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Systemax Inc. Signs Stalking Horse Purchase Agreement for Circuit City E-Commerce Business

Purchase subject to bankruptcy court approval and auction procedures; completed transaction would position Systemax to extend leadership in online sales of value-priced, branded consumer electronics

PORT WASHINGTON, N.Y., Apr 13, 2009 (BUSINESS WIRE) -- Systemax Inc. (NYSE: SYX) today announced that it has signed a "stalking horse" agreement to purchase selected assets of Circuit City's e-commerce business for \$6.5 million in cash plus a share of future revenue generated utilizing those assets over a 30 month period. Systemax believes the transaction, if completed, would further extend its position as a leader in online retailing of value-priced, branded consumer electronics.

The agreement has been submitted for approval to the Bankruptcy Court for the Eastern District of Virginia, Richmond, Division. On November 10, 2008, Circuit City Stores, Inc. filed a petition for reorganization under federal bankruptcy laws. Completion of Systemax's proposed acquisition of the assets is subject to both approval by the Bankruptcy Court as well as the auction process, and it will not be completed if a higher or better bid for the assets is submitted and approved by the court. Systemax can provide no assurances, therefore, that a transaction will be completed. Should the ecommerce business be sold to another purchaser for a higher or better price, or Circuit City terminates the auction, Systemax will be entitled to break-up fees and expenses.

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. It also manufactures and sells personal computers under the Systemax and Ultra brands and develops and markets ProfitCenter Software, a web-based, on-demand application for multi-channel direct marketing companies.

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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