

ARTFIELD GROUP<01229> - Results Announcement

Artfield Group Limited announced on 26/7/2004:
 (stock code: 01229)
 Year end date: 31/3/2004
 Currency: HKD
 Auditors' Report: Unqualified

	(Audited) Current Period from 1/4/2003 to 31/3/2004 Note ('000)	(Audited) Last Corresponding Period from 1/4/2002 to 31/3/2003 (restated) ('000)
Turnover	: 229,925	268,853
Profit/(Loss) from Operations	: (12,721)	4,912
Finance cost	: (3,527)	(2,341)
Share of Profit/(Loss) of Associates	: N/A	N/A
Share of Profit/(Loss) of Jointly Controlled Entities	: 0	(48)
Profit/(Loss) after Tax & MI	: (16,538)	1,577
% Change over Last Period	: N/A	%
EPS/(LPS)-Basic (in dollars)	: (0.0687)	0.0065
-Diluted (in dollars)	: N/A	0.0064
Extraordinary (ETD) Gain/(Loss)	: N/A	N/A
Profit/(Loss) after ETD Items	: (16,538)	1,577
Final Dividend per Share	: Nil	Nil
(Specify if with other options)	: N/A	N/A
B/C Dates for		
Final Dividend	: N/A	
Payable Date	: N/A	
B/C Dates for Annual		
General Meeting	: 19/8/2004	to 26/8/2004 bdi.
Other Distribution for Current Period	: N/A	
B/C Dates for Other		
Distribution	: N/A	

Remarks:

1. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group adopted, for the first time, the following Hong Kong Financial Reporting Standards ("HKFRS(s)") issued by the Hong Kong Society of Accountants ("HKSA"), the term of HKFRS is inclusive of Statements of Standard Accounting Practice ("SSAP(s)") and Interpretations approved by the HKSA.

Income Taxes

In the current year, the Group has adopted SSAP 12 (Revised) "Income Taxes". The principal effect of the implementation of SSAP 12 (Revised) is in relation to deferred tax. In previous years, partial provision was made for deferred tax using the income statement liability method, under which a liability was recognised in respect of timing differences arising, except where those timing differences were not expected to reverse in the foreseeable future. SSAP 12 (Revised) requires the adoption of a balance

sheet liability method, whereby deferred tax is recognised in respect of all temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with limited exceptions. In the absence of any specific transitional requirements in SSAP 12 (Revised), the new accounting policy has been applied retrospectively. Comparative amounts for 2003 have been restated accordingly. The change has resulted in a decrease in the net loss for the year of HK\$798,000 and a decrease in the net profit for the year ended 31 March 2003 of HK\$145,000.

2. (LOSS)/EARNINGS PER SHARE

The calculation of basic (loss)/earnings per share is based on the net loss for the year of HK\$16,538,000 (2003(restated): net profit of HK\$1,577,000), and the weighted average number of 240,619,686 (2003: 242,264,656) ordinary shares in issue during the year.

No diluted loss per share for the year has been presented as the warrants and share options outstanding during the year had an anti-dilutive effect on the basic loss per share for the year.

The calculation of diluted earnings per share for the year ended 31 March 2003 was based on the restated net profit for that year of HK\$1,577,000. The weighted average number of ordinary shares used in the calculation is the 242,264,656 ordinary shares in issue during that year, as used in the basic earnings per share calculation; and the weighted average number of 4,940,776 ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options outstanding during that year. The exercise price of the warrants outstanding during that year was higher than the average market price of the Company's share and, accordingly, they had no dilutive effect on the basic earnings per share.