

Financial Results

Form Version 8 (Enhanced)

Submitted

Initiated by UNISEM on 27/07/2011 12:11:42 PM
 Submitted by UNISEM on 28/07/2011 05:02:49 PM
 Reference No UU-110727-43902

Company Information

Main Market Company
 New Announcement

Submitting Investment Bank/Advisor (if applicable)

Submitting Secretarial Firm (if applicable)

* Company name UNISEM (M) BERHAD
 * Stock name UNISEM
 * Stock code 5005
 * Contact person Chin Hock Yee
 * Designation Company Secretary
 * Contact number 03-2072 3760

E-mail address

Part A : To be filled by Public Listed Company

* Financial Year End 31/12/2011
 * Quarter 2 Qtr
 * Quarterly report for the financial period ended 30/06/2011
 * The figures have not been audited

Please attach the full Quarterly Report here

[Unisem Q2 2011 results.pdf](#)

Remarks

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency Malaysian Ringgit (MYR)

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Key Financial Information for the financial period ended
 * 30/06/2011

INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
CURRENT YEAR QUARTER *	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE *	PRECEDING YEAR CORRESPONDING PERIOD
30/06/2011	30/06/2010	30/06/2011	30/06/2010
[dd/mm/yyyy]	[dd/mm/yyyy]	[dd/mm/yyyy]	[dd/mm/yyyy]

	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1. Revenue	307,517	359,504	599,494	688,756
2. Profit/(loss) before tax	11,818	53,084	17,306	98,884
3. Profit/(loss) for the period	11,901	48,016	17,339	89,343
4. Profit/(loss) attributable to ordinary equity holders of the parent	12,027	48,050	17,113	89,676
5. Basic earnings/(loss) per share (Subunit)	1.78	7.13	2.54	13.30
6. Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER*		AS AT PRECEDING FINANCIAL YEAR END	
7. Net assets per share attributable to ordinary equity holders of the parent (\$\$)		1.5935		1.5722
Remarks :				

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

Part A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER*	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE*	PRECEDING YEAR CORRESPONDING PERIOD
	30/06/2011	30/06/2010	30/06/2011	30/06/2010
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1. Gross interest income	100	17	159	31
2. Gross interest expense	3,893	3,825	7,384	7,559
Remarks :				

Note: The above information is for the Exchange internal use only.



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current Quarter Ended 30/6/2011 RM'000	Corresponding Quarter Ended 30/6/2010 RM'000	Current Year to date Ended 30/6/2011 RM'000	Corresponding Year to date Ended 30/6/2010 RM'000
Revenue	307,517	359,504	599,494	688,756
Operating expenses	(298,631)	(308,533)	(587,399)	(592,967)
Other operating income	6,825	5,938	12,595	10,654
Finance costs	(3,893)	(3,825)	(7,384)	(7,559)
Profit before taxation	11,818	53,084	17,306	98,884
Taxation	83	(5,068)	33	(9,541)
Profit for the period	11,901	48,016	17,339	89,343
Profit attributable to:				
Equity holders of the Company	12,027	48,050	17,113	89,676
Non-controlling interests	(126)	(34)	226	(333)
	11,901	48,016	17,339	89,343
Earnings per share (sen) –				
(a) Basic	1.78	7.13*	2.54	13.30*
(b) Diluted	1.78	7.13*	2.54	13.30*

* Adjusted for the bonus issue for purposes of comparison.

**(The Condensed Consolidated Income Statements should be read in conjunction with the Annual
Financial Report for the year ended 31st December 2010)**



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Current Quarter Ended 30/6/2011 RM'000	Corresponding Quarter Ended 30/6/2010 RM'000	Current Year to date Ended 30/6/2011 RM'000	Corresponding Year to date Ended 30/6/2010 RM'000
Profit for the period	11,901	48,016	17,339	89,343
<i>Other comprehensive income/(loss)</i>				
Currency translation differences arising from consolidation	949	(2,702)	(2,767)	(33,647)
Total Comprehensive Income for the period	12,850	45,314	14,572	55,696
Total Comprehensive Income attributable to:				
Equity holders of the Company	12,976	45,348	14,346	56,029
Non-controlling interests	(126)	(34)	226	(333)
	12,850	45,314	14,572	55,696

**(The Condensed Consolidated Statements Of Comprehensive Income should be read in conjunction with
the Annual Financial Report for the year ended 31st December 2010)**



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at end of Current Quarter 30/6/2011 RM'000	As at Preceding Financial Year End 31/12/2010 RM'000
Assets		
<i>Non-Current Assets</i>		
Property, Plant and Equipment	1,281,446	1,244,727
Prepaid Interest in Leased Land	19,544	19,537
Goodwill	64,196	65,229
Intangible Assets	17,650	18,739
Deferred Tax Assets	8,731	8,785
Total Non-current Assets	1,391,567	1,357,017
<i>Current Assets</i>		
Inventories	161,403	160,592
Trade and Other Receivables	214,848	209,802
Cash and Bank Balances	69,645	108,339
Total Current Assets	445,896	478,733
Total Assets	1,837,463	1,835,750

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010)



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION– CONTINUED

	As at end of Current Quarter 30/6/2011 RM'000	As at Preceding Financial Year End 31/12/2010 RM'000
Equity and Liabilities		
<i>Capital and Reserves</i>		
Share Capital	337,081	337,081
Reserves	737,201	722,855
Equity Attributable To Equity Holders of the Company	1,074,282	1,059,936
Non-controlling interests	12,847	12,621
Total Equity	1,087,129	1,072,557
<i>Non-Current Liabilities</i>		
Long Term Bank Borrowings	200,173	215,490
Retirement Benefits and Obligations	16,893	16,044
Obligations under Finance Lease	1,864	1,133
Deferred Income	7,427	7,636
Deferred Tax Liabilities	2,969	5,115
	229,326	245,418
<i>Current Liabilities</i>		
Trade and Other Payables	249,090	289,917
Short Term Bank Borrowings	270,618	227,264
Obligations under Finance Lease	1,300	579
Current Tax Payable	-	15
	521,008	517,775
Total Liabilities	750,334	763,193
Total Equity and Liabilities	1,837,463	1,835,750
Net Assets per ordinary share attributable to equity holders of the Company (RM)	1.5935	1.5722

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the
Annual Financial Report for the year ended 31st December 2010)



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year To Date Ended 30/6/2011 RM'000	Corresponding Year To Date Ended 30/6/2010 RM'000
Operating Activities		
Profit For The Period	17,339	89,343
Adjustments for non-cash flow items:		
Depreciation and amortisation expenses (net of amortization income)	80,009	76,437
Finance cost (net of interest income)	7,226	7,672
Others	1,093	9,734
Operating Profit Before Changes In Working Capital	105,667	183,186
Net change in current assets	(2,537)	(72,999)
Tax paid	(7,745)	(869)
Net change in current liabilities	(113,325)	(41,625)
Net Cash Flows From/(Used In) Operating Activities	(17,940)	67,693
Investing Activities		
Additions to property, plant and equipment	(42,877)	(71,033)
Others	197	294
Net Cash Flows Used In Investing Activities	(42,680)	(70,739)
Financing Activities		
Proceeds from bank borrowings	95,473	59,359
Repayment of bank borrowings	(89,320)	(66,304)
Others	(6,907)	(8,545)
Net Cash Flows From/(Used In) Financing Activities	(754)	(15,490)
Net Change in Cash & Cash Equivalents	(61,374)	(18,536)
Cash And Cash Equivalents At Beginning Of Period	108,339	53,916
Effect of exchange rate differences	(98)	(3,234)
Cash And Cash Equivalents At End Of Period	46,867	50,682
Cash and Cash Equivalents comprise the following :		
	RM'000	RM'000
Cash and Bank Balances	69,645	74,460
Bank Overdrafts	(22,778)	(42,314)
	46,867	32,146

(The Condensed Consolidated Statements Of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010)



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to Equity Holders of the Company →						Total Equity RM'000
	Share Capital RM'000	Share Premium & Other Reserves RM'000	Foreign Currency Exchange Reserve RM'000	Retained Earnings RM'000	Subtotal RM'000	Non- controlling Interests RM'000	
Current Year To Date Ended 30 June 2011							
At 1 January 2011	337,081	156,347	(43,887)	610,395	1,059,936	12,621	1,072,557
Total comprehensive income for the period	-	-	(2,767)	17,113	14,346	226	14,572
At 30 June 2011	337,081	156,347	(46,654)	627,508	1,074,282	12,847	1,087,129
Corresponding Year To Date Ended 30 June 2010							
At 1 January 2010	259,293	212,042	9,266	469,427	950,028	11,532	961,560
Total comprehensive income for the period	-	-	(33,647)	89,676	56,029	(333)	55,696
At 30 June 2010	259,293	212,042	(24,381)	559,103	1,006,057	11,199	1,017,256

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010)



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134, INTERIM FINANCIAL REPORTING AND BURSA LISTING REQUIREMENTS

A1. *Accounting policies and basis of preparation*

The Quarterly Report has been prepared in accordance with the reporting requirements outlined in the *Financial Reporting Standards (FRS) 134 'Interim Financial Reporting'* issued by the Malaysian Accounting Standards Board (MASB) and *Paragraph 9.22 of the Listing Requirements of Bursa Securities Malaysia Berhad* and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2010.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2010.

A2. *Declaration of audit qualification*

The preceding annual financial statements of the Group were reported on without any qualification.

A3. *Explanatory comment about the seasonality or cyclicity of operations*

There are no material seasonal or cyclical factors affecting the results of the quarter under review.

A4. *Nature and amount of unusual items*

There are no extraordinary items for the current interim period.

A5. *Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period*

There are no changes in the estimates of amounts, which give a material effect in the current interim period.

A6. *Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities*

There are no issue, cancellation, repurchases, resale and repayment of debt or equity securities for the current financial year to date.

A7. *Dividend Paid*

No dividend was paid in respect of the current financial year to date.

A8. *Segment revenue and segment result and segment assets employed for business segments or geographical segments*

Quarter Ended 30 June 2011	Asia RM'000	Europe RM'000	USA RM'000	Consolidated RM'000
Revenue	<u>299,317</u>	<u>4,910</u>	<u>3,290</u>	<u>307,517</u>
Segment results	16,344	(123)	(609)	15,612
Finance costs	(3,849)	(44)	-	(3,893)
Investment income	<u>99</u>	<u>-</u>	<u>-</u>	<u>99</u>
Profit/(Loss) before tax	<u>12,594</u>	<u>(167)</u>	<u>(609)</u>	<u>11,818</u>



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

Year To Date Ended 30 June 2011	Asia RM'000	Europe RM'000	USA RM'000	Consolidated RM'000
Revenue	584,345	8,958	6,191	599,494
Segment results	27,553	(1,483)	(1,538)	24,532
Finance costs	(7,325)	(59)	-	(7,384)
Investment income	158	-	-	158
Profit/(Loss) before tax	20,386	(1,542)	(1,538)	17,306
Segment assets	1,780,394	40,312	16,757	1,837,463
Segment liabilities	737,927	6,763	5,644	750,334

A9. Valuations of property, plant and equipment brought forward without amendment from the previous annual financial statements

There are no amendment to the valuations of property, plant and equipment brought forward.

A10. Material events subsequent to the end of the period reported on that have not been reflected in the financial statement for the said period

There are no material events subsequent to the end of the period reported on that have not been reflected in the financial statement for the said period.

A11. Effect of changes in the composition of the Group

There are no changes in the composition of the Group for the current financial year to date.

A12. Changes in contingent liabilities or contingent assets

There are no changes in contingent liabilities since the last annual balance sheet date.

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of the performance of the Group, setting out material factors affecting the earnings and /or revenue of the Group for the current quarter and financial year to date

The Group recorded revenue of RM307.517 million and net profit of RM11.901 million for the quarter ended 30 June 2011, these represent a decrease of 14.5% and 75.2% in revenue and net profit respectively over the corresponding quarter last year.

For the six months ended 30 June 2011, the Group recorded revenue of RM599.494 million and net profit of RM17.339 million which represents a corresponding decrease of 13.0% in revenue and decrease of 80.6% in net profit respectively.

The corresponding quarterly and half-yearly decline in revenue was principally attributable to a depreciation in the US\$/RM exchange rate, as compared to the rates that prevailed in the corresponding quarter/half-year period last year as well as reduction in overall group sales volume.

The corresponding quarterly and half-yearly decrease in net profit was mainly due to the lower revenue achieved.



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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B2. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

The Group achieved profit before taxation (“PBT”) of RM11.818 million for the current quarter, an increase of 115.3% from RM5.488 million achieved in the preceding quarter ended 31 March 2011. The increase in PBT was mainly due to higher sales volume achieved.

B3. Commentary on the prospects, including the factors that are likely to influence the Group’s prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter

The Directors expect to see modest growth in the revenue and earnings of the Group in the third and fourth quarter of the financial year.

B4. Where the audit report of the company’s preceding annual financial statements was qualified, disclosure of the qualification and current status of the matter(s) giving rise to the qualification for the current quarter and financial year to date

The company’s preceding annual financial statements did not have any audit qualification.

B5. A statement of the board of directors’ opinion as to whether the revenue or profit estimate, forecast, projection or internal targets in the remaining period to the end of the financial year and the forecast period which was previously announced or disclosed in a public document are likely to be achieved

The Group did not announce or disclose any revenue or profit estimates in a public document for the current quarter and financial year to date.

B6. (a) Explanatory note for any variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%)

Not applicable.

(b) Explanatory note for any shortfall in the profit guarantee received by the Group (if any) and steps taken to recover the shortfall;

Not applicable.

B7. Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and financial year to date

	Current Quarter Ended 30/6/2011 RM'000	Current Year To Date Ended 30/6/2011 RM'000
Income tax payable	(1,334)	(1,982)
Deferred tax	1,417	2,015
Total	83	33

The effective tax rate is lower than the statutory tax rate mainly due to the availability of tax allowances and incentives to offset the taxable income.

B8. Amount of profits on sale of unquoted investments or properties

There are no sales of unquoted investments or properties for the current quarter and financial year to date.



UNISEM (M) BERHAD (Company No. 183314-V)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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B9. Particulars of purchase or disposal of quoted securities

There are no purchases or disposals of quoted securities by the Group as at 28 July 2011.

B10. (a) Status of corporate proposals announced but not completed

As at 28 July 2011, there are no outstanding corporate proposals announced but not completed.

(b) Status of utilisation of proceeds raised from any corporate proposal for the quarter under review

As at 28 July 2011, there are no unutilised proceeds raised from corporate proposal.

B11. Realised and Unrealised Profits

The breakdown of the retained earnings of the Group into realized and unrealized profits or losses, pursuant to the directive, is as follows:

	As at Quarter Ended 30/6/2011 RM'000	As at Preceding Financial Year Ended 31/12/2010 RM'000
Realised profits	533,651	505,979
Unrealised profits	10,919	21,460
	544,570	527,439
Add: Consolidation adjustments	82,938	82,955
Total Retained Earnings	627,508	610,394

B12. Borrowings and debt securities as at the end of the reporting period

The details of the Group's borrowings as at end of current quarter are as follows:

	Foreign Currency '000	RM Equivalent '000
<i>Secured Borrowings</i>		
Term Loans	USD54,129	162,946
Bank Overdraft	USD1,115	3,355
Revolving Credit	USD12,366	37,227
<i>Unsecured Borrowings</i>		
Term Loans	USD36,844	110,845
Revolving Credit		134,500
Bank Overdraft		19,423
Banker Acceptances		2,495
Total		470,791

B13. Summary of Derivative Financial Instruments

There were no derivative financial instruments as at the date of issue of this report.

B14. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date

There are no changes in material litigation since the last annual balance sheet date.



UNISEM (M) BERHAD (Company No. 183314-V)

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B15. Dividend

The Directors do not recommended any dividend for the current financial quarter ended 30 June 2011. (Nil for the financial quarter ended 30 June 2010).

B16. Earnings per share

The basic earnings per share for the current quarter of 1.78 sen and financial year to date of 2.54 sen was calculated by dividing the Group's profit attributable to equity holders of the Company for the current quarter and financial year to date amounting to RM12.027 million and RM17.113 million respectively by the weighted average number of ordinary shares in issue of 674,161,383.

The diluted earnings per share have not been presented as the average fair value of the shares of the Company is lower than the exercise price for the conversion of the Warrants or ESOS to ordinary shares. The effect would be anti-dilutive to the earnings per share.

BY ORDER OF THE BOARD

CHUA HENG FATT (MACS 00264)

CHIN HOCK YEE (LS 8922)

Company Secretary

DATED : 28 July 2011