



[For immediate release]

CEC INTERNATIONAL HOLDINGS LIMITED
2000/2001 THIRD QUARTER RESULTS ANNOUNCEMENT
SUSTAINED A DOUBLE-DIGIT GROWTH IN TURNOVER
FOR NINE MONTHS ENDED JANUARY 31, 2001

Financial Summary

Three months ended 31 st January	2001	2000	Change
	HK\$'000	HK\$'000	
Turnover	81,718	63,660	+28%
Gross profit	26,016	21,651	+20%
Profit from operations	12,168	10,888	+12%
Profit attributable to shareholders	6,529	8,032	-19%
Earnings per share – Basic	HK 1.26 cents	HK 1.65cents	-24%
Earnings per share – Diluted	HK 1.18 cents	N/A	N/A

Nine months ended 31 st January	2001	2000	Change
	HK\$'000	HK\$'000	
Turnover	269,393	196,942	+37%
Gross profit	87,397	67,952	+29%
Profit from operations	49,259	41,640	+18%
Profit attributable to shareholders	34,040	31,910	+7%
Earnings per share – Basic	HK 6.70 cents	HK 7.74cents	-13%
Earnings per share – Diluted	HK6.25 cents	N/A	N/A

[14th March, 2001, Hong Kong] – CEC International Holdings Limited (“CEC” or the “Group”; stock code: 759) announced today its unaudited consolidated results for the three months and nine months ended January 31, 2001.

The Group has managed to sustain its trend of double-digit growth in turnover during the period. The turnover for the three months and nine months ended January 31, 2001 was approximately HK\$81,718,000 and HK\$269,393,000 respectively, representing a robust growth of approximately 28% and 37% from the corresponding periods in 2000.

The Directors resolved not to declare any dividend in respect of the nine months ended January 31, 2001

Mr. Coils Lam, Chairman of CEC commented, “the growth in turnover, when compared to the same periods last year, reflects the Group’s success in upholding its position in the electronics market coupled with its timely expansion of production capacity in line with the demand of its customers.”

A substantial investment in the enrichment of our production facilities in Zhongshan, Guangdong Province was financed mainly with new long-term bank loans and finance leases of approximately HK\$30,000,000 and HK\$23,801,000 respectively in the third quarter. As a result, interest expenses was up 113% from approximately HK\$2,594,000 for the three months ended January 31, 2000 to HK\$5,532,000 for the third quarter of the current financial year. Combined with the adverse impact on production cost resulting from the significant rise in petroleum price on a global basis, a temporary problem that the Group shared with the industry as a whole, the Group experienced a mild slowdown in the growth in profit performance during the third quarter. The profit attributable to shareholders for the three months ended January 31, 2001 was approximately HK\$6,529,000, decreased 19% from the comparable quarter last year. On a year-to-date basis, the Group achieved a moderate 7% growth in profit attributable to shareholders for the nine months ended January 31, 2001 to approximately HK\$34,040,000 as compared to the same period last year.

During the same period, the Group has been undertaking a large-scale investment in expanding its production infrastructure in Zhongshan. A new power conversion station was installed in order to save the costs of raw materials and power generation respectively to a considerable extent and mitigate the adverse impact from the fluctuating petroleum market. With this upgraded production environment, the Group will soon be fully prepared to elevate to a higher level of business endeavours.

During the period under review, the Group successfully gained the distribution right for various types of Samsung passive components such as chip capacitors, chip resistors, electrolytic capacitors and ceramic capacitors.

Looking ahead in the future, Mr. Lam concluded, " With the impending accession of China to the World Trade Organization ("WTO"), the Group will maintain its proactive approach to operations that will allow CEC to leverage its capabilities to achieve an even stronger market presence. In the coming year, the Group will expand the production line of miniature multi-layer chip inductors which can be used in MP3 players, mobile phones, cable modems, broadband network equipment and computers. Lastly, the Group intends to intensify our efforts in the R&D of ferrite materials in order to extend our technological and market strengths even further."

-end-

Corporate Information:

CEC is a reputable coil manufacturer, engaged in the design, development, manufacture and sale of a wide range of coils. CEC coils can be commonly found in IT products, telecommunication products, home appliances and audio-visual products, etc. Accredited by the recognition of ISO 9001 in 1995, the Company has more than 400 engineers and quality control staff for the assurance of product quality. CEC has been a listed company on The Stock Exchange of Hong Kong Limited since November 1999.

For more information, please contact:
iPR Asia Ltd.
<http://www.iprasia.com>

Gladys Chong/ Venus Lau/ Ellen Zee
Tel: 2136 6954/ 2136 6179/ 2136 6184
Fax: 2136 6118/ 2136 6068
Email: info@iprasia.com.hk