

PRESS RELEASE

ECS Holdings FY2004 Net Profit Up 113.9% to S\$13.5 million; Proposes 100% higher dividend

- ❑ **Broad-based profit growth, particularly from the China market**
- ❑ **Company optimistic about prospects in 2005**
- ❑ **Management to focus on growing profits and returns**

SINGAPORE, 22nd FEB 2005 – ECS Holdings Limited (“ECS”) today announced a 113.9 per cent surge in net profit after tax and minority interest to S\$13.5 million for the full year ended 31 December 2004. The Group has also proposed a tax-exempt dividend of 0.8 cts a share, double the 0.4 cts shareholders received in FY2003.

The 31.1% increase in Group revenue to S\$1.87 billion is faster than the regional ICT industry’s growth rate. Growth was broad-based with all three business segments comprising Enterprise Systems, ICT Services and Distribution, recording higher revenues and profits in FY2004.

Return on equity at ECS, a leading ICT product and services provider serving and supporting a wide regional customer base, improved to 8.5 per cent in FY2004 against 4.3 per cent in the previous financial year.

Mr Tay Eng Hoe, the Group Chief Executive Officer, said: “We are pleased with the double-digit growth in sales and profits in our North Asia and South East Asia markets, especially China which came back strongly during the year and we continue to see good potential to raise revenue yields from our extensive regional network.”

“ECS intends to maintain its consistent profit track record. At the same time, we will focus on improving returns. We have a good feel of the market pulse and we have the reach to grow the business further. ICT expenditures are expected to increase this year and we are confident of ECS’ prospects in all our businesses and geographical markets,” added Mr Tay.

Revenue from the sale of ICT products through its extensive network of over 13,000 channel partners was up 45.9 per cent to S\$1.2 billion. Segment profit, on the other hand, grew 70.8 per cent to S\$12.9 million, driven by increased spending on desktop PCs, notebooks and consumer electronic products such as the Apple iPod.

The Enterprise Systems division reported a 56.4 per cent jump in segment profit to S\$10.5 million on a 9.8 per cent higher turnover of S\$625.6 million. The better performance was due mainly to enterprise softwares and high end servers.

The ICT Services division saw turnover rise 24.3 per cent to S\$24.9 million and segment profit increase 8.7 per cent to S\$2.3 million.

About ECS Holdings Limited

ECS Holdings Limited (“ECS”) is a leading ICT product and services provider, serving and supporting a wide regional customer base. The Group has offices in 29 cities covering China, Indonesia, Malaysia, Singapore and Thailand.

ECS’ three core businesses are Enterprise Systems, ICT Services and Distribution. Its Enterprise Systems Division designs, installs and implements ICT infrastructure for companies, while its ICT Services Division provides a comprehensive

range of professional, technical support and training services. Leading ICT vendors use ECS' network of over 13,000 channel partners in the region to distribute their products.

The Group has a consistent profit track record and management is focused on operational excellence to achieve sustainable profit growth and enhance shareholder returns.

ECS has been listed on the Mainboard of the Singapore Exchange Securities Trading Limited since 2001.

For further information, please contact:

Ms Sharon Boh-Friberg

ECS Holdings Ltd

HP: 91808062

or email: sharon.bohfriberg@ecs.com.sg

Ms Nora Cheng

OakTree Advisers

Tel: 6100-1811

HP: 96347450

or email: noracheng@oaktreadvisers.com