

S I2I LIMITED REPORTS Q3 FY2012 RESULTS

HIGHLIGHTS:

Revenue for Q3 FY2012 increased 134.7% to US\$228.6 million, with contributions from acquisitions in Indonesia, Malaysia and Thailand.

Net loss of US\$32.4 million

Balance sheet remained strong with cash and cash equivalents of US\$84.0 million as at 31 December 2011

Singapore, February 11, 2012 S i2i Limited ("S i2i", and together with its subsidiaries, collectively, the "Group"), South East Asia's leading regional mobile phones company today reported a 134.7% increase in revenue to US\$228.6 million for the three months ended December 31, 2011 ("Q3 FY2012"), from US\$97.4 million for the corresponding three months the previous year ("Q3 FY2011"). The growth is the result of the Group's acquisition strategy - the consolidation of revenue from the acquisitions of the Newtel Group in December 2010, the CSL entities in April 2011, and the Affinity Group in May 2011. In line with the higher revenue contributed by the newly-acquired subsidiaries in Thailand, Malaysia and Indonesia, business costs have gone up correspondingly. In Q3 2012 direct service fees incurred and costs of goods sold rose to US\$205.9 million, personnel costs climbed to US\$12.3 million, and marketing costs increased to US\$6.1 million. Consolidation and integration costs that ultimately are expected to bring cost efficiencies, and the Group's focus on adding new higher end phones to its portfolio which is in line with the growing market demand for such products, also imposed higher costs. The Group made a provision of US\$9.1 million for stock obsolescence as market demand shifts from feature phones to smart phones, and another US\$8.5 million provision for doubtful debts. During the quarter, the Group also booked a US\$2.9 million foreign exchange loss, for a total loss of US\$32.4 million in Q3 FY 2012. The Group's financial and liquidity conditions remain robust. As at 31 December 2011, the Group's cash and cash equivalents stood at US\$84.0 million, against a total debt of US\$59.0 million.

Dr B K Modi, Chairman of S i2i commented, "The Group continued on its strategy of switching its focus to mobile internet, and relentlessly focussed on consolidating and integrating its recent acquisitions, with the objective of enjoying synergies and cost efficiencies. While these efforts caused the Group to deepen its losses in Q3, we strongly believe the Group going forward will be better positioned to compete in the mobility space. "We are investing for the future, and believe that S i2i will be a strong player in the market, backed by in-house design and development for both hardware and software applications. Leveraging the strengths of the recently inaugurated S Global Innovation Centre in Singapore, we aspire to develop a global supply chain to benefit from economies of scale, innovative product designs, increased supplier focus, and better procurement terms."

Growth Strategies

To support the Group's business transformation from mobile to mobile Internet, S i2i has established its global headquarters at the recently inaugurated S Global Innovation Centre in Singapore. The S Global Innovation Centre is a state-of-the-art centre for mobile Internet product development and innovation excellence, and serves as a hub for supply chain management, branding, product innovation and design, providing the Group with a competitive edge in introducing Mobile Internet products to the region. Going forward, the Group intends to leverage on its strengths to drive sales from its acquisitions and aspires to be the top local brand in each S i2i market by 2015. The Group's four-pronged growth strategies comprise of (i) leveraging on its scale and distribution network, (ii) establishing a unified 'S' brand, (iii) forming and cultivating partnerships with leading companies in the value chain, and (iv) harnessing operational efficiencies to reap economies of scale. In addition, given the rapid digitization of the telecom industry, consumers are now more dependent on value added services that are compatible with their devices. Conceived and developed at the Global Innovation Centre, the Group developed its mobile application store, 'S Apps Planet' which provides a distribution mechanism for developers. S Apps Planet is now pre-embedded as a standard application in all "S" branded handsets. Most of the installable applications will be customized and developed according to the geographic locations of consumers. The establishment of the Global Innovation Centre has also further augmented the development of quality content for consumers across its value chain.

About S i2i Limited ("S i2i") (www.spicei2i.com)

Listed on the Main Board of SGX-ST, S i2i Limited is a leader in the "Switch Up" to Mobile Internet industry through the supply and sale of its innovative brand of smartphones and other mobile related products. Following the recent acquisitions of Malaysia's "CSL" brand, Thailand's "Wellcom" brand and Indonesia's "Nexian" brand, S i2i is one of the largest Mobile Internet companies in the ASEAN region.

ISSUED ON BEHALF OF : S i2i Limited

BY : Citigate Dewe Rogerson, i.MAGE Pte Ltd 1 Raffles Place #26-02 One Raffles Place SINGAPORE 048616

CONTACT : Mr Clarence Fu / Ms Ann Lee at telephone

DURING OFFICE HOURS : 6534-5122 (Office)

AFTER OFFICE HOURS : 9781-0737 / 9129-6977 (Handphone)

EMAIL : clarence.fu@citigatedrimage.com

ann.lee@citigatedrimage.com

