

## **Press Release**

# **MultiVision Records 3Q FY2005 Net Profit of HK\$8.6 Million**

- **Turnover grew 9.6% to HK\$37.7 million from HK\$34.4 million due to increase in distribution and sales**
- **Gross profit grew 14.2% to HK\$22.3 million from HK\$19.5 million due to increase in product sales and project implementations**
- **Continue to grow through developing innovative products and building strategic alliances**

**SINGAPORE, 7 February 2005** – SGX Main Board-listed leading provider of integrated digital video surveillance products and solutions, **MultiVision Intelligent Surveillance Limited** (“**MultiVision**”), reported today that it has achieved HK\$8.6 million net profit attributable to shareholders for the third quarter ended 31 December 2004 (“3Q FY2005”), an increase from HK\$8.4 million in 3Q FY2004.

### **Performance Review**

Revenue for 3Q FY2005 grew 9.6% to HK\$37.7 million from HK\$34.4 million in 3Q FY2004 due to strengthening of distribution sales in its major markets including Hong Kong, Macau, Australia, the People’s Republic of China (“PRC”) and the USA.

Gross profit increased 14.2% to HK\$22.3 million for 3Q FY2005 from HK\$19.5 million in 3Q FY2004 due to increased sales of its solutions-based NetServer products.

Major operating expenses were kept in control, following the successful set-up of MultiVision's representative offices in the UK, the PRC, Australia and the USA in the earlier quarters. With the exception of a marginal increase in product development cost (corresponding to an increase in product amortization charges), the Company saw distribution and administrative expenses fell on a quarter-on-quarter comparison, reflecting effective cost controls.

Basic earnings per share ("EPS") was 2.07 HK cents (3Q04: 2.02 HK cents) while net asset value ("NAV") per share as at 31 December 2004 was HK\$0.66 compared to HK\$0.60 on 31 March 2004.

President and Chief Operations Officer, Mr. Dennis Li, said, "We are gaining momentum in the countries where we have set up operations in the past 12 months. We are also gaining customers in new areas such as remand centres and government agencies. These new areas present some interesting opportunities as surveillance systems are critical in their operations and MultiVision is the answer to the analog-digital migration. Our challenge next would be to sustain this growth rate while maintaining profitability."

"The ongoing gaming-facilities-upgrading project in Macau continues to be a significant contributor. We have recently announced in November 2004 that we have secured new contracts of approximately HK\$62.0 million through our distributor partner in Macau, Elixir Group Limited ("Elixir"). As for the London Lines project, we have implemented our digital video surveillance products and solutions at more than 50 stations to date," added Mr. Li.

Inventory levels have remained higher than that as at 31 March 2004 due to increased delivery orders to its distributor partner, the Elixir Group, in Macau for the month of January 2005. On a sequential basis over 2Q FY2005, inventory levels fell despite the higher business volume.

Trade receivables increased 10% over 2Q FY2005 to HK\$65.9 million, in line with the business expansion.

The Group's cash and cash equivalents were HK\$51.7 million at 31 December 2004 compared to HK\$58.8 million as at 30 September 2004.

## **Outlook and Guidance for FY2005**

Going forward, competition is expected to increase as more systems with built-in hardware compression capabilities have been introduced into the market and targeting the low-to-mid end segment. However, Mr. Li believes that MultiVision's solutions-based selling approach together with products which boost enhanced features and capabilities will continue to have an edge over the competition.

MultiVision also plans to engage in business collaborations to diversify revenue sources and broaden solution offerings from digital video surveillance solutions to include complementary product lines.

*### end of release ###*

**Issued on behalf of MultiVision Intelligent Surveillance Limited by WeR1 Consultants**

**Media Contact Information:**

**MultiVision Intelligent Surveillance Limited**

Tel: (65) 6327 5461

Ms Tan Siang Peng, [tan\\_siangpeng@multivision.com.hk](mailto:tan_siangpeng@multivision.com.hk)

Marketing Manager (Singapore)

**WeR1 Consultants Pte Ltd**

Tel: (65) 6737 4844, Fax: (65) 6737 4944

Lui Weng Kay, [luiwk@wer1.net](mailto:luiwk@wer1.net), hp: (65) 9846 8768 or

Lai Kwok Kin, [laikkin@wer1.net](mailto:laikkin@wer1.net)

***About MultiVision Intelligent Surveillance Limited***

(Bloomberg: MVIS SP EQUITY/ Reuters: MVIS SI)

*Headquartered in Hong Kong, MultiVision was established in 1986 and is a technology-based company principally engaged in the design, development and distribution of digital video surveillance products and solutions. The Company's products are adapted for use in a diverse range of industries including banking, residential, commercial, utilities, healthcare and transportation, as well as various government agencies. The end users of MultiVision's products include companies in both the private and public sectors. MultiVision is ISO9001 certified.*

*MultiVision's products and solutions are marketed to distributors, OEMs of surveillance products and systems integrators for integration into the security and surveillance systems of its end-users. The Company's principal markets are in Australia, Hong Kong, Taiwan and the PRC. MultiVision has 27 distributors in various countries and/or places such as Hong Kong, Taiwan, Macau, the PRC, Thailand, Malaysia, Singapore, Indonesia, Australia, New Zealand, Israel, Ghana, The Middle East, Ireland, UK and the USA.*

*The MultiVision range of digital video surveillance products offers digital video recording and real time monitoring of multiple locations from a central monitoring centre through the routing of signals from various cameras to a central monitoring centre.*

*For further information, visit [www.multivision.com.hk](http://www.multivision.com.hk)*