



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

**FOR THE QUARTER ENDED 30 JUNE 2016, VENTURE REPORTS**

- **REVENUE OF S\$683.3 MILLION**
- **NET PROFIT OF S\$43.4 MILLION**
- **EPS OF 15.6 CENTS**

**SINGAPORE, 5 AUGUST 2016** – Net profit of Venture Corporation Limited (“**Venture**” or the “**Group**”) for the second quarter of 2016 rose 20.3% year-on-year to S\$43.4 million, largely driven by value creation and continued improvements in operational excellence across the Group’s entire value-chain. The Group doubled its free cash flow generation for the first half of 2016 to S\$122.4 million compared to the corresponding period of the prior year.

**FINANCIAL PERFORMANCE**

For the quarter ended 30 June 2016, Venture registered revenue of S\$683.3 million, an increase of 3.4% year-on-year. Compared to the prior quarter, revenue for the reported quarter rose by 8.3%. For the six months ended 30 June 2016, revenue improved by 3.5% year-on-year to S\$1,314.0 million.

<b>S\$m</b>	<b>2Q16</b>	<b>2Q15</b>	<b>%</b>	<b>6M ended 30.06.16</b>	<b>6M ended 30.06.15</b>	<b>%</b>
Revenue	683.3	661.0	3.4	1,314.0	1,269.6	3.5
PBT	51.6	42.3	22.2	94.1	80.6	16.7
PBT Margin (%)	7.6%	6.4%		7.2%	6.3%	
Profit Attributable to owners	43.4	36.1	20.3	79.2	68.6	15.5
Net Margin (%)	6.4%	5.5%		6.0%	5.4%	
Fully Diluted EPS (cents)	15.6	13.1		28.5	24.9	

The Group registered profit before tax (PBT) of S\$51.6 million for the quarter ended 30 June 2016, an increase of 22.2% compared to the corresponding quarter of the prior year. Compared to the prior quarter, PBT registered an increase of 21.6%. For the first half of 2016, the Group recorded PBT of S\$94.1 million, an increase of 16.7% year-on-year. Based on tax incentives granted to the subsidiaries of the Group, an income tax expense of S\$8.2 million was recorded for the reported quarter.

The Group registered net profit (profit attributable to owners of the Company) of S\$43.4 million, an improvement of 20.3% year-on-year. For the six months ended 30 June 2016, net profit rose 15.5% year-on-year to S\$79.2 million. The net profit margin for the reported quarter was 6.4% (2Q 2015: 5.5%) and 6.0% for the first half of 2016.

Diluted Earnings Per Share for the quarter ended 30 June 2016 was 15.6 cents (2Q 2015: 13.1 cents). For the six months ended 30 June 2016, diluted EPS was 28.5 cents (1H 2015: 24.9 cents).

## **FINANCIAL POSITION AND CASHFLOW**

During the quarter, the Group generated cash from operations of S\$41.0 million (2Q 2015: S\$33.6 million). Working capital for the reported quarter closed at S\$716.1 million, lower by S\$57.5 million compared to the quarter ending 31 December 2015, largely due to lower trade receivable balances for the reported quarter. For the six months ended 30 June 2016, the Group generated cash from operations of S\$141.0 million (1H 2015: S\$73.5 million). The Group completed the acquisition of leasehold property of which S\$5.7 million of the total consideration of S\$13.0 million was paid in the first half of 2016. During the quarter, the Group paid a final tax-exempt dividend of 50¢ per Ordinary Share amounting to S\$138.4 million. As at the end of the reported quarter, the Group had cash and bank balances of S\$377.5 million and remained net cash positive at S\$284.8 million (2Q 2015: S\$155.0 million).

As at 30 June 2016, Equity attributable to owners of the Company was S\$1,782.4 million and Net Asset Value per share was S\$6.44.

Commenting on the results, Mr Wong Ngit Liong, Chairman and CEO of Venture, said: "The Group's keen focus on its differentiated and distinctive strategies underpinned its overall performance over the past three years. The profit margin improvement in recent quarters has been gratifying. The Group's balance sheet continues to stay healthy with growing net cash position."

## **OUTLOOK**

The Group continued to strengthen its overall performance in spite of persistently challenging economic conditions. This was primarily driven by strong value creation and increased traction with several of its customers, a result of Venture's deep-bench, differentiating engineering capabilities and its relentless drive for operational excellence.

Going forward, business sentiment is anticipated to remain mixed across the Group's diverse customer-base. However, this customer diversity across niche and strategic technology domains and market verticals can indeed provide stability and resilience to its long-term overall performance.

Venture is well positioned to invest in building greater depth and strengths in engineering and R&D, as well as advanced manufacturing capabilities and supply chain processes. New strategic initiatives, built upon Venture's core values, will drive its energised organisation to strive for new peaks of excellence and high performance alliances with its global partners and customers.

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Submitted by Angeline Khoo Cheng Nee, Company Secretary, on 5 August 2016 to the Singapore Exchange Securities Trading Limited.

This press release is also available at [www.venture.com.sg](http://www.venture.com.sg).

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## **BACKGROUND**

### **About Venture ([www.venture.com.sg](http://www.venture.com.sg))**

Venture (SGX: V03.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.

Headquartered in Singapore, the Group comprises 40 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 and its people. It stands poised, to provide the leading edge and remain relevant in a constantly changing and evolving world.