

May 14, 2001

Press Release

【For immediate release】

EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED
2001 FIRST QUARTERLY UNAUDITED RESULTS

The Group achieved a turnover of HK\$41,269,000 for the three months ended 31st March 2001, representing an increase of about 43% when compared with the same period last year.

Profit from operation increased to HK\$4,717,000, with a margin of 11.4%.

The profit attributable to shareholders was reported at HK\$1,308,000.

Earnings per share at 0.13 cents.

Enterprise software products continued to show a healthy growth momentum in Hong Kong.

Shekou software center is undergoing the second phase development. The staff number is expected to increase to 100 by the third quarter of this year.

Our software products received positive feedback from a number of major domestic corporations both in Singapore and Malaysia, a letter of intent had been signed for the HRMS product in Malaysia.

i21 Limited, an associated company of the Company, has signed a binding letter of intent with ehealthcareAsia for the transfer of its entire technology platform of iClaims21 to ehealthcareAsia.

Financial Summary

Unaudited Consolidated Results	31 st March, 2001 HK\$'000	31 st March, 2000 HK\$'000	Net Change
Turnover	41,269	28,887	43%
Profit from operations	4,717	485	873%

Profit attributable to shareholders	1,308	234	459%
Earnings per share Basic and fully diluted	0.13 cents	0.03 cents	333%

(14th May, 2001, 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 months ended 31 March, 2001.

For the three months ended 31st March, 2001, the unaudited turnover of the Group was HK\$41,269,000, representing an increase of 43% over the same period in 2000. The Group achieved a profit from operation of HK\$4,717,000 for the same period, which represents a significant increase over the same period in 2000. The profit attributable to shareholders was increased to HK\$1,308,000 when compared to a profit of HK\$234,000 in the same period in 2000.

Sales of enterprise software products continued to show a healthy growth momentum in Hong Kong. It contributed to about 50% of the total turnover. LOANS continued to be the most popular product of the Group. The enterprise software products of the Group are gaining wider acceptance in the market as institutional clients are turning to purchase customizable application solutions rather than developing the same internally.

Resale in third party hardware and software and related professional services to complement our enterprise software products had increased correspondingly with increase in the sales of the latter. It represents about 45% of the total turnover in the reporting period. To strengthen our offerings, the Group has a team of systems consulting and networking experts providing value-added service to our clients in implementing total solutions.

Following the inauguration of the Group's first software center in China in September 2000, the Group has already embarked on the second phase of development by expanding the software center. The software center has grown to about 40 persons and is expected to increase to 100 by the third quarter of this year. To cope with the expansion, the floor space for the software center has been increased from 434 m² to 1,032 m² in the first quarter of 2001.

Revenue contribution from the China operations, including the joint venture in Beijing, is

expected in the second quarter of this year.

Sales and marketing activities originated from the Singapore office provided positive feedback in the markets in Singapore and Malaysia. A letter of intent with a Malaysian customer had been signed for the implementation of the HRMS product. It is anticipated that the SE Asia market will start to generate revenue for the Group starting from the second quarter in this year.

A major achievement of i21 Limited ("i21"), the Group's associated company specializing in ASP business, during the reporting period has been the signing of a binding letter of intent with ehealthcareAsia, a dominant provider of managed healthcare service in Asia. As reported separately, the transaction involves the sale of the entire business and technology platform of iClaims21 by i21 to ehealthcareAsia and co-development of the new insurance-related product called iPolicy between Excel and ehealthcareAsia. In this manner, the Group can forge a strategic relationship with a dominant player in the healthcare industry to accelerate its entrance into the healthcare and medical insurance industries.

Ms Peggy Chan, Chairman & CEO of the Group: "Shekou software center is becoming apparent as it is providing low cost development support for the regional offices and the China market. I believe the China IT service export market of China will offer substantial opportunity for overseas corporations who are suffering from inadequate or substandard IT supports."

Ms. Chan continued: "I am confident that the software products of the Group will witness a larger market as it is expanding into the Asian region."

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, a joint venture with iBusiness Corporation. With a further focus on IT consultancy, systems integration, maintenance and resale of IT products, Excel maintains its reputation as a leading IT provider, with a principal focus on the banking and finance sector.

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