

En Pointe Technologies, Inc. Reports Financial Results for the First Quarter of Fiscal 2003

Los Angeles, CA – February 5, 2003 - 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 first quarter of fiscal 2003 ended December 31, 2002. Total revenue in the first quarter of fiscal 2003 was \$75.6 million, an increase of 2.0% over the first quarter of fiscal 2002 and an increase of 22.9% over the prior sequential quarter.

The net loss for the quarter ended December 31, 2002 narrowed to \$733,000, or \$0.11 per share, from the net loss generated in the first quarter of the prior fiscal year of \$1.5 million, or \$0.22 per share.

“We’re very pleased with the increases in both total revenue and, in particular, service revenue, that we’ve seen this quarter,” said Bob Din, President and CEO of En Pointe Technologies, Inc. “While we view these results as positive, we’re not yet ready to predict a return to solid growth in the first half of 2003.”

Service revenue increased to \$8.6 million during the first quarter of fiscal 2003, an improvement of 26.3% over the first quarter of fiscal 2002 and an increase of 16.1% over the prior sequential quarter. Gross margins generated by service revenue increased to 41.5% during the quarter ended December 31, 2002, up from both the first quarter of fiscal 2002 and the prior sequential quarter when the Company generated gross margins on service revenue of 34.4% and 35.2%, respectively. A one-time project resulted in improved service margins during the quarter ended December 31, 2002. The Company’s target for service gross margins remains 35-37%.

Sales of hardware and software products remained relatively constant at \$67 million in the first quarters of both fiscal 2003 and 2002. However, product revenues during the quarter ended December 31, 2002 represented an increase of 23.8% over that reported for the quarter ended September 30, 2002. Gross margins generated on product revenue during the first quarter of fiscal 2003 were 8.1%, up from the 7.3% generated one year earlier.

Sales and marketing expenses increased to \$7.5 million in the first quarter of fiscal 2003 from the \$5.8 million reported in the first quarter of fiscal 2002 and the \$6.2 million reported in the prior sequential quarter. This increase in sales and marketing expenses resulted primarily from the Company’s efforts to increase the size of its direct sales force. Sales and marketing expenses represented 9.9% of sales in the first quarter of fiscal 2003, down from the prior sequential quarter, which reported 10.1%, but up from the same quarter one year earlier when the Company reported 7.8%.

General and administrative expenses declined to \$2.2 million in the first quarter of fiscal 2003 from \$3.1 million in the same quarter of fiscal 2002. As a percent of sales, general and administrative expenses declined to 3.0% from 4.2% one year earlier.

Interest expense increased to \$203,000 in first quarter of fiscal 2003 compared to \$160,000 in the same quarter of the prior fiscal year as the Company began utilizing its working capital line of credit during the quarter ended December 31, 2002 to finance its day-to-day working capital requirements.

The Company recently received a notice from the Nasdaq Stock Market indicating that the Company is not complying with the \$1-per-share minimum bid price requirement for continued inclusion in the National Market System. The Company was given until April 14, 2003 to regain compliance with the requirements. If it cannot comply by that time, the Company could be subject to delisting. Compliance with the rules generally requires that the closing bid price of the Company's common stock equals at least \$1 per share for a minimum of 10 consecutive trading days.

A conference call is scheduled for 11:30 am Eastern Standard Time (8:30 am PST) on Thursday, February 6, 2003 at which time the Company's management will discuss the results for the quarter ended December 31, 2002. Those interested in listening to the live webcast of this call may do so by clicking on <http://www.firstcallevts.com/service/ajwz373672863gf12.html>. This webcast will remain available through February 28, 2003.

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, 2002, 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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To contact En Pointe regarding any investor matters, please contact:

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En Pointe Technologies, Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	December 31, 2002	September 30, 2002
	<u> </u>	<u> </u>
ASSETS:		
Current assets:		
Cash	\$ 2,541	\$ 4,629
Restricted cash	70	70
Accounts receivable, net	45,056	31,748
Inventories, net	7,522	5,611
Recoverable taxes	1,804	1,800
Prepaid expenses and other current assets	409	789
Total current assets	<u>57,402</u>	<u>44,647</u>
Property and equipment, net	6,784	7,002
Other assets	1,187	551
Total assets	<u>\$ 65,373</u>	<u>\$ 52,200</u>
LIABILITIES AND STOCKHOLDERS' EQUITY:		
Current liabilities:		
Accounts payable, trade	\$ 21,880	\$ 9,860
Borrowings under lines of credit	14,133	12,421
Accrued liabilities	4,531	3,991
Other current liabilities	1,333	1,529
Total current liabilities	<u>41,877</u>	<u>27,801</u>
Long term liability	5,406	5,433
Losses in excess of investment in unconsolidated affiliates	-	143
Total liabilities	<u>47,283</u>	<u>33,377</u>
Total stockholders' equity	18,090	18,823
Total liabilities and stockholders' equity	<u>\$ 65,373</u>	<u>\$ 52,200</u>

En Pointe Technologies, Inc.

Condensed Consolidated Statements of Operations

(unaudited)

(in thousands, except per share data)

	Three months ended December 31,	
	2002	2001
Net sales		
Product	\$ 67,002	\$ 67,311
Service	8,574	6,789
Total net sales	<u>75,576</u>	<u>74,100</u>
Cost of sales		
Product	61,595	62,379
Service	5,020	4,455
Total cost of sales	<u>66,615</u>	<u>66,834</u>
Gross profit		
Product	5,407	4,932
Service	3,554	2,334
Total gross profit	<u>8,961</u>	<u>7,266</u>
Selling and marketing expenses	7,465	5,754
General and administrative expenses	2,239	3,100
Operating loss	<u>(743)</u>	<u>(1,588)</u>
Interest expense, net	203	160
Other income, net	<u>(70)</u>	<u>(58)</u>
Loss before income taxes and loss reversal income from affiliates	(876)	(1,690)
Provision for income taxes	-	15
Loss reversal income from affiliates	143	221
Net loss	<u>\$ (733)</u>	<u>\$ (1,484)</u>
Net loss per share:		
Basic	<u>\$ (0.11)</u>	<u>\$ (0.22)</u>
Diluted	<u>\$ (0.11)</u>	<u>\$ (0.22)</u>
Weighted average shares outstanding:		
Basic	<u>6,720</u>	<u>6,607</u>
Diluted	<u>6,720</u>	<u>6,607</u>