



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2014

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

	Current Quarter Ended 31/3/2014 RM'000	Corresponding Quarter Ended 31/3/2013 RM'000	Current Year to date Ended 31/3/2014 RM'000	Corresponding Year to date Ended 31/3/2013 RM'000
Revenue	228,048	249,723	228,048	249,723
Cost of sales	(211,773)	(243,174)	(211,773)	(243,174)
Gross profit	16,275	6,549	16,275	6,549
Operating expenses	(16,713)	(16,745)	(16,713)	(16,745)
Other operating income	15,027	4,639	15,027	4,639
Interest expense	(3,521)	(4,766)	(3,521)	(4,766)
Profit/(Loss) before taxation	11,068	(10,323)	11,068	(10,323)
Taxation	(2,213)	40	(2,213)	40
Profit/(Loss) for the period	8,855	(10,283)	8,855	(10,283)
Profit/(Loss) attributable to:				
Owners of the Company	9,266	(9,744)	9,266	(9,744)
Non-controlling interests	(411)	(539)	(411)	(539)
	8,855	(10,283)	8,855	(10,283)
Earnings/(Loss) per share (sen) –				
(a) Basic	1.37	(1.45)	1.37	(1.45)
(b) Diluted	1.37	(1.45)	1.37	(1.45)

(The Condensed Consolidated Statements of Profit or Loss should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2014

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

	Current Quarter Ended 31/3/2014 RM'000	Corresponding Quarter Ended 31/3/2013 RM'000	Current Year to date Ended 31/3/2014 RM'000	Corresponding Year to date Ended 31/3/2013 RM'000
Profit/(Loss) for the period	8,855	(10,283)	8,855	(10,283)
Other comprehensive (loss)/income <i>Items that may be reclassified subsequently to profit or loss</i>				
Currency translation differences arising from consolidation	(13,014)	7,013	(13,014)	7,013
Total Comprehensive Loss for the period	(4,159)	(3,270)	(4,159)	(3,270)
Total Comprehensive Loss attributable to:				
Owners of the Company	(3,748)	(2,731)	(3,748)	(2,731)
Non-controlling interests	(411)	(539)	(411)	(539)
	(4,159)	(3,270)	(4,159)	(3,270)

(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 2013)



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 31/3/2014 RM'000	As at Preceding Financial Year End 31/12/2013 RM'000
Assets		
<i>Non-Current Assets</i>		
Property, Plant and Equipment	1,138,938	1,193,942
Prepaid Interest in Leased Land	19,059	19,408
Intangible Assets	9,868	10,436
Deferred Tax Assets	2,956	2,861
Total Non-current Assets	1,170,821	1,226,647
<i>Current Assets</i>		
Inventories	108,413	103,689
Trade and Other Receivables	155,556	140,701
Tax Recoverable	5,866	5,894
Cash and Bank Balances	40,728	95,884
Total Current Assets	310,563	346,168
Total Assets	1,481,384	1,572,815

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2014

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION – CONTINUED

	As at end of Current Quarter 31/3/2014 RM'000	As at Preceding Financial Year End 31/12/2013 RM'000
Equity and Liabilities		
<i>Capital and Reserves</i>		
Share Capital	337,115	337,115
Reserves	619,725	623,407
Equity Attributable To Owners of the Company	956,840	960,522
Non-controlling interests	7,208	7,616
Total Equity	964,048	968,138
<i>Non-Current Liabilities</i>		
Long Term Bank Borrowings	112,667	156,150
Retirement Benefits Obligations	16,809	16,345
Obligations under Finance Leases	2,927	4,775
Deferred Income	7,449	7,720
	139,852	184,990
<i>Current Liabilities</i>		
Trade and Other Payables	137,233	140,437
Short Term Bank Borrowings	227,961	268,325
Obligations under Finance Leases	7,319	7,521
Provision for Tax	4,971	3,404
	377,484	419,687
Total Liabilities	517,336	604,677
Total Equity and Liabilities	1,481,384	1,572,815
Net Assets per ordinary share attributable to owners of the Company (RM)	1.4192	1.4246

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2014

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	Current Year To Date Ended 31/3/2014 RM'000	Corresponding Year To Date Ended 31/3/2013 RM'000
Operating Activities		
Profit/(Loss) For The Period	8,855	(10,283)
Adjustments for non-cash items:		
Depreciation and amortisation expenses	40,751	41,259
Interest expense (net of interest income)	3,460	4,735
Others	358	923
Operating Profit Before Changes In Working Capital	53,424	36,634
Net change in current assets	(21,911)	(1,708)
Tax (paid)/refunded	(650)	2,238
Net change in current liabilities	3,361	(14,834)
Net Cash Flows From Operating Activities	34,224	22,330
Investing Activities		
Additions to property, plant and equipment	(3,556)	(8,015)
Others	253	31
Net Cash Flows Used In Investing Activities	(3,303)	(7,984)
Financing Activities		
Repayment of bank borrowings – net	(64,976)	(6,763)
Others	(3,895)	(4,523)
Net Cash Flows Used In Financing Activities	(68,871)	(11,286)
Net Change in Cash & Cash Equivalents	(37,950)	3,060
Cash And Cash Equivalents At Beginning Of Period	69,494	46,390
Effect of exchange rate differences	(911)	624
Cash And Cash Equivalents At End Of Period	30,633	47,014
Cash and Cash Equivalents comprised the following :		
	RM'000	RM'000
Cash and Bank Balances	40,728	64,285
Bank Overdrafts	(10,095)	(14,211)
	30,633	50,074

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2014

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	← Attributable to Owners of the Company →				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			Subtotal RM'000
Current Period To Date Ended 31 March 2014							
At 1 January 2014	337,115	167,139	72,249	384,019	960,522	7,616	968,138
Profit for the period	-	-	-	9,266	9,266	(411)	8,855
Other comprehensive loss	-	-	(13,014)	-	(13,014)	-	(13,014)
Total comprehensive income/(loss) for the period	-	-	(13,014)	9,266	(3,748)	(411)	(4,159)
Recognition of share-based payments	-	(434)	-	500	66	3	69
At 31 March 2014	337,115	166,705	59,235	393,785	956,840	7,208	964,048

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2014

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 31 March 2013							
At 1 January 2013	337,115	165,725	20,971	504,136	1,027,947	11,528	1,039,475
Loss for the period	-	-	-	(9,744)	(9,744)	(539)	(10,283)
Other comprehensive income	-	-	7,013	-	7,013	-	7,013
Total comprehensive income/(loss) for the period	-	-	7,013	(9,744)	(2,731)	(539)	(3,270)
Recognition of share-based payments	-	381	-	-	381	2	383
At 31 March 2013	337,115	166,106	27,984	494,392	1,025,597	10,991	1,036,588

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2013)



QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
FIRST FINANCIAL QUARTER ENDED 31 MARCH 2014

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 2013.

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 2013.

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, 2014. 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.

A7. *Dividend Paid*

There were no dividends paid during the quarter under review and financial year to date.



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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A8. Segment revenue and segment result and segment assets employed for business segments or geographical segments

Quarter Ended/ Period To Date 31 March 2014	Asia RM'000	Europe RM'000	USA RM'000	Consolidated RM'000
Revenue	221,796	204	6,048	228,048
Segment results	15,465	(476)	(461)	14,528
Interest expense	(3,401)	-	(120)	(3,521)
Investment income	61	-	-	61
Profit/(Loss) before tax	12,125	(476)	(581)	11,068
Taxation	(2,210)	-	(3)	(2,213)
Profit/(Loss) after tax	9,915	(476)	(584)	8,855
Segment assets	1,444,555	15,406	21,423	1,481,384
Segment liabilities	505,694	1,526	10,116	517,336
Quarter Ended/ Period To Date 31 March 2013	Asia RM'000	Europe RM'000	USA RM'000	Consolidated RM'000
Revenue	239,256	2,971	7,496	249,723
Segment results	(7,767)	802	1,377	(5,588)
Interest expense	(4,564)	(37)	(165)	(4,766)
Investment income	31	-	-	31
Profit/(Loss) before tax	(12,300)	765	1,212	(10,323)
Taxation	40	-	-	40
Profit/(Loss) after tax	(12,260)	765	1,212	(10,283)
Segment assets	1,700,180	27,026	26,426	1,753,632
Segment liabilities	696,247	3,194	17,603	717,044

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.

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.

A12. Changes in contingent liabilities or contingent assets

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



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE
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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 of each segment for the current quarter and financial year to date*

The Group recorded revenue of RM228.048 million for the quarter ended 31 March 2014, a decrease of 8.7% against the corresponding period ended 31 March 2013. All segments recorded decline in revenue with the Europe segment reported a decline in revenue by RM2.767 million following the cessation of its business operations in December 2013. For the quarter under review, the Group achieved net profit at RM8.855 million as compared to net loss of RM10.283 million incurred in the corresponding quarter. Asia segment achieved net profit whilst the USA and Europe segments recorded losses for the quarter under review.

The decrease in revenue for the current quarter and financial period to date was mainly attributable to lower sales volume. The improvement in net profit for the current quarter ended 31 March 2014 was primarily attributable to increased gross profit margin arising from product mix change, grant income received by a foreign subsidiary and lower overhead costs in PT Unisem after the restructuring exercise.

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 RM11.068 million for the current quarter compared to loss before tax of RM82.652 million in the preceding quarter ended 31 December 2013. The losses incurred in the preceding quarter were principally attributable to impairment losses on goodwill and assets, retrenchment costs and provision for write-off on inventory.

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 continue to improve for the remaining period to 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.



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- 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 31/3/2014 RM'000	Corresponding Quarter Ended 31/3/2013 RM'000	Current Year to date Ended 31/3/2014 RM'000	Corresponding Year to date Ended 31/3/2013 RM'000
Depreciation and amortisation	40,751	41,259	40,751	41,259
Interest expense	3,521	4,766	3,521	4,766
Foreign exchange loss/(gain)	976	(350)	976	(350)
Grant income received	(10,378)	-	(10,378)	-
Interest income	(61)	(31)	(61)	(31)
Provision for/(Write-back of) receivables	-	-	-	-
Provision for slow moving inventories	-	-	-	-
Impairment of assets	-	-	-	-
Loss/(Gain) on disposal of investments or properties	-	-	-	-
Loss/(Gain) on derivatives	-	-	-	-

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 31/3/2014 RM'000	Corresponding Quarter Ended 31/3/2013 RM'000	Current Year to date Ended 31/3/2014 RM'000	Corresponding Year to date Ended 31/3/2013 RM'000
Income tax payable	(2,332)	(1,097)	(2,332)	(1,097)
Deferred tax	119	1,137	119	1,137
Total	(2,213)	40	(2,213)	40

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.



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- 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	-	89,200	89,200
Due after 12 months	-	99,106	99,106
<i>Unsecured Borrowings</i>			
Due within 12 months	91,595	54,485	146,080
Due after 12 months	-	16,488	16,488
Total	<u>91,595</u>	<u>259,279</u>	<u>350,874</u>

- 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.

- B12. *Dividend***

The Directors did not recommend any dividend for the current financial quarter ended 31 March 2014. (Nil for the financial quarter ended 31 March 2013).

- B13. *Earnings per share***

The basic earnings per share for the current quarter and financial period to date of 1.37 sen was calculated by dividing the Group's profit attributable to owners of the Company for the current quarter and financial period to date amounting to RM9.266 million by the weighted average number of ordinary shares in issue of 674,229,633.

The diluted earnings per share has 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.



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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 31/3/2014 RM'000	As at 31/12/2013 RM'000
Realised profits	234,692	227,115
Unrealised profits	4,475	2,747
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	239,167	229,862
Add: Consolidation adjustments	154,618	154,157
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Total Retained Earnings	393,785	384,019
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BY ORDER OF THE BOARD

CHUA HENG FATT (MACS 00264)
CHIN HOCK YEE (LS 8922)
Company Secretary

DATED : 8 May 2014