

## **BONSO ELECTRONICS REPORTS RESULTS FOR THE FIRST QUARTER.**

TORTOLA, British Virgin Island, November 2, 2007 – /Xinhua-PRNewswire-FirstCall/ Bonso Electronics International, Inc (NASDAQ: BNSO) a designer and manufacturer of sensor based and communications products, today announced financial results for the first quarter ended 30 June 2007.

The company reported sales of \$16,102,000 and net earnings of \$243,000 or 4.3 cents per share (diluted) for the three months period ended 30 June 2007. This represents a decrease of 0.1 % in sales and a decrease of 46.9 % in net income as compared to sales of \$16,121,000 and net income of \$458,000 or 8.1 cents per share (diluted) posted during the same period last year.

Telecommunication product sales surpassed last year's volume but not enough to make up for the shortfall in Sensor based product sales. We are cautiously optimistic about future increases in sensor based product sales.

Anthony So, Bonso's Chairman said "Going forward, we intend to continue to focus on servicing our existing customer base while providing value added solutions to new potential customers in our niche markets of sensor based and telecommunication products."

"We intend to continue to make efforts to continue the progress we have made in strengthening our Balance Sheet. Our cash position at the end of the quarter is \$8.8 million, or approximately \$1.57 per share".

### **About Bonso Electronics**

Bonso Electronics designs, develops, manufactures, assembles and markets a comprehensive line of telecommunications products, electronic scales and weighing instruments and health care products. Bonso products are manufactured in the People's Republic of China for customers primarily located in North America and Europe. Company services include product design and prototyping, production tooling, procurement of components, total quality management, and just-in-time delivery. Bonso also independently designs and develops electronic products for private label markets. For further information, visit the company's web site at [www.bonso.com](http://www.bonso.com).

This news release includes forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. Forward looking statements may be identified by such words or phrases "should," "intends," "is subject to," "expects," "will," "continue," "anticipate," "estimated," "projected," "may," "we believe," "future prospects," or similar expressions. The forward-looking statements above involve a number of risks and uncertainties. Factors that might cause actual results to differ include, but are not limited to conditions in the general economy and in the markets served by the Company; competitive factors, such as price pressures and the potential emergence of rival

technologies; interruptions of suppliers' operations affecting availability of component materials at reasonable prices; timely development and market acceptance, and warranty performance of new products; changes in product mix, costs and yields, fluctuations in foreign currency exchange rates; uncertainties related to doing business in Hong Kong and China; and the risk factors listed from time to time in the Company's SEC reports. Forward-looking statements do not include the impact of acquisitions or dispositions of assets, which could affect results in the near term. Actual results may differ materially. The Company assumes no obligation to update the information in this issue.

For more information please contact:

Arthur Yu  
Tel: 852 2605 5822  
Fax: 852 2691 1724

**BONSO ELECTRONICS INTERNATIONAL INC.  
CONSOLIDATED BALANCE SHEET**

(In U.S. Dollars)

	<u>30-Jun</u> <u>2007</u> (Unaudited)	<u>31-Mar</u> <u>2007</u> (Unaudited)
<b><u>Assets</u></b>		
<b>Current assets</b>		
Cash and cash equivalents	8,779,578	8,118,018
Trade receivables, net	6,977,212	6,739,567
Inventories, net	15,850,748	14,997,788
Tax recoverable	193,806	2,117
Other receivables, deposits and prepayments	3,706,768	2,678,328
Investment	700,000	700,000
<b>Total current assets</b>	<u>36,208,112</u>	<u>33,235,818</u>
Deferred income tax assets	87,369	87,369
Goodwill	842,821	842,821
Brand name and other intangible asset, net	2,263,434	2,313,434
Property, plant and equipment, net	10,646,442	11,039,173
<b>Total assets</b>	<u>50,048,178</u>	<u>47,518,615</u>
<b><u>Liabilities and shareholders' equity</u></b>		
<b>Current liabilities</b>		
Bank overdraft	352,642	459,710
Notes payable	2,693,156	3,736,526
Accounts payable	8,677,694	5,354,326
Accrued charges and deposits	2,301,772	2,357,132
Short-term loans	4,056,729	3,576,366
Income tax liabilities	754,673	814,374
Current portion of capital lease obligations	95,725	95,725
<b>Total current liabilities</b>	<u>18,932,391</u>	<u>16,394,159</u>
Capital lease obligations, net of current portion	35,327	59,258
Deferred income tax liabilities	13,901	13,901
<b>Total Liabilities</b>	<u>18,981,619</u>	<u>16,467,318</u>
<b><u>Shareholders' equity</u></b>		
Common stock par value \$0.003 per share		
- authorized shares - 23,333,334		
- issued and outstanding shares : June & March 2007 - 5,577,639	16,729	16,729
Additional paid-in capital	21,764,788	21,764,788
Retained earnings	9,827,186	9,584,181
Accumulated other comprehensive income	786,416	1,014,159
Common stock held at treasury stock (260,717 shares)	(1,328,560)	(1,328,560)
<b>Total shareholders' equity</b>	<u>31,066,559</u>	<u>31,051,297</u>
<b>Total liabilities and shareholders' equity</b>	<u>50,048,178</u>	<u>47,518,615</u>

**BONSO ELECTRONICS INTERNATIONAL INC.****CONSOLIDATED INCOME STATEMENT**

(In Thousands of U.S. Dollars)

	<b><u>Three months ended June 30</u></b>	
	<b><u>2007</u></b>	<b><u>2006</u></b>
	<b><u>(Unaudited)</u></b>	<b><u>(Unaudited)</u></b>
Net sales	16,102	16,121
Cost of sales	(13,025)	(12,843)
Gross margin	3,077	3,278
Selling expenses	598	527
Salaries and related costs	1,426	1,319
Research and development expenses	105	111
Administration and general expenses	854	748
Amortization of brand name	50	50
Income from operations	44	523
Interest Income	31	48
Other income	92	56
Interest Expenses	(134)	(117)
Foreign exchange gains \ (Loss)	211	(30)
Income/(loss) before income taxes	244	480
Income tax expense	(1)	(22)
Net income/(loss) before minority interest	243	458
Net income/(loss)	<b>243</b>	<b>458</b>
<hr/>		
Earnings per share ( in U.S.Dollars per share)		
Basic	0.044	0.082
Diluted	0.043	0.081
Weighted average shares (Basic)	5,577,639	5,577,639
Adjusted weighted average shares (diluted)	5,646,810	5,667,085