



YAU LEE HOLDINGS LIMITED

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【For Immediate Release】

Yau Lee Regains Profitability

(22nd December 2004, Hong Kong) Construction specialist Yau Lee Holdings Limited (SEHK: 406) reported an increase of turnover from HK\$506,825,000 to HK\$571,058,000 during the six months ended 30th September 2004 as compared with the same period last year. Profit before taxation recorded HK\$4,199,000 (Loss before taxation of HK\$273,000 for the same period last year). Profit reported HK\$2,486,000 (Loss of HK\$1,513,000 for the same period last year). The Board of Directors recommends the payment of an interim dividend of HK\$0.35 cents (2003: Nil) per share.

The total value of construction contracts in hand at the moment amounted to HK\$3,555,000,000. The Group has successfully committed leases for all the retail floors of the Group's property in Causeway Bay. After the granting of the approval for changing the usage of certain floors of the property to a hotel, the work for converting the property into a hotel is now in progress and the expected completion date for the work is first quarter of 2005.

Mr. Wong Ip-kuen, the Chairman of Yau Lee Holdings Limited expressed, "The outlook of the local construction market remains uncertain despite recent signs of recovery of the property market and the Hong Kong economy in general. To cope with the situation the Group with its expertise in advanced precast construction techniques is exploring business opportunities in the expanding construction market in Macau. With the uprising of the retail and the tourism markets, the Group believes that the hotel and commercial property located in the core of Causeway Bay will be able to make a healthy contribution to the Group's result in the near future."

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This press release is distributed by Jetum Communication Consultants Limited on behalf of Yau Lee Holdings Limited.

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