JU TENG INTERNATIONAL HOLDINGS LIMITED
巨騰國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3336)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2009

The Board (the "**Board**") of directors (the "**Directors**") of Ju Teng International Holdings Limited (the "**Company**" or "**Ju Teng**") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2009 (the "**Period**") as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
For the six months ended 30 June 2009

	Notes	**2009 (Unaudited)** ***HK$'000***	2008 (Unaudited) *HK$'000*
REVENUE	*2*	**3,124,336**	3,428,225
Cost of sales		**(2,567,574)**	(2,893,527)
Gross profit		**556,762**	534,698
Other income and gains	*3*	**38,798**	43,225
Selling and distribution costs		**(19,579)**	(14,739)
Administrative expenses		**(163,594)**	(162,603)
Other expenses		**(12,109)**	(9,173)
Finance costs	*4*	**(31,795)**	(36,143)
PROFIT BEFORE TAX	*5*	**368,483**	355,265
Tax	*6*	**(72,534)**	(53,024)
PROFIT FOR THE PERIOD		**295,949**	302,241
Attributable to:			
Equity holders of the Company		**289,636**	283,501
Minority interests		**6,313**	18,740
		295,949	302,241
INTERIM DIVIDEND	*7*	**–**	–
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	*8*		
– Basic (HK cents)		**28.3**	28.4
– Diluted (HK cents)		**27.7**	27.7

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2009

	Notes	30 June 2009 (Unaudited) HK$'000	31 December 2008 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**3,134,680**	2,280,183
Lease premium for land		**85,950**	65,219
Goodwill		**37,894**	4,846
Deposit for acquisition of an investment		**–**	104,632
Prepayments for acquisition of property, plant and equipment		**505,293**	96,916
Available-for-sale investment		**51,414**	33,306
Total non-current assets		**3,815,231**	2,585,102
CURRENT ASSETS			
Inventories		**804,621**	821,866
Trade receivables	*9*	**2,526,180**	2,863,214
Factored trade receivables	*9*	**135,978**	74,205
Prepayments, deposits and other receivables		**264,409**	216,247
Derivative financial instruments		**–**	24,381
Pledged bank balances and time deposits		**8,576**	108,933
Cash and cash equivalents		**634,304**	450,508
Total current assets		**4,374,068**	4,559,354
CURRENT LIABILITIES			
Trade and bills payables	*10*	**1,478,658**	1,530,098
Other payables and accruals		**403,960**	570,584
Tax payable		**120,585**	101,685
Bank advances on factored trade receivables	*9*	**135,978**	74,205
Interest-bearing bank borrowings		**842,582**	947,328
Total current liabilities		**2,981,763**	3,223,900
NET CURRENT ASSETS		**1,392,305**	1,335,454
TOTAL ASSETS LESS CURRENT LIABILITIES		**5,207,536**	3,920,556
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**1,162,575**	930,060
Deferred tax liabilities		**13,608**	9,081
Total non-current liabilities		**1,176,183**	939,141
Net assets		**4,031,353**	2,981,415
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital	*11*	**110,280**	100,000
Reserves		**3,395,444**	2,670,280
Proposed final dividend		**–**	50,000
		3,505,724	2,820,280
Minority interests		**525,629**	161,135
Total equity		**4,031,353**	2,981,415

NOTES

1. ACCOUNTING POLICIES

The condensed consolidated interim financial statements for the Period are prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting". The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 December 2008, except in relation to the following new and revised Hong Kong Financial Reporting Standards ("**HKFRSs**", which also include HKASs and Interpretations) that affect the Group and are adopted for the first time for the current period's financial statements:

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 *First-time Adoption of HKFRSs* and HKAS 27 *Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
HKFRS 2 Amendments	Amendments to HKFRS 2 *Share-based Payment – Vesting Conditions and Cancellations*
HKFRS 7 Amendments	Amendments to HKFRS 7 *Improving Disclosures about Financial Instruments*
HKFRS 8	*Operating Segments*
HKAS 1 (Revised)	*Presentation of Financial Statements*
HKAS 10	*Events after the Balance Sheet Date*
HKAS 18	*Revenue*
HKAS 23 (Revised)	*Borrowing Costs*
HKAS 32 and HKAS 1 and Amendments	Amendments to HKAS 32 *Financial Instruments: Presentation* HKAS 1 *Presentation of Financial Statements – Puttable Financial Instruments and Obligations Arising on Liquidation*
HK(IFRIC) – Int 9 and HKAS 39 Amendments	*Reassessment of Embedded Derivative*
HK(IFRIC)-Int 13	*Customer Loyalty Programmes*
HK(IFRIC)-Int 15	*Agreements for the Construction of Real Estate*
HK(IFRIC)-Int 16	*Hedges of a Net Investment in a Foreign Operation*

Adoption of these new HKFRS interpretations did not have any material effect on the financial position or performance of the Group, nor resulted in restatement of comparative figures.

2. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary reporting basis, by geographical segment.

(a) Business segments

The Group was principally engaged in the manufacture and sale of notebook computer casings. Therefore, no further business segment analysis is presented.

(b) Geographical segments

In determining the Group's geographical segments, revenues are attributed to the segments based on the location of customers.

The following table presents the revenue information of the Group's geographical segments.

Segment revenue from external customers:

	For the six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
The People's Republic of China (the "PRC")	**2,966,175**	3,211,250
The Republic of China	**144,434**	211,673
Others	**13,727**	5,302
	3,124,336	3,428,225

3. OTHER INCOME AND GAINS

	For the six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest income	**5,398**	4,148
Subcontracting fee income	**10**	491
Sale of scrap materials	**18,034**	19,675
Dividend income	**–**	3,176
Exchange gains, net	**3,181**	11,211
Subsidy income	**7,478**	2,696
Others	**4,697**	1,828
	38,798	43,225

4. FINANCE COSTS

	For the six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Interest on bank loans and other loans wholly repayable within five years	**31,795**	36,143

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

	For the six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold	**2,492,044**	2,829,419
Depreciation	**139,751**	97,471
Amortisation of lease premium for land	**584**	285
Losses on write-off/disposal of items of property, plant and equipment, net	**9,910**	3,714

6. TAX

	For the six months ended 30 June	
	2009	2008
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Provision for the Period		
Current – The PRC, excluding Hong Kong		
Charge for the Period	**69,205**	43,678
(Overprovision)/underprovision in prior years	**(583)**	213
Current – Overseas		
Charge for the Period	**2,966**	8,772
Underprovision in prior years	**946**	361
Total tax charge for the Period	**72,534**	53,024

Hong Kong profits tax has not been provided as the Group did not have any assessable profits arising in Hong Kong during the Period (six months ended 30 June 2008: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates based on existing legislation, interpretation and practices in respect thereof.

7. INTERIM DIVIDEND

The Directors did not propose to declare an interim dividend for the Period (six months ended 30 June 2008: Nil).

8. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amounts is based on the profit for the Period attributable to equity holders of the Company of HK$289,636,000 (six months ended 30 June 2008: HK$283,501,000) and the weighted average of 1,022,114,917 (six months ended 30 June 2008: 1,000,000,000) ordinary shares in issue during the Period.

The calculation of diluted earnings per share amounts is based on the profit for the Period attributable to equity holders of the Company of HK$289,636,000 (six months ended 30 June 2008: HK$283,501,000). The weighted average number of ordinary shares used in the calculation is the 1,022,114,917 (six months ended 30 June 2008: 1,000,000,000) ordinary shares in issue during the Period, as used in the basic earnings per share calculation, and the weighted average of 25,166,106 (six months ended 30 June 2008: 24,853,887) ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential shares into shares.

9. TRADE RECEIVABLES

The Group allows an average credit period ranging from 90 days to 120 days to its customers. An aged analysis of the Group's trade receivables and factored trade receivables as at the reporting date, based on the invoice date, is as follows:

	30 June 2009 (Unaudited) *HK$'000*	31 December 2008 (Audited) *HK$'000*
Trade receivables		
Within 3 months	**1,693,617**	1,827,885
4 – 6 months	**813,275**	1,030,249
7 – 12 months	**15,808**	3,491
Over 1 year	**3,480**	1,589
	2,526,180	2,863,214
Factored trade receivables		
Within 3 months	**33,891**	74,205
4 – 6 months	**102,087**	–
	135,978	74,205

As at 30 June 2009, certain subsidiaries of the Group had factored trade receivables of HK$94,724,000 (31 December 2008: Nil) to banks on a without-recourse basis for cash. As the subsidiaries of the Group still retained significant risks and rewards associated with the delay in payment by the customers, the financial asset derecognition conditions as stipulated in HKAS 39 have not been fulfilled. Accordingly, the proceeds from the factoring of the Group's trade receivables have been accounted for as liabilities in the condensed consolidated statement of financial position.

As at 30 June 2009, certain subsidiaries of the Group had factored trade receivables of HK$41,254,000 (31 December 2008: HK$74,205,000) are factored to banks on a with-recourse basis for cash.

10. TRADE AND BILLS PAYABLES

An aged analysis of the Group's trade and bills payables at the reporting date, based on the invoice date, is as follows:

	30 June 2009 (Unaudited) *HK$'000*	31 December 2008 (Audited) *HK$'000*
Within 3 months	**1,276,936**	1,074,814
4 – 6 months	**182,557**	438,355
7 – 12 months	**12,144**	12,095
Over 1 year	**7,021**	4,834
	1,478,658	1,530,098

11. SHARE CAPITAL

	30 June 2009 (Unaudited) *HK$'000*	31 December 2008 (Audited) *HK$'000*
Authorised		
2,000,000,000 shares of HK$0.1 each	**200,000**	200,000
Issued and fully paid		
1,000,000,000 shares of HK$0.1 each	**–**	100,000
1,102,800,000 shares of HK$0.1 each	**110,280**	–

The following changes in the Company's issued share capital took place during the Period.

	Notes	**Number of shares of HK$0.1 each**	**Nominal value of shares** *HK$'000*
Issued and fully paid:			
As at 1 January 2009		1,000,000,000	100,000
New issue of shares	*(a)*	100,000,000	10,000
Exercise of share options	*(b)*	2,800,000	280
As at 30 June 2009		1,102,800,000	110,280

Notes:

(a) On 25 May 2009, 100,000,000 units of Taiwan depository receipts ("**TDR**"), representing 100,000,000 new shares of HK$0.1 each of the Company, were offered for subscription by the public in the Republic of China at an offer price of NT$17.3 (equivalent to HK$4.07) per TDR and were listed on the Taiwan Stock Exchange Corporation ("**Taiwan Stock Exchange**"). The 100,000,000 new shares of the Company were issued by the Company on 22 May 2009. The Group raised proceeds of approximately HK$402,335,000, net of related expenses from the share issue.

(b) On 30 June 2009, the Company issued 2,800,000 shares at HK$1.26 per share pursuant to exercise of an option under a Pre-IPO share option scheme by a director of the Company. The Group raised proceeds of approximately HK$3,528,000 from the share issue.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review & Prospect

Despite a bleak economic environment in the first quarter of 2009, demand for notebook computers has been rather resilient, especially when notebook shipments have improved in the second quarter. The popularity of netbooks has remained a buoyant sub-market trend as many notebook brands have pushed into the arena. Ju Teng has been riding on the market trend and benefited from its leadership in plastic casings that provides solid support to its gross margin. In March 2009, Ju Teng completed the acquisition of a magnesium alloy casing manufacturer, which not only broadens its product mix, but also fortifies its competitiveness in the casing production market.

The Company's TDR were successfully listed on the Taiwan Stock Exchange on 25 May 2009. The event marked a milestone in its corporate development. Major customers of the Group are manufacturers of international brands based in Taiwan. The TDR issue has raised public awareness and promoted the corporate image of Ju Teng in Taiwan. On the other hand, it also serves as an appropriate fundraising platform for the Group to diversify funding sources.

The Group has commenced the production of metal casings in the second quarter of 2009 and will commence production of LCD TV casing in the second half this year. The Directors expect that more netbook models, CULV-based notebooks (characterized by a slim design and lighter weight) will be rolled out in the market, coupled with market demand for new notebook pre-installed with Windows 7 which will be launched in the fourth quarter. These will all translate into rising notebook shipments worldwide. Leveraging on manufacturing efficiency, quality control and technological advances, the Group is optimistic about capturing growth momentum and steady gains in market share.

Financial Review

The turnover of the Group reduced slightly by 8.9% to approximately HK$3,124 million (2008: HK$3,428 million) during the Period due to the decline in average selling price resulted from relatively lower raw material costs. Declining raw material price together with tremendous cost control efforts secured margin performance for the Period. The overall gross profit margin for the Period increased to 17.8% from 15.6% for the six months ended 30 June 2008.

The Group recorded a slight increase of 4.3% in operating cost and other operating expenses, including administrative expenses, selling and distribution costs and other expenses to approximately HK$195 million (2008: HK$187 million). However, due to the decline in turnover, the operating costs for the Period accounted for 6.2% (2008: 5.5%) of the Group's turnover.

Finance costs decreased by 12% to approximately HK$32 million for the Period as compared to that of 2008 which was due to the decline in U.S. dollars ("**USD**") interest rate and low utilization of trade receivables factoring facilities.

The profit attributable to equity holders for the Period amounted to approximately HK$290 million, representing an increase of 2.1% when compared to the same period of last year of approximately HK$284 million. It is mainly attributable to improvement in gross profit margin.

Liquidity and Financial Resources

As at 30 June 2009, total bank borrowings of the Group amounted to approximately HK$2,005 million, representing an increase of 6.8% as compared to that of 31 December 2008. The Group's bank borrowings include short-term loans with 1-year maturity, 2-year term loan and 3-year revolving syndicated loan. As at 30 June 2009, the Group's bank loans denominated in USD, New Taiwan dollars and Renminbi ("**RMB**") are carrying the amounts of approximately HK$1,905 million (31 December 2008: HK$1,858 million), approximately HK$68 million (31 December 2008: HK$19 million) and approximately HK$32 million (31 December 2008: Nil) respectively.

During the Period, the Group's net cash inflow from operating activities improved significantly to approximately HK$656 million from HK$136 million for the corresponding period in 2008 due to the decrease of inventories and trade receivables. A net cash outflow from investing activities of approximately HK$717 million (2008: HK$514 million), which included the acquisition of a magnesium alloy casing manufacturer and the purchase of fixed assets for capacity expansion, was recorded. During the Period, the Group recorded a net cash inflow from financing activities of approximately HK$242 million (2008: HK$210 million) as a result of the issue of TDR. As at 30 June 2009, the Group had cash and bank balances of approximately HK$634 million (31 December 2008: HK$451 million).

The gearing ratio of the Group, calculated as total bank borrowings of approximately HK$2,005 million (31 December 2008: HK$1,877 million) divided by total assets of approximately HK$8,189 million (31 December 2008: HK$7,144 million), as at 30 June 2009 was 24.5% (31 December 2008: 26.3%). The improvement of gearing ratio was attributable to the proceeds from TDR issue.

Pledge Of Assets

As at 30 June 2009, the Group's pledged bank balances and time deposits were nil (31 December 2008: HK$81 million) and leasehold land and buildings and machineries with an aggregate carrying amount of approximately HK$103 million (31 December 2008: HK$70 million) and trade receivables of approximately HK$338 million (31 December 2008: HK$193 million) were pledged to secure banking facilities granted to the Group.

Foreign Exchange Exposure

Since most of the Group's revenue is denominated in USD and most of the Group's expenses are denominated in RMB, the appreciation of value of the RMB will have adverse effect on the Group's profitability. Accordingly, the Group has entered into forward foreign exchange contracts to mitigate possible exchange losses in relation to the fluctuations in the values of the USD and RMB.

Employees

As at 30 June 2009, the Group had approximately 32,000 employees. The Group recorded staff costs of approximately HK$463 million (2008: HK$419 million). The Group's employees are remunerated in line with the prevailing market terms and individual performance, with the remuneration package and policies reviewed on a regular basis. Discretionary bonuses may be rewarded to employees after assessment of the performance of the Group and the individual employee. The Group also operates a defined contribution Mandatory Provident Fund retirement benefits scheme for its employees in Hong Kong, and provides its PRC employees with welfare schemes as required by the applicable laws and regulations of the PRC.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the Period.

INTERIM DIVIDEND

The Directors do not recommend the payment of interim dividend in respect of the period ended 30 June 2009.

CORPORATE GOVERNANCE PRACTICES

The Company continues to devote much efforts on formulating the sufficient corporate governance practices which it believes is crucial to its healthy growth and its business needs.

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices ("**CG Code**") contained in Appendix 14 to the Rules ("**Listing Rules**") Governing the Listing of Securities on the Stock Exchange. The Company periodically reviews its corporate governance practices to ensure its continuous compliance with the CG Code. Save as disclosed below, the Company had complied with the code provisions of the CG Code throughout the Period:

(i) Pursuant to code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheng Li-Yu is the chairman of the Board but the Company has not appointed any chief executive officer. Details of the considered reasons for such deviation had been set out in the corporate governance report contained in the Company's annual report of the year ended 31 December 2008; and

(ii) Pursuant to code provision A.4.2 of the CG Code, all Directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Mr. Cherng Chia-Jiun was appointed as an independent non-executive Director on 31 July 2008 to fill the casual vacancy after the resignation of Mr. Yu Chwo-Ming. The first general meeting after his appointment was an extraordinary general meeting of the Company held on 26 February 2009. According to the abovementioned code provision, he should be subject to election by shareholders at that extraordinary general meeting. Due to inadvertent oversight, he was re-elected at the annual general meeting of the Company held on 21 May 2009, which was the second general meeting after his appointment.

The Board will continue to review the management structure from time to time and shall make necessary changes when appropriate and inform the shareholders accordingly.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted and applied a code of conduct regarding the Director's securities transaction on terms not less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Company is satisfied that all the Directors have fully complied with the standards set out in the Model Code and the code of conduct for the Period.

AUDIT COMMITTEE

The Audit Committee of the Board has reviewed the accounting policies, accounting standards and practices adopted by the Group and the unaudited consolidated interim financial statements and results of the Group for the Period.

PUBLICATION ON THE STOCK EXCHANGE'S WEBSITE

The interim results announcement will be published on the Company's website (http://www.irasia.com/listco/hk/juteng) and Stock Exchange's website (http://www.hkex.com.hk). The 2009 Interim Report will be despatched to the shareholders of the Company and will be made available on the websites of the Company and Stock Exchange in due course.

By order of the Board
Ju Teng International Holdings Limited
Cheng Li-Yu
Chairman

Hong Kong, 19 August 2009

As at the date of this announcement, the executive Directors are Mr. Cheng Li-Yu, Mr. Cheng Li-Yen, Mr. Huang Kuo-Kuang, Mr. Hsieh Wan-Fu, Mr. Lo Jung-Te, and Mr. Tsui Yung Kwok, and the independent non-executive Directors are Mr. Cherng Chia-Jiun, Mr. Tsai Wen-Yu and Mr. Yip Wai Ming.