

DEPUTY MANAGING DIRECTOR'S STATEMENT

INTERIM RESULTS

The Board of Directors of Far East Technology International Limited (the "Company") announces the unaudited interim financial results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2001. This unaudited interim financial results has been reviewed by the Company's audit committee.

1. Corporate Results

Turnover for the six months ended 30th June, 2001 was HK\$57,133,000 as compared to HK\$66,939,000 in the corresponding period of 2000, a decrease of 15%. Loss attributable to shareholders was HK\$11,183,000.

2. Financial Resources and Liquidity

Borrowings and Charge on Group Assets

The Group's total borrowings amount to approximately HK\$278 million as at 30th June, 2001 (31/12/2000: HK\$272 million).

Interest rates were in line with the best lending rates either at prime or based on the Hong Kong Inter-bank Offer Rate.

Gearing Ratio

The gearing ratio (total bank and other borrowings to shareholders' equity) as at 30th June, 2001 was 73% (31/12/2000: 70%).

Current Ratio

The current ratio as at 30th June, 2001 was 0.75 (31/12/2000: 0.72).