


TECHNOVATOR'S 1H2012 NET PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS
SURGES 31.7% TO US\$4.8M

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**CAPTURES BUSINESS OPPORTUNITIES IN THE
 EVER-EXPANDING BUILDING ENERGY SAVING MARKET**

Financial Highlights (unaudited)

(US\$ '000)	For Six Months Ended 30 June		
	2012	2011	Change (%)
Revenue	49,289	40,062	+23.0%
Gross Profit	19,754	16,071	+22.9%
Net Profit	5,693	3,984	+42.9%
Gross Profit Margin	40.1%	40.1%	NA
Net Profit Margin	11.6%	10.0%	+1.6ppt
Profit Attributable to Equity Shareholders	4,785	3,632	+31.7%
Basic Earnings per Share (US\$)	0.010	0.010	NA
Diluted Earnings per Share (US\$)	0.010	0.010	NA

(28 August 2012, Hong Kong) - Technovator International Limited ("Technovator" or "the Group", stock code: 1206), a leading provider of building energy management solutions and services, today announced its unaudited interim results for the six months ended 30 June 2012.

Technovator's revenue for the period under review increased by 23.0% to approximately US\$49.3 million. The increase was mainly due to the Group's continuing efforts to raising brand recognition, implementing intensive marketing and business development strategies, and developing a strong and in-depth sales channel for the building energy saving solutions business. Profit attributable to equity shareholders for the period amounted to approximately US\$4.79 million, translating into a robust growth of around 31.7% as compared to the same period of 2011. Gross profit margin remained steady at 40.1%. The net profit margin increased by 1.6ppt nearly to 11.6%, while basic earnings per share were US\$0.01. The Group maintained a healthy financial position, with a gearing ratio of 7.1%, and approximately US\$20.8 million of cash and cash equivalents on hand.

Mr. Zhao Xiaobo, Executive Director and Chief Executive Officer of Technovator, said, “The demand for building energy saving products and services is growing due to rising awareness of building energy efficiency. We have implemented proactive measures in sales and marketing to capitalise on more business opportunities. Driven by the tremendous efforts of our sales and marketing team, the Group achieved stable growth during the period. Our efficient tailor-made building energy saving products and solutions have allowed us to build close ties with our customers, gaining the trust of various city governments and sizable enterprises. This has enabled us to stay in a leading position in the industry.”

Technovator’s building energy saving business is divided into two product segments: integrated building automation systems and energy management systems. Integrated building automation systems and energy management systems remained the core businesses of the Group, contributed 91.0% of total revenue, whereas the two non-core product segment control security systems and fire alarm systems accounted for approximately 8.8% and 0.2% of total revenue respectively.

Revenue from integrated building automation systems increased by 17.6% to approximately US\$36.8 million, as benefited from the rising global awareness of energy efficiency products for buildings. Energy management systems saw an even stronger growth of 64.5% to achieve a revenue of approximately US\$8.1 million.

In respect of revenue by geographical region, China remained the Group’s key market, accounted for 53.5% of the Group’s revenue. Revenue from the China market rose by 23.2% to approximately US\$26.4 million. This increase was due to increased awareness of building energy efficiency and the speedy urbanization of the second and third tier cities. Besides, the Group’s strong and in-depth sales and distribution networks, intensive marketing and business development strategies, and strong brand recognition among its peers also lead Technovator to succeed in the market. The Group achieved a rapid revenue growth of 35.8% to approximately US\$14.1million in North American market, accounted for 28.7% of the Group’s revenue, while revenue from the rest of the world accounted for approximately 17.7% of the total.

Mr. Zhao concluded, “Looking ahead, since the awareness of government departments, corporate and companies towards smart and environmental-friendly building energy management solutions will gradually increase, as well as the demand for related products and solutions. It is expected that the global market size on building energy saving products and solutions will grow rapidly over the next decade. To seize these emerging opportunities, we will strengthen and expand our global sales and distribution network, pursue strategic acquisition and alliance opportunities, and continue research and development. We will also enhance our brand recognition, strengthen our market position globally, as well as promote building energy saving concepts in order to sustain business growth. We have confidence in the outlook of the building energy management market and will capture opportunities to enlarge our market share, thereby bringing greater returns to our shareholders.”

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About Technovator International Limited

Established in 2005, Technovator International Limited is a leading provider of building energy management systems and solutions services, with a scalable vertically-integrated global business model. Supported by a worldwide sales network, the Group operates with a global footprint in five countries around the world including China, Canada, France, Singapore and the US, and ranked the largest domestic player in the China market. Its largest shareholder is the Shanghai-listed Tsinghua Tongfang Co., Ltd. which was established under the umbrella of the world renowned Tsinghua University. The Group offers comprehensive energy-saving solutions for building environments around the world under two well-recognized brands: “Techcon” in China and “Distech Controls” in overseas markets, and has won many domestic and international awards and accreditations.

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