

【 For immediate release 】

**CEC ANNOUNCES 2007/2008 INTERIM RESULTS
PROFIT ATTRIBUTABLE TO SHAREHOLDERS REACHED
HK\$14,429,000**

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(Hong Kong, 18 December 2007) — CEC International Holdings Limited (“CEC” or the “Group”) (Stock Code: 759), a manufacturer of electronic components such as coils, transformers, etc. and ferrite provider, today announced its interim results for the six months ended 31 October 2007.

The Group’s turnover for the period amounted to HK\$393,561,000 (2006: HK\$351,918,000), 11.8% higher than that in the corresponding period last year. The Group’s gross profit for the six months ended 31 October 2007 was HK\$79,655,000 (2006: HK\$71,109,000), and profit attributable to shareholders amounted to HK\$14,429,000 (2006: HK\$14,010,000). During the reporting period, persistently high metal and energy prices and rising labour cost in China pushed up the Group’s overall production cost. However, the Group was able to maintain gross profit margin at 20.2% (2006: 20.2%), which was similar to that of the same period last year.

Mr. Coils Lam, Chairman of CEC, said, “High energy and raw material prices, rising labour costs and appreciation of the RMB continued to challenge the Group during the reporting period. However, devoted to improving production efficiency and research and development of application of materials, the Group achieved growth in turnover and profit attributable to shareholders.”

On 17 September 2007, the Group signed a HK\$300 million 3-year transferable term loan facility agreement with a syndicate of banks. The facility has enhanced the Group’s capital strength notably. Part of the facility amounting to HK\$81 million was used to repay the outstanding indebtedness of the transferable term loan and revolving credit facility secured in 2005. As at 31 October 2007, the Group’s bank balance and cash amounted to HK\$176,475,000. The Group is committed to research and development and technology upgrade.

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The Board expects appreciation of the RMB to continue to pose pressure on the Group's profit. Despite that, it sees only mild fluctuation for the currency and does not think it is necessary for the Group to hedge against exchange risks using any highly cost foreign exchange futures or options contract. The Board will closely monitor fluctuation in exchange rates to decide on any due actions.

Looking ahead, the Group will continue to improve procurement and lower inventory level, as well as enhance production and logistics management. It plans to upgrade production facilities for its core business to enhance productivity and expand production capacity for coil products, manganese-zinc ferrite and plastic accessories.

The construction of an over 26,000 square metre plant neighboring its Zhongshan plant is in progress. Related works are expected to be completed in the next financial year. The plant will provide the Group with more space for developing its core business in the future, giving it room to expand production capacity for coil products and its accessories, including ferrite magnetic cores and plastic accessories, as well as improve production flow to enhance efficiency and product quality.

Mr. Lam concluded, "Targeting is to develop and grow with our customers, the Group will strive to improve production by optimizing procedures and workflow and refining its industrial craftsmanship. In the long run, the Group will continue to reduce logistics cost, enhance production capacity and efficiency and 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, 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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This media release and the other corporate information of CEC can also be accessed at the following website:
<http://www.0759.com>