



TELECHOICE INTERNATIONAL LIMITED
(REG. NO. 199802072R)

FOR IMMEDIATE RELEASE

TELECHOICE REPORTED 13% REVENUE GROWTH IN 2Q13 WITH 30% IMPROVEMENT IN PROFIT AFTER TAX

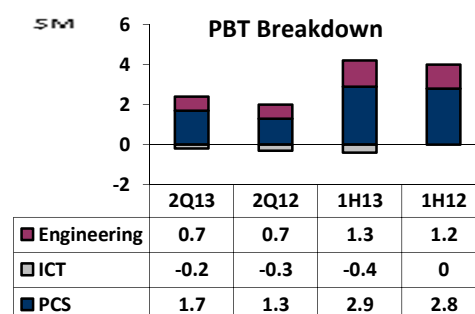
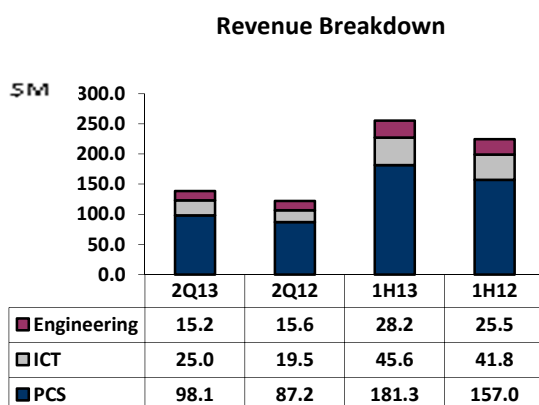
- 1H13 profit after tax declined by 8.7% on weaker 1Q13
- 2H13 operating performance expected to be better than 1H13
- Cash position at S\$45.0 million

FINANCIAL HIGHLIGHTS

S\$'M	2Q13	2Q12	+/-	1H13	1H12	+/-
Revenue	138.3	122.3	13.0%	255.1	224.3	13.7%
Gross Profit	10.4	9.3	11.0%	19.6	19.4	0.6%
Gross Margin	7.5%	7.6%	-0.1ppt	7.7%	8.7%	-1.0ppt
Profit Before Tax	2.2	1.7	34.1%	3.9	4.0	-3.2%
Profit After Tax	1.6	1.2	30.3%	2.7	2.9	-8.7%
Earnings Per Share (cents)	0.38	0.29	-	0.63	0.67	-

Singapore, 14 August 2013 – SGX Mainboard-listed TeleChoice International Limited (“TeleChoice” or the “Group”), a regional diversified provider and enabler of innovative info-communications products and services, has reported a 30.3% rise in profit after tax to S\$1.6 million on revenue growth of 13.0% to S\$138.3 million for its second quarter ended 30 June 2013 (“2Q13”). Group revenue for its first half ended 30 June 2013 (“1H13”) grew by 13.7% to S\$255.1 million while profit after tax fell 8.7% to S\$2.7 million.

PERFORMANCE REVIEW & SEGMENTAL UPDATE



The Group's revenue rose by 13.0% and 13.7% in 2Q13 and 1H13 respectively. Personal Communications Services (“**PCS**”) division's revenue rose by 13% for 2Q13 and 15% for 1H13 on the back of sales to a major Singapore customer, retail management services retainer fees and sales in Malaysia. Info-Communications Technology Services (“**ICT**”) division saw its revenue improve by 28% and 9% for 2Q13 and 1H13 respectively due to revenue recognition from larger-scale projects and higher sales of enterprise solutions and new services offset by lower IDD voice contribution. Engineering Services (“**Engineering**”) division's 2Q13 revenue fell by 3% on account of lower power supply sales mitigated by higher transmission equipment sales in Singapore. Its 1H13 revenue rose by 11% from improved transmission equipment and product sales in Singapore, radio network planning projects in Indonesia, offset by lower product sales in Indonesia and lower in-building coverage revenue in Malaysia.

While profit after tax improved significantly in the quarter by 30.3% to S\$1.6 million (2Q12: S\$1.2 million), over the six-month period it fell by 8.7% to S\$2.7 million (1H12: S\$2.9 million) due to lower gross profit from ICT division and other income, partially offset by lower share of losses of a jointly-controlled entity. Segmentally, profit before tax for PCS division grew by 31% and 4% respectively in 2Q13 and 1H13 on rebates received and increased contribution from Malaysia, offset by rates reduction by a major customer in Singapore. ICT division's lower operating expense narrowed its profit before tax loss by S\$0.1 million in 2Q13 over 2Q12. 1H13 loss, however, increased to \$0.4 million due to lower gross profit. Engineering division's profit before tax was stable over 2Q13 and 8% higher in 1H13 due to improved Singapore and Indonesian operations.

The Group's financial position remains healthy with cash and cash equivalents of S\$45.0 million as at 30 June 2013.

Mr Andrew Loh, President of TeleChoice International Limited said, “**A positive performance was registered in 2Q13 although our 1H13 results were impacted due to the relatively weaker operating performance in the previous quarter. PCS division's growth was driven by its successful retail management and fulfilment services for Malaysian U-Mobile and strong Samsung handsets sales. For ICT division, although revenue improved, profitability was affected by the higher contribution of lower margin project sales. Our productivity improvement efforts and the encouraging project pipeline should positively impact its 2H13 results. The roll-out of the LTE network in Singapore and ongoing network upgrading and expansion in regional markets such as Indonesia have provided momentum to Engineering division's performance. Overall, we see our three business divisions improving their performance in 2H13.**”

OUTLOOK

Based on the current outlook and barring any unforeseen circumstances, the Group expects 2H13 operating performance to be better than 1H13 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

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 offers a comprehensive suite of services and solutions for the info-communications industry under three business divisions, Personal Communications Solutions Services ("PCS"), Info-Communications Technology Services ("ICT") and Network Engineering Services ("Engineering").

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

Media/ Investor Relations Contact:

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

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