



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2011

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current Quarter Ended 31/3/2011 RM'000	Corresponding Quarter Ended 31/3/2010 RM'000	Current Year to date Ended 31/3/2011 RM'000	Corresponding Year to date Ended 31/3/2010 RM'000
Revenue	291,975	329,252	291,975	329,252
Operating expenses	(288,766)	(284,434)	(288,766)	(284,434)
Other operating income	5,770	4,716	5,770	4,716
Finance costs	(3,491)	(3,734)	(3,491)	(3,734)
Profit before taxation	5,488	45,800	5,488	45,800
Taxation	(50)	(4,473)	(50)	(4,473)
Profit for the period	5,438	41,327	5,438	41,327
Profit attributable to:				
Equity holders of the Company	5,086	41,626	5,086	41,626
Non-controlling interests	352	(299)	352	(299)
	5,438	41,327	5,438	41,327
Earnings per share (sen) –				
(a) Basic	0.75	6.17*	0.75	6.17*
(b) Diluted	0.75	6.17*	0.75	6.17*

* Adjusted for the bonus issue for purposes of comparison.

**(The Condensed Consolidated Income Statements should be read in conjunction with the Annual
Financial Report for the year ended 31st December 2010)**



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Current Quarter Ended 31/3/2011 RM'000	Corresponding Quarter Ended 31/3/2010 RM'000	Current Year to date Ended 31/3/2011 RM'000	Corresponding Year to date Ended 31/3/2010 RM'000
Profit for the period	5,438	41,327	5,438	41,327
<i>Other comprehensive income/(loss)</i>				
Currency translation differences arising from consolidation	(3,716)	(30,945)	(3,716)	(30,945)
Total Comprehensive Income for the period	1,722	10,382	1,722	10,382
Total Comprehensive Income attributable to:				
Equity holders of the Company	1,370	10,681	1,370	10,681
Non-controlling interests	352	(299)	352	(299)
	1,722	10,382	1,722	10,382

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual
Financial Report for the year ended 31st December 2010)



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

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

	As at end of Current Quarter 31/3/2011 RM'000	As at Preceding Financial Year End 31/12/2010 RM'000
Assets		
<i>Non-Current Assets</i>		
Property, Plant and Equipment	1,260,162	1,244,727
Prepaid Interest in Leased Land	19,574	19,537
Goodwill	64,508	65,229
Intangible Assets	18,126	18,739
Deferred Tax Assets	8,757	8,785
Total Non-current Assets	1,371,127	1,357,017
<i>Current Assets</i>		
Inventories	159,472	160,592
Trade and Other Receivables	215,150	209,802
Cash and Bank Balances	60,169	108,339
Total Current Assets	434,791	478,733
Total Assets	1,805,918	1,835,750

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010)



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FIRST FINANCIAL QUARTER ENDED 31 MARCH 2011

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION- CONTINUED

	As at end of Current Quarter 31/3/2011 RM'000	As at Preceding Financial Year End 31/12/2010 RM'000
Equity and Liabilities		
<i>Capital and Reserves</i>		
Share Capital	337,081	337,081
Reserves	724,225	722,855
Equity Attributable To Equity Holders of the Company	1,061,306	1,059,936
Non-controlling interests	12,973	12,621
Total Equity	1,074,279	1,072,557
<i>Non-Current Liabilities</i>		
Long Term Bank Borrowings	189,034	215,490
Retirement Benefits and Obligations	16,378	16,044
Obligations under Finance Lease	2,235	1,133
Deferred Income	7,497	7,636
Deferred Tax Liabilities	4,431	5,115
	219,575	245,418
<i>Current Liabilities</i>		
Trade and Other Payables	249,303	289,917
Short Term Bank Borrowings	261,528	227,264
Obligations under Finance Lease	1,233	579
Current Tax Payable	-	15
	512,064	517,775
Total Liabilities	731,639	763,193
Total Equity and Liabilities	1,805,918	1,835,750
Net Assets per ordinary share attributable to equity holders of the Company (RM)	1.5743	1.5722

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2011

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year To Date Ended 31/3/2011 RM'000	Corresponding Year To Date Ended 31/3/2010 RM'000
Operating Activities		
Profit For The Period	5,438	41,327
Adjustments for non-cash flow items:		
Depreciation and amortisation expenses (net of amortization income)	39,836	38,268
Finance cost (net of interest income)	3,508	3,845
Others	608	4,852
Operating Profit Before Changes In Working Capital	49,390	88,292
Net change in current assets	(3,025)	(39,447)
Tax paid	(3,604)	(450)
Net change in current liabilities	(86,376)	(22,589)
Net Cash Flows From/(Used In) Operating Activities	(43,615)	25,806
Investing Activities		
Additions to property, plant and equipment	(12,280)	(11,951)
Others	70	237
Net Cash Flows Used In Investing Activities	(12,210)	(11,714)
Financing Activities		
Proceeds from bank borrowings	51,392	-
Repayment of bank borrowings	(49,929)	(34,781)
Others	(842)	(4,621)
Net Cash Flows From/(Used In) Financing Activities	621	(39,402)
Net Change in Cash & Cash Equivalents	(55,204)	(25,310)
Cash And Cash Equivalents At Beginning Of Period	108,339	53,916
Effect of exchange rate differences	(83)	(2,249)
Cash And Cash Equivalents At End Of Period	53,052	26,357
Cash and Cash Equivalents comprise the following :		
	RM'000	RM'000
Cash and Bank Balances	60,169	40,788
Bank Overdrafts	(7,117)	(14,431)
	53,052	26,357

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010)



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

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

	← Attributable to Equity Holders 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 Year To Date Ended 31 March 2011							
At 1 January 2011	337,081	156,347	(43,887)	610,395	1,059,936	12,621	1,072,557
Total comprehensive income for the period	-	-	(3,716)	5,086	1,370	352	1,722
At 31 March 2011	337,081	156,347	(47,603)	615,481	1,061,306	12,973	1,074,279
Corresponding Year To Date Ended 31 Mar 2010							
At 1 January 2010	259,293	212,042	9,266	469,427	950,028	11,532	961,560
Total comprehensive income for the period	-	-	(30,945)	41,626	10,681	(299)	10,382
At 31 March 2010	259,293	212,042	(21,679)	511,053	960,709	11,233	971,942

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2011

A. EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134, INTERIM FINANCIAL REPORTING 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 *Financial Reporting Standards (FRS) 134 'Interim Financial Reporting'* 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 2010.

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 2010.

A2. *Declaration of audit qualification*

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

A3. *Explanatory comment about the seasonality or cyclical nature of operations*

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

A4. *Nature and amount of unusual items*

There are no extraordinary items for the current interim period.

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 are 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 are no issue, cancellation, repurchases, resale and repayment of debt or equity securities for the current financial year to date.

A7. *Dividend Paid*

No dividend was paid in respect of the current financial year to date.

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

**Quarter Ended/
Year To Date Ended
31 March 2011**

	Asia RM'000	Europe RM'000	USA RM'000	Consolidated RM'000
Revenue	<u>285,026</u>	<u>4,048</u>	<u>2,901</u>	<u>291,975</u>
Segment results	11,209	(1,360)	(929)	8,920
Finance costs	(3,476)	(15)	-	(3,491)
Investment income	<u>59</u>	<u>-</u>	<u>-</u>	<u>59</u>
Profit/(Loss) before tax	<u>7,792</u>	<u>(1,375)</u>	<u>(929)</u>	<u>5,488</u>



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Quarter Ended/ Year To Date Ended 31 March 2011	Asia RM'000	Europe RM'000	USA RM'000	Consolidated RM'000
Segment assets	1,747,036	42,125	16,757	1,805,918
Segment liabilities	717,774	8,133	5,732	731,639

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

There are no amendment 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.

A11. Effect of changes in the composition of the Group

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

A12. Changes in contingent liabilities or contingent assets

There are no changes in contingent liabilities since the last annual balance sheet date.

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

B1. Review of the performance of the Group, setting out material factors affecting the earnings and /or revenue of the Group for the current quarter and financial year to date

The Group recorded revenue of RM291.975 million and net profit of RM5.438 million for the quarter and financial year to date ended 31 March 2011, these represent a decrease of 11.3% and 86.8% in revenue and net profit respectively over the corresponding quarter last year.

The decline in revenue was principally attributable to a depreciation in the US\$/RM exchange rate, as compared to the rates that prevailed in the corresponding quarter last year. The decrease in net profit was mainly due to the lower revenue achieved as well as losses at PT Unisem and Unisem Europe.

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 ("PBT") of RM5.488 million for the current quarter, a decrease of 85.8% from RM38.773 million achieved in the preceding quarter ended 31 December 2010. The decrease in PBT was mainly due to lower sales volume as a result of seasonal softening and residual inventory adjustments in the semiconductor industry.

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 revenue and earnings of the Group in the second quarter to improve from that achieved in the first quarter and to continue to improve to the end of the financial year.



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FIRST FINANCIAL QUARTER ENDED 31 MARCH 2011

- 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 company's preceding annual financial statements did not have 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*

The Group did not announce or disclose any revenue or profit estimates in a public document for the current quarter and financial year to date.

- 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.** *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 31/3/2011 RM'000	Current Year To Date Ended 31/3/2011 RM'000
Income tax payable	(648)	(648)
Deferred tax	598	598
Total	<u>(50)</u>	<u>(50)</u>

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

- B8.** *Amount of profits on sale of unquoted investments or properties*

There are no sales of unquoted investments or properties for the current quarter and financial year to date.

- B9.** *Particulars of purchase or disposal of quoted securities*

There are no purchases or disposals of quoted securities by the Group as at 27 April 2011.

- B10.** (a) *Status of corporate proposals announced but not completed*

As at 27 April 2011, there are no outstanding corporate proposals announced but not completed.

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

As at 27 April 2011, there are no unutilised proceeds raised from corporate proposal.



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B11. Realised and Unrealised Profits

The breakdown of the retained earnings of the Group into realized and unrealized profits or losses, pursuant to the directive, is as follows:

	As at Quarter Ended 31/3/2011 RM'000	As at Preceding Financial Year Ended 31/12/2010 RM'000
Realised profits	524,797	505,979
Unrealised profits	7,978	21,460
	532,775	527,439
Add: Consolidation adjustments	82,706	82,955
Total Retained Earnings	615,481	610,394

B12. Borrowings and debt securities as at the end of the reporting period

The details of the Group's borrowings as at end of current quarter are as follows:

	Foreign Currency '000	RM Equivalent '000
<i>Secured Borrowings</i>		
Term Loans	USD66,670	201,855
Bank Overdraft	USD2,352	7,117
Revolving Credit	USD4,989	15,108
<i>Unsecured Borrowings</i>		
Term Loans	USD38,422	116,246
Revolving Credit		108,500
Banker Acceptances		1,736
Total		450,562

B13. Summary of Derivative Financial Instruments

There were no derivative financial instruments as at the date of issue of this report.

B14. Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date

There are no changes in material litigation since the last annual balance sheet date.

B15. Dividend

The Directors do not recommended any dividend for the current financial quarter ended 31 March 2011. (Nil for the financial quarter ended 31 March 2010).



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B15. *Earnings per share*

The basic earnings per share for the current quarter and financial year to date of 0.75 sen was calculated by dividing the Group's profit attributable to equity holders of the Company for the current quarter and financial year to date amounting to RM5.086 million by the weighted average number of ordinary shares in issue of 674,161,383.

The diluted earnings per share have not been presented as the average fair value of the shares of the Company is lower than the exercise price for the conversion of the Warrants or ESOS to ordinary shares. The effect would be anti-dilutive to the earnings per share.

BY ORDER OF THE BOARD

CHUA HENG FATT (MACS 00264)

CHIN HOCK YEE (LS 8922)

Company Secretary

DATED : 27 April 2011