

En Pointe Technologies, Inc. Announces Second Quarter 1999 Results; First-Half Net Sales Up 19% over 1998; Internet Subsidiary Revenue Up 45% over First Quarter 1999

Los Angeles, CA (May 12, 1999) – En Pointe Technologies, Inc. (NASDAQ:ENPT), a leading national provider of information technology products and services, today announced revenues and net earnings for the second fiscal quarter ended March 31, 1999. Consolidated revenues and net loss for the quarter were \$145 million and \$4.5 million, respectively. Consolidated revenues for the six-months ended March 31, 1999 were \$316 million, an increase of \$50 million over the same period in the previous fiscal year. The consolidated net losses per share were \$0.76 and \$0.78 for the quarter and year-to-date, respectively.

Revenues at En Pointe's internet-focused subsidiary, Purchase Pointe, Inc., doing business on the internet as www.firstsource.com, increased by 45% to nearly \$7 million when compared to the quarter ended December 31, 1998. Pre-tax losses at [firstsource.com](http://www.firstsource.com) for the quarter ended March 31, 1999 were \$1.2 million, an increase of \$0.5 million over the losses in the quarter ended December 31, 1998. [Firstsource.com](http://www.firstsource.com) continued to build infrastructure and increase advertising expenses during the quarter. These increased expenses are expected to position [firstsource.com](http://www.firstsource.com) for the anticipated growth in its customer base and related revenues.

Bob Din, Chief Executive Officer of En Pointe Technologies, Inc. stated, "We're very excited about the performance to date at [firstsource.com](http://www.firstsource.com) and the prospects for the future. We are continuing with our plans to position [firstsource.com](http://www.firstsource.com) as an independent company and are working with outside sources to raise capital to build the infrastructure required for continued growth."

En Pointe recognized several non-recurring events during the quarter. The planned sale and leaseback of the Ontario configuration facility, which is expected to close during the third fiscal quarter of 1999, resulted in charges of \$6.2 million, including \$0.3 million in interest expense. This sale/leaseback arrangement, entered into during the second quarter, was undertaken to reduce operating expenses while allowing the Company to remain competitive and continue offering complete integration and configuration services.

Additionally, En Pointe recognized \$1.7 million in expenses resulting from an unfavorable decision received from the courts in March 1999 relating to a prior litigation matter. Notwithstanding recognizing the charges, the Company is continuing to explore its options relating to judicial review of the decision.

Both the expenses related to the sale of the Ontario configuration facility, excluding interest expense, and those related to the above legal decision are included as non-recurring charges in the consolidated statement of operations.

En Pointe recognized a pre-tax profit of \$4.4 million on the sale of its [Shopping.com](http://www.shopping.com) stock. Din said, "We are very pleased with the gain we realized on our investment in [Shopping.com](http://www.shopping.com). Although we had anticipated holding this investment for an extended period of time, Compaq's decision to acquire [Shopping.com](http://www.shopping.com) and become a more active participant in the internet related arena effectively precipitated an early exit from this investment. This demonstrates the tremendous exuberance over internet related investments and contributes to our excitement about our internet-focused, [firstsource.com](http://www.firstsource.com) opportunity."

En Pointe also incurred severance expenses in excess of \$0.4 million during the quarter related to staff reductions and the reallocation of personnel functions in conjunction with the placing of greater emphasis on revenue generating resources. Operating expenses in En Pointe's core business (excluding [firstsource.com](http://www.firstsource.com), the non-recurring items and severance expenses) decreased \$0.5 million when compared to the same quarter in the prior fiscal year.

Service revenue contributed nearly \$5 million to total revenue, an increase of 88% over the same quarter in the prior fiscal year.

"The combination of nationwide presence and our continuing optimism about the future of the internet makes us confident about the continued opportunities for growth," added Din.

About En Pointe Technologies, Inc.

En Pointe Technologies, Inc. is a national business-to-business e-commerce provider of IT products and value-added services, using proprietary and non-proprietary software and systems to drop-ship materials, repair and operation ("MRO") products to its customers through an electronically linked network of the largest allied distributors in the U.S. This software allows En Pointe to serve as an electronic clearinghouse of computers and computer related products without many of the risks and costs associated with maintaining inventory. En Pointe offers its customers direct on-line access to 70% of the mainstream PC products. En Pointe Professional Services offers "total solution" system consulting services such as: pre-sale consulting, design, training, customization and integration.

En Pointe is represented nationally with a concentration in more than 20 sales and service markets throughout the United States, as well as a value-added ISO 9002 certified integration facility in Ontario, California. Visit En Pointe at www.enpointe.com.

For further information, please contact En Pointe Technologies at (310) 725-5200, or

Arlene Crispin
Executive Office Coordinator
Phone: (310) 725-5265
Fax: (310) 727-5803
email: acrispin@enpointe.com