

UNAUDITED INTERIM RESULTS

The Board of Directors (the “Directors”) of Peking Apparel International Group Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 September 2006 (the “period”), together with the comparative figures for the corresponding period in 2005 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		For the six months ended 30 September	
		2006	2005
	<i>Notes</i>	(Unaudited) HK\$'000	(Unaudited) HK\$'000
REVENUE	3	70,959	72,799
Cost of sales		<u>(54,651)</u>	<u>(57,437)</u>
Gross profit		16,308	15,362
Other income and gains		697	1,297
Selling and distribution costs		(2,763)	(2,533)
Administrative expenses		(6,253)	(5,534)
Other expenses		–	(29)
Finance costs	6	<u>(593)</u>	<u>(495)</u>
PROFIT BEFORE TAX	5	7,396	8,068
Tax	7	<u>(3)</u>	<u>(221)</u>
PROFIT FOR THE PERIOD ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT		<u>7,393</u>	<u>7,847</u>
INTERIM DIVIDEND	8	<u>3,170</u>	<u>15,852</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT – Basic	9	<u>2.33 cents</u>	<u>2.48 cents</u>