

【 For immediate release 】

**CEC ANNOUNCES 2006/2007 FIRST QUARTER RESULTS
PROFIT ATTRIBUTABLE TO SHAREHOLDERS REACHED HK\$6,841,000**
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(Hong Kong, 27 September 2006) — CEC International Holdings Limited (“CEC” or the “Group”) (Stock Code: 759), a manufacturer of electronic components such as coils, capacitors, etc, today announced its first quarter results for the three months ended 31 July 2006.

The turnover of the Group was approximately HK\$172,764,000, 19% more than the HK\$145,213,000 in the corresponding period last year. During the period, turnover of the electronic components manufacturing segment, the Group’s core business, was HK\$172,464,000, which accounted for 99.8% of the Group’s turnover. During the reporting period, persistently high international metal and energy prices and rising labour cost in China pushed up the Group’s overall production costs, and in turn gross profit margin was slightly squeezed from 21.6% last year to 20.1%. Profit attributable to shareholders for the period was HK\$6,841,000, which was higher than last year’s HK\$ 6,579,000.

Mr. Coils Lam, Chairman of CEC, said, “We are very much encouraged that in the reporting period, despite being challenged by high oil and material prices, we managed to achieve growth in turnover and profit attributable to shareholders.”

By sales market, turnover growth was registered mainly in Hong Kong, Mainland China, the Americas and Asia. Turnover from Hong Kong and Mainland China totaled approximately HK\$133,270,000 (2005: HK\$111,894,000) and accounted for 77% (2005: 77%) of the Group’s turnover.

Looking forward, consolidation of the Group’s main plant in Zhongshan has had good progress. Interior installation for the two new plants of total gross floor area approximately 19,800 square meters is near complete. The new manufacturing workshops are expected to be in full production in the second quarter of this financial year.

To improve its overall production efficiency, the Group is currently forming a comprehensive industrial workflow management team in its headquarters in Hong Kong by recruiting more related professionals and using scientific management tools. Its aim is to improve the Group’s production know-how and workflow. With the market growingly concerned about safety of products and whether they are environmentally friendly, the Group will also set up a well-equipped laboratory in Hong Kong to ensure its products meet all quality requirements at all times.

Mr. Lam concluded, “The Group is committed to enhancing production quality and efficiency through various measures, including building new plants and setting up quality inspection laboratory. These initiatives will enable us to improve our production model and satisfy customers’ growingly stringent demand on product quality and environmental protection standards. We hope they will effectively improve our performance and allow us to bring satisfactory returns to our 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>*