

ECS net profit rises 8.6% to RM13.7 million in 1H12

- *To commence new smartphone distribution in second half of 2012*

Kuala Lumpur, Malaysia, 8 August 2012 – Malaysia's leading ICT distributor **ECS ICT Berhad** (ECS, 佳杰科技; Bloomberg: ECS MK; Reuters: ECSI.KL) continued its growth streak for its six-month period ended 30 June 2012 (1H12), with net profit climbing by 8.6% to RM13.7 million from RM12.6 million previously.

The commendable performance was also reflected by the 4.0% increase in group revenue to RM614.6 million from RM591.1 million previously, largely due to increased sales in the ICT Distribution segment.

Its ICT Distribution segment for the period grew 5.4% to RM410.5 million in 1H12 as compared to RM389.3 million previously, whereas the Enterprise Systems segment recorded revenue of RM196.2 million as compared to RM195.1 million previously. ECS' ICT services segment also grew to RM7.9 million, an 18.6% increase from RM6.7 million previously.

“We are pleased that our ICT Distribution segment grew steadily, particularly in the tablet PC and Ultrabook PC sectors which have seen continuous uptrend in user adoption.

At the same time, the Group's Enterprise Systems segment tempered its growth pace during this period due to the more cautious outlook in the business community.

Nevertheless, ECS is committed to maintaining its efforts to expand the business segments holistically, with more innovative products being rolled out to the market for the rest of the year.”

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

ECS' subsidiary ECS Astar Sdn. Bhd., was recently appointed by ASUS Malaysia to distribute its newly-introduced Padfone (a combination of smartphone and tablet PC) in Malaysia.

GfK Group, an independent research company, recently reported that Malaysia had emerged as the biggest market for tablet PCs in South East Asia, raking in total revenue of USD 374 million in 2011.

For the quarter ended 30 June 2012 (2Q12), the Group's revenue and net profit were RM309.3 million and RM5.6 million respectively.

Financial Summary (Unaudited Consolidated Results)						
RM'000	2Q12	2Q11	Change	1H12	1H11	Change
	30.06.12	30.06.11		30.06.12	30.06.11	
Revenue	309,259	312,149	-0.9%	614,646	591,051	4.0%
Pre-tax Profit	7,521	8,016	-6.2%	18,809	17,277	8.9%
Net profit to shareholders	5,615	5,606	0.2%	13,716	12,632	8.6%
Basic EPS (sen)*	4.7	4.7	0.0%	11.4	10.5	8.6%

*Based on 120 million shares of RM0.50 par value each

Foo also stated that the Group would soon commence its new smartphone distribution in the second half of 2012 to complement its ICT Distribution segment.

“We believe that this is the right time for us to venture into the smartphone distribution business, in recognition of the increasing convergence of the computers and communication industries. We anticipate that it would have a positive impact on our Group's revenue and earnings growth in the future,” concluded Foo.

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, 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.

ECS distributes a comprehensive range of ICT products comprising notebooks, personal 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 3,000 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

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