

**LUNG KEE (BERMUDA) HOLDINGS LIMITED****FINANCIAL RESULTS**

The directors (the "Directors") of Lung Kee (Bermuda) Holdings Limited (the "Company") are pleased to announce the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30th June, 2003 together with the comparative figures for the six months ended 30th September, 2002 as follows:

**CONDENSED CONSOLIDATED INCOME STATEMENT**

*For the six months ended 30th June, 2003*

		<b>Six months ended</b>	
		<b>30th June, 2003 (unaudited) HK\$'000</b>	<b>30th September, 2002 (unaudited) HK\$'000</b>
	Notes		
Turnover		560,671	525,184
Other operating income		20,149	13,973
Changes in inventories of finished goods and work in progress		5,388	2,560
Raw materials and consumables used		(245,170)	(233,148)
Staff costs		(93,408)	(85,292)
Depreciation and amortisation of property, plant and equipment		(40,650)	(41,658)
Amortisation of goodwill		(10,860)	(6,400)
Other operating expenses		(90,357)	(82,920)
Profit from operations	4	105,763	92,299
Finance costs		(16,714)	(11,558)
Gain on disposal of a subsidiary		2,329	—
Profit before taxation		91,378	80,741
Taxation	5	(14,420)	(11,821)
Profit after taxation		76,958	68,920
Minority interests		(1,658)	(8,664)
Net profit for the period		75,300	60,256
Dividend	6		
Proposed interim dividend of HK7 cents per share (for the six months ended 30th September, 2002: HK5 cents per share)		34,210	24,342
Earnings per share	7		
— Basic		15.46 cents	12.42 cents
— Diluted		15.40 cents	12.36 cents