

Quarterly Results announcement form

Name of listed company : Vodatel Networks Holdings Limited

Stock code : 8033

Year end date : 30/06/2000

Important Note :

This result announcement form only contains extracted information from and should be read in conjunction with the detailed results announcement of the issuer, which can be viewed on the GEM website at <http://www.hkgem.com>

	(Unaudited)	(Unaudited)
	Current Period	Last Corresponding Period
	from <u>01 July 1999</u>	from <u>01 July 1998</u>
	to <u>31 March 2000</u>	to <u>31 March 1999</u>
	HK\$'000	HK\$'000
Turnover		
- Continuing	323,585	398,588
- Discontinued	0	0
Operating Profit/(Loss)		
- Continuing	57,415	70,752
- Discontinued	0	0
Total Operating Profit/(Loss)	57,415	70,752
Share of Profit/(Loss) of		
Associated Companies	0	0
Share of Profit/(Loss) of		
Jointly Controlled Entities	0	0
Profit/(Loss) after Taxation & MI	48,372	59,608
% Change Over the Last Period	-18.85	%
EPS / (LPS) - Basic	0.10	0.12
- Diluted	N/A	N/A
Extraordinary (ETD) Gain/(Loss)	0	0
Profit (Loss) after ETD Items	48,372	59,608
3rd Q Dividend per Share	0	0
(specify if with other options)		
B/C Dates for 3rd Q Dividend	Nil	Nil
Payable Date	Nil	bdi.
B/C Dates for AGM/SGM	Nil	Nil
Other Distribution for Current Period	Nil	bdi.
B/C Dates for Other Distribution	Nil	Nil
* Please delete as appropriate		(bdi: both days inclusive)
Remarks		

For and on behalf of
Vodatel Networks Holdings Limited

Signature :

Name :

Title :

Yim Hong

Managing Director

Responsibility statement

The directors of the Company (the "Directors") as at the date hereof hereby collectively and individually accept full responsibility for the accuracy of the information contained in this results announcement form (the "Information") and confirm, having made all reasonable inquiries, that to the best of their knowledge and belief the Information are accurate and complete in all material respects and not misleading and that there are no other matters the omission of which would make the Information herein inaccurate or misleading. The Directors acknowledge that the Stock Exchange has no responsibility whatsoever with regard to the Information and undertake to indemnify the Exchange against all liability incurred and all losses suffered by the Exchange in connection with or relating to the Information.

Reasons for the changes of the results :

As a result of a slow down in turnover for the first quarter ended 30th September, 1999, which was mainly due to the reorganisation of the Ministry of Posts and Telecommunications and the Ministry of Information Industry, and by the nature of project/system sales where business is not evenly distributed throughout the year, turnover for the nine-month period ended 31st March, 2000 registered a decline of 18.8% compared to the nine-month period ended 31st March, 1999.

Group reorganisation and basis of preparation :

The Company was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda. In preparation for the listing of the Company's shares on GEM, a group reorganisation was effected whereby the Company became the holding company of the Group. The shares of the Company were listed on GEM on 25th February, 2000.

The combined results have been prepared in accordance with generally accepted accounting principles in Hong Kong and comply with accounting standards issued by the Hong Kong Society of Accountants.

The combined results of the Group have been prepared as if the current group structure had been in existence throughout the periods under review or since their respective dates of incorporation where this is a shorter period.

All significant intra-group transactions and balances have been eliminated on combination.

Earnings per share:

The calculation of the Group's basic earnings per share for Nine-Month Period and the Quarterly Period is based on the Group's profit attributable to shareholders of approximately HK\$48.4 million and HK\$18.5 million (nine months and three months ended 31st March, 1999: approximately HK\$59.6 million and HK\$17.8 million) and the weighted average number of approximately 539,753,000 shares and 506,798,000 shares (three months and nine months ended 31st March, 1999: approximately 490,500,000 shares) respectively in issue during the respective periods. In determining the weighted average number of shares, a total of approximately 2,000,000 shares issued on the establishment of the Company and reorganisation of the Group and a further 488,500,000 shares being the capitalisation issue immediately following the new issue of shares to the public were deemed to have been issued since 1st July, 1999.

There is no diluted earnings per share for the Nine-Month Period and the Quarterly Period since the Company has no potential dilution of earnings per share during the periods.