

VENTURE CORPORATION LIMITED

Third 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 September 30, 2015. These figures have not been audited or reviewed.

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

	Group			Group		
	3 months ended 30.09.2015 S\$'000	3 months ended 30.09.2014 S\$'000	% increase/ (decrease)	9 months ended 30.09.2015 S\$'000	9 months ended 30.09.2014 S\$'000	% increase/ (decrease)
Revenue	692,858	598,674	15.7	1,962,489	1,790,780	9.6
Other income	290	299	(3.0)	840	961	(12.6)
Changes in inventories and consumables used	(532,961)	(453,860)	17.4	(1,505,922)	(1,372,541)	9.7
Employee benefits expense	(67,998)	(63,667)	6.8	(197,724)	(188,925)	4.7
Depreciation and amortisation expense	(10,848)	(10,260)	5.7	(32,389)	(30,853)	5.0
Research and development expense (Note 1)	(11,835)	(8,726)	35.6	(33,959)	(20,363)	66.8
Foreign currency exchange gain (loss)	3,008	107	n.m.	6,076	(1,196)	n.m.
Other operating expenses	(24,902)	(23,811)	4.6	(72,934)	(69,425)	5.1
Investment revenue	553	1,285	(57.0)	1,981	2,006	(1.2)
Finance costs (interest expense on bank loans)	(258)	(249)	3.6	(728)	(782)	(6.9)
Share of profit of associates	132	1,133	(88.3)	914	2,300	(60.3)
Profit before tax	48,039	40,925	17.4	128,644	111,962	14.9
Income tax expense	(7,474)	(4,786)	56.2	(19,362)	(11,485)	68.6
Profit for the period	40,565	36,139	12.2	109,282	100,477	8.8

Other comprehensive income:

- Items may be reclassified subsequently to profit or loss

Exchange differences arising on translation of foreign operations	46,775	14,747	217.2	66,941	1,350	4,858.6
Fair value (loss) gain on available-for-sale investments	(248)	5	n.m.	(330)	57	n.m.
Total comprehensive income for the period	87,092	50,891	71.1	175,893	101,884	72.6

Profit attributable to:

Owners of the Company
Non-controlling interests

Owners of the Company	40,547	36,146	12.2	109,173	100,462	8.7
Non-controlling interests	18	(7)	n.m.	109	15	626.7
	40,565	36,139	12.2	109,282	100,477	8.8

Total comprehensive income attributable to:

Owners of the Company
Non-controlling interests

Owners of the Company	87,022	50,814	71.3	175,692	101,907	72.4
Non-controlling interests	70	77	(9.1)	201	(23)	n.m.
	87,092	50,891	71.1	175,893	101,884	72.6

Note 1: Driven by increased customers' requirements for new prototyping related tooling and services, research and development expense was higher for the period.

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

	Group			Group		
	3 months ended 30.09.2015 S\$'000	3 months ended 30.09.2014 S\$'000	% increase/ (decrease)	9 months ended 30.09.2015 S\$'000	9 months ended 30.09.2014 S\$'000	% increase/ (decrease)
Overprovision (underprovision) of tax in respect of prior years	203	(386)	n.m.	(44)	(545)	(91.9)
Allowance for doubtful trade receivables	(41)	(37)	10.8	(141)	(37)	281.1
Bad debt written off	-	-	n.m.	-	(3)	n.m.
(Loss) gain on disposal of property, plant and equipment, net	(60)	(181)	(66.9)	(358)	27	n.m.
Inventories written off	(285)	(96)	196.9	(2,399)	(239)	903.8

Note:

n.m. - not meaningful

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

	Group		Company	
	30.09.2015	31.12.2014	30.09.2015	31.12.2014
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets:				
Cash and cash equivalents	378,544	393,256	124,727	159,728
Trade receivables	588,900	556,991	114,886	87,994
Other receivables and prepayments	29,430	36,242	2,805	1,919
Inventories	642,382	552,747	56,944	50,205
Trade receivables due from subsidiaries	-	-	18,253	22,589
Other receivables due from subsidiaries	-	-	7,063	7,035
Trade receivables due from associates	2	-	-	-
Income tax recoverable	59	16	-	-
Total current assets	1,639,317	1,539,252	324,678	329,470
Non-current assets:				
Investments in subsidiaries	-	-	1,227,849	1,227,849
Investments in associates	82,203	81,343	51,300	51,300
Available-for-sale investments	10,982	11,389	1,787	2,116
Other receivables	20,534	20,035	-	-
Property, plant and equipment	190,036	187,691	40,027	40,192
Intangible assets	26,486	41,392	2,901	5,116
Goodwill	639,708	639,708	-	-
Deferred tax assets	7,696	7,401	-	-
Total non-current assets	977,645	988,959	1,323,864	1,326,573
Total assets	2,616,962	2,528,211	1,648,542	1,656,043
LIABILITIES AND EQUITY				
Current liabilities:				
Bank loans	157,205	169,000	84,834	78,696
Trade payables	416,844	385,683	51,684	43,103
Other payables and accrued expenses	113,336	92,911	27,810	28,043
Trade payables due to subsidiaries	-	-	22,223	3,429
Other payables due to subsidiaries	-	-	21,324	21,334
Trade payables due to associates	-	4	-	-
Income tax payable	11,844	9,571	1,464	2,355
Total current liabilities	699,229	657,169	209,339	176,960
Non-current liabilities:				
Deferred tax liabilities	4,082	6,237	-	-
Total non-current liabilities	4,082	6,237	-	-
Capital and reserves:				
Share capital	690,329	678,579	690,329	678,579
Treasury shares	(2,081)	(2,081)	(2,081)	(2,081)
Share-based awards reserve	34,114	42,336	33,430	41,669
Investments revaluation reserve	(40,741)	(40,411)	(38,544)	(38,214)
Translation reserve	(148,124)	(214,973)	-	-
Reserve fund	2,398	1,916	-	-
Capital reserve	17	17	-	-
Accumulated profits	1,375,072	1,396,956	756,069	799,130
Equity attributable to owners of the Company	1,910,984	1,862,339	1,439,203	1,479,083
Non-controlling interests	2,667	2,466	-	-
Total equity	1,913,651	1,864,805	1,439,203	1,479,083
Total liabilities and equity	2,616,962	2,528,211	1,648,542	1,656,043

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 30.09.2015		As at 31.12.2014		As at 30.09.2015		As at 31.12.2014	
Secured	Unsecured	Secured	Unsecured	Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
-	157,205	-	169,000	-	84,834	-	78,696

(b) Amount repayable after one year
Not applicable.

(c) Details of any collateral
Not applicable.

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 30.09.2015 S\$'000	3 months ended 30.09.2014 S\$'000	9 months ended 30.09.2015 S\$'000	9 months ended 30.09.2014 S\$'000
Operating activities:				
Profit before tax	48,039	40,925	128,644	111,962
Adjustments for:				
Share of profit of associates	(132)	(1,133)	(914)	(2,300)
Inventories written off	285	96	2,399	239
Depreciation expense	6,500	5,938	19,119	17,886
Bad debt written off	-	-	-	3
Allowance for doubtful trade receivables	41	37	141	37
Amortisation of intangible assets	4,898	5,154	15,483	15,158
Interest income	(553)	(1,285)	(1,981)	(2,006)
Dividend income	(33)	(17)	(93)	(344)
Interest expense	258	249	728	782
Share-based payments expense	305	474	664	1,292
Write off of investment in associate	20	23	59	69
Loss (gain) on disposal of plant and equipment, net	60	181	358	(27)
Operating profit before working capital changes	59,688	50,642	164,607	142,751
Trade receivables	(3,480)	25,370	(751)	24,379
Other receivables and prepayments	5,735	(16,540)	10,134	(11,342)
Inventories	16,086	(16,842)	(49,502)	(35,027)
Amount due from associates	(1)	3	(6)	7
Trade payables	(16,928)	(9,993)	5,205	15,761
Other payables and accrued expenses	10,402	546	15,349	(14,314)
Cash generated from operations	71,502	33,186	145,036	122,215
Interest paid	(258)	(250)	(728)	(815)
Income tax paid	(8,158)	(5,376)	(19,439)	(14,677)
Net cash from operating activities	63,086	27,560	124,869	106,723
Investing activities:				
Interest received	1,254	206	2,234	927
Dividend received from associates	523	314	703	802
Dividend received from other equity investments	33	17	93	344
Purchase of property, plant and equipment	(3,058)	(3,138)	(11,434)	(52,692)
Proceeds on disposal of plant and equipment	22	574	63	2,367
Addition of intangible assets	(9)	(160)	(297)	(769)
Proceeds on disposal of an available-for-sale investments	67	-	67	15,038
Purchase of an available-for-sale investment	-	(23)	-	(23)
Net cash used in investing activities	(1,168)	(2,210)	(8,571)	(34,006)
Financing activities:				
Dividends paid	-	-	(138,009)	(137,368)
Repayment of bank loans	(26,230)	(19,209)	(26,948)	(26,617)
Proceeds from new bank loans	-	9,982	2,868	31,180
Proceeds from issue of shares	782	209	10,281	209
Net cash used in financing activities	(25,448)	(9,018)	(151,808)	(132,596)
Net increase (decrease) in cash and cash equivalents	36,470	16,332	(35,510)	(59,879)
Cash and cash equivalents at beginning of period	329,807	310,387	393,256	390,889
Effect of foreign exchange rate changes on the balance of cash held in foreign currencies	12,267	4,727	20,798	436
Cash and cash equivalents at end of period	378,544	331,446	378,544	331,446
Cash and cash equivalents at end of period includes the following:				
Cash	323,094	263,485	323,094	263,485
Fixed deposits	55,450	67,961	55,450	67,961
Cash and cash equivalents at the end of the period	378,544	331,446	378,544	331,446

1.(d)(i) Statement of changes in equity for the period ended September 30, 2014

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Translation reserve S\$'000	Reserve fund S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
The Group											
Balance at January 1, 2014	678,370	(2,081)	41,719	(40,546)	(246,180)	1,592	17	1,393,938	1,826,829	2,417	1,829,246
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	30,770	30,770	15	30,785
Other comprehensive loss for the period	-	-	-	(65)	(4,638)	-	-	-	(4,703)	(93)	(4,796)
Total	-	-	-	(65)	(4,638)	-	-	30,770	26,067	(78)	25,989
Transactions with owners, recognised directly in equity											
Appropriation to reserve fund	-	-	-	-	-	324	-	(324)	-	-	-
Share options lapsed	-	-	(367)	-	-	-	-	367	-	-	-
Recognition of share-based payments	-	-	330	-	-	-	-	-	330	-	330
Total	-	-	(37)	-	-	324	-	43	330	-	330
Balance at March 31, 2014	678,370	(2,081)	41,682	(40,611)	(250,818)	1,916	17	1,424,751	1,853,226	2,339	1,855,565
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	33,546	33,546	7	33,553
Other comprehensive loss for the period	-	-	-	117	(8,637)	-	-	-	(8,520)	(29)	(8,549)
Total	-	-	-	117	(8,637)	-	-	33,546	25,026	(22)	25,004
Transactions with owners, recognised directly in equity											
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	-	(137,368)	(137,368)	-	(137,368)
Share options lapsed	-	-	(130)	-	-	-	-	130	-	-	-
Recognition of share-based payments	-	-	488	-	-	-	-	-	488	-	488
Total	-	-	358	-	-	-	-	(137,238)	(136,880)	-	(136,880)
Balance at June 30, 2014	678,370	(2,081)	42,040	(40,494)	(259,455)	1,916	17	1,321,059	1,741,372	2,317	1,743,689
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	36,146	36,146	(7)	36,139
Other comprehensive income for the period	-	-	-	5	14,663	-	-	-	14,668	84	14,752
Total	-	-	-	5	14,663	-	-	36,146	50,814	77	50,891
Transactions with owners, recognised directly in equity											
Issue of shares	209	-	-	-	-	-	-	-	209	-	209
Share options lapsed	-	-	(139)	-	-	-	-	139	-	-	-
Recognition of share-based payments	-	-	474	-	-	-	-	-	474	-	474
Refund of unclaimed dividends	-	-	-	-	-	-	-	5	5	-	5
Total	209	-	335	-	-	-	-	144	688	-	688
Balance at September 30, 2014	678,579	(2,081)	42,375	(40,489)	(244,792)	1,916	17	1,357,349	1,792,874	2,394	1,795,268

1.(d)(i) Statement of changes in equity for the period ended September 30, 2015

	Share capital S\$'000	Treasury shares S\$'000	Share-based awards reserve S\$'000	Investments revaluation reserve S\$'000	Translation reserve S\$'000	Reserve fund S\$'000	Capital reserve S\$'000	Accumulated profits S\$'000	Equity attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total equity S\$'000
The Group											
Balance at January 1, 2015	678,579	(2,081)	42,336	(40,411)	(214,973)	1,916	17	1,396,956	1,862,339	2,466	1,864,805
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	32,563	32,563	69	32,632
Other comprehensive income for the period	-	-	-	78	39,094	-	-	-	39,172	95	39,267
Total	-	-	-	78	39,094	-	-	32,563	71,735	164	71,899
Transactions with owners, recognised directly in equity											
Issue of shares	7,102	-	(915)	-	-	-	-	-	6,187	-	6,187
Appropriation to reserve fund	-	-	-	-	-	482	-	(482)	-	-	-
Share options lapsed	-	-	(3,710)	-	-	-	-	3,710	-	-	-
Recognition of share-based payments	-	-	240	-	-	-	-	-	240	-	240
Total	7,102	-	(4,385)	-	-	482	-	3,228	6,427	-	6,427
Balance at March 31, 2015	685,681	(2,081)	37,951	(40,333)	(175,879)	2,398	17	1,432,747	1,940,501	2,630	1,943,131
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	36,063	36,063	22	36,085
Other comprehensive loss for the period	-	-	-	(160)	(18,968)	-	-	-	(19,128)	(55)	(19,183)
Total	-	-	-	(160)	(18,968)	-	-	36,063	16,935	(33)	16,902
Transactions with owners, recognised directly in equity											
Issue of shares	3,734	-	(422)	-	-	-	-	-	3,312	-	3,312
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	-	-	-	(138,009)	(138,009)	-	(138,009)
Share options lapsed	-	-	(19)	-	-	-	-	19	-	-	-
Recognition of share-based payments	-	-	119	-	-	-	-	-	119	-	119
Share of an associate's share options reserve	-	-	17	-	-	-	-	-	17	-	17
Total	3,734	-	(305)	-	-	-	-	(137,990)	(134,561)	-	(134,561)
Balance at June 30, 2015	689,415	(2,081)	37,646	(40,493)	(194,847)	2,398	17	1,330,820	1,822,875	2,597	1,825,472
Total comprehensive income for the period											
Profit for the period	-	-	-	-	-	-	-	40,547	40,547	18	40,565
Other comprehensive income for the period	-	-	-	(248)	46,723	-	-	-	46,475	52	46,527
Total	-	-	-	(248)	46,723	-	-	40,547	87,022	70	87,092
Transactions with owners, recognised directly in equity											
Issue of shares	914	-	(132)	-	-	-	-	-	782	-	782
Share options lapsed	-	-	(3,705)	-	-	-	-	3,705	-	-	-
Recognition of share-based payments	-	-	305	-	-	-	-	-	305	-	305
Total	914	-	(3,532)	-	-	-	-	3,705	1,087	-	1,087
Balance at September 30, 2015	690,329	(2,081)	34,114	(40,741)	(148,124)	2,398	17	1,375,072	1,910,984	2,667	1,913,651

1.(d)(i) Statement of changes in equity for the period ended September 30, 2014

	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company						
Balance at January 1, 2014	678,370	(2,081)	41,052	(38,349)	838,684	1,517,676
Total comprehensive income for the period						
Profit for the period	-	-	-	-	32,077	32,077
Other comprehensive loss for the period	-	-	-	(65)	-	(65)
Total	-	-	-	(65)	32,077	32,012
Transactions with owners, recognised directly in equity						
Share options lapsed	-	-	(367)	-	367	-
Recognition of share-based payments	-	-	330	-	-	330
Total	-	-	(37)	-	367	330
Balance at March 31, 2014	678,370	(2,081)	41,015	(38,414)	871,128	1,550,018
Total comprehensive income for the period						
Profit for the period	-	-	-	-	10,133	10,133
Other comprehensive income for the period	-	-	-	117	-	117
Total	-	-	-	117	10,133	10,250
Transactions with owners, recognised directly in equity						
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	(137,368)	(137,368)
Share options lapsed	-	-	(130)	-	130	-
Recognition of share-based payments	-	-	488	-	-	488
Total	-	-	358	-	(137,238)	(136,880)
Balance at June 30, 2014	678,370	(2,081)	41,373	(38,297)	744,023	1,423,388
Total comprehensive income for the period						
Profit for the period	-	-	-	-	36,145	36,145
Other comprehensive income for the period	-	-	-	5	-	5
Total	-	-	-	5	36,145	36,150
Transactions with owners, recognised directly in equity						
Issue of shares	209	-	-	-	-	209
Share options lapsed	-	-	(139)	-	139	-
Recognition of share-based payments	-	-	474	-	-	474
Refund of unclaimed dividends	-	-	-	-	5	5
Total	209	-	335	-	144	688
Balance at September 30, 2014	678,579	(2,081)	41,708	(38,292)	780,312	1,460,226

1.(d)(i) Statement of changes in equity for the period ended September 30, 2015

	Share capital S\$'000	Treasury shares S\$'000	Share- based awards reserve S\$'000	Investments revaluation reserve S\$'000	Accumulated profits S\$'000	Total equity S\$'000
The Company						
Balance at January 1, 2015	678,579	(2,081)	41,669	(38,214)	799,130	1,479,083
Total comprehensive income for the period						
Profit for the period	-	-	-	-	24,140	24,140
Other comprehensive income for the period	-	-	-	78	-	78
Total	-	-	-	78	24,140	24,218
Transactions with owners, recognised directly in equity						
Issue of shares	7,102	-	(915)	-	-	6,187
Share options lapsed	-	-	(3,710)	-	3,710	-
Recognition of share-based payments	-	-	240	-	-	240
Total	7,102	-	(4,385)	-	3,710	6,427
Balance at March 31, 2015	685,681	(2,081)	37,284	(38,136)	826,980	1,509,728
Total comprehensive income for the period						
Profit for the period	-	-	-	-	34,666	34,666
Other comprehensive loss for the period	-	-	-	(160)	-	(160)
Total	-	-	-	(160)	34,666	34,506
Transactions with owners, recognised directly in equity						
Issue of shares	3,734	-	(422)	-	-	3,312
Final tax exempt dividend paid in respect of the previous financial year	-	-	-	-	(138,009)	(138,009)
Share options lapsed	-	-	(19)	-	19	-
Recognition of share-based payments	-	-	119	-	-	119
Total	3,734	-	(322)	-	(137,990)	(134,578)
Balance at June 30, 2015	689,415	(2,081)	36,962	(38,296)	723,656	1,409,656
Total comprehensive income for the period						
Profit for the period	-	-	-	-	28,708	28,708
Other comprehensive loss for the period	-	-	-	(248)	-	(248)
Total	-	-	-	(248)	28,708	28,460
Transactions with owners, recognised directly in equity						
Issue of shares	914	-	(132)	-	-	782
Share options lapsed	-	-	(3,705)	-	3,705	-
Recognition of share-based payments	-	-	305	-	-	305
Total	914	-	(3,532)	-	3,705	1,087
Balance at September 30, 2015	690,329	(2,081)	33,430	(38,544)	756,069	1,439,203

1.(d)(ii) Share capital and treasury shares

As at Sep 30, 2015, the total number of ordinary shares in issue was 276,402,577 (Sep 30, 2014: 275,039,577), of which 275,000 were treasury shares (Sep 30, 2014: 275,000).

The Company did not purchase any ordinary share during Q3 2015 (Q3 2014: Nil).

Ordinary shares purchased by the Company are held as treasury shares which can, in accordance with the Companies Act, be sold for cash, transferred for the purposes of or pursuant to an employee's share-based scheme; transferred as consideration for the acquisition of shares in or assets of another company or assets of a person; or cancelled.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the period.

	No. of ordinary shares in issue	S\$'000
As at January 1	275,039,577	678,579
Add: No. of share options exercised in Q1 2015	809,000	7,102
As at March 31, 2015	<u>275,848,577</u>	<u>685,681</u>
Add: No. of share options exercised in Q2 2015	444,000	3,734
As at June 30, 2015	<u>276,292,577</u>	<u>689,415</u>
Add: No. of share options exercised in Q3 2015	110,000	914
As at September 30, 2015	<u><u>276,402,577</u></u>	<u><u>690,329</u></u>

	No. of treasury shares	S\$'000
As at January 1, 2015 and September 30, 2015	<u><u>275,000</u></u>	<u><u>2,081</u></u>

	No. of shares	S\$'000
Issued shares excluding treasury shares as at January 1, 2015	<u>274,764,577</u>	<u>676,498</u>
Issued shares excluding treasury shares as at March 31, 2015	<u>275,573,577</u>	<u>683,600</u>
Issued shares excluding treasury shares as at June 30, 2015	<u>276,017,577</u>	<u>687,334</u>
Issued shares excluding treasury shares as at September 30, 2015	<u><u>276,127,577</u></u>	<u><u>688,248</u></u>

1.(d)(iii) Share-based awards

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

Since the end of the previous financial quarter, 110,000 options (Sep 30, 2014: 28,000) were exercised and 2,171,000 options (Sep 30, 2014: 172,000) have lapsed.

As at Sep 30, 2015, there were 9,214,000 unissued shares of the Company under options in the 2004 Scheme (Sep 30, 2014: 15,271,000).

Venture Corporation Executives' Share Option Scheme ("The 2015 Scheme")

Since the end of the previous financial quarter, 20,000 options have lapsed (Sep 30, 2014: N/A).

As at Sep 30, 2015, there were 2,578,000 unissued shares of the Company under options in the 2015 Scheme (Sep 30, 2014: N/A).

Venture Corporation Restricted Share Plan ("RSP")

The RSP has a 5-year vesting period and is subject to the rules of the RSP.

As at Q3 2015, the number of RSP shares is 660,000.

	No. of RSP shares awarded	Lapsed shares	No. of RSP shares net of lapsed shares
May 2012 Award	180,000	(30,000)	150,000
May 2013 Award	120,000	-	120,000
May 2014 Award	120,000	-	120,000
May 2015 Award	270,000	-	270,000
	<u>690,000</u>	<u>(30,000)</u>	<u>660,000</u>

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, 2014.

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**

There are no changes in accounting policies and methods of computation.

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 30.09.2015	3 months ended 30.09.2014	9 months ended 30.09.2015	9 months ended 30.09.2014
(a)	14.7	13.2	39.6	36.6
(b)	14.7	13.2	39.5	36.6

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

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period reported on (cents)

Group		Company	
30.09.2015	31.12.2014	30.09.2015	31.12.2014
692.1	677.8	521.2	538.3

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.

FINANCIAL PERFORMANCE

For the quarter ended 30 September 2015, the Group registered revenue of S\$692.9 million, an increase of 15.7% compared to the corresponding quarter of the prior year. Revenue growth was driven by market share gain among existing customers, contributions from new customers, as well as favourable exchange rate movement. For the nine months ended 30 September 2015, revenue rose 9.6% to S\$1,962.5 million.

The Group recorded Profit before tax (PBT) of S\$48.0 million for the quarter ended 30 September 2015, an increase of 17.4% year-on-year. Based on tax incentives granted to the Group and the sales mix for the reported quarter, the Group recorded higher income tax expense of S\$7.5 million. Profit attributable to owners of the Company (net profit) increased by 12.2% to S\$40.5 million for the reported quarter. This translates to a net margin of 5.9%. For the nine months ended 30 September 2015, net profit rose 8.7% year-on-year to S\$109.2 million.

Diluted Earnings Per Share (EPS) was 14.7 cents for the reported quarter (3Q 2014: 13.2 cents). For the nine months ended 30 September 2015, diluted EPS was 39.5 cents (9M 2014: 36.6 cents).

FINANCIAL POSITION AND CASHFLOW

The Group generated cash from operations of S\$71.5 million and S\$145.0 million for the reported quarter (3Q 2014: S\$33.2 million) and for the nine months ended 30 September 2015 (9M 2014: S\$122.2 million) respectively. For the reported quarter, the Group registered an increase in working capital with higher balances in trade receivables, trade payables and inventories. These increases were in line with the higher revenue recorded for the reported quarter. As at 30 September 2015, the Group had cash and cash equivalent of S\$378.5 million (4Q 2014: S\$393.3 million) and remained net cash positive at S\$221.3 million.

As at 30 September 2015, Equity attributable to owners of the Company was S\$1,911.0 million (4Q 2014: S\$1,862.3 million) and Net asset value per share was S\$6.92 (4Q 2014: S\$6.78).

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**

Despite challenging operating conditions, the Group's year-to-date quarterly performance has been commendable. This has been driven by strong management execution on several strategic initiatives.

As the operating conditions are expected to stay challenging, the Group will continue to relentlessly pursue operational excellence, drive impactful innovation and develop new engineering competencies in several domain areas. These differentiating strengths will continue to enable the Group to provide strong support to its 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
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
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 September 30, 2015 is recommended or declared.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not sought a general mandate from shareholders for Interested Person Transactions.

BY ORDER OF THE BOARD

Angeline Khoo
Company Secretary
November 6, 2015

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) 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 third quarter ended September 30, 2015 to be false or misleading in any material aspect.

On behalf of the Directors

(signed)
Wong Ngit Liong
Director

(signed)
Goon Kok Loon
Director

November 6, 2015