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## Willas-Array's FY2011 net profit rises 22.0% to HK\$86.0 million

- Revenue up 29.1% to HK\$3.8 billion
- Strong performance attributable to Group's focused strategy in China
- Recommends a first and final dividend of 1.65 Singapore cents

<i>Financial Highlights in HK\$'m</i>	<b>12 months ended 31 March</b>		
	<b>FY2011</b>	<b>FY2010</b>	<b>% Change</b>
<b>Revenue</b>	<b>3,797.1</b>	<b>2,940.8</b>	<b>29.1</b>
<b>Gross profit</b>	<b>385.7</b>	<b>314.2</b>	<b>22.7</b>
<b>Profit before tax</b>	<b>110.0</b>	<b>83.5</b>	<b>31.8</b>
<b>Profit attributable to shareholders</b>	<b>86.0</b>	<b>70.5</b>	<b>22.0</b>

**SINGAPORE – 26 May 2011 – 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 reported 22.0% growth in net profit attributable to shareholders to HK\$86.0 million for the full year ended 31 March 2011 (“FY2011”), from HK\$70.5 million a year ago (“FY2010”).

This was achieved on the back of a 29.1% jump in revenue to HK\$3.8 billion in FY2011, from HK\$2.9 billion in FY2010.

Commenting on the Group's performance, Mr Lawrence Leung, Chairman of Willas-Array said, “Our focus in deepening the breadth and depth of our China market continues to work in our favor. We have recorded good growth in FY2011 due to our extensive reach in China which has allowed us to respond swiftly to the rebound in market demand in 2010. We have witnessed stronger consumer spending, stimulated by the Chinese

government's economic package. The US government's quantitative easing programs have also helped to regain confidence in the form of rising demand for consumer products worldwide."

Based on the latest full-year results, basic earnings per share for FY2011 rose to 27.75 HK cents, up from 22.75 HK cents in FY2010. Net asset value per share as at 31 March 2011 stood at 152.60 HK cents, as compared to 132.54 HK cents as at 31 March 2010.

To reward loyal shareholders, the Directors have recommended a first and final dividend of 1.65 Singapore cents per share which, if approved at the Annual General Meeting to be held on 28 July 2011, will be paid to shareholders on 19 August 2011.

### **Outlook**

The global electronics supply chain has been disrupted by the recent earthquake and nuclear crisis in Japan - a dominant supplier of electronic components to manufacturers worldwide. This has in turn caused a temporary inventory shortage worldwide.

"The recovery of the electronic components industry will depend on how fast the Japanese government can rebuild the affected areas caused by the Tsunami and earthquake, and their ability to keep the radiation in check. At the moment, there is a lot of uncertainty in terms of industry outlook and this is further exacerbated by rising oil prices, volatility in raw materials prices, rising staff cost and inflation in China," explained Mr Leung.

He added, "Although the market outlook remains uncertain, we will continue to zero in on factors which we can control to protect our industry position. This includes keeping up with our strong financial discipline and tight operational management, as well as maintaining a strong cash and liquidity position as we believe this will enable us to respond quickly to opportunities. By closely monitoring market conditions and implementing effective strategies, Willas-Array had weathered many challenges in the past, and emerged stronger after each cycle. Similarly, we are confident of tackling the challenges ahead. "

Operationally, the Group will continue to sharpen its material and resource planning, maintain strong relationships with quality principals, and deliver higher level of service to its customers via a wide range of creative product solutions.

***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, Chengdu, Guangzhou, Qingdao, Shanghai, Shenzhen, Tianjin, Xiamen, and Zhongshan. It has a subsidiary in the Free Trade Zone in Shanghai which serves as a logistics centre for the Group in North China.*

*Willas-Array also has a wholly-owned subsidiary in Taipei to tap on the growing number of large electronic manufacturers in Taiwan doing business in China.*

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