

Press Release

【For immediate release】

EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED

RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2003

- For the three months ended 31 March 2003, turnover amounted to HK\$59,984,000, representing an increase of 106% when compared with the same period of last year.
- Loss from operations was HK\$8,694,000 for the first quarter of 2003.
- Loss attributable to shareholders for the three months ended 31 March 2003 was reduced by 15% on a quarter-to-quarter basis to HK\$8,100,000.

Financial Summary

Unaudited Consolidated Results	31 March 2003 HK\$'000	31 March 2002 HK\$'000	Net Change
Turnover	59,984	29,140	106%
Loss from operations	(8,694)	(8,017)	8.4%
Loss attributable to shareholders	(8,100)	(9,551)	-15%
Loss per share Basic and fully diluted	(0.82) cents	(0.97) cents	-15%

(12 May 2003, HONG KONG) - Excel Technology International Holdings Limited ('Excel' or the 'Company', together with its subsidiaries, the 'Group'; stock code: 8048) is pleased to announce its unaudited consolidated results for the three-month period ended 31 March 2003.

In the first quarter of 2003, the Group achieved a growth of 106% to HK\$59,984,000 in its turnover compared with the first quarter of the previous year. By sector performance on a quarter-to-quarter comparison, software sales grew by 13%, hardware and software resale increased by 520%, consultancy and systems integration services dropped by 79%, maintenance services grew by 26% and ASP services increased by 6%. The Group sees a substantial growth in hardware and software resale, albeit being a lower profit margin business, reflecting a heavy demand from the Mainland and a successful penetration of

12 May 2003

Excel into the Chinese enterprises. The key business focus of the Group – enterprise software sales, a higher profit margin business, increased by 191% when compared with the fourth quarter of 2002.

Total operating expense in this quarter decreased by about 11% and 24% when compared with the first quarter and last quarter of 2002. The Group has achieved significant saving in staff cost in Hong Kong as it continues to build the China staff force to support the Mainland market.

Loss attributable to shareholders reduced by 15% on a quarter-to-quarter basis to HK\$8,100,000. This represents an improvement of 76% when compared to that in 2002 Q4 (loss of HK\$34,012,000).

Ms Peggy Chan, CEO of the Group said, “The first quarter results was reflective of a stronger pipeline in the second half of 2002.” Ms. Chan continued, “However, the SARS epidemics has slowed down business activities in Hong Kong, Singapore and the Mainland since late March 2003. We shall see some delay in contract conclusion. At present, the Group has a healthy backlog of contracts on hand and the management is closely monitoring the SARS impact on its business and will adjust the contingency plan according to the development.”

###

Company Background:

Excel is a leading business application solutions provider and is principally engaged in the development, sale and implementation of enterprise software. The Group is also a major player in the ASP (application service provider) business through i21 Limited. With a further focus on IT consultancy, systems integration, maintenance and resale of IT products, Excel maintains its reputation as a regional financial technology provider to the banking and finance sector. Headquartered in Hong Kong, Excel has offices in Singapore, Beijing, Shanghai, Guangzhou and Shenzhen.

- End -

For further information, please contact:

Flora Wong

Tel: 2186 2800

Fax:2186 8062

E-mail: PR@excel.com.hk

Web-site: www.excel.com.hk