



**VENTURE'S NET PROFIT ROSE 40% YOY TO S\$97.9 MILLION  
IN 2Q 2018 ON REVENUE OF S\$952.3 MILLION**

**1H 2018 NET PROFIT GREW 53% YOY TO S\$181.6 MILLION  
ON REVENUE OF S\$1,808.3 MILLION**

**INTERIM DIVIDEND OF 20 CENTS PER SHARE**

**SINGAPORE, 3 AUGUST 2018** – In the second quarter of 2018, Venture Corporation Limited registered a 40% increase in net profit to S\$97.9 million. For the six months ended 30 June 2018, net profit rose 53% to S\$181.6 million. The Group's initiatives to leverage its core capabilities in R&D, advanced manufacturing to deliver deep value creation and drive operational excellence across the value-chain contributed to the improvement in profitability.

**FINANCIAL PERFORMANCE**

For the quarter ended 30 June 2018, the Group generated revenue of S\$952.3 million. Quarter-on-quarter, revenue for 2Q 2018 increased by 11.2%. On a year-on-year basis, revenue declined by 6.0%. For the six months ended 30 June 2018, the Group recorded revenue of S\$1.8 billion, a slight decline of 2.6% year-on-year. In US dollar terms, revenue for 1H 2018 would have grown by 3.4%.

The Group recorded profit before tax (PBT) of S\$115.2 million for the quarter ended 30 June 2018, an increase of 36.3% year-on-year. For 1H 2018, the Group recorded PBT of S\$213.8 million, an increase of 48.0% year-on-year. In line with the higher PBT, the Group reported income tax expense of S\$17.3 million for the reported quarter and S\$32.2 million for 1H 2018.

<b>S\$'million</b>	<b>2Q 2018</b>	<b>2Q 2017</b>	<b>% (incr/ decr)</b>	<b>6 months ended 30.06.18</b>	<b>6 months ended 30.06.17</b>	<b>% (incr/ decr)</b>
Revenue	952.3	1,013.1	(6.0)	1,808.3	1,856.2	(2.6)
PBT	115.2	84.5	36.3	213.8	144.5	48.0
PBT Margin (%)	12.1%	8.3%		11.8%	7.8%	
Profit Attributable to owners	97.9	69.8	40.2	181.6	118.4	53.3
Net Margin (%)	10.3%	6.9%		10.0%	6.4%	
Fully Diluted EPS (cents)	33.6	24.4		62.4	41.6	

Net profit (profit attributable to owners of the Company) rose 40.2% year-on-year to S\$97.9 million for the reported quarter. For the six months ended 30 June 2018, net profit rose 53.3% year-on-year to S\$181.6 million. The Group registered net margin of 10.3% for the reported quarter (2Q 2017: 6.9%) and 10.0% for 1H 2018 (1H 2017: 6.4%).

Diluted Earnings Per Share for the reported quarter was 33.6 cents (2Q 2017: 24.4 cents) and 62.4 cents for the first half of 2018 (1H 2017: 41.6 cents).

## **FINANCIAL POSITION AND CASHFLOW**

The Group generated operating cash flow of S\$121.0 million before working capital changes for the quarter ended 30 June 2018 (2Q 2017: S\$92.1 million). For the six months ended 30 June 2018, operating profit before working capital changes amounted to S\$226.0 million (1H 2017: S\$162.4 million). For the quarter ended 30 June 2018, the Group registered an increase in working capital position mainly due to inventories balances to support customers' requirements and programmes. For the six months ended 30 June 2018, the Group generated cash from operations of S\$156.7 million (1H 2017: S\$121.4 million).

As of 30 June 2018, the Group had S\$688.6 million of cash and bank balances (S\$752.4 million as at 31 December 2017). During the quarter, the Group paid a final tax-exempt dividend of 60 cents per ordinary share amounting to S\$172.4 million (2Q 2017: S\$140.7 million). As at the end of the reported quarter, the Group remained net cash positive at S\$646.9 million (S\$721.6 million as at 31 December 2017).

As at 30 June 2018, Equity attributable to owners of the Company was S\$2.2 billion (S\$2.2 billion as at 31 December 2017) and Net Asset Value per share was S\$7.68 (S\$7.61 as at 31 December 2017) after payment of dividend in May 2018.

## **INTERIM DIVIDEND**

The Company is pleased to announce that the Board of Directors has declared an interim dividend of 20 cents per share on a one-tier tax-exempt basis. The interim dividend payment date will be on 19 September 2018.

## **OUTLOOK**

While Venture has delivered a creditable 1H 2018 performance, some volatility may arise in the near term from customers' M&A, new product/platform transitions and also from the possibility of escalation of trade war and component shortages. Venture and its partners have worked out various strategies to mitigate these issues.

Moreover, the Group is well positioned to leverage on its strong Clusters of Excellence, differentiated strategy and diversified competencies to capture new opportunities arising from the changing operating environment. In addition, growth drivers across Venture's broad-based portfolio of technology domains and strong supply chain management will provide resilience and stability to its long-term performance.

Venture's focus on its expanding R&D Capabilities, Transformational Engineering and Operational Excellence continue to underpin the Group's ability to gain traction and deepen its collaborative partnerships with leaders in fast-growing domains of interest. The Group will continue to execute with excellence in quality, productivity and value creation.

Submitted by Angeline Khoo Cheng Nee, Company Secretary, on 3 August 2018 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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For more information, please contact:-  
Mr Bryan Sim  
Manager, Corporate Communications  
Venture Corporation Limited  
Tel : +65-6484 8212  
E-mail : [bryan.sim-sz@venture.com.sg](mailto:bryan.sim-sz@venture.com.sg)

## **BACKGROUND**

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