

The board of directors (the “Board”) of Magician Industries (Holdings) Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2006 (the “Period”) together with the comparative figures as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Six months ended 30 September	
	<i>Notes</i>	2006 HK\$'000 (unaudited)	2005 HK\$'000 (unaudited and restated)
Turnover	3	124,269	136,720
Cost of sales		(110,282)	(124,369)
Gross profit		13,987	12,351
Other revenues		1,113	932
Other income		267	–
Selling and distribution expenses		(4,555)	(10,156)
Administrative and other operating expenses		(26,530)	(29,645)
		(29,705)	(38,869)
Loss from operations	4	(15,718)	(26,518)
Impairment loss on prepaid lease payments		–	(8,018)
Finance costs		(6,252)	(4,540)
Loss before taxation		(21,970)	(39,076)
Taxation	5	(56)	–
Loss for the period		(22,026)	(39,076)
Loss per share	7		
– Basic, HK cents		(2.54)	(4.50)
– Diluted, HK cents		N/A	N/A