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KESM INDUSTRIES BERHAD
(13022-A)

Press Release

KESM REPORTS HIGHER REVENUE

	FY 13 (31/07/13) RM '000	FY 12 (31/07/12) RM '000	% Change
Revenue	247,605	236,940	5%
Profit Before Tax	14,024	11,981	17%
Net Profit	9,441	7,383	28%
Net Profit After Minority Interests	4,569	4,161	10%
Earnings Per Share (basic)	10.6 sen	9.7 sen	9%

Kuala Lumpur, September 19, 2013: KESM Industries Berhad (Bursa Securities: KESM), the largest independent burn-in service company in Malaysia, closed its financial year 2013 with a set of good results inspite of a soft market.

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Revenue increased by RM10.7 million to reach RM247.6 million for financial year ended 31 July 2013, or a 5 percent increase from RM236.9 million in the previous year. Profit before tax increased by 17 percent to RM14.0 million from RM12.0 million last year.

For the full year, KESM reported a net profit of RM9.4 million reflecting a 28 percent increase from RM7.4 million last year. Net Profit After Minority Interests also increased by 10 percent to RM4.6 million from RM4.2 million in the previous year. Consequently, earnings per share rose to 10.6 sen from 9.7 sen last year.

Mr. Sam Lim, Executive Chairman & Chief Executive Officer of KESM explained, "The escalating labor costs in Malaysia and China were exacerbated by the minimum wage initiatives however these were compensated by an increase in productivity."

"The climate in the semiconductor industry has improved and we expect demands for our services will benefit."

Mr. Lim said, "We provide burn-in and test services to the world's leading manufacturers of integrated circuits. These devices are used in vehicles from a wide range of makers. The market for automotive is a large and growing one. Not only the number of vehicles is growing, the semiconductor content per vehicle is also increasing. Our focus in this segment has served us well in the past and will continue to ensure KESM's sustainability in the near term."

According to the auto market research report, global car sales is expected to advance by 4 percent climbing to a total of 67.8 million units from 64.9 million last year and this number is expected to exceed 100 million units by 2017.

About KESM Industries Berhad (13022-A)

KESM Industries Berhad is the largest independent burn-in service company in Malaysia, specializing in “burn-in” and “test” of integrated circuits. KESM, the first burn-in “service company” to be accredited with ISO 9002 and QS 9000, is fully committed to promoting the highest quality of services to the electronics and semiconductor industries. For more information, please visit: www.kesmi.com

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