



IPC Corporation Ltd

23 Tai Seng Drive

IPC Building

Singapore 535224

Tel: +65 6744 2688 Fax: +65 6289 7308

www.ipc.com.sg

FOR IMMEDIATE RELEASE

Contact Information:

iGlobal Investor Relations Pte Ltd

Tel: 6438 1671 Fax: 6438 1672

ONG I Ling – iling@iglobal.com.sg

Joyce NG – joyce.ng@iglobal.com.sg

IPC's half year revenue leaps 45.4% to S\$28 million

- *Healthy net profit of S\$2.2 million, up from a net loss of S\$1.5 million*
 - *Net asset value rose to 28.3 Singapore cents per share*

| Financial Highlights (S\$'000) | 6 mths ended 30 June 2005 | 6 mths ended 30 June 2004 | % Change |
|--|--------------------------------------|--------------------------------------|-----------------|
| Revenue | 27,995 | 19,256 | 45.4 |
| Profit Before Tax | 2,476 | (1,434) | NM |
| Net Profit Attributable to Shareholders | 2,201 | (1,462) | NM |

SINGAPORE – 11 August 2005 – Mainboard-listed IPC Corporation Ltd (“IPC” or the “Group”), an IT and education specialist in Asia, today reported a healthy net profit of S\$2.2 million for the first six months of FY2005 ended 31 June 2005, a turnaround from a net loss of S\$1.5 million in the previous corresponding period.

Performance Review

For the first half of FY2005, the Group recorded a 45.4% surge in revenue to almost S\$28 million as compared to S\$19.3 million in the same period in FY2004. The rise in the Group's revenue was attributed to the increase of approximately 44% and 21% in sales from the property development project and Thin Computing respectively, together with 4.5% contribution from the newly acquired education business - Nanyang Institute of Management.

The Group's IT and education businesses contributed approximately 6.7% and 4.5% to revenue respectively, while the property investment business remained the main contributor to revenue, accounting for 88.8% of total revenue during the period.

Gross profit in 1HFY2005 doubled to nearly S\$6.3 million, as compared to less than S\$3 million during the same period in FY2004, boosted by an increase in the unit selling price of the property development project as well as income from the education business and the higher gross margin from Thin Computing.

"Looking ahead, we expect to see continued growth and contribution from our Thin Computing business by focusing on executing our R&D plans and internet marketing activities to bolster growth", said Mr Patrick Ngiam, Chairman and CEO of IPC.

"Although we do not expect our education business to contribute significantly in the current financial year as it is in the gestation period, the Group will seek investment opportunities to foster economies of scale for its education business whilst developing Nanyang Institute of Management," Mr Ngiam added.

The higher staff costs and general and administration expenses were offset by a reduction of 99.7% in the research and development costs and 30.2% selling and distribution costs. Staff costs increased by 27.0% mainly attributed to the Group's education business, Nanyang Institute of Management.

Research and development costs decreased by 99.7% as there were no amortisation charges on software development during the year; these had been fully amortised in the previous year. At the same time, selling and distribution costs fell 30.2% due to the reduction of promotional expenditure on properties in Zhuhai, China.

Barring any unforeseen circumstances, the Group expects continued contributions from the sales of the completed units of the property project.

###

About IPC Corporation Ltd

IPC Corporation Ltd (IPC or the Group) (www.ipc.com.sg), established in 1985 and listed since 1993 on the main board of the Singapore Exchange, has strategically metamorphosed into a multi-industry, services driven organization with interests in education, IT and investments.

The Education business is driven by *Nanyang Institute of Management (Nanyang)* (www.nanyang.edu.sg). Nanyang, a private education organisation in Singapore, has a 24,000 sqm campus-based infrastructure and focuses on academic teaching and learning, and vocational training. The institute offers Diploma, Advanced Diploma, undergraduate and post-graduate qualifications on a wide-spectrum of courses conducted through its four schools -- the School of Business, School of Nursing, School of Tourism & Hospitality and School of Language. EDB Investment (S) Pte Ltd, an investment arm of the Economic Development Board of Singapore, is a co-investor having 18.5% equity stake.

The Group's IT segment is primarily spearheaded by its subsidiary *ThinSoft (Holdings) Inc. (ThinSoft)* (www.thinsoftinc.com), a thin computing solutions provider listed on the Growth Enterprise Market (GEM) of the Stock Exchange of Hong Kong (Stock code: 8096).

Under investments, IPC is the developer of *Costa del Sol* (www.costadelsol.com.cn), a residential cum commercial property project in Zhuhai, PRC. The development is built on 170,000 sqm of land and comprises 1,610 units of apartments, houses, service apartments and retail units.

IPC has a strategic investment in AsiaPharm Group Ltd., a Bermuda-incorporated company listed on the main board of the Singapore Exchange (SGX). AsiaPharm's operating subsidiaries in the PRC are involved in the research, development, production and sale of western medicines.

-- END --