

IPC CORPORATION'S SUBSIDIARY THINSOFT OPERATING PROFIT BEFORE TAX ROSE 21.9 PERCENT IN 2006 ON 18.2 PERCENT HIGHER SALES TURNOVER

Gross profit also stronger by 21.3 percent and year marked by milestone patent award for industry- leading thin computing software solution

Singapore, 8 February, 2007 — — THINSOFT (HOLDINGS) INC (the “Group”; HK GEM Stock Code: 8096) concluded the year ended 2006 reporting solid operating results for the period which were augmented by other significant accomplishments by the Group.

The Group’s turnover improved to HK\$20.6 million, an increase of HK\$3.2 million or 18.2 percent from the prior year as the ThinSoft software suites showed remarkable strength in the important United States market. Gross profit margins improved to 81.1 percent thereby contributing HK\$16.7 million to the Group’s gross profits. Pre-tax operating income rose 21.9 percent to HK\$6.3 million.

After tax profit attributable to shareholders for the year totaled \$4.8 million, off approximately HK\$3.5 million from last year. However, the majority of this difference was attributable to the favorable effect of tax credits in the year 2005 at the Group’s U.S. entity. This was the result of recognition of a Deferred tax asset in accordance with U.S. tax regulations. The Group notes that both the Deferred tax asset and the corresponding tax credit in 2005 were not cash items.

The Group remained in a strong financial position at 31 December 2006 with cash of approximately HK\$36 million compared to HK\$27.7 million last year. There was no bank borrowing in either year.

Group Chairman Bernard Ngiam stated, “In addition to demonstrating the strength and sustainability of our fundamental business in 2006, we also made significant advances in the Group’s marketing efforts and product deployments in key geographic markets during the year. Further, in the area of intellectual property development, I am extremely proud of the Group having been awarded a US patent for one of its key software products.”

In May 2006, ThinSoft announced it had been awarded patent number 7,030,836 by the US Patent and Trade Office in Washington, DC for its proprietary System and Method for Configuring a Multi-User Computer System.

Citing other successes in 2006, Mr. Ngiam stated, “ThinSoft intensified action plans during the year that were geared at improving Group customers’ overall experience with ThinSoft – starting with their initial contact with our representatives at trade shows or during pre-sales communications and finalizing with our care for them during any after-sales support interfaces. These positive encounters with customers pay tremendous goodwill and marketing dividends in today’s high-speed communications environment where word of these activities spread immediately throughout our global markets”.

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, 5.1, 5.2 and 6.0-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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Summary of key information:

	For the year ended 31 December	
	2006	2005
	HK\$'m	HK\$'m
Revenue	20.6	17.4
Gross profit		
- in HK\$'m	16.7	13.8
- in %	81.1%	79%
Net Profit	4.8	8.3
Earnings per share		
- basic	HK0.95cent	HK1.66cents
- diluted	HK0.92cent	HK1.60cents
Dividend	Nil	Nil
Cash and bank balances	36	27.7
Bank borrowings	Nil	Nil

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