



ASX RELEASE

VITA LIFE SCIENCES LIMITED 2012 HALF YEAR RESULTS

Vita Life Sciences Limited
 ABN 95 008 190 421
 Suite 630
 1 Queens Road Melbourne
 Victoria 3004 Australia
 T 61 3 9867 2811
 F 61 3 9820 5957
www.vitalifesciences.com

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	<u>2012</u>	<u>2011</u>	<u>Change</u>
Revenue (A\$m)	14.41	11.33	27.2%
Profit Before Tax (A\$m)	1.10	0.45	144.2%
Profit After Tax (A\$m)	0.99	0.37	167.4%
Earnings Per Share (cents/share)	1.72	0.64	168.8%
Dividend Per Share (cents/share)	0.50	0.00	100.0%

The Board of Directors is pleased to announce Vita Life Sciences Limited's ("Vita Life" or the "Group") profit after tax of \$0.986m for the half year to 30 June 2012 compared to \$0.368m in 2011, a 167% increase.

This increase was driven by the continual growth of revenue in the Established Business Units in Australia, Malaysia and Singapore, whilst maintaining current profit margins. Pleasingly, variable operating costs have decreased to 16.2% (2011: 20.2%) due to lower distribution costs.

Health Division

The Group's revenue for the period was \$14.4 million, an increase of \$3.1m or 27% on the same period in 2011. This increase includes \$0.49m from the Thailand venture, as a result of the change in accounting arising from the change in Board control. Excluding the revenue from Thailand gives a comparative revenue increase of \$2.6 million or 23% against 2011.

The Australian business again excelled, with profit doubling. Singapore bounced back from a disappointing 2011, with a 39% increase in profit for the comparative six months, and Malaysia continued its growth path with profit growth of 32% when compared with 2011 (in local currencies).

The Group's New Business units (China, Thailand Indonesia and Vietnam) recorded losses of \$0.28m in total, consistent with the first six months of 2011, however promising signs were shown with revenue increases in the Business Units ranging from 13% to 52% when measured in local currency. The Multi Level Marketing Business Unit in Malaysia saw sales drop in 2012 due to the transition to a new marketing strategy which became effective in July 2012, with revenues showing significant improvement in that month.

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Investment Division

The Group has an equity interest of 6.3% (profit share of 20.1%) in a property project in Malaysia. The Investment division recorded a loss of \$3,516 (2011: profit of \$2,464).

The Group's divisional result for 1st Half 2012 is summarised in the table below

Half year ended 30 June	2012 \$			2011 \$		
	Health	Investment	Total	Health	Investment	Total
Revenue						
Sales to external customers	14,406,937	-	14,406,937	11,328,668	-	11,328,668
Result						
Segment Results	1,395,058	(3,516)	1,391,542	702,044	2,464	704,507
Unallocated expenses	-	-	(220,883)	-	-	(177,975)
Profit before tax and finance costs			1,170,659			526,532
Finance costs			(71,638)			(76,524)
Profit before income tax			1,099,021			450,008
Income tax expense			(113,151)			(81,371)
Net profit for the period			985,870			368,637

Balance Sheet

At 30 June 2012, the Group's cash and cash equivalent position was at \$4.80m (31 December 2011: \$3.63m). The Group is debt-free with EBITDA of \$1.22m exceeding gross cash flow for the half year to 30 June 2012.

Outlook for the Second Half of 2012

The Group's revenue is expected to continue its momentum with growth in the second half of the year being similar to the first half. Barring unforeseen circumstances the NPAT for the second half is anticipated to be similar to the first half.

Interim Dividend

An interim dividend of 0.5 cents per share fully franked has been declared with a record date of 14 September 2012 and will be paid on 16 October 2012.

For further information please contact Eddie Tie on (03) 9867 2811.



Eddie L S Tie
Managing Director
Sydney, 28 August 2012

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