

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, 2004 together with the comparative figures as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30th June, 2004

		Six months ended 30th June,	
		2004	2003
		(unaudited)	(unaudited)
		HK\$'000	HK\$'000
Notes			
	Turnover	771,080	560,671
	Other operating income	23,928	20,149
	Changes in inventories of finished goods and work in progress	32,687	5,388
	Raw materials and consumables used	(416,790)	(245,170)
	Staff costs	(115,495)	(93,408)
	Depreciation and amortisation of property, plant and equipment	(40,309)	(40,650)
	Amortisation of goodwill	(10,860)	(10,860)
	Amortisation of patents and trademarks	(333)	—
	Other operating expenses	(101,177)	(90,357)
	Profit from operations	142,731	105,763
4	Finance costs	(9,295)	(16,714)
	Gain on disposal of a subsidiary	—	2,329
	Profit before taxation	133,436	91,378
5	Taxation	(22,328)	(14,420)
	Profit after taxation	111,108	76,958
	Minority interests	(1,941)	(1,658)
	Net profit for the period	109,167	75,300
	Dividend		
6	Proposed interim dividend of HK8 cents per share (2003: HK5.6 cents per share after adjusting for bonus share issue)	49,130	34,210
	Earnings per share		
7	— Basic	17.78 cents	12.37 cents
	— Diluted	17.77 cents	12.32 cents