



NEWS RELEASE

EXCELPOINT TURNS IN PROFITABLE QUARTER DESPITE REGIONAL ECONOMIC UNCERTAINTIES

- Revenue rose 14.3% to US\$136.8 million
- Net profit after tax lowered by 34.2% to US\$0.9 million
- Balance sheet remains strong with cash and cash equivalents of US\$11.7 million
- Group is cautiously optimistic about its prospects in the second half of FY2012

SINGAPORE, 1 August 2012 – Main board listed Excelpoint Technology Ltd (“Excelpoint” or the “Group”) reported higher revenue and lower net profit for the quarter ended 30 June 2012. The latter is attributable mainly to lower margins resulting from changes in the Group’s product mix this quarter.

Revenue rose by 14.3% from US\$119.7 million to US\$136.8 million at the close of 2Q FY2012. However, due to the change in product mix, gross margin for the quarter decreased from 8.9% to 7.6%. As a result, net profit decreased from US\$1.4 million to US\$0.9 million in 2Q FY2012.

Operating expenses rose from US\$8.8 million to US\$9.3 million this quarter due to higher sales activities and increased financing costs due to working capital requirements.

Operating activities this quarter used a total of US\$7.6 million. This is attributable to the profit contribution of US\$1.2 million, increase in inventory of US\$8.5 million, increase in trade debtors amounting to US\$4.5 million and increase in trade creditors and accruals of US\$4.0 million.

The Group's balance sheet remains strong with approximately US\$11.7 million in cash and cash equivalents. Increase in trade debtors, inventory and interest-bearing loans resulted in lower net assets, which decreased from US\$46.7 million to US\$45.5 million as at 30 June 2012.

The Group is cautiously optimistic about its prospects in the second half of FY2012.

On his expectations for the second half of the year, Mr. Albert Phuay, Chairman and Group CEO of Excelpoint said: "The second half of the year will see new challenges as the impact of the European crisis, the prevailing sluggish US economy and the high unemployment in many countries set in. In particular, the recent slowdown in China's economy has affected demand and we expect more uncertainties in the second half of this year. We will manage our business cautiously and monitor our operations closely."

About Excelpoint Technology Ltd (Registration No. 200103280C)

Established in 1987, Excelpoint Technology Ltd is a total solutions provider of quality electronics components, engineering designs and supply chain services to original equipment manufacturers ("OEM"), original design manufacturers ("ODM") and electronics manufacturing services providers ("EMS") in the electronics industry.

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 Group has three research and development ("R&D") centres supported by a team of dedicated R&D professionals to create innovative solutions that will help customers go to market quickly and efficiently. The total solutions and reference designs created by Excelpoint are found in a number of products and applications such as industrial instrumentation, wireless communications and consumer electronics equipment.

Headquartered in Singapore, Excelpoint has facilities and offices located in over 25 cities across the Asia Pacific region including Malaysia, Thailand, Vietnam, China, India, Indonesia, Korea, the Philippines, New Zealand and Australia. Listed on the Main-Board of the Singapore Exchange Securities Trading Limited ("SGX-ST") the Group has a workforce of more than 500 employees across the region.

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