



VENTURE CORPORATION LIMITED
(CO REG. NO. 198402886H)

FOR THE YEAR ENDED 31 DECEMBER 2013, VENTURE REPORTS

- **REVENUE OF S\$2,329.6 MILLION**
- **NET PROFIT OF S\$131.1 MILLION**
- **EPS OF 48.0 CENTS**

PROPOSED FINAL DIVIDEND OF 50 CENTS PER SHARE

SINGAPORE, 26 FEBRUARY 2014 – For the financial year ended 31 December 2013, Venture Corporation Limited (“**Venture**” or the “**Group**”) registered sequential improvement in quarterly revenue to report a full year revenue of S\$2,329.6 million, marginally lower than revenue of the prior year. As anticipated, revenue contribution from customers won in the prior year gained momentum quarter-on-quarter, especially in the second half of the year. During the year, the Group also managed to increase its market share and win new programmes from many of its existing customers. However, business volume of a few customers declined, including customers affected by M&A (merger and acquisition).

The Group recorded quarter-on-quarter improvement in profitability to yield a full year profit of S\$131.1 million attributable to owners of the Company (“net profit”) for the financial year ended 31 December 2013. This translates to a full year net margin of 5.6% (FY 2012: 5.8%). At a pre-tax level, profitability stood at S\$139.9 million with PBT (profit before tax) margin of 6.0%, on par with margin of the prior year. The Group recorded an income tax expense of S\$9.0 million (FY2012: S\$3.9 million) after taking into account various changes in tax incentives granted to the Company’s subsidiaries.

Diluted Earnings Per Share for FY 2013 was 48 cents (FY 2012: 51 cents).

The Group recorded S\$184.3 million of operating profit before working capital changes (FY 2012: S\$184.0 million) and generated cash from operations of S\$122.9 million (FY2012: S\$137.1 million) for the twelve months ended 31 December 2013. The working capital of the Group was S\$713.1 million as at 31 December 2013. This comprised S\$520.3 million Trade Receivables (FY 2012: S\$433.8 million) and S\$335.1 million of Trade Payables (FY 2012: S\$288.6 million). As at the end of 31 December 2013, Inventories stood at S\$527.9 million (FY 2012: S\$497.4 million). The increase in Inventories is primarily to meet customers’ requirements and programmes.

The Group had cash and cash equivalent balances of S\$390.9 million and remained net cash positive at S\$229.1 million at the end of the year. Cash used

in investing activities included S\$34.9 million of investments in property, plant and equipment to support customers' new programmes.

For the year ended 31 December 2013, Other Receivables and Prepayments amounted to S\$41.6 million (FY 2012: S\$29.2 million) due to an increase in property prepayments.

As at 31 December 2013, equity attributable to owners of the Company was S\$1,826.8 million (FY 2012: S\$1,797.4 million) and the Net Asset Value per share was S\$6.65 (FY 2012: S\$6.55).

4Q 2013 PERFORMANCE

Revenue for the quarter ended 31 December 2013 was S\$622.9 million, an increase of 5.1% year-on-year. It is the highest quarterly revenue for the year.

The Group registered a net profit of S\$38.0 million for the quarter ended 31 December 2013 (4Q 2012: S\$38.0 million). Similarly, profitability for this reported quarter with net margin of 6.1% was the highest for the year.

Diluted Earnings Per Share was 13.8 cents for the quarter ended 31 December 2013 (FY 2012: 13.8 cents).

For the quarter ended 31 December 2013, the Group registered operating profit before working capital changes of S\$50.4 million, marginally higher than the corresponding quarter of the prior year at S\$49.2 million. Net of working capital changes, cash generated from operations was S\$30.5 million, slightly lower by about five million compared to the corresponding quarter in 2012.

PROPOSED DIVIDEND

The Board of Directors has recommended a final dividend of 50 cents per share on a one-tier tax-exempt basis for the financial year ended 31 December 2013.

Subject to the approval of shareholders at the Annual General Meeting to be held on 25 April 2014, the proposed dividend will be paid on 19 May 2014.

OUTLOOK

Several sectors in the industry have shown early signs of recovery. However the pace of recovery in some other sectors remains unclear. The Group expects to gain traction with several strategic customers, as well as benefit from growing revenue contribution from customers won in recent years.

The Group will continue to focus on sustaining operational excellence and providing strong support to its customers. It will also continue to place emphasis on productivity and working capital management. The Group will step up its efforts to develop and augment several of its centres of innovation and excellence.



Submitted by Angeline Khoo, Company Secretary, on 26 February 2014 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 (SGX: VENM.SI) was founded in 1984 as a global electronics services provider. Today, it is a leading global provider of technology services, products and solutions 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 range of high-mix, high-value and complex products.

The Group has built know-how and intellectual property with domain expertise in printing and imaging; advanced storage systems and devices; handheld interactive scanning and computing products; RF communications and network; test and measurement equipment; medical devices; retail store solution suite of products and industrial products and installations.

Headquartered in Singapore, the Group comprises about 40 companies with global clusters of excellence in South-east Asia, North Asia, America and Europe and employs more than 12,000 people worldwide.

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 for successful global companies 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 and its people. It stands poised, to provide the leading edge and remain relevant in a constantly changing and evolving world.