

INTERIM RESULTS

The Directors of Keck Seng Investments (Hong Kong) Limited (the “Company”) are pleased to announce the unaudited consolidated interim results of the Company, its subsidiaries and associated companies (the “Group”) for the six months ended 30 June 2004, together with the comparative figures for the corresponding period in 2003. The interim results have not been audited, but have been reviewed by both the Company’s Audit Committee and the Company’s auditors.

The Group’s consolidated profit attributable to shareholders for the six months ended 30 June 2004 was HK\$32.3 million (2003: loss attributable to shareholders of HK\$4.7 million). The profit for the current period represents a significant improvement of approximately 7.9 times when compared with the loss for the corresponding period in 2003.

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	<i>Note</i>	Six months ended 30 June	
		2004	2003
		HK\$'000	HK\$'000
Turnover	2	183,415	50,289
Cost of sales		(51,505)	(14,484)
		131,910	35,805
Other revenue		3,055	2,002
Other net (loss)/income	3	(3,973)	8,797
Direct operating expenses		(7,753)	(5,729)
Marketing and selling expenses		(7,001)	(2,120)
Administrative and other operating expenses		(80,152)	(54,507)
Profit/(loss) from operations		36,086	(15,752)
Finance costs	4(a)	(3,590)	(5,748)
Share of profits less losses of associates		8,725	5,836
Profit/(loss) from ordinary activities before taxation	4	41,221	(15,664)
Income tax credit/(charge)	5	4,126	(1,832)
Profit/(loss) from ordinary activities after taxation		45,347	(17,496)
Minority interests		(13,060)	12,768
Profit/(loss) attributable to shareholders		32,287	(4,728)
Dividend attributable to the interim period:			
Interim dividend declared after the interim period end			
– HK\$1.5 cents (2003: HK\$1 cent) per share	6	5,103	3,402
Basic earnings/(loss) per share	7	9.5 cents	(1.4) cents
Profit/(loss) for the period is retained as follows:			
By the Company and its subsidiaries		24,513	(9,341)
By associates		7,774	4,613
		32,287	(4,728)

The notes on pages 5 to 13 form part of this interim financial report.