



**FOR IMMEDIATE RELEASE**

## **Excelpoint reports revenue of US\$72.7 million in 1Q09**

**SINGAPORE – Monday, 27 April 2009** – Mainboard-listed Excelpoint Technology Limited (“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 first quarter (“1Q09”) ended 31 March 2009.

**Financial snapshot of Group’s performance**

<b>In US\$’M</b>	<b>1Q09</b>	<b>1Q08</b>	<b>+/- %</b>
<b>Revenue</b>	72.7	124.6	(41.6)
<b>(Loss)/profit after tax (“PAT”)</b>	(1.5)	0.1	N.M.
<b>Earnings per share (cents) based on weighted average number of ordinary shares (in cents)</b>	(0.31)	0.02	-
<b>Cash and cash equivalents</b>	16.4	13.0	26.2
	<b>As at 31 Mar 09</b>	<b>As at 31 Dec 08</b>	
<b>Total equity for the Group</b>	40.3	41.8	
<b>Net asset value per share (in cents)</b>	8.3	8.6	

The Group ended 1Q09 with revenue of US\$72.7 million compared with US\$124.6 million in 1Q08. Gross profit stood at US\$5.5 million in 1Q09, down 33.1% from US\$8.2 million in 1Q08 as it faced an increasingly challenging business environment from the global economic slowdown. Gross margin increased to 7.6% in 1Q09 from 6.6% in 1Q08, mainly due to higher margin from design-in business.

Total operating expenses – comprising sales and distribution costs, general and administrative expenses, other expenses and finance costs – stood at US\$7.2 million in 1Q09, down from US\$8.2 million in 1Q08. The decline is a result of continued focus on cost containment measures and streamlining of the Group’s business. Overall, the Group reported a net loss after tax of US\$1.5 million.

On the Group’s balance sheet, as a result of ongoing focus on rationalising and managing inventory, stock balance was reduced to US\$36.0 million in 1Q09 from US\$46.3 million in 4Q08. Trade debtors’ balance decreased to US\$38.0 million in 1Q09 from US\$43.6 million in 4Q08 due to tighter credit

control. Trade creditors' balance increased to US\$41.0 million from US\$34.8 million. The Group also reduced its interest bearing loans and borrowings by US\$17.8 million from US\$27.9 million in 4Q08 to US\$10.1 million in 1Q09. Due to improved cash flow management, the Group reported net cash position of US\$6.4 million in 1Q09 compared with net borrowing position of US\$14.3 million in 4Q08.

Cash flow from operating activities in 1Q09 improved to US\$20.7 million from a negative operating cash position of US\$16.3 million in 1Q08, due to close monitoring and control of credit to customers and stock levels which led to decline in trade debtors' and stock balances. The Group recorded a healthy cash and cash equivalent balance of US\$16.4 million in 1Q09, an increase of US\$3.4 million from US\$13.0 million in 1Q08.

Mr Albert Phuay, Chairman and Group CEO said, "Given the uncertain economic outlook, Excelpoint will continue to keep our operations lean while sharpening our competitive edge. We will maintain efforts to conserve cash, contain costs and rationalise product mix for improved margins as well as enter into markets and segments which offer potential for higher returns."

*This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward looking statements, which are based on current view of management on future events.*

#### **About Excelpoint Technology Ltd (Registration No. 200103280C)**

Excelpoint Technology Limited is a total solutions provider of quality components, engineering designs and supply chain services to Asia's electronics manufacturers. Since 1987, Excelpoint has been working closely with its principals and customers to identify new trends and technologies, and to create and test new technical features that will complement their customers' products. The total solutions and reference designs created by Excelpoint are found in industrial instrumentation, wireless communications and consumer electronics equipment made by Asia's top OEM, ODM and EMS. Headquartered in Singapore, Excelpoint has a strong team of dedicated R&D professionals located in major cities to create the innovation solutions and to deliver the full range of supply chain services to help customers go to market quickly and efficiently. Excelpoint is listed on the Mainboard of Singapore Stock Exchange. The company employs over 400 staff and has facilities and offices in over 20 cities throughout Asia Pacific.

For more information, please visit our website at [www.excelpoint.com](http://www.excelpoint.com)

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