



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

**CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS**

	<b>Current Quarter Ended 30/6/2015 RM'000</b>	<b>Corresponding Quarter Ended 30/6/2014 RM'000</b>	<b>Current Year to date Ended 30/6/2015 RM'000</b>	<b>Corresponding Year to date Ended 30/6/2014 RM'000</b>
Revenue	298,790	251,581	578,847	479,629
Cost of sales	(249,611)	(221,759)	(486,134)	(433,532)
Gross profit	49,179	29,822	92,713	46,097
Operating expenses	(19,086)	(16,274)	(37,807)	(32,987)
Other operating income	6,578	3,747	10,991	18,774
Interest expense	(1,744)	(2,852)	(3,995)	(6,373)
Profit before taxation	34,927	14,443	61,902	25,511
Taxation	(3,308)	(3,951)	(6,421)	(6,164)
<b>Profit for the period</b>	<b>31,619</b>	<b>10,492</b>	<b>55,481</b>	<b>19,347</b>
<b>Profit attributable to:</b>				
Owners of the Company	31,383	10,841	54,918	20,107
Non-controlling interests	236	(349)	563	(760)
	<b>31,619</b>	<b>10,492</b>	<b>55,481</b>	<b>19,347</b>
Earnings per share (sen) –				
(a) Basic	4.59	1.61	8.09	2.98
(b) Diluted	4.52	1.61	7.97	2.98

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME OR  
LOSS**

	<b>Current Quarter Ended 30/6/2015 RM'000</b>	<b>Corresponding Quarter Ended 30/6/2014 RM'000</b>	<b>Current Year to date Ended 30/6/2015 RM'000</b>	<b>Corresponding Year to date Ended 30/6/2014 RM'000</b>
Profit for the period	31,619	10,492	55,481	19,347
Other comprehensive income/(loss) <i>Items that may be reclassified subsequently to profit or loss</i>				
Currency translation differences arising from consolidation	11,677	(9,891)	46,171	(22,905)
<b>Total Comprehensive Profit/(Loss) for the period</b>	<b>43,296</b>	<b>601</b>	<b>101,652</b>	<b>(3,558)</b>
<b>Total Comprehensive Profit/(Loss) attributable to:</b>				
Owners of the Company	43,060	950	101,089	(2,798)
Non-controlling interests	236	(349)	563	(760)
	<b>43,296</b>	<b>601</b>	<b>101,652</b>	<b>(3,558)</b>

(The Condensed Consolidated Statements of Comprehensive Income or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	<b>As at end of Current Quarter 30/6/2015 RM'000</b>	<b>As at Preceding Financial Year End 31/12/2014 RM'000</b>
<b>Assets</b>		
<i>Non-Current Assets</i>		
Property, Plant and Equipment	1,160,021	1,109,554
Prepaid Interest in Leased Land	11,429	19,322
Intangible Assets	7,030	8,165
Deferred Tax Assets	1,048	1,017
<b>Total Non-current Assets</b>	<b>1,179,528</b>	<b>1,138,058</b>
<i>Current Assets</i>		
Inventories	129,083	122,599
Trade and Other Receivables	184,621	162,450
Tax Recoverable	17,047	9,863
Cash and Bank Balances	43,114	51,032
<b>Total Current Assets</b>	<b>373,865</b>	<b>345,944</b>
<b>Total Assets</b>	<b>1,553,393</b>	<b>1,484,002</b>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION – CONTINUED

	As at end of Current Quarter 30/6/2015 RM'000	As at Preceding Financial Year End 31/12/2014 RM'000
<b>Equity and Liabilities</b>		
<i>Capital and Reserves</i>		
Share Capital	347,124	337,115
Reserves	796,648	688,137
Equity Attributable To Owners of the Company	1,143,772	1,025,252
Non-controlling interests	3,155	6,917
<b>Total Equity</b>	<b>1,146,927</b>	<b>1,032,169</b>
<i>Non-Current Liabilities</i>		
Long Term Bank Borrowings	7,939	47,693
Retirement Benefits Obligations	24,548	22,418
Deferred Income	8,351	7,847
Deferred Tax Liabilities	2,895	2,904
	43,733	80,862
<i>Current Liabilities</i>		
Trade and Other Payables	204,081	162,750
Short Term Bank Borrowings	152,333	198,518
Obligations under Finance Leases	950	5,627
Provision for Tax	5,369	4,076
	362,733	370,971
<b>Total Liabilities</b>	<b>406,466</b>	<b>451,833</b>
<b>Total Equity and Liabilities</b>	<b>1,553,393</b>	<b>1,484,002</b>
Net Assets per ordinary share attributable to owners of the Company (RM)	1.6475	1.5206

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

	<b>Current Year To Date Ended 30/6/2015  RM'000</b>	<b>Corresponding Year To Date Ended 30/6/2014  RM'000</b>
<b>Operating Activities</b>		
Profit For The Period	55,481	19,347
Adjustments for non-cash items:		
Depreciation and amortisation expenses	83,737	80,082
Interest expense (net of interest income)	3,923	6,279
Others	3,415	5,014
Operating Profit Before Changes In Working Capital	146,556	110,722
Net change in current assets	(17,598)	(28,361)
Tax paid	(11,726)	(5,390)
Net change in current liabilities	11,353	(28)
Others	(999)	(75)
Net Cash Flows From Operating Activities	127,586	76,868
<b>Investing Activities</b>		
Additions to property, plant and equipment	(55,514)	(16,677)
Acquisition of additional interest in subsidiary company	(4,335)	-
Others	8,224	302
Net Cash Flows Used In Investing Activities	(51,625)	(16,375)
<b>Financing Activities</b>		
Proceeds from issuance of shares	43,982	-
Repayment of bank borrowings – net	(100,701)	(100,938)
Dividend paid	(27,127)	(13,485)
Others	(4,004)	(6,724)
Net Cash Flows Used In Financing Activities	(87,850)	(121,147)
Net Change in Cash & Cash Equivalents	(11,889)	(60,654)
Cash And Cash Equivalents At Beginning Of Period	51,032	69,494
Effect of exchange rate differences	2,950	(1,375)
	53,982	68,119
Cash And Cash Equivalents At End Of Period	42,093	7,465
<b>Cash and Cash Equivalents comprised the following :</b>		
	<b>RM'000</b>	<b>RM'000</b>
Cash and Bank Balances	43,114	22,977
Bank Overdrafts	(1,021)	(15,512)
	42,093	7,465

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	← Attributable to Owners of the Company →				Subtotal RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium & Other Reserves RM'000	Foreign Currency Exchange Reserve RM'000	Retained Earnings RM'000			
<b>Current Period To Date Ended 30 June 2015</b>							
At 1 January 2015	337,115	169,727	98,325	420,085	1,025,252	6,917	1,032,169
Profit for the period	-	-	-	54,918	54,918	563	55,481
Other comprehensive income	-	-	46,171	-	46,171	-	46,171
Total comprehensive income for the period	-	-	46,171	54,918	101,089	563	101,652
Recognition of share-based payments	-	525	-	59	584	3	587
Issuance of shares	10,009	31,258	-	2,714	43,981	-	43,981
Dividend distributed to equity holders	-	-	-	(27,127)	(27,127)	-	(27,127)
Acquisition of additional interest in a subsidiary company	-	-	-	(7)	(7)	(4,328)	(4,335)
<b>At 30 June 2015</b>	<b>347,124</b>	<b>201,510</b>	<b>144,496</b>	<b>450,642</b>	<b>1,143,772</b>	<b>3,155</b>	<b>1,146,927</b>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)



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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY - CONTINUED

	← Attributable to Owners of the Company →				Subtotal RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium & Other Reserves RM'000	Foreign Currency Exchange Reserve RM'000	Retained Earnings RM'000			
<b>Corresponding Period To Date Ended 30 June 2014</b>							
At 1 January 2014	337,115	167,139	72,249	384,019	960,522	7,616	968,138
Profit for the period	-	-	-	20,107	20,107	(760)	19,347
Other comprehensive loss	-	-	(22,905)	-	(22,905)	-	(22,905)
Total comprehensive income/(loss) for the period	-	-	(22,905)	20,107	(2,798)	(760)	(3,558)
Recognition of share-based payments	-	(362)	-	501	139	4	143
Dividend distributed to equity holders	-	-	-	(13,485)	(13,485)	-	(13,485)
<b>At 30 June 2014</b>	<b>337,115</b>	<b>166,777</b>	<b>49,344</b>	<b>391,142</b>	<b>944,378</b>	<b>6,860</b>	<b>951,238</b>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2014)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

**A. EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 'INTERIM FINANCIAL REPORTING' (MFRS 134) 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 *MFRS 134* 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 2014.

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 2014.

The Group has adopted all the new and revised MFRSs and IC Interpretations that are relevant and effective for accounting periods beginning on or after 1 January, 2015. The adoption of these new and revised MFRSs and IC Interpretations have not resulted in any material impact on the financial statements of the Group.

**A2. *Declaration of audit qualification***

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

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

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

**A4. *Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence***

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter under review and financial year to date.

**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 were 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 were no issue, cancellation, repurchases, resale and repayment of debt or equity securities during the quarter under review and financial year to date except for the issuance of 20,018,240 new ordinary shares of RM0.50 each arising from the exercise of the Company's warrants 2010/2015 and share options under the Company's Executives' Share Option Scheme.

**A7. *Dividend Paid***

A final dividend of 8% or 4 sen per share tax-exempt, amounting to RM27.127 million in respect of ordinary shares in the previous financial year was paid by the Company on 28 May 2015.





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

In view of the cessation of production activities of both the operations based in Europe and the USA, the segmental reporting below is based on the geographical location of the customers instead.

The Group's geographical segment report for the financial year to date is as follows:

<b>Year To Date Ended 30 June 2015</b>	<b>USA RM'000</b>	<b>Europe RM'000</b>	<b>Asia RM'000</b>	<b>Group RM'000</b>
Revenue from external customers	<u>260,870</u>	<u>93,440</u>	<u>224,537</u>	<u>578,847</u>
Segment results	<u>35,015</u>	<u>2,701</u>	<u>28,270</u>	<u>65,986</u>

<b>Year To Date Ended 30 June 2014</b>	<b>USA RM'000</b>	<b>Europe RM'000</b>	<b>Asia RM'000</b>	<b>Group RM'000</b>
Revenue from external customers	<u>222,176</u>	<u>82,900</u>	<u>174,553</u>	<u>479,629</u>
Segment results	<u>16,965</u>	<u>3,352</u>	<u>12,576</u>	<u>32,893</u>

	<b>Current Year to date Ended 30/6/2015 RM'000</b>	<b>Corresponding Year to date Ended 30/6/2014 RM'000</b>
<b>Reconciliation of segment results</b>		
Reportable segments	65,986	32,893
Non-reportable segments	(161)	(1,103)
Interest expense	(3,995)	(6,373)
Investment income	72	94
Profit before tax	<u>61,902</u>	<u>25,511</u>
Taxation	<u>(6,421)</u>	<u>(6,164)</u>
Profit after tax	<u>55,481</u>	<u>19,347</u>

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

There were no amendments 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.



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE  
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**A11. *Effect of changes in the composition of the Group***

There were no changes in the composition of the Group during the current quarter under review and financial year to date except:

- a) Unisem (S) Pte. Ltd., an indirect subsidiary of the Company which was incorporated in Singapore was struck off from the Register on 28 April 2015 and accordingly dissolved.
- b) Unisem Test (Sunnyvale) Inc., an indirect subsidiary of the Company, ceased all production on 31 March 2015.
- c) Unisem (Europe) Holdings Limited and Unisem (Europe) Limited have commenced voluntary liquidation process on 13 January 2015 and are expected to be formally liquidated within the current financial year.

**A12. *Changes in contingent liabilities or contingent assets***

There were no changes in contingent liabilities or assets since the date of the last report.

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

**B1. *Detailed analysis of the performance of all operating segments of the Group, setting out material factors affecting the earnings and /or revenue for the current quarter and financial year to date***

For the quarter ended 30 June 2015 the Group recorded revenue and net profit of RM298.790 million and RM31.619 million respectively. These represent improvement of 18.8% in revenue and 201% in net profit against the corresponding period ended 30 June 2014.

For the six months ended 30 June 2015 the Group recorded revenue and net profit of RM578.847 million and RM55.481 million respectively. These represent improvement of 20.7% in revenue and 186% in net profit compared to the same period a year ago. Asia segment recorded the highest increase in revenue by 28.6% whilst the revenue for USA and Europe segments increased by 17.4% and 12.7% respectively.

The increase in revenue for the financial year to date was mainly attributable to higher demand for the products and services of the Group. The improvement in net profit for the financial year to date was due to increased gross profit margin arising from change in product mix and improved utilization rates, lower interest expense and gain on disposal of assets amounting to RM3.331 million.

**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 of RM34.927 million for the current quarter, an increase of 29.5% against the preceding quarter ended 31 March 2015. The higher profit before tax in the current quarter was mainly from improved gross profit margin and gain on disposal of assets of RM3.331 million in one of its foreign subsidiaries.

**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 the performance of the Group to remain satisfactory for the next quarter till the end of the financial year.



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**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 preceding annual financial statements of the Group were reported without 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*

Not applicable.

**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.** *Profit/(Loss) Before Taxation*

Profit/(Loss) before taxation is arrived at after charging/(crediting):-

	Current Quarter Ended 30/6/2015 RM'000	Corresponding Quarter Ended 30/6/2014 RM'000	Current Year to date Ended 30/6/2015 RM'000	Corresponding Year to date Ended 30/6/2014 RM'000
Depreciation and amortisation	42,068	39,331	83,737	80,082
Interest expense	1,744	2,852	3,995	6,373
Foreign exchange loss/(gain)	327	(227)	649	749
Grant income received	(168)	-	(168)	(10,378)
Interest income	(34)	(33)	(72)	(94)
Provision for/(Write-back of) receivables	351	46	351	46
Provision for slow moving inventories	199	-	199	-
Impairment of assets	-	-	-	-
Loss/(Gain) on disposal of investments or properties	-	-	-	-
Loss/(Gain) on derivatives	-	-	-	-



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**B8. 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 30/6/2015 RM'000	Corresponding Quarter Ended 30/6/2014 RM'000	Current Year to date Ended 30/6/2015 RM'000	Corresponding Year to date Ended 30/6/2014 RM'000
Income tax payable	(3,483)	(1,919)	(6,650)	(4,251)
Deferred tax	169	(2,032)	223	(1,913)
	(3,314)	(3,951)	(6,427)	(6,164)
Over provision in prior year	6	-	6	-
<b>Total</b>	<b>(3,308)</b>	<b>(3,951)</b>	<b>(6,421)</b>	<b>(6,164)</b>

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

**B9. (a) Status of corporate proposals announced but not completed**

There are no outstanding corporate proposals announced but not completed as at the date of this announcement.

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

There are no unutilised proceeds raised from corporate proposal as at the date of this announcement.

**B10. Borrowings and debt securities as at the end of the reporting period**

The detail and currency analysis of the Group's borrowings as at end of current quarter are as follows:

	Ringgit Malaysia RM'000	US Dollar RM'000	Total RM'000
<i>Secured Borrowings</i>			
Due within 12 months	-	96,087	96,087
Due after 12 months	-	7,939	7,939
<i>Unsecured Borrowings</i>			
Due within 12 months	6,021	51,175	57,196
Due after 12 months	-	-	-
<b>Total</b>	<b>6,021</b>	<b>155,201</b>	<b>161,222</b>

**B11. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date**

There were no changes in material litigation since the date of the last report.



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SECOND FINANCIAL QUARTER ENDED 30 JUNE 2015

**B12. Dividend**

The Directors recommend an interim dividend of 6% (or 3.0 sen per share) tax-exempt for the financial period ended 30 June 2015 (Nil for the financial quarter ended 30 June 2014). The dividend will be paid on 29 September 2015.

**B13. Earnings per share**

The basic and diluted earnings per share are calculated as follows:

	<b>Current Quarter ended 30/6/2015</b>	<b>Current Year to date ended 30/6/2015</b>
Net profit attributable to owners of the Company (RM'000)	<u>31,383</u>	<u>54,918</u>
Weighted average number of ordinary shares	684,088,440	679,159,036
Basic earnings per share (sen)	<u>4.59</u>	<u>8.09</u>
<b>Diluted earnings per share</b>		
Weighted average number of ordinary shares	684,088,440	679,159,036
Effect of dilution	<u>10,151,747</u>	<u>10,151,747</u>
Adjusted weighted average number of ordinary shares for diluted earnings per share	<u>694,240,187</u>	<u>689,310,783</u>
Diluted earnings per share (sen)	<u>4.52</u>	<u>7.97</u>

**B14. Realised and Unrealised Profits**

The breakdown of the retained earnings of the Group into realised and unrealised profits or losses, pursuant to the directive from the Exchange, is as follows:

	<b>As at 30/6/2015 RM'000</b>	<b>As at 31/12/2014 RM'000</b>
Realised	298,104	270,182
Unrealised	<u>(1,847)</u>	<u>(5,169)</u>
	296,257	265,013
Add: Consolidation adjustments	<u>154,385</u>	<u>155,072</u>
Total Retained Earnings	<u>450,642</u>	<u>420,085</u>

BY ORDER OF THE BOARD

**CHUA HENG FATT** (MACS 00264)

**CHIN HOCK YEE** (LS 8922)

Company Secretary

DATED : 30 July 2015