

First Quarter Financial Statements And Dividend Announcement

The Board of Directors of Venture Corporation Limited wishes to make the following announcement:

Quarterly financial statements on consolidated results for the quarter ended March 31, 2007.

These figures have not been audited or reviewed.

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

Group			
	3 months ended 31.03.2007 S\$'000	3 months ended 31.03.2006 S\$'000	% increase/ (decrease)
Revenue	968,901	733,865	32.0
Other operating income	490	11,876	(95.9)
Changes in inventories of finished goods and work in progress	64,845	29,232	121.8
Raw materials and consumables used	(845,967)	(615,686)	37.4
Staff costs / Employee benefits expense	(75,513)	(56,012)	34.8
Depreciation and amortisation expense (Note 1)	(16,837)	(10,573)	59.2
Research and development expense (exclude R&D staff costs)	(8,008)	(14,597)	(45.1)
Foreign currency exchange adjustment gain (loss) (Note 2)	6,043	(14,792)	n.m.
Other expenses	(26,367)	(23,239)	13.5
Investment revenue	5,545	8,327	(33.4)
Finance costs (interest on bank borrowings)	(5,862)	(87)	6,637.9
Share of profits of associates	1,276	561	127.5
Profit before tax	68,546	48,875	40.2
Income tax (Note 3)	2,594	868	198.9
Profit for the period	71,140	49,743	43.0
Attributable to:			
Equity holders of the company	70,713	49,363	43.3
Minority interests	427	380	12.4
	71,140	49,743	43.0

The group income statement for the period ended March 31, 2007 includes the income statement of GES International Limited ("GES") which was acquired on November 29, 2006.

Note 1

This includes amortisation of customer relationships amounting to S\$4.2million (March 31, 2006: Nil).

Note 2

The foreign exchange gain for the quarter is due to the strengthening of RM against the USD during the period. These are mainly attributable to the Malaysian subsidiary companies which re-measured their accounts from RM to USD in the fourth quarter of FY 2006

Note 3

This includes deferred tax liabilities release of S\$3.0million to account for the decrease in corporate tax rates in Singapore from 20% to 18% and in Malaysia from 28% to 27%.

1.(a)(ii) **The profit after income tax includes the following (charges)/credits:**

	Group		
	3 months ended 31.03.2007 S\$'000	3 months ended 31.03.2006 S\$'000	% increase/ (decrease)
Overprovision of tax in respect of prior years	-	2,716	n.m.
Release of deferred tax liabilities	2,964	-	n.m.
Loss on disposal of property, plant and equipment, net	(37)	(130)	(71.5)
Fair value (loss) gain on derivative financial instruments	(899)	11,356	n.m.
Allowance for inventories	(121)	-	n.m.
Inventories written off	(6)	-	n.m.
Impairment of plant and equipment	(182)	-	n.m.
Loss on liquidation of a subsidiary	(113)	-	n.m.

Note:

n.m. - not meaningful

1.(b)(i) **A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year**

	Group		Company	
	31.03.2007 S\$'000	31.12.2006 S\$'000	31.03.2007 S\$'000	31.12.2006 S\$'000
ASSETS				
Current assets:				
Cash and bank balances	366,356	329,006	89,712	71,832
Available-for-sale investments	19,514	19,526	15,014	15,026
Trade receivables	636,723	624,110	145,945	150,993
Other receivables and prepayments	40,855	44,758	6,600	6,739
Inventories	664,669	581,390	103,292	85,827
Trade receivables due from subsidiaries	-	-	45,042	46,544
Other receivables due from subsidiaries	-	-	16,395	15,145
Trade receivables due from joint venture	27	-	-	-
Asset classified as held for sale (Note 1)	-	12,500	-	-
Total current assets	1,728,144	1,611,290	422,000	392,106
Non-current assets:				
Investments in subsidiaries	-	-	1,184,498	1,184,545
Investments in associates	110,549	109,270	82,536	82,536
Investment in joint venture	-	-	1,000	1,000
Available-for-sale investments	265,689	262,452	243,530	241,963
Property, plant and equipment	214,052	221,492	12,598	13,541
Intangible assets	169,347	174,199	130	179
Goodwill	630,415	630,415	-	-
Deferred tax assets	775	744	-	-
Total non-current assets	1,390,827	1,398,572	1,524,292	1,523,764
Total assets	3,118,971	3,009,862	1,946,292	1,915,870
LIABILITIES AND EQUITY				
Current liabilities:				
Bank overdraft and loans	606,309	631,196	577,000	600,000
Trade payables	523,913	445,131	73,761	61,978
Other payables and accrued expenses	97,197	108,218	30,064	38,076
Trade payables due to subsidiaries	-	-	153,952	149,357
Other payables due to subsidiaries	-	-	1,009	5,991
Trade payables due to associates	979	277	-	-
Other payables due to joint venture	56	25	20	32
Income tax payable	13,532	13,422	10,718	9,862
Total current liabilities	1,241,986	1,198,269	846,524	865,296
Non-current liabilities:				
Derivative financial instruments	4,560	3,661	4,560	3,661
Bank loans	-	-	-	-
Deferred tax liabilities	35,820	40,305	-	-
Total non-current liabilities	40,380	43,966	4,560	3,661
Capital and reserves:				
Share capital	651,434	649,974	651,434	649,974
Share options reserve	26,047	23,958	25,407	23,318
Investments revaluation reserve	(7,176)	(11,222)	(5,943)	(8,160)
Translation reserves	(76,067)	(66,402)	-	-
Reserve fund	229	229	-	-
Accumulated profits	1,233,135	1,162,422	424,310	381,781
Equity attributable to equity holders of the company	1,827,602	1,758,959	1,095,208	1,046,913
Minority interests	9,003	8,668	-	-
Total equity	1,836,605	1,767,627	1,095,208	1,046,913
Total Liabilities and Equity	3,118,971	3,009,862	1,946,292	1,915,870

Note 1

This investment was disposed off at carrying value during the period.

1.(b)(ii) **Aggregate amount of group's borrowings and debt securities**

(a) Amount repayable in one year or less, or on demand

Group				Company			
As at 31.03.2007		As at 31.12.2006		As at 31.03.2007		As at 31.12.2006	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	606,309	-	631,196	-	577,000	-	600,000

(b) Amount repayable after one year
Nil

(c) Details of any collateral
Nil

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

	3 months ended	3 months ended
	31.03.2007	31.03.2006
	S\$'000	S\$'000
Operating activities:		
Profit before income tax	68,546	48,875
Adjustments for:		
Share of profits of associates	(1,276)	(561)
Allowance for inventories	121	-
Inventories written off	6	-
Depreciation expense	11,604	9,895
Amortisation of intangible assets	5,233	678
Impairment loss on plant and equipment	182	-
Interest income	(5,545)	(8,327)
Dividend income	(73)	(19)
Interest expense	5,862	87
Share-based payments expense	2,089	1,635
Fair value loss (gain) on derivative financial instruments	899	(11,356)
Loss on disposal of plant and equipment, net	37	130
Operating profit before working capital changes	87,685	41,037
Trade receivables	(12,613)	69,075
Other receivables and prepayments	3,903	(13,417)
Inventories	(83,406)	(38,537)
Amount due from (to) joint venture	5	(30)
Amount due from associates	702	68
Trade payables	78,782	(12,881)
Other payables and accrued expenses	(11,021)	7,858
Cash generated from operations	64,037	53,173
Interest paid	(5,862)	(87)
Income tax paid	(1,347)	(1,212)
Net cash from operating activities	56,828	51,874
Investing activities:		
Interest received	5,545	8,327
Dividends received	73	19
Purchase of property, plant and equipment	(5,915)	(9,230)
Proceeds on disposal of plant and equipment	522	1,601
Addition of intangible assets	(384)	(6,476)
Proceeds on disposal of intangible assets	-	59
Proceeds on disposal of available-for-sale investments	3,000	5,012
Purchase of available-for-sale investments	(3,077)	(3,832)
Proceeds on disposal of asset classified as held for sale	12,500	-
Acquisition of shareholdings in an associate	-	(82,536)
Payment to minority shareholders for acquisition of additional shares in a subsidiaries	-	(569)
Net cash from (used in) investing activities	12,264	(87,625)
Financing activities:		
Repayment of short-term bank loans	(24,887)	(846)
Proceeds from issue of shares	1,460	887
Net cash (used in) from financing activities	(23,427)	41
Net increase (decrease) in cash and cash equivalents	45,665	(35,710)
Cash and cash equivalents at beginning of period	329,006	556,555
Net effect of exchange rate changes in consolidating subsidiaries	(8,315)	(5,611)
Cash and cash equivalents at end of period	366,356	515,234
Cash and cash equivalents at end of period include the following:		
Cash and bank balances	366,356	515,375
Bank overdrafts	-	(141)
Cash and cash equivalents at the end of the period	366,356	515,234

1.(d)(i) Statement of changes in equity for the period ended March 31

	Share capital S\$'000	Share premium S\$'000	Share options reserve S\$'000	Investments revaluation reserve S\$'000	Translation reserves S\$'000	Reserve Fund S\$'000	Accumulated profits S\$'000	Attributable to equity holders of the company S\$'000	Minority interests S\$'000	Total equity S\$'000
The Group										
Balance at January 1, 2006	67,368	554,145	21,299	(16,103)	(19,042)	-	1,055,522	1,663,189	7,595	1,670,784
Issue of shares	2	96	-	-	-	-	-	98	-	98
Transfer from share premium account	554,241	(554,241)	-	-	-	-	-	-	-	-
	621,611	-	21,299	(16,103)	(19,042)	-	1,055,522	1,663,287	7,595	1,670,882
Exchange differences arising on translation of foreign operations	-	-	-	-	(9,007)	-	-	(9,007)	(182)	(9,189)
Profit for the period	-	-	-	-	-	-	49,363	49,363	380	49,743
Recognition of share-based payments	-	-	1,635	-	-	-	-	1,635	-	1,635
Net fair value changes in available-for-sale investments	-	-	-	(1,074)	-	-	-	(1,074)	-	(1,074)
Acquisition of shareholdings from minority shareholders	-	-	-	-	-	-	-	-	(105)	(105)
Issue of shares	789	-	-	-	-	-	-	789	-	789
Balance at March 31, 2006	622,400	-	22,934	(17,177)	(28,049)	-	1,104,885	1,704,993	7,688	1,712,681
Balance at January 1, 2007	649,974	-	23,958	(11,222)	(66,402)	229	1,162,422	1,758,959	8,668	1,767,627
Exchange differences arising on translation of foreign operations	-	-	-	-	(9,665)	-	-	(9,665)	(92)	(9,757)
Profit for the period	-	-	-	-	-	-	70,713	70,713	427	71,140
Recognition of share-based payments	-	-	2,089	-	-	-	-	2,089	-	2,089
Net fair value changes in available-for-sale investments	-	-	-	4,046	-	-	-	4,046	-	4,046
Issue of shares	1,460	-	-	-	-	-	-	1,460	-	1,460
Balance at March 31, 2007	651,434	-	26,047	(7,176)	(76,067)	229	1,233,135	1,827,602	9,003	1,836,605

1.(d)(i) **Statement of changes in equity for the period ended March 31**

	Share capital S\$'000	Share premium S\$'000	Share options reserve S\$'000	Investments revaluation reserves S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company						
Balance at January 1, 2006	67,368	554,145	21,299	(10,881)	358,888	990,819
Issue of shares	2	96	-	-	-	98
Transfer from share premium account	554,241	(554,241)	-	-	-	-
	<u>621,611</u>	<u>-</u>	<u>21,299</u>	<u>(10,881)</u>	<u>358,888</u>	<u>990,917</u>
Profit for the period	-	-	-	-	31,297	31,297
Recognition of share-based payments	-	-	1,635	-	-	1,635
Net fair value changes in available-for-sale investments	-	-	-	(2,705)	-	(2,705)
Issue of shares	789	-	-	-	-	789
Balance at March 31, 2006	<u>622,400</u>	<u>-</u>	<u>22,934</u>	<u>(13,586)</u>	<u>390,185</u>	<u>1,021,933</u>
Balance at January 1, 2007	649,974	-	23,318	(8,160)	381,781	1,046,913
Profit for the period	-	-	-	-	42,529	42,529
Recognition of share-based payments	-	-	2,089	-	-	2,089
Net fair value changes in available-for-sale investments	-	-	-	2,217	-	2,217
Issue of shares	1,460	-	-	-	-	1,460
Balance at March 31, 2007	<u>651,434</u>	<u>-</u>	<u>25,407</u>	<u>(5,943)</u>	<u>424,310</u>	<u>1,095,208</u>

1.(d)(ii) **Details of any changes in the Company's issued share capital**

Venture Manufacturing (Singapore) Ltd Executives' Share Option Scheme ("The 1993 Scheme")

Since the end of the previous financial year, 106,000 ordinary shares were issued to holders of options who exercised 106,000 of their options under the 1993 Scheme. As at March 31, 2007, there were 7,299,000 unissued shares of the Company under options in the 1993 Scheme (March 31, 2006: 12,241,000).

Since the end of the previous financial year, no options to take up ordinary shares (March 31, 2006: Nil) in the capital of the Company under the 1993 Scheme lapsed.

Venture Corporation Executives' Share Option Scheme ("The 2004 Scheme")

Since the end of the previous financial year, no ordinary shares were issued to holders of options under the 2004 Scheme. As at March 31, 2007, there were 4,698,000 unissued shares of the Company under options in the 2004 Scheme (March 31, 2006: 2,280,000).

Since the end of the previous financial year, no options to take up ordinary shares (March 31, 2006: Nil) in the capital of the Company under the 2004 Scheme lapsed.

Share Capital

	31.03.2007	31.12.2006	31.03.2007	31.12.2006
	Number of ordinary shares		\$'000	\$'000
Issued and paid-up capital:				
At beginning of year	272,664,577	269,473,577	649,974	67,368
Transfer from share premium account	-	-	-	554,145
Issue of shares	106,000	3,191,000	1,460	28,461
At end of period	<u>272,770,577</u>	<u>272,664,577</u>	<u>651,434</u>	<u>649,974</u>

As a result of the Companies (Amendment) Act 2005, the concept of authorised share capital and par value has been abolished. Any amount standing to the credit of share premium account has been transferred to the Company's share capital account in the current year.

2. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

These figures have not been audited or reviewed.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a 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 adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended December 31, 2006 as well as all the applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after January 1, 2007.

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**

The adoption of the new/revised FRS does not have a material financial impact on the Group and the Company.

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**

- (a) Based on the weighted average number of ordinary shares on issue (cents)
- (b) On a fully diluted basis (cents)
(detailing any adjustments made to the earnings)

	3 months ended 31.03.2007	3 months ended 31.03.2006
(a)	25.9	18.3
(b)	25.9	18.2

7. **Net asset value per ordinary share**

Net asset value per ordinary share based on issued share capital at the end of the financial period reported on (cents)

Group		Company	
31.03.2007	31.12.2006	31.03.2007	31.12.2006
670.0	632.5	401.5	379.1

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, assets or liabilities of the group during the current financial period reported on.

The Group reported revenue of \$968.9 million, 32% higher than that of the previous year. Revenue growth was driven by a number of factors, including customers' business expansion, successful new product launches and healthy value creation.

The Group has been able to capture a larger share of the various market segments from a wide spectrum of existing customers. The Group has also been able to enlarge its customer base organically as well as through acquisitions. Additionally, we are able to share our value creation with our customers with minimal erosion of our margins.

Revenue from the Group's Printing & Imaging business accounted for 31% of total revenue. The Group's PC Peripherals/Data Storage business, as well as its Networking/Communications business added 20% and 17% respectively to the Group's revenue. Test & Measurement/Medical/Others contributed 16%.

As a result of reclassification, Retail Store Solutions/Industrial Products contributed the remaining 16%.

The Group posted a PATMI of \$70.7million in the first quarter of 2007, a significant improvement of 43.3% over the corresponding period in 2006. This is a record profit achieved by the Group for the first quarter in any financial year. Corporate-wide strategic initiatives including the widening, deepening and strengthening of its value chain and intense focus on operational excellence and total customer satisfaction, had boosted the Group's performance.

Basic earnings per share (on a fully diluted basis) grew by about 42% to 25.9 cents.

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

Not applicable.

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 overall outlook for the global electronics industry is expected to remain healthy.

The Group operates in a keenly contested market. However, we have put in place programmes and initiatives to enable us to stay very competitive.

We continue to see good opportunities going forward and we will strive hard to grow with our existing and new customers.

11. **Dividend**

(a) Current Financial Period Reported On

Name of Dividend	Nil
Dividend Type	Nil
Dividend Amount per Share (in cents)	Nil
Dividend Rate	Nil
Par value of shares	Nil
Tax Rate	Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Nil
Dividend Type	Nil
Dividend Amount per Share (in cents)	Nil
Dividend Rate	Nil
Par value of shares	Nil
Tax Rate	Nil

(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 for the period ended March 31, 2007 is recommended or declared.

BY ORDER OF THE BOARD

Yvonne Choo
Company Secretary
April 25, 2007

VENTURE CORPORATION LIMITED
Company Registration Number 198402886H

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the first quarter ended March 31, 2007 to be false or misleading.

On behalf of the Directors

(signed)
Wong Ngit Liong
Director

(signed)
Cecil Vivian Richard Wong
Director

April 25, 2007