

IPC CORPORATION LTD

Press Release

IPC CORPORATION'S SUBSIDIARY, THINSOFT 2005 INTERIM RESULTS PRODUCE HK\$5.2 MILLION IMPROVEMENT IN PERFORMANCE OVER LAST YEAR. GROWTH AND PROFITABILITY CONTINUE FOR SECOND CONSECUTIVE QUARTER.

Software Sales accelerate in key European and American markets

Singapore, 11 August 2005 — THINSOFT (HOLDINGS) INC (the “Group”; HK GEM Stock Code: 8096) today released its unaudited interim results for the six months ended 30 June 2005 highlighting 23.2% growth in sales and a net profit of HK\$1.6 million which is HK\$5.2 million better than last year.

For the six months period ended 30 June 2005 the Group concluded its second successive quarter of improving sales and profitability. The Group's overall turnover for the period rose to approximately HK\$8.6 million compared to approximately HK\$7.0 million a year ago and the Group's interim report boasts a profit attributable to shareholders of approximately HK\$1.6 million -- a HK\$5.2 million improvement over last year.

Mr Bernard Ngiam, chairman of the Group stated, “We are very pleased with our steady profitability and strong sales growth particularly in key geographic markets such as Europe which contributed HK\$3.6 million or 42.2% of total sales for the period followed closely by the United States at HK\$2.9 million or 34% of total sales for the interim period.”

Gross profit margin for the period ended 30 June 2005 increased to 74.6% as compared with 12.7% in the corresponding previous period as the amortization of deferred development expenditures, which were a major component of the costs of sales in prior periods has been fully recognized in 2004.

The Group continues to be in a strong financial position. Cash and bank balances as at 30 June 2005 was approximately HK\$24.3 million and there were no bank borrowings.

Looking forward, Mr. Ngiam said, “As our traditional sales and marketing channels mature we shall be very proactive in placing a strong emphasis in the coming periods on further developing the Group's internet reach. We have recently undertaken to optimize our web advertising and messaging campaigns and ensure ease of access to the ThinSoft website for our potentially huge cyber customer base.”

About ThinSoft (Holdings) Inc:

ThinSoft (Holdings) Inc (the “Group”) is a leading global developer and distributor of Thin Computing Solutions (TCS) that reduce the Total Cost of Ownership (TCO) of IT operations. The Group has three flagship software product series, BeTwin, WinConnect and WinConnect Server XP that support applications running on the world's two most dominant operating systems Windows and Linux, as well as Sun Solaris.

ThinSoft (Holdings) Inc is listed on the Growth Enterprise Market (GEM) of the Stock Exchange of Hong Kong Limited. Its stock code on GEM is 8096. The Group’s subsidiaries are ThinSoft (USA) Inc in New York, USA, and ThinSoft Pte Ltd in Singapore.

About the products:

BeTwin is the Group's software product designed for the Windows platform, to turn one PC into as many as five - a host PC plus up to four virtual PCs. Each virtual PC station is easily created through the addition of a set of monitor, keyboard, mouse and speakers. BeTwin allows users of the virtual PC station to share the unused computing power of the host PC. BeTwin is a solution that brings dramatic cost benefits to the ownership of PCs in any multi-user environment. The BeTwin software product series include BeTwin 2000/XP.

WinConnect is a software product that the Group designed for the Linux operating system platform to enable Linux-based terminals to create a remote connection to run Windows applications. The WinConnect software product series include WinConnect Z and WinConnect S. WinConnect Z enables Linux-based PDAs to remotely access Windows applications while WinConnect S enables Solaris users to connect to a Windows server to run Windows applications over a network or via the Internet.

WinConnect Server XP is a versatile software that enables a Windows (Windows XP Home and Professional Editions or Windows Small Business Server 2003) computer or Host PC to allow multiple Remote Desktop Protocol (RDP) 4.0, 5.0 and 5.1-enabled Thin Client devices to connect to it to run Windows applications simultaneously and independently. The Thin Client devices include Terminals, Internet/Information Appliances, Tablet PCs and PDAs. The devices are linked to the Host PC over wired or wireless TCP/IP connections such as Local Area Network (LAN), Wide Area Network (WAN), Dial-up (Internet), Digital Subscriber Line (DSL, ADSL), Integrated Services Digital Network (ISDN), or Virtual Private Network (VPN) connection.

For more information on the Group’s software product series BeTwin, WinConnect and WinConnect Server XP, please visit the website www.thinsoftinc.com

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