

FINANCIAL RESULTS

The Board of Directors (the "Board") of Benefun International Holdings Limited (the "Company") announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 31 December 2006 together with the comparative figures for the corresponding period in 2005. These interim financial statements have not been audited, but have been reviewed by the Company's audit committee.

Condensed consolidated income statement

For the six months ended 31 December 2006

(Expressed in Hong Kong dollars)

	Notes	Unaudited Six months ended 31 December	
		2006 \$'000	2005 \$'000
Turnover	2	86,271	129,302
Cost of sales		(54,969)	(81,723)
Gross profit		31,302	47,579
Other revenue	3	7,431	6,250
Distribution costs		(32,016)	(32,069)
Administrative expenses		(17,289)	(14,182)
(Loss)/profit from operations		(10,572)	7,578
Finance costs	4	(575)	(101)
(Loss)/profit before income tax	4	(11,147)	7,477
Income tax	5	801	(2,124)
(Loss)/profit for the period and attributable to the equity holders of the Company		(10,346)	5,353
(Loss)/earnings per share	7		
Basic		(0.77) cent	0.40 cent