

9 May 2006

Press Release 【FOR IMMEDIATE RELEASE】

**EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED
RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2006**

Financial Summary

Unaudited Consolidated Results	31 March 2006 HK\$'000	31 March 2005 HK\$'000
Turnover	35,198	35,786
Loss from operations	(4,115)	(6,117)
Loss attributable to shareholders	(3,680)	(6,065)
Loss per share - Basic	(0.37) cents	(0.62) cents

(9 May 2006, HONG KONG) - Excel Technology International Holdings Limited ('Excel' or the 'Company', together with its subsidiaries, the 'Group'; stock code: 8048) announces its unaudited consolidated results for the three-month period ended 31 March 2006.

The Group recorded a turnover of HK\$35,198,000 for the three months ended 31 March 2006, a slight decrease of 2% from HK\$35,786,000 for the corresponding period of last year.

By sector performance on a quarter-to-quarter comparison, revenue on enterprise software products grew by 55%, systems integration dropped by 45%, professional services decreased by 14% and ASP services decreased by 12%.

Revenue on enterprise software products records a significant growth in the quarter, which is a combination of rapid growth in China and continuance of existing projects in Hong Kong. The drop in the turnover of systems integration business was mainly a timing issue due to minor delays of business contracts.

The Group's loss attributable to equity holders for the three months ended 31 March 2006 was reduced to HK\$3,680,000. This represents an improvement of 39% on a

quarter-to-quarter basis when compared with the same period of last year (2005: loss of HK\$ 6,065,000).

Given the huge market in China and the current wide coverage of various offices, management believes that a consistent brand will further strengthen the company's image. Our joint venture companies in Beijing, Shanghai and Shenzhen are therefore being consolidated under a single brand name and management structure.

The effort to build up software development outsourcing capabilities in China continues. To enable us to get close to our potential customers, offices in Taipei and Tokyo are being set-up.

The impact of the continual pickup of economy in Hong Kong and Southeast Asia started to emerge. This is evidenced by the strong sales pipeline of the enterprise software products, particularly in the area of credit management, loans and wealth management. A number of sizeable contracts are under negotiation and the Management believes some of them could be materialized soon.

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Company Background:

Excel Technology International Holdings Limited [stock code: 8048] is a leading enterprise software solutions provider with a primary focus in the banking, finance, and logistics sectors in Asia. Excel's major business includes enterprise software development and deployment, IT strategy planning and consulting, development outsourcing, ERP system implementation, and Application Service Provider (ASP) services. Excel has over 450 employees with offices in Hong Kong, Beijing, Shanghai, Shenzhen, Hangzhou, Dalian, Taiwan, Tokyo, Singapore and Malaysia. Excel's clients include various monetary authorities and central banks, major international and Chinese banks, multinational financial institutions and companies with cross border operations that require regional support. Website: www.excel.com.hk.

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