

Leeport

LEEPORT (HOLDINGS) LIMITED 力豐(集團)有限公司*

(Incorporated in Bermuda with limited liability)
(Stock Code: 387)

PROFIT WARNING

The Board wishes to inform the shareholders of the Company and investors that the Group expects a decline in its net profit for the year ended December 31 2006.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

The board of directors (the “**Board**”) of the Company (together with its subsidiaries, the “**Group**”) wishes to inform the shareholders of the Company and the investors that the Group’s net profit for the year ended December 31 2006 is expected to be adversely affected mainly by the fact that the export of precision co-ordinate measuring machines (the “**Products**”) by one of the Group’s main suppliers in Japan, Mitutoyo Corporation (“**Mitutoyo**”) has been banned temporarily by the Japanese government since the last quarter of 2006 due to its non-compliance with Japanese Government’s export regulations.

The Board expects that the Group achieved growth in turnover in 2006, as the Products represent significant part of the Group’s business, the failure to export the Products by Mitutoyo still caused a series of cancellation of orders and loss of business opportunity of the Group and accordingly affected the profit of the Group.

The Group has already established business relationship with a European supplier who is providing various measuring systems and equipment as replacements. And therefore, it is expected that the effect of the loss of profit attributed to Mitutoyo will be mitigated.

As the Group’s consolidated results for the year ended December 31 2006 have not yet been finalized, the Board is not in the position to quantify the financial impact of this incident on the Group. The Company will publish the Group’s audited results in accordance with the Listing Rules.

Shareholders of the Company and investors should exercise caution when dealing in the shares of the Company.

By order of the Board
LEE Sou Leung, Joseph
Chairman

Hong Kong, 8 March 2007

* *for the purpose of identification only*

As at the date hereof, the Board comprises three executive directors, namely, LEE Sou Leung, Joseph, TAN, Lisa Marie and CHAN Ching Huen, Stanley and three independent non-executive Directors, namely, Dr. LUI Sun Wing, PIKE, Mark Terence and NIMMO, Walter Gilbert Mearns.