

To: Business Editors

For Immediate Release

Leeport (Holdings) Limited Announces 2008 Annual Results

- **Turnover up 22.6% to HK\$1,037,212,000**
- **Profit attributable to equity holders down 66.3% to HK\$7,896,000**
- **Final dividend is not recommended**

(Hong Kong, 19 April 2009) Leeport (Holdings) Limited (“Leeport” or the “Group”) (Stock Code: 387), which is principally engaged in the distribution of advanced manufacturing equipment and precision tools for the manufacturing industry, today announced its annual results for the year ended 31 December 2008. The turnover amounted to HK\$1,037,212,000 (2007: HK\$846,236,000), representing an increase of 22.6% from 2007. The profit attributable to equity holders was HK\$7,896,000 (2007: HK\$23,406,000), representing a decrease of 66.3% from 2007.

The gross profit percentage was 18.7% in 2008 as compared with 21.3% in 2007. The higher Japanese Yen in 2008 as compared with 2007 had a significant impact on the Group’s gross profit margin. The Group incurred net exchange losses of HK\$10,889,000 in the second half of 2008, resulting in a loss in the second half as compared with the first half of 2008, which recorded a profit of HK\$15,569,000.

The Directors do not recommend a final dividend for the year ended 31 December 2008. An interim dividend of HK5.0 cents per ordinary share was paid to the shareholders of the Group.

During the period under review, the machine tool business, the measuring instrument business and the cutting tools and engineering tools business achieved 47.9%, 38.3% and 21.3% growth compared with 2007. However, the electronic equipment business recorded a 28.3% decrease compared with 2007.

In terms of geographical distribution, the businesses in Southern China, Central China and Northern China achieved 23.7%, 47.5% and 23.7% growth. The distribution of sales moved more to Central and Northern China. The successful exploration of markets beyond the Guangdong area of China has become more important to the Group. The business in South East Asia fell by 33.4%, because the economy in the region was weak during the year.

The impact of the financial tsunami on China did not surface until the last quarter of 2008. Business in the Guangdong area slowed sharply towards the end of the year, as most of the customers in the region were involved in export sales and their orders from Europe and the United States shrank drastically. The situation in Central and Northern China was somewhat better.

Some of the Group's traditional customer base has been badly affected by the economic recession, e.g. mould-makers, machine manufacturers, automobile parts and electronic products. However, the Group envisages great opportunities for the industries involved in aerospace, railway transportation, wind energy and infrastructure. The Group has made good progress in working with potential customers in these fields.

As a result of the impact of the financial tsunami, the Group has had to delay the establishment of its new Beijing showroom, in order to economise on capital investment. The development of a stronger team in Northern China has continued as planned. On the other hand, the establishment of the new Metrology Solution Centre in Shanghai has effectively supported the sales activity for measuring instruments, especially large-scale measuring systems in Central China.

Mr. Joseph Lee, Chairman and Managing Director of Leeport (Holdings) Limited, commented: "2009 will be a big challenge for industries of all kinds. It is nevertheless encouraging that the Chinese government has already implemented certain measures to stimulate the country's economic growth. The RMB4,000 billion government funding will mean huge business opportunities throughout the country, involving increased demand for manufacturing equipment. We will certainly benefit from this over the next few years."

“We foresee a slowly improving market after the first quarter of 2009. We expect that our expansion into the Central and Northern China market and the exploration of customers from new industries will cover any loss of business from traditional customer base and will make a significant contribution to the Group’s business. We are confident that China’s economy will improve gradually and that the Group’s business will improve in the second half of the year,” said Mr. Lee.

About Leeport (Holdings) Limited (Stock Code: 387)

Established in 1967, Leeport is principally engaged in the trading and installation of machine tools and related products, as well as equipment for the electronics industry. Over the years, Leeport has established long-term relationships with reputable leading global suppliers to provide a wide range of products and services. Leeport is committed to supplying advanced equipment and manufacturing solutions and providing quality customer services.

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For enquiries, please contact:

Ophelia Chow

Corporate Communications Manager

Tel: (852) 2494 1889

Fax: (852) 2418 4689

Email: opheliachow@leeport.com.hk