

20 March 2007

Press Release

EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

(20 March 2007, 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 audited consolidated results for the year ended 31 December 2006.

Financial Highlights	12 months ended 31 December 2006 HK\$'000	12 months ended 31 December 2005 HK\$'000
Turnover	282,823	224,242
Profit (Loss) from Operations	3,822	(19,768)
Profit (Loss) attributable to Equity holders of the Company	1,457	(16,566)
Earnings (Loss) per share – Basic	0.15 Cents	(1.68) Cents

Management is pleased to report that the Group has returned to profitability and is confident that this trend will continue into the coming years. The Group generated an operation profit of HK\$3,822,000 in 2006 (2005: operation loss of HK\$19,768,000). Attributable profit was HK\$1,457,000, inclusive of a one-time disposal loss of HK\$3,237,000 as part of selling an associate company.

The Group is in a strong financial position with net cash or cash equivalent of HK\$47,261,000 and pledged deposit of HK\$13,303,000 with low gearing ratio. Contracts on hand and pipeline are healthy and go well into 2007.

During the year ended 31 December 2006, the Group recorded an increase of 26% in turnover of HK\$282,823,000, compared with a turnover of HK\$224,242,000 for 2005.

In 2006, the Group consolidated our China business under one brand name and operation. We expect the China enterprise software business to make good returns in the coming years while SI remains to make the top line revenue but with lower margin and relatively lower risk.

Malaysia and Thailand were active grounds for business development in 2006 and we expect to reap several major contracts in these two countries in the coming period. Multinational companies operating out of Hong Kong and Singapore will continue to make major contribution to our regional growth.

Our Hong Kong operations made significant improvement in 2006 and have strong profits and signed contracts going into 2007.

The new software development outsourcing subsidiary gains business momentum and expects to make positive contribution. We expect to significantly increase the capacity of our software centers to meet business needs by adding 100 to 200 software engineers in the next 12 months.

We continue to receive recognition of growth through the awards from the renowned Tohmatsu Deloitte Company with both the “2006 Deloitte Technology Fast 50 China” award and the “2006 Deloitte Technology Fast 500 Asia Pacific” award.

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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 420 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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