

PRESS RELEASE

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ACCS continues robust performance with 35% growth in net attributable profit to \$7.7 million

- *Revenue jumps 23% to \$38.5 million despite challenging business environment in first six months*

Financial Highlights	6 months to 30 June 03			6 months to 30 June 02	Change (%)
	Q1	Q2	1H		
Revenue	\$15.8 m	\$22.7 m	\$38.5 m	\$31.3 m	23
Profit Before Tax	\$3.5 m	\$5.6 m	\$9.1 m	\$7.3 m	24
Profit After Tax and Minority Interests	\$3.0 m	\$4.7 m	\$7.7 m	\$5.7 m	35

SINGAPORE – 31 July 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, continues to improve its performance in the second quarter with a 44% and 57% growth in revenue and net attributable profit respectively compared with the first quarter. For the six months ended 30 June 2003, net attributable profit grew by 35% compared with the same period last year.

Despite the challenging business environment in the Asia Pacific region, the strong half-year’s performance was achieved on the back of a 23% increase in turnover to \$38.5 million compared to \$31.3 million for the same period last year.

The growth in revenue was mainly attributed to an increase in business volume from both existing and new centres, contributions from Third Party Logistics (3PL) operations, and contributions from repair management activities. Since 30 June 2002, the Group has almost doubled its network of service centres from 77, to 145 as at 30 June 2003. The number of repair management centres has also increased from 110 to 168 during the same period.

The Group's bottomline also benefited from higher contributions of other operating income from management and corporate advisory fees, royalty, foreign exchange adjustment gains, as well as tax savings. ACCS was awarded the Business Headquarters status in September 2002 which provides for a lower tax rate.

Earnings per share for the 6 months ended 30 June 2003 grew 22.9% to 1.29 cents from 1.05 cents for the same period last year. Net tangible assets per share as at 30 June 2003 was 10.25 cents.

"Looking ahead, with the continuing trend of consolidation in the fragmented AMS industry, the rapid growth of colour screens, camera phones and other new innovations in the mobile communication devices industry, we are confident that ACCS, with its established track record and strong regional presence in 14 countries, is equipped to provide AMS for these increasingly sophisticated high-tech consumer products," commented Mr Victor Tan, Managing Director and CEO of ACCS.

As at 31 July 2003, the Group operates a total network of 156 service centres in 42 cities/towns across 14 countries/territories. The Group also manages a network of 168 repair management centres on behalf of its partners.

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 16 global mobile communication device manufacturers, namely Alcatel, Audiovox, Haier, Hyundai, Kyocera, LG, Motorola, NEC, Nokia, O₂, Panasonic, Philips, Sagem, Samsung, Sendo, Siemens and Sony Ericsson, and five Chinese handset manufacturers including Bird, CECT, Daxian, Haier and TCL.

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