

RESULTS

The directors (the "Directors") of Victory City International Holdings Limited (the "Company") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2004. The interim results have been reviewed by the Company's auditors in accordance with Statement of Auditing Standards 700 "Engagements to review interim financial reports" issued by the Hong Kong Institute of Certified Public Accountants. The interim results have also been reviewed by the Company's Audit Committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30 September 2004

	NOTES	Six months ended 30 September	
		2004 HK\$'000 (unaudited)	2003 HK\$'000 (unaudited)
Turnover	3	1,284,432	802,863
Cost of sales		<u>(1,054,536)</u>	<u>(636,233)</u>
Gross profit		229,896	166,630
Other operating income		5,540	8,035
Distribution costs		(42,757)	(31,191)
Administrative expenses		(66,360)	(51,908)
Amortisation of goodwill		<u>(323)</u>	<u>(323)</u>
Profit from operations	4	125,996	91,243
Finance costs		<u>(5,726)</u>	<u>(4,246)</u>
Profit before taxation		120,270	86,997
Taxation	5	<u>(6,406)</u>	<u>(3,984)</u>
Profit before minority interests		113,864	83,013
Minority interests		<u>(10,900)</u>	<u>(9,948)</u>
Net profit for the period		<u>102,964</u>	<u>73,065</u>
Dividends	6	<u>30,932</u>	<u>22,674</u>
Earnings per share	7		
Basic		<u>18.4 cents</u>	<u>14.8 cents</u>
Diluted		<u>18.2 cents</u>	<u>14.5 cents</u>