

The board of directors (the "Board") of China Silver Dragon Group Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2004, together with the comparative figures for the corresponding period in 2003, as follows:

CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Six months ended 30 September	
	Notes	2004 (unaudited) HK\$'000	2003 (unaudited) HK\$'000
Turnover	2	29,446	28,175
Cost of sales		(27,153)	(27,298)
Gross profit		2,293	877
Other revenue		99	4,453
Selling and distribution costs		(246)	(238)
Administrative expenses		(5,112)	(5,809)
Other operating expenses		(4)	(2,228)
LOSS FROM OPERATIONS	3	(2,970)	(2,945)
Finance costs	4	(1,433)	(792)
Share of losses of associates		(3,793)	(863)
LOSS FROM OPERATIONS BEFORE TAXATION		(8,196)	(4,600)
Taxation	5	-	1,649
LOSS FROM OPERATIONS AFTER TAXATION		(8,196)	(2,951)
Minority interests		7	(122)
LOSS ATTRIBUTABLE TO SHAREHOLDERS		(8,189)	(3,073)
LOSS PER SHARE	6		
Basic		HK(2.6) cents	HK(1.7) cents
Diluted		N/A	N/A