



## Systemax Exiting PCS Hosted Software Business

### -- Company Ceasing External Sales --

PORT WASHINGTON, N.Y., Jun 01, 2009 (BUSINESS WIRE) -- Systemax Inc. (NYSE: SYX) today announced that it is exiting the ProfitCenter Software ("PCS") hosted software business. The Company is working on transition plans with its customers who are currently live, and the Company will not undertake any new hosting arrangements. As part of the consolidation, a majority of the PCS workforce will be leaving the Company and the remaining PCS workforce has been consolidated into the Company's Port Washington, NY location.

These and other PCS-related actions are anticipated to result in incremental one-time pre-tax charges to earnings during the remainder of 2009 of approximately \$4 to \$5 million. Excluding these charges, the Company expects the consolidation will result in a reduction of its cost structure exceeding \$10 million annually. During 2008, revenues from the PCS segment generated less than \$500,000 of the Company's total revenues of \$3.0 billion.

Richard Leeds, Chairman and Chief Executive Officer of Systemax, commented, "While we had significantly narrowed the focus of our PCS business segment over the last several quarters in an effort to establish a sustainable business model, after careful evaluation we have concluded it is in the best interests of the Company and its shareholders to reduce our investment in the software business in order to improve our profitability, strengthen our balance sheet, improve our operating cash flows and deploy capital in areas which are closer to the core of our direct marketing and retail businesses. We believe the PCS product is the best in class java, web-based order management and ecommerce system available, and it has been instrumental in helping us to manage our internal needs. However, we have been unable to profitably market, sell and implement the software on a hosted platform model. The current economic environment is very difficult to sell the product into, and we do not anticipate that changing in the near future. We will continue to use the proprietary software in-house and are currently evaluating our options to maximize value of the software and other assets that have been developed."

### About Systemax Inc.

Systemax Inc. (<http://www.systemax.com>), a Fortune 1000 company, sells personal computers, computer supplies, consumer electronics and industrial products through a system of branded ecommerce web sites, direct mail catalogs, relationship marketers and retail stores in North America and Europe. The primary brands are TigerDirect, CompUSA, Circuit City, Misco and Global Industrial. It also manufactures and sells computers and accessories under the Systemax and Ultra brands.

### Forward-Looking Statements

This press release contains forward-looking statements about the Company's performance. These statements are based on management's estimates, assumptions and projections and are not guarantees of future performance. The Company assumes no obligation to update these statements. Actual results may differ materially from results expressed or implied in these statements as the result of risks, uncertainties and other factors including, but not limited to: (a) unanticipated variations in sales volume, (b) economic conditions and exchange rates, (c) actions by competitors, (d) the continuation of key vendor relationships, (e) the ability to maintain satisfactory loan agreements with lenders, (f) risks associated with the delivery of merchandise to customers utilizing common carriers, (g) the operation of the Company's management information systems, and (h) unanticipated legal and administrative proceedings. Please refer to "Risk Factors" and the Forward Looking Statements sections contained in the Company's Form 10-K for a more detailed explanation of the inherent limitations in such forward-looking statements.

SOURCE: Systemax Inc.

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