



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2015

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Current Quarter Ended 30/9/2015 RM'000	Corresponding Quarter Ended 30/9/2014 RM'000	Current Year to date Ended 30/9/2015 RM'000	Corresponding Year to date Ended 30/9/2014 RM'000
Revenue	329,610	273,273	908,457	752,902
Cost of sales	(259,657)	(223,273)	(745,791)	(656,805)
Gross profit	69,953	50,000	162,666	96,097
Operating expenses	(19,532)	(16,738)	(57,339)	(49,737)
Other operating income/(expense)	(2,836)	2,457	8,155	21,243
Interest expense	(1,358)	(2,749)	(5,353)	(9,122)
Profit before taxation	46,227	32,970	108,129	58,481
Taxation	(5,572)	(5,843)	(11,993)	(12,007)
Profit for the period	40,655	27,127	96,136	46,474
Profit attributable to:				
Owners of the Company	40,199	27,121	95,117	47,228
Non-controlling interests	456	6	1,019	(754)
	40,655	27,127	96,136	46,474
Earnings per share (sen) –				
(a) Basic	5.50	4.02	13.66	7.00
(b) Diluted	5.50	4.02	13.66	7.00

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

	Current Quarter Ended 30/9/2015 RM'000	Corresponding Quarter Ended 30/9/2014 RM'000	Current Year to date Ended 30/9/2015 RM'000	Corresponding Year to date Ended 30/9/2014 RM'000
Profit for the period	40,655	27,127	96,136	46,474
Other comprehensive income/(loss) <i>Items that may be reclassified subsequently to profit or loss</i>				
Currency translation differences arising from consolidation	92,125	15,777	138,296	(7,128)
Total Comprehensive Profit for the period	132,780	42,904	234,432	39,346
Total Comprehensive Profit/(Loss) attributable to:				
Owners of the Company	132,324	42,898	233,413	40,100
Non-controlling interests	456	6	1,019	(754)
	132,780	42,904	234,432	39,346

(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)



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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at end of Current Quarter 30/9/2015 RM'000	As at Preceding Financial Year End 31/12/2014 RM'000
Assets		
<i>Non-Current Assets</i>		
Property, Plant and Equipment	1,255,322	1,109,554
Prepaid Interest in Leased Land	11,588	19,322
Intangible Assets	6,464	8,165
Deferred Tax Assets	1,107	1,017
Total Non-current Assets	1,274,481	1,138,058
<i>Current Assets</i>		
Inventories	135,588	122,599
Trade and Other Receivables	221,294	162,450
Tax Recoverable	19,918	9,863
Cash and Bank Balances	134,767	51,032
Total Current Assets	511,567	345,944
Total Assets	1,786,048	1,484,002

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



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CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION – CONTINUED

	As at end of Current Quarter 30/9/2015 RM'000	As at Preceding Financial Year End 31/12/2014 RM'000
Equity and Liabilities		
<i>Capital and Reserves</i>		
Share Capital	366,915	337,115
Reserves	975,692	688,137
Equity Attributable To Owners of the Company	1,342,607	1,025,252
Non-controlling interests	3,611	6,917
Total Equity	1,346,218	1,032,169
<i>Non-Current Liabilities</i>		
Long Term Bank Borrowings	2,686	47,693
Retirement Benefits Obligations	29,354	22,418
Deferred Income	9,454	7,847
Deferred Tax Liabilities	3,327	2,904
	44,821	80,862
<i>Current Liabilities</i>		
Trade and Other Payables	224,426	162,750
Short Term Bank Borrowings	161,927	198,518
Obligations under Finance Leases	477	5,627
Provision for Tax	8,179	4,076
	395,009	370,971
Total Liabilities	439,830	451,833
Total Equity and Liabilities	1,786,048	1,484,002
Net Assets per ordinary share attributable to owners of the Company (RM)	1.8296	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
THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2015

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year To Date Ended 30/9/2015	Corresponding Year To Date Ended 30/9/2014
	RM'000	RM'000
Operating Activities		
Profit For The Period	96,136	46,474
Adjustments for non-cash items:		
Depreciation and amortisation expenses	127,560	119,227
Interest expense (net of interest income)	4,756	9,017
Others	8,219	11,686
Operating Profit Before Changes In Working Capital	236,671	186,404
Net change in current assets	(38,212)	(57,802)
Tax paid	(15,095)	(6,276)
Net change in current liabilities	25,877	8,470
Others	(1,185)	(192)
Net Cash Flows From Operating Activities	208,056	130,604
Investing Activities		
Additions to property, plant and equipment	(105,122)	(34,559)
Acquisition of additional interest in subsidiary company	(4,335)	-
Others	10,008	5,431
Net Cash Flows Used In Investing Activities	(99,449)	(29,128)
Financing Activities		
Proceeds from issuance of shares	130,469	-
Repayment of bank borrowings – net	(109,827)	(130,611)
Dividend paid	(49,141)	(13,485)
Others	(4,724)	(9,489)
Net Cash Flows Used In Financing Activities	(33,223)	(153,585)
Net Change in Cash & Cash Equivalents	75,384	(52,109)
Cash And Cash Equivalents At Beginning Of Period	51,032	69,494
Effect of exchange rate differences	8,351	(1,087)
	59,383	68,407
Cash And Cash Equivalents At End Of Period	134,767	16,298
Cash and Cash Equivalents comprised the following :		
	RM'000	RM'000
Cash and Bank Balances	134,767	30,760
Bank Overdrafts	-	(14,462)
	134,767	16,298

(The Condensed Consolidated Statements of Cash Flows 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
THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 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			
Current Period To Date Ended 30 September 2015							
At 1 January 2015	337,115	169,727	98,325	420,085	1,025,252	6,917	1,032,169
Profit for the period	-	-	-	95,117	95,117	1,019	96,136
Other comprehensive income	-	-	138,296	-	138,296	-	138,296
Total comprehensive income for the period	-	-	138,296	95,117	233,413	1,019	234,432
Recognition of share-based payments	-	525	-	2,096	2,621	3	2,624
Issuance of shares	29,800	79,437	-	21,232	130,469	-	130,469
Dividend distributed to equity holders	-	-	-	(49,141)	(49,141)	-	(49,141)
Acquisition of additional interest in a subsidiary company	-	-	-	(7)	(7)	(4,328)	(4,335)
At 30 September 2015	366,915	249,689	236,621	489,382	1,342,607	3,611	1,346,218

(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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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			
Corresponding Period To Date Ended 30 September 2014							
At 1 January 2014	337,115	167,139	72,249	384,019	960,522	7,616	968,138
Profit for the period	-	-	-	47,228	47,228	(754)	46,474
Other comprehensive loss	-	-	(7,128)	-	(7,128)	-	(7,128)
Total comprehensive income/(loss) for the period	-	-	(7,128)	47,228	40,100	(754)	39,346
Recognition of share-based payments	-	(224)	-	501	277	7	284
Dividend distributed to equity holders	-	-	-	(13,485)	(13,485)	-	(13,485)
At 30 September 2014	337,115	166,915	65,121	418,263	987,414	6,869	994,283

(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
THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 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 new ordinary shares of RM0.50 each in the current quarter and financial year to date of 39,583,182 and 59,601,422 respectively, arising from the exercise of the Company's warrants 2010/2015 and share options under the Company's Executives' Share Option Scheme.



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A7. Dividend Paid

An interim dividend of 6% or 3 sen per share tax-exempt, amounting to RM22.015 million in respect of ordinary shares in the current financial year was paid by the Company on 29 September 2015.

A final dividend of 8% or 4 sen per share tax-exempt, amounting to RM27.126 million in respect of ordinary shares in the previous financial year was paid by the Company on 28 May 2015.

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:

Year To Date Ended 30 September 2015	USA RM'000	Europe RM'000	Asia RM'000	Group RM'000
Revenue from external customers	388,424	142,758	377,275	908,457
Segment results	58,795	1,248	53,036	113,079
Year To Date Ended 30 September 2014	USA RM'000	Europe RM'000	Asia RM'000	Group RM'000
Revenue from external customers	344,034	129,618	279,250	752,902
Segment results	35,130	6,511	27,563	69,204
			Current Year to date Ended 30/9/2015 RM'000	Corresponding Year to date Ended 30/9/2014 RM'000
Reconciliation of segment results				
Reportable segments			113,079	69,204
Non-reportable segments			(194)	(1,706)
Interest expense			(5,353)	(9,122)
Investment income			597	105
Profit before tax			108,129	58,481
Taxation			(11,993)	(12,007)
Profit after tax			96,136	46,474

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.



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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 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 is 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 September 2015 the Group recorded revenue and net profit of RM329.610 million and RM40.655 million respectively. These represent improvement of 20.6% in revenue and 49.9% in net profit against the corresponding period ended 30 September 2014.

For the nine months ended 30 September 2015, the Group recorded revenue and net profit of RM908.457 million and RM96.136 million respectively. These represent improvement of 20.7% in revenue and 107% in net profit compared to the same period a year ago. Asia segment recorded an increase in revenue of 35.1% whilst the revenue for USA and Europe segments increased by 12.9% and 10.1% respectively.

The increase in revenue for the current quarter and financial year to date was mainly attributable to consistent demand for the products and services of the Group and an appreciation in the US\$/RM and US\$/RMB exchange rates, as compared to the rates that prevailed in the corresponding quarter/period a year ago. The improvement in net profit for the current quarter and financial year to date was due to increased revenue, better contribution from our wafer bumping and advanced package operations and lower interest expense.

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 RM46.227 million for the current quarter, an increase of 32.4% against the preceding quarter ended 30 June 2015. The higher profit before tax in the current quarter was mainly attributable to increased revenue and lower interest expense.



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- 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 till the end 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 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 Before Taxation***

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

	Current Quarter Ended 30/9/2015 RM'000	Corresponding Quarter Ended 30/9/2014 RM'000	Current Year to date Ended 30/9/2015 RM'000	Corresponding Year to date Ended 30/9/2014 RM'000
Depreciation and amortisation	43,867	39,145	127,604	119,227
Interest expense	1,358	2,749	5,353	9,122
Foreign exchange loss	7,961	647	8,610	1,396
Grant income received	(279)	-	(447)	(10,378)
Interest income	(525)	(11)	(597)	(105)
Provision for receivables	-	-	351	46
Provision for slow moving inventories	-	-	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 30/9/2015 RM'000	Corresponding Quarter Ended 30/9/2014 RM'000	Current Year to date Ended 30/9/2015 RM'000	Corresponding Year to date Ended 30/9/2014 RM'000
Income tax payable	(5,626)	(3,965)	(12,276)	(8,216)
Deferred tax	55	(1,881)	278	(3,794)
	(5,571)	(5,846)	(11,998)	(12,010)
Over provision in prior year	(1)	3	5	3
Total	(5,572)	(5,843)	(11,993)	(12,007)

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:

	Total RM'000
<i>Secured Borrowings</i>	
Due within 12 months	96,089
Due after 12 months	2,686
<i>Unsecured Borrowings</i>	
Due within 12 months	66,315
Due after 12 months	-
Total	165,090

All the Group's borrowings are denominated in US Dollars.

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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B12. Dividend

The Directors recommend a second interim dividend of 6% (or 3.0 sen per share) tax-exempt for the financial period ended 30 September 2015. The dividend will be paid on 15 December 2015.

B13. Earnings per share

The basic earnings per share for the current quarter and financial period to date are calculated as follows:

	Current Quarter ended 30/9/2015	Current Year to date ended 30/9/2015
Net profit attributable to owners of the Company (RM'000)	40,199	95,117
Weighted average number of ordinary shares	730,392,204	696,236,759
Basic earnings per share (sen)	<u>5.50</u>	<u>13.66</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:

	As at 30/9/2015 RM'000	As at 31/12/2014 RM'000
Realised	338,591	270,182
Unrealised	(2,219)	(5,169)
	<u>336,372</u>	<u>265,013</u>
Add: Consolidation adjustments	153,010	155,072
Total Retained Earnings	<u><u>489,382</u></u>	<u><u>420,085</u></u>

BY ORDER OF THE BOARD

CHUA HENG FATT (MACS 00264)

CHIN HOCK YEE (LS 8922)

Company Secretary

DATED : 29 October 2015