

## INTERIM REPORT

The directors of HKC International Holdings Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2004 as follows. The interim report has been reviewed by the audit committee of the Company.

## CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2004

	NOTES	Six months ended	
		30.9.2004 HK\$'000 (unaudited)	30.9.2003 HK\$'000 (unaudited)
Turnover	3	469,410	442,873
Cost of sales		(417,603)	(402,216)
Gross profit		51,807	40,657
Other operating income	4	378	164
Selling and distribution costs		(4,779)	(3,021)
Administrative expenses		(36,355)	(32,773)
Impairment loss recognized in respect of goodwill		(3,645)	–
Amortisation of goodwill		(214)	(300)
Profit from operations	5	7,192	4,727
Finance costs	6	(404)	(452)
Profit before taxation		6,788	4,275
Taxation	7	(2,556)	(953)
Profit before minority interests		4,232	3,322
Minority interests		15	155
Profit for the period		4,247	3,477
Dividend	8	Nil	Nil
Earnings per share – basic (HK cents)	9	0.94 cents	0.80 cents