AUTOMATED SYSTEMS HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)
(Stock Code: 771)

INTERIM RESULTS ANNOUNCEMENT 2008

RESULTS
The Board of Directors (the "Directors") of Automated Systems Holdings Limited (the "Company" or "ASL") are pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th September, 2007. The interim financial statements have been reviewed by the Company's Audit Committee.

Condensed Consolidated Income Statement

		Unaudited Three months ended 30th September,		**Unaudited Six months ended 30th September,**	
		2007	2006	**2007**	2006
	Notes	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
TURNOVER	(3)	**342,808**	313,290	**666,953**	560,104
Cost of goods sold		**(204,459)**	(193,247)	**(388,989)**	(330,353)
Costs of services rendered		**(100,227)**	(89,680)	**(204,943)**	(174,559)
Other income	(4)	**4,656**	5,112	**7,725**	8,666
Selling expenses		**(18,024)**	(13,399)	**(30,563)**	(24,542)
Administrative expenses		**(9,176)**	(8,999)	**(19,079)**	(17,162)
Finance costs	(5)	**(1)**	(2)	**(1)**	(3)
Share of results of associates		**66**	86	**158**	104
PROFIT BEFORE TAXATION	(6)	**15,643**	13,161	**31,261**	22,255
Taxation	(7)	**(2,796)**	(2,627)	**(5,525)**	(3,956)
Profit for the period attributable to equity holders of the Company		**12,847**	10,534	**25,736**	18,299
Interim dividend	(8)	**11,845**	8,825	**11,845**	8,825
EARNINGS PER SHARE	(9)				
Basic		**HK4.35 cents**	HK3.58 cents	**HK8.73 cents**	HK6.22 cents
Diluted		**HK4.30 cents**	HK3.56 cents	**HK8.62 cents**	HK6.19 cents

Condensed Consolidated Balance Sheet

	Notes	Unaudited 30th September, 2007 HK$'000	Audited 31st March, 2007 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	(10)	**204,056**	199,916
Intangible assets		**4,052**	5,283
Interests in associates		**400**	242
Available-for-sale investments	(11)	**-**	33,641
		208,508	239,082
CURRENT ASSETS			
Inventories		**101,891**	108,973
Trade receivables	(12)	**201,818**	135,919
Other receivables, deposits and prepayments		**67,399**	60,871
Tax recoverable		**-**	4,497
Available-for-sale investments	(11)	**41,211**	-
Short term bank deposits		**100**	7,914
Bank balances and cash		**257,101**	335,197
		669,520	653,371
CURRENT LIABILITIES			
Trade and bills payables	(13)	**180,039**	185,352
Other payables and accruals		**66,311**	65,810
Receipts in advance		**85,651**	97,934
Tax liabilities		**438**	-
		332,439	349,096
NET CURRENT ASSETS		**337,081**	304,275
TOTAL ASSETS LESS CURRENT LIABILITIES		**545,589**	543,357
NON-CURRENT LIABILITY			
Deferred taxation		**22,352**	19,402
		523,237	523,955
CAPITAL AND RESERVES			
Share capital		**29,613**	29,417
Reserves		**493,624**	494,538
Equity attributable to equity holders of the Company		**523,237**	523,955

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared under the historical cost basis except for properties and certain financial instruments, which are measured at revalued amounts or fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31st March, 2007.

In the current interim period, the Group has applied, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by HKICPA, which are effective for the Group's financial year beginning on 1st April, 2007.

HKAS 1 (Amendment)	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC) - Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) - Int 8	Scope of HKFRS 2
HK(IFRIC) - Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) - Int 10	Interim Financial Reporting and Impairment
HK(IFRIC) - Int 11	HKFRS 2 : Group and Treasury Share Transactions

The application of these new HKFRSs had no material effect on the results and the financial position of the Group for the current and prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new or revised standards or interpretations that have been issued but are not yet effective.

HKAS 23 (Revised)	Borrowing Costs[1]
HKFRS 8	Operating Segments[1]
HK(IFRIC) - Int 12	Service Concession Arrangements[2]
HK(IFRIC) - Int 13	Customer Loyalty Programmes[3]
HK(IFRIC) - Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[2]

[1] Effective for annual periods beginning on or after 1st January, 2009
[2] Effective for annual periods beginning on or after 1st January, 2008
[3] Effective for annual periods beginning on or after 1st July, 2008

The Directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

3. Turnover and Segmental Information

Turnover represents the net amount received and receivable for goods sold by the Group to outside customers, less returns and allowances and revenue from service contracts, and is analysed as follows:

	Unaudited Three months ended 30th September,		**Unaudited Six months ended 30th September,**	
	2007	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Sales of goods	**213,139**	212,467	**416,186**	366,321
Revenue from service contracts	**129,669**	100,823	**250,767**	193,783
	342,808	313,290	**666,953**	560,104

Over 90% of the Group's revenue is derived from the Hong Kong market. Although the Group sells computer products and provides a wide range of services, in the opinion of the Directors, all the sales of goods and provision of services are information technology ("IT") related and, in most of the time, are negotiated under a single contract with a single customer. Accordingly, the Directors consider that the Group is engaged in one single business segment, namely IT services.

4. Other Income

	Unaudited Three months ended 30th September,		Unaudited Six months ended 30th September,	
	2007	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Interest on bank deposits	**2,274**	2,340	**4,961**	5,701
Dividend income from available-for-sale investments	**2,313**	2,683	**2,313**	2,683
Miscellaneous	**69**	89	**451**	282
	4,656	5,112	**7,725**	8,666

5. Finance Costs

The amount represents interest on bank borrowings wholly repaid during the period.

6. Profit before Taxation

	Unaudited Three months ended 30th September,		Unaudited Six months ended 30th September,	
	2007	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Profit before taxation has been arrived at after charging (crediting):				
Depreciation and amortisation:				
Property, plant and equipment	**11,186**	9,582	**22,766**	18,070
Intangible assets (included in costs of services rendered)	**1,005**	1,091	**1,383**	1,970
(Gain)/ Loss on disposal of property, plant and equipment	**(133)**	10	**96**	82
Share-based payment expense	**187**	375	**375**	750

7. Taxation

	Unaudited Three months ended 30th September,		Unaudited Six months ended 30th September,	
	2007	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
The charge comprises:				
Current taxation:				
Hong Kong Profits Tax	**1,950**	219	**4,536**	1,317
Overseas taxation	**296**	548	**439**	779
Overprovision of Hong Kong Profits Tax in prior period	**-**	(75)	**-**	(75)
Deferred taxation	**550**	1,935	**550**	1,935
	2,796	2,627	**5,525**	3,956

Hong Kong Profits Tax is calculated at 17.5% (six months ended 30th September, 2006: 17.5%) of the estimated assessable profits derived from Hong Kong for the period.

Overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

8. Interim Dividend

The Directors have determined that an interim dividend of 4.0 HK cents (six months ended 30th September, 2006: 3.0 HK cents) per share for the six months ended 30th September, 2007 is to be paid to the shareholders of the Company whose names appear in the register of members on 11th December, 2007.

During the period, the final dividend of 6.0 HK cents (six months ended 30th September, 2006: 5.0 HK cents) and special dividend of 6.0 HK cents (six months ended 30th September, 2006: 6.0 HK cents) per share in respect of the year ended 31st March, 2007 was paid to shareholders in respect of the financial year.

9. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to equity holders of the Company is based on the following data:

	Unaudited Three months ended 30th September,		**Unaudited Six months ended 30th September,**	
	2007	2006	**2007**	2006
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Earnings for the purpose of basic earnings per share and diluted earnings per share	**12,847**	10,534	**25,736**	18,299
	Number of shares		**Number of shares**	
	'000	*'000*	***'000***	*'000*
Weighted average number of ordinary shares for the purpose of basic earnings per share	**295,061**	294,080	**294,956**	293,969
Effect of dilutive potential ordinary shares – Share options	**3,548**	1,748	**3,539**	1,751
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**298,609**	295,828	**298,495**	295,720

10. Property, Plant and Equipment

During the period, the Group spent approximately HK$27,112,000 (six months ended 30th September, 2006: HK$39,048,000) mainly on additions to computer and office equipment.

At 30th September, 2007, the Directors of the Company considered the carrying amount of the Group's leasehold land and buildings carried at revalued amounts and estimated that the carrying amounts do not differ significantly from that which would be determined using fair values at the balance sheet date.

11. Available-for-sale Investments

	Unaudited 30th September, 2007	Audited 31st March, 2007
	HK$'000	*HK$'000*
Overseas listed shares, at market value	**41,211**	33,641

On 4th October, 2007, the Group has disposed of the available-for-sale investments to an outsider at a consideration of HK$42 million. The Directors of the Company estimated the disposal will result in a net gain of disposal after tax effect of approximately HK$20 million (net of tax effect of approximately HK$2.4 million), after release of cumulative gain previously recognised in investment revaluation reserves upon disposal.

12. Trade Receivables

The Group has granted credit to substantially all of its customers for 30 days and has credit control procedures to minimise credit risk. Overdue balances are reviewed regularly by senior management.

An aged analysis of the trade receivables at the balance sheet date, based on payment due date and net of allowance, is as follows:

	Unaudited 30th September, 2007	Audited 31st March, 2007
	HK$'000	*HK$'000*
0 - 1 month	**161,634**	102,507
1 - 2 months	**24,559**	10,459
2 - 3 months	**5,845**	9,407
Over 3 months	**9,780**	13,546
	201,818	135,919

13. Trade and Bills Payables

An aged analysis of the trade and bills payables at the balance sheet date, based on payment due date, is as follows:

	Unaudited 30th September, 2007 *HK$'000*	Audited 31st March, 2007 *HK$'000*
0 - 1 month	**119,323**	157,344
1 - 2 months	**37,948**	5,942
2 - 3 months	**12,612**	2,771
Over 3 months	**10,156**	19,295
	180,039	185,352

14. Pledge of Assets

The Group's bank deposits of approximately HK$100,000 (31st March, 2007: HK$100,000) have been pledged to secure the banking facilities of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Results

Turnover for the first six months of FY08 was HK$667.0 million, an increase of 19.1% was noted by comparing to the corresponding period in FY07. Turnover for the second quarter was HK$342.8 million, representing an increase of 9.4% as compared to the previous year.

Product sales and service revenue for the first six months contributed 62.4% and 37.6% to the turnover respectively, which represented an increase of 13.6% and 29.4% respectively comparing to the same period last year.

Private and public sector sales for the first half of FY08 contributed 58.7% and 41.3% to the turnover respectively, which was at approximately the same level as last year.

Profit before taxation for the first six months was HK$31.3 million; higher than the corresponding period in FY07 by HK$9.0 million, representing an increase of 40.4%. Profit before taxation for the second quarter was HK$15.6 million, it was increased by HK$2.5 million or 18.9% from the same period last year. The improvement in profit was achieved mainly because of increasing contribution from managed service and outsourcing business; good performance in professional services on software application and an increase of multi-million projects for new infrastructure system or infrastructure upgrade/enhancements, particularly in the finance sector.

The order book as at 30th September, 2007 stood at approximately HK$500.0 million. We are pleased to report that we continue to maintain a healthy balance sheet with no debt, a net cash of HK$257.1 million with a working capital ratio of 2.01:1. The net cash remained at the same level as at the end of the first quarter but it was reduced as compared to the end of FY07 due to increased payment of trade payables and purchase of equipment to fulfill new outsourcing services requirement. The increase in trade receivables is due to high level of current receivable balance yet to be due as a result of increasing number of projects with longer delivery cycle.

Business Review

IT infrastructure business

The IT system infrastructure business performed well during the first half of FY08, particularly in the commercial sector. The Group has secured significant multi-millions infrastructure deals to provide servers of different IT platforms for multinational enterprises to boost operational performance and meet their service requirement. These deals included the supplying of IBM System p5 and System p6 servers for a renowned telecommunication services provider to upgrade its mobile phone services and for Cathay Pacific to replace the existing flight scheduling system. In the banking and finance sector, the Group also provided 3 Sun E25K high-end servers for an international bank to upgrade its banking system.

Services business

The services business continued to grow in the first six months. Carrying on from last year, the Group completed all the SWIFTNet Phase 2 migration orders for Hong Kong and Macau financial institutions and started receiving new orders of SWIFT Alliance Gateway system upgrade from more than 15 financial institutions in order to run the new generation of Real Time Gross Settlement System (RTGS). The Group also completed the implementation of an Oracle's identity management solution for a government body and won a contract to provide upgrade for the Oracle database system for a government department.

ASL was appointed as one of the two service providers in Hong Kong for a leading computer vendor to deliver warranty services and hardware products services specific to their platform for the end users on behalf of this vendor. These hardware products include enterprise servers and storage products, desktop and notebooks for the end users. The Group has also signed an agreement with this vendor to provide installation service for end users by the end of this year.

In August, the Group commenced a 1-year service agreement to provide information security management and consultancy services for a leading property developer and hospitality industry player in Hong Kong. These services include security advice, compliance, assessment, audit and awareness training. In addition, a US based marketing services corporation has chosen ASL as a preferred service supplier to provide IT services to all its offices and related agencies in Asia Pacific countries. The scope of services will include providing daily operation support, project management and implementation, IT Governance review(s), and corporate standards enforcement. Currently the Group is providing IT support service for 3 projects in Hong Kong, as well as equipment procurement and IT Governance review.

Solutions
Solutions development continued to expand in the first half of FY08. The Group secured the first deal to provide implementation and customisation of its front office and back office systems in Taiwan for a hotel located in Taipei. Moreover, the Group won 3 projects of providing Human Resources Management System (HRMS) from chain store business operators in Hong Kong and Macau.

Overseas business
The overseas business of the Group continued to be strong in the first six months of FY08. ASL Macau secured contracts to provide Playing Card Tracking System and Baccarat Score Board System for two new major casinos in Macau; we are now serving five out of the six concession holders allowed to operate casinos in Macau. ASL Guangzhou also won a deal to provide IT infrastructure, networking and help desk support services for a Hong Kong listed company's major offices in Chengdu and Xiamen.

Announcement pursuant to Rule 3.7 of the Hong Kong Code on Takeovers and Mergers
In relation to the possible sale of its controlling stake in the Group, Computer Sciences Corporation, our ultimate holding company, has advised that it is no longer pursuing opportunities to complete the transaction, as disclosed in the Company's announcement dated 2nd October, 2007.

Outlook and Prospects
The Group celebrates its 10th anniversary of listing on the Hong Kong Stock Exchange this year accompanied by an unbroken record of profitability in the past 10 years. In order to grow further and enhance shareholders' value, the Group has engaged in regional expansion, in particular the Greater China while maintaining Hong Kong as the centre of excellence.

Currently the Group is pursuing expansion opportunities in Beijing, Shanghai and other areas through strategic alliance and mergers & acquisitions. Apart from establishing our service team in mainland China, the Group has extended its vendor network outside Hong Kong by forming alliance and reseller relationship with major vendors such as SUN, Oracle and EMC in Greater China. The Group is still continuing in its efforts in this respect and expects to cover more vendors with wider variety of services and products in the near future. The expansion into mainland China also involves development on customer front. Considering the rapid business development of our customers in PRC, we have conducted further customer survey with a view to tracking our customers' needs arising from their PRC expansion, refining our service offerings specific to their needs and ultimately increasing our chance of winning projects from their PRC operations.

For local development, the Group will continue to explore new outsourcing opportunities in Hong Kong, and refine our services quality and offerings to make Hong Kong a centre of excellence for overseas operations.

With the establishment of our Guangzhou subsidiary in FY07, this year, we are proceeding on different fronts including mergers & acquisitions, vendor network and customer development in strengthening our presence. However, while exploring new revenue from the mainland, the Group also aims to provide a more comprehensive service package for existing client with particular focus regarding client's operation in China. With solid performance in the second quarter and the first half of FY08, the Group's performance remains positive.

Financial Resources and Liquidity
As at 30th September, 2007, the Group's total assets of HK$878.0 million were financed by current liabilities of HK$332.4 million, deferred taxation of HK$22.4 million and shareholders' equity of HK$523.2 million. The Group had a working capital ratio of approximately 2.01:1.

As at 30th September, 2007, the Group had an aggregate composite banking facilities from banks of approximately HK$97.0 million of which HK$26.4 million was utilised (31st March, 2007: HK$20.4 million). The Group's gearing ratio was zero (31st March, 2007: zero) as at 30th September, 2007.

Treasury Policies
The Group generally financed its operations with internally generated resources and credit facilities provided by banks. Bank facilities available for the Group include trust receipt loans, overdrafts and term loans. The interest rates of most of these will be fixed by reference to the respective countries' Interbank Offer Rate. The bank deposits will be mainly in Hong Kong dollars and United States dollars ("US dollars").

Foreign Exchange Exposure
The Group mainly earns revenue and incurs costs in US dollars and Hong Kong dollars. Foreign exchange exposure of the Group will continue to be minimal as long as the policy of the Government of the Hong Kong Special Administrative Region to link the Hong Kong dollars to the US dollars remains in effect. There was no material exposure to fluctuations in exchange rates, and therefore no related hedging financial instrument was applied during the six-month period ended 30th September, 2007.

Contingent Liabilities
Corporate guarantee to banks and vendors as security for banking facilities and goods supplied to the Group amounted to approximately HK$51.8 million as at 30th September, 2007. The amount utilised against such facilities and goods supplied as at 30th September, 2007 which was secured by the corporate guarantee amounted to approximately HK$3.4 million. The performance bond issued by the Group to customers as security of contract was approximately HK$26.4 million as at 30th September, 2007.

Employee and Remuneration Policies
As at 30th September, 2007, the Group, excluding its associates, employed 1,319 permanent and contract staff in Hong Kong, Macau, Taiwan, mainland China and Thailand. The Group remunerates its employees based on their performance, working experience and the prevailing market conditions. Bonuses are granted on a discretionary basis. Other employee benefits include mandatory provident fund, insurance, medical coverage and share options scheme.

CLOSURE OF REGISTER OF MEMBERS
The Register of Members of the Company will be closed from 12th December, 2007 to 14th December, 2007, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the interim dividend, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's registrars, Tricor Tengis Limited at 26/F Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 11th December, 2007. The dividend warrants will be despatched on or before 2nd January, 2008.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES
During the six months ended 30th September, 2007, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE
The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the unaudited interim results.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the six months ended 30th September, 2007, and they all confirmed that they have fully complied with the required standard set out in the Model Code.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the accounting period for the six months ended 30th September, 2007 except with respect to Code A.4.1, all non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election in accordance with the Company's Bye-laws.

By Order of the Board
Lai Yam Ting
Managing Director

Hong Kong, 5th November, 2007

As at the date of this announcement, the board of directors comprises Mr. Lai Yam Ting and Mr. Lau Ming Chi, Edward being executive directors, Mr. Allen Joseph Pathmarajah, Mr. Kuo Chi Yung, Peter, Mr. Moo Kwee Chong, Johnny, Mr. George Finlay Bell, Mr. Darren John Collins, Mr. Wang Yung Chang, Kenneth and Mr. Andrew John Anker being non-executive directors and Mr. Cheung Man, Stephen, Mr. Hon Sheung Tin, Peter and Mr. Li King Hang, Richard being independent non-executive directors.