



Excelpoint registered revenue growth of 10% to US\$124.6 million in 1Q08

SINGAPORE – WEDNESDAY, 30 APRIL 2008 – Main board-listed Excelpoint Technology Ltd (“ETL together with its subsidiaries” or “the Group”), one of the region’s established electronics component distributors and an emerging player in the design innovation and technology development industry, today announced its financial results for the three months ended 31 March 2008 (“1Q08”).

Financial snapshot of Group’s performance

In US\$ Million	1Q08	1Q07	Increase/(Decrease) %
Revenue	124.6	113.0	10.2
Profit after taxation (“PAT”)	0.11	0.14	-19.3
Earnings per share based on weighted average number of ordinary shares (in cents)	0.02	0.03	-
Cash and cash equivalents	13.0	13.3	-
	As at	As at	
	31 Mar 08	31 Dec 07	
Total equity for the Group	44.3	44.2	-
Net asset value per share (in cents)	9.1	9.1	-

Results analysis

Group revenue of US\$124.6 million in 1Q08 increased by 10.2% over US\$113.0 million for the three months ended 31 March 2007 (“1Q07”) on the back of stronger sales in China, India and Thailand. Nevertheless, cost of goods correspondingly increased by 10.5%. This, coupled with the decrease in the Group’s other income by 7.7% led to a marginal decrease in Group profit after taxation to US\$0.1 million in 1Q08. Group gross profit margins held at 6.6%, a slight decrease from 6.8% in 1Q07.

Mr Albert Phuyay, Chairman and Group CEO said, "Higher cost pressures arising from competitive market conditions, impacted the Group's net income. Nevertheless, we are encouraged by the increased revenue, brought about largely by opportunities in China, India and Thailand. Through prudent cost management, we managed to contain administration costs, which saw a notable decrease of 11.5%."

"We have been strategically transforming our business from an electronics component distributor to a total solutions provider to Asia's electronic manufacturers and industrial corporations. Our business now caters to a wider array of business segments – consumer electronics, industrial projects, commercial and government infrastructure projects, automotive and navigation projects. Having thus diversified our business, we are thus better placed to cope with any downturns in a particular sector."

Cash flow used in operating activities increased from US\$8.7 million in 1Q07 to US\$16.3 million in 1Q08, largely attributable to an increase in trade debtors and stocks. The Group held its cash position at US\$13.0 million, a slight decrease from US\$13.3 million in the same quarter last year. The Group had earlier recommended a dividend of 0.25 Singapore cents per ordinary share for financial year ended 31 December 2007, which was approved by shareholders at the Annual General Meeting held on 16 April 2008.

On the Group's balance sheet, cash and cash equivalents rose from US\$9.6 million in 4Q07 to US\$13.0 million in 1Q08. Both trade debtors' and trade creditors' balance increased on the back of increased sales. Interest bearing loans and borrowings rose from US\$31.4 million in 4Q07 to US\$51.2 million this quarter due to higher working capital requirements.

Added Mr Phuyay, "In the face of challenging business operating environment we have put in key growth strategies for all three business segments. We will focus on higher margin opportunities for Distributions Services, such as the provision of integrated supply chain management services. For our Design-in Services, we are working at attaining faster time-to-market Design-in Solutions, thus further adding value to our business proposition to our clients. We will also continue to explore new market opportunities in the region. With careful adherence to these strategies, we are confident that we will continue and sustain our growth."

Outlook for FY08

Notwithstanding the challenging global market conditions in the current financial year, coupled with the weakened US dollar, the Group remains cautiously positive about its overall business performance.

About Excelpoint Technology Ltd (Registration No. 200103280C)

Excelpoint is a value-added partner to Asia's electronics manufacturers. The company employs over 600 staff and is present in 30 cities across Asia and the Pacific region. Beginning in 1987, the company has grown from its origins in Singapore as a components distributor to a total solutions supplier of quality components, engineering designs and supply chain services to original equipment manufacturers (OEM) and contract manufacturers in Asia. Excelpoint has strong research and development capabilities, an impressive network and excellent supply chain management expertise. Working closely with its principals and customers, Excelpoint designs and develops complementary technical modules used by OEMs in a wide range of consumer and commercial electronics products – from health care equipment to power metering devices, from mobile phones and portable navigation devices to video surveillance devices. Excelpoint is listed on the mainboard of the Singapore Exchange.

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

For media/investor enquiries, please contact:

Koh Joh Ju, 29 Communications

Tel: +65 9681 7045, Fax: +65 6728 6029 Email: johju@29communications.com.sg

Lim Siew Yin, 29 Communications

Tel: +65 9858 4673, Fax: +65 6728 6029, Email: siewyin@29communications.com.sg