



VICOM LTD
Company Registration No. : 198100320K

First Quarter 2013 Financial Statements Announcement

The Board of Directors announces the unaudited results of the Group for the First Quarter ended 31 March 2013.

1 GROUP INCOME STATEMENT

	Group		
	1st Qtr 2013 \$'000	1st Qtr 2012 \$'000	Incr/ (Decr) %
Revenue	26,036	24,289	7.2
Staff costs	(10,864)	(9,977)	8.9
Depreciation expense	(1,490)	(1,380)	8.0
Repairs and maintenance	(461)	(378)	22.0
Materials and consumables	(748)	(654)	14.4
Contract services	(984)	(841)	17.0
Premises costs	(793)	(749)	5.9
Utilities and communication costs	(596)	(601)	(0.8)
Other operating expenses	(1,042)	(1,150)	(9.4)
Total operating expenses	(16,978)	(15,730)	7.9
Operating profit	9,058	8,559	5.8
Interest income	86	50	72.0
Profit before taxation	9,144	8,609	6.2
Taxation	(1,573)	(1,511)	4.1
Profit after taxation	7,571	7,098	6.7
Attributable to:			
Shareholders of the Company	7,463	7,006	6.5
Non-controlling interests	108	92	17.4
	7,571	7,098	6.7

2 STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	31 Mar	31 Dec	31 Mar	31 Dec
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<u>ASSETS</u>				
Current assets				
Cash and cash equivalents	71,780	65,991	69,394	62,326
Trade receivables	13,798	11,855	1,981	2,106
Other receivables and prepayments	962	775	257	153
Inventories	5	2	-	-
Total current assets	86,545	78,623	71,632	64,585
Non-current assets				
Subsidiaries	-	-	25,941	25,941
Associate	25	25	-	-
Other receivables and prepayments	8	186	-	-
Club memberships	315	315	315	315
Vehicles, premises and equipment	53,898	54,504	30,131	30,553
Goodwill	11,325	11,325	-	-
Total non-current assets	65,571	66,355	56,387	56,809
Total assets	152,116	144,978	128,019	121,394
<u>LIABILITIES AND EQUITY</u>				
Current liabilities				
Trade and other payables	18,856	20,729	2,724	2,804
Due to subsidiaries	-	-	39,736	36,589
Income tax payable	6,974	5,390	2,347	1,949
Total current liabilities	25,830	26,119	44,807	41,342
Non-current liability				
Deferred tax liabilities	1,371	1,361	300	226
Capital, reserves and non-controlling interests				
Share capital	35,297	35,200	35,297	35,200
Other reserves	3,147	3,154	3,147	3,154
Foreign currency translation reserve	(55)	(57)	-	-
Accumulated profits	85,712	78,249	44,468	41,472
Equity attributable to shareholders of the Company	124,101	116,546	82,912	79,826
Non-controlling interests	814	952	-	-
Total equity	124,915	117,498	82,912	79,826
Total liabilities & equity	152,116	144,978	128,019	121,394

3 AGGREGATE AMOUNT OF GROUP'S BORROWINGS

NIL

Details of any collateral

NIL

4 GROUP CASH FLOW STATEMENT

	Group	
	1st Qtr 2013	1st Qtr 2012
	\$'000	\$'000
Operating activities		
Profit before taxation	9,144	8,609
Adjustments for:		
Depreciation expense	1,490	1,380
Interest income	(86)	(50)
Gain on disposal of vehicles, premises and equipment	(4)	-
Allowance for doubtful trade receivables	10	16
Operating cash flows before movements in working capital	10,554	9,955
Changes in working capital	(3,995)	(4,566)
Cash generated from operations	6,559	5,389
Income tax refund /(paid)	21	(26)
Net cash from operating activities	6,580	5,363
Investing activities		
Purchase of vehicles, premises and equipment	(703)	(1,023)
Funding from Land Transport Authority for Vehicle Emission Test Laboratory	-	489
Proceeds from disposal of vehicles, premises and equipment	4	-
Interest received	65	44
Net cash used in investing activities	(634)	(490)

	Group	
	1st Qtr 2013	1st Qtr 2012
	\$'000	\$'000
Financing activities		
Proceeds from exercise of share options	90	564
Dividends paid to non-controlling interests	(246)	(281)
Net cash (used in) /from financing activities	(156)	283
Net effect of exchange rate changes in consolidating subsidiaries	(1)	-
Net increase in cash and cash equivalents	5,789	5,156
Cash and cash equivalents at beginning of period	65,991	55,010
Cash and cash equivalents at end of period	71,780	60,166

5 GROUP COMPREHENSIVE INCOME STATEMENT

	Group	
	1st Qtr 2013	1st Qtr 2012
	\$'000	\$'000
Profit after taxation	7,571	7,098
Exchange differences arising on translation of foreign operations	2	-
Other comprehensive expense for the period	2	-
Total comprehensive income for the period	7,573	7,098
Total comprehensive income attributable to:		
Shareholders of the Company	7,465	7,006
Non-controlling interests	108	92
	7,573	7,098

6 STATEMENTS OF CHANGES IN EQUITY

Consolidated Statement of Changes in Equity for the 1st quarter ended 31 March 2013:

	Group						
	Attributable to shareholders of the Company						
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	Total	Non-controlling interests	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at 1 January 2013	35,200	3,154	(57)	78,249	116,546	952	117,498
Total comprehensive income for the period	-	-	2	7,463	7,465	108	7,573
Exercise of share options	97	(7)	-	-	90	-	90
Payment of dividends to non-controlling interests	-	-	-	-	-	(246)	(246)
Balance at 31 March 2013	35,297	3,147	(55)	85,712	124,101	814	124,915

Consolidated Statement of Changes in Equity for the 1st quarter ended 31 March 2012:

	Group						
	Attributable to shareholders of the Company						
	Share capital	Other reserves	Foreign currency translation reserve	Accumulated profits	Total	Non-controlling interests	Total equity
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at 1 January 2012	34,397	3,206	(37)	67,891	105,457	1,030	106,487
Total comprehensive income for the period	-	-	-	7,006	7,006	92	7,098
Exercise of share options	605	(41)	-	-	564	-	564
Payment of dividends to non-controlling interests	-	-	-	-	-	(281)	(281)
Balance at 31 March 2012	35,002	3,165	(37)	74,897	113,027	841	113,868

Statement of Changes in Equity of the Company for the 1st quarter ended 31 March 2013:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2013	35,200	3,154	41,472	79,826
Total comprehensive income for the period	-	-	2,996	2,996
Exercise of share options	97	(7)	-	90
Balance at 31 March 2013	35,297	3,147	44,468	82,912

Statement of Changes in Equity of the Company for the 1st quarter ended 31 March 2012:

	Company			
	Share capital	Other reserves	Accumulated profits	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2012	34,397	3,206	36,530	74,133
Total comprehensive income for the period	-	-	2,985	2,985
Exercise of share options	605	(41)	-	564
Balance at 31 March 2012	35,002	3,165	39,515	77,682

7 CHANGES IN COMPANY'S SHARE CAPITAL

Share Capital

During the 1st quarter ended 31 March 2013, the Company issued 44,000 new ordinary shares following the exercise of share options under the 2001 VICOM Share Option Scheme.

As at 31 March 2013, the total number of issued shares was 88,271,000 (31 December 2012: 88,227,000).

Outstanding Shares – The 2001 VICOM Share Option Scheme

As at 31 March 2013, options to subscribe for 371,000 ordinary shares (31 March 2012: 528,000) remained outstanding under the 2001 VICOM Share Option Scheme.

8 AUDIT

The financial statements have not been audited or reviewed.

9 AUDITORS' REPORT

Not applicable.

10 ACCOUNTING POLICIES

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements for the year ended 31 December 2012.

In the current financial period, the Group has adopted all the new and revised Financial Reporting Standards ("FRSs") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2013. The adoption of these new/revised FRSs does not result in changes to the Group's accounting policies and has no material effect on the amounts reported for the current or prior years.

11 CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

Not applicable.

12 GROUP EARNINGS PER ORDINARY SHARE AND GROUP EARNINGS BEFORE INTEREST, TAXATION, DEPRECIATION AND AMORTISATION (EBITDA)

Earnings per ordinary share

	Group	
	1st Qtr 2013	1st Qtr 2012
(i) Based on weighted average number of ordinary shares in issue - cents	8.46	7.96
(ii) On a fully diluted basis (detailing any adjustments made to the earnings) - cents	8.44	7.94

EBITDA

	Group	
	1st Qtr 2013	1st Qtr 2012
(i) EBITDA (\$'000)	10,548	9,939
(ii) EBITDA margin (%)	40.5	40.9

13 NET ASSET VALUE PER ORDINARY SHARE

	<u>Group</u>		<u>Company</u>	
	<u>31 Mar</u> <u>2013</u>	<u>31 Dec</u> <u>2012</u>	<u>31 Mar</u> <u>2013</u>	<u>31 Dec</u> <u>2012</u>
Net asset value per ordinary share based on issued share capital - cents	140.59	132.10	93.93	90.48

14 REVIEW OF GROUP PERFORMANCE

Performance Review

Revenue

The Group's total revenue of \$26.0 million for 1Q13 was \$1.7 million or 7.2% higher than 1Q12, contributed by higher business volume.

Operating Expenses

The Group's operating expenses of \$17.0 million for 1Q13 was \$1.2 million or 7.9% higher than 1Q12 due mainly to higher expenses needed to generate the increased revenue.

Operating Profit

Consequently, the Group's operating profit of \$9.1 million for 1Q13 was \$0.5 million or 5.8% higher than 1Q12.

The Group's profit before tax of \$9.1 million for 1Q13 was \$0.5 million or 6.2% higher than 1Q12.

Taxation for the Group of \$1.6 million for 1Q13 was \$0.1 million or 4.1% higher than 1Q12 due mainly to higher profit generated.

The Group's Profit attributable to Shareholders of the Company of \$7.5 million for 1Q13 was \$0.5 million or 6.5% higher than 1Q12.

Statement of Financial Position

Total Equity increased by \$7.4 million to \$124.9 million as at 31 March 2013 due mainly to profits generated from operations, partially offset by dividend payment to non controlling interests.

Total Assets increased by \$7.1 million to \$152.1 million as at 31 March 2013 due to the increase in Current Assets by \$7.9 million, partially offset by decrease in Non-Current Assets by \$0.8 million. The increase in Current Assets was due mainly to the increase in Cash and Bank Balances by \$5.8 million, Trade Receivables by \$1.9 million and Other Receivables and Prepayments by \$0.2 million. The decrease in Non-Current Assets was due mainly to the decrease in Fixed Assets.

Total Liabilities decreased by \$0.3 million to \$27.2 million as at 31 March 2013 due mainly to decrease in Trade and Other Payables by \$1.9 million after payment of variable bonus in March 2013, partially offset by increase in Income Tax Payable by \$1.6 million.

Cash Flow

The net cash inflow in the quarter was \$5.8 million.

15 ANY VARIANCE BETWEEN PROSPECT STATEMENT PREVIOUSLY DISCLOSED AND THE ACTUAL RESULTS

No forecast or prospect statement has been previously disclosed.

16 GROUP OUTLOOK

The demand for our testing services is expected to remain strong. Vehicles are likely to be on the road longer and our non-vehicular testing services are expected to grow despite the keen competition.

17 DIVIDEND

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on ? No.

(b) Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediate preceding financial year ? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

18 SEGMENT INFORMATION

Not applicable.

19 BREAKDOWN OF REVENUE

Not applicable.

20 BREAKDOWN OF TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE)

Not applicable.

21 INTERESTED PERSON TRANSACTIONS

There is no Shareholders' mandate for interested person transactions pursuant to Rule 920 of the Listing Manual.

22 NEGATIVE ASSURANCE CONFIRMATION ON INTERIM FINANCIAL RESULTS UNDER SGX LISTING RULE 705(5) OF THE LISTING MANUAL

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the first quarter 2013 financial results to be false or misleading in any material aspects.

ON BEHALF OF THE DIRECTORS

Lim Jit Poh
Chairman

Sim Wing Yew
Chief Executive Officer

BY ORDER OF THE BOARD

Chan Wan Tak, Wendy
Company Secretary

10 May 2013