

ECS 1Q15 net profit nearly doubles to RM9.4 million on pre-GST spending

- *Group revenue grew 46.2% to RM522.9 million on favourable sales mix*

Kuala Lumpur, Malaysia, 7 May 2015 – Malaysia's leading ICT distributor **ECS ICT Berhad (ECS, 佳杰科技; Bloomberg: ECS:MK; Reuters: ECSI.KL)**'s net profit leaped 96.2% to RM9.4 million in its first quarter ended 31 March 2015 (1Q15) from RM4.8 million previously, on the back of a favourable sales mix and strong spending on ICT products before the implementation of the Goods and Services Tax (GST) on 1 April 2015.

Group revenue jumped 46.2% to RM522.9 million in 1Q15, as compared to RM357.7 million a year ago, recording steady growth in its three business segments of ICT Distribution, Enterprise Systems and ICT Services.

“Being the nation's leading ICT distributor with a wide product portfolio and one of the largest reseller networks in the country, ECS was clearly able to enjoy the full impact of the pre-GST spending on ICT products and smartphones from consumers and corporations.

We foresee that ICT spending in the second quarter ending 30 June 2015 (2Q15) would moderate as consumers exercise more caution in purchase decisions due to higher post-GST prices.

Nevertheless, we believe that ICT spending should return to normalcy in the second half of 2015, especially with pipeline launches of new products and product replacement demand.”

Mr. Soong Jan Hsung (宋昭雄)
Chief Executive Officer, ECS ICT Berhad

1Q15 revenue from the ICT Distribution segment rose 48.2% to RM372.8 million from RM251.6 million in the previous year, while revenue from the Enterprise Systems increased 43.5% to RM137.1 million versus RM95.5 million previously. ICT Services revenue grew to RM12.9 million, a 21.9% increase from RM10.6 million last year.

ECS distributes high-volume products targeted at consumers in its ICT Distribution segment, and Enterprise Systems products to corporations in the public and private sectors.

Meanwhile, group profit before tax grew 90.4% to RM12.7 million in 1Q15 as compared to RM6.7 million in the previous year. Basic earnings per share was at 5.2 sen in 1Q15, 92.6% higher from 2.7 sen previously.

Financial Summary (Unaudited Consolidated Results)			
	1Q15	1Q14	
RM'000	31.03.15	31.03.14	Change
Revenue	522,855	357,719	46.2%
Pre-tax Profit	12,709	6,676	90.4%
Net profit to shareholders	9,389	4,785	96.2%
Basic EPS (sen)*	5.2	2.7	92.6%
<i>*Based on 180 million shares of RM0.50 par value each</i>			

About ECS ICT Berhad

ECS ICT Berhad (ECS), an MSC-status company, and its group of subsidiaries started in 1985 with the establishment of ECS KU Sdn Bhd. Today, the Group is a leading distribution hub for Information & Communications Technology (ICT) products in Malaysia via ECS ASTAR Sdn. Bhd. and ECS PERICOMP Sdn. Bhd.

Listed on the Main Market of Bursa Malaysia Securities Berhad on 15 April 2010, **ECS** is an associate company of ECS Holdings Limited, which is one of the leading ICT distributors in Asia Pacific, accessing to a network of more than 25,000 channel partners across China, Thailand, Malaysia, Singapore, Indonesia, the Philippines, Cambodia and Myanmar.

ECS distributes a comprehensive range of ICT products comprising notebooks, personal computers, smartphones, tablets, printers, software, network and communication infrastructure, servers, and enterprise software from more than 30 leading principals.

With a nationwide channel network of more than 5,000 resellers comprising retailers, system integrators and corporate dealers, **ECS** also provides value-added product support and technical services. For more information, please visit www.ecsm.com.my

Issued for and on behalf of ECS ICT BERHAD by Aquilas Advisory (Malaysia) Sdn Bhd.
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