



Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

www.hi-p.com

2Q2015 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



2Q2015 Overview

Mr. Yao Hsiao Tung
Executive Chairman & CEO

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Key Financial Highlights



(S\$m)	2Q15	2Q14	YOY % Chg	1Q15	QOQ % Chg
Revenue	314.7	212.3	48.2	279.8	12.5
Gross profit	13.0	13.9	(6.5)	4.4	194.3
Pretax loss (PBT)	(8.5)	(3.6)	136.6	(11.9)	(28.8)
Tax credit/ (expense)	0.5	0.5	(11.3)	(1.9)	n.m.
Net loss (PAT)	(8.0)	(3.0)	163.3	(13.8)	(42.2)
EPS (S cts)	(0.98)	(0.37)	164.9	(1.69)	(42.0)
NAV/Share (S cts)	71.36	68.85	3.6	74.56	(4.3)

Note: YOY and QOQ change is calculated based on figures in thousands

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Key Financial Highlights (YOY)



2Q2015 vs 2Q2014

Revenue increased by 48.2%, contributed by:

- Increase in orders from existing and new customers

Net loss due to:

- Startup costs for new projects, including
 - Inventory provisions
 - New product introduction ("NPI") expenses
 - Labour and depreciation costs incurred from Jin Hai plant
- Scrap and rework costs

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Capex Update



- For 2Q2015, CAPEX amounted to S\$56.3m.

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Net Debt Position



Category	30 Jun 15 S\$ m	31 Dec 14 S\$ m
Cash and Cash Equivalents & Short Term Deposits Pledged	109.2	213.1
Borrowings	(260.4)	(209.2)
Finance Lease	(17.6)	(6.1)
Net Debt	(168.8)	(2.2)
Net Gearing Ratio	31.7%	0.4%

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Business Updates

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Business Situation Update



- ❑ **Successful ramp up and subsequent mass production at Jin Hai plant resulted in higher order allocation**
- ❑ **Ramp up at Nanhui plant is progressing well and poised for mass production in 2H2015**
- ❑ **Mass production has commenced at Nantong since 2Q2015 and has shown positive results**
- ❑ **Volatile market situation and pricing pressure**
- ❑ **Continue to focus on currency volatility management**

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Earnings Outlook

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Earnings Outlook



Barring any other unforeseen circumstances, the Group wishes to guide its performance as follows:

- ❑ The Group expects higher revenue and profit in 3Q2015 as compared to 3Q2014.**

- ❑ The Group expects higher revenue and profit in 2H2015 as compared to 2H2014.**

- ❑ The Group expects higher revenue and profit in FY2015 as compared to FY2014.**

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Thank You

Q & A

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Succeed Together...*