record levels in 3Q15
- Gross profit margin expanded to 55.1% from 50.4% in 3Q14
- Net profit for 9M15 jumps 72.9% to S\$9.2m; exceeding full year profit of S\$7.7m in FY2014

Singapore, 25 April 2015 – Micro-Mechanics (Holdings) Ltd. ("Micro-Mechanics" or the "Group"), a manufacturer of high precision tools, parts and assemblies for high technology industries, today reported its highest ever quarterly net profit of S\$3.7 million for the three months ended 31 March 2015 ("3Q15"), a jump of 107.3% from the same quarter a year ago.

The strong bottom line performance was achieved on the back of record quarterly revenue of S\$13.4 million as well as an improvement in its gross profit margin to 55.1% and a reduction in overhead expenses.

Together with its sterling financial performance in the first half, the Group posted net profit of S\$9.2 million for the nine months ended 31 March 2015 ("9M15") – an increase of 72.9% from S\$5.3 million in 9M14 and higher than its net profit of S\$7.7 million in FY2014. Correspondingly, the Group's earnings per share increased to 6.61 cents in 9M15 from 3.82 cents in the previous nine month period.

CEO of Micro-Mechanics, Mr Chris Borch said, "The Group continued to deliver strong sales momentum during 3Q15. Although the first three months of the calendar year tends to be a seasonally slower period for our semiconductor tooling business, this division performed well with revenue growing 30.7% to S\$11.3 million, driven mainly by our markets in China, Taiwan and Malaysia.

As China is now a major centre for global chip manufacturing activity, we have been steadily gaining a larger share of this key market for semiconductor tools through our efforts to broaden our customer base and increase sales penetration. As a result, sales in China grew 37.9% to S\$10.3 million in 9M15 to become our largest geographical market with a 26% share of the Group's revenue."

The Group is also gaining greater traction in the Taiwan market as sales there jumped 40.1% to S\$3.9 million in 9M15. Together, these two markets accounted for 36% of Group revenue in 9M15. Sales in Malaysia, the Group's second largest market, also increased 26.6% to S\$8.5 million in 9M15.

"The commendable set of results is a reflection of the Group's focus on the value we bring to our customers and their businesses, as well as our continuous efforts to improve operational efficiency, cycle time and cost management," said Mr Borch.

As at 31 March 2015, Micro-Mechanics remained in a sound financial position with cash and cash equivalents of S\$14.1 million and no bank borrowings.

MEDIA AND INVESTOR RELATIONS CONTACT

Octant Consulting | phone (65) 6296 3583

Herman Phua | mobile 9664 7582 | email herman@octant.com.sg

Lisa Heng | mobile 9090 9887 | email lisa@octant.com.sg

This news release should be read in conjunction with the Group's financial statements posted on the SGX website on 25 April 2015.

About Micro-Mechanics

Micro-Mechanics designs, manufactures and markets high precision tools, parts and assemblies for the semiconductor, medical, aerospace and other high technology industries.

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

In addition to a market-leading range of precision tools, parts and consumable products used in the assembly and testing of semiconductors, the Group also manufactures precision parts and assemblies on a contract basis for tier-one equipment, aerospace, medical and other industries.

Micro-Mechanics has won wide recognition for its high standard of corporate governance and quality of disclosure, corporate transparency and communications with investors. It is a five time recipient of the Best Investor Relations Award (small cap category) at the Singapore Corporate Awards 2014, 2013, 2012, 2011 and 2010. The Group also won the Gold award for Best Managed Board (small cap category) at the Singapore Corporate Awards 2012. In addition, it has received six awards from the Securities Investors Association Singapore for its corporate transparency and governance practices, and was twice voted 'Best for Shareholders Rights and Equitable Treatment in Singapore' in the Asiamoney Corporate Governance Polls in 2009 and 2010.

For more information, please visit the Group's website at www.micro-mechanics.com