



VENTURE'S NET PROFIT ROSE 72.2% YOY TO S\$83.7 MILLION IN 1Q 2018 ON REVENUE OF S\$856.0 MILLION

SINGAPORE, 25 APRIL 2018 – Venture Corporation Limited reported revenue of S\$856.0 million and net profit of S\$83.7 million for the quarter ended 2018.

FINANCIAL PERFORMANCE

For the quarter ended 31 March 2018, the Group registered revenue of S\$856.0 million, an increase of 1.5% year-on-year due to the effects of a weakened US dollar. In US dollar terms, revenue for the reported quarter would have grown by 9.1%.

For the quarter ended 31 March 2018, the Group recorded profit before tax (PBT) of S\$98.6 million, an increase of 64.4% year-on-year. The improvement in profitability continued to be driven by impactful value creation through engineering design and development, operational excellence and judicious cost management. In line with the higher PBT, the Group reported income tax expense of S\$14.9 million for the reported quarter.

S\$'million	3 months ended 31.03.18	3 months ended 31.03.17	% (incr/ decr)
Revenue	<u>856.0</u>	843.1	1.5
PBT	98.6	60.0	64.4
PBT Margin (%)	11.5%	7.1%	
Profit Attributable to owners	83.7	48.6	72.2
Net Margin (%)	9.8%	5.8%	
Fully Diluted EPS (cents)	28.8	17.2	

Net profit (profit attributable to owners of the Company) rose 72.2% year-on-year to S\$83.7 million for the reported quarter. This translates to a net margin of 9.8% for the quarter ended 31 March 2018 (1Q 2017: 5.8%).

Diluted Earnings Per Share was 28.8 cents for the reported quarter (1Q 2017: 17.2 cents).

FINANCIAL POSITION AND CASHFLOW

For the quarter ended 31 March 2018, the Group generated operating cash flow of S\$105.0 million before working capital changes. The Group registered an increase in working capital position for the reported quarter mainly due to higher inventory balances to support customers' programmes. The Group generated cash from operations of S\$38.2 million (1Q 2017: S\$7.0 million).

As at the end of the reported quarter, the Group had cash and bank balances of S\$765.3 million (S\$752.4 million as at 31 December 2017) and remained net cash positive at S\$724.6 million (S\$721.6 million as at 31 December 2017).

As at 31 March 2018, shareholders' funds rose to S\$2.3 billion (S\$2.2 billion as at 31 December 2017) and Net Asset Value per share improved to S\$7.85 (S\$7.61 as at 31 December 2017).

OUTLOOK

In spite of the weakened US dollar and heightened uncertainty due to geo-political environment, the Group managed to report a creditable set of results in the first quarter of 2018.

The Group remains steadfast in execution along several key initiatives. Venture continues to leverage its core capabilities in engineering, advanced manufacturing and supply chain management to drive operational excellence and deep value creation. Venture plans to grow its pool of strategic partnerships and its technological diversity with expansion into new and adjacent ecosystems. Excellent execution of these ongoing and new initiatives will support the Group's endeavor to build sustainable growth and performance.

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Submitted by Angeline Khoo Cheng Nee, Company Secretary, on 25 April 2018 to the Singapore Exchange Securities Trading Limited.

This press release is also available at www.venture.com.sg.
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BACKGROUND

About Venture (www.venture.com.sg)

Venture Corporation Limited (“**Venture**” or the “**Group**”) was founded in 1984 as a global electronics services provider. Today, it is a leading global provider of technology solutions, products and services with established capabilities spanning marketing research, design and development, product and process engineering, design for manufacturability, supply chain management, as well as product refurbishment and technical support across a widely diversified range of high-mix, high-value and complex products.

Headquartered in Singapore, the Group comprises more than 30 companies with global clusters in Southeast Asia, Northeast Asia, America and Europe and employs over 12,000 people worldwide.

The Group has built know-how and intellectual property with domain expertise in printing and imaging; networking and communications devices; handheld interactive scanning and computing products; advanced storage systems and devices; financial-related equipment and technology; Industrial, power and energy-related products; test and measurement equipment and instrumentation; medical and healthcare devices and life science equipment. The Group manages a portfolio of more than 5,000 products and solutions and continues to expand into new product categories through its collaboration with existing and new customers.

In its pursuit to create unparalleled enterprise excellence across design and engineering, manufacturing and distribution, Venture has forged numerous meaningful partnerships and alliances. As it assumes a key role in the enterprise chain, Venture will continue to tap the knowledge and best-in-class capabilities of global enterprises for breakthrough innovations.

Venture is a strategic partner of choice of over 100 global companies including Fortune 500 corporations and ranks among the best in managing the value chain for leading electronics companies. It is committed to enhancing its competencies through further investments in technologies, market access capabilities, its people and expanding connectivity with other enterprises and research-intensive organisations/institutions in its ecosystem of interests. It stands poised, to provide the leading edge and remain relevant in a constantly changing and evolving world.