

AUTOMATED ANNOUNCES 2013 INTERIM RESULTS

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Ongoing Focus on Comprehensive IT Solutions & Services Business Strives to Provide Customers with High Valued-added Services

(Hong Kong, 26 August 2013) – **Automated Systems Holdings Limited** (“ASL” or “the Group”) (HKEx stock code: 771), a leading IT services provider in the region, announced its interim results for the six months ended 30 June 2013 (the “Review Period”).

During the Review Period, the revenue of the Group was HK\$808.4 million (same period in 2012: HK\$891.0 million). Gross profit margin and profit after income tax for the Review Period were 9.3% and HK\$9.7 million (same period in 2012: 12.2% and HK\$21.9 million). The decrease in profit after income tax was mainly due to increasingly prudent IT spending, rising operating costs and keener market competition which resulted in the reduction of gross profit. Basic earnings per share for the Review Period were HK 3.10 cents (same period in 2012: HK 7.05 cents).

The Group maintained a healthy balance sheet during the Review Period. As at 30 June 2013, the Group’s outstanding loans amounted to HK\$21.3 million and net cash stood at approximately HK\$85.6 million with a working capital ratio of 1.71:1. For the six months ended 30 June 2013, orders newly secured by the Group amounted to approximately HK\$839.0 million. As of 30 June 2013, the order book balance was approximately HK\$814.1 million.

Mr. Henry Hui, Chief Executive Officer of Automated Systems Holdings Limited said, “Although the Group’s performance for the first half of 2013 was affected by a multitude of factors, the Group continued to win various sizable orders, including infrastructure, solution and services projects from both the public and private sectors. The orders demonstrated that the Group’s leading position in the market remains strong. Moreover, benefitting from the rising regional IT demands related to cloud computing, data center and security, the Group kept on yielding encouraging results.”

For the Review Period, the product sales and service revenue were HK\$436.0 million and HK\$372.4 million, down 16.8% and up 1.4% respectively as compared with the corresponding period last year. Product sales and service revenue contributed 53.9% and 46.1% of the total revenue respectively, compared to 58.8% and 41.2% with the corresponding period last year. Private and public sector sales contributed 42.9% and 57.1% to revenue respectively, compared with 46.4% and 53.6% for the corresponding period last year.

In the public sector, the Group continued to secure numerous sizeable government or quasi-government projects, particularly on the development of Service-Oriented Architecture application, consultancy service on identity management, web accessibility as well as IT security risk assessment and security audit, for provision of quality public services and efficiency enhancement. It is worth noting that the Group stood out as the IT services provider who obtained the highest total contract value among numerous industry peers to provide quality professional services. This achievement signifies the Group’s competence in providing all-round professional services and superb technical expertise in implementing large government projects, as well as the continual trust and confidence from Hong Kong government.

In the private sector, the Group focused on managed services business, niche solutions and infrastructure businesses. With extensive domain knowledge, proven methodologies and track records, the Group reaped satisfactory results in managed services. During the Review Period, the Group won two significant managed services orders for the provision of network security upgrade for a Hong Kong's telecommunications operator and the revamp of core network for a wholly-owned subsidiary of a leading banking group in Hong Kong respectively. In addition, the Group successfully extended its deskside managed services into banking industry by providing such services to one of the oldest banks in mainland China in support of its 50 branches and offices in Hong Kong.

The Group continued to capitalise on regional opportunities. In March 2013, the Group's subsidiary in Thailand won a multi-million dollar project for the provision of infrastructure solutions to around 250 branches in 25 provinces of a renowned bank in Thailand on a multi-year basis. Benefitting from the rising regional IT demands related to cloud computing, data center and security, the Group continued to harvest satisfactory results. Such orders included the setup of private cloud infrastructure for a securities firm of a Japanese-based global financial institution in Hong Kong; completion of a container-based data center in Tianjin for one of the world's largest electronics contract manufacturers; as well as the provision of security solution of our wholly owned subsidiary, i-Sprint Innovation Pte Ltd, to a securities company in Thailand which is under an Asia's famous securities and investment broker.

During the Review Period, the Group and its parent company Beijing Teamsun Technology Co., Ltd. ("Teamsun") continued to create greater synergy. The Group secured a significant Hong Kong-mainland China project from a mainland security solutions supplier. The Group is responsible for providing IT infrastructure facilities for a renowned transportation operator in Hong Kong for its launch of a massive transportation system which will connect Hong Kong and mainland China with system completion in 2015. This project not only demonstrates satisfactory progress of the Group's cross-territories businesses, but also amplifies its strong domain knowledge in transportation industry.

Looking ahead, one of the Group's strategies will be its concentrated and continual efforts to grow the solutions and services businesses, develop self-owned Intellectual Property (IP)-based products, as well as provide customers with high value-added services.

The Group will focus on private cloud computing, security operation center (SOC), managed services and data center in view of their rising demand across the region. With regard to private cloud computing, ASL will further expand this business by investing more resources. For example, using IP developed from existing projects and replicating it for other customers, forging strategic partnership with product suppliers to integrate self-owned and Teamsun's products with market-ready products to offer common services.

Regarding managed services, the Group will vamp it up further so as to enhance its value chain for higher returns. By offering high value-added data center services such as business continuity service, maintenance support, system and network monitoring services as well as security managed service; the Group can use IT to help customers advance their business development. In addition, the Group will closely monitor regional opportunities in data center business and increase investment when timing is appropriate.

Leveraging the Group's experience and network of subsidiaries in the Asia Pacific region, together with Hong Kong as a center of excellence, the Group will continue its stated strategy to further strengthen the businesses in areas outside Hong Kong, such as mainland China, Macau, Taiwan, Thailand, Singapore and Malaysia. In July 2013, ASL won a project from the largest independent local bank in Hong Kong to provide infrastructure for its disaster recovery sites in Shanghai and Shenzhen.

Apart from focusing on traditional systems integration business, the Group will continue to actively explore business opportunities regarding niche solutions, and is currently formulating new business model to further tap into more regional opportunities. In Macau, the Group will closely monitor opportunities brought by the flourishing gaming and hospitality industry as more hotels and gaming tables are expected to be built in future. In view of the Group's significant market share of Baccarat Score Board system in Macau and track record of such system in other countries including USA, Vietnam, Australia and Singapore, together with the Group's 80% market share of playing card management system in Macau, ASL is confident that more and more casinos and hotels will opt for its gaming solutions as well as other IT services.

The implementation of aforementioned strategies is complemented by quality services. Automated Systems (HK) Limited, the wholly owned subsidiary of the Group, has already earned certifications, including ISO 9001, ISO 20000 and ISO 27001, with extensive coverage of service delivery, software development and internal processes. In March 2013, the sales operation division of this subsidiary earned ISO 9001 certification in the aspect of internal process management, which signifies our services are upgraded to a more comprehensive international standard. With its quality services, the Group was awarded the Hong Kong ICT Awards for its work on a project for Maxim's Caterers Limited in early 2013. We trust that such international certifications can enable the Group to provide more innovative and award-winning projects to satisfy the diverse needs of our customers.

Mr. Hui concluded, "We are re-aligning our business strategy to respond to market challenges by harnessing our solid foundations and core strengths built over 40 years. The Group will continue to optimise its human capital efficiency, reduce cost, improve services, as well as create greater synergies with Teamsun in a order to expand the Group's market coverage. We believe that we are responding rapidly to market changes and is implementing appropriate transformation so as to strengthen the Group's core competencies for long-term growth and enhance our competitive edge in the market."

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About Automated Systems Holdings Limited

Automated Systems (HK) Limited, a leading information technology (IT) services provider in the region, celebrates 40 years of commitment to innovation, service excellence and corporate social responsibility. It was founded in Hong Kong in 1973 and was listed on The Stock Exchange of Hong Kong Limited under the name of Automated Systems Holdings Limited ("The ASL Group" or "the Group") (Stock Code: 771) in November 1997. The ASL Group's ultimate controlling shareholder is Beijing Teamsun Technology Co., Ltd. whose shares are listed on the Shanghai Stock Exchange (Stock Code: 600410). The Group is a member of the Teamsun Group which recorded turnover with over RMB 5.0 billion and has over 5,000 employees. The ASL Group, consisting of Automated Systems (HK) Limited, ELM Computer Technologies Limited, CSA Automated (Macau) Ltd., Taiwan Automated Systems Ltd., Guangzhou Automated Systems Limited, ASL Automated (Thailand) Ltd. and i-Sprint Innovations Pte Ltd., offers professional information technology services to corporate clients worldwide, particularly in the Greater China and Asia Pacific covering Hong Kong, Mainland China, Taiwan, Macau, Thailand, Singapore and Malaysia, etc. After 40 years of success, the ASL Group has established its reputation as a leading information technology services provider in Asia Pacific.

The Group is dedicated to delivering a comprehensive one-stop service including applications and software development, consultancy, systems integration, maintenance support, help desk, outsourcing and training, security assessment service and managed security service (MSS) to corporate customers across all industries. With its strong commitment to quality services, the ASL Group has been winning well-known clients such as government agencies, prestigious universities, telecommunications giants, transportation enterprises, major financial institutions, and leading international corporations.

For more information, please visit our web page at <http://www.asl.com.hk>.

For press enquiries

Strategic Financial Relations Limited

Vicky Lee 2864 4834 vicky.lee@sprg.com.hk
Roby Lau 2114 4950 robby.lau@sprg.com.hk
Cassie Ng 2864 4864 cassie.ng@sprg.com.hk
Fax: 2804 2789 / 2527 1196 Website: www.sprg.com.hk