

PRESS RELEASE

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ACCS rings in 66% surge in Q3 net profit to \$5.1 million

- Revenue grew 48% to \$27.2 million
- PAT for 9 months ended 30 September 2003 surpassed full-year 2002

Financial Highlights	3 months to 30 Sept			9 months to 30 Sept		
	2003 (\$m)	2002 (\$m)	% chg	2003 (\$m)	2002 (\$m)	% chg
Revenue	27.2	18.4	48	65.6	49.6	32
Profit Before Tax	6.0	3.5	73	15.1	10.8	40
Profit After Tax and Minority Interests	5.1	3.1	66	12.8	8.8	46

SINGAPORE – 11 Nov 2003 – Mainboard-listed Accord Customer Care Solutions Limited (“ACCS”), a leading provider of After-Market Services (AMS) for mobile communication and high-tech consumer products in Asia Pacific, today reported a sterling set of financial figures for Q3 2003.

Net profit attributable to shareholders jumped 66% to \$5.1 million for the third quarter ended 30 September 2003. This compares with \$3.1 million in the same period last year.

Group revenue for Q3 2003 witnessed a 48% surge to \$27.2 million from \$18.4 million previously.

This brings the total revenue for the nine-month period ended 30 September 2003 to \$65.6 million, a 32% growth over the previous nine-month period of \$49.6 million. Correspondingly, the Group reported an increase of 45% in profit after tax to \$12.8 million for the nine-month period ended 30 September 2003, compared to \$8.8 million previously.

The profit after tax for the 9 months ended 30 September 2003 of \$12.8 million has already exceeded the \$12.5 million that was achieved in the full year for 2002. This strong performance was primarily due to an increase in business volume and the revenue from the Group's expansion of its network in the region.

As at 30 September 2003, the Group's regional network comprises 160 service centres and 168 repair management centres, compared with 82 service centres and 110 repair management centres as at 30 September 2002.

Based on the latest Q3 results, earnings per share rose 33% to 0.80 cents from 0.60 cents in Q3 FY2002, while net tangible asset value per share increased to 10.95 cents as at 30 September 2003 compared with 3.33 cents for full-year 2002.

Mr Victor Tan, Managing Director and CEO of ACCS said, "We are very pleased with the financial results which we have achieved to date and we hope to continue to grow. Since the end of 3Q 2003, we have expanded our regional network to 181 service centres with the set up of new centres in Australia, Malaysia, the Philippines, Singapore and Vietnam."

"We are especially excited with our appointment by Philips Electronics Singapore Pte Ltd to provide AMS for selected consumer electronics and domestic appliances products in Singapore. With this appointment, we have expanded our coverage of consumer electronic brands in Singapore to two global brands since our first foray into the provision of AMS for high-tech consumer products in mid-2002."

Looking forward

The Group is actively implementing the various projects it had secured. These include :

- The refurbishment projects that it had clinched in September 2003 with several mobile phone distributors in the region. It had earlier announced that this project is likely to generate a revenue of \$12 million in FY2004 based on 50,000 units per month. To date, the average volume handled by the Group is about 25,000 units per month for September and October 2003.
- The venture into the AMS market in India – ACCS is finalising its acquisition of UCom Technologies and actively working with Motorola to set up an AMS network for Motorola's GSM and CDMA mobile phones in India.
- The expansion of network in Australia – the Group is finalising its acquisition of Mobilefonerepair.com and is working closely with Nokia in rolling out a nationwide AMS network in Australia.

Given the new contracts, and amidst the continued trend of consolidation in the fragmented regional AMS industry, the Group remains optimistic of prospects for the next reporting period.

About ACCS

As an AMS provider, ACCS provides a comprehensive suite of integrated after-sales customer services on behalf of its partners to end-users. These services include:

- ⇒ **Customer Relationship Management** – *manage information hotlines, customer call centres and helpdesks*
- ⇒ **Repair Management** – *manage sub-contractors and service partners and quality accreditation of third-party service centres*
- ⇒ **Technical Services Management** – *provide basic, intermediate and advanced repair and maintenance services including bulk repair, upgrading and repackaging of new/existing products*
- ⇒ **Administrative Management** – *maintain warranty base and billing systems and manage claims and inventory on behalf of partners*

- ⇒ **Other Value-Added Services** – include sale of accessories/merchandise, e-distribution of ADSL modems, management of parts distribution and operation of mobile clinics

ACCS provides an integrated range of services in the management of after-sales customer care to 22 brands, namely Alcatel, Audiovox, Bird, CECT, Daxian, Haier, Hyundai, Ikomo, Kyocera, LG, Motorola, NEC, Nokia, O₂, Panasonic, Philips, Sagem, Samsung, Sendo, Siemens, Sony Ericsson and TCL.

From its headquarters in Singapore, ACCS operates a regional network of service centres in the Asia Pacific comprising 181 service centres in 45 cities/towns across 14 countries/territories as at 11 November 2003. The Group also manages a network of 168 repair management centres on behalf of its partners.

For more information, visit us at www.accordccs.com

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