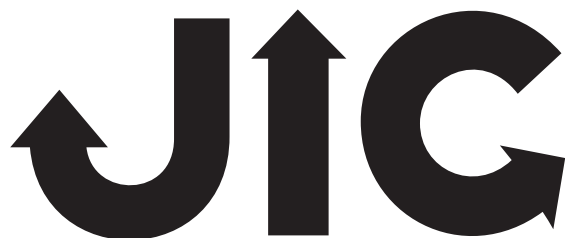


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J.I.C. TECHNOLOGY COMPANY LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 987)

3Q: Sales up 16.4%; Operating profit up 13.1%

The board of directors (the “Board”) of J.I.C. Technology Company Limited (the “Company”) is pleased to announce the unaudited consolidated results of the Company for the third quarter of 2005 and 9 months ended 30 September 2005 together with comparative figures for the corresponding periods of last year as follows:

KEY HIGHLIGHTS

(In thousands of HK Dollars, except as otherwise stated)

	Quarterly Results			9 months Results		
	3Q 2005	3Q 2004	YoY (%)	9M 2005	9M 2004	YoY (%)
Sales (Turnover)	126,990	109,063	16.4	348,535	295,924	17.8
Gross Profit	28,806	24,869	15.8	72,230	60,104	20.2
% of sales	22.7%	22.8%		20.7%	20.3%	
Profit from Operations	14,047	12,420	13.1	34,837	27,078	28.7
% of sales	11.1%	11.4%		10.0%	9.2%	
Per share (diluted)						
(HK cent(s))	1.84	1.63	13.1	4.56	3.55	28.7
Net Profit	13,064	11,853	10.2	32,142	26,160	22.9
% of sales	10.3%	10.9%		9.2%	8.8%	
Basic earnings per share						
(HK cent(s))	1.71	1.56 ^(a)	9.6	4.21	2.98 ^(b)	41.4
Diluted earnings per share (HK cent(s))	1.71 ^(c)	1.55	10.2	4.21 ^(c)	— ^(d)	N/A
Weighted average number of shares ('000)						
Basic	763,535	352,544		763,535	352,544	
Diluted	763,535	763,535		763,535	763,535	

Note:

- (a) The basic earnings per share is affected by the approval and payment of 2004 interim dividends on preference shares in the sum of HKD6.35 million in August 2004.
- (b) The basic earnings per share is affected by the approval and payment of 2003 final dividends and 2004 interim dividends on preference shares in the sum of HKD9.31 million in April 2004 and HKD6.35 million in August 2004 respectively.
- (c) All preference shares were converted into ordinary shares before 1 January 2005. As there are neither outstanding preference shares nor other potential dilutive shares as at 30 September 2005, the earnings per share is not diluted.
- (d) No diluted earnings per share is presented as the conversion of the Company's outstanding preference shares would result in an increase in earnings per share for the period.

MANAGEMENT DISCUSSION & ANALYSIS

Business Review

Although there is an increase in sales of 16.4% and 17.8% in the third quarter of 2005 and the nine months ended 30 September 2005 respectively, as compared with the same periods last year, we are only marginally satisfied with the performance of the Company because the budgeted sales have not been met. The growth in sales was attributable mainly to the Company's Liquid Crystal Display Module business. The Company also announced that it had won several new customers. These new businesses and customers have proven to be successful and making good contribution to the performance of the Company.

The growth of the high value-added products offers the Company with an edge to eliminate the impact of high oil price and appreciation of RMB. As a result, the Company was still able to achieve an improvement of gross profit percentage of 5.0% since the first quarter of 2005. Net profit for the third quarter of 2005 was HKD13.06 million, 10.2% higher than that of same period last year. The net profit for the nine months ended 30 September 2005 increased by 22.9% as compared to the same period last year.

Outlook

The management of the Company will make its best endeavours to continue to improve sales and gross profit. In this respect, the larger and more capable manufacturing facilities have been successful in developing new businesses and customers.

New products developed by the Research and Development team of the Company for applications in car audio and internet protocol (IP) phones have received good responses from both old and new customers. It is hoped that smooth sample qualifications and pilot runs will lead to opportunities for new volume of business from customers in the near future.

SUPPLEMENTARY INFORMATION

1. Quarterly Sales Breakdown

(In thousands of HK Dollars, except percentages)

Quarter	2005	2004	YoY (%) (Quarterly)	YoY (%) (Quarterly accumulated)
1st Quarter	97,179	87,295	11.3	11.3
2nd Quarter	124,366	99,566	24.9	18.6
3rd Quarter	126,990	109,063	16.4	17.8
4th Quarter	–	88,406	–	–
	<hr/>	<hr/>	<hr/>	<hr/>
Total	348,535	384,330	–	–
	<hr/>	<hr/>	<hr/>	<hr/>

2. Key Highlights of Financial Position

(In thousands of HK Dollars, except ratio and percentage)

	As at 30 September 2005	2004	As at 31 December 2004
Cash on Hand	33,921	17,880	22,180
Cash/Current Liabilities	0.23	0.16	0.22
Current Ratio	1.20	1.34	1.39
Total Assets/Total Liabilities	1.88	1.93	1.95
Return on Equity (%)	30.10	25.29	17.16
Total Liabilities/Equity	1.14	1.07	1.05
Debtors Turnover Day	71	81	67
Inventory Turnover Day	40	41	42
Creditors Turnover Day	61	64	61

DIVIDEND

Depending on the financial positions and requirements of the Company at the relevant time, the Directors intend to distribute dividends on a semi-annual basis, and therefore no dividends will be declared for the third quarter of 2005.

CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)*For the three months and nine months ended 30 September 2005**(In Thousands of HK Dollars, except as otherwise stated)*

	Unaudited Three months ended 30 September 2005		Unaudited Nine months ended 30 September 2005	
	2005	2004	2005	2004
Turnover	126,990	109,063	348,535	295,924
Cost of sales	(98,184)	(84,194)	(276,305)	(235,820)
Gross profit	28,806	24,869	72,230	60,104
Other operating income ^(a)	–	–	1,106	–
Selling and distribution costs	(2,450)	(1,634)	(6,469)	(4,387)
Administrative expenses	(9,982)	(8,664)	(25,628)	(23,143)
Research and development expenses	(2,327)	(2,151)	(6,402)	(5,496)
Profit from operations	14,047	12,420	34,837	27,078
Bank interest income	67	48	170	90
Interest on bank borrowings wholly repayable within five years	(925)	(410)	(2,356)	(803)
Profit before taxation	13,189	12,058	32,651	26,365
Taxation	(125)	(205)	(509)	(205)
Net profit for the period attributable to equity holders of the Company	13,064	11,853	32,142	26,160
Interim Dividends	15,271	11,638	15,271	11,638
Final Dividends (2003)	–	–	–	17,069
Earnings per share				
Basic (HK cent(s))	1.71	1.56	4.21	2.98
Diluted (HK cent(s))	1.71	1.55	4.21	N/A

Note:

- (a) Other operating income of HKD1.11 million was a one-off settlement for loss of gross profit from an insurance company to the Company regarding a small fire occurred in November 2004.
- (b) Certain comparative figures have been reclassified to conform with the current period's presentation and are in line with the previous year's audited financial statements. These reclassifications had no effect on the net income or financial position for any period presented.

As at the date of this announcement, the board of directors comprises:

Executive Directors:

Mr. Seitaro FURUKAWA

Mr. CHUI Kam Wai

Dr. YEOH Teck Hooi

Non-executive Directors:

Mr. LI Shi Yuen, Joseph

Mr. KOO Ming Kown

Independent Non-executive Directors:

Mr. CHAM Yau Nam

Mr. LEUNG Wai Hung

Mr. CHENG Chi Heng

By Order of the Board

J.I.C. Technology Company Limited

Seitaro FURUKAWA

Chairman

Hong Kong, 31 October 2005

“Please also refer to the published version of this announcement in South China Morning Post.”