



**Announces Annual Results for The Year Ended 31 December 2007  
Net Profit Increased 5.1 Times to HK\$97,388,000**

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**Investment in Chinasoft Generated Favourable Returns  
Golden Music Resources to become the Profit Driver in Future**

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<b>Financial Highlights</b>	<b>For 12 months ended 31 December (HKD'000)</b>		
	<b>2007</b>	<b>2006</b>	<b>Change</b>
<b>Turnover (from Continuing Operations)</b>	<b>77,129</b>	66,306	+ 16%
<b>Net Profit</b>	<b>97,388</b>	15,962	+ 5.1 times
<b>Basic Earnings Per Share (from Discontinued and Continuing Operations)</b>	<b>87.5 HK cents</b>	14.6 HK cents	+ 5 times
<b>Final Dividend Per Share (recommended)</b>	<b>2 HK cents</b>	N/A	N/A
<b>Issue of Bonus Share (recommended)</b>	<b>1 bonus share for every existing share</b>	N/A	N/A

(Hong Kong, 27 April 2008) – **Far East Holdings International Limited** (“Far East Holdings” or the “Group”) (HKEX: 36) is pleased to announce its annual results for the year ended 31 December 2007 (“the Period”).

Mr. Duncan Chiu, Managing Director and CEO of Far East Holdings, said, “The Group is pleased to announce an overall considerable growth during the Period. We are now in the period of harvest for the Group’s direct investment. The Group received favourable returns by disposing part of its shares of Chinasoft International Limited (“Chinasoft”) (HKEX: 8216) since its listing in 2003. Chinasoft has become a leading corporation in e-Government solutions in the PRC, and its net profit for 2007 annual results exceeded a new mark of over RMB100 million for the first time. The Group still holds 13.12% effective equity interest of Chinasoft as at 25 April 2008.

Mr. Chiu added, “Looking forward, the Group will continue to look for other non-property investment projects. For examples, in early 2008, the Group acquired 65% effective interest in 北京金音源管理科技有限公司 (“Golden Music Resources”) at a consideration of HK\$40 million, to launch piped music playing system and copyright fee related business. Music Copyright Society of China has granted Golden Music Resources a patent. The Group is confident that this project will bring greater returns and realize the business model of direct investment.”

#### **Corporate Results**

During the Period, the Group generated a turnover from continuing operations of approximately HK\$77,129,000 (2006: HK\$66,306,000), representing an increase of 16% compared with last year due to increase in securities investment and trading activities. Net profit was approximately HK\$97,388,000 (2006: HK\$15,962,000), an increase of 5.1 times from last year because of gain on disposal of partial equity interests in an associate.

#### **Dividend and Bonus Share Issue**

The Board now recommends a final dividend of HK 2 cents per share and the issue of one new share of HK\$0.01 credited as fully paid for every one shares.

## **Business Review**

### **Information Technology Holdings**

Chinasoft is an associate company of the Group and is listed in the Growth Enterprise Market of Hong Kong. Chinasoft has reported a net profit of RMB122,540,000 for the Period (2006: net loss RMB66,590,000) while turnover grew from RMB355,240,000 in 2006 to RMB811,550,000 in 2007.

During the Period, Chinasoft has successfully integrated with Hinge Global Resources Inc. and expanded its staff force to over 4,000 employees.

In the coming year, Chinasoft will further strengthen its foothold in e-Government solutions, while looking to expand in the I.T. outsourcing and I.T. training segments rapidly. Chinasoft will seek to build Excellence Training Centres (ETCs) in China to offer I.T. training programs in China and at the same time ensure sufficient supply of talented labor for Chinasoft.

### **Industrial Holdings**

The Group's industrial business, operated through Jiangsu Bang Bang Silky Fashion Manufacturer Company Limited recorded a turnover of RMB26,800,000 comparing with last year (2006: RMB34,210,000). With the increases in raw material prices and operating expenses, the garment business just managed to achieve a profit before tax of RMB570,000 (2006: RMB490,000). However, the trading and export of garment business is expected to remain challenging in the coming year with the rise of labour costs and continued appreciation of Renminbi in China.

The Group holds 11.98% effective interest of the Golife. Golife reported a net loss of HK\$92,240,000 for the financial year ended 2007, the loss was mainly due to one time write-off of goodwill accrued from its acquisition of Chung Chin Limited in 2006.

The retail market in Hong Kong remains strong, while the rentals increase, we are still positive on the overall retail market. In 2008, Golife will develop into the PRC market and plan to open stores in major cities like Beijing and Shanghai.

The Group has also invested into First Credit Limited (the "First Credit") on 27 April 2007 and hold 14.85% equity interest. First Credit is engaged in money lending business in Hong Kong.

## **Outlook**

With the slowdown of the U.S. economy expected in the coming year resulting from the subprime mortgage crisis, there will be big uncertainties in the global financial markets. Under a tightening monetary policy in China, the economic growth in Mainland China is expected to be moderate. It remains unclear how long the crisis will persist and its overall impact to China's economy. However, the slowdown of China's economy means more reasonable investment opportunities may arise. With the view that China's economic growth will still be rampant in the long term, the Group will continue to explore new investments with good potentials in the region.

### **Far East Holdings International Limited (Stock Code: 36)**

Far East Holdings International Limited is an investment company. The Group's main business is to invest in potential projects in the Greater China, including investment in securities, properties, industries and high technology projects. On 14 March 2007, the name of the Group was changed to Far East Holdings International Limited (formerly known as "Far East Technology International Limited") to provide a better identification of the Group's direct investment-oriented business strategy as well as the direction for its future operation plan.

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Issued by **PR ASIA Consultants Limited** on behalf of **Far East Holdings International Limited**.

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