

21 March 2012

Press Release

EXCEL TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

(21 March 2012, 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 consolidated results for the year ended 31 December 2011.

Financial Highlights	12 months ended 31 December 2011 HK\$'000	12 months ended 31 December 2010 HK\$'000
Revenue	512,900	280,576
Profit attributable to the owners of the Company	2,591	6,036
Earnings per share for profit attributable to the owners of the Company – Basic and diluted	HK0.26 Cents	HK0.61 Cents

For the year of 2011, the Group's profit attributable to the owners of the company was HK\$2,591,000, as compared with a profit of HK\$6,036,000 in the same period of 2010. The drop in profitability was mainly due to the increase in depreciation of computer equipment purchased to meet expansion needs; the increase in depreciation of the renovation work done for our new office in Hangzhou; the increase in amortization of development costs; as well as the unrealized fair value adjustment on financial assets due to the volatile investment market condition at the year end.

During the year ended 31 December 2011, the Group recorded a turnover of HK\$512,900,000, representing an increase of 83% compared with a turnover of HK\$280,576,000 in 2010. The increase of turnover was largely contributed from the systems integration business, which jumped by 125% to HK\$355,376,000 (2010: HK\$158,249,000). However, the very thin margin of the systems integration business was further eroded by the keen competitions in China, which cancels out the contribution to our profits by this significant increase in business volume.

As at 31 December 2011, the Group was in a strong financial position with bank balances and cash of HK\$69,233,000 (2010: HK\$60,905,000).

The original forecast of our business in 2011 was conservative but optimistic as we were counting on to ride the economic recovery train. Unfortunately, the impact of the European sovereignty debt crisis started to sink in during the third quarter, and as a result, we could only maintain the profitability of the operations at the same level as that of previous year.

Overall in 2011, we managed to maintain and grow modestly, our business in enterprise software and professional services, the two major units of our service business.

Management believes that 2012 will be challenging as there are many uncertainties in the political and economic scenes in both China and Hong Kong. We will be actively seeking new opportunities to improve our business performance, as well as to provide better returns to all stakeholders.

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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, systems integration and Application Service Provider (ASP) services. Excel has around 530 employees with offices in Hong Kong, Beijing, Shanghai, Shenzhen, Dongguan, Hangzhou, Taiwan, 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.

Company Website: www.excel.com.hk.

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For further information, please contact:

Excel Technology International Holdings Limited

Debby Chan

Tel: 2186 2896