



FAR EAST TECHNOLOGY INTERNATIONAL LIMITED

(Incorporated in Hong Kong with limited liability)

(Website: <http://www.fet.com.hk>)

(Stock Code: 0036)

PROGRESS OF THE CAPITAL REORGANISATION AND REVISED EXPECTED TIMETABLE

SUMMARY

The Company attended the hearing of the summons for directions before the Court on 4 January, 2005 and pursuant to the directions given by the Court at the said hearing, among other things, the Petition is now scheduled to be heard by the Court on Tuesday, 25 January, 2005. Assuming the Court makes the Confirming Order and all the other conditions set out in the Circular have been fulfilled, the Capital Reorganisation will take effect upon the registration of the Confirming Order and the Minute. On such basis, the trading arrangements in respect of dealings in the Company's existing Shares and the Adjusted Shares on the Stock Exchange will be implemented in accordance with the indicative timetable set out below.

Warning: Shareholders and investors should note that the outcome of the hearing of the Petition is entirely within the jurisdiction of the Court, which may exercise its discretion to grant or not grant the Confirming Order as it sees fit. The timetable below will not be implemented if the Petition is not heard by the Court or the Court does not make the Confirming Order on 25 January, 2005.

Further announcement(s) will be made by the Company on the outcome of the Court hearing and/or the precise timetable for the implementation of the Capital Reorganisation, where appropriate.

Reference is made to the announcements dated 26 August, 2004 and 18 October, 2004 and the supplemental circular dated 27 August, 2004 (the "Circular") issued by Far East Technology International Limited (the "Company"). Capitalised terms used herein have the same meanings as defined in the Circular unless the context requires otherwise.

PETITION

The Company attended the hearing of the summons for directions before the Court on 4 January, 2005 and pursuant to the directions given by the Court at the said hearing, among other things, the petition for the confirmation of the Capital Reduction (the "Petition") is now scheduled to be heard by the Court on Tuesday, 25 January, 2005. The Capital Reorganisation is conditional, among other things, on the confirmation of the Capital Reduction by the Court (the "Confirming Order") and the Capital Reorganisation will take effect upon the registration by the Company with the Registrar of Companies in Hong Kong of an office copy of the Confirming Order and the minute containing the particulars required under Section 61 of the Companies Ordinance (the "Minute").

INDICATIVE TIMETABLE FOR IMPLEMENTATION OF THE CAPITAL REORGANISATION

Assuming the Court makes the Confirming Order on Tuesday, 25 January, 2005, set out below is the expected timetable for the implementation of the Capital Reorganisation, including the trading arrangement for the existing Shares and the Adjusted Shares and the free exchange of the certificates for the Adjusted Shares.

Shareholders and investors should note that the outcome of the hearing of the Petition is entirely within the jurisdiction of the Court, which may exercise its discretion to grant or not grant the Confirming Order as it sees fit. The timetable below will not be implemented if the Petition is not heard by the Court or the Court does not make the Confirming Order on 25 January, 2005.

2005

Hearing of the Petition for confirmation of the Capital Reduction by the Court	Tuesday, 25 January
Publishing of an announcement on the outcome of the Petition hearing	Wednesday, 26 January
Effective date of the Capital Reorganisation	Wednesday, 26 January
Dealings in the Adjusted Shares commence	9:30 a.m. on Wednesday, 26 January
First day for the designated broker to stand in the market to provide matching services	9:30 a.m. on Wednesday, 26 January
Closure of original counter for trading in existing Shares (represented by existing share certificates) in board lots of 2,000	9:30 a.m. on Wednesday, 26 January
Temporary counter for trading in the Adjusted Shares (represented by existing share certificates) in board lots of 400 opens	9:30 a.m. on Wednesday, 26 January
First day for free exchange of existing share certificates for the Shares for new share certificates for the Adjusted Shares	Wednesday, 26 January
Original counter for trading in the Adjusted Shares (represented by new share certificates) in board lots of 3,000 reopens	9:30 a.m. on Monday, 14 February
Parallel trading commences	Monday, 14 February
Closure of temporary counter for trading in the Adjusted Shares (represented by existing share certificates) in board lots of 400	4:00 p.m. on Monday, 7 March
Parallel trading ends	4:00 p.m. on Monday, 7 March
Last day for the designated broker to stand in the market to provide matching services	Monday, 7 March
Last day for free exchange of existing share certificates for new share certificates	Monday, 14 March

* As at the date of this announcement, the Executive Directors are Mr. Deacon Te Ken Chiu, Mr. Duncan Chiu and Mr. Dennis Chiu, the Non-Executive Directors are Dato' David Chiu, Mr. Daniel Tat Jung Chiu, Mr. Derek Chiu, Mr. Desmond Chiu and Ms. Margaret Chiu; and the Independent Non-Executive Directors are Mr. Chi Man Ma, Dr. Lee G. Lam and Mr. Ryan Yen Hwung Fong.

By Order of the Board
Far East Technology International Limited
Duncan Chiu
Managing Director and Chief Executive Officer

Hong Kong, 10 January, 2005

* For identification purpose only

*Please also refer to the published version of this announcement in
The Standard and Hong Kong Economic Journal.*