



News Release

Unisem Reports Revenue of RM343.2 million (approx. US\$86.9 million) and Net Profit of RM31.1 million (approx. US\$7.9 million) for Second Quarter 2018

Kuala Lumpur, 2 August 2018 – Unisem (M) Berhad today announced results for the second quarter ended 30 June 2018 (**2Q18**).

Unisem recorded a consolidated revenue of RM343.198 million (approx. US\$86.9 million) and net profit of RM31.075 million (approx. US\$7.9 million) for 2Q18, representing a decline in revenue of 6.2 percent and decline in net profit of 26.9 percent against the corresponding quarter ended 30 June 2017 (**2Q17**).

For the six months period ended 30 June 2018 (**1H18**), the Group recorded revenue and net profit of RM664.749 million (approx. US\$168.8 million) and RM37.400 million (approx. US\$9.5 million) respectively. These represent decrease of 8.4 percent in revenue and 57.4 percent decline in net profit as compared to the same period a year ago (**1H17**).

The decrease in revenue and net profit was primarily attributable to the depreciation of USD/MYR exchange rates as compared to the prevailing rates a year ago. The decline in net profits was further impacted by the lower profit margins arising from change in product mix.

Group's earnings before interest, tax, depreciation and amortization (EBITDA) for 2Q18 came in at about RM76.909 million (approx. US\$19.5 million), EBITDA margin was about 22.4 percent. Equipment capacity utilization averaged at about 66 percent for the Group in 2Q18. Group's capital expenditure incurred in 2Q18 was about RM34.357 million (approx. US\$8.7 million), principally for purchase of equipment for advanced packaging activities.

Commenting on the outlook of the Group, Mr. John Chia Sin Tet, the group managing director said, "The current trade war, protectionist policies and tariffs imposed by the USA on imports from China, the European Union, and other countries and the retaliatory measures taken will eventually have the effect of reducing global trade. Whilst the Company is currently unaffected by these measures taken so far, any protracted impasse would have some adverse impact on our operations. Barring a protracted trade war and a consequential deterioration in global trade, we expect the performance of the Group to remain satisfactory for the remaining period to the end of the financial year."

About Unisem

Unisem is a global provider of semiconductor assembly and test (OSAT) services for many of the world's most successful electronics companies. We offer an integrated suite of packaging and test services such as wafer bumping, wafer probing, wafer grinding; a wide range of leadframe and substrate IC packaging; wafer level CSP; and RF, analog, digital, and mixed signal test. Our turnkey services include design, assembly, test, failure analysis, and electrical, mechanical, and thermal characterization and modeling. Unisem is an established MEMS OSAT with several years of experience in volume consumer and automotive production, in addition to a broad package portfolio covering multiple applications. The company has factory locations in Ipoh, Malaysia; Chengdu, People's Republic of China; and in Batam, Indonesia. Unisem is headquartered in Kuala Lumpur, Malaysia. For more information about the company, its products and services, please visit its website at www.unisemgroup.com