

ECS records higher contributions from Enterprise Systems in 2Q13

- *Revenue for Enterprise Systems segment grew by 17.6% to RM108.1 million from RM91.9 million previously*
- *Eyes better second half driven by Group's plans to expand mobility products portfolio*

Kuala Lumpur, Malaysia, 6 August 2013 – Malaysia's leading ICT distributor **ECS ICT Berhad** (ECS, 佳杰科技; Bloomberg: ECS:MK; Reuters: ECSI.KL) recorded a 17.6% jump in total revenue contributions from its Enterprise Systems segment in the second quarter ended 30 June 2013 (2Q13) to RM108.1 million from RM91.9 million previously.

ECS' Managing Director, Foo Sen Chin opined that the Group's Enterprise Systems segment maintained its growth momentum mainly due to the Group's strong relationship with its systems integrators and its wide range of enterprise brands in its portfolio.

“Growth in our Enterprise Systems market mitigated the dampened sentiment in the ICT Distribution segment, as consumers turned cautious leading up to the 13th General Elections in May. The continued slowdown in notebook sales affected the Group's topline growth in 2Q13.

Nevertheless, we still performed commendably and are optimistic that the ICT industry will pick up the growth pace in the second half of our financial year ending 31 December 2013 (2H13).

In this respect, we are taking the necessary steps to ride this growth wave and are looking to further expand our product portfolio especially in the mobility market in line with consumers' demand.”

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

ECS recorded in 2Q13 total group revenue of RM300.5 million, as compared to RM309.3 million previously. The Group's highest revenue contributor for 2Q13 was the ICT Distribution segment with RM189.6 million, followed by the Enterprise Systems segment with RM108.1 million, while the remaining RM2.8 million was from the ICT Services segment.

Group 2Q13 net profit was sustained at RM5.5 million versus RM5.6 million previously, while basic earnings per share was at 3.1 sen.

For the Group's first half ended 30 June 2013 (1H13), total group revenue was at RM620.8 million as compared to RM614.6 million previously. Of the total 1H13 group revenue, RM397.5 million was contributed by the ICT Distribution segment, while the Enterprise Systems and ICT Services segments contributed the remaining RM216.6 million and RM6.7 million respectively.

ECS' 1H13 net profit was at RM11.9 million and basic earnings per share was at 6.6 sen.

Elaborating further on the Group's prospects for the rest of the year, Foo reiterated the positive outlook of the Group's new smartphone distribution business.

Industry statistics estimate that almost 60% of the total Malaysian population will own a smartphone within two years, effectively doubling the current penetration of approximately 30%.

"We recognise the tremendous potential for further growth in smartphone ownership in Malaysia. Thus last year we began to distribute Huawei's Ascend P1 smartphone, and more recently the entire range of Lenovo's smartphone devices through the ICT channel in Malaysia," said Foo.

"We fully intend to expand our mobility solutions product range which includes smartphones and tablet PCs to reach customer segments with different price points and suit different market sectors in the near future," he concluded.

Financial Summary (Unaudited Consolidated Results)						
	2Q13	2Q12		1H13	1H12	
RM'000	30.6.13	30.6.12	Change	30.6.13	30.6.12	Change
Revenue	300,463	309,259	-2.8%	620,798	614,646	1.0%
Pre-tax Profit	7,535	7,521	0.2%	16,339	18,809	-13.1%
Net profit to shareholders	5,498	5,615	-2.1%	11,879	13,716	-13.4%
Basic EPS (sen)*	3.1	3.1	0.0%	6.6	7.6	-13.2%
<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, 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

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