

## **GCPC - Greater China Precision Components Ltd.**

- 2010 Revenues RMB 305.1 mn. (EUR 34.6 mn.)
- 2010 Net profit RMB 33.0 mn. (EUR 3.7 mn.)

### **GCPC / 2010 Final Results**

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**SINGAPORE/HUIZHOU, 29 April, 2011:** GCPC (ISIN SG9999005052 / WKN A0MZS3 / Ticker 49G) publishes its final 2010 report and gives an outlook for fiscal year 2011.

In fiscal year 2010 GCPC achieved sales of RMB 305.1 mn., an increase of 24.1% compared to fiscal year 2009 (RMB 245.9 mn.). The increase can mainly be attributed to a higher sales volume from existing customers.

Gross profits came in at RMB 65.9 mn. (FY 2009: RMB 64.8 mn.). Gross profit margins were 21.6% compared to 26.3% in 2009. Decrease in gross profit margins was mainly due to an increase in labor costs and a decrease in average selling prices.

2010 net profits were RMB 33.0 mn. (Fiscal year 2009: RMB 31.8 mn.). The increase in net profit was mainly due to a net gain from disposals as well as fair value adjustments of financial assets.

GCPC reported a 2010 EPS of RMB 1.26 (Fiscal 2009: RMB 1.20).

For fiscal year 2010 the Board of Directors recommends to pay a final dividend of RMB 0.30 per share.

### **Outlook**

The globalization efforts of Chinese handset vendors, who are GCPC's major customers, have had a positive impact on GCPC's revenues in 2010 and will continue to do so in 2011. The intense competition within the handset industry is expected to continue to put pressure on average selling prices. Coupled with rising labor costs, GCPC expects gross margins to remain under high pressure in the first half of 2011.

However, GCPC plans to focus more on middle to high end products in order to alleviate the pressure of falling average selling price. This may lead an increase of gross profit margins in the second half of 2011. GCPC has already attracted international customers (such as Motorola and Amazon) placing orders for high end products. In addition, GCPC's on-going pursuit of other international handset vendors could eventually result in a direct working relationship in the second half of 2011.

Consequently, H1 2011 net profits might be marginally lower than in the corresponding period of 2010. However, GCPC remains cautiously

optimistic that revenues and net profits for the full year 2011 could still be better than in 2010.

For detailed information on GCPC please visit [www.greater-cpc.com](http://www.greater-cpc.com).

The Board of Directors / Singapore, 29 April 2011

**GCPC`s key figures for 2010 at a glance (in RMB mn.):**

(Conversion rate used is 1 EUR=8.8065 RMB per 31/12/2010)

	2010	2009	Change %
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Sales	RMB 305.1	245.9	24.1
Earnings before interest and taxes (EBIT)	RMB 38.4	36.7	4.6
Net profit	RMB 33.0	31.8	3.8
Basic earnings per share (EPS)	RMB 1.26	1.20	5.0
Gross profit margin	% 21.6	26.3	-17.9
Net profit margin	% 10.8	12.9	-16.3
Depreciation	RMB 20.8	12.7	63.8
Capital expenditures	RMB 30.4	96.2	-68.4
Number of employees (average)	2,200	2,008	9.6
Average number of shares (million)	26.3	26.4	-0.4
	2010	2009	Change %
Cash & cash equivalents	RMB 43.0	30.5	41.0
Other current assets	RMB 222.1	249.7	-11.1
Fixed Assets	RMB 260.4	251.3	3.6
Current liabilities	RMB 86.0	115.1	-25.2

*\*The calculation of the basic EPS for 2010 and 2009 is based on the weighted average number of ordinary shares in issue of 26,302,752 and 26,420,581, respectively.*

Financial Calendar

- Investor conference, Frankfurt, May 4, 2011
- Annual General Meeting, Huizhou, June 18, 2011
- Half year report 2011: Sept. 2, 2011 ([www.greater-cpc.com](http://www.greater-cpc.com))

Forward-looking statements:

This press release contains statements about future developments that are based on currently available information and may involve risks and uncertainties, the result of which may be that the actual results differ from the forward-looking statements. Statements about future developments must not be understood as guarantees. Future developments and results rather depend on a variety of factors, they contain various risks and imponderabilities and are based on assumptions that might turn out to be incorrect. For example, these include unforeseeable changes of the general political, economic, and social conditions.

About GCPC

GCPC ([www.greater-cpc.com](http://www.greater-cpc.com); ISIN: SG9999005052, Ticker: 49G) is one of the leading one-stop providers of mobile handset casings in China. GCPC's primary business is the manufacturing of spray painted mobile handset casings. As a one-stop service provider, GCPC provides its customers with services, such as product design development, molding and prototyping, raw materials and components procurement, plastic injection, spray painting and assembling

services. Substantially all of its products are sold to customers that are based in China, including electronics manufacturing service providers, or EMS for international brands of mobile handset original equipment manufacturers (OEMs). GCPC does not manufacture products under its own brand. GCPC operates its business primarily through its subsidiary, Green Precision Components (Huizhou) Co., Ltd in Huizhou City, Guangdong Province, China.