



NEWS RELEASE

Excelpoint reports 241% jump in 2nd quarter net profit after tax

- Revenue marginally lower by 1.3% but gross profit margin higher due to product mix.
- Net profit after tax rose from US\$0.4 million in 2Q FY2010 to US\$1.4 million this quarter.
- The Group's balance sheet remains healthy with cash and short term deposits amounting to US\$15.0 million.

SINGAPORE, 3 August 2011 – Main board listed Excelpoint Technology Limited (“ETL” or the “Group”) today announced 241.1% increase in net profit after tax for the second quarter ended 30 June 2011. Net profit after tax rose from US\$0.4 million in 2Q FY2010 to US\$1.4 million.

Revenue for the quarter, which amounted to US\$119.7 million, was marginally lower by 1.3% when compared to the revenue of US\$121.2 million in 2Q FY2010. Supported by its strategic focus on higher margin products, the Group's gross margin improved from 7.4% in 2Q FY2010 to 8.9% this quarter.

Compared to the same quarter last year, operating expenses were higher this quarter due to increases in selling and distribution and administrative costs. Interest costs were also slightly higher due to the increase in funding needs during the quarter.

The Group's balance sheet remains healthy. Net assets rose marginally from US\$44.5 million as at 31 December 2010 to US\$44.9 million. The increase is attributable primarily to increases in trade debtors, lower trade creditors' balance and lower inventory balance compared to the close of the previous financial year.

Approximately US\$1.5 million was used in operating activities – a significantly lower amount compared to US\$8.7 million reported in 2Q FY2010. This is attributable mainly to the lower inventory balance, higher trade and other debtors and decreases in trade creditors, accruals and other creditors. Cash and short-term deposits totaled US\$15.0 million at the close of the quarter.

Commenting on the performance of the Group, Mr Albert Phuay, Chairman and Group CEO said: "Our growing Asian footprint has enabled us to tap into various opportunities that are now reflected in our results. Going forward, we will continue to focus on strategic geographic expansion and grow our product lines to provide good business balance."

Into the second half of the year, the Group expects that the uncertainties arising from the financial problems in the EU and US may eventually affect the business sentiments in Asia. While business remains encouraging, it will be closely monitoring the market developments and its business operations.

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 about 500 employees.

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