

The Board of Directors of Venture Corporation Limited wishes to make the following announcement:

Fourth Quarter and Year-to-date financial statements on consolidated results for the financial period ended 31 December 2003. These figures have not been audited or reviewed.

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

	Group			Group		
	3 months ended 31.12.2003 S\$'000	3 months ended 31.12.2002 S\$'000	% increase/ (decrease)	12 months ended 31.12.2003 S\$'000	12 months ended 31.12.2002 S\$'000	% increase/ (decrease)
Revenue	867,270	782,351	10.9	3,170,018	2,366,252	34.0
Other operating income	7,878	1,923	309.7	11,379	6,063	87.7
Changes in inventories of finished goods and work in progress	(5,743)	6,524	n.m.	2,289	55,430	(95.9)
Raw materials and consumables used	(704,660)	(644,226)	9.4	(2,583,582)	(1,935,688)	33.5
Staff costs	(48,404)	(42,037)	15.1	(192,095)	(154,383)	24.4
Depreciation and amortisation expense	(14,534)	(12,956)	12.2	(55,930)	(42,650)	31.1
Research and development expense	(4,202)	(8,417)	(50.1)	(32,611)	(29,675)	9.9
Foreign currency exchange adjustment loss	(4,973)	(2,820)	76.3	(4,999)	(12,730)	(60.7)
Other operating expense	(23,925)	(29,366)	(18.5)	(78,865)	(72,099)	9.4
Profit from operations	68,707	50,976	34.8	235,604	180,520	30.5
Interest income (net of interest expense)	3,417	3,892	(12.2)	12,141	12,117	0.2
Share of profits in associates	253	1,255	(79.8)	2,401	1,552	54.7
Profit before income tax	72,377	56,123	29.0	250,146	194,189	28.8
Income tax	2,526	4,025	(37.2)	(3,613)	(10,116)	(64.3)
Profit after income tax but before minority interests	74,903	60,148	24.5	246,533	184,073	33.9
Minority interests	(1,365)	(1,468)	(7.0)	(6,147)	(2,974)	106.7
Net profit attributable to the shareholders of the company	73,538	58,680	25.3	240,386	181,099	32.7

1.(a)(ii) **The net profit attributable to the shareholders includes the following charges/(credits):**

	Group			Group		
	3 months ended 31.12.2003 S\$'000	3 months ended 31.12.2002 S\$'000	% increase/ (decrease)	12 months ended 31.12.2003 S\$'000	12 months ended 31.12.2002 S\$'000	% increase/ (decrease)
Overprovision of tax in respect of prior years	(2,521)	(1,790)	40.8	(3,155)	(1,790)	76.3
(Reversal of) Impairment loss on equity linked deposits	(2,500)	(1,800)	38.9	(2,500)	(1,800)	38.9
(Reversal of) Impairment loss on other investments	(4,586)	8,808	n.m.	(4,586)	8,808	n.m.
(Gain) Loss on disposal of plant and equipment, net	(71)	(35)	102.9	602	41	1368.3

Notes:

(1) n.m. - not meaningful

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

	Group		Company	
	31.12.2003	31.12.2002	31.12.2003	31.12.2002
	S\$'000	S\$'000	S\$'000	S\$'000
ASSETS				
Current assets:				
Cash	155,556	153,729	38,898	53,394
Fixed deposits	624,577	266,004	507,072	211,943
Trade receivables	439,629	451,387	155,664	198,580
Other receivables and prepayments	29,752	26,152	8,797	9,984
Inventories	254,164	217,803	66,523	65,260
Amount due from subsidiaries	-	-	134,035	155,835
Amount due from associates	883	2,730	-	-
Amount due from joint venture	9	74	-	-
Total current assets	1,504,570	1,117,879	910,989	694,996
Non-current assets:				
Investments in subsidiaries	-	-	154,128	122,345
Investments in associates	23,284	24,194	-	-
Investment in joint venture	-	-	1,000	1,000
Other investments	47,034	46,034	8,250	914
Property, plant and equipment	159,362	162,430	23,813	29,345
Intangible assets	17,568	25,101	648	-
Goodwill on consolidation	57,515	51,466	-	-
Total non-current assets	304,763	309,225	187,839	153,604
Total Assets	1,809,333	1,427,104	1,098,828	848,600
LIABILITIES AND EQUITY				
Current liabilities:				
Bank overdrafts	821	-	-	-
Short-term bank loans	9,043	6,054	-	-
Trade payables	380,000	372,841	66,448	76,900
Other payables	59,691	65,748	29,695	36,948
Amount due to subsidiaries	-	-	70,475	61,915
Amount due to associates	2,167	5,708	630	1,162
Amount due to joint venture	70	142	124	274
Income tax payable	5,427	7,732	-	637
Total current liabilities	457,219	458,225	167,372	177,836
Non-current liabilities:				
Deferred income tax	2,746	3,458	-	-
Total non-current liabilities	2,746	3,458	-	-
Minority interests	8,310	22,451	-	-
Capital and reserves:				
Issued capital	64,281	60,079	64,281	60,079
Share premium	420,131	239,389	420,131	239,389
Accumulated profits	871,857	649,955	447,044	371,296
Reserve on consolidation	51	51	-	-
Currency translation reserves	(15,262)	(6,504)	-	-
Total equity	1,341,058	942,970	931,456	670,764
Total Liabilities and Equity	1,809,333	1,427,104	1,098,828	848,600

1.(b)(ii) **Aggregate amount of group's borrowings and debt securities**

(a) Amount repayable in one year or less, or on demand

As at 31.12.2003		As at 31.12.2002	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
1,735	8,129	-	6,054

(b) Amount repayable after one year

As at 31.12.2003		As at 31.12.2002	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
-	-	-	-

(c) Details of any collateral

The bank loans are provided to subsidiaries of Univac Precision Engineering Pte Ltd. The loans are secured by proportionate corporate guarantees provided by the shareholders of the subsidiaries.

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	3 months ended	12 months ended	12 months ended
31.12.2003	31.12.2002	31.12.2003	31.12.2002

	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities:				
Profit before income from associates, income tax and minority interests	72,124	54,868	247,745	192,637
Adjustments for:				
Depreciation expense	10,727	9,921	41,362	34,256
Amortisation of goodwill	810	909	3,095	1,511
Amortisation of intangible assets	2,997	2,126	11,473	6,883
(Reversal of) impairment loss on other investments	(4,586)	8,808	(4,586)	8,808
Interest income	(3,499)	(3,986)	(12,484)	(12,560)
Dividend income	(954)	(534)	(1,473)	(738)
Interest expense	82	94	343	443
(Gain) Loss on disposal of plant and equipment, net	(71)	(35)	602	41
Gain on disposal of other investments	-	-	(33)	-
Operating profit before working capital changes	77,630	72,171	286,044	231,281
Trade receivables	133,895	(66,579)	15,564	(193,961)
Other receivables and prepayments	11,789	5,312	1,034	(2,431)
Inventories	36,216	17,751	(35,089)	(55,472)
Amount due from joint venture	34	60	(6)	1,477
Amount due from associates	1,579	2,862	(1,694)	2,978
Trade payables	(121,799)	18,894	4,900	189,625
Other payables	(8,035)	11,199	(8,472)	8,929
Cash generated from operations	131,309	61,670	262,281	182,426
Interest received	3,499	3,986	12,484	12,560
Interest paid	(82)	(94)	(343)	(443)
Income tax paid	(2,422)	(6,391)	(10,504)	(19,927)
Dividends paid	-	-	(18,484)	(11,637)
Dividends received	954	534	1,473	738
Net cash from operating activities	133,258	59,705	246,907	163,717
Cash flows from investing activities:				
Contribution from (Payment to) minority shareholders	363	(13)	363	187
Purchase of property, plant and equipment	(7,616)	(11,208)	(36,778)	(49,515)
Proceeds on disposal of plant and equipment	788	252	1,134	3,514
Addition of intangible assets	(450)	(2,835)	(3,951)	(8,777)
Purchase of other investments	-	(33,432)	(6,353)	(33,259)
Proceeds on disposal of other investments	10,149	-	9,972	-
Dividends received from associates	104	-	674	449
Cash flow resulting from acquisition of subsidiaries	-	(4,807)	(88)	(14,041)
Net cash from (used in) investing activities	3,338	(52,043)	(35,027)	(101,442)
Cash flows from financing activities:				
(Decrease) Increase in bank loans	(255)	(1,256)	1,021	875
Proceeds from issue of shares	16,325	30,522	153,160	56,705
Net cash from financing activities	16,070	29,266	154,181	57,580
Net effect of exchange rate changes in consolidating subsidiaries	(5,784)	(532)	(6,482)	(4,571)
Increase in cash and cash equivalents	146,882	36,396	359,579	115,284
Cash and cash equivalents at beginning of period	632,430	383,337	419,733	304,449
Cash and cash equivalents at end of period	779,312	419,733	779,312	419,733

1.(d)(i) Statement of changes in equity for the period ended 31 December

	Issued capital S\$'000	Share premium S\$'000	Currency translation reserves S\$'000	Reserve on consolidation S\$'000	Accumulated Profits S\$'000	Total S\$'000
The Group						
Balance at 1 January 2002	57,776	126,547	522	51	480,493	665,389
Currency translation differences	-	-	(676)	-	-	(676)
Net profit attributable to the shareholders of the company	-	-	-	-	32,314	32,314
Issue of shares	45	1,862	-	-	-	1,907
Balance at 31 March 2002	57,821	128,409	(154)	51	512,807	698,934
Currency translation differences	-	-	(3,614)	-	-	(3,614)
Net profit attributable to the shareholders of the company	-	-	-	-	42,688	42,688
First and final tax exempt dividend and tax exempt bonus dividend paid in respect of the previous financial year	-	-	-	-	(11,637)	(11,637)
Issue of shares	411	21,970	-	-	-	22,381
Balance at 30 June 2002	58,232	150,379	(3,768)	51	543,858	748,752
Currency translation differences	-	-	(1,196)	-	-	(1,196)
Net profit attributable to the shareholders of the company	-	-	-	-	47,417	47,417
Issue of shares	916	59,419	-	-	-	60,335
Balance at 30 September 2002	59,148	209,798	(4,964)	51	591,275	855,308
Currency translation differences	-	-	(1,540)	-	-	(1,540)
Net profit attributable to the shareholders of the company	-	-	-	-	58,680	58,680
Issue of shares	931	29,591	-	-	-	30,522
Balance at 31 December 2002	60,079	239,389	(6,504)	51	649,955	942,970

The Group	Issued capital S\$'000	Share premium S\$'000	Currency translation reserves S\$'000	Reserve on consolidation S\$'000	Accumulated Profits S\$'000	Total S\$'000
Balance at 1 January 2003	60,079	239,389	(6,504)	51	649,955	942,970
Currency translation differences	-	-	64	-	-	64
Net profit attributable to the shareholders of the company	-	-	-	-	42,355	42,355
Issue of shares	772	24,222	-	-	-	24,994
Balance at 31 March 2003	60,851	263,611	(6,440)	51	692,310	1,010,383
Currency translation differences	-	-	(3,583)	-	-	(3,583)
Net profit attributable to the shareholders of the company	-	-	-	-	58,661	58,661
First and final tax exempt dividend and tax exempt bonus dividend paid in respect of the previous financial year	-	-	-	-	(18,484)	(18,484)
Issue of shares	1,188	41,760	-	-	-	42,948
Balance at 30 June 2003	62,039	305,371	(10,023)	51	732,487	1,089,925
Currency translation differences	-	-	2,231	-	-	2,231
Net profit attributable to the shareholders of the company	-	-	-	-	65,832	65,832
Issue of shares	1,891	98,786	-	-	-	100,677
Balance at 30 September 2003	63,930	404,157	(7,792)	51	798,319	1,258,665
Currency translation differences	-	-	(7,470)	-	-	(7,470)
Net profit attributable to the shareholders of the company	-	-	-	-	73,538	73,538
Issue of shares	351	15,974	-	-	-	16,325
Balance at 31 December 2003	64,281	420,131	(15,262)	51	871,857	1,341,058

	Issued capital S\$'000	Share premium S\$'000	Currency translation reserves S\$'000	Reserve on consolidation S\$'000	Accumulated Profits S\$'000	Total S\$'000
The Company						
Balance at 1 January 2002	57,776	126,547	-	-	304,677	489,000
Net profit attributable to the shareholders of the company	-	-	-	-	21,823	21,823
Issue of shares	45	1,862	-	-	-	1,907
Balance at 31 March 2002	57,821	128,409	-	-	326,500	512,730
Net profit attributable to the shareholders of the company	-	-	-	-	23,835	23,835
First and final tax exempt dividend and tax exempt bonus dividend paid in respect of the previous financial year	-	-	-	-	(11,637)	(11,637)
Issue of shares	411	21,970	-	-	-	22,381
Balance at 30 June 2002	58,232	150,379	-	-	338,698	547,309
Net profit attributable to the shareholders of the company	-	-	-	-	12,324	12,324
Issue of shares	916	59,419	-	-	-	60,335
Balance at 30 September 2002	59,148	209,798	-	-	351,022	619,968
Net profit attributable to the shareholders of the company	-	-	-	-	20,274	20,274
Issue of shares	931	29,591	-	-	-	30,522
Balance at 31 December 2002	60,079	239,389	-	-	371,296	670,764
Balance at 1 January 2003	60,079	239,389	-	-	371,296	670,764
Net profit attributable to the shareholders of the company	-	-	-	-	15,044	15,044
Issue of shares	772	24,222	-	-	-	24,994
Balance at 31 March 2003	60,851	263,611	-	-	386,340	710,802
Net profit attributable to the shareholders of the company	-	-	-	-	13,690	13,690
First and final tax exempt dividend and tax exempt bonus dividend paid in respect of the previous financial year	-	-	-	-	(18,484)	(18,484)
Issue of shares	1,188	41,760	-	-	-	42,948
Balance at 30 June 2003	62,039	305,371	-	-	381,546	748,956
Net profit attributable to the shareholders of the company	-	-	-	-	16,350	16,350
Issue of shares	1,891	98,786	-	-	-	100,677
Balance at 30 September 2003	63,930	404,157	-	-	397,896	865,983
Net profit attributable to the shareholders of the company	-	-	-	-	49,148	49,148
Issue of shares	351	15,974	-	-	-	16,325
Balance at 31 December 2003	64,281	420,131	-	-	447,044	931,456

1.(d)(ii) **Details of any changes in the Company's issued share capital**

Venture Corporation Limited Executive Share Option Scheme ("The Scheme")

Since the end of the previous financial quarter, 1,403,000 ordinary shares of S\$0.25 each were issued to holders of options who exercised 1,403,000 of their options under the Scheme. As at 31 December 2003, there were 21,785,000 unissued shares of the Company under options (31 December 2002: 33,103,000).

Since the end of the previous financial quarter, 39,000 options to take up ordinary shares (31 December 2002: 328,300) of S\$0.25 each in the capital of the Company lapsed.

Share Capital

As at 31 December 2003, the issued and paid up capital of the Company was S\$64,280,764 divided into 257,123,057 shares of S\$0.25 each.

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 these figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of 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 31 December 2002.

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**

Not applicable.

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**

	3 months ended 31.12.2003	3 months ended 31.12.2002	12 months ended 31.12.2003	12 months ended 31.12.2002
(a) Based on the weighted average number of ordinary shares on issue (cents)	28.7	24.5	96.3	77.1
(b) On a fully diluted basis (cents) (detailing any adjustments made to the earnings)	27.7	23.7	93.0	73.8

7.

	Group		Company	
	31.12.2003	31.12.2002	31.12.2003	31.12.2002
Net assets value per ordinary share based on issued share capital at the end of the period reported in (cents)	521.6	392.4	362.3	279.1

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.

The Group achieved another record performance for the year ended 31 December 2003. Revenue grew 34% from S\$2.37 billion to S\$3.17 billion. Strong growth was registered in most market segments, especially in the area of computer peripherals and storage, test and measurement, printing and imaging and medical electronics. All facilities within the Group enjoyed healthy capacity utilization, especially those in Malaysia and China. Several new customers in the networking and communications, medical, advanced data storage and automotive segments were added during the year. The introduction of several new products, such as those in the mobile communication and computing, advanced data storage, RF communication and printing and imaging, also made significant contribution to the growth.

The Group's profit after tax recorded a 33% increase from S\$181 million to S\$240 million. This was achieved in spite of a significantly weaker US dollar and higher depreciation and amortization charges. During the year, the Group has made continuous efforts to lower its cost structure and improve its capability-to-cost ratio.

9. **Where a forecast; of 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.**

The Group is optimistic about its prospects. Nevertheless, it remains mindful of the intense competition and general volatility that pervade the industry.

The Group is well positioned to take advantage of the increasing trend of outsourcing from the United States of America and Europe to Asia through execution of its well-mapped out strategies. Our customer base is expanding and we will strive to achieve a more balanced growth.

The Group will continue to strengthen its core competencies and capabilities. The Group has made tremendous progress in expanding its design expertise in many areas such as high speed digital design, design of enterprise network computers, advanced communications products and systems and advanced power systems. We have expanded our expertise in application software development that involves large databases and mapping in Windows and Java environments. The Group has strengthened its capabilities in prototyping, NPI, and test system development activities globally. Not only has the Group been recognised as a leader in the high-mix manufacturing business, we have also demonstrated that we can excel in the high-volume manufacturing too. The Group continues to evolve new forms of strategic partnerships and alliances with our business partners that can lead to significant long-term mutual benefits.

The Group will continue to strive to achieve world-class excellence across all its functions. It will continuously work towards enhancing its capability-to-cost ratio.

11. **Dividend**

(a) Current Financial Period Reported On

Name of Dividend	Proposed Final	Proposed Bonus
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	6.25 cents per ordinary share (tax exempt)	12.5 cents per ordinary share (less tax)
Dividend Rate	25%	50%
Par value of shares	S\$0.25	S\$0.25
Tax Rate	Exempt	22%

(b) Corresponding Period of the Immediately Preceding Financial Year

Name of Dividend	Final	Bonus
Dividend Type	Cash	Cash
Dividend Amount per Share (in cents)	3.75 cents per ordinary share (tax exempt)	3.75 cents per ordinary share (tax exempt)
Dividend Rate	15%	15%
Par value of shares	S\$0.25	S\$0.25
Tax Rate	Exempt	Exempt

(c) Date payable

Date of payment of dividend will be announced at a later date.

(d) Books closure date

Notice of book closure will be announced at a later date.

12. **If no dividend has been declared (recommended), a statement to that effect.**

Not applicable.

13. **Segmental revenue and results for business or geographical segments (of the group) in the form presented in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year**

Segmental Results

a) By Geographical Segments

	Singapore S\$'000	Asia Pacific (excluding Singapore) S\$'000	United States of America/Mexico/ Others S\$'000	Eliminations S\$'000	Group S\$'000
2003					
Revenue:					
External sales	2,832,757	286,705	50,556	-	3,170,018
Inter-segment sales	161,153	1,874,867	22,894	(2,058,914)	-
Total revenue	2,993,910	2,161,572	73,450	(2,058,914)	3,170,018
Results:					
Profit from operations	116,023	145,546	2,182	(28,147)	235,604
Interest income (net of interest expense)	10,947	657	537	-	12,141
Share of profits in associates	2,401	-	-	-	2,401
Profit before income tax	129,371	146,203	2,719	(28,147)	250,146
Income tax expense					(3,613)
Profit after income tax					246,533
2002					
Revenue:					
External sales	2,155,289	177,069	33,894	-	2,366,252
Inter-segment sales	422,344	1,298,295	39,626	(1,760,265)	-
Total revenue	2,577,633	1,475,364	73,520	(1,760,265)	2,366,252
Results:					
Profit (Loss) from operations	105,241	85,534	(6,763)	(3,492)	180,520
Interest income (net of interest expense)	9,540	755	1,822	-	12,117
Share of profits in associates	1,552	-	-	-	1,552
Profit (Loss) before income tax	116,333	86,289	(4,941)	(3,492)	194,189
Income tax expense					(10,116)
Profit after income tax					184,073

b) By Business Segments

	2003 S\$'000	2002 S\$'000
Design, manufacturing and fulfillment services in electronics industry	3,170,018	2,366,252

14. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

See item 8.

15. **A breakdown of sales**

	Group		
	Year Ended 31.12.2003 S\$'000	Year Ended 31.12.2002 S\$'000	increase/ (decrease) %
(a) Revenue reported for first half year	1,381,295	905,569	52.5
(b) Operating profit after income tax before deducting minority interests reported for first half year	104,020	74,819	39.0
(c) Revenue reported for second half year	1,788,723	1,460,683	22.5
(d) Operating profit after income tax before deducting minority interests reported for second half year	142,513	109,254	30.4

16. **A breakdown of the annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

Total Gross Annual Dividend	Latest Full Year S\$'000	Previous Full Year S\$'000
Ordinary	48,211	18,484
Preference	-	-
Total	48,211	18,484

BY ORDER OF THE BOARD

Yvonne Choo
Company Secretary
16 February 2004