

Fact Sheet

IT • Services • Innovation



Leading Sm@rt City in China

Company Profile

Digital China Holdings Limited ("Digital China" or the "Group"; Stock Code: 00861.HK; 910861.TW) is a leading integrated IT services provider in China. Digital China was listed on the main board of The Stock Exchange of Hong Kong Limited on 1 June 2001 following a spin off from the Legend Group. By integrating global resources in the IT industry, Digital China combines the variety of technical solutions with a full range of IT products to meet diverse needs for IT services arising from vertical industries, corporate customers, and individual users.

At present, Digital China has built a complete value chain in IT services that covers IT planning and consulting, design and implementation of solutions, outsourcing of IT system operation and maintenance, system integration, IT distribution and maintenance, providing integrated end-to-end IT services to its customers.

After its development in the first 10 years, Digital China has entered the 3rd Five-Year-Period and announced "Sm@rt City" strategy, which seeks to drive the novel urbanization process by facilitating collaboration and innovation through information technologies, notably cloud computing. Based on the "Sm@rt City" strategic blueprint, Digital China is making full-swing development in five major business areas to enforce the strategy and accomplish rapid business development. The five strategic paths of the "Sm@rt City" include industry application software and infrastructure, smart devices and mobile solutions, enterprise application and infrastructure, Sm@rt City operation service, Sm@rt City collaborative industry.



Market Facts

HKEX	00861.HK
52-week Price Range	HK\$ 8.07 (4 OCT 11) - HK\$ 16.12 (02 MAR 12)
Total Share Outstanding	1,092,110,581 (As at 01 MAR 12)
Free Float	70.2%
Market Capitalization	HK\$ 13 billion (As at 01 MAR 12)
TWEX	910861.TW
52-week Price Range	NT\$16.10 (05 OCT 11) - NT\$29.20 (15 APR 11)

Investment Highlights

- One of the pioneers in the industry with 20+ years of experience in China market
- Biggest market share in China, with an unparalleled network of over 12,000 channel partners
- Long established relationship with customers from major sectors
- Full coverage on customer segments, from individual consumers to key sectors
- Strategic partnerships with over 300 leading global IT vendors
- Integrated offerings from hardware distribution to software development to services
- Establish cloud computing and SaaS delivery capabilities

Core Businesses

Services Business (with a primary focus on Industry Market)

- Our Services Business is primarily focused on the provision of urban information infrastructure and Sm@rt City operation services targeted at large-scale industry customers, offering IT planning and IT systems consultation, design and implementation of industry application software and solutions, outsourcing of IT system operation and maintenance, as well as products and services in systems integration and maintenance

Supply Chain Services Business (with a primary focus on the markets of Hi-tech Industries, Branded e-Commerce and Online Service Providers and Platform Operators)

- Primarily targeted at manufacturers of IT and other high-value density products manufacturers and industry customers, e-commerce platform operators and branded service providers, providing "one-stop" supply-chain consultancy and execution in logistics, business flow, capital flow and information flow through various means, including the creation of e-commerce logistic parks.

Systems Business (with a primary focus on Industry and Enterprise Markets)

- Seeks to meet IT demand arising from the construction of urban information infrastructure as well as clients from the industry and enterprise market by way providing value-added distribution. We also make direct sales to regional customers to enhance first-hand understanding of the needs of the enterprise market.

Distribution Business (with a primary focus on SMB & Consumer Markets)

- Primarily focused on meeting the demand for IT products and solutions from SMB and consumer markets. We also develop businesses in new mobile internet devices and their applications under the Sm@rt City strategy.

Key Financial Figures

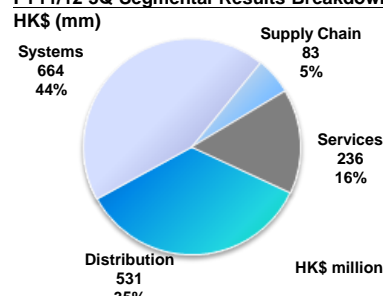
HK\$ million	FY11/12 3Q	FY10/11 3Q	YOY Change	FY11/12 Q3	FY10/11 Q3	YoY Change
Turnover	53,051	42,382	+25.17%	18,913	14,823	+27.59%
Gross profit margin (%)	7.52%	6.82%	+70bps*	7.56%	7.59%	-3bps*
Profit from operating activities	1,581	1,198	+31.96%	568	474	+19.74%
Net profit	1,051	829	+26.74%	386	292	+31.93%
Basic EPS (HK cents)	98.11	80.42	+22.00%	-	-	-

*bps=basic points

Key Financial Figures

	As of 31 December 2011	As of 31 December 2010
Current ratio	1.42X	1.45X
Capital Expenditures (HK\$ mm)	396	100
ROE(annualized)	21.35%	18.85%

FY11/12 3Q Segmental Results Breakdown



Contact Us

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