



10 August 2006

Press Release 【FOR IMMEDIATE RELEASE】

EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED
RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2006

Financial Summary

Unaudited Consolidated Results	Three months ended 30 June 2006 HK\$'000	Three months ended 30 June 2005 HK\$'000	Six months ended 30 June 2006 HK\$' 000	Six months ended 30 June 2005 HK\$'000
Turnover	85,783	59,138	120,981	94,924
Profit/(Loss) from operations	3,227	(2,940)	(888)	(9,057)
Profit/(Loss) before disposal loss of associate	2,380	(2,559)	(1,300)	(8,624)
Loss attributable to Equity holders of the parent	(857)	(2,559)	(4,537)	(8,624)
Loss per share - Basic	(0.09) cents	(0.26) cents	(0.46) cents	(0.88) cents

(10 August 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 six-month period ended 30 June 2006.

For the six-month period ended 30 June 2006, the Group recorded an increase of 27% in turnover to HK\$120,981,000, compared with HK\$94,924,000 in the same period of last year.

The Group sees significant improvement in the second quarter with a profit of HK\$3,227,000 from the operation, thus bringing the loss from operations for the first six months down to HK\$888,000, as compared to the loss of HK\$9,057,000 in the same period of last year.

The Group reported a loss attributable to equity holders of the parent of HK\$4,537,000 for the six months ended 30 June 2006 (2005: Loss of HK\$8,624,000). Excluding the disposal loss of an associate company of HK\$3,237,000, the Group's loss attributable to equity holders of the parent

before disposal loss of associate was HK\$1,300,000 (2005: Loss of HK\$8,624,000).

Management is confident of the outlook for the rest of the year. Sales pipeline is strong for all business units with several large software contracts under negotiation with expectation to be brought to closure in the second half of the year. Our software products continue to be selected for regional implementation by regional and multinational banks. This trend would help us to gain significant penetration in the enterprise software market beyond Hong Kong, and to build up a steady recurring maintenance and service revenue stream.

In the first half of 2006, most of the Group's business units made significant improvements and achieved EBITDA (Earning before interest, taxation, depreciation and amortisation) positive. Only a newly established outsourcing business unit required investment from the Group but is expected to bring long term large scale contracts to the Group.

The Group's rich set of product portfolio, in-depth client relationship, and geographic footprint has attracted many international companies to seek long-term partnership. The Group will leverage on these international partners to bring complementary technology and products into the region and to also widen our client base through their network.

With an operational profit in the second quarter, a strong string of signed contracts and pipeline, management expects the continued positive trend.

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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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10 August 2006

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