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**Updates On Interim Performance  
For Six Months Ended 30 September 2008**

**SINGAPORE – 15 October 2008 – Willas-Array Electronics (Holdings) Limited** (“Willas-Array” or “The Group”), one of the largest Hong Kong-based distributors of electronics components in the Asia Pacific region, today issued a business update in anticipation of the Group’s results announcement for the six months ended 30 September 2008 (“1H2009”).

Following a preliminary assessment of the Group’s financial results, the Board of Directors of Willas-Array would like to advise shareholders that the Group expects lower profitability for 1H2009 as compared to the corresponding period last year (“1H2008”).

The Group’s 1H2009 financial performance has been impacted by the weaker global consumer electronics sector, triggered by the slowdown in the global economy. While sales for 1H2009 is expected to remain at approximately the same level achieved in 1H2008, the Group anticipates a decline in profit after tax due to margin erosion stemming from a lower demand for various electronic components.

Willas-Array has earlier stocked up its inventory to intensify its penetration in the China market. However, the recent global financial crisis has caused many electronic manufacturers to take a more prudent stance and reduce or delay their electronics components orders. To maintain an optimal inventory level as well as healthy cash flow and reserves, Willas-Array has made a deliberate move to clear the excess inventory by selling the components at a lower price, which in turn affected profit margins.

Notwithstanding the uncertain global economic outlook, the Group remains committed to alleviating the impact of the current softening of the economy by continuing to look for business opportunities and avenues of growth, as well as implementing stringent cost saving measures.

The Group also wishes to assure its shareholders that the management is closely monitoring the situation so as to respond effectively to market changes and opportunities.

***About Willas-Array Electronics (Holdings) Limited***

*Established in the early 1980s and listed on the Main Board of the Singapore Exchange in 2001, Hong Kong-based Willas-Array is principally engaged in the distribution of active and passive components for use in the audio/video, telecommunications, industrial, consumer and computer segments. Backed by long-standing relationships with over 20 reputable Principals, Willas-Array carries a wide product mix, distributing and marketing in excess of 10,000 product items which cater to over 2,000 active customers. Its main markets are in Hong Kong and China.*

*In China, Willas-Array has established a network of offices strategically located in Beijing, Tianjin, Qingdao, Shanghai, Chengdu, Xiamen, Shenzhen and Guangzhou. It has subsidiaries in the Free Trade Zones in Shanghai and Shenzhen, both of which serve as logistics centres for the Group in North and South China respectively. In South Korea, Willas-Array has a subsidiary, which commenced operations in May 2002.*

*In February 2005, Willas-Array established a wholly-owned subsidiary in Taipei, Taiwan. The purpose of this subsidiary is to tap on the growing number of large electronic manufacturers in Taiwan doing business in China.*

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