



# **Unisem (M) Berhad**

## **2013 third quarter analysts briefing**

7 November 2013



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# Consolidated Income Statements

## Sequential quarterly Comparison

(RM Thousand except EPS)

	<b>3Q 2013</b>	<b>%</b>	<b>2Q 2013</b>	<b>%</b>	<b>Change</b>
<b>Revenue</b>	246,780	100.0	246,931	100.0	-0.1%
<b>Cost of Sales</b>	228,584	92.6	233,085	94.4	-1.9%
<b>Gross Profit</b>	18,196	7.4	13,846	5.6	31.4%
<b>Operating Profit</b>	4,079	1.6	3,351	1.3	21.7%
<b>Net Loss</b>	(1,113)	(0.4)	(4,769)	(1.9)	76.7%
<b>EPS – Basic (sen)</b>	(0.10)		(0.62)		
<b>EBITDA</b>	46,362	18.8	44,347	18.0	4.5%
<b>Depreciation</b>	42,283	17.1	40,996	16.6	3.1%
<b>Forex gain/(loss)</b>	(262)	(0.1)	2,110	0.8	-112.4%



# Consolidated Income Statements

Corresponding quarterly Comparison

(RM Thousand except EPS)

	<b>3Q 2013</b>	<b>%</b>	<b>3Q 2012</b>	<b>%</b>	<b>Change</b>
<b>Revenue</b>	246,780	100.0	282,952	100.0	-12.8%
<b>Cost of Sales</b>	228,584	92.6	256,749	90.7	-11.0%
<b>Gross Profit</b>	18,196	7.4	26,203	9.3	-30.5%
<b>Operating Profit</b>	4,079	1.6	14,576	5.2	-72.0%
<b>Net Profit / (Loss)</b>	(1,113)	(0.4)	8,330	2.9	-113.4%
<b>EPS – Basic (sen)</b>	(0.10)		1.23		
<b>EBITDA</b>	46,362	18.8	53,989	19.1	-14.1%
<b>Depreciation</b>	42,283	17.1	39,513	13.9	7.0%
<b>Forex gain/(loss)</b>	(262)	(0.1)	1,955	0.7	-113.4%



# Consolidated Income Statements

Corresponding 9-month Comparison

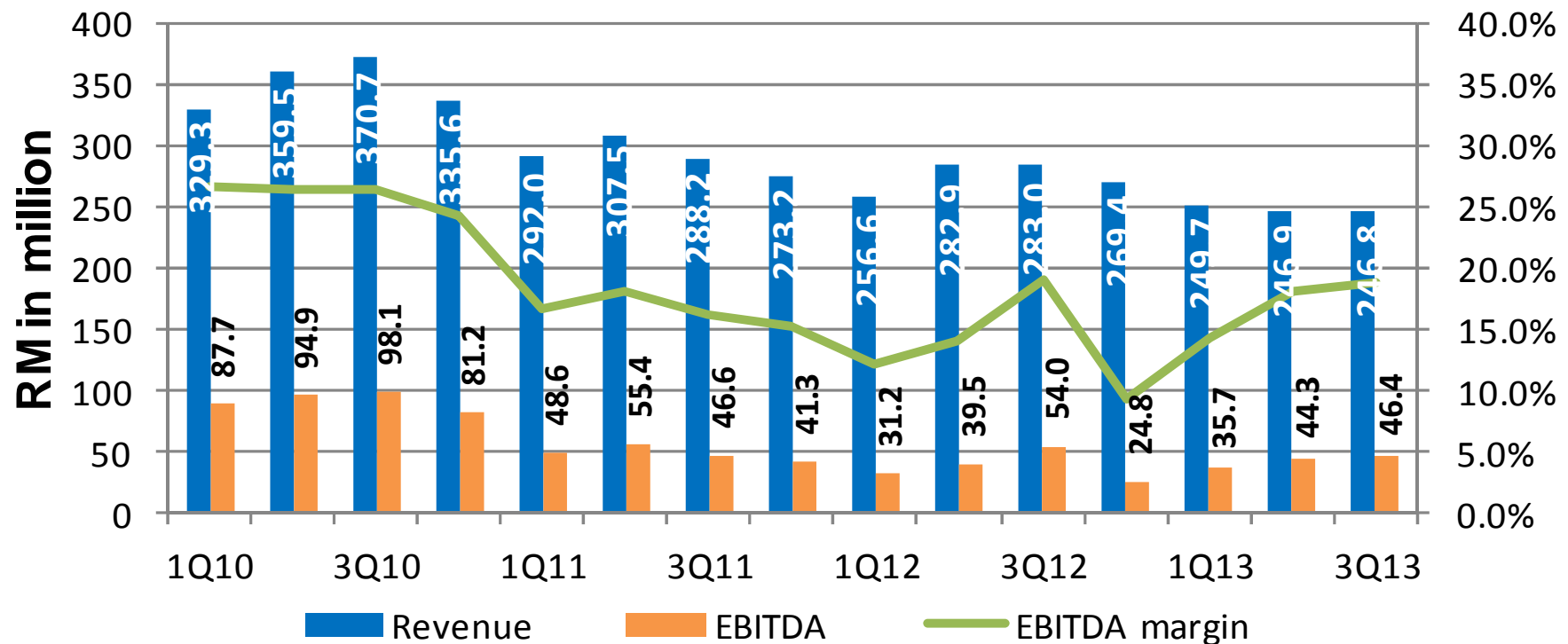
(RM Thousand except EPS)

	<b>9m 2013</b>	<b>%</b>	<b>9m 2012</b>	<b>%</b>	<b>Change</b>
<b>Revenue</b>	743,434	100.0	822,508	100.0	-9.6%
<b>Cost of Sales</b>	704,843	94.8	779,733	94.8	-9.6%
<b>Gross Profit</b>	38,591	5.2	42,775	5.2	-9.8%
<b>Operating Profit</b>	1,842	0.2	198	0.0	830.3%
<b>Net loss</b>	(16,165)	(2.2)	(13,118)	(1.6)	-23.2%
<b>EPS – Basic (sen)</b>	(2.16)		(1.90)		
<b>EBITDA</b>	126,380	17.0	124,704	15.2	1.3%
<b>Depreciation</b>	124,538	16.7	124,784	15.2	-0.2%
<b>Forex gain</b>	2,198	0.3	2,797	0.3	-21.4%



# 3Q 2013 Revenue & EBITDA

- RM Revenue : ↓ 0.1% q-on-q ; ↓ 12.8% y-on-y
- USD revenue : ↓ 5.5% q-on-q ; ↓ 15.6% y-on-y
- EBITDA : ↑ 4.5% q-on-q ; ↓ 14.1% y-on-y
- EBITDA margin : 3Q13 : 18.8%, 3Q12 : 19.1%

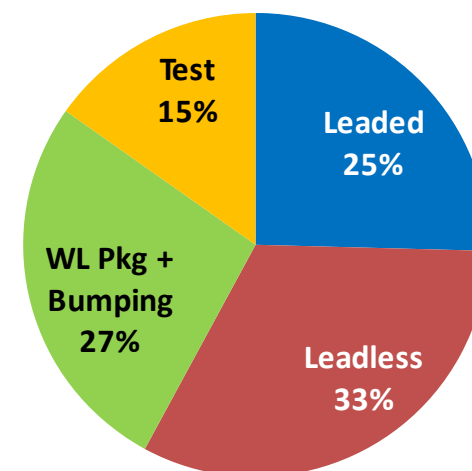


# Revenue Breakdown

## By Products & Services

	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13
Leaded	36.2	34.6	31.9	30.8	31.4	29.9	25.4
Leadless	35.3	33.8	33.4	31.7	32.7	31.2	32.5
WL packaging + bumping	11.4	13.7	17.2	19.6	20.9	24.5	26.9
Test	17.1	17.1	17.4	17.9	15.0	14.4	15.2

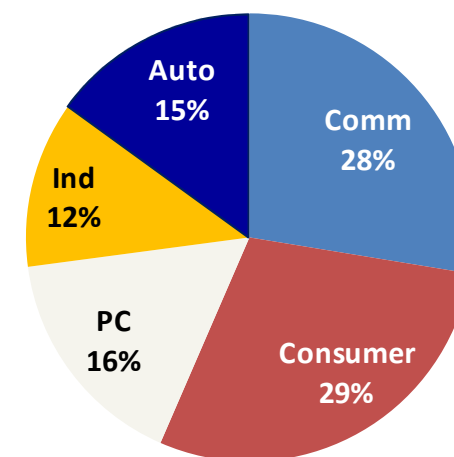
3Q13



## By Market Segment

	1Q12	2Q12	3Q12	4Q12	1Q13	2Q13	3Q13
Comm	26	24	26	27	28	28	28
Consumer	29	32	30	29	26	27	29
PC	19	19	18	18	17	18	16
Industrial	13	12	12	11	13	12	12
Auto	13	12	12	14	16	15	15

3Q13





## Selective Consolidated Statements of Financial Position Information

(in RM Thousand)	30 Sep 2013	31 Dec 2012	<i>Change</i>
<b>Property plant &amp; equipment</b>	1,227,739	1,272,707	-3.5%
<b>Cash and Bank Balances</b>	106,758	73,005	46.2%
<b>Group term loan &amp; bank borrowings</b>	479,337	516,622	-7.2%
<b>Net Assets per share (RM)</b>	1.5439	1.5246	1.3%
<b>Current ratio</b>	0.94	0.83	13.3%
<b>Debt/equity ratio</b>	0.46	0.50	-8.0%



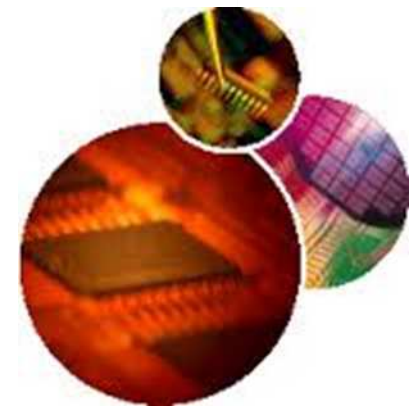


## 3Q 2013 Highlights

- Revenue in line with guidance RM246.8m vs RM246.9m in Q2
- Capex incurred in 3Q13 : RM 6.7m, focusing on leadless and wafer level packaging for smartphone and tablet markets
  - 1Q12 : RM17.8m, 2Q12 : RM33.1m, 3Q12 : RM48.8m, 4Q12 : RM33.1m
  - 1Q13 : RM13.6m, 2Q13 : RM11.9m, 3Q13 : RM6.7m
- Group Headcount reduced to 7,472 in end Sep 2013
  - 1Q12 : 9069 , 2Q12 : 8924 , 3Q12 : 8437 , 4Q12 : 8085
  - 1Q13 : 7976, 2Q13 : 7819, 3Q13 : 7472

## 4Q 2013 Outlook

- Expect 4Q to be challenging.
- NO CLEAR INDICATIONS OF MARKET RECOVERY
- FOCUS ON OPERATIONAL EXCELLENCE
- CASH CONSERVATION
- Initiated headcount reduction and closures within 4Q13
  - PT Unisem VSS exercise. Indirect headcount affected
    - Est provisions on retrenchment cost : Rm8.0m
  - Unisem Europe proposed plant closure.
    - Est redundancy payment : Rm2.8m
    - Est write-off of fixed assets & inventory : Rm4.2m
  - Approximately total 350 headcount





**Thank You**