



Press Release

- **Unisem recorded RM147 million revenue, RM7.4 million in profit before tax and net income of RM2.5 million in 1Q 2007**

Kuala Lumpur, 15 May 2007 – Unisem (M) Berhad today announced results for the first quarter ended 31 March 2007(**1Q07**).

The Unisem Group recorded revenue of RM147.0 million for 1Q07, a decline of 14.4% compared to RM171.7 million in the prior quarter (**4Q06**). Profit before taxation was at RM7.4 million compared to RM20.9 million from 4Q06. Net profit of the Group for 1Q07 was at RM2.5 million compared to net income of RM15.4 million in 4Q06.

Correspondingly the Group's 1Q07 revenue represents a decline of 13.6% compared to RM170.0 million in the same quarter a year ago (**1Q06**). Group profit before taxation and net profit for 1Q07 declined from RM28.7 million and RM21.8 million in 1Q06.

The decline in revenue was mainly due to lower sales volume and the weakening of the US Dollar against the Malaysian Ringgit. The decrease in profits was attributable mainly to lower revenue, losses incurred by both the European and China subsidiaries as well as foreign exchange losses.

Group earnings before interest, tax, depreciation and amortisation (**EBITDA**) margin recorded at 28% in 1Q07 compared to 33% in 4Q06. The decline was mainly due to lower sales volume, lower average selling prices and lower capacity utilization. Equipment capacity utilisation for the Unisem Group was estimated at about 68% in 1Q07.

Group's capital expenditure committed in 1Q07 was RM27.7 million, principally for purchases of equipment for packaging, wafer bumping and final test activities.

Outlook

The managing director, Mr John Chia commented, "The Board of Directors believes that the inventory adjustment across the industry is tapering off. The Directors expect the Group's revenue and earnings in the second quarter to improve from the previous quarter and that the Group will perform satisfactorily for the remaining period to the end of the financial year."

About Unisem www.unisem.com.my

Unisem (M) Berhad, a leading semiconductor packaging and test services company in Malaysia, has its main packaging and testing facilities in Ipoh, Malaysia with additional packaging and testing facilities in Wales, United Kingdom and Chengdu, PRC. Unisem offers an integrated suite of packaging and test services for semiconductor companies such as wafer bumping, wafer probe, a wide range of leadframe and substrate IC packaging, high-end RF and mix-signal test, tape & reel and drop-shipment services.