

ECS posts 9m12 revenue of RM942.6 million

- *Records growth in Enterprise Systems and ICT Distribution segments*
- *Making headway into smartphone distribution*
- *Declares interim dividend of 3.0 sen/share*

Kuala Lumpur, Malaysia, 7 November 2012 – Malaysia’s leading ICT distributor **ECS ICT Berhad (ECS, 佳杰科技; Bloomberg: ECS MK; Reuters: ECSI.KL)** has reaped benefits from strategies to grow its Enterprise Systems and ICT Distribution segments, which helped propel the Group to achieve a revenue of RM942.6 million for its nine months ended 30 September 2012 (9m12) from RM908.9 million previously.

Enterprise Systems sales contributed 35.3%, or RM332.8 million to topline – up 9.7% from 9m11’s RM303.3 million. Significantly, the segment contributed 53.8%, or RM32.8 million to 9m12 gross profits of RM61.0 million.

At RM598.5 million, the Group’s ICT distribution business still remained the top contributor to 9m12 topline, or about 63.5% of total revenue, while ICT Services contributed 1.2%, or RM11.3 million. Gross profit for ICT distribution and ICT Services stood at RM25.3 million and RM2.9 million respectively.

“We had earlier identified Enterprise Systems as a growth catalyst for ECS and have been working to enhance our market share within this burgeoning segment via our twin strategies of playing a strategic role with vendors whilst adding more products, brands and solutions to our portfolio.

The strong contribution to our 9m12 topline from Enterprise Systems is testimony to the initiatives put in place to grow this segment and validates our strategy to consolidate our leading position within this market.

We will not stop here. ECS will continue to seek out ways to enhance our market share within this segment by providing more products and solutions. Similarly, we will also continue to look at strategies to further grow our ICT distribution and services divisions as well.”

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

ECS is the authorised Malaysian distributor for many industry-leading Enterprise Systems brands, which include Cisco, HP, IBM and Oracle. The Group recently signed



a new contract with Huawei Technologies (Malaysia) Sdn. Bhd. to distribute the latter's entire range of enterprise products and solutions.

Foo also said that ECS was on track to establish a firm foothold in the smartphone distribution segment, having recently been appointed as a distributor of Huawei smartphones and devices in September 2012.

“We are committed in growing this new revenue stream for ECS and are on the lookout for more brands to add to our distribution portfolio. In doing so, we can grow our presence within this segment in line with rising consumer adoption,” he added.

According to a Nielsen report in May this year, nearly 60% of Malaysian mobile phone users were likely to upgrade their phones before the end of 2012 and that 80% of those were likely to purchase a smartphone.

Commendable sales growth in ECS's ICT Distribution, Enterprise Systems and ICT Services helped 9m12 profit before tax (PBT) rise to RM27.4 million, from RM26.9 million previously.

9m12 net profit rose to RM20.3 million from RM19.7 million previously. Basic earnings per share (EPS) stood at 16.9 sen versus 16.4 sen in the same period a year ago.

For the quarter ended 30 September 2012, the Group posted a revenue and net profit of RM327.9 million and RM6.5 million respectively.

Meanwhile, ECS has declared a single-tier interim dividend of 3.0 sen per ordinary share in respect of its financial year ending 31 December 2012 (FY2012). This dividend will be paid to shareholders on 12 December 2012 based on the Company's Record of Depositors on 28 November 2012.

This translates into a dividend payout amounting to RM5.4 million based on 180 million shares after the bonus issue of 60 million shares in October 2012. ECS has a dividend policy of paying 30% of group net profits to shareholders.

Financial Summary (Unaudited Consolidated Results)						
	3Q12	3Q11		9M12	9M11	
RM'000	30.09.12	30.09.11	Change	30.09.12	30.09.11	Change
Revenue	327,937	317,866	3.2%	942,583	908,917	3.7%
Pre-tax Profit	8,589	9,622	-10.7%	27,398	26,899	1.9%
Net profit to shareholders	6,537	7,051	-7.3%	20,253	19,683	2.9%
Basic EPS (sen)*	5.4	5.9	-8.5%	16.9	16.4	3.0%

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



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. For media enquiries, please contact:

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