



FAR EAST TECHNOLOGY INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30TH JUNE, 2000

The Board of Directors (the "Board") of Far East Technology International Limited (the "Company") announces that the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2000 are as follows:

	Notes	Six months ended 30th June, 2000 HK\$'000	Six months ended 30th June, 1999 HK\$'000
Turnover	(1)	66,939	41,894
Cost of sales		(51,228)	(34,859)
Gross profit		15,711	7,035
Other revenue		2,094	15,863
Distribution cost		(659)	(442)
Administrative expenses		(13,686)	(13,025)
Profit from operations		3,460	9,431
Finance costs		(8,752)	(9,848)
Share of results of associates		-	-
Loss before taxation		(5,292)	(417)
Taxation	(2)	(626)	(253)
Loss after taxation		(5,918)	(670)
Minority interests		2,039	3,655
(Loss)/Profit for the period		(3,879)	2,985
Interim dividend		-	-
		(3,879)	2,985
(Loss)/Earnings per share (3)			
Basic		(1.30 cents)	1.00 cent

Notes:

(1) **Turnover**

Turnover comprises the aggregate of gross proceeds from sales of properties, merchandise and investments held for trading, dividend income, interest income, gross rental income, gross income from the operation of the golf resort complex and gross income from amusement park during the period.

(2) **Taxation**

	Six months ended 30th June, 2000 HK\$'000	Six months ended 30th June, 1999 HK\$'000
The charge comprises:		
The Company and subsidiaries		
Profits tax for the period		
Hong Kong	-	-
Other jurisdictions	(626)	(253)
	(626)	(253)

Hong Kong Profits Tax is calculated at the rate of 16% (1999 - 16%) on the estimated assessable profits for the period. Taxation in other jurisdictions is calculated at the rates prevailing in the relevant local jurisdictions. No provision for deferred tax has been made for the Company as the effect of timing differences is immaterial. No provision for deferred tax is required for subsidiaries as there are deferred tax debits which will be recognised only when they become crystallized.

(3) **(Loss)/Earnings per share**

The calculation of loss per share is based on the loss for the period of HK\$3,879,000 (1999 - Profit of HK\$2,985,000) and on 298,568,905 (1999 - 298,568,905) ordinary shares in issue during the period. There were no dilutive potential ordinary shares for the period ended 30th June, 2000 (1999 - Nil).

(4) **Consolidated statement of recognised gains and losses**

	Six months ended 30th June, 2000 HK\$'000	Six months ended 30th June, 1999 HK\$'000
Exchange difference arising on translation of financial statement of subsidiaries other than in Hong Kong	(7,713)	(3,315)
Net (loss)/profit for the period	(3,879)	2,985
Total recognised losses	(11,592)	(330)

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the period (1999: Nil).

BUSINESS REVIEW AND PROSPECTS

Corporate Results

Turnover for the six months ended 30th June, 2000 was HK\$66,939,000 as compared to HK\$41,894,000 in the corresponding period of 1999, an increase of 60%. Loss for the period was mainly due to the decrease of unrealised holding gain on investment in securities.

Hong Kong

The rental income being derived from the investment properties in Hong Kong was somewhat affected by the continued consolidation of the property market. We have converted the Golden Dragon Theatre, Waldorf Theatre and Warwick Theatre into commercial usage and continued to study the feasibility of other modification of the cinemas within the Group.

The investment in Tricom Cyberworld Holdings Limited ("Tricom") was completed in July 2000. We expect a high growth in revenue income from Tricom and we believe the investment will provide a good contribution to the Group's earnings.

We will continue our constant search for good investment opportunities in the technology sector in China and Hong Kong SAR.

China

The Group's joint venture garment factory in Jiangsu performed satisfactorily and continued to have profit contributions during the period under review. However, the ready-mix concrete factory in Suzhou has incurred a loss due to the severe competition and general over-supply of concrete products in China. For the purpose of enhancing its competitive position, appropriate measures will be taken to improve its production capacity and to strengthen its costs control.

The performance of Lai Chi Kok Amusement Park in Haimen, Jiangsu was fair and the Group is confident that the park will soon operate profitably in view of the increasing number of visitors during the period.

With regard to the technology section, the joint venture with China National Computer Software and Technology Services Corporation is progressing well. It is anticipated that the success of the joint venture will have substantial contribution to our Group's earnings.

Singapore

During the period, the Parkway Centre continued to generate steady rental income, and we are trying to launch the sale of office units to the market.

The Rainforest Café, our Group's first theme restaurant in Singapore, commenced operation on 18th April, 2000. It is expected that the restaurant would soon be contributing earnings to our Group.

Malaysia

The Malaysian property market has improved steadily during the period. The sale of high-end bungalows has been promising. It is expected that the improved market sentiment would help us significantly in getting the return on our investment in Malaysia.

YEAR 2000 COMPLIANCE

The Group has stated its definition and approach to the Year 2000 problem and reported the status in the previous interim report and annual report.

During the six months ended 30th June, 2000, no Year 2000 related problems were found that would have a material adverse effect on the business. The Board of the Company will continue to closely monitor the Year 2000 problem to ensure that the Group's operations are not adversely affected.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the period under review, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

On behalf of the Board
Duncan Chiu
Deputy Managing Director

Hong Kong, 25th September, 2000

(Website: <http://www.irasia.com/listco/hk/fareasttech>)