Listed companies must provide the information required by Appendix 7.2 of the Listing Manual. Adequate disclosure should be given to explain any material extraordinary item either as a footnote of the material extraordinary item or in the "Review of the performance of the group".

ACCORD CUSTOMER CARE SOLUTIONS LIMITED

2004 Third Quarter Financial Statement

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Group	Notes	Q3-04 $'000	Q3-03 $'000	YTD Sep-04 $'000	YTD Sep-03 $'000	Q3 Inc/(Dec) %	YTD Inc/(Dec) %
Revenue		**119,226**	**27,168**	**242,715**	**65,630**	339%	270%
Spare Parts Consumed/Cost of Goods Sold		(83,019)	(11,178)	(150,871)	(25,984)	643%	481%
Other Operating Income	(i)	435	1,219	898	6,766	-64%	-87%
Staff Costs		(12,843)	(6,596)	(33,275)	(18,550)	95%	79%
Depreciation Expenses		(1,204)	(666)	(3,408)	(1,838)	81%	85%
Other Operating Expenses	(ii)	(9,088)	(3,816)	(22,518)	(10,759)	138%	109%
Profit from operations		**13,507**	**6,131**	**33,541**	**15,265**	120%	120%
Finance cost	(iii)	(343)	(101)	(1,053)	(161)	240%	554%
Profit before share of results of associated companies		**13,164**	**6,030**	**32,488**	**15,104**	118%	115%
Share of results of associated companies		(24)	-	144	-	nm	nm
Profit before income tax and minority interests		**13,140**	**6,030**	**32,632**	**15,104**	118%	116%
Income tax expenses	(iv)	(792)	(909)	(2,078)	(2,272)	-13%	-9%
Profit after income tax and before minority interests		**12,348**	**5,121**	**30,554**	**12,832**	141%	138%
Minority interests		(166)	4	(239)	(5)	-4250%	4680%
Net Profit attributable to shareholders		**12,182**	**5,125**	**30,315**	**12,827**	138%	136%

1(a) (i) Other operating income consist of the following:

	Q3-04 $'000	Q3-03 $'000	YTD Sep-04 $'000	YTD Sep-03 $'000
Management and corporate advisory fee	15	1,077	45	3,102
Royalty	-	-	-	1,238
Foreign currency exchange gain / (loss)	(99)	90	(57)	1,811
Interest income from non-related companies	34	44	105	119
Government grant	-	-	-	229
Others	485	8	805	267
	435	**1,219**	**898**	**6,766**

1(a)(ii) Included in other operating expenses are the following:

	Q3-04 $'000	Q3-03 $'000	YTD Sep-04 $'000	YTD Sep-03 $'000
Amortisation of goodwill on consolidation	650	162	1,723	520
Minimum lease payments under operating lease	3,558	1,311	8,256	3,560
(Reversal) / Allowances for doubtful trade receivables	-	-	-	(46)
Loss / (Gain) on disposal of plant and equipment	99	-	122	(4)

1(a)(iii) Finance cost

This comprises interest on bank loans and the increase is due to higher loans undertaken for DMS activities.

1(a)(iv) Income Tax

The lower effective tax rate for the period is due to:-

(1) Non-taxable income of subsidiaries;
(2) Tax incentive enjoyed by our subsidiary in the PRC, and
(3) Development and Expansion Incentive enjoyed by the Company under the Economic Development Board ("EDB") of Singapore's Business Headquarters Programme.
(4) Development and Expansion Incentive enjoyed by a subsidiary under the EDB's Regional Headquarters Award.

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

ASSETS	Notes	Group 30/09/04 $'000	Group 31/12/03 $'000	Company 30/09/04 $'000	Company 31/12/03 $'000
Current assets:					
Cash		33,896	32,640	12,169	22,591
Trade receivables	a	44,695	27,908	16,135	13,587
Other receivables and prepayments	b	13,404	11,047	37,189	39,398
Inventories	c	23,931	15,440	3,478	3,773
Total current assets		**115,926**	**87,035**	**68,971**	**79,349**
Non-current assets:					
Investment in subsidiaries		-	-	54,315	23,836
Investment in associated companies	d	5,058	500	1,500	500
Other Investments	e	11,379	129	10,087	129
Advance payments for investments		2,550	18,296	-	18,296
Property, plant and equipment		24,946	19,081	4,850	7,045
Other goodwill	f	13,975	2,219	974	1,013
Goodwill on consolidation	g	34,620	11,888	-	-
Total non-current assets		**92,528**	**52,113**	**71,726**	**50,819**
Total assets		**208,454**	**139,148**	**140,697**	**130,168**
Current liabilities:					
Trade payables	h	19,104	9,435	8,431	9,235
Other payables	i	16,701	10,325	54,579	33,879
Income tax payable		2,035	1,371	77	526
Obligations under finance leases		287	202	-	-
Current portion of long-term bank loans	j	36,594	24,941	4,800	18,000
Total current liabilities		**74,721**	**46,274**	**67,887**	**61,640**
Non-current liabilities:					
Bonds	k	7,050	-	-	-
Obligations under finance leases		549	108	-	-
Deferred income tax		799	842	912	912
Long-term bank loans	j	797	-	-	-
Total non-current liabilities		**9,195**	**950**	**912**	**912**
Minority Interest		726	485	-	-
Capital and reserves:					
Issued capital		23,922	15,829	23,922	15,829
Capital Redemption Reserve		22	22	22	22
Share premium reserve		36,860	42,098	36,860	42,098
Foreign currency translation reserve		(253)	544	-	-
Accumulated profits		63,261	32,946	11,094	9,667
Total equity		**123,812**	**91,439**	**71,898**	**67,616**
Total liabilities and equity		**208,454**	**139,148**	**140,697**	**130,168**

(a) Trade Receivables

The trade receivables turnover is 40 days for the 9 months period ended 30 September 2004 (30 Jun 2004: 48 days, 31 Mar 2004: 70 days, 31 Dec 2003: 88 days) and the trade receivables aging is as follows:-

Trade Receivables Aging	1 – 30 Days	31 - 60 Days	61 - 90 Days	Over 90 Days	Total
As at 30 September 2004	72%	7%	7%	14%	100%
As at 30 June 2004	59%	8%	16%	17%	100%
As at 31 March 2004	65%	18%	2%	15%	100%
As at 31 December 2003	57%	21%	11%	11%	100%

Included in trade receivables of the Group as at 30 September 2004 are receivables arising from DMS activities amounting to $25.7 million (30 Jun 2004: $15.9 million, 31 Mar 2004: $12.3 million, 31 Dec 2003: $6.8 million).

(b) Other Receivables and Prepayments

Included in Other Receivables are mainly deposits for rental and utilities ($5.1 million), prepayments ($1.4 million), advance to an investee company ($0.7 million).

(c) Inventories

Included DMS inventories amounting to $13.8 million (30 Jun 2004: $11.4 million, 31 Mar 2004: $5.9 million, 31 Dec 2003: $5.3 million).

Inventories turnover is 36 days for the period ended 30 September 2004 (30 Jun 2004: 51 days, 31 Mar 2004: 86 days, 31 Dec 2003: 136 days).

(d) Investment in associated companies

This represents cost of investment in Allpro International Limited, Mobile CCS Holdings Pte Ltd and 2 other associated companies incorporated in PRC.

(e) Other investments

The increase is mainly due to investment in bonds of Ventures Management Solutions Pte Ltd (30 September 2004: $10.0 million, 30 June 2004: $5 million).

(f) Other Goodwill

The increase mainly arose from acquisitions of the following businesses during 2nd quarter of 2004 by one of our subsidiaries, Distribution Management Solutions Pte Ltd (“DMSPL”):-

- Menel Pte Ltd
- Super Mobile Pte Ltd
- PC (Singapore) Pte Ltd

(g) Goodwill on consolidation

The increase mainly arose from consolidation of results of the following subsidiaries:-

- Shanghai ACCS Forte Science & Technology Co., Ltd
- ACCS PRC Limited (formerly known as “Porter Profits Limited”)
- Ucom Technologies Private Ltd
- iDistribution Pte Ltd

(h) Trade Payables

Trade payables turnover is 24 days for the 9 months ended 30 September 2004 (30 Jun 2004: 32 days, 31 Mar 2004: 45 days, 31 Dec 2003: 66 days).

(i) Other Payables

Included in Other Payables is mainly accrued deferred consideration ($5.0 million) and accrued operating expenses ($7.6 million).

The increase is mainly due to deferred consideration from acquisition of certain subsidiaries.

(j) Bank Loans

The bank loans of the Group are drawn down for the following:-

	Sep-04	**Dec-03**
	$'000	**$'000**
Investment in PRC	11,195	11,459
DMS activities	25,000	12,682
Expansion in India	1,196	800
Total	**37,391**	**24,941**

(k) Bonds

This relates to unsecured convertible bonds issued by DMSPL to PLE Investments Pte Ltd ($3.9 million), M-Commerce Ventures Pte Ltd ($2.9 million) and EDB Ventures Pte Ltd ($0.2 million), and has a maturity period of 3 years. These bonds are convertible into 10 percent of the total issued and paid-up capital of DMSPL prior to the proposed IPO of DMSPL.

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30 September 2004		As at 31 December 2003	
Secured ($'000)	Unsecured ($'000)	Secured ($'000)	Unsecured ($'000)
5,885	30,996	7,143	18,000

Amount repayable after one year

As at 30 September 2004		As at 31 December 2003	
Secured ($'000)	Unsecured ($'000)	Secured ($'000)	Unsecured ($'000)
1,346	7,050	108	Nil

Details of collateral

The bank loans amounting to $7,591,000 (31 December 2003: $6,941,000) of the Group are secured by fixed deposits of $4,970,000.

Finance lease is secured by the fixed assets acquired under the lease arrangement.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year

		Q3-04	Q3-03	YTD Sep-04	YTD Sep-03
		$'000	$'000	$'000	$'000
Cash flows from operating activities:					
Profit before income tax		13,164	6,030	32,488	15,104
Adjustments for:					
Depreciation expense		1,204	666	3,408	1,838
Interest expense		343	101	1,053	161
Interest Income		(34)	(44)	(105)	(119)
Loss/(Gain) on disposal of plant and equipment		99	-	122	(4)
Plant and equipment written off		58	-	61	19
Amortisation of goodwill		650	162	1,723	520
Operating profit before working capital changes		15,484	6,915	38,750	17,519
Trade receivables		(5,990)	(1,527)	(6,899)	(3,306)
Other receivables and prepaid expenses		(1,080)	(7,295)	3,818	(6,644)
Inventories		(416)	(184)	(4,023)	(1,223)
Trade payables		212	1,998	(1,614)	1,987
Other payables		(4,574)	2,297	(4,082)	(1,718)
Cash generated from operations		3,636	2,204	25,950	6,615
Interest received		34	44	105	119
Income tax (paid) / refund		(391)	128	(1,456)	(2,475)
Net cash from operating activities		3,279	2,376	24,599	4,259
Cash flows from investing activities:					
Purchase of plant and equipment		(3,021)	(1,096)	(6,007)	(5,667)
Proceeds from disposal of plant and equipment		-	-	-	4
Reversal of/(Deposits) for investments		-	(1,426)	-	(3,884)
Acquisition of subsidiaries	**A**	(1,497)	-	(2,360)	-
Purchase of businesses	**B**	(217)	-	(13,303)	(2,403)
Purchase of other investments	**C**	(5,000)	(500)	(10,000)	(542)
Purchase of investments in associated companies	**D**	(3,250)	-	(3,395)	-
Payment of deferred purchase consideration		-	-	-	(3,932)
Net cash used in investing activities		(12,985)	(3,022)	(35,065)	(16,424)
Cash flows from financing activities:					
Proceeds from issuing shares		2,855	20	2,855	27,427
Interest Paid		(343)	(101)	(1,053)	(161)
Proceeds from issuing shares to minority shareholders		-	-	-	219
Decrease in finance lease		(73)	(17)	(219)	(95)
Proceeds from short term loan		8,674	3,485	10,983	7,130
Net cash from financing activities		11,113	3,387	12,566	34,520
Net effect of exchange rate changes in consolidating subsidiaries		325	(899)	(844)	(420)
Net increase in cash		1,732	1,842	1,256	21,935
Balance at beginning of year / period		27,194	25,875	27,670	5,782
Balance at end of period	**E**	**28,926**	**27,717**	**28,926**	**27,717**

Notes to the consolidated cash flow statements

A. Summary of effects of acquisition of subsidiaries as at 30 September 2004:

	$'000
Cash	2,125
Other current assets	27,033
Current liabilities	(31,383)
Net current assets	(2,225)
Non current assets	1,936
Goodwill on acquisition of subsidiaries	24,043
Minority interest share in net assets	(70)
Purchase consideration discharged by cash	23,684
Less:	
Deferred consideration	(4,953)
Advance payments made in prior year	(14,246)
Less: cash of acquired subsidiaries	(2,125)
Net cash outflow from acquisition of subsidiaries	2,360

B. This relates to acquisitions of various businesses by DMSPL.

C. This relates to the investment in bonds of Ventures Management Solutions Pte Ltd.

D. This relates to investment in Mobile CCS Holdings Pte Ltd.

E. Cash at end of period in the consolidated cash flow statement comprise the following balance sheet amounts:-

	Sep-04 $'000	Sep-03 $'000
Cash and cash equivalents	33,896	28,717
Less: Cash and cash equivalents subject to restriction	(4,970)	(1,000)
	28,926	27,717

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group (9 months Ended September 2003)	Issued Capital (ordinary shares) $'000	Capital redemption reserve $'000	Share Premium $'000	Foreign currency translation reserve $'000	Accumulated profits $'000	Total $'000
Balance at January 1, 2003	5,000	22	-	(299)	17,357	22,080
Allotment and issue of new ordinary shares						
Pursuant to pre-invitation ESOS	799	-	4,201	-	-	5,000
Conversion of redeemable preference shares	823	-	174	-	-	997
Conversion of redeemable convertible bond	1,366	-	17,634	-	-	19,000
Bonus issue	5,591	-	-	-	(5,591)	-
Public issue	2,250	-	22,050	-	-	24,300
IPO Expenses	-	-	(1,873)	-	-	(1,873)
Net profit for the period	-	-	-	-	12,827	12,827
Foreign currency translation	-	-	-	(420)	-	(420)
Balance at September 30, 2003	15,829	22	42,186	(719)	24,593	81,911
Group (9 months Ended September 2004)						
Balance at January 1, 2004	15,829	22	42,098	544	32,946	91,439
Net profit for the period	-	-	-	-	30,315	30,315
Bonus issue	7,915	-	(7,915)	-	-	-
Pursuant to ESOS	178	-	2,677	-	-	2,855
Foreign currency translation	-	-	-	(797)	-	(797)
Balance at September 30, 2004	23,922	22	36,860	(253)	63,261	123,812
Company (9 months Ended September 2003)						
Balance at January 1, 2003	5,000	22	-	-	11,252	16,274
Allotment and issue of new ordinary shares						
Pursuant to pre-invitation ESOS	799	-	4,201	-	-	5,000
Conversion of redeemable preference shares	823	-	174	-	-	997
Conversion of redeemable convertible bond	1,366	-	17,634	-	-	19,000
Bonus issue	5,591	-	-	-	(5,591)	-
Public issue	2,250	-	22,050	-	-	24,300
IPO Expenses	-	-	(1,873)	-	-	(1,873)
Net profit for the period	-	-	-	-	4,987	4,987
Balance at September 30, 2003	15,829	22	42,186	-	10,648	68,685
Company (9 months Ended September 2004)						
Balance at January 1, 2004	15,829	22	42,098	-	9,667	67,616
Net profit for the period	-	-	-	-	1,427	1,427
Bonus issue	7,915	-	(7,915)	-	-	-
Pursuant to ESOS	178	-	2,677	-	-	2,855
Balance at September 30, 2004	23,922	22	36,860	-	11,094	71,898

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year

The ACCS Share Option Scheme 2003 (the "Scheme") was approved and adopted by members at the Extraordinary General Meeting held on 13 January 2003. The price at which a participant of the Scheme shall subscribe for each share upon the exercise of an option was determined based on the average closing prices of the shares for each of the last five market days immediately preceding the date of grant of the options ("Date of Grant"). The vesting period of the options commences on the date not earlier than the first anniversary of the Date of Grant and expires on the tenth anniversary of the Date of Grant.

On 26 February 2004, the Company announced a bonus issue in the capital of the Company on the basis of one (1) bonus share for every two (2) existing ordinary shares held ("Bonus Issue"). The Bonus Issue was approved by shareholders at an extraordinary general meeting of the Company on 14 April 2004. As such, the number of share options granted and the subscription price has been adjusted to reflect the Bonus Issue in accordance with the rules of the Scheme.

The share options granted and exercised during the financial year and share options outstanding as at September 30, 2004 under the Scheme were as follows:

Date of grant	Balance at January 1, 2004 or later at date of grant	Exercised	Lapsed/ Cancelled	Balance at Sep 30, 2004	Subscription price	Expiry date
September 17, 2003	14,055,000	(7,138,000)	(534,000)	6,383,000	$0.40	September 16, 2013
April 14, 2004	28,210,500	-	(157,500)	28,053,000	$0.651	April 13, 2014

2. Whether the figures have been audited, or reviewed and in accordance with which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed by auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Applied consistently

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

Not applicable

6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	YTD Sep-04 cents	YTD Sep-03 cents
EPS (based on consolidated net profit attributable to shareholders)		
- basic	3.19	1.40
- fully diluted	3.18	1.40

Basic earnings per ordinary share is computed based on the weighted average number of shares in issue during the period of 950,026,202 (30 September 2003: 913,776,327) of $0.025 each.

Fully diluted earnings per ordinary share is computed based on the weighted average number of shares during the period adjusted for the effect of all potential dilutive ordinary shares of 954,725,483 (30 September 2003: 915,346,327) of $0.025 each.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	30-Sep-04 cents	31-Dec-03 cents	30-Sep-04 cents	31-Dec-03 cents
Net Tangible Assets Value (NTA) per share	7.86	8.14	7.41	7.01

The NTA per Share as at 30 September 2004 is calculated based on 956,881,475 (31 Dec 2003: 949,743,475) ordinary shares of $0.025 each.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

The Group operates in two business segments – after market services ("AMS") and distribution management solutions ("DMS").

Revenue

Revenue of the Group has increased by $177.1 million or 270%, from $65.6 million for the period ended 30 September 2003 to $242.7 million for the period ended 30 September 2004.

Breakdown of the Group's revenue by business segment is as follows:-

	Q3-04 $'000	Q3-03 $'000	YTD Sep-04 $'000	YTD Sep-03 $'000	Q3 %	YTD %
AMS	38,320	21,948	102,335	55,890	75%	83%
DMS	82,434	5,220	145,066	9,740	1479%	1389%
	120,754	**27,168**	**247,401**	**65,630**	344%	277%
Less:						
Elimination of inter-company transactions	(1,528)	-	(4,686)	-		
Group Revenue	**119,226**	**27,168**	**242,715**	**65,630**	339%	270%

AMS revenue has increased by 83% to $102.3 million, up from $55.9 million for the 9 months ended 30 September 2003. Compared against corresponding quarter in 2003, AMS revenue has increased by 75% or $16.4 million in Q3 2004. The increase in AMS revenue is mainly attributed to the rapid expansion of the Group's regional AMS network, from 160 service centres as at 30 September 2003 to 381 service centres as at 30 September 2004. In addition, the increase in out-warranty revenue has contributed to the growth of the Group's AMS revenue.

DMS revenue surged 1389% to $145.1 million, up from $9.7 million for the 9 months ended 30 September 2003. The significant increase was due to the contribution from the various retail and distribution businesses which was acquired by DMSPL in 2Q 2004. On a quarter-to-quarter basis, DMS revenue has increased by $77.2 million or 1479%. DMS revenue now accounts for 58.6% of the Group's revenues (before elimination of inter-company transactions), up from 49.5% as of June 2004 and 14.8% as of September 2003.

Profit before income tax

Pretax profit of the Group for the period ended 30 September 2004 has increased by $17.4 million, mainly due to increase in revenue as explained in above paragraphs. Pretax margin stood at 13.4% as of 30 September 2004, down from 23.0% for the 9 months ended 30 September 2003. Please refer to following paragraphs for analysis of fluctuation of AMS and DMS margin.

Breakdown of the Group's profit before income tax by business segment is as follows:

	Q3-04 $'000	Q3-03 $'000	YTD Sep-04 $'000	YTD Sep-03 $'000	Q3 %	YTD %
AMS	10,249	5,694	24,047	14,162	80%	70%
DMS	2,915	336	8,441	942	768%	796%
	13,164	**6,030**	**32,488**	**15,104**	118%	115%

AMS profit before tax margin stood at 23.5% as of 30 September 2004, down by 1.8% pt as compared to 25.3% as of September 2003. This is mainly due to decrease in other operating income, in particular management and advisory fee, royalty income and foreign exchange gain.

DMS profit before tax margin has decreased by 3.9% pt, from 9.7% for the period ended 30 September 2003 to 5.8% for the 9 months ended 30 September 2004. The decrease is due to increased contribution from the retail, distribution and trading businesses (acquired in 2Q 2004) which has a lower profit margin as compared to logistics business, from which DMS profit in 2003 were mainly derived.

Cash flows

Please refer to notes for cash flow statement.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

In the third quarter of 2004, the Group continued to grow its AMS business. As at 30 September 2004, the Group's network of 381 service centres comprises 211 dedicated-brand centres (in 211 physical locations) and 170 authorised service centres located in multiple-brand service hubs (in 46 physical locations) in 147 cities/towns across 15 countries/territories. The network covers a total of 36 brands, namely Alcatel, BenQ, Bird, CECT, Cosun, Daxian, DBTel, Dopoda, Emol, Fengda, Gtran, Haier, Hisense, Hyundai, ikomo, InFocus, Kyocera, Lenovo, LG, Motorola, Mitsubishi, NEC, Nokia, O_2, Panasonic, Philips, Psion, Sagem, Samsung, Sendo, Sharp, Siemens, Sony Ericsson, Soutech, TCL and Toshiba.

	As at 30 Sep 2004	As at 30 Jun 2004
Brands	36	35
Service Centres	381	369
Repair Management Centres	668	668
Countries/Territories	15	15
Cities/Towns	147	144
Staff	2,400*	2,288

** estimated*

The increase in the number of centres were mainly from the set-up of new service centres for Nokia in India as we commence the roll-out of a nationwide network for Nokia. Two new brands, namely InFocus (one centre in Australia) and Mitsubishi (4 authorised service centres in Malaysia), were added to the Group's stable. The Group has also ceased the provision of AMS for Tel.Me, an Austrian-based manufacturer, in India. In addition, following the appointment of ACCS as Nokia's exclusive service partner in Singapore in April 2004, the Group has also consolidated the number of Nokia service centres in Singapore to enhance operational efficiency.

The AMS business is expected to benefit from continuing outsourcing of AMS by manufacturers and telco operators of mobile communication devices. As one of the largest independent AMS providers in Asia Pacific, ACCS is able to provide its partners with extensive reach in terms of network coverage, leading technical and engineering expertise and a commitment to high level of customer service standards. The recent award of 3G contracts by Hutchison and LG in Australia testifies to ACCS' capability to offer AMS for emerging technologies, where higher system complexity also demands that the service partner invests in the latest diagnostics, testing and repair equipment.

India and PRC will be the markets to drive our future growth. In India, where current mobile penetration rate is still very low, lower import tariffs as well as continued economic strength have encouraged telco operators and manufacturers to expand aggressively. The Group has made considerable progress, having already set-up a nationwide network for Motorola earlier this year and it expects to complete the rollout of the Nokia nationwide network in 4Q2004. This should position ACCS favorably with other global manufacturers looking to enlarge their presence in India.

The AMS market in the PRC is highly fragmented with many AMS players, including the retailers, distributors and manufacturers. The market opportunity for the Group in the PRC is to help drive the consolidation of the AMS industry by forging strategic alliances with key players there. The Group is currently in discussions with potential strategic partners for its expansion in the PRC market.

The Group has successfully integrated the operations of the various businesses within its DMS unit and is pleased to announce that DMSPL has submitted a listing application to the Singapore Exchange Securities Trading Limited in October 2004. For the nine months ended 30 September 2004, DMSPL accounted for 58.6% of Group's revenues and 22.1% of Group pretax profits. The DMS group of companies, which is engaged in the distribution and retail of mobile communication devices and provision of logistics management services, operates a network of 49 retail outlets across Singapore as at 30 September 2004 and distributes to over 100 retail outlets, including its own 49 retail outlets. The DMS group also provides fulfillment and management services in respect of six retail outlets in Thailand.

The Group has demonstrated its ability to identify and nurture new businesses, as in the example of DMSPL. It will continue to actively seek out new and promising related businesses to broaden its earnings base and augment future growth.

Given the positive operating and business environment, the Directors remain optimistic of the Group's prospects in the next reporting season as we continue to build upon our market position as the AMS partner of choice in the Asia-Pacific region.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Name of Dividend	NA
Dividend Type	
Dividend Rate	
Par value of shares	
Tax Rate	

(c) Date payable

NA

(d) Books closure date

NA

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared/recommended for the period ended 30 September 2004 (30 September 2003: $nil).

BY ORDER OF THE BOARD

Woo Kah Wai
Company Secretary

28 October 2004
Singapore