



Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

www.hi-p.com

1Q2016 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



1Q2016 Overview

Mr. Yao Hsiao Tung
Executive Chairman & CEO

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Key Financial Highlights



(S\$'000)	1Q16	1Q15	YOY % Chg	4Q15	QOQ % Chg
Revenue	275,583	279,774	(1.5)	373,940	(26.3)
Gross Profit /(Loss)	16,723	4,424	278.0	(79)	n.m.
Gross Profit Margin (%)	6.1	1.6	4.5 ppt	n.m.	n.m.
Loss After Tax	(12,371)	(13,794)	(10.3)	(47,983)	(74.2)
Loss per Share (Sing Cents)	(1.52)	(1.69)	(10.1)	(5.88)	(74.1)
Net Asset Value per Share (Sing Cents)	63.93	74.56	(14.3)	68.19	(6.2)

n.m. – Not meaningful

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Key Financial Highlights (YOY)



1Q2016 vs 1Q2015

Gross profit margin expanded from 1.6% to 6.1% due to:

- Favourable product mix
- Tightening cost controls

Net loss due to:

- Weaker demand in 1Q2016 due to seasonality
- Foreign exchange & hedging loss of S\$7.6 million

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Capex Update



- ❑ For 1Q2016, CAPEX amounted to S\$9.0 million

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Net Debt Position



Category	31 Mar 16 S\$ m	31 Dec 15 S\$ m
Cash and Cash Equivalent & Short Term Deposits Pledged	129.7	126.2
Borrowings	(244.3)	(305.1)
Finance Leases	(8.1)	(11.2)
Net Debt	(122.7)	(190.1)
Net Gearing Ratio	23.5%	34.2%

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Business Updates

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Business Situation Update



- Core business continues to perform well with strong positive operating cash flow of S\$92.9 million for 1Q2016
- Focus on tightening cost controls
- Diversifying our customer base and increasing market share with existing customers
- Market uncertainty and pricing pressure will remain through 2016

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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 similar revenue in 2Q2016 as compared to 2Q2015. The Group expects to be profitable in 2Q2016.
- ❑ The Group expects higher revenue in 2H2016 as compared to 1H2016. The Group expects to be profitable in 2H2016.
- ❑ The Group expects similar revenue in FY2016 as compared to FY2015. The Group expects to be profitable in FY2016.

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Thank You

Q & A

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Succeed Together...*