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## **IEC Announces Strong Third Quarter for Fiscal 2009**

Compared to Q3 of 2008:

- Revenue increased 46%
- Operating profit margin percent improved to 7.7% from 4.9%

Major Event

- Listed on NYSE Amex

Newark, NY – July 23, 2009 – IEC Electronics Corp. (IEC: NYSE Amex) announced its results for the third quarter of fiscal 2009 ending June 26, 2009.

The Company reported revenue of \$17.3 million for the quarter, operating profit of \$1.3 million and net income of \$903,000 or \$0.10 per share. This compares with revenue of \$11.9 million, operating profit of \$585,000 and net income of \$868,000 or \$0.09 per share for the quarter ending June 27, 2008. The third quarter of 2008 included \$691,000 deferred tax benefit or \$.07 per share.

IEC had revenue of \$49.5 million for the first nine months of fiscal 2009 and a net income of \$4,053,000 or \$.43 per share. This compares to revenue of \$35.0 million for the first nine months of fiscal 2008 and net income of \$1,963,000 or \$.21 per share. Both periods were impacted by deferred tax benefit. 2009 year-to-date results include net deferred tax benefit of \$724,000 or \$.08 per share compared to the first nine months of 2008 which included net deferred tax benefit of \$1,181,000 or \$.13 per share. 2009 also included receipt of \$150,000 from the settlement of a ten year old tax claim, for the overpayment of taxes with the state of Alabama and the city of Arab where IEC owned a facility in the late 1990s.

W. Barry Gilbert, Chairman of the Board and CEO, stated, “It was a very good quarter. This quarter IEC achieved several significant milestones. We were listed on a national exchange, NYSE Amex in June, without the need to execute a reverse stock split. Both our gross profit margin and our operating profit expanded to the highest level in more than ten years, 16.1% and 7.7% as a percent of sales respectively.”

“The gross profit margin of 16.1% compares with Q3 2008 gross profit margin of 11.9%. This stems from the fact that our contract manufacturing business continues to improve. For the second consecutive quarter we have experienced gains in manufacturing efficiency attributable to investments in equipment and personnel over the last twelve months. Moreover, the improved gross profit margin benefited from some favorable product mix which may not continue in the future. We expect our gross profit margin as a percent of sales to normalize in a slightly higher range of between 15% and 16% than presented last quarter.”

“By virtue of the strong operating results, and careful management of expenses, our Q3 operating profit increased to 7.7% of sales versus 4.9% for the same period last year. We will experience operating profits of this level from time to time; however this is above our internal expectations of between 7% and 7.3%.”

“We have been fortunate to succeed in a recession that seems to be slow in abating, and have succeeded in adding three new customers and in obtaining numerous new projects from existing customers over the first nine months of the year. However, two customers continue to experience declining demand for their products in the current economic climate, and do not expect that to change in the foreseeable future.”

“Our entry into the cable business by the acquisition of Val-U-Tech Corp., May 30<sup>th</sup> 2008, has proven to be beneficial to the company. Accordingly, we have engaged an investment banking firm to support our ‘buy-side’ activities to expand our position in cable assemblies. Though we have looked at a number of opportunities we will not hastily execute a transaction in this turbulent market.”

“In summary, the Company continues to move in the right direction. We are confident that we are creating value for our customers, our shareholders, and opportunity for our employees.”

As a full service EMS provider, IEC is AS9100 and ISO-9001:2000 registered, and a NSA approved supplier under the COMSEC standard. The Company offers its customers a wide range of services including design, prototype and high reliability printed circuit board assembly, material procurement and control, manufacturing and test engineering support, and systems build. Information regarding IEC’s third quarter 2009 results can be found on its web site at [www.iec-electronics.com/documents/finance/Q3-2009release.pdf](http://www.iec-electronics.com/documents/finance/Q3-2009release.pdf)

The foregoing, including any discussion regarding the Company's future prospects, contains certain forward-looking statements that involve risks and uncertainties, including uncertainties associated with economic conditions in the electronics industry, particularly in the principal industry sectors served by the Company, changes in customer requirements and in the volume of sales to principal customers, the ability of the Company to assimilate acquired businesses and to achieve the anticipated benefits of such acquisitions, competition and technological change, the ability of the Company to control manufacturing and operating costs, satisfactory relationships with vendors. The Company's actual results of operations may differ significantly from those contemplated by any forward-looking statements as a result of these and other factors, including factors set forth in the Company's 2008 Annual Report on Form 10-K and in other filings with the Securities and Exchange Commission.

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IEC ELECTRONICS CORP - CONSOLIDATED  
BALANCE SHEET  
JUN 26, 2009 AND SEP 30, 2008  
(In Thousands)

	JUN 26, 2009	SEP 30, 2008
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash	0	0
Accounts Receivable	9,976	10,345
Inventories	6,592	6,230
Deferred Income Taxes	1,908	1,908
Other Current Assets	116	61
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Total Current Assets	18,592	18,544
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<b>NET FIXED ASSETS</b>	1,944	853
<b>NON-CURRENT ASSETS</b>		
Deferred Income Taxes	13,557	14,727
Other Non-Current Assets	50	60
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<b>TOTAL ASSETS</b>	34,143	34,184
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<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Short Term Borrowings	1,197	1,098
Accounts Payable	4,214	6,125
Accrued Payroll and Related Taxes	970	808
Other Accrued Expenses	398	603
Other Current Liabilities	292	664
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Total Current Liabilities	7,071	9,298
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<b>LONG TERM DEBT</b>	7,864	8,910
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<b>TOTAL LIABILITIES</b>	14,935	18,208
<b>SHAREHOLDER'S EQUITY</b>		
Authorized - 50,000,000 shares		
Issued - 9,549,420, Outstanding - 8,536,547		
Common stock, par value \$.01 per share	95	93
Treasury Shares at Cost - 1,012,873 shares	(1,413)	(223)
Additional Paid-in Capital	40,490	40,124
Retained Earnings	(19,964)	(24,018)
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<b>TOTAL SHAREHOLDER'S EQUITY</b>	19,208	15,976
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<b>TOTAL LIABILITIES &amp; EQUITY</b>	34,143	34,184
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IEC ELECTRONICS CORP - CONSOLIDATED  
STATEMENT OF INCOME  
FOR QUARTER END & YTD JUN 26, 2009 AND JUN 27, 2008  
(In Thousands)

	ACTUAL QUARTER JUN 26, 2009	PRIOR QUARTER JUN 27, 2008	ACTUAL YTD JUN 26, 2009	PRIOR YTD JUN 27, 2008
Sales	17,346	11,888	49,538	34,988
Cost of Sales	14,556	10,475	41,908	31,046
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Gross Profit	2,790	1,413	7,630	3,942
Less: Operating Expenses				
Selling & G&A	1,463	828	4,214	2,580
Restructuring	0	0	0	0
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Total Operating Expenses	1,463	828	4,214	2,580
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Operating Profit	1,327	585	3,416	1,362
Interest and Financing Expense	90	106	304	281
(Gain)/Loss on Disposal of Fixed Assets	0	0	(5)	(2)
Other Expense/(Income)	(151)	302	(212)	301
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Net Income before Income Taxes	1,388	177	3,329	782
Provision for /(benefit from)Income Tax	485	(691)	(724)	(1,181)
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Net Income	903	868	4,053	1,963
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