

Condensed Consolidated Income Statement

INTERIM RESULTS

The board of directors (the "Board") of Cosmos Machinery Enterprises Limited (the "Company") announces that the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2008 with comparative figures for the corresponding period in 2007 are as follows:

		Six months ended 30th June,	
		2008	2007
		(Unaudited)	(Unaudited)
		HK\$'000	HK\$'000
	<i>Notes</i>		
Turnover	3	1,011,015	1,009,589
Cost of sales		(829,200)	(809,967)
Gross profit		181,815	199,622
Other income and gains, net		11,181	11,399
Distribution costs		(53,854)	(53,013)
Administrative expenses		(102,972)	(101,768)
Impairment losses for bad and doubtful debts		(300)	(349)
Profit from operations	4	35,870	55,891
Finance costs		(12,266)	(13,024)
Investment income		1,164	783
Loss on disposal of a subsidiary		-	(1,305)
Share of results of associates		5,651	14,512
Profit before taxation		30,419	56,857
Taxation	5	5,341	5,495
Profit for the period		25,078	51,362
Attributable to:			
Equity holders of the Company		20,184	40,610
Minority interests		4,894	10,752
		25,078	51,362
Basic earnings per share for profit attributable to the equity holders of the Company during the period	6	2.84 cents	5.74 cents
Proposed interim dividend: Nil (2007: HK\$0.006 per share)		-	4,260