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**Updates On Performance For Full Year Ended 31 March 2009**

**SINGAPORE – 17 April 2009** – The Board of Directors of **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, wishes to update shareholders that, following a preliminary assessment of the Group’s financial results, the Group expects to register a loss for the full year ended 31 March 2009 (“FY2009”).

Willas-Array’s financial performance, like many companies worldwide, has been impacted by the global financial crisis. The significant downturn in the global consumer electronics sector has caused the Group to witness a decline in 2H2009 sales as its customers experienced substantially lower demand for electronic products and hence, placed fewer orders for the Group’s electronics components. This compares with an 8% increase in sales in 1H2009.

In addition, margins have been squeezed due to stiffer pricing as the Group competed with its peers to sell off excess inventory at low prices.

Notwithstanding this, the Group wishes to assure shareholders that the fundamentals and business operations of Willas-Array remain intact. The Group remains financially sound with a healthy cash balance and continues to enjoy a strong cash flow, which is essential for any business to operate smoothly. Inventory has been reduced to an optimal level, while receivables balance remains steady with insignificant bad debts to date.

At the same time, the Group is committed to do its utmost to reduce the impact of the softening economy. Willas-Array has undertaken stringent cost controls and implemented

various cost cutting measures to keep its expenses in line with the decrease in sales. These include a reduction in staff costs via no-pay leave, as well as other costs such as entertainment and traveling expenses etc.

In anticipation of a worldwide credit crunch, the Management of Willas-Array had, since late 2007, gradually secured additional financing and credit facilities. This has enabled the Group to maintain a strong cash position and sufficient working capital even in this difficult business environment. It also positions Willas-Array to benefit from a market turnaround as the Group has the financial strength to stock up on inventory and be among the firsts to act once demand for consumer electronics picks up.

While it expects more challenging times ahead for the global electronic components industry, the Group is confident of its ability to weather the economic crisis as it continues to proactively monitor and respond to the market situation, sharpen its material and resource planning, as well as tighten its cost, credit and inventory controls. At the same time, the Group will continue to leverage on its capabilities and actively look out for opportunities in the PRC which can further extend the depth and breadth of its market presence. Additionally, further business opportunities may be created for Willas-Array as a result of the Chinese government's 4 trillion yuan stimulus package aimed at boosting domestic demand.

Further details of Willas-Array's FY2009 financial performance will be disclosed when the Company announces its full-year financial results in the final week of May 2009.

***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, Zhongshan, 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 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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