

The board of directors of Star East Holdings Limited (the "Company") announces the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th September, 2001, together with comparative figures for the corresponding period in 2000. The interim results have been reviewed by the auditors, Deloitte Touche Tohmatsu in accordance with the Statement of Auditing Standards 700 "Engagements to Review Interim Financial Reports" issued by the Hong Kong Society of Accountants and the Audit Committee of the Company.

## CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2001

	Notes	Six months ended 30th September,	
		2001 HK\$'000 (unaudited)	2000 (as restated) HK\$'000 (unaudited)
Turnover	3	84,077	107,794
Cost of sales		(65,923)	(100,753)
Direct expenses		(54,370)	—
		(36,216)	7,041
Other revenue		11,140	22,163
Unrealised gain on other investments		615	41,172
Distribution costs		(5,613)	(4,793)
Administrative expenses		(42,469)	(36,046)
Impairment loss recognised in respect of property, plant and equipment		(33,245)	—
Loss attributable to properties held for development		(144)	—
Deficit on revaluation on investment properties		(1,700)	(8,200)
Provision for loans and receivables		—	(136)
(Loss) profit from operations	4	(107,632)	21,201
Finance costs	5	(7,605)	(7,363)
Impairment loss recognised in respect of investments in securities		(52,142)	(11,000)
Provision for amounts due from associates and jointly controlled entities		(30,359)	(10,335)
Share of results of jointly controlled entities		(28,112)	(20,257)
Share of results of associates		(1,183)	(10,527)
Impairment loss recognised in respect of goodwill	2	—	(228,243)
Result on dilution of interest in an associate	6	—	29,375
Loss before taxation		(227,033)	(237,149)
Taxation	7	(233)	(31)
Loss before minority interests		(227,266)	(237,180)
Minority interests		241	—
Net loss for the period		(227,025)	(237,180)
Loss per ordinary share			
– Basic	8	HK\$(0.18)	HK\$(0.33)