



Far East Consortium International Limited

PRESS RELEASE

For Immediate Release

August 23, 2000

FAR EAST ANNOUNCES FINAL RESULTS

The board of directors of Far East Consortium International Limited ("FE Consortium") today announced the company's audited consolidated results for the year ended March 31, 2000. Turnover was HK\$621.6 million (HK\$668.9 million during the same period last year) and the profit attributable to shareholders was HK\$33.74 million, a 34% increase to last year's figure of HK\$25 million. Earnings per share amounted to 4 cents (1999: 3 cents).

The board of directors recommend the payment of a final dividend of 2 cents (1999 : 2 cents). The Register of Members will be closed from September 25, 2000 to September 28, 2000, both days inclusive.

Commenting on the period under review, Deputy Chairman of FE Consortium Mr. David Chiu said, " FE Consortium acquired three additional projects during the period, namely, Baker Street, Hunghom - a 35-storey commercial-residential development measuring approximately 59,000 sq.ft, in which foundation work has commenced and the sales launch is scheduled for the latter half of 2001; Pak Shek Wo, Sai Kung - a 15 detached house development measuring 18,000 sq. ft. with site formation work to be commenced in the next two months and Anchor Street, Tai Kok Tsui. - a 19-storey commercial and residential building measuring 35,000 sq.ft. and construction work is expected to commence in mid 2001."

Turning to the property business in China, Mr. Chiu stated, "New China Homes, Ltd., in which FE Consortium holds a 77% stake, has successfully completed its listing on the NASDAQ of the United States in March 2000. Subsequent to the listing, New China Homes, Ltd. will undertake the California Gardens project in Shanghai and any other new projects in China." Mr. Chiu continued, "A total of 1,900 houses of Shanghai's California Gardens had already been sold and 1,544 houses completed, in addition, The New Time Plaza, Guangzhou, a 29-storey residential tower of 27,000 sq.m., in which the group owns a 45% interest, has successfully sold out 75% of the property."

In respect to the overseas property development, Mr. Chiu said, "With the revival of the economy in Malaysia, the Group housing sales have picked up strongly with a total sales of over 500 units. A number of developments are in progress and the Group continues to focus on the medium to medium low cost housing market where the demand is strongest. In Australia, phase one of the St. Kilda road office suites development was completed, with about 90% of the units being sold and phase two of the development has also been 100% pre-sold."

The hotel business of the Group has achieved outstanding results during the period. The Dorsett Regency in Kuala Lumpur is currently running at nearly full occupancy; The Rockman Regency in Melbourne also performed remarkably and The Dallas Grand Hotel in the US will undergo a major renovation program early next year, in which even better results are anticipated following the renovation.

Commenting on the industrial and infrastructure division, Mr. Chiu said, "In the review period, the Group has disposed of its 55% owned White Cement Factory in Guangxi. The Boiler Factory in Guangzhou had another disappointing year, yet with the restructuring in place, we are confident that performance can be improved. The Group also acquired a 68% interest in the National Highway 311 in Henan province, construction will be completed shortly and toll collection is expected to commence in September, 2000.

Looking to the future development, Mr. Chiu said, "Property investments and developments will remain as the core business of FE Consortium and we will dispose of any assets unrelated to our principle business. With information technology and high-tech industries becoming a global trend, the Group will seek investment opportunities through Far East Technology International Limited, in which the Group holds a 31% holding. We expect that the future success of Far East Technology will have substantial contribution to the Group's earning."

During the year, Mr. Michael O'Young resigned as Managing Director in order to concentrate on our major investment in China and is now the President & CEO of New China Homes, Ltd., and will remain as a Director of the Company. Mr. Steven Kwan, with 25 years of extensive experience in the field of investment banking and finance, has been appointed as the new Managing Director in August 2000.

Issued by : Far East Consortium International Limited
Distributed : Fidelity Communication Company

Source: Far East Consortium International Limited