



CDW Holding Limited

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CDW achieves recovery in 4Q06

- ***Strong growth in core LCD (“Liquid Crystal Display”) BLU (“Backlight unit”) business due to increased orders for higher value BLU***
- ***Improving performance in new Dongguan plant***
- ***Synergy from integration of Japan Tomoike strengthens technical competence and enhances business opportunities***

Singapore, 27 February 2007 – CDW Holding Limited (“CDW” or “The Group”), a Hong Kong based, Japanese-managed LCD BLU and other precision components specialist for the mobile communication, consumer, information technology and office equipment sectors, has achieved a mild recovery in 4Q results and a 47.5% increase in its FY06 revenue from US\$106.2 million to US\$156.6 million.

Financial Highlights

Financial Highlights (US\$'000)	4Q06	3Q06	% Change	FY06	FY05	% Change
Revenue	42,817	37,881	13.0%	156,586	106,173	47.5%
Gross Profit	7,545	6,719	12.3%	25,288	21,803	16.0%
Profit before Taxation (PBT)	1,320	791	66.9%	6,097	10,053	(39.4%)
Net Profit Attributable to Shareholders	893	588	51.9%	5,168	8,942	(42.2%)

The strong growth in revenue was mainly attributed to a significant growth of business in the Group’s core LCD BLU division. Revenue from the BLU business rose 79.4% from US\$51.9 million in FY05 to US\$93.1 million in FY06 on the back of increased orders for the higher value BLU for handsets and other small LCD devices. The improving performance of the Dongguan plant also contributed to the LCD BLU’s growth in FY06. In addition, the acquisition of Tomoike Industrial Co., Limited (“Japan Tomoike”) contributed to the turnover and profitability of the Group in FY06.

Gross profit improved by 16.0% to US\$25.3 million in FY06. However net profit attributable

to shareholders declined to US\$5.2 million. Overall gross margins slipped from 20.5% in FY05 to 16.1% in FY06 due to the highly competitive environment in the LCD BLU division segment of business and the business setbacks in the frame division during 2Q and 3Q. The Group's margin will continue to be affected by the higher cost of components in connection with the undertaking of higher value projects for the LCD BLU division.

Earnings per share experienced a drop from 1.85 US cents in FY05 to 1.06 US cents in FY06. Whereas, net asset value (NAV) per share increased from 9.62 US cents as at 31 December 2005 to 10.17 US cents as at 31st December 2006.

Commenting on the results, Mr. Kunikazu Yoshimi, CDW's CEO said, "Despite the challenging and highly competitive business environment, we have achieved another set of profitable results. With the securing of another new handset end-customer, CDW is currently supplying indirectly to two out of the three biggest mobile phone makers. In addition, being a core supplier to the market leaders in the gamebox entertainment industry, we are confident of maintaining our revenue growth and market position in the coming years."

Mr Akihiro Kiyota, Executive director of CDW also added, "The demand for the Group's products remains strong, boosted by the growing handsets and gamesets industries. However, given the extremely competitive industry environment as well as the higher component cost for higher value LCD BLU, the Group's margin will continue to be under pressure. To deal with this, CDW has plans in the new financial year to improve its cost efficiency by shifting some of the outsourced processes in-house and would continue to explore other strategies in the form of more tie-ups between our Japan and China subsidiaries to enhance our competitiveness in the industry."

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About CDW Holding Ltd.

CDW Holding Ltd. ("CDW"), a Japanese-managed company, is a key precision components parts supplier to major reputable Japanese customers for Liquid Crystal Display (LCD) products and other precision accessories components in the mobile telecommunications, consumer electronics and office equipment sectors.

Headquartered in Hong Kong, CDW has production facilities and sale offices across Osaka, Nara, Tokyo, Mie and Hiroshima in Japan; Shanghai, Suzhou and Dongguan in China, making them one of the largest LCD BLU manufacturers for Japanese MNCs.

CDW's business can be divided into four segments, namely:

- a) Production, assembly and supply of LCD backlight units (BLU)
- b) Production and supply of metal and plastic LCD frames
- c) Production of precision accessories
- d) Trading of precision accessories

Issued for and on behalf of CDW Holding Ltd.

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