

The Board of Directors (the "Directors") of Shanghai Merchants Holdings Limited (the "Company") are pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2002, together with the comparative figures. These condensed interim financial statements have not been audited, but were reviewed by the Company's audit committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 June 2002

	Notes	Unaudited Six months ended 30 June	
		2002 HK\$'000	2001 HK\$'000
Turnover	2	34,891	16,518
Cost of sales		(33,181)	(15,969)
Gross profit		1,710	549
Other income		3,122	824
Distribution costs		(104)	(2,868)
Administrative expenses		(6,022)	(4,529)
Other operating expenses		-	(5,849)
Loss from operations	3	(1,294)	(11,873)
Interest on bank borrowings wholly repayable within five years		(269)	(613)
Gain on disposal of subsidiaries		261	-
Loss before taxation		(1,302)	(12,486)
Taxation	4	-	-
Loss after taxation		(1,302)	(12,486)
Minority interests		98	434
Loss attributable to shareholders		(1,204)	(12,052)
Loss per share	6	(0.56 cents)	(6.03 cents)