【For immediate release】

CEC ANNOUNCES 2006/2007 ANNUAL RESULTS

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STEADY GROWTH OF CORE ELECTRONIC COMPONENT MANUFACTURING BUSINESS PROFIT ATTRIBUTABLE TO SHAREHOLDERS REACHES HK$23,810,000

(Hong Kong, 13 August 2007) — CEC International Holdings Limited ("CEC" or together with its subsidiaries, the "Group") (Stock Code: 759), a manufacturer of electronic components such as coils, tranformers, etc, announced its annual results for the year ended 30 April 2007.

The Group recorded a turnover of HK$700,279,000, an increase of 13.2% (2006: HK$ 618,561,000). Gross profit was HK$135,820,000, similar to that of last year. Due to rising raw material, energy and labour costs, the Group's gross profit margin declined to 19.4% (2006: 21.9%). Profit attributable to shareholders was HK$23,810,000 (2006: HK$23,296,000). Basic earnings per share were HK3.32 cents (2006: HK3.30 cents).

The Board of Directors recommended the payment of a final dividend of HK 0.95 cent per share (2006: HK0.9 cent) for the year ended 30 April 2007 to shareholders whose names appear on the register of members of the Company on 27 September 2007.

Mr. Coils Lam, Chairman of CEC, said, "The Group specializes in electronic component manufacturing and has benefited from the booming consumer electronics markets and hence achieved growth in turnover. Although the persistently high raw material prices and increase in wages posed pressure on our gross profit margin, the management has continued to implement a series of measures to improve its efficiency for raising overall productivity."

During the year under review, turnover of electronic components manufacturing business, the Group's core business, reached HK$699,038,000, an increase of 13.3% as compared with HK$617,093,000 last year, accounting for 99.8% (2006: 99.8%) of the Group's turnover. The increase was derived mainly from the growth in various consumer electronics segments especially cell phones, flat-panel televisions, computers, electronic video game consoles and power-supply devices.

During the year, the Group experienced much cost pressure from the persistent increase in raw material prices, exchange rate of Renminbi, labour cost in Mainland China and energy cost. The Group reinforced its internal control to enhance efficiency and focused on controlling selling and distribution expenses as well as general and administrative expenses, thereby offsetting the impact of the soaring costs in production and currency translation.

With the rapid economic development of Mainland China, the labour market is still very tight. In particular, high labour turnover rate and difficulty in recruitment are very common in Guangdong province. The remuneration of both management and factory workers has continued to rise in line with the rapid economic growth. During the year, the Group made appropriate remuneration evaluation and adjustments for its employees at various levels, resulting in the increase in overall remuneration. The Group is considering allocating more resources to facilities expansion and automation for establishing a more modernized production environment and improving the existing production cost structure.

In view of the persistent cost pressure resulting from the surging prices of raw materials and the rising staff wages in Mainland China, the Group has been committed to undertaking research and development of applied materials and looking for new ideas in the improvement of industrial process. However, as it is expected that the upward trend of raw materials and staff wages will not be reversed in the foreseeable future, hence, in the fourth quarter of 2006/2007, the Group took the initiative to negotiate with its customers and suppliers for relatively stable pricing. At the same time, the Group's industrial engineering team is striving to develop production flow improvements in order to ease the immense cost pressure.

The Group has established its headquarters in Hong Kong since 2005/2006. To support its sales and marketing main office in Hong Kong, in the first quarter of 2007/2008, the Group planned to establish a product research and development division in 3 years. The division will focus on overseas markets and be mainly engaged in the research and development of power-supply products. The Group will recruit technicians and purchase advanced equipment and facilities for the division.

The Group will cease the operation of its plants in Singapore and Bishan at Chongqing, Mainland China in the next financial year and relocate the production facilities to its Zhongshan main plant and other plants. Besides, in the first quarter of 2007/2008, the Group has commenced the construction of a large plant in Zhongshan with usable area of over 26,000 square meters, which will provide added production capacity for the Group's expansion of its coils manufacturing business.

Mr. Lam concluded, "To drive further growth in the future, CEC expects to improve its overall productivity and efficiency more effectively by consolidating its production facilities and constructing the new plant. The management will strive to bring better returns to the Group's shareholders."

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About CEC International:

CEC International was listed on The Stock Exchange of Hong Kong Limited on 15 November 1999. It is a reputable electronic components manufacturer, engaging in the design, development, manufacture and sale of a wide range of coils, inductors, transformers, capacitors, and other electronic components. CEC's products are commonly found in IT products, telecommunication products, home appliances and audio-visual products. Accredited with ISO 9001 & ISO 14001 certification in 1995 and 2005 respectively, the Company also has more than 500 engineers and quality control staff ensuring its product quality.

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Remarks:

This media release and the other corporate information of CEC can also be accessed at the following website: http://www.0759.com