

INTERIM RESULTS

The board of directors (the “Board”) of Far East Technology International Limited (the “Company”) herein present their unaudited condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30th June, 2006 together with comparative amounts. The interim financial report has not been audited, but has been reviewed by the Company’s Audit Committee.

CONDENSED CONSOLIDATED INCOME STATEMENT

For the six months ended 30th June, 2006

		Unaudited six months ended 30th June,	
		2006	2005
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
			<i>(restated)</i>
Turnover	3	42,081	30,336
Cost of sales		(39,415)	(28,863)
Gross profit		2,666	1,473
Other income		672	829
Distribution costs		(188)	(383)
Administrative expenses		(7,629)	(5,264)
Finance costs		(277)	(112)
Other expenses		(176)	(67)
Increase (decrease) in fair value of held-for-trading investments		322	(1,600)
Gain on disposal of available-for-sale investments		–	1,046
Increase in fair value of investment properties		1,422	1,500
Gain on disposal of an associate	10	–	2,924
Loss on deemed disposal of an associate	10	(3,149)	–
Share of results of associates	10	4,978	4,330
Share of results of a jointly-controlled entity		–	(582)
(Loss) profit before taxation	4	(1,359)	4,094
Taxation	5	(38)	(22)
(Loss) profit for the period		(1,397)	4,072

CONDENSED CONSOLIDATED INCOME STATEMENT

(Continued)

For the six months ended 30th June, 2006

		Unaudited six months ended 30th June,	
		2006	2005
	Notes	HK\$'000	HK\$'000 (restated)
Attributable to:			
Equity holders of the Company		(1,348)	3,992
Minority interests		(49)	80
		<u>(1,397)</u>	<u>4,072</u>
Dividend	6	<u>—</u>	<u>—</u>
(Loss) earnings per share			
Basic	7	<u>(1.3 cents)</u>	<u>6.0 cents</u>
Diluted		<u>N/A</u>	<u>N/A</u>