



NEWS RELEASE

EXCELPOINT REPORTS STRONGER 4Q2007 PERFORMANCE

SINGAPORE, 4th February 2008 – Mainboard listed Excelpoint Technology Limited (“ETL together with its subsidiaries” or the “Group”) today reported a quarterly revenue increase of 7.5% and a 78.9% increase in profit before tax for the quarter ended 31 December 2007.

The higher revenue for the quarter is attributable to higher contributions from its operations in Hong Kong and China, which accounted for 62.4% of the Group’s total revenue. Profit before tax in 4Q2007 amounted to \$0.5 million compared to \$0.3 million in the same quarter last financial year.

Operating expenses were generally higher this quarter due to increased headcounts. There was an increase in bank borrowings from \$12.5 million to \$31.7 million during the quarter due to higher working capital requirements arising from higher stocks and trade debtors’ balances. Correspondingly, finance costs rose from \$0.4 million in 4Q2006 to \$0.6 million at the close of the quarter. For the quarter ended 31 December 2007, operating activities generated cash flow of \$3.8 million compared to \$5.8 million in 4Q2006.

Stocks and trade debtors’ turnovers were marginally higher for the quarter at 45 days (FY 2006: 33 days) and 50 days (FY2006: 53 days). Reflecting the higher bank borrowings, the Group’s bank gearing rose from 0.3 times in FY2006 to 0.7 times at the close of FY2007.

FY2007

For the financial year ended 31 December 2007, the Group reported a 7.2% rise in revenue, which rose from \$454.2 million to \$486.8 million. Profit before tax was lower declining 40.0% from \$3.5 million to \$2.1 million. Correspondingly, net profit after tax was also lower decreasing by 51.9% from \$2.5 million to \$1.2 million.

By business segments, the Group saw higher contributions from its “Design-in” business, which turned in revenues of \$247.8 million and accounted for 50.9% of its total revenue. The balance comprises contributions from the “Distribution” (48.3%) and the “Sub-system” (0.8%) businesses. Earnings before interest and tax contributions from “Design-in” rose from \$3.0 million to \$3.3 million while contribution from “Distribution” remained relatively stable at \$2.1 million. “Sub-system” reported losses, which rose from \$0.3 million in FY2006 to \$1.1 million this year.

Excelpoint Technology Ltd.

Geographically, Hong Kong and China continue to dominate as the major revenue generators accounting for about 62.4% or \$303.9 million of the Group's total revenue. Thailand turned in the strongest growth with a 223.4% jump in revenues. Contribution from Thailand rose from \$9.1 million to \$29.5 million. India reported a 5.9% rise in business while Malaysia, the Philippines and Singapore reported weaker contributions.

During the year, operating activities used a total of \$13.7 million compared to the \$9.6 million used in the previous financial year. This is due to the increased funding requirements for stock and trade debtors, which rose from \$49.8 million in FY2006 to \$63.4 million and \$65.0 million in FY2006 to \$69.9 million. Cash and cash equivalents amounted to \$9.6 million compared to \$6.9 million in the previous financial year.

The Group's funding requirements were satisfied with bank borrowings, which rose from \$12.5 million to \$31.7 million and trade credits, which rose from \$67.5 million to \$69.4 million. At the close of the financial year, the Group's bank gearing stood at 0.7 times compared to 0.3 times in FY2006.

Commenting on Excelpoint's performance, Mr. Albert Phuay – Chairman and Group CEO says, "The Hong Kong and China markets will continue to be important markets for the Group. On the R&D front, we will continue to develop platforms and solutions to bring new applications to new market segments. Into the new financial year, we expect to benefit from these initiatives."

For the financial year ended 31 December 2007, the Board recommends a dividend of S\$0.25 cents per ordinary share, subject to the approval of the shareholders at the forthcoming Annual General Meeting.

ABOUT EXCELPOINT TECHNOLOGY LTD

Excelpoint Technology Ltd ("Excelpoint" or "the Group") is one of the region's established electronics component distributors and an emerging player in the design innovation and technology development industry. Its geographic reach spans the Asia Pacific through a network of more than 30 offices across the region.

Excelpoint provides a broad spectrum of services ranging from the supply of electronic components and chipsets to providing solutions integration, designing turnkey applications and manufacturing memory modules and communication products.

The Group caters to the needs of the telecommunications, networking, consumer electronics, industrial and instrumentation electronics, computers and computer peripherals industries.

Excelpoint Technology Ltd is a public listed company on the Singapore Exchange (SGX:Excelpoint).

For more information, please visit our website : www.excelpoint.com



For enquiry please contact:

Tan Peck Hwa

Asia Business Channels Pte Ltd

Tel: 6749 8871 / 9635 4996

Email: tphcomms@singnet.com.sg

Excelpoint Technology Ltd.

15 Changi Business Park Central I 6th Level Singapore 486057 Tel: (65) 6741 8966 Fax: (65) 6741 8980

Website: <http://www.excelpoint.com> Reg. No. 200103280C