



PRESS RELEASE

ECS revenue crosses \$2 Billion with record profits Proposes 75% hike in dividend

- Net attributable profit up 29% to \$17.3 million
- Enterprise Systems key growth driver, PBIT soars 42% yoy
- DPS raised from 0.8 cts to 1.4 cts

SINGAPORE, 16 February 2006 – ECS Holdings Ltd (“ECS”), a leading ICT product and services provider in Asia, achieved a record profit of \$17.3 million for 2005, a 28.6% increase from \$13.5 million in 2004. Its revenue also hit a new milestone, crossing the \$2 billion mark to \$2.04 billion, up 9.1% from 2004.

ECS’ strategic focus on the higher-margin Enterprise Systems segment resulted in revenue rising 24.9% to \$781.1 million, from \$625.6 million, on robust sales of enterprise servers and software and networking products. Pre-tax profit before interest (PBIT) jumped 42.1% to \$14.9 million, and accounted for 49.8% of Group PBIT.

Distribution revenue grew 1.5% to \$1.23 billion in 2005. Apart from competitive pricing pressure, China distribution revenue was also affected by the deliberate shift from lower-margin products. However, Malaysia and Thailand did exceptionally well, with Distribution sales surging 59.9% and 30.3%, respectively, in 2005.

“We are pleased that our focus on profitability is already showing positive results. Our ROE has risen to 10.4% from 8.8% in 2004. All countries showed broad-based improvement and we expect 2006 to have better result as we step up efforts to grow our returns from an improved sales mix,” said ECS’ Chief Executive Officer Tay Eng Hoe.

All countries did well. North Asia led with PBIT rising by 39.4% to \$13.4 million in 2005, despite revenue declining 1.8% to \$1.01 billion, on better revenue mix and a stronger Renminbi. South East Asia became the largest contributor, accounting for 50.2% of 2005’s Group revenue and 55.2% of Group PBIT.

ECS is rewarding shareholders with a first and final tax-exempt dividend of 1.4 cents, up 75% from 0.8 cents in 2004.

About ECS Holdings Ltd

ECS Holdings Ltd, founded in 1985, is one of the top three information & communications technology (“ICT”) product and services providers in the Asia Pacific. The Group has an extensive network of over 17,000 channel partners with 31 offices in six countries – China, Indonesia, Thailand, Philippines, Malaysia, and Singapore.

The Group’s three main businesses are Distribution, Enterprise Systems and ICT Services. Enterprise Systems provides enterprise systems tools for ICT Infrastructure. ICT Services offers design and implementation for ICT infrastructure. To enable end-to-end integration, it also offers training, maintenance, and support services. ECS represents leading ICT vendors such as Apple, BEA, Cisco, Hewlett-Packard, IBM, Lexmark, Microsoft, Oracle, SUN Micro-systems, and Symantec.

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