



One Venture
Infinite
Possibilities

2Q 2018 RESULTS ANNOUNCEMENT



**2Q 2018
PERFORMANCE
REVIEW**



2Q 2018 RESULTS ANNOUNCEMENT



2Q 2018 Results Summary



(S\$m)	2Q 2018
Revenue	952.3
Profit before taxation	115.2
Income tax expense	(17.3)
Profit attributable to owners	97.9
EPS (cents)	33.6

2Q 2018 Results Summary - YoY Comparison

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(S\$m)	2Q 2018	2Q 2017	%
Revenue	952.3	1,013.1	(6.0)
Profit before taxation	115.2	84.5	36.3
PBT Margin (%)	12.1%	8.3%	
Income tax expense	(17.3)	(14.7)	17.8
Effective Tax Rate (%)	15.0%	17.3%	
Profit attributable to owners	97.9	69.8	40.2
Net Profit Margin (%)	10.3%	6.9%	
EPS (cents)	33.6	24.4	37.7

2Q 2018 RESULTS ANNOUNCEMENT



**1H 2018
PERFORMANCE
REVIEW**



2Q 2018 RESULTS ANNOUNCEMENT



1H 2018 Results Summary - YoY Comparison

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(S\$m)	1H 2018	1H 2017	%
Revenue	1,808.3	1,856.2	(2.6)
Profit before taxation	213.8	144.5	48.0
PBT Margin (%)	11.8%	7.8%	
Income tax expense	(32.2)	(26.1)	23.3
Effective Tax Rate (%)	15.0%	18.0%	
Profit attributable to owners	181.6	118.4	53.3
Net Profit Margin (%)	10.0%	6.4%	
EPS (cents)	62.4	41.6	50.0

2Q 2018 RESULTS ANNOUNCEMENT



Group 1H 2018 Results Summary



(S\$m)	1H 2018	1Q 2018	2Q 2018
Revenue	1,808.3	856.0	952.3
Profit before tax	213.8	98.6	115.2
PBT Margin (%)	11.8%	11.5%	12.1%
Income tax expense	(32.2)	(14.9)	(17.3)
Effective Tax Rate (%)	15.0%	15.1%	15.0%
Profit attributable to owners	181.6	83.7	97.9
Net Profit Margin (%)	10.0%	9.8%	10.3%
EPS (cents)	62.4	28.8	33.6

2Q 2018 RESULTS ANNOUNCEMENT



**2Q 2018
FINANCIAL
POSITION &
CASHFLOW**



2Q 2018 RESULTS ANNOUNCEMENT





2Q 2018 Balance Sheet Summary

(S\$m)	As at 30.06.18	As at 31.12.17 (Restated)
Cash & Bank Balances	688.6	752.4
Net Current Assets	1,306.2	1,301.7
Net Non-current Assets	901.8	866.3
Total Net Assets	2,208.0	2,168.1
Accumulated Profits	1,482.3	1,473.5
Share Capital & Reserves	723.2	692.3
Non-Controlling Interests	2.4	2.3
Total Equity	2,208.0	2,168.1
NAV	S\$7.68	S\$7.61

- Arising from the initial adoption of SFRS(I) effective 1 January 2018, the Group elected to reset the foreign translation reserve. Cumulative debit balance of S\$144.4 million was transferred to accumulated profits as at 1 January 2017.



Comparison of Net Cash Position

(S\$m)	As at 30.06.18	As at 31.12.17	As at 30.06.17
Cash & Bank Balances	688.6	752.4	441.7
Total Loans	(41.7)	(30.8)	(75.2)
Net Cash	646.9	721.6	366.5

- Group net cash position remained strong at S\$646.9 million after capex investment in USA property S\$38.4 million and dividend payment of S\$172.4 million in May 2018.
- Year-on-year, 2Q 2018 net cash increased by S\$280.4 million (+76%).

2Q 2018 Working Capital



(S\$m)	As at 30.06.18	As at 31.12.17 (Restated)	As at 30.06.17
Trade Receivables	715.8	762.6	808.8
Trade Payables	(518.4)	(581.4)	(574.6)
AR - AP	197.4	181.2	234.2
Inventories	727.2	699.6	669.7
Working Capital	924.5	880.9	903.9

- The Group held S\$727.2 million of Inventories as at 2Q 2018 to support customers' programmes.



Free Cash Flow

(S\$m)	1H 2018	1H 2017
Operating profit before working capital changes	226.0	162.4
Cash generated from operations	156.7	121.4
<u>Less</u> Capex	(48.1)	(17.0)
Free cash flow	108.6	104.4

- The Group generated operating cash flow of S\$226.0 million before working capital changes.
- Capital expenditure comprised mainly of freehold property in Milpitas California, USA amounting to S\$38.4 million and machinery/equipment.

PROPOSED DIVIDEND



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Interim Dividend

The Board of Directors has declared an interim dividend of 20 cents per share on a one-tier tax-exempt basis

Name of Dividend	Interim
Dividend Type	Cash
Dividend Amount Per Share	20 cents
Tax Rate	Exempt
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Book Closure Date	5pm on 7 September 2018
Date Payable	19 September 2018
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OUTLOOK



2Q 2018 RESULTS ANNOUNCEMENT





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.

Caution Concerning Forward-Looking Statements

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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.