CHUNG TAI PRINTING HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 00055)

GROUP INTERIM RESULTS

The directors of Chung Tai Printing Holdings Limited (the "Company") are pleased to announce the unaudited results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2007 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

	Notes	Six months ended 30.9.2007 (Unaudited) HK$'000	30.9.2006 (Unaudited) HK$'000
Revenue	3	**409,968**	381,984
Cost of sales		**(327,527)**	(297,486)
Gross profit		**82,441**	84,498
Interest income		**3,564**	1,255
Fair value changes on investments held for trading		**–**	1,131
Other income		**45**	50
Distribution costs		**(14,876)**	(16,478)
Administrative expenses		**(35,394)**	(32,371)
Interest on bank borrowings wholly repayable within five years		**(143)**	(198)
Profit before taxation		**35,637**	37,887
Taxation	4	**(2,808)**	(3,004)
Profit for the period	5	**32,829**	34,883
Dividends	6		
– Interim dividend proposed		**9,304**	9,304
– Final dividend paid		**9,304**	19,937
Earnings per share (HK cents)	7		
Basic		**0.48**	0.52

CONDENSED CONSOLIDATED BALANCE SHEET

	As at 30.9.2007 (Unaudited) HK$'000	As at 31.3.2007 (Audited) HK$'000
ASSETS AND LIABILITIES		
Non-current assets		
Property, plant and equipment	**237,982**	251,080
Prepaid lease payments	**3,296**	3,340
Deposits for land use right	**34,782**	31,515
	276,060	285,935
Current assets		
Inventories	**100,143**	90,961
Trade and other receivables	**267,313**	162,458
Prepaid lease payments	**89**	89
Investments held for trading	**3,746**	3,746
Tax recoverable	**–**	1,363
Short-term bank deposits	**92,809**	87,663
Bank balances and cash	**66,454**	26,111
	530,554	372,391
Current liabilities		
Trade and other payables	**121,710**	65,482
Tax liabilities	**1,521**	216
Bank borrowings	**6,469**	3,873
	129,700	69,571

CONDENSED CONSOLIDATED BALANCE SHEET (Continued)

	As at 30.9.2007 (Unaudited) HK$'000	As at 31.3.2007 (Audited) HK$'000
Net current assets	**400,854**	302,820
Total assets less current liabilities	**676,914**	588,755
Non-current liability		
Deferred taxation	**15,554**	17,416
Net assets	**661,360**	571,339
CAPITAL AND RESERVES		
Share capital	**39,868**	33,228
Reserves	**621,492**	538,111
Total equity	**661,360**	571,339

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".

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2007 except as described below.

In the current interim period, the Group has applied, for the first time, a number of new standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, which are effective for the Group's financial year beginning 1 April 2007. The adoption of these new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

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

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 accounting periods beginning on or after 1 January 2009
2 Effective for accounting periods beginning on or after 1 January 2008
3 Effective for accounting periods beginning on or after 1 July 2008

3. REVENUE

Revenue represents the net amounts received and receivable for goods sold by the Group during the period.

Geographical segments

The location of customers is the basis on which the Group reports its primary segment information.

The following is an analysis of the Group's revenue and results for the six months ended 30 September 2007 and 2006 by location of customers.

Consolidated income statement for the six months ended 30 September 2007

	Hong Kong	Other regions in The People's Republic of China ("PRC")	United States of America	Europe	Other	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	269,479	51,580	37,770	29,223	21,916	409,968
Segment result	44,441	8,506	6,229	4,819	3,615	67,610
Unallocated corporate expenses						(35,394)
Interest income						3,564
Interest expense						(143)
Profit before taxation						35,637
Taxation						(2,808)
Profit for the period						32,829

3. REVENUE (Continued)

Consolidated income statement for the six months ended 30 September 2006

	Hong Kong	PRC	United States of America	Europe	Other	Consolidated
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Revenue	232,521	45,838	38,024	16,456	49,145	381,984
Segment result	42,124	8,304	6,889	2,981	8,903	69,201
Unallocated corporate expenses						(32,371)
Interest income						1,255
Interest expense						(198)
Profit before taxation						37,887
Taxation						(3,004)
Profit for the period						34,883

The profit for the six months ended 30 September accounts for a substantial portion of the total annual profit because the period from June to September is the high season for the industry. In view of the seasonal factor, the directors of the Company considered such profit pattern as normal and healthy.

4. TAXATION

	Six months ended	
	30.9.2007	30.9.2006
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
The charge comprises:		
Current tax for the period:		
Hong Kong	**4,375**	2,780
Other jurisdictions	**295**	275
	4,670	3,055
Deferred taxation:		
Current period	**(1,862)**	(51)
	2,808	3,004

4. TAXATION (Continued)

Hong Kong Profits Tax is calculated at 17.5% on the estimated assessable profit for both periods.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

5. PROFIT FOR THE PERIOD

	Six months ended	
	30.9.2007	30.9.2006
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Profit for the period has been arrived at after charging:		
Depreciation of property, plant and equipment	**18,869**	19,021
Prepaid lease payments charged to consolidated income statement	**44**	45
Write-down of inventories *(Note)*	**1,185**	1,700

Note: Write-down of inventories represented the write-down of printing materials which became obsolete during the period.

6. DIVIDENDS

	Six months ended	
	30.9.2007	30.9.2006
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Interim dividend proposed	**9,304**	9,304

Subsequent to the balance sheet date, the directors determined that an interim dividend of HK0.091 cents (1.4.2006 to 30.9.2006: HK2.8 cents) per share be paid to the shareholders of the Company whose names appear on the Register of Members on 10 January 2008.

7. EARNINGS PER SHARE

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

	Six months ended	
	30.9.2007	30.9.2006
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Earnings		
Earnings for the purpose of basic earnings per share	**32,829**	34,883
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**6,834,223,196**	6,645,545,600

Pursuant to the special general meeting held on 23 October 2007, each of the then issued and unissued shares of HK$0.10 each in the share capital of the Company is subdivided into twenty shares of HK$0.005 each in the share capital of the Company with effect from 24 October 2007. Accordingly, the weighted average number of ordinary shares for the purpose of basic earnings per share has been adjusted for the six months ended 30 September 2007 and 30 September 2006.

No dilutive potential shares were outstanding during the six months ended 30 September 2007 and 30 September 2006. Accordingly, no diluted earnings per share are presented.

INTERIM DIVIDEND

The board of directors of the Company (the "Board") has recommended an interim dividend of HK0.091 cents per share for the six months ended 30 September 2007 payable on or before 25 January 2008 to shareholders whose names appear on the Register of Members on 10 January 2008.

CLOSURE OF REGISTER OF MEMBERS

The register of members will be closed from Friday, 11 January 2008 to Thursday, 17 January 2008 both days inclusive, during which period no transfer of shares will be registered. To qualify for the interim dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Tricor Secretaries Limited of 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on Thursday, 10 January 2008.

REVIEW OF FINANCIAL RESULTS

The Group's consolidated revenue for the six months ended 30 September 2007 amounted to HK$410 million (1.4.2006 to 30.9.2006: HK$382 million), representing a moderate sales growth of 7.3% as compared to the corresponding period in last year. The gross profit for the period under review has dropped to HK$82 million, being 20.1% of revenue, from HK$84 million for the corresponding period in last year. The gross profit percentage has reduced by 2% from 22.1% for the same period in last year. The distribution costs were decreased by 9.7% to HK$15 million (1.4.2006 to 30.9.2006: HK$16 million). The administrative expenses reached HK$35 million, rising by about 9.3% comparing with the corresponding period in last year. The net profit has declined by 5.9% from HK$35 million to HK$33 million. The net profit margin accounted for 8.0% of the revenue, decreasing from 9.1% of the revenue for the same period last year.

BUSINESS REVIEW AND PROSPECTS

Despite of the improved global economy and persistent growth in revenue, the Group has experienced an extremely difficult period. Numerous critical threats from the intensive competition in printing industry have imposed immense pressure on the Group's performance. The enduring high crude oil prices, rising material prices, sharply increasing minimum wages of China labour and great appreciation of RMB vitally cause our decrease in gross profit margin and net profit margin to a large extent. The competition in the printing industry will continue to intensify. The Group is thus facing significant challenges and threats ahead. As such, the Group will make its best efforts to achieve continuous growth in performance through effective cost control and enhancement in productivity.

During the period, the Group spent relatively small amount in capital expenditure totalling HK$4 million (1.4.2006 to 30.9.2006: HK$25 million), which principally composed of production facilities, plant and machinery and computer equipment. In the coming year, the Group will further enhance its production capabilities, and promote the efficiency of our existing facilities to maximize the profitability and the shareholders' return.

The project of setting up a new plant in Qingyuan of Guangdong province has been implemented. The investment which involves substantial fund is targeted to further expand the production capabilities of the Group. In addition to the low-cost benefits in Qingyuan, synergies will be achieved through economies of scale, resources and technology sharing among our factories in Shenzhen. After the construction is completed, the Group is confident to capture any emerging opportunities and enjoy impressive returns.

The Group has entered into preliminary discussions with independent third parties in relation to a project on water management in China. No binding agreement has yet been entered into by the Group. In addition, the Group will continue to formulate strategies to face up with the ever-changing business environment and place itself in a good position to grasp any new development opportunities ahead.

The Group will continue to develop promising business strategies and successfully positioning itself in the market segments. To cope with its strategies, the Group is committed to putting great efforts in exploring new markets, maintaining close relationship with our existing customers, and sourcing new materials to produce quality goods at competitive prices. The target of the Group is to widen customer base, develop higher margin products and sustain the growth in revenue.

LIQUIDITY AND FINANCIAL POSITION

As at 30 September 2007, the Group had approximately HK$66 million cash in hand. The current ratio stood at 4.1, indicating an ample cash flow and stable liquidity position over the period under review. The Group's bank balances and cash and short-term bank deposits were approaching HK$153 million (31 March 2007: HK$110 million), after deducting bank borrowings of HK$6 million (31 March 2007: HK$4 million). The gearing ratio was 1.0% (31 March 2007: 0.7%), which calculation is based on the Group's total borrowings of HK$6 million (31 March 2007: HK$4 million) and the shareholders' fund of HK$661 million (31 March 2007: HK$571 million).

At 30 September 2007, the Group had surplus working capital of HK$400 million (31 March 2007: HK$303 million), which primarily comprised inventories of HK$100 million, trade and other receivables of HK$267 million, investments held for trading of HK$4 million, and bank balances, cash and short-term deposit of HK$159 million, and less trade and other payables of HK$122 million, tax liabilities of HK$2 million and bank borrowings of HK$6 million.

The Group's transactions are mainly denominated in Hong Kong dollars, Renminbi and United States dollars and the foreign currency risk exposure is not significant during the period under review. During the period, the Group did not use any financial instruments for hedging purpose and did not have any hedging instruments outstanding as at 30 September 2007.

The Group generally finances its operation with internally generated cash flows and facilities provided by banks in Hong Kong. The high level of operating cash position continued to be maintained, thus reflecting the strength of its operating performance. Considering the anticipated internally generated funds and available banking facilities, the management believes that the Group has adequate resources to meet its future capital expenditures and working capital requirements. The management will continue to follow a prudent policy in managing its cash balances and maintaining a strong and healthy liquidity to ensure that the Group is well positioned to take advantage of growth opportunities for the business. For the large project in Qingyuan, the Group will consider fund arrangement to adequately finance such material investment.

On 24 August 2007, the Group arranged the top-up placing, new share placing and placing of convertible notes ("CN Placing"). The top-up placing involved an aggregate of 66,400,000 (after sub-division: 1,328,000,000) top-up subscription shares at the top-up subscription price of HK$0.9 per top-up subscription share. The net proceeds of approximately HK$58 million from the top-up placing are intended for general working capital of the Group. The new share placing involved a maximum of 2,220,000,000 (before sub-division: 111,000,000) new placing shares on a best efforts basis, The maximum net proceeds of approximately HK$97.1 million from the new share placing is intended for potential new investment as and when appropriate although no specific projects have been identified. The CN Placing involved up to an aggregate principal amount of HK$140,000,000 convertible notes which is exercisable and convertible into 2,434,782,600 (before sub-division:

121,739,130) shares at a conversion price of HK$0.0575 (before sub-division: HK$1.15) per conversion share. The maximum net proceeds of approximately HK$136.3 million from the CN placing is intended to be used for expansion of production facilities and potential new investment as and when appropriate although no specific projects have been identified. Notwithstanding that new share placing and the CN placing resulted in the dilution of the existing shareholding interest of the shareholders, the directors consider that the new share placing and the CN placing represent an opportunity to raise capital for the Company, to expand the production facilities of the Group and to invest in the potential new investment as and when appropriate although no specific projects have been identified.

The Group's interim dividend payout ratio as a percentage of its earning is about 28% (1.4.2006 to 30.9.2006: 27%). The Board will closely monitor the dividend policy to ensure that our investors are well rewarded for their continuous support.

EMPLOYEE

As at 30 September 2007, the total number of employees of the Group was approximately 4,600.

The remuneration schemes are generally structured with reference to market conditions and the qualifications of the employees. The reward packages of the Group's staff are normally reviewed on an annual basis based on the staff and the Group's performances. Apart from salary payment, other staff benefits include contribution to Retirement Benefit Scheme and medical insurance for eligible employees. In-house and external training programmes are also provided as and when required.

REVIEW OF INTERIM RESULTS

The interim report of the Group for the six months ended 30 September 2007 has not been audited, but has been reviewed by the Audit Committee of the Company and the Group's auditor, Messrs. Deloitte Touche Tohmatsu.

The Audit Committee comprises Mr. Wong Sun Fat, Mr. Suek Che Hin and Mr. Au Yan, Alfred.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2007.

CODE ON CORPORATE GOVERNANCE PRACTICES

Good corporate governance has always been recognized as vital to the Group's success and to sustain development of the Group. We commit ourselves to a high standard of corporate governance as an essential component of quality and have introduced corporate governance practices appropriate to the conduct and growth of our business.

The Company has complied with most of the Code Provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Listing Rules during the six months ended 30 September 2007, save for certain deviations, details of which were given in the Company's 2007 Annual Report.

During the six months ended 30 September 2007, Dr. Suek Chai Kit, Christopher was re-designated as a non-executive director of the Company from an executive director with effect from 29 November 2007. Dr. Suek remains as Chairman of the board of directors of the Company. As Dr. Suek Chai Kit, Christopher is no longer an executive director, the role of chief executive officer is taken up by Mr. Suek Ka Lun, Ernie. The positions of the Chairman and chief executive officer are now held by separate persons which is a measure taken by the Company to improve its corporate governance to conform with the CG Code Provisions.

DIRECTORS' SECURITIES TRANSACTIONS

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 for securities transactions by the Directors. Having made specific enquiry of all directors, they confirmed that, in respect of the six months ended 30 September 2007, they have complied with the required standard set out in the Model Code regarding securities transactions by the Directors.

PUBLICATION OF INTERIM RESULTS ON THE STOCK EXCHANGE'S WEBSITE

A detailed interim results announcement containing all the information required by paragraphs 46(1) to 46(6) of Appendix 16 of the Listing Rules will be published on the website of the Stock Exchange of Hong Kong Limited in due course.

On behalf of the Board
CHUNG TAI PRINTING HOLDINGS LIMITED
Dr. Suek Chai Kit, Christopher
Chairman

20 December 2007

As at the date of this announcement, the directors of the Company are Ms. Ng Wai Chi, Mr. Suek Chai Hong, Mr. Suek Ka Lun, Ernie and Mr. Lau Chin Hung, Edwin, being the Executive Directors, Dr. Suek Chai Kit, Christopher (Chairman), Mr. Suek Che Hin, Mr. Chan Kwing Choi, Warren, and Dr. Ng Wai Kwan, Stephen, being the Non-Executive Directors, and Mr. Tse Tin Tai, Mr. Wong Sun Fat and Mr. Au Yan, Alfred being the Independent Non-Executive Directors.