



Hi-P International
Limited



1Q2013 Results Briefing

8 May 2013

*The Integrated
Electro-Mechanics
Solution Provider*



1Q2013 Overview

Mr. Yao Hsiao Tung
Executive Chairman & CEO





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Key Financial Highlights

(S\$m)	1Q13	1Q12	YOY % Chg	4Q12	QOQ % Chg
Revenue	267.6	278.4	-3.9	365.0	-26.7
Gross Profit	30.2	19.7	53.1	39.1	-22.8
Pretax Profit (PBT)	8.3	1.9	337.2	19.3	-57.0
Tax expense	-1.4	-0.4	270.3	-3.7	-62.5
Net profit (PAT)	6.9	1.5	354.0	15.6	-55.7
EPS (S cts)	0.83	0.18	361.1	1.84	-54.9
NAV/Share (S cts)	71.90	71.13	1.1	70.10	2.6



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1Q2013 Key Financial Highlights (YOY)

Revenue down by 3.9% mainly due to change in product mix with less high level (higher component content) assembly projects in 1Q2013

While top line decreased, bottom line increased significantly due to:

- Positive shifts in product mix
- Improvement in productivity

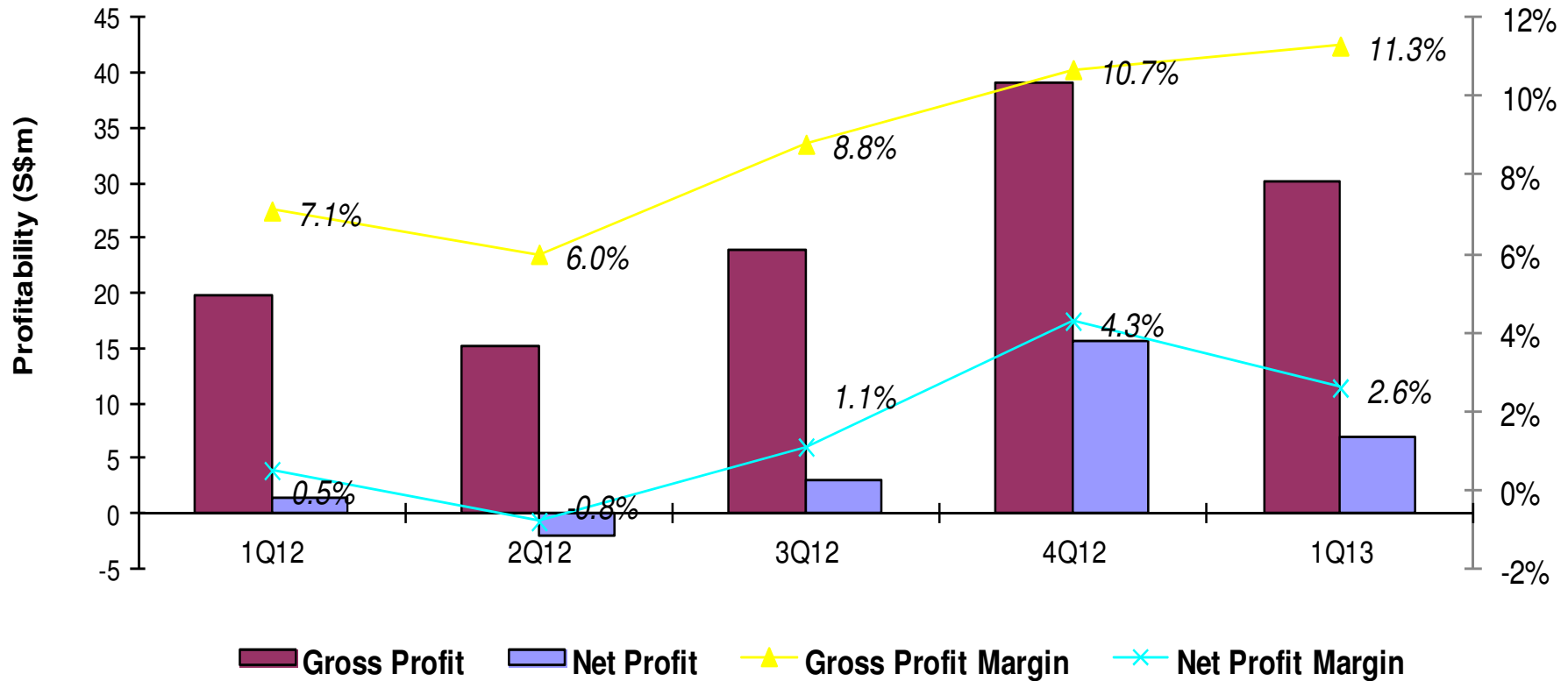
Improvement in bottom line was in spite of S\$3.8 million impairment loss on property, plant and equipment and S\$0.8 million allowance for inventory obsolescence as a result of fire-related damage at one of the Group's manufacturing plants in Shanghai



Profitability Status



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Cash Flow Statement

Category	1Q13 S\$ m	1Q12 S\$ m
Net cash generated from / (used in) operations ¹	74.6	-3.8
Net cash used in investing activities ²	-13.1	-14.1
Net cash used in financing activities ³	-26.0	-6.4
Cash and cash equivalents at end of period	204.7	232.0



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Cash Flow Statement

- ¹ - Net cash generated from operations of S\$74.6m mainly due to
- ❑ Operating cash flow before changes in working capital (S\$37.1m)
 - ❑ Decrease in trade and other receivables (S\$84.9m)
 - ❑ Decrease in trade and other payables (S\$59.3m)
 - ❑ Increase in accrued operating expenses (S\$7.8m)
 - ❑ Decrease in prepaid operating expenses and other long term assets(S\$7.4m)
 - ❑ Income tax paid (S\$2.0m)



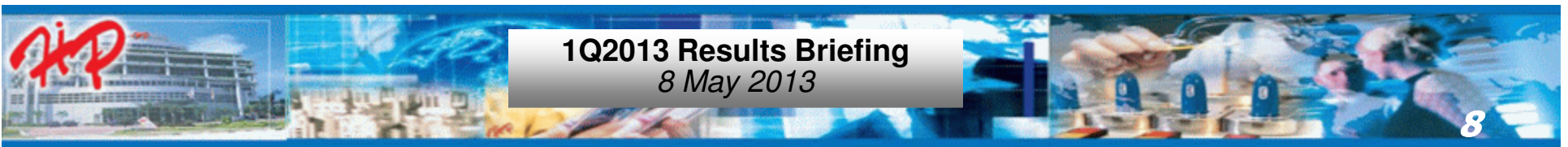
Cash Flow Statement

2 - Net cash used in investing activities of S\$13.1m mainly due to

- Purchase of PPE (S\$14.5m)

3 - Net cash used in financing activities of S\$26.0m mainly due to

- Increase in short term deposits pledged (S\$17.2m)
- Repayment of loans & borrowings (S\$18.4m)
- Proceeds from loans & borrowings (S\$10.2m)





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CAPEX Update

For 1Q2013, CAPEX amounted to:

- S\$8.9m for purchase of PPE

For FY2013, CAPEX is estimated at S\$90m

- For Nantong, an aggregate amount of S\$11.9m has been disbursed as at 31 Mar 2013 of which S\$4.5m was disbursed in 1Q2013





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Healthy Balance Sheet, Net Cash Position

Category	31 Mar 13 S\$ m	31 Dec 12 S\$ m
Net Cash	96.7	34.3



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Business Updates



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Business Situation Updates

- Existing and new projects will contribute to FY2013 performance
- Development of new business opportunities
- Pursue more allocations from existing programs
- Investment in new capabilities to align with market trends
- Effective management of currency volatility
- Financial position remains healthy



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Earnings Outlook



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Earnings Outlook

- ❑ The Group expects to record higher revenue in 2Q2013 as compared to 2Q2012. The Group expects to record a profit in 2Q2013.
- ❑ The Group expects to record higher revenue and profit in 2Q2013 as compared to 1Q2013.
- ❑ The Group expects higher revenue and profit in FY2013 as compared to FY2012.
- ❑ Continue to deliver value to shareholders through profitability and growth.





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Ongoing Plans



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Ongoing Plans

- Diversify customer & industry base
- Gain momentum in business development
- Prudent and effective investment in capex
 - Capex for FY2013 to be around S\$90m (similar to depreciation)





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Thank You

Q & A

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