

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

ANNOUNCEMENT OF UNAUDITED QUARTERLY RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2001

INCOME STATEMENT

| | | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|-----|--|--------------------|----------------|--------------------|----------------|
| | | CURRENT | PRECEDING YEAR | CURRENT | PRECEDING YEAR |
| | | YEAR | CORRESPONDING | YEAR | CORRESPONDING |
| | | QUARTER | QUARTER | TO DATE | PERIOD |
| | | 31/03/2001 | 31/03/2000 | 31/03/2001 | 31/03/2000 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| 1 | Turnover | 71,450 | 91,436 | 71,450 | 91,436 |
| (a) | | | | | |
| (b) | Investment income | 0 | 0 | 0 | 0 |
| (c) | Other income including interest income | 1,838 | 2,740 | 1,838 | 2,740 |
| 2 | Operating profit/(loss) before interest on borrowings, depreciation and amortisation, exceptional items, income tax, minority interests and extraordinary items | 24,020 | 50,552 | 24,020 | 50,552 |
| (a) | | | | | |
| (b) | Interest on borrowings | 0 | 0 | 0 | 0 |
| (c) | Depreciation and amortisation | 12,193 | 8,215 | 12,193 | 8,215 |
| (d) | Exceptional items | 0 | 0 | 0 | 0 |
| (e) | Operating profit/(loss) after interest on borrowings, depreciation and amortisation, exceptional items but before income tax, minority interests and extraordinary items | 11,827 | 42,337 | 11,827 | 42,337 |
| (f) | Share in the results of associated companies | 0 | 0 | 0 | 0 |
| (g) | Profit/(loss) before taxation, minority interests and extraordinary items | 11,827 | 42,337 | 11,827 | 42,337 |
| (h) | Taxation | (2,805) | (7,300) | (2,805) | (7,300) |
| (i) | (i) Profit/(loss) after taxation before deducting minority | 9,022 | 35,037 | 9,022 | 35,037 |

| | | | | | |
|-----|---|-------|--------|-------|--------|
| | interests | | | | |
| | (ii) Less minority interests | 0 | 0 | 0 | 0 |
| (j) | Profit/(loss) after taxation attributable to members of the company | 9,022 | 35,037 | 9,022 | 35,037 |
| (k) | (i) Extraordinary items | 0 | 0 | 0 | 0 |
| | (ii) Less minority interests | 0 | 0 | 0 | 0 |
| | (iii) Extraordinary items attributable to members of the company | 0 | 0 | 0 | 0 |
| (l) | Profit/(loss) after taxation and extraordinary items attributable to members of the company | 9,022 | 35,037 | 9,022 | 35,037 |
| 3 | Earnings per share based on | | | | |
| (a) | 2 (j) above after deducting any provision for preference dividends, if any:- | | | | |
| | (i) Basic - based on 143,000,000 ordinary shares (sen) | 6.31 | 24.50 | 6.31 | 24.50 |
| | (ii) Fully diluted - based onordinary shares (sen) | N/A | N/A | N/A | N/A |

BALANCE SHEET

| | AS AT END OF CURRENT QUARTER 31/03/2001 RM'000 | AS AT PRECEDING FINANCIAL YEAR END 31/12/2000 RM'000 |
|--------------------------------------|---|---|
| 1 Fixed Assets | 585,384 | 550,996 |
| Capital work in progress | 54,745 | 43,505 |
| Interest in subsidiary | 1,410 | 1,404 |
| 2 Investment in Associated Companies | - | - |

| | | | |
|----|--|----------------|----------------|
| 3 | Long Term Investments | - | - |
| 4 | Intangible Assets | - | - |
| 5 | Current Assets | | |
| | <i>Stock</i> | 32,278 | 32,335 |
| | <i>Trade Debtors</i> | 45,769 | 71,285 |
| | <i>Other debtors, deposits and prepayments</i> | 13,590 | 13,889 |
| | <i>Fixed and short-term deposits with licensed banks</i> | 64,450 | 125,740 |
| | <i>Cash on hand and at banks</i> | 10,865 | 7,872 |
| | | <u>166,952</u> | <u>251,120</u> |
| 6 | Current Liabilities | | |
| | <i>Short Term Borrowings</i> | - | - |
| | <i>Trade Creditors</i> | 10,551 | 15,690 |
| | <i>Other Creditors</i> | 117,188 | 157,976 |
| | <i>Provision for Taxation</i> | 13,140 | 17,469 |
| | <i>Proposed dividend</i> | 21,450 | 21,450 |
| | | <u>162,329</u> | <u>212,585</u> |
| 7 | Net Current Assets | 4,623 | 38,535 |
| | Net Assets Employed | <u>646,162</u> | <u>634,440</u> |
| 8 | Shareholders' Funds | | |
| | Share Capital | 143,000 | 143,000 |
| | Reserves | | |
| | <i>Share Premium</i> | 152,392 | 152,392 |
| | <i>Revaluation Reserve</i> | - | - |
| | <i>Capital Reserve</i> | - | - |
| | <i>Statutory Reserve</i> | - | - |
| | <i>Unappropriated Profit</i> | 348,070 | 339,048 |
| | | <u>500,462</u> | <u>491,440</u> |
| 9 | Minority Interests | - | - |
| 10 | Long Term Borrowings | - | - |
| 11 | Other Long Term Liabilities | - | - |
| 12 | Deferred Taxation | 2,700 | - |
| | Total Capital Employed | <u>646,162</u> | <u>634,440</u> |
| 13 | Net tangible assets per share (sen) | <u>451.86</u> | <u>443.66</u> |

Notes:-

1. Accounting policies and methods of computation

The Company has followed the same accounting policies and methods of computation in the quarterly financial statements as compared with the most recent annual financial statement.

2. Nature and amount of exceptional item

There are no exceptional items as at 2 May 2001.

3. Nature and amount of extraordinary item

There are no extraordinary items as at 2 May 2001.

4. **Breakdown of tax charge and explanation on variance between effective and statutory tax rate**

| | Individual Quarter | | Cumulative Quarter | |
|-------------------|---|--|---|---|
| | Current Year Quarter 31/03/2001 RM'000 | Preceding Year Corresponding Quarter 31/03/2000 RM'000 | Current Year To Date 31/03/2001 RM'000 | Preceding Year Corresponding Period 31/03/2000 RM'000 |
| Deferred taxation | 2,700 | - | 2,700 | - |
| Current taxation | 105 | 7,300 | 105 | 7,300 |
| | 2,805 | 7,300 | 2,805 | 7,300 |

The provision for current taxation for this quarter relates to interest income and profits generated from the non-exempted activities. Effective 1 February 2000, the Company has been granted pioneer status under the provision for high technology companies under the Promotion of Investments Act, 1986 which exempts its profits from the promoted activity of design and production of certain approved integrated circuits packages.

5. **Amount of profits on sale of unquoted investments or properties**

There are no profits on any sale of investments and/or properties for the current financial year to date.

6. **Particulars of purchase or disposal of quoted securities**

There are no purchases or disposals of quoted securities by the Company as at 2 May 2001.

7. **Effect of changes in the composition of the Group**

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

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

There are no outstanding corporate proposals announced but not completed as at 2 May 2001.

(b) **Status of utilisation of proceeds raised from any corporate proposal**

Not applicable.

9. **Details of issuances and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares**

There are no issue or repayment of debt or equity securities, share buy-back, share cancellations, share held as treasury shares or resale of treasury shares for the current financial year to date.

10. **Borrowings and debt securities**

There are no borrowings or debt securities in issue as at 2 May 2001.

11. **Changes in contingent liabilities**

There are no contingent liabilities for the current financial year to date.

12. **Summary of financial instruments with off balance sheet risk by type and maturity profile**

There are no financial instruments with off balance sheet risk as at 2 May 2001.

13. Details (including status) of any pending material litigation

There is no material litigation pending as at 2 May 2001.

14. Segment revenue, segment result and segment assets employed for business segments or geographical segments

The Company operates within one industry and one geographical area, as such segment analysis is not presented.

15. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

The Company recorded a profit before taxation of RM11.827 million for the quarter, which represents a decline of 69.8% as compared with that of the immediate preceding quarter ended 31 December 2000.

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

The Company recorded a turnover of RM71.450 million and a profit after taxation of RM9.022 million for the quarter. The lower turnover is due to the decelerating demand for personal computers, telecommunication equipment and electronic appliances worldwide. Profits and margins are further impacted by the decline in capacity utilisation as the Company reduces its manufacturing activity in response to the decline in business volume.

17. 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.

18. Explanatory comment about the seasonality or cyclicity of operations

The Company is experiencing a downturn in the business/industry cycle which is generally due to an inventory overhang and the slowing of the global economy, particularly in North America.

19. Commentary on the prospects, including the factors that are likely to influence the Company's prospects for the remaining period to the end of the financial year

Since the Company announced its 4th quarter 2000 results in mid-January 2001, the slowdown in the semiconductor industry that began in the 4th quarter of 2000 has worsened dramatically. Consequently the demand for the Company's products and services remains uncertain. The Company now anticipates the next three quarters to remain weak and have taken measures to mitigate the difficulties that will ensue.

20. (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

Not applicable

21. Dividend

The Directors have not recommended any dividend for the first financial quarter ended 31 March 2001.

BY ORDER OF THE BOARD

CHUA HENG FATT (MACS 00264)
TAN KOK HENG (MIA NO. 606)
Company Secretaries

DATED : 2 May 2001