AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 771)

2008/09 THIRD QUARTERLY RESULTS ANNOUNCEMENT

This announcement is made pursuant to the disclosure obligation under Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The Board of Directors of Automated Systems Holdings Limited are pleased to announce the unaudited consolidated results of the Company and its subsidiaries for the nine months ended 31st December, 2008.

RESULTS

This announcement is made pursuant to the disclosure obligation under Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Board of Directors (the "Directors") of Automated Systems Holdings Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the nine months ended 31st December, 2008. The third quarterly financial statements have been reviewed by the Company's Audit Committee.

Condensed Consolidated Income Statement

		Unaudited Three months ended 31st December,		**Unaudited Nine months ended 31st December,**	
		2008	2007	**2008**	2007
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
TURNOVER	(3)	**320,526**	327,736	**1,054,053**	994,401
Cost of goods sold		**(154,126)**	(182,998)	**(545,026)**	(571,731)
Costs of services rendered		**(126,021)**	(109,881)	**(388,394)**	(315,080)
Other income	(4)	**1,823**	22,886	**6,218**	30,899
Selling expenses		**(21,625)**	(15,978)	**(58,101)**	(46,541)
Administrative expenses		**(10,351)**	(9,951)	**(32,431)**	(29,030)
Finance costs	(5)	**(1)**	-	**(4)**	(1)
Share of results of associates		**294**	36	**836**	194
PROFIT BEFORE TAXATION	(6)	**10,519**	31,850	**37,151**	63,111
Taxation	(7)	**(2,731)**	(2,199)	**(6,214)**	(7,724)
Profit for the period attributable to equity holders of the Company		**7,788**	29,651	**30,937**	55,387
EARNINGS PER SHARE	(8)				
Basic		**HK2.62 cents**	HK10.05 cents	**HK10.42 cents**	HK18.75 cents
Diluted		**HK2.62 cents**	HK9.95 cents	**HK10.39 cents**	HK18.52 cents

Condensed Consolidated Balance Sheet

	Notes	**Unaudited 31st December, 2008** *HK$'000*	Audited 31st March, 2008 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment	(9)	**197,487**	223,225
Intangible assets		**4,640**	4,138
Interests in associates		**1,336**	705
		203,463	228,068
CURRENT ASSETS			
Inventories		**96,378**	111,556
Trade receivables	(10)	**255,691**	191,488
Other receivables, deposits and prepayments		**86,993**	65,202
Short term bank deposits		**106**	100
Bank balances and cash		**279,375**	398,581
		718,543	766,927
CURRENT LIABILITIES			
Trade and bills payables	(11)	**146,016**	182,058
Other payables and accruals		**70,145**	75,920
Receipts in advance		**122,175**	139,392
Tax liabilities		**17,721**	6,362
		356,057	403,732
NET CURRENT ASSETS		**362,486**	363,195
TOTAL ASSETS LESS CURRENT LIABILITIES		**565,949**	591,263
NON-CURRENT LIABILITY			
Deferred taxation		**18,219**	23,142
		547,730	568,121
CAPITAL AND RESERVES			
Share capital		**29,723**	29,666
Reserves		**518,007**	538,455
Equity attributable to equity holders of the Company		**547,730**	568,121

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis except for properties, which are measured at revalued amounts.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31st March, 2008.

In the current period, the Group has applied, for the first time, the following amendments, new interpretations ("new Interpretations") issued by the HKICPA.

HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) – Int 12	Service Concession Arrangements
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

The adoption of these new Interpretations had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new or revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKAS 1 (Revised)	Presentation of Financial Statements[2]
HKAS 23 (Revised)	Borrowing Costs[2]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[3]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[2]
HKAS 39 (Amendments)	Eligible Hedged Items[3]
HKFRS 1 & HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[2]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[2]
HKFRS 3 (Revised)	Business Combinations[3]
HKFRS 8	Operating Segments[2]
HK(IFRIC) - Int 13	Customer Loyalty Programmes[4]
HK(IFRIC) - Int 15	Agreements for the Construction of Real Estate[2]
HK(IFRIC) - Int 16	Hedges of a Net Investment in a Foreign Operation[5]

[1] Effective for annual periods beginning on or after 1st January, 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1st July, 2009
[2] Effective for annual periods beginning on or after 1st January, 2009
[3] Effective for annual periods beginning on or after 1st July, 2009
[4] Effective for annual periods beginning on or after 1st July, 2008
[5] Effective for annual periods beginning on or after 1st October, 2008

The adoption of HKFRS 3 (Revised) may affect the accounting for business combination for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1st July, 2009. HKAS 27 (Revised) will affect the accounting treatment for changes in a parent's ownership interest in a subsidiary that do not result in a loss of control, which will be accounted for as equity transactions.

3. Turnover and Segmental Information

Turnover represents the net amount received and receivable for goods sold by the Group to outside customers, less returns and allowances and revenue from service contracts, and is analysed as follows:

	Unaudited Three months ended 31st December,		**Unaudited Nine months ended 31st December,**	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Sales of goods	**182,085**	209,470	**613,104**	625,368
Revenue from service contracts	**138,441**	118,266	**440,949**	369,033
	320,526	327,736	**1,054,053**	994,401

Approximate 90% of the Group's revenue is derived from the Hong Kong market, its major geographical segment based on location of customers. Although the Group sells computer products and provides a wide range of services, in the opinion of the Directors, all the sales of goods and provision of services are information technology ("IT") related and, in most of the time, are negotiated under a single contract with a single customer. Accordingly, the Directors consider that the Group is engaged in one single business segment, namely IT services.

4. Other Income

	Unaudited Three months ended 31st December,		Unaudited Nine months ended 31st December,	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Interest on bank deposits	**1,125**	2,155	**3,428**	7,116
Gain on disposal from available-for-sale investments	**-**	20,712	**-**	20,712
Dividend income from available-for-sale investments	**-**	-	**-**	2,313
Miscellaneous	**698**	19	**2,790**	758
	1,823	22,886	**6,218**	30,899

5. Finance Costs

The amount represents interest on bank borrowings wholly repaid during the period.

6. Profit before Taxation

	Unaudited Three months ended 31st December,		Unaudited Nine months ended 31st December,	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Profit before taxation has been arrived at after charging (crediting):				
Depreciation and amortisation:				
Property, plant and equipment	**7,019**	11,317	**31,273**	33,805
Intangible assets (included in costs of services rendered)	**267**	831	**918**	2,040
(Gain)/Loss on disposal of property, plant and equipment	**(9)**	(1)	**7**	66
Share-based payment expense	**330**	188	**889**	563

7. Taxation

	Unaudited Three months ended 31st December,		Unaudited Nine months ended 31st December,	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
The charge comprises:				
Current tax:				
Hong Kong Profits Tax	**2,593**	1,208	**10,392**	5,744
Overseas taxation	**142**	991	**745**	1,430
Deferred tax:				
Attributable to change in tax rate	**-**	-	**(138)**	-
Current year	**(4)**	-	**(4,785)**	550
Taxation attributable to the Company and its subsidiaries	**2,731**	2,199	**6,214**	7,724

Hong Kong Profits Tax is calculated at 16.5% (nine months ended 31st December, 2007: 17.5%) of the estimated assessable profits derived from Hong Kong for the period.

On 26th June, 2008, the Hong Kong Legislative Council passed the Revenue Bill 2008 which includes the reduction in corporate profits tax rate by 1% to 16.5% effective from the year of assessment 2008-2009. The deferred tax balance has been adjusted to reflect the tax rate that are expected to apply in the respective periods when the liability is settled.

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

8. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to equity holders of the Company is based on the following data:

	Unaudited Three months ended 31st December,		**Unaudited Nine months ended 31st December,**	
	2008	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Earnings for the purpose of basic earnings per share and diluted earnings per share	**7,788**	29,651	**30,937**	55,387

	Number of shares		**Number of shares**	
	2008	2007	**2008**	2007
	'000	*'000*	***'000***	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**297,006**	295,012	**297,006**	295,366
Effect of dilutive potential ordinary shares – Share options	**664**	3,137	**664**	3,716
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**297,670**	298,149	**297,670**	299,082

9. Property, Plant and Equipment

During the period, the Group spent approximately HK$12,972,000 (nine months ended 31st December, 2007: HK$31,440,000) mainly on additions to computer and office equipment.

During the period, the Group disposed of certain property, plant and equipment at the carrying amount of HK$769,000 for proceeds of HK$762,000, resulting in a loss on disposal of HK$7,000.

At the balance sheet date, the Directors of the Company considered the carrying amount of the Group's leasehold land and buildings which are carried at revalued amounts do not differ significantly from that which would be determined using fair values at 31st March, 2008.

10. Trade Receivables

The Group has granted credit to substantially all of its customers for 30 days and has credit control procedures to minimise credit risk. Overdue balances are reviewed regularly by senior management.

An aged analysis of the trade receivables at the balance sheet date, based on payment due date and net of allowance, is as follows:

	Unaudited 31st December, 2008	Audited 31st March, 2008
	HK$'000	*HK$'000*
0 - 1 month	**210,676**	159,755
1 - 2 months	**19,358**	10,299
2 - 3 months	**9,927**	5,822
Over 3 months	**15,730**	15,612
	255,691	191,488

11. Trade and Bills Payables

An aged analysis of trade and bills payables at the balance sheet date, based on payment due date, is as follows:

	Unaudited 31st December, 2008 *HK$'000*	Audited 31st March, 2008 *HK$'000*
0 - 1 month	**116,231**	159,496
1 - 2 months	**21,889**	5,464
2 - 3 months	**3,855**	5,862
Over 3 months	**4,041**	11,236
	146,016	182,058

12. Pledge of Assets

Nil (31st March, 2008: approximately HK$100,000) bank deposits have been pledged to secure the banking facilities of the Group.

DIVIDEND

The Directors did not recommend the payment of dividend for the three months ended 31st December, 2008.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

Turnover for the first nine months of FY09 was HK$1,054.1 million; higher by HK$59.7 million or 6.0% compared to the corresponding period in FY08. Turnover for the third quarter was HK$320.5 million; showing a decrease of HK$7.2 million or 2.2% compared to last year.

While product sales for the first nine months decreased by 2.0% year on year to HK$613.1 million, service revenue for the same period increased by 19.5% year on year to HK$440.9 million. Product sales and service revenue contributed 58.2% and 41.8% to the total turnover respectively. For the first nine months, commercial and public sector sales contributed 56.5% and 43.5% to turnover respectively as compared to 58.1% and 41.9% last year.

Profit before taxation for the third quarter was HK$10.5 million, indicating a year on year decrease of HK$21.3 million while the other income decreased to HK$21.1 million when compared with same period last year. The drop was mainly attributed to the decrease of other income which consisted of profit generated from the disposal of available-for-sale investments of HK$20.7 million recognised in the same period in FY08 and the interest income which was decreased as a result of decline in interest rate. Profit before other income and taxation for the third quarter under review was HK$8.7 million, representing a decrease of 3.0% as compared to the corresponding period last year. As such, profit before taxation for the first nine months was HK$37.2 million, lower than the corresponding period from last year by HK$26.0 million.

The order book stood approximately at HK$550 million at 31st December, 2008. We continued to maintain a healthy balance sheet with no debt and a working capital ratio of 2.02:1. The net cash of the Group approximately stood at HK$279.5 million as at 31st December, 2008.

Business Review

Infrastructure business

Despite the challenging economic situation, our customers continued to upgrade their IT infrastructure in efforts to raise their operational efficiency and service levels. As such, the Group's Infrastructure business in both commercial and public sectors continued to perform satisfactorily in the quarter under review. The most notable infrastructure deal in the commercial sector was a sizeable contract to provide a leading international bank with 14 units of high performance Sun enterprise servers. Furthermore, the Group was awarded a number of contracts to provide networking products and services in the public sector, including three networking projects for the Labour Department, the Rating and Valuation Department and a well-established secondary school.

Solutions business

The Solutions business remained positive in the quarter under review. Of note was a sizeable bid won in October 2008 from Office of the Government Chief Information Officer (OGCIO) for the supply and installation of hardware, software and related services for the implementation of the e-procurement system which enabled electronic transactions between suppliers and the participating departments in respect of certain departmental purchases. We are confident that after the rolling out of the project, we will be in a good position to generate further recurring revenue from system maintenance and support services while having opportunities to extend the system to the rest of the Government departments. We also continued to develop other tailor-made solutions for customers of the public and commercial sectors, including a change management system and document management system.

Services business
This quarter, we observed an appreciable increase of interest from customers and business partners looking for reliable services provider to reduce cost base and ensure high quality project delivery. Being a leading IT services provider, the Group was able to capture these opportunities and won a number of sizable and long-term deals. In December 2008, the Group was awarded an over HK$40 million contract from the Hospital Authority to provide professional services under eight separate service categories to support the development and implementation of Clinical Management System Phase III Project with a period of 48 months. The project started in January 2009. This sizable contract again demonstrated the Group's continued ability to win large-scale government projects. Under Managed Services, the Group secured a multi-million dollar contract to provide a government department with onsite help desk support. In the commercial sector, the Group won a maintenance contract from a leading telecommunications services provider to supply 2-year maintenance services for servers and security products. Recently, we also made significant achievement in expanding our customer base in December 2008. The Group was awarded a tender from KMB for the provision of onsite hardware maintenance services, covering servers, PCs, network equipments and peripherals.

Overseas business
The Group's overseas business continued to perform satisfactorily in the first nine months of FY09. Turnover for the first nine months of FY09 increased 43.4% comparing to the corresponding period last year, counted 12.3% of the total business.

Adhering to our major account strategy, our subsidiary in Thailand continued to receive sizable deals from focused customers. Following an order in previous quarter, the Group received another million-plus dollar contract from the Ministry of Interior's Community Development Department to supply computer hardware and anti-virus software to support its expansion.

Our PRC subsidiary in Guangzhou also continued to capture business opportunities stemming from our major customers in Hong Kong and has extended its reach within the local market. In the quarter under review, our subsidiary completed a multi-million dollar infrastructure project to help a well-renowned HK-based corporation to set up its data center. The Group continued to penetrate further into the power supply industry. In December 2008, the Group signed a contract with another power supplier, Guangdong Taishan Nuclear Power Co., Ltd., to provide information rights management products to secure its mission-critical data.

Across the strait in Taiwan, we continued to penetrate further into the local market. The Group won a storage expansion project from a Taiwan-listed manufacturer and completed a project to provide Sun storage products, installation services and maintenance services for another well-known manufacturer.

This year is the 15th anniversary of our subsidiary in Macau. This milestone is indicative of its steady growth and proven track record for providing comprehensive IT solutions and services to local customers. During the quarter under review, we secured a number of significant projects including two separate multi-million dollar contracts to provide a Playing Card Management System, a Baccarat Score Board System and a storage system for City of Dreams in Macau. We also garnered a multi-million dollar contract from a renowned hotel to revamp its IT infrastructure that included the provision of servers, storage, backup and security products, for its business expansion.

Prospect and Outlook
The global economic downturn has had financial impact on the Group's performance, mainly in the commercial sector. Business in public sector is considered to be relatively stable and its growing prospect remains positive. However, the business of the Group in general is subject to keen competition in price which in turn will pressurise the Group's profit margin.

Nevertheless, with the healthy financial status and competitive position in the market, the Group will focus on cost control, staff training and tighten vendor network with a goal to continue to provide cost effective services and solutions to our customers. The Group will also continue to make Hong Kong our centre of excellence and expand overseas market. However, given the global economic situation, the business of the Group may remain uncertain.

Financial Resources and Liquidity
As at 31st December, 2008, the Group's total assets of HK$922.0 million were financed by current liabilities of HK$356.1 million, deferred taxation of HK$18.2 million and shareholders' equity of HK$547.7 million. The Group had a working capital ratio of approximately 2.02:1.

As at 31st December, 2008, the Group had an aggregate composite banking facilities from banks of approximately HK$96.1 million of which HK$28.0 million was utilised (31st March, 2008: HK$26.9 million). The Group's gearing ratio was zero (31st March, 2008: zero) as at 31st December, 2008.

Treasury Policies
The Group generally financed its operations with internally generated resources and credit facilities provided by banks. Bank facilities available for the Group include trust receipt loans, overdrafts and term loans. The interest rates of most of these will be fixed by reference to the respective countries' Interbank Offer Rate. The bank deposits will be mainly in Hong Kong dollars and United States dollars ("US dollars").

Foreign Exchange Exposure
The Group mainly earns revenue and incurs costs in US dollars and Hong Kong dollars. Foreign exchange exposure of the Group will continue to be minimal as long as the policy of the Government of the Hong Kong Special Administrative Region to link the Hong Kong dollars to the US dollars remains in effect. There was no material exposure to fluctuations in exchange rates, and therefore no related hedging financial instrument was applied during the nine-month period ended 31st December, 2008.

Contingent Liabilities
Corporate guarantee to banks and vendors as security for banking facilities and goods supplied to the Group amounted to approximately HK$51.8 million as at 31st December, 2008. The amount utilised against such facilities and goods supplied as at 31st December, 2008 which was secured by the corporate guarantee amounted to approximately HK$6.1 million. The performance bond issued by the Group to customers as security of contract was approximately HK$28.0 million as at 31st December, 2008.

Employee and Remuneration Policies
As at 31st December, 2008, the Group, excluding its associates, employed 1,612 permanent and contract staff in Hong Kong, Macau, Taiwan, mainland China and Thailand. The Group remunerates its employees based on their performance, working experience and the prevailing market conditions. Bonuses are granted on a discretionary basis. Other employee benefits include mandatory provident fund, insurance, medical coverage and share options scheme.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES
During the nine months ended 31st December, 2008, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE
The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited quarterly results.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS
The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the nine months ended 31st December, 2008, and they all confirmed that they have fully complied with the required standard set out in the Model Code.

CODE ON CORPORATE GOVERNANCE PRACTICES
The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the accounting period for the nine months ended 31st December, 2008 except as noted below:

(a) with respect to Code A.1.1, a majority of directors of the Board was not present in a Board meeting duly held on 27th June, 2008 due to some directors had to travel for business;

(b) with respect to Code A.1.8, if a substantial shareholder or a director has a conflict of interests in a matter to be considered by the board which the board has determined to be material, the matter should not be dealt with by way of circulation but a board meeting. Owing to urgency for approving the Continuing Connected Transactions (the "Transactions") in which the Directors who were considered interested directors by virtue of their current directorship and/or office with the Company's ultimate holding company, Computer Sciences Corporation ("CSC') and/or its subsidiaries (the "Interested Directors"), the Transactions were dealt with by way of circulation of board resolution (the "Board Resolutions") for business efficacy reason. The Interested Directors had abstained from approving in the Board Resolutions. The Transactions were subsequently approved by the Special Board Committee resolution (comprising the disinterested Directors) and by a duly held board meeting on 20th November and 26th November, 2008 respectively. Please refer to the Company's announcement and circular dated 3rd November and 24th November, 2008 respectively for the details of the Transactions; and

(c) with respect to Code A.4.1, all non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election in accordance with the Company's Bye-laws.

By Order of the Board
Lai Yam Ting
Managing Director

Hong Kong, 6th March, 2009

As at the date of this announcement, the board of directors comprises Mr. Lai Yam Ting and Mr. Lau Ming Chi, Edward being executive directors, Mr. Allen Joseph Pathmarajah, Mr. Kuo Chi Yung, Peter, Mr. Moo Kwee Chong, Johnny, Mr. Michael Shove, Mr. Darren John Collins, Mr. Wang Yung Chang, Kenneth and Mr. Andrew John Anker being non-executive directors and Mr. Cheung Man, Stephen, Mr. Hon Sheung Tin, Peter and Mr. Li King Hang, Richard being independent non-executive directors.