

## FINANCIAL RESULTS OF THE UPC GROUP

Highlights of the results of Union Petro-Chemicals (BVI) Company Limited and its subsidiaries (the "UPC Group") as extracted from the audited consolidated financial statements of the UPC Group for the year ended 31st December, 2004 are as follows:

### Consolidated income statement

	2004 HK\$'000	2003 HK\$'000
Turnover	192,184	165,712
Cost of sales	(42,099)	(53,053)
Gross profit	150,085	112,659
Other operating income	1,785	8,158
Administrative expenses	(14,974)	(17,144)
Earnings before interest and tax ("EBIT")	136,896	103,673
EBIT Margin (%)	71.23	62.56
Interest on bank borrowings wholly repayable within five years	(9,060)	(9,731)
Profit before taxation	127,836	93,942
Taxation	(9,699)	—
Profit before minority interests	118,137	93,942
Minority interests	(9,570)	(7,627)
Profit for the year (Note)	108,567	86,315
Net profit margin (%)	56.49	52.09

Note: The profit forecast relating to the UPC Group as set out in the circular of the Company dated 7th December, 2004 is met.