



志鴻科技國際控股有限公司
EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED

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[For Immediate Release]

**Hua Xia Bank Successfully Launched New Treasury System Nationwide
With Excel REAPS**

[July 27, 2005 Hong Kong] Excel Technology International (Hong Kong) Limited (“Excel Technology”), a wholly owned subsidiary of Excel Technology International Holdings Limited [stock code: 8048], is pleased to announce that Hua Xia Bank (“the Bank”) successfully launched a Treasury System nationwide with Excel REAPS in China. Hua Xia Bank, founded in 1992, is a shareholding commercial bank in China. Headquartered in Beijing, the Bank operates in 27 cities nationwide with 22 branches, 5 overseas sub-branches and a network of 252 organizations. The launch of the new Treasury System is a result of the Bank’s focused efforts in re-engineering business processes in this important treasury area.

REAPS, Excel’s Reserves and Treasury Portfolio System, is a multi-tiered and fully integrated front-middle-back office treasury system that provides a comprehensive coverage of capital markets and derivatives instruments with tight credit risk and market risk control. Its add-on HOB (Head Office/Branch) module provides an efficient Head Office/Branch transaction platform for pricing, dealing, and electronic communications across the nation.

REAPS enables the Bank to enhance the management of the treasury business as well as streamlining the front-middle-back office operations, while adopting the best practices recommended in the re-engineered business process.

Taking advantage of its technologically advanced architecture, the new system provides real time support for the Bank’s Head Office and all its branches across the nation, where the Bank’s management have immediate access to its total bank-wide positions and exposures, enabling proactive management of its growing treasury business portfolio. In addition, the new system integrates with the Bank’s legacy application systems to provide prompt consolidation of positions, accounting, assets and liabilities.

As commented by Hua Xia Bank in their press release, “The new treasury system provides bank-wide straight-through processing of treasury operations covering Head Office and all the branches from the front, middle, through to back office, enabled by the innovative Head Office/Branch transaction platform. The system allows easy integration with the Bank’s various existing application systems for complete transaction management. Through its dynamic interfaces with market information providers, the system delivers timely market price information and completes the deal capture for the core Money Market, Foreign Exchange and Fixed Income products, while providing market risk analysis and automatic settlement processing. We can see that the Bank, with the re-engineered business processes now in place, and complemented with the use of this new treasury system, will have the risk management capability enhanced, operational efficiency improved, and higher earnings level reached.”

Ms. Peggy Chan, Chairman and CEO of Excel Technology said, “Having been a major banking and finance solution provider in Asia for the past 17 years, we understand the needs from the banks and the development trend of banking business in the region. REAPS is our flagship treasury product that is built in the 21st century and invested with hundreds of man-year’s effort. It targets to resolve the problems that most banks faced with in the past decades in using treasury systems, and to well-equip the banks to deal with the upcoming challenges, ” added Ms. Chan, “We are very delighted that REAPS is now deployed successfully in Hua Xia Bank. With REAPS, the Bank can adopt best practices, enhance greater operational efficiency, strengthen centralized management and enhance risk management capability of its treasury business, more importantly, enhance the overall competitiveness of the Bank.”

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About Hua Xia Bank

Hua Xia Bank, founded in 1992, is a shareholding commercial bank in China with total assets of RMB304.3billion. It has been listed on the Shanghai Stock Exchange since 2003. Headquartered in Beijing China, Hua Xia Bank operates in 27 cities nationwide with 22 branches, 5 overseas sub-branches and a network of over 252 organizations. In 2004, Hua Xia Bank, by Tier One capital, ranked the 348th of the “Top 1000 World Banks” by the English magazine “The Banker”, and ranked the 206th of the “Top 500 Enterprises in China”. Website: www.hxb.com.cn

About Excel Technology International (Hong Kong) Limited

Excel Technology International (Hong Kong) Limited [Excel Technology, stock code: 8048], founded in 1988, is a leading enterprise software solutions provider with a primary focus in banking, finance, securities, insurance and logistics sectors in Asia. Excel's major business includes enterprise software development and deployment, IT strategy planning and consulting, IT outsourcing, ERP customisation, systems integration, and Application Service Provider (ASP) services. Headquartered in Hong Kong, the company has over 450 employees with offices in Beijing, Dalian, Shanghai, Shenzhen, Taiwan and Singapore. 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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