

C03097-2017

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-C

**CURRENT REPORT UNDER SECTION 17
OF THE SECURITIES REGULATION CODE
AND SRC RULE 17.2(c) THEREUNDER**

1. Date of Report (Date of earliest event reported)
May 16, 2017
2. SEC Identification Number
94419
3. BIR Tax Identification No.
000-409-747-000
4. Exact name of issuer as specified in its charter
INTEGRATED MICRO-ELECTRONICS, INC.
5. Province, country or other jurisdiction of incorporation
PHILIPPINES
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
North Science Avenue, Laguna Technopark-Special Processing Zone, Binan, Laguna
Postal Code
4024
8. Issuer's telephone number, including area code
(632) 756-6840
9. Former name or former address, if changed since last report
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
COMMON (net of Treasury Shares)	1,867,293,215

11. Indicate the item numbers reported herein
Please refer to attached letter

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

Integrated Micro-Electronics, Inc.

IMI

PSE Disclosure Form 5-1 - Substantial Acquisitions
References: SRC Rule 17 (SEC Form 17-C) and
Section 4.4 and/or Section 5 of the Revised Disclosure Rules

Subject of the Disclosure

Acquisition of 80 percent stake in STI Enterprises Ltd. (STI)

Background/Description of the Disclosure

April 6, 2017, IMI entered into an agreement, through its subsidiary Integrated Micro-Electronics UK Limited, for the acquisition of 80 percent stake in STI Enterprises Ltd. (STI), an electronics manufacturing services (EMS) company based in the United Kingdom, with factories in Hook and Poynton in the United Kingdom and Cebu, Philippines. After completion of all conditions and regulatory approvals, the transaction closed May 16, 2017.

Date of Approval by Board of Directors	Apr 7, 2017
Date of Approval by Stockholders	N/A
Other Relevant Regulatory Agency, if applicable	N/A
Date of Approval by Relevant Regulatory Agency	N/A

Rationale for the transaction including the benefits which are expected to be accrued to the Issuer as a result of the transaction

As part of IMI's diversification and expansion strategy, the acquisition of STI will help strengthen its industrial and automotive manufacturing competencies, broaden its customer base, and will also provide access to the UK market through two acquired factories. Further, the partnership allows the group's entry into the aerospace, security and defense sectors.

Description of the transaction including the timetable for implementation and related regulatory requirements, if any

Closing transpired after all conditions were met May 16, 2017.

Identities of the parties to the transaction

Name	Nature of Business	Nature of any material relationship with the Issuer, their directors/officers or any of their affiliates
Simon Andre Best	Individual	None
Anthony John Best	Individual	None

Other shareholders	Individuals	None
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Terms and conditions of the transaction**The nature and amount of consideration (e.g. price per share, the aggregate amount)**

Initial purchase consideration of GBP23M in cash. The deferred consideration will be based on the actual normalized EBITDA performance for 2018 and 2019 less adjustments.

Basis upon which the amount of consideration or value of the transaction was determined

Based on negotiation of the parties to the transaction.

The number of shares to be acquired	100,000 ordinary shares
Ratio/percentage to total outstanding capital stock	80

Terms of payment

To be paid in three tranches; initial payment of GBP23M at closing of the transaction on May 16, 2017; subsequent payments due in 2018 and 2019

Conditions precedent to closing of the transaction, if any

N/A

Description of the company subject of the transaction**Nature and business**

STI is a private limited company based in the United Kingdom which provided electronics design and manufacturing solutions in both printed circuit board assembly and full box-build manufacturing for high-reliability industries

Discussion of major projects and investments

N/A

List of subsidiaries and affiliates, with percentage holdings

Name	% Ownership
STI Limited	100
STI Asia Limited (HK)	100
STI Philippines	100
STI Supply Chain (Trading)	100

Capital structure**Authorized capital stock**

Type of Security	Amount	Number of Shares
Ordinary Shares	£1.00	125,000

Subscribed Shares

Type of Security	Amount	Number of Shares
Ordinary Shares	£1.00	125,000

Paid-Up Capital

Amount	0
Number of Shares	125,000

Issued Shares

Type of Security	Amount	Number of Shares
Ordinary Shares	£1.00	125,000

Outstanding Shares

Type of Security	Amount	Number of Shares
0	0	0

Par Value

Type of Security	Amount
0	0

Ownership Structure (including percentage holdings)

Name	Number of Shares	% Ownership
Simon Andre Best	65,000	52
Anthony John Best	11,250	9
Others	48,750	39

Board of Directors

Name	(Regular or Independent)
Anthony John Best	Regular
Simon Andre Best	Regular
Nicholas John Davey	Regular
Christopher William Lyon	Regular
Craig Stuart Petrie	Regular

Principal Officers

Name	Position/Designation
Simon Best	Managing Director
Craig Petrie	CFO

Effect(s)/impact on the business, financial condition and operations of the Issuer

As part of IMI's strategic initiatives, the acquisition will enable IMI to expand into the aerospace and defense markets while strengthening the industrial and automotive segments in manufacturing as well as in technology development and engineering. There are opportunities for improved operations due to increased scale and for supply chain optimization leading to stronger price negotiations. The contribution is expected to be accretive on an annualized basis.

Other Relevant Information

None

Filed on behalf by:

Name	Laurice Dela Cruz
Designation	Finance Manager