



DATAPULSE TECHNOLOGY

Company Registration No. 198002677D

Press Release
11 December 2014
(For Immediate Release)

Contact Person:
Lim Jit Siew, Chief Financial Officer
Datapulse Technology Limited
Tel: +65 6382 7989

Datapulse Technology Reports Higher Profit of \$1.5 Million for 1Q FY2015

Singapore, 11 December 2014 – Mainboard listed Datapulse Technology Limited, a leading total solution provider of CD, DVD and Blu Ray Discs services in the Asia Pacific region, reported its first quarter results for the financial year 2015.

For 1Q FY2015, the Group recorded 10.3% decline in revenue from \$10.6 million to \$9.5 million. The decrease in revenue was mainly attributed to a reduction in revenue recorded by the Company for its DVD media storage products and services but was partially offset by an increase in sale of Blu-Ray media storage products and services during 1Q FY2015.

Other income was lower by 67.7% from \$0.2 million to \$0.1 million due to the absence of gain on sale of property, plant and equipment by the Company and lower interest income as a result of lower bank balances after the payment of cash distribution of 3.5 cents per share in connection with the capital reduction exercise of \$20.8 million on 28 January 2014.

Total operating expenses decreased by 16.5% from \$9.6 million in 1Q FY2014 to \$8.0 million in 1Q FY2015. The decrease in cost of raw materials usage by 28.1% from \$3.2 million to \$2.3 million was attributed to lower sales and improved effectiveness and efficiency in operations. The reduction in staff costs by 10.6% from \$2.8 million to \$2.5 million and other operating expenses by 13.0% from \$2.7 million to \$2.3 million was attributed to lower level of business activities. Depreciation was lower due to more assets becoming fully depreciated.

The income tax expense recorded by the Group was related to the Taiwan operation. The Company did not recognize any income tax expense despite registering pre-tax profit of \$1.5 million as it currently has sufficient tax allowances to offset its taxable income for 1Q FY2015.

As a result of the above, the Group's profit increased by 57.0% from \$1.0 million to \$1.5 million.

Earnings per share was 0.26 cent, an increase of 52.9%, compared to 0.17 cent reported for 1Q FY2014. The Group's net asset value per share stood at 7.03 cents as at 31 October 2014 compared to 6.76 cents as at 31 July 2014, an increase of 4.0%.

The Group's financial position remained strong with a net cash position of \$17.5 million as at 31 October 2014 and it continued to generate positive operating cashflows of \$2.7 million during 1Q FY2015.

There are signs of increased activities for Blu-Ray media storage products and services but demand for other products and services, in particular, DVD media storage products and services continues to remain weak. The Group will continue to focus on providing more value added services to its customers and controlling its operating costs.

About Datapulse Technology Limited

Datapulse Technology Limited was incorporated in Singapore on 28 July 1980 and has been listed on the Mainboard of the Singapore Exchange since 1 March 1994.

Datapulse Technology Limited is a leading producer of digital storage media for content distribution in the Asia Pacific region, specialising in fast and secure delivery solutions, to a broad range of customers in the computer software, computer hardware, gaming, publishing, multimedia application and consumer electronics industry.

This news release is to be read in conjunction with the full set of financial results posted by the Company today in SGXNET.