

**VENTURE** Providing The Leading Edge

**2Q 2009 RESULTS ANNOUNCEMENT (7 AUG 2009)**



# PERFORMANCE REVIEW

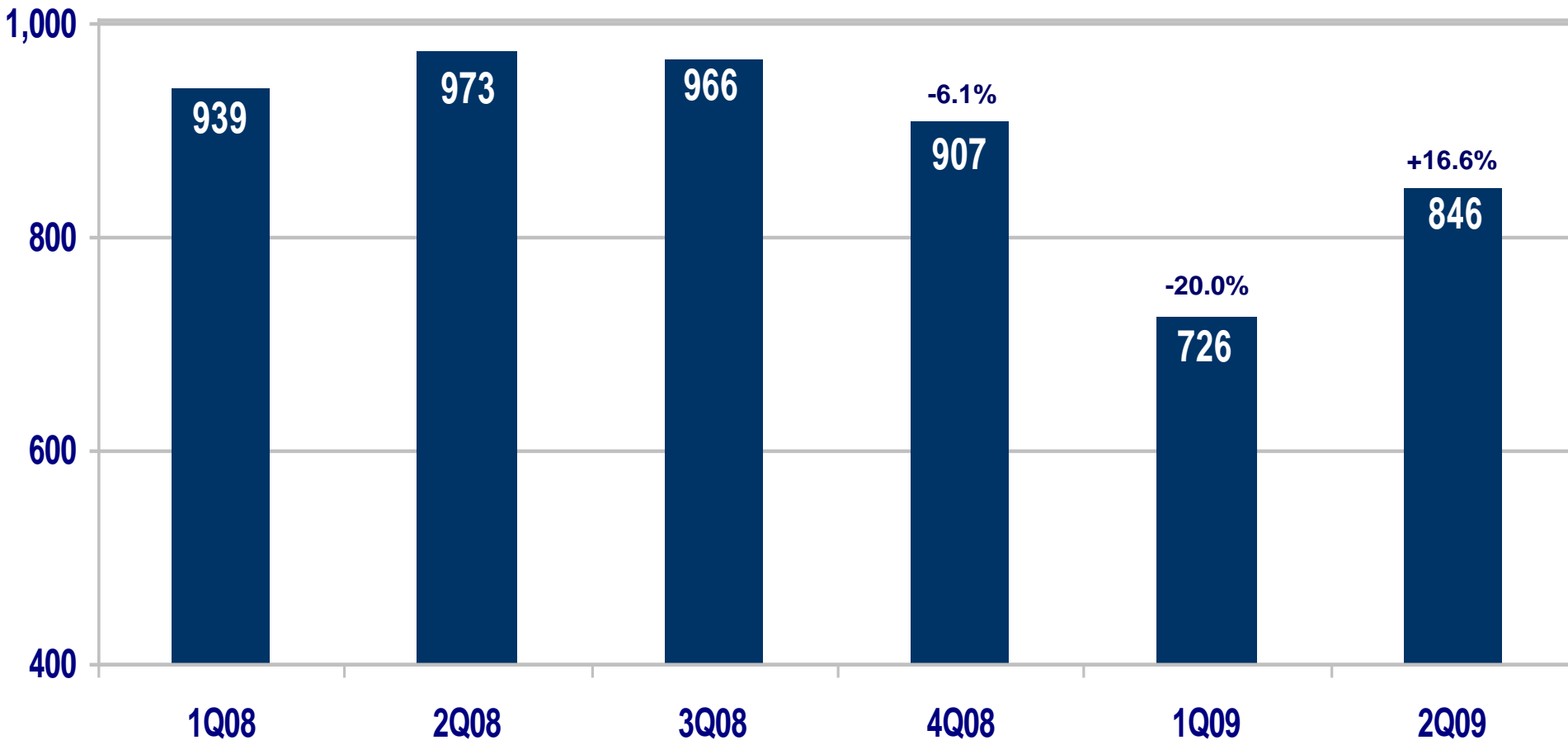
# SEQUENTIAL REVENUE IMPROVEMENT

(S\$m)	2Q 2009	1Q 2009	%	2Q 2008	%
Revenue	846.0	725.5	16.6	972.5	(13.0)

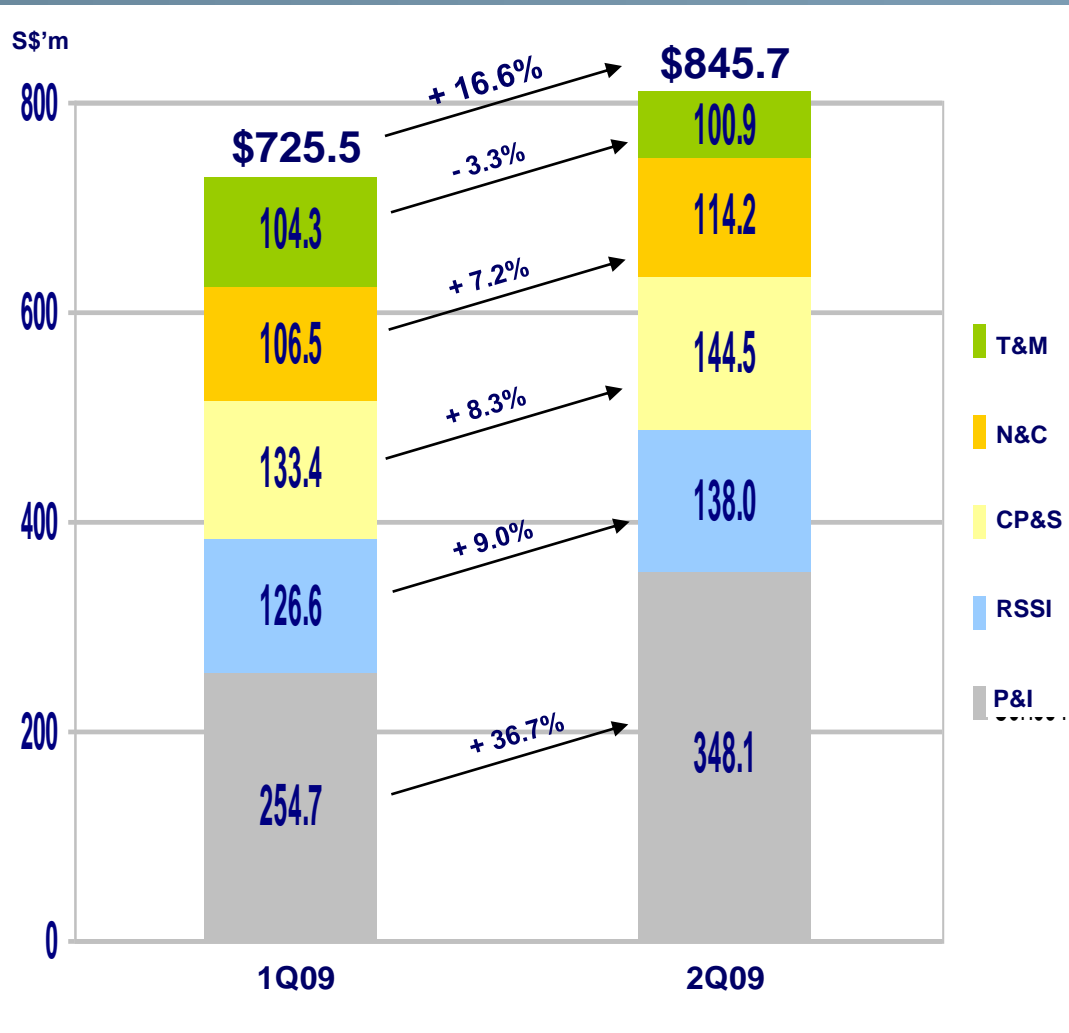
Revenue improved by approximately 17% quarter-on-quarter, however on a year-on-year basis, revenue is lower by 13%

# IMPROVED REVENUE TREND QoQ

S\$m



# SEGMENTAL REVENUE IMPROVEMENT



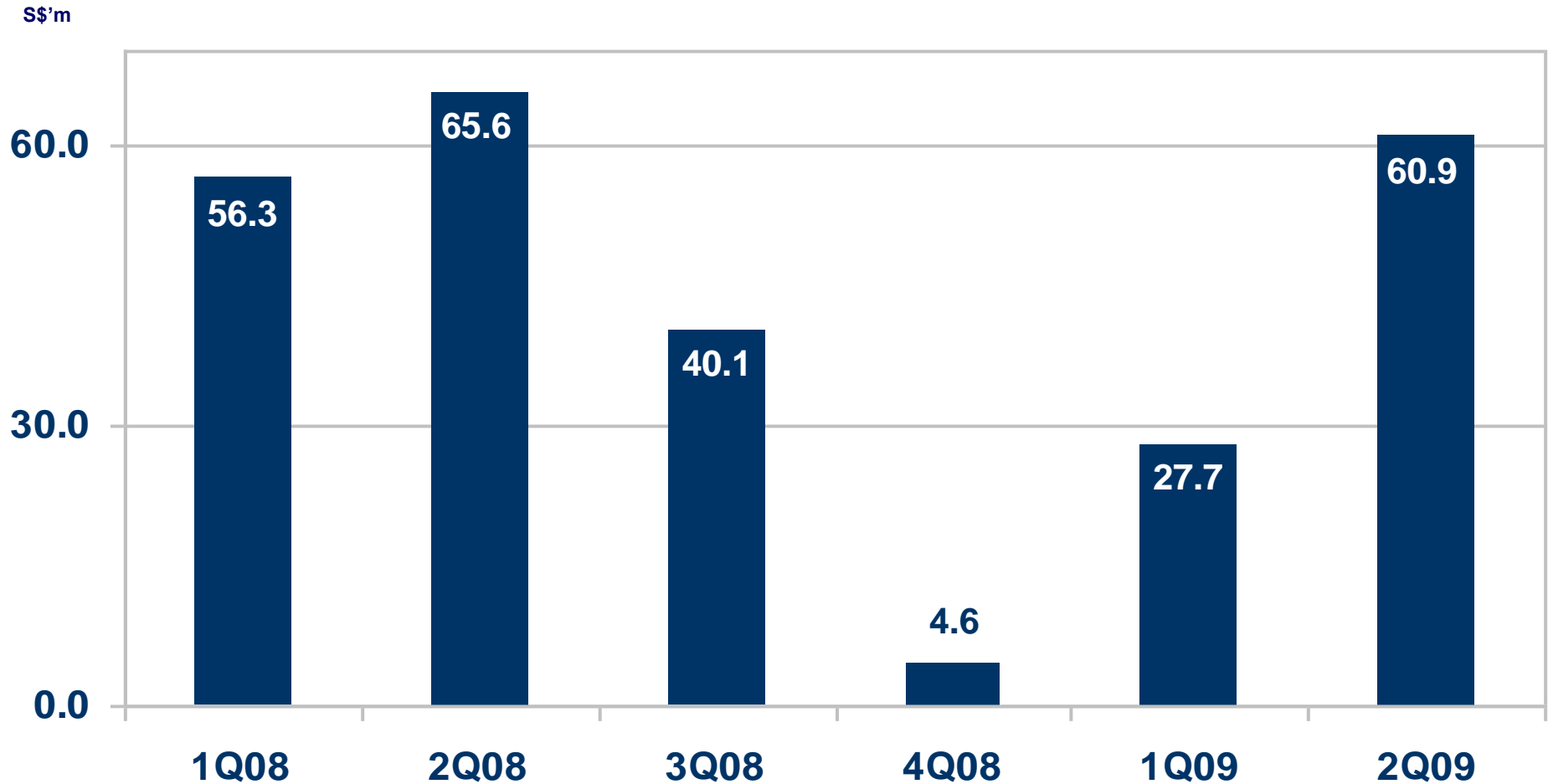
- Except T&M/Others, all segments registered improvement
- Recovery from 1Q09 due to demand pick-up for several products, market share improvement and outcome of operational excellence
- Revenue contribution underpinned by diversity in customer base and products

# SEQUENTIAL PATMI IMPROVEMENT

(S\$m)	2Q 2009	1Q 2009	%	2Q 2008	%
PATMI	60.9	27.7	119.9	65.6	(7.1)

Sequentially, PATMI recorded a 120% improvement. However on a year-on-year comparison, PATMI was slightly lower by about 7%

# IMPROVED PATMI TREND QoQ



# SEQUENTIAL IMPROVEMENT IN PROFITABILITY

(S\$m)	2Q 2009	1Q 2009
<b>PATMI</b>	<b>60.9</b>	<b>27.7</b>
<b><u>Adjusted for:-</u></b>		
Fair value gain (loss) on derivative financial instrument	25.0	(12.6)
Foreign currency exchange adjustment (loss) gain	(4.3)	9.1
<b>Adjusted PATMI</b>	<b>40.2</b>	<b>31.2</b>
<b>Adjusted PATMI Margin (%)</b>	<b>4.8</b>	<b>4.3</b>

Adjusted PATMI registered improvement consistent with revenue growth, translating to improved adjusted PATMI margin sequentially

However, margins have declined year-on-year primarily due to margin compression associated with EMS activities in the Printing & Imaging segment



# DERIVATIVE FINANCIAL INSTRUMENT

S\$'000	2Q09	1Q09
Derivative Asset	140,788	156,014
Derivative Liability	(120,072)	(145,048)
Fair Market Value	20,716	10,966
% of Host Value	12.3	6.5
Maturity Date	20 Dec 2009	

# BALANCE SHEET REMAINED HEALTHY

S\$m	As at 30.06.2009	
Cash & Cash Eqvts	484.6	
Total Loans	(265.9)	
Trade Receivables	584.8	▪ Net Asset Value per share of S\$6.75
Inventories	444.2	
Trade Payables	(464.4)	▪ Shareholders' Equity at S\$1.85 billion
Goodwill	640.6	
Other Intangible Assets	132.2	
Shareholders' Equity	1,852.9	

# NET CASH POSITIVE

<b>S\$m</b>	<b>As at 30.06.2009</b>	<b>As at 31.12.2008</b>	<b>As at 30.06.2008</b>
Cash & Cash Eqvts	484.6	513.8	300.5
Total Loans	(265.9)	(321.5)	(410.3)
Net Cash	218.7	192.3	(109.8)
Dividends Paid	(137.1)		(137.1)
	<u>355.8</u>		<u>27.3</u>

**Cash generation remains strong. For the quarter ended 30 June 2009, cash from operations amounted to S\$72.8 million**

**Paid final one-tier tax-exempt dividend of 50¢ per share totaling S\$137.1 million during the quarter**

# Working Capital Analysis

S\$m	As at 30.06.2009	As at 31.12.2008	As at 30.06.2008
Trade Receivables	584.8	537.3	631.1
Inventories	444.2	538.7	620.0
Trade Payables	(464.4)	(436.9)	(492.5)
Working Capital	564.6	639.1	758.6
Inventory Days	61	75	71
Debtors Days	56	58	57
Trade Creditors Days	(53)	(58)	(57)
Cash Conversion Cycle	64	75	71



# OUTLOOK

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On a quarter-on-quarter basis, the Group registered a double-digit growth in revenue. All segments made gains except for Test & Measurement/Others.

Sentiments of the Group's customers remained mixed and divergent. In general, most are more positive about their second half business prospects. However at this point in time, they are not prepared to commit to the pace and trajectory of recovery.

The Group will continue to focus on operational excellence, differentiation and innovation to enlarge its market share, penetrate new market segments and win new businesses.

In recent months, the Group has added several new customers and projects across all the business segments. These new programmes are expected to contribute to the Group's performance starting next year.



## **CAUTION CONCERNING FORWARD-LOOKING STATEMENTS**

**This presentation may contain certain forward-looking statements including, but not limited to, statements as to future operating results and plans.**

**These statements are based on our assumptions and estimates and are subject to known and unknown risks and uncertainties and other factors which may cause the actual results, performance or achievements of the Group to differ materially from any future results, performance or achievements expressed or implied by those projected in the forward-looking statements.**

**Consequently, readers are cautioned not to place undue reliance on any forward-looking statements.**