

UNAUDITED INTERIM RESULTS

The Board of Directors (the "Board") of Sino Gas Group Limited (the "Company", together with its subsidiaries, the "Group") presents the unaudited condensed consolidated balance sheet as at 30th June, 2006 and the unaudited condensed consolidated income statement and cash flow statement of the Group for the period then ended as follows.

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30TH JUNE, 2006

		Six months ended	
		30th June,	
		2006	2005
	NOTES	(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
Revenue	3	82,625	41,177
Cost of sales		(45,691)	(36,515)
Gross profit		36,934	4,662
Other income		1,818	2,537
Selling and distribution costs		(2,895)	(2,117)
Administrative expenses		(19,529)	(12,257)
Finance costs	4	(1,964)	(4,467)
Gain on disposal of a subsidiary		1,980	-
Impairment loss recognised in respect of available-for-sale investments		-	(139,027)
Impairment loss recognised in respect of interests in associates		-	(27,980)
Share of results of associates		746	1,730
Share of results of jointly controlled entities		(56)	-
Profit (loss) before taxation		17,034	(176,919)
Taxation	5	(118)	(27)
Profit (loss) for the period	6	16,916	(176,946)
Attributable to:			
Equity holders of the parent		14,660	(175,724)
Minority interests		2,256	(1,222)
		16,916	(176,946)
Earnings (loss) per share	7		
– basic		1.28 cents	(52.46 cents)
– diluted		1.20 cents	(52.46 cents)