



## Press Release

- Unisem ends the year with RM692.8 million revenue, 21.8% growth from FY2005
- Profit before taxation grew 133.2% to RM92.9 million from FY2005
- Net profit (before MI) rose about 221.3% to RM70.6 million from FY2005

**Kuala Lumpur, 27 February 2007** – Unisem (M) Berhad today announced results for the fourth quarter ended 31 December 2006 (**4Q06**).

For the financial year ended 31 December 2006 (**FY2006**), the Unisem Group recorded revenue of RM692.8 million, an increase of 21.8% from the revenue of RM569.0 million in the corresponding year ended 31 December 2005 (**FY2005**). Net profit (before MI) for FY2006 was at RM70.6 million a remarkable increase of 221.3% compared to RM22.0 million in FY2005. The improvement in revenue and net profit was mainly due to increased sales volume, and higher utilisation of installed capacity, higher unrealised foreign exchange and lower interest expenses.

The Group recorded revenue of RM171.7 million for 4Q06, a decrease of 3.7% compared to RM178.2 million in the prior quarter (**3Q06**). Profit before taxation (**PBT**) decreased 5.9% to RM20.9 million from 3Q06. Net profit (before MI) of the Group for 4Q06 decreased 13.6% to RM15.4 million compared to net profit (before MI) of RM17.8 million in 3Q06. The decline in PBT was mainly due to lower revenue and losses contributed by Unisem (Europe) Limited in the quarter under review.

Correspondingly the Group's 4Q06 revenue represents an increase of 2.3% compared to RM167.9 million in the same quarter a year ago (**4Q05**). Group profit before taxation and net profit (before MI) for 4Q06 grew 13.2% and 30.2% respectively from the pre-tax income of RM18.5 million and net profit of RM11.8 million in 4Q05. The improvement in the net profit was mainly due to higher unrealised foreign exchange and lower interest expenses.

Group earnings before interest, tax, depreciation and amortisation (EBITDA) margin was about 33% in 4Q06. Equipment capacity utilisation maintained at about 80% in 4Q06.

Group's capital expenditure incurred in 4Q06 was about RM34.1 million, principally for purchases of packaging and final test equipment for Unisem Chengdu Co., Ltd and Unisem (M) Berhad and wafer bumping equipment for Unisem-Advanpack Technologies Sdn Bhd. Total Group capital expenditure committed in FY2006 was RM177.2 million.

### Outlook

The managing director, Mr John Chia commented, "The Board of Directors expects the Group's revenue and earnings in the first quarter of 2007 to be marginally lower than the previous quarter due to inventory adjustment across the industry. However, the business of the Group for the next financial year is expected to improve compared to that of 2006."