

The board of directors (the “Board”) of Four Seas Mercantile Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated balance sheet as at 30 September 2004 of the Company and its subsidiaries (the “Group”) and the unaudited condensed consolidated profit and loss account, unaudited condensed consolidated statement of changes in equity and unaudited condensed consolidated cash flow statement for the six months ended 30 September 2004 as follows:

## CONDENSED CONSOLIDATED PROFIT AND LOSS ACCOUNT

		Six months ended 30 September	
		2004	2003
	Notes	Unaudited HK\$'000	Unaudited HK\$'000 (Restated)
TURNOVER	2	751,426	630,364
Cost of sales		(527,409)	(446,443)
Gross profit		224,017	183,921
Other revenue and gains/(losses), net	3	(6,935)	12,939
Selling and distribution expenses		(118,700)	(104,657)
Administrative expenses		(47,089)	(45,372)
Other operating expenses		(3,409)	(624)
PROFIT FROM OPERATING ACTIVITIES	2&4	47,884	46,207
Finance costs		(2,540)	(3,316)
Share of profits and losses of associates		9,547	3,347
PROFIT BEFORE TAX		54,891	46,238
Tax	5	(6,711)	(8,214)
PROFIT BEFORE MINORITY INTERESTS		48,180	38,024
Minority interests		(6,741)	(1,714)
NET PROFIT FROM ORDINARY ACTIVITIES ATTRIBUTABLE TO SHAREHOLDERS		41,439	36,310
DIVIDENDS	6	7,991	7,991
EARNINGS PER SHARE	7		
Basic		10.4 cents	9.1 cents