



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

Tuesday, 14 May 2013

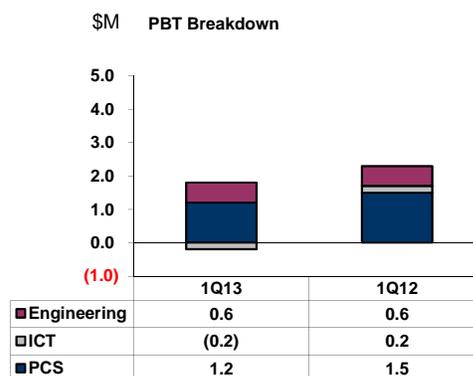
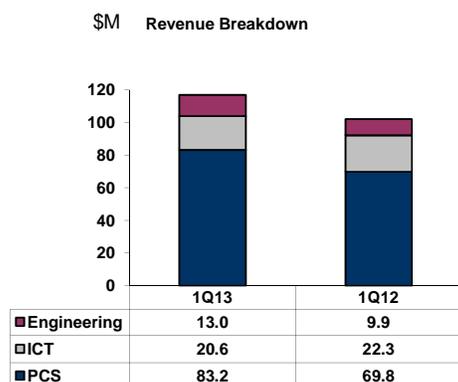
TeleChoice reported higher revenue of S\$116.8 million but lower profit after tax of S\$1.1 million in 1Q13

- Personal Communications Solutions (“PCS”) Services and Network Engineering (“Engineering”) Services divisions lead the revenue growth
- Group’s cash balance remained healthy at S\$39.3 million

RESULTS HIGHLIGHTS

S\$'M	1Q13	1Q12	+/-
Revenue	116.8	102.0	14.5%
Gross Profit	9.2	10.1	-9.0%
Gross Margin	7.9%	9.9%	-2.0 ppt
Profit Before Tax	1.6	2.3	-30.4%
Profit After Tax	1.1	1.7	-36.2%
Earnings Per Share (cents)	0.26	0.38	-

- Personal Communications Solutions (“PCS”) Services division’s revenue increased by 19% on continued strong demand for Samsung handsets in Singapore and higher contribution from Malaysian operations
- Info-Comm Technology (“ICT”) Services division registered improved enterprise solutions and new services revenue
- Network Engineering (“Engineering”) Services division’s revenue improved by 31% from radio network planning projects and power supply sales in Indonesia as well as transmission equipment and product sales in Singapore



RESULTS COMMENTARY

TeleChoice International Limited (“TeleChoice” or “the Group”) revenue for the first quarter ended 31 March 2013 (“1Q13”) improved by 14.5% to S\$116.8 million (1Q12: S\$102.0 million) on the back of higher sales achieved by PCS and Engineering Services divisions. PCS Services division enjoyed stronger sales to a major customer in Singapore as well as from fees earned and handset sales in Malaysia, offset by a drop in regional sales. Engineering Services division’s improved revenue was from power supply sales and radio network planning projects in Indonesia, transmission equipment and products sales in Singapore, offset by lower in-building coverage revenue in Malaysia. ICT Services division registered lower revenue due to fewer projects closed and lower iDD usage, partially offset by higher enterprise solutions and new services sales.

Despite the higher revenue, lower gross margins weakened gross profit for the quarter by 9.0% from the same period last year, standing at S\$9.2 million (1Q12: S\$10.1 million). PCS Services division’s rates reduction from a major customer in Singapore, competitive pricing from ICT Services and Engineering Services projects, as well as overall revenue mix, contributed to the lower gross margins. This was partially offset by increased contribution from PCS Services division’s Malaysian operations and Engineering Services division’s improved contribution from Singapore and Indonesia. The Group’s profit before tax was S\$1.6 million, a 30.4% decrease from S\$2.3 million in 1Q12 and its profit after tax decreased by 36.2% to S\$1.1 million from S\$1.7 million in 1Q12. The Group’s cash balance remained healthy at S\$39.3 million.

Mr Andrew Loh, President of TeleChoice International Limited said, “Lower business spending in 1Q13 weakened ICT Services division’s performance. Although there were fewer projects closed, we did experience improved sales for enterprise solutions and our new services.

“While PCS Services division’s performance was significantly affected by the rates reduction to a Singapore customer, we are encouraged by the improvement in the performance of the division’s Malaysian operations which contributed positively to the bottom-line and helped offset the drop in profits. The division continues to forge strong relationships with our partners and build on our retail footprint, as evidenced by the recently opened Samsung Experience Store at Paragon which is managed and operated by our subsidiary, Planet Telecoms (S) Pte Ltd. We also participated actively in the recent launch of the new Samsung Galaxy S4 both in Singapore and Malaysia. The increased sales of Android OS system handset devices, especially for Samsung handsets, will contribute positively to the division’s future performance.

“The demand for radio network optimisation and radio network planning services and the increase in regional network upgrading works, has helped strengthen Engineering Services division’s order book and provides a positive outlook for this business. We will continue to explore new markets in the region which offer fresh growth opportunities for our products and services.”

OUTLOOK

Based on the current outlook and barring any unforeseen circumstances, the Group expects 2Q13 operating performance to be better than 1Q13 with overall FY13 operating performance to maintain at last year’s level.

>ends

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.

About TeleChoice International Limited (Regn No. 199802072R)

TeleChoice International Limited (“TeleChoice”) is a regional provider of information and communications technology solutions and services. Incorporated in Singapore on 28 April 1998 and listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 25 June 2004, TeleChoice is a subsidiary of leading info-communications group, Singapore Technologies Telemedia Pte Ltd, which operates in the Asia Pacific, the Americas and Europe.

TeleChoice’s three business divisions collectively offer a comprehensive suite of services and solutions for the telecommunications industry:

ABOUT TELECHOICE INTERNATIONAL LIMITED (REGN NO. 199802072R)

TeleChoice International Limited (“TeleChoice”) is a regional diversified provider and enabler of innovative info-communications products and services. Incorporated in Singapore on 28 April 1998 and listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”) on 25 June 2004, TeleChoice is a subsidiary of leading info-communications group, Singapore Technologies Telemedia Pte Ltd, which operates in the Asia Pacific, the Americas and Europe.

TeleChoice’s three business divisions collectively offer a comprehensive suite of service and solutions for the info-communications industry:

PERSONAL COMMUNICATIONS SOLUTIONS SERVICES (“PCS”) division provides a full spectrum of fulfilment, distribution and supply chain management for mobile communication devices and accessories in Singapore and in Malaysia. Through its retail chain, Planet Telecoms,

it operates a network of strategically located stores islandwide. Its Malaysian subsidiary, Planet Telecoms Managed Services Sdn Bhd, provides retail management, fulfilment and supply chain services to U Mobile Sdn Bhd, Malaysia's fourth largest 3G service provider.

INFO-COMMUNICATIONS TECHNOLOGY SERVICES (“ICT”) division is a leading regional integrated info-communications solutions provider. Its extensive offerings include enterprise IT infrastructure, business solutions and integration services, broadband network, fixed and wireless networking solutions, managed and hosted services, telephony and unified communications solutions and cloud computing applications and services. Its SunPage brand offers IDD, Global Conferencing, SMS broadcast and mobility solutions and services for the consumer and enterprise markets.

NETWORK ENGINEERING SERVICES (“ENGINEERING”) division is a regional provider of network engineering services and supplier of specialised telecommunication products. It designs, builds and manages telecommunication networks and provides a comprehensive suite of specialised products and cost effective solutions to address the network infrastructure needs of fixed and mobile operators in Asia Pacific.

For more information, please visit our website at www.telechoice.com.sg

For media/investor enquiries, please contact:

Lim Siew Yin, 29 Communications, Tel: +65 9858 4673
siewyin@29communications.com.sg

Angelina Pereira, 29 Communications, Tel: +65 9191 4756
angiep@29communications.com.sg