

Miscellaneous

Name of Announcer

HI-P INTERNATIONAL LIMITED

Company Registration No.

198004817H

Announcement submitted on behalf of

HI-P INTERNATIONAL LIMITED

Announcement is submitted with respect to

HI-P INTERNATIONAL LIMITED

Announcement is submitted by

Yao Hsiao Tung

Designation

Executive Chairman

Date & Time of Broadcast

29-Apr-2008 19:01:11

Announcement No.

00229

Announcement Title

FIRST QUARTER 2008 RESULTS BRIEFING

Description

PLEASE REFER TO ATTACHMENT.

Attachments:

 [HiP_Q1FY2008_Presentation.pdf](#)



Hi-P International Ltd

First Quarter 2008

Results Briefing

30 April 2008

Integrated
Contract
Manufacturer



Overview

Mr Yao Hsiao Tung
Executive Chairman



A Robust Performance



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	Q1 FY08	Q1 FY07	YOY chg	Q4 FY07	QoQ chg
Revenue	\$ 270 m	\$ 200 m	+35%	\$ 313 m	-14%
Gross Profit	\$ 49 m	\$ 31 m	+55%	\$ 50 m	-3%
Op Profit	\$ 34 m	\$ 17 m	+108%	\$ 34 m	+1%
Forex Loss	<i>-\$ 7 m</i>	<i>-\$ 0.4 m</i>	+1563%	<i>-\$ 5 m</i>	+41%
Pretax Profit	\$ 27 m	\$ 16 m	+71%	\$ 28 m	-3%
Taxation	<i>-\$ 3 m</i>	<i>-\$ 1 m</i>	+126%	\$ 3 m	-
<i>Tax Rate</i>	<i>9.4%</i>	<i>7.1%</i>	-	<i>-10.5%</i>	-
PATMI	\$ 25 m	\$ 15 m	+64%	\$ 31 m	-20%
EPS (Scts)	Scts 2.8	Scts 1.7		Scts 3.5	
NAV/share	Scts 54.0	Scts 46.1		Scts 51.4	

Behind the Numbers



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(1) Wireless drove y-o-y revenue growth in Q1

	% of Q1 Revenue	Q-o-Q Chg	Y-o-Y Chg
Wireless	60%	-19.2%	+44%
Consumer Electronics	40%	-4.0%	+25%

Behind the Numbers



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(2) Margins up on better product mix and cost efficiencies

	Q1 FY08	Q4 FY07	Q1 FY07
Gross Margin	18.1%	16.1%	15.7%
Operating Margin	12.7%	10.8%	8.3%
Net Margin	9.1%	9.9%	7.6%

Behind the Numbers



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(3) Significantly improved cash management

	Q1'07	Q4'07	Q1'08
Payable Days	88	70	78
Receivable Days	65	72	70
Inventory Days	77	56	53
Cash Cycle	54	58	45

Behind the Numbers



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(4) Healthy Cashflows, Record Cash Position

	Q1'08
Operating Cashflows	S\$83 m
Investing Cashflows	(S\$12 m)
Financing Cashflows	(S\$3 m)
Net Increase in Cash and Cash Equiv.	S\$68 m
Gross Cash	S\$115 m
Net Cash	S\$83 m
Gross Gearing	6.7%

Outlook

Mr Yao Hsiao Tung
Executive Chairman



Q2 FY2008 Earnings Outlook



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- **Diversified customer base will mitigate the impact of :-**
 - **risk of further slowdown in demand from a WL customer**
 - **some CE program push-outs and EOLs**
- **Capacity and Headcount Rationalization continues**
- **We will continue to strengthen operations at Poland plant**

Earnings Outlook



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Q2 FY08 vs Q1 FY08

- **Expects revenue and profit to be lower.**

Q2 F08 vs Q2 FY07

- **Revenue and profit is likely to be better.**

FY08

- **Expects better revenue and profit compared to FY2007.**



Q & A



Thank You !

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