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This announcement, for which the directors of Kingdee International Software Group Company Limited (the “Company”, and together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading; there are no other matters the omission of which would make any statement in this announcement misleading; and all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

KINGDEE

KINGDEE INTERNATIONAL SOFTWARE GROUP COMPANY LIMITED

金蝶國際軟件集團有限公司

(incorporated in the Cayman Islands with limited liability)

CLARIFICATION ANNOUNCEMENT

Summary

This announcement is to clarify a newspaper article published on 18th March, 2003 in relation to the Company.

This announcement is made at the request of the Stock Exchange of Hong Kong Limited.

The board of directors of the Company refers to a newspaper article published on 18th March, 2003 on Sing Pao Daily News (the “Article”) regarding i) the Company proposed to introduce IBM as a strategic partner to the Company and ii) the Group’s turnover was expected to increase to RMB1,500 million by 2005.

The Company confirms about the quotations that the Company proposed to introduce IBM as a strategic partner to the Company is incorrect and that no negotiation between the Company and IBM about strategic partnership has taken place. The Company also confirms that the expected turnover of RMB1,500 million to be achieved in 2005 is a target to-be-achieved by the Group and this target does not contradict with the business objectives or future plans as stated in the prospectus of the Company.

Therefore, the board of directors of the Company considers that the information contained in the Article, does not constitute a profit forecast and does not constitute notifiable transaction pursuant to Chapters 19 or 20 of the GEM Listing Rules or under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which are or may be of price-sensitive nature. The board of directors of the Company also confirms that there are no negotiations or agreements relating to strategic partnerships or acquisitions

which are discloseable under Chapters 19 and 20 of the GEM Listing Rules, neither is the board of directors of the Company aware of any matter discloseable under the general obligation imposed by Rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

On behalf of the Board
Kingdee International Software Group Company Limited
Xu Shao Chun
Chairman

Hong Kong, 18th March, 2003

This announcement will remain on the GEM Website at www.hkgem.com on the “Latest Company Announcements” page for 7 days from the date of its posting and the website of the Company at www.kingdee.com.