



# Hi-P INTERNATIONAL LIMITED

Bringing value to our customers through quality & technology

[www.hi-p.com](http://www.hi-p.com)

## 3Q2014 Results Briefing

The Integrated

Electro-Mechanics

Solution Provider



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# 3Q2014 Overview

Mr. Yao Hsiao Tung  
Executive Chairman & CEO

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# Key Financial Highlights



(S\$m)	3Q14	3Q13	YOY % Chg	2Q14	QOQ % Chg
Revenue	245.7	365.2	(32.7)	212.3	15.8
Gross profit	23.1	23.8	(3.1)	13.9	65.8
Pretax profit/ (loss) (PBT)	13.4	3.8	254.1	(3.6)	n.m.
Tax (expense)/ credit	(2.6)	(0.7)	305.9	0.6	n.m.
Net profit/ (loss) (PAT)	10.8	3.1	243.3	(3.0)	n.m.
EPS (S cts)	1.32	0.38	247.4	(0.37)	n.m.
NAV/Share (S cts)	71.43	73.86	(3.3)	68.85	3.7

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

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# Key Financial Highlights (YOY)

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## 3Q2014 vs 3Q2013

Revenue decreased by 32.7%:

- ❑ Mainly due to lower sales volumes from 2 key customers
- ❑ Partially offset by orders from existing and new customers

Net profit increased by 243.3% due to:

- ❑ Higher gross margin as a result of positive shift in product mix
- ❑ Continuous improvement on cost control
- ❑ Reversal of warranty provision
- ❑ Forex gain

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# Capex Update

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- For 3Q2014, CAPEX amounted to S\$30.8m.
- For FY2014, CAPEX is estimated to be around S\$115m.

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# Net Cash Position

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<b>Category</b>	<b>30 Sep 14 S\$ m</b>	<b>31 Dec 13 S\$ m</b>
<b>Net Cash</b>	<b>65.7</b>	<b>35.7</b>

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# Business Updates

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# Business Situation Update

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- Gradually shifting from plastic to metal components for wireless segment
- Focusing on execution and delivery for several new major projects
- Volatile market situation and pricing pressure
- Diversification of customer base and product segments
- Phase 1A Nantong plant construction is on schedule, and production will commence from end of 4Q2014 gradually
- Continue to focus on currency volatility management
- Financial position remains healthy

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# Earnings Outlook

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# Earnings Outlook

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

- ❑ The Group expects higher revenue in 4Q2014 as compared to 4Q2013. The Group expects to be profitable in 4Q2014.**
  
- ❑ The Group expects higher revenue in 2H2014 as compared to 1H2014. The Group expects to be profitable in 2H2014.**
  
- ❑ The Group expects lower revenue but higher profit in FY2014 as compared to FY2013.**

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# Thank You

## Q & A

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Succeed Together...*