

En Pointe Technologies, Inc. Reports Financial Results for the Fourth Quarter and Fiscal Year Ended September 30, 2002

Los Angeles, CA – November 25, 2002 - En Pointe Technologies, Inc. (NASDAQ:ENPT), a leading national provider of business-to-business information technology products and services, today announced consolidated results for its fourth quarter and fiscal year ended September 30, 2002. Revenues were \$62 million in the fourth quarter and \$257 million for the twelve months ended September 30, 2002. Fiscal 2002 revenues were down compared to the prior fiscal year when the company reported \$67 million and \$365 million for the quarter and year ended September 30, 2001, respectively.

The net loss for the quarter ended September 30, 2002 was \$751,000, or \$0.11 per share, compared to net income in the fourth quarter of fiscal 2001 of \$151,000, or \$0.02 per basic and diluted share. The Company's net loss for the year ended September 30, 2002 was \$3.4 million, or \$0.51 per share, down from a net profit in the prior fiscal year of \$5.4 million, or \$0.81 per basic share and \$0.80 per diluted share.

“While revenues are down slightly from the June 2002 quarter and the fourth quarter of fiscal 2001, we've made a concerted effort to increase the number of salespeople on the street to drive future revenue growth,” said Bob Din, President and CEO of En Pointe Technologies, Inc. “Obviously, it takes time to bring new salespeople up to speed. However, I'm very pleased to see that the revenue stream appears to have stabilized and I remain confident that our efforts to increase the size and effectiveness of our sales force will bear fruit.”

Service revenue during the fourth quarter of fiscal 2002 was \$7.4 million, comparable to that reported in the same quarter in the prior fiscal year and up 17.0% over that generated in the prior sequential quarter. Service revenue reported for the 2002 fiscal year was \$27.1 million, a decline of 13.2% from the \$31.2 million reported in the prior fiscal year. Gross margins generated by service revenues increased to 37.2% in fiscal 2002 from 35.7% in the fiscal year ended September 30, 2001.

Sales of hardware and software products declined 8.6% to \$54.1 million in the fourth quarter of fiscal 2002 from the same quarter in the prior fiscal year. However, the gross margin generated by these product sales improved from 7.9% in the quarter ended September 30, 2001 to 8.4% in the fourth quarter of fiscal 2002. Product gross margins also improved from the 6.1% reported for the prior sequential quarter of fiscal 2002.

Sales and marketing expenses of \$6.2 million in the fourth quarter of fiscal 2002 were down from the \$7.6 million reported in the fourth quarter of fiscal 2001, but were up from the \$5.8 million reported in the prior sequential quarter. This sequential increase in sales and marketing expenses resulted primarily from the Company's efforts to increase the size of its direct sales force. While sales and marketing expenses declined from \$30.0 million in fiscal 2001 to \$23.6 million in fiscal 2002, when measured as a percent of sales, sales and marketing expenses increased from 8.2% in fiscal 2001 to 9.2% in fiscal 2002.

General and administrative expenses declined to \$2.1 million in the fourth quarter of fiscal 2002 from \$2.9 million in the same quarter of fiscal 2001. G & A expenses totaled \$10.8 million in fiscal 2002, down 2.2% from the prior fiscal year.

The reversal of prior year non-recurring charges generated a benefit of \$918,000 during fiscal 2002. These benefits resulted from the settlement of a pending legal matter during the quarter ended March 31, 2002 totaling \$848,000 and a reversal of restructuring charges of \$70,000 reported during the fourth quarter of fiscal 2002.

The Company realized a tax benefit of \$375,000 during the fourth quarter of fiscal 2002 resulting from the increased net operating loss carry back period from two to five years. Similarly, the tax credit reflected for fiscal 2002 of \$2.2 million resulted from the changes to the carry back periods contained in the "Job Creation and Worker Assistance Act of 2002" which allowed both the net operating losses for both the current and prior fiscal years to be carried back for refunds.

A conference call is scheduled for 11:30 am Eastern Standard Time (8:30 am PST) on Tuesday, November 26, 2002 at which time the Company's management will discuss the results for the quarter and the fiscal year ended September 30, 2002. Those interested in listening to the live webcast of this call may do so by clicking on <http://www.firstcallevts.com/service/ajwz370386279gf12.html>. This webcast will remain available for 90 days following the call.

About En Pointe Technologies, Inc.

En Pointe Technologies, Inc. is a leading national provider of information technology products, e-business solutions and professional services to medium and large commercial customers and government and educational accounts of all sizes. A state-of-the-art e-commerce network electronically links En Pointe, via AccessPointe™ and its back-office business systems, to the largest distributors and manufacturers in the industry. En Pointe offers direct on-line access to several billion dollars of mainstream IT products available in the US while eliminating the risks associated with carrying significant inventory. Its flagship software AccessPointe™ provides En Pointe's customers with the ability to create private electronic exchanges, accessed through the Web, procurement applications or ERP systems, to efficiently manage the procurement process and allow the Company's customers to make fully informed strategic buying decisions. En Pointe Professional Services offers value added services such as: Pre-sales consulting, Technology Planning and Management, which includes -- integration, configuration, deployment and migration, Helpdesk Support Services, Project and Program Management, and Infrastructure Support and Maintenance.

En Pointe, a minority business enterprise (MBE), is represented nationally with a concentration in over 22 sales and service markets throughout the United States, as well as a value-added ISO 9002 certified integration operation in Ontario, California. Please visit En Pointe at www.enpointe.com.

This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In addition, from time to time, En Pointe Technologies, or its representatives, have made or may make forward- looking statements, orally or in writing. The words "estimate," "project," "potential," "intended," "expect," "anticipate," "believe" and similar expressions or words are intended to identify forward-looking statements. Such forward-looking statements may be included in, but are not limited to, various filings made by the Company with the Securities and Exchange Commission, press releases or oral statements made with the approval of an authorized executive officer of the Company. Actual results could differ materially from those projected or suggested in any forward-looking statements as a result of a wide variety of factors and conditions. Reference is hereby made to the Company's Annual Report on Form 10-

K for the fiscal year ended September 30, 2001, for information regarding those factors and conditions. Among the important factors that could cause actual results to differ materially from management's projections, estimates and expectations include, but are not limited to: Changing economic influences in the industry; dependence on key personnel; actions of manufacturers and suppliers; and, availability of adequate financing.

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En Pointe Technologies, Inc.
Condensed Consolidated Balance Sheets

(in thousands)

(unaudited)

	September 30, 2002	September 30, 2001
ASSETS:		
Current assets:		
Cash	\$ 4,629	\$ 1,584
Restricted cash	70	76
Accounts receivable, net	31,748	36,845
Inventories, net	5,611	6,396
Recoverable taxes	1,800	1,842
Prepaid expenses and other current assets	789	1,216
Total current assets	<u>44,647</u>	<u>47,959</u>
Property and equipment, net	7,002	7,843
Other assets	551	213
Total assets	<u>\$ 52,200</u>	<u>\$ 56,015</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable, trade	\$ 9,860	\$ 8,252
Accounts payable, flooring	12,400	9,440
Borrowings under lines of credit	21	-
Accrued liabilities	3,991	8,092
Other current liabilities	1,529	1,946
Total current liabilities	<u>27,801</u>	<u>27,730</u>
Long term liability	5,433	5,431
Losses in excess of investment in unconsolidated affiliates	143	817
Total liabilities	<u>33,377</u>	<u>33,978</u>
Total stockholders' equity	18,823	22,037
Total liabilities and stockholders' equity	<u>\$ 52,200</u>	<u>\$ 56,015</u>

En Pointe Technologies, Inc.
Condensed Consolidated Statements of Operations
(unaudited)
(in thousands, except per share data)

	Three months ended		Year ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Net sales				
Product	\$ 54,121	\$ 59,202	\$ 229,967	\$ 334,104
Service	7,387	7,423	27,076	31,176
Total net sales	<u>61,508</u>	<u>66,625</u>	<u>257,043</u>	<u>365,280</u>
Cost of sales				
Product	49,592	54,531	212,512	305,761
Service	4,790	4,493	16,993	20,031
Total cost of sales	<u>54,382</u>	<u>59,024</u>	<u>229,505</u>	<u>325,792</u>
Gross profit				
Product	4,529	4,671	17,455	28,343
Service	2,597	2,930	10,083	11,145
Total gross profit	<u>7,126</u>	<u>7,601</u>	<u>27,538</u>	<u>39,488</u>
Selling and marketing expenses	6,242	7,611	23,631	29,957
General and administrative expenses	2,101	2,877	10,783	11,026
Non-recurring (income) charges	(70)	(1,015)	(918)	846
Operating loss	<u>(1,147)</u>	<u>(1,872)</u>	<u>(5,958)</u>	<u>(2,341)</u>
Interest expense, net	175	93	686	970
Other income, net	(143)	(177)	(364)	(364)
Loss before income taxes and income (losses) from affiliates	<u>(1,179)</u>	<u>(1,788)</u>	<u>(6,280)</u>	<u>(2,947)</u>
(Benefit) provision for income taxes	(375)	85	(2,182)	86
Income (losses) from affiliates	53	2,024	674	8,392
Net income (loss)	<u>\$ (751)</u>	<u>\$ 151</u>	<u>\$ (3,424)</u>	<u>\$ 5,359</u>
Net income (loss) per share:				
Basic	<u>\$ (0.11)</u>	<u>\$ 0.02</u>	<u>\$ (0.51)</u>	<u>\$ 0.81</u>
Diluted	<u>\$ (0.11)</u>	<u>\$ 0.02</u>	<u>\$ (0.51)</u>	<u>\$ 0.80</u>
Weighted average shares outstanding:				
Basic	<u>6,720</u>	<u>6,650</u>	<u>6,666</u>	<u>6,597</u>
Diluted	<u>6,720</u>	<u>6,688</u>	<u>6,666</u>	<u>6,685</u>

