



November 3, 2004

[Immediate Release]

**Excel Technology Provides Complete Auto Car Loan System
To Automobile Companies in China**

(November 3, 2004 Hong Kong) Excel Technology International Holdings Limited (stock code: 8048; “Excel Technology”), is pleased to announce today that Excel System (Beijing) Limited (“Excel System”), a subsidiary of Excel Group in Beijing, China recently provided a complete auto car loan system for Volkswagen Finance (China) Co., Ltd. (“Volkswagen Finance”), located in Beijing. Volkswagen Finance has started selling car loans in China. It is the first wholly foreign owned auto finance company in China. The subsidiary of Volkswagen Financial Services AG, Europe's largest provider of automobile financial services, has started up with a business model that represents an innovation and offers a completely new product for the Chinese market.

Developed and deployed by Excel System using Excel’s flagship products – LOS (Loans Origination System) and LOANS (Loan Processing and Management System), the new system is an innovative and complete auto car loan system catered to meeting Volkswagen Finance’s sophisticated car/hire purchase loans application and processing requirements and to support its current demanding car loan business in China. The new system covers the entire car loan business operations, from application origination, processing to collection.

The new system effectively handles a large number of repayment transactions received from the Volkswagen Finance’s private customers. For transactions related to payment and repayment such as loans drawn down and installment repayment, corresponding general ledger entries can be efficiently generated for posting to the company’s Accounting system. To help the company’s effectively manage the administration of its loan portfolio in China, the system improves its loan processing and shortens the application approval time. In addition, the system provides electronic payment interfaces using the payments gateway to their designated banks and branches in China.

Mr. Klaus-Uwe Schaffrath, General Manager of Volkswagen Finance (China) Co., Ltd. said: “Volkswagen Finance (China) Co., Ltd. provides convenient and progressive solutions for the private Chinese customer. We are the innovation leaders in this business field. The customer obtains all the products required for his or her mobility directly in the dealer showroom. We are thus transferring the Group's one-stop shopping strategy to the Chinese market.” Mr. Schaffrath outlined the merits of the business model implemented as follows: “We are ensuring transparency and convenience in the processing for both the customer and the dealer.”

Ms. Peggy Chan, Chairman and CEO of Excel Technology, said: “Excel’s LOS and LOANS are versatile multi-product loan and management software which are tailored to the loan business in Greater China region. They are proven products that are currently being used by many reputable banks and financial institutions in Asia.” “As the flagship products of Excel Group, our Loans products are designed with high flexibility and user-definable parameters that allow future enhancements and seamless systems integration in response to market trend and customers’ changing requirements from time to time,” added Ms. Chan. “We are very delighted that our Loans products are now deployed as the perfect car loan system for Volkswagen Finance to support its current car/hire purchase loan business and future expansion in China.”

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About Excel Technology International Holdings Limited

Excel Technology International Holdings Limited [Excel Technology, stock code: 8048] is a leading information technology (IT) and enterprise software and solution provider specializing in the banking, finance, insurance, ERP and logistics sectors in Asia. Excel Technology’s major business includes development and implementation of enterprise software products, providing e-solutions, IT strategy and planning, outsourcing and systems integration. Headquartered in Hong Kong, the company has a strong team of over 400 IT professionals serving in Beijing, Shanghai, Guangzhou, Shenzhen and Singapore.

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