

Press Release – FY2009 Results

ECS FY2009 NET PROFIT JUMPS 29.9% TO RECORD HIGH OF \$38.2M ON 10.2% REVENUE GROWTH, ADDED VALUE FROM OPERATIONAL AND FINANCIAL EFFICIENCIES; PROPOSES 3.0 S CENTS DIVIDEND, HIGHEST IN ITS HISTORY

- **FY2009 net profit growth continues to outstrip revenue growth for fifth consecutive year**
- **Also record 52.4% jump in 4Q09 net profit to \$12.0m from \$7.9m as 4Q09 revenue rises 23.4% to \$892.7m from \$723.6m on strong Distribution sales as IT spending picks up**
- **Positive operating cashflow at \$29.5 million v/s \$16.4 million; working capital days down to 35.9 days from 37.4 days**
- **Outlook: the Directors expect that the Group will continue to perform well in FY2010**

Singapore, 25 February 2010 – ECS Holdings Limited (“ECS” or the “Group”) announced today a record-high net profit after tax and minority interests (“NPATMI”) for the year ended 31 December 2009 (“FY2009”) demonstrating the agility of its ongoing business strategies for sustained growth and profitability despite challenging operating conditions.

FY2009 NPATMI of the SGX Mainboard-listed leading regional Info-Comm Technology (“ICT”) solutions provider representing best-of-class global brand names rose 29.9% to \$38.2 million from \$29.4 million a year ago, outstripping revenue growth for the fifth consecutive year.

The Group has proposed a first and final dividend of 3.0 cents, the highest in its history which compares with 2.7 cents declared for FY2008.

The strong FY2009 bottom-line growth, achieved on a year-on-year revenue increase of 10.2% to \$3.3 billion from \$2.9 billion, reflects the added value from ongoing efforts to improve financial and operational efficiencies.

The full-year performance was propelled by the Group’s 4Q09 record 52.4% net profit growth to \$12.0 million from \$7.9 million a year earlier as revenue rose 23.4% to \$892.7 million from \$723.6 million over the respective periods, buoyed by strong Distribution sales as IT spending began to pick up.

Similarly, revenue growth in FY2009 was mainly contributed by the Distribution segment, which grew 14.1%, led by the strong sales in notebooks and desktops.

In view of the subdued financial conditions during most of FY2009, the Group maintained its focus on cash management. As at 31 December 2009, ECS generated a positive operating cash flow of \$29.5 million, up from \$16.4 million at 31 December 2008. Working capital days were further reduced to 35.9 from 37.4 over the comparative periods.

Due to the improved operating cash flow and profitability, the net gearing improved to 0.48 times.

Earnings per share (“EPS”), on a fully diluted basis, correspondingly rose to 10.45 cents versus 8.04 cents in FY2008 while net asset value (“NAV”) per share increased to 71.03 cents as at 31 December 2009 versus 65.09 cents a year ago.

Commenting on the Group’s FY2009 performance, Mr. Tay Eng Hoe, Group CEO of ECS, said, “The improvement in the top-line and bottom-line in FY2009 despite the challenges posed by the global financial crisis demonstrates the efficacy of our cost and operational improvement efforts.”

On outlook, he commented, “Over the last few months, there has been an increase in pent-up IT spending by government and enterprises globally. This momentum is expected to continue into FY2010. With this, we are also encouraged by signs of economic recovery in the Asia Pacific region, where we operate.”

In view of the improving economic environment and positive outlook in the region, coupled with the improved operational efficiency, tighter cost management and healthier working capital turns achieved in FY2009, the Directors expect that the Group will continue to perform well in FY2010.

###end of release###

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About ECS Holdings Limited (“ECS”)

Listed on Singapore Exchange Mainboard since 2001, ECS is a leading ICT products and services provider, serving a wide regional customer base. The Group has 36 offices in six countries namely China, Thailand, Malaysia, Singapore, Indonesia and the Philippines. The three main businesses are Enterprise Systems, IT Services and Distribution. Enterprise Systems Division designs, installs and implements IT infrastructure for companies, while IT Services Division provides a comprehensive



range of professional, technical support and training services. Leading IT vendors use ECS' network of over 21,000 channel partners in the region to distribute their products. ECS has a consistent profit track and a management that is focused on operational excellence to achieve sustainable profit growth and enhance shareholder returns. For more information, please log onto: <http://www.ecs.com.sg>