

PRESS RELEASE

ECS to capture rising demand for tablet computers

- ***Leading Information and Communications Technology (ICT) distributor records RM12.6 million net profits in 1H11 on the back of RM591.1 million in group revenues***

Kuala Lumpur, Malaysia, 3 August 2011 – Malaysia's leading ICT distributor **ECS ICT Berhad** ("ECS", "佳杰科技"; Bloomberg: **ECS** MK; Reuters: **ECSI.KL**) anticipates higher group revenues in the second half of the financial year ended 31 December 2011 ("2H11") in tandem with more demand for tablet personal computers ("PCs") going forward.

"The preference of Malaysian consumers is in line with global trends, where demand has begun to shift from notebook PCs to tablet PCs, which are considered to be more convenient, lightweight and user-friendly.

Already, we are the distributor through the ICT channel for the Samsung Galaxy Tab, the Apple iPad and ASUS EEE Pad Transformer, and are preparing to launch the Lenovo tablet PC at our nationwide retailer network in the current quarter.

This will enable ECS to establish our position as a major tablet PC distributor in Malaysia."

Mr. Foo Sen Chin ("胡善正")
Managing Director, ECS ICT Berhad

Statistics by technology research firm Gartner stated that worldwide PC shipments grew 2.3% in the second quarter of 2011, well below its earlier forecast of 6.7% growth. This trend was observed particularly as retailers were conservative in placing orders for PCs, in favour of securing space for tablet PCs.

Commenting on the trend, Foo said: "Tablet PCs constitute a fast-growing niche within our ICT distribution segment. Given our track record in the ICT distribution, we have the distinct advantage of leveraging on our strong relationships with industry leaders to capture the next phase of growth.

"Following our initial success in the sales of tablet PCs in Malaysia thus far, we expect to receive larger shipments of tablet PCs in the second half of the year. All in all, this augurs well for us, and we are highly optimistic of our prospects in the remaining FY2011," concluded Foo.

Second quarter financial results ended 30 June 2011 (“2Q11”)

ECS also announced its 2Q11 financial results today, where the Group sustained group revenues of RM312.1 million compared to RM311.1 million of the previous year’s corresponding quarter. 2Q11 group net profits however dipped to RM5.6 million from RM7.8 million previously, with the decline attributable to the lower-margin product mix.

For the cumulative 6-months period (“1H11”), group revenues totaled RM591.1 million versus RM626.2 million in the previous year’s corresponding period, while group net profits amounted to RM12.6 million, against RM13.6 million previously.

On a per share basis, 1H11 earnings stood at 10.5 sen compared with 11.3 sen previously, based on the enlarged share capital of 120 million shares of par value of RM0.50.

Financial Summary (Unaudited Consolidated Results)						
	2Q11	2Q10		1H11	1H10	
RM'000	30.6.11	30.6.10	Change	30.6.11	30.6.10	Change
Revenue	312,149	311,140	0.3%	591,051	626,237	-5.6%
Pre-tax Profit	8,016	10,579	-24.2%	17,277	18,275	-5.5%
Net profit to shareholders	5,606	7,803	-28.2%	12,632	13,499	-6.4%
Basic EPS (sen)*	4.67	6.50	-28.2%	10.53	11.25	-6.4%
<i>*Based on 120 million shares of RM0.50 par value each</i>						

About ECS ICT Berhad

ECS ICT Berhad (“ECSB”), 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, **ECSB** is an associate company of ECS Holdings Limited, a Singapore Exchange main board company which is one of the leading ICT distributors in Asia Pacific, accessing to a network of more than 23,000 channel partners across China, Thailand, Malaysia, Singapore, Indonesia and the Philippines.

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

With a nationwide channel network of more than 2,500 resellers comprising retailers, system integrators and corporate dealers, **ECSB** 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. For media enquiries, please contact:

Ms. Julia Pong	julia@aquilas.com.my	Tel: +603 2711 1391 / +6012-390 9258
Ms. Caren Lwee	carenlwee@ecsm.com.my	Tel: +603 6286 8201 / +6012-626 6855