TYSAN HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 687)

ANNOUNCEMENT OF RESULTS FOR THE YEAR ENDED 31 MARCH 2008

The Board of Directors (the "Board") of Tysan Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2008 together with the comparative figures for the year ended 31 March 2007 as follows:

Consolidated Income Statement

	Notes	2008 *HK$'000*	2007 *HK$'000*
Revenue	2	1,895,049	1,305,170
Cost of sales		(1,608,529)	(1,194,403)
Gross profit		286,520	110,767
Other income and gains	3	21,091	8,735
Selling expenses		(16,232)	(11,579)
Administrative expenses		(56,009)	(32,923)
Changes in fair value of investment properties		89	5,456
Other expenses, net		(5,134)	(5,008)
Finance costs	4	(19,598)	(23,120)
Profit before tax	5	210,727	52,328
Tax	6	(60,696)	36,516
Profit for the year		150,031	88,844
Attributable to:			
Equity holders of the Company		107,411	43,983
Minority interests		42,620	44,861
		150,031	88,844
Dividends	7		
Interim		8,375	—
Proposed final		12,562	12,562
		20,937	12,562
Earnings per share	8		
Basic		HK12.83 cents	HK5.25 cents
Diluted		HK12.80 cents	N/A

Consolidated Balance Sheet

	Notes	2008 HK$'000	2007 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		194,376	131,218
Investment properties		1,210,660	1,122,780
Prepaid land lease payments		106,347	1,401
Properties under development		254,512	500,668
Deposit paid for land acquisition		177,536	—
Interests in associates		—	—
Other assets		1,020	1,040
Total non-current assets		1,944,451	1,757,107
CURRENT ASSETS			
Properties under development		529,966	199,930
Equity investments at fair value through profit or loss		14,452	876
Inventories		18,006	9,954
Properties held for sale		303,521	11,289
Amounts due from customers for contract works		78,703	93,473
Trade receivables	9	284,000	262,582
Other receivables, prepayments and deposits		238,677	41,188
Tax prepaid		40,157	10,667
Time deposits		28,768	39,830
Restricted cash		3,537	352,449
Cash and bank balances		214,225	211,897
Total current assets		1,754,012	1,234,135
CURRENT LIABILITIES			
Trade payables and accruals	10	221,967	239,045
Other payables, deposits received and receipts in advance		70,883	65,329
Amounts due to customers for contract works		166,399	86,857
Deposits received from pre-sale of properties under development		927,714	372,980
Interest-bearing bank borrowings		255,075	189,489
Tax payable		43,566	7,590
Total current liabilities		1,685,604	961,290
NET CURRENT ASSETS		68,408	272,845
TOTAL ASSETS LESS CURRENT LIABILITIES		2,012,859	2,029,952

	Notes	2008 HK$'000	2007 HK$'000
TOTAL ASSETS LESS CURRENT LIABILITIES		2,012,859	2,029,952
NON-CURRENT LIABILITIES			
Deposits received from pre-sale of properties under development		—	127,870
Interest-bearing bank borrowings		268,399	437,517
Deferred tax liabilities		251,076	224,833
Total non-current liabilities		519,475	790,220
Net assets		1,493,384	1,239,732
EQUITY			
Equity attributable to equity holders of the Company			
Issued capital		83,746	83,746
Reserves		775,123	596,466
		858,869	680,212
Minority interests		634,515	559,520
Total equity		1,493,384	1,239,732

Notes:

1. **IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS")**

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements:

HKFRS 7	Financial Instruments: Disclosures
HKAS 1 Amendment	Capital Disclosures
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HK(IFRIC)-Int 11	HKFRS 2 - Group and Treasury Share Transaction

Except for HKAS 1 Amendment and HKFRS 7, the adoption of HK(IFRIC)-Int 8, HK(IFRIC)-Int 9, HK(IFRIC)-Int 10 and HK(IFRIC)-Int 11 has had no material effect on the Group's financial Statements for the year ended 31 March 2008.

The principal effects of adopting these new and revised HKFRSs are as follows:

(a) **HKFRS 7 Financial Instruments: Disclosures**

This standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments. While there has been no effect on the financial position or results of operations of the Group, certain comparative information has been included where appropriate.

(b) **Amendment to HKAS 1 Presentation of Financial Statements - Capital disclosures**

This amendment requires the Group to make disclosures that enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

The Group has not early applied any new and revised HKFRSs, that have been issued but are not yet effective, in the current year's financial statements.

HKFRS 2 Amendment	Amendments to HKFRS2 Share-based Payment: Vesting Conditions and Cancellations[1]
HKFRS 3 (Revised)	Business Combinations[2]
HKFRS 8	Operating Segments[1]
HKAS 1 (Revised)	Presentation of Financial Statements[1]
HKAS 23 (Revised)	Borrowing Costs[1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[2]
HKAS 32 and HKAS 1 Amendments	Puttable Financial Instruments and Obligations Arising on Liquidation[1]
HK(IFRIC)-Int 12	Service Concession Arrangements[4]
HK(IFRIC)-Int 13	Customer Loyalty Programmes[3]
HK(IFRIC)-Int 14	HKAS 19: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[4]

[1] Effective for annual periods beginning on or after 1 January 2009

[2] Effective for annual periods beginning on or after 1 July 2009

[3] Effective for annual periods beginning on or after 1 July 2008

[4] Effective for annual periods beginning on or after 1 January 2008

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has concluded that the adoption of HKAS 1 (Revised) and HKFRS 8 may result in new or amended disclosures. In respect of the remaining new and revised HKFRSs, the Group is not yet in a position to state whether they would have a significant impact on its results of operations and financial position.

2. SEGMENT INFORMATION

(a) Business segments

	Foundation piling	E&M engineering and building construction	Machinery leasing and trading	Property investment and management	Property development	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2008							
Segment revenue	1,079,387	190,724	26,081	100,999	497,858	—	1,895,049
Segment results	92,544	9,665	(1,547)	54,703	130,434	(57,845)	227,954
Interest income							2,343
Dividend income from listed investments							28
Finance costs							(19,598)
Profit before tax							210,727
Tax							(60,696)
Profit for the year							150,031

	Foundation piling	E&M engineering and building construction	Machinery leasing and trading	Property investment and management	Property development	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
2007							
Segment revenue	990,281	177,226	39,575	97,840	248	—	1,305,170
Segment results	60,410	927	201	55,009	(11,074)	(33,467)	72,006
Interest income							3,431
Dividend income from listed investments							11
Finance costs							(23,120)
Profit before tax							52,328
Tax							36,516
Profit for the year							88,844

(b) Geographical segments

	Hong Kong		Macau		Elsewhere in the PRC		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	859,292	682,437	437,421	525,298	598,336	97,435	1,895,049	1,305,170

3. OTHER INCOME AND GAINS

	2008 *HK$'000*	**2007** *HK$'000*
Interest income	2,343	3,431
Insurance claims	811	1,191
Fair value gains on equity investments at fair value through profit or loss	—	504
Gain on disposal of items of property, plant and equipment	6,088	—
Gain on disposal of investment property	4,164	—
Gain on prepaid land lease payments resumed	3,183	—
Foreign exchange gains, net	1,814	—
Others	2,688	3,609
	21,091	8,735

4. FINANCE COSTS

	2008 *HK$'000*	**2007** *HK$'000*
Interest on bank borrowings and overdrafts wholly repayable within five years	33,623	42,125
Less: Interest capitalised in properties under development	(14,025)	(19,005)
	19,598	23,120

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2008 *HK$'000*	**2007** *HK$'000*
Depreciation	40,828	40,468
Recognition of prepaid land lease payments	1,190	36
Loss/(gain) on disposal and write-off of items of property, plant and equipment	(6,088)	3,073
Loss/(gain) on disposal of an investment property	(4,164)	228
Gain on prepaid land lease payments resumed	(3,183)	—
Fair value losses/(gains) on equity investments at fair value through profit or loss, net	3,380	(504)
Provision for impairment of an amount due from an associate	15	15
Dividend income from listed investments	(28)	(11)

6. TAX

Hong Kong profits tax has been provided at the rate of 17.5% (2007: 17.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere in the PRC have been calculated at the applicable tax rates prevailing in the areas in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2008 *HK$'000*	2007 *HK$'000*
Provision for tax in respect of profit for the year:		
PRC:		
Hong Kong	1,879	169
Elsewhere	59,218	13,999
	61,097	14,168
Underprovision/(overprovision) in the prior year:		
PRC:		
Hong Kong	—	69
Elsewhere	459	(220)
	459	(151)
Deferred tax	(860)	(50,533)
Total tax charge/(credit) for the year	60,696	(36,516)

7. DIVIDENDS

	2008 *HK$'000*	2007 *HK$'000*
Interim - HK1 cent (2007: Nil) per ordinary share	8,375	—
Proposed final - HK1.5 cents (2007: HK1.5 cents) per ordinary share	12,562	12,562
	20,937	12,562

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

8. EARNINGS PER SHARE

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the Company of HK$107,411,000 (2007: HK$43,983,000), and the 837,465,903 (2007: 837,465,903) ordinary shares in issue during the year.

The calculation of the diluted earnings per share amount for the year ended 31 March 2008 is based on the profit for the year attributable to ordinary equity holders of the Company of HK$107,411,000. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all share options into ordinary shares during the year of 1,951,149.

A diluted earnings per share amount for the year ended 31 March 2007 has not been disclosed as no potentially diluting events existed during that year.

9. TRADE RECEIVABLES

An aged analysis of the trade receivables as at the balance sheet date, based on the invoice date and net of provision, is as follows:

	2008	**2007**
	HK$'000	*HK$'000*
Trade receivables:		
Within 90 days	187,933	179,695
91 to 180 days	411	593
181 to 360 days	690	3,736
Over 360 days	419	89
	189,453	184,113
Retention receivables	94,547	78,469
	284,000	262,582

The Group has established credit policies that follow local industry standards. The average normal credit periods offered to trade customers other than for retention receivables are within 90 days, and are subject to periodic review by management.

10. TRADE PAYABLES AND ACCRUALS

	2008	2007
	HK$'000	*HK$'000*
Trade payables:		
Within 30 days	82,236	112,769
31 to 90 days	12,212	46,913
91 to 180 days	4,609	938
Over 180 days	1,826	275
	100,883	160,895
Retention payables	22,894	19,981
Accruals	98,190	58,169
	221,967	239,045

11. CONTINGENT LIABILITIES

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

	2008	2007
	HK$'000	*HK$'000*
Guarantees in respect of performance bonds	135,760	141,785

As at 31 March 2008, the Group had provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for purchases of certain properties developed by a subsidiary of the Group and the outstanding mortgage loans under these guarantees amounted to HK$281,409,000 (2007: HK$103,796,000).

DIVIDEND

The Board has resolved to recommend the payment of a final dividend of HK1.5 cents (2006/07: HK1.5 cents) per share to shareholders whose names appear on the Company's register of members on 22 August 2008. An interim dividend of HK1 cent per share was paid for the six months ended 30 September 2007 (2006/07: Nil). Subject to shareholders' approval at the forthcoming annual general meeting, the proposed final dividend will be paid on or before 5 September 2008.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 19 August 2008 to 22 August 2008 (both days inclusive), during which no transfer of shares of the Company will be registered. In order to qualify for attending the forthcoming annual general meeting and for entitlement to the proposed final dividend for the year ended 31 March 2008, all transfer of shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 18 August 2008.

BUSINESS REVIEW

Hong Kong Market

The overall business climate of Hong Kong remained prosperous while the construction industry experienced an upturn throughout the financial year. With our leadership position in the market and advanced fleet of equipments, the Group has successfully captured business opportunities as it is fully geared to meet the rising demand on machineries required by many major projects.

Foundation Piling

During the year under review, turnover of the foundation division increased by 9% to HK$1,079 million while net contribution increased by 53% to HK$93 million. Majority of the Group's contracts during the year under review were from the private sector. The Group's major contracts on hand include, inter alia, China Light and Power's Castle Peak Road Power Station, Nan Fung's joint venture project in Pak Shek Kok and Kerry's project in Wong Tai Sin. With inflationary pressures on materials and fuel costs, the Group has reviewed and tightened its cost control measures on all projects.

Other Construction Related Sectors

Turnover of the Group's electrical and mechanical engineering division and building construction division was HK$191 million while operating profit was HK$10 million for the year ended 31 March 2008. With the rebound of the construction industry, the Group expects the divisions to perform satisfactorily with positive contribution to the Group.

The machinery hiring and trading division recorded a turnover of HK$26 million and a loss of HK$1.5 million during the year under review. The loss was solely due to a HK$6.5 million write-off of a damaged tower crane. It is expected that most of such cost will be covered by an insurance claim and which is expected to be written back in the next financial year.

PRC Market

Shanghai and Tianjin, the two cities where the Group's property projects are located, continue to rank among the highest growth cities in China. In 2007, China's GDP grew 11.4% to over RMB24,662 billion with a per capita GDP of RMB18,665. Shanghai recorded a GDP growth of 13.3% to RMB1,200 billion with a per capita GDP of RMB64,591 and Tianjin experienced a GDP growth of 11.2% to RMB502 billion in 2007 with a per capita GDP of RMB45,829.

Property Investment and Management

With our experienced property management team whose main focus is to provide quality living to our tenants, the Group's serviced apartments in Shanghai, China Garden and Aidu Apartments, have continued to enjoy satisfactory returns and occupancy rates.

Tianjin International Building ("TIB"), located in the heart of the city, continues to command the highest rental in Tianjin and enjoys a satisfactory occupancy rate. The renovation of TIB's serviced apartments has just been completed and the market response to the new quality upgrades and innovative designs is remarkable.

With accelerating foreign interest in China and expectation of further Renminbi appreciation, there is a growing demand for investment grade properties. The Group's investment properties in Shanghai and Tianjin, which have continued to enjoy steady recurrent income and high occupancy rates, fit well to the profile.

Property Development

This financial year marks the commencement of our harvesting seasons for the property development projects. During the year under review, the Group's turnover and operation profit from property development business was $498 million and $130 million respectively which reflect the recognition of partial property sales revenue derived from 2 towers of The Waterfront project. With the strategic planning of our upcoming projects' schedules, the Group expects this division to bring in substantial and stable profit in the coming financial years.

The Waterfront

The Waterfront, a residential development situated along the Suzhou River in Shanghai, comprises 9 towers of 993 units with a total GFA of about 147,000 sqm. The Group has so far launched 6 towers of The Waterfront, of which 2 have been handed over while the other 4 towers will be handed over in the second half of this year. Thus, it is expected that more revenues will be booked and recognized in the coming financial years. With the recent government's tightening policies, our pre-sale has experienced a slight slowdown but homebuyers' confidence has remained strong. This is signified by the continued upward trend of the selling price with the latest asking price being over RMB30,000 per sqm.

The Riverside

The Riverside, a downtown residential development along the Haihe in Tianjin, comprises 6 high-rise with a total GFA of approximately 75,000 sqm. In addition to its prime location alongside Haihe in Hexi District, The Riverside offers a wide range of club facilities and services. With Tianjin's continued growth momentum, the Group has scheduled to launch the pre-sale in 2009.

Shenyang Project

In December 2007, the Group acquired a site located at Huanggu District in Shenyang through a public auction. The site covers an area of about 41,340 sqm with a GFA of approximately 165,000 sqm. The project is currently in the planning stage and is intended to be developed into a quality residential and commercial development. The Group is of the view that the acquisition of the site will increase the land bank and advance the Group's position in the China property market.

PROSPECTS

Despite the sub-prime crisis in the US which has clouded the global economy, the outlook of Hong Kong's construction industry remains positive. With the government's pledge to implement 10 major infrastructure projects in the coming years, it is expected that the construction industry will continue its recent buoyancy. In relation to Macau, the freeze on gaming licenses and delays in government approval process for major developments have caused some postponement to certain projects but the overall sentiment and positive drivers in Macau remain strong. Thus, with the Group's leading position and brand recognition in the foundation industry, we are confident in capturing the coming opportunities in both Hong Kong and Macau.

This has been a challenging year for the China market as there are many conflicting factors influencing the market: soaring oil prices, global inflation, Renminbi appreciation, tightened money supply, election year in many countries, sub-prime crisis, slowdown of global economy. Against such backdrop, China has chosen to walk on a policy tightrope and is delicately balancing its policies in order to achieve the prime target of social stability. On one hand, it tightens monetary control to combat inflation but on the other, it loosens some fiscal policies to avoid stagflation. Though China is buffeted by internal economic issues and turbulent external markets, its semi-open economy has not been derailed since the impact of the central government policies and the market forces underlying its growth remain strong. All in all we are confident that the property market in China will continue its growth at a healthy and sustainable pace.

Looking forward, the Group believes it is important to maintain a stable dividend policy in order to better reflect the value of its shares. Furthermore, the Group will continue to actively identify new investment opportunities in a prudent manner, strengthen cost control measures, capitalize on synergies among various business units in order to achieve steady growth and maximize returns.

FINANCIAL REVIEW

The Group continues to adopt a prudent financing policy and sustain a sound capital structure with healthy cashflow. As at 31 March 2008, the Group's cash on hand was approximately HK$247 million (31 March 2007: HK$604 million) while total assets and net assets (after deducting minority interests) were approximately HK$3,698 million (31 March 2007: HK$2,991 million) and HK$859 million (31 March 2007: HK$680 million) respectively. As at 31 March 2008, the Group's working capital amounted to HK$68 million.

The Group's net borrowings were HK$277 million as compared to HK$23 million in the previous period. Net debt to equity (includes minority interests) gearing ratio was 19% as compared to 2% last year. As at 31 March 2008, contingent liabilities decreased from HK$142 million to HK$136 million in relation to guarantees of performance bonds while guarantees for end user mortgage loans amounted to HK$281 million. Certain of the Group's assets with a book value of approximately HK$475 million have been pledged to secure certain banking facilities of the Group. The Group's bank borrowings were mostly denominated in Hong Kong dollars but Renminbi loan facilities have also been arranged for its PRC subsidiaries. Currency exposure in the Renminbi borrowings has been hedged by the Group's Renminbi assets and revenue generated by its PRC properties.

EMPLOYMENT AND REMUNERATION POLICIES

The Group, including its subsidiaries and joint ventures in Hong Kong and the PRC, employed approximately 1,270 employees as at 31 March 2008. The Group's remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Fringe benefits include provident fund, medical insurance and training. In addition, share options may also be granted in accordance to the terms of the Group's approved share option scheme.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES

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

COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE PRACTICE

In the opinion of the directors, the Company has complied with the code provisions set out in the Code of Corporate Governance Practices (the "Code") contained in Appendix 14 to the Rules Governing the Listing of Securities of the Stock Exchange (the "Listing Rules") throughout the year ended 31 March 2008 except for the following deviations:

Code Provision A4.1 stipulates that non-executive directors should be appointed for a specific term subject to re-election.

The independent non-executive directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting in accordance with the Bye-Laws of the Company. As such, the Board is of the view that the non-executive directors of the Company need not be appointed for a specific term.

Code Provision A4.2 stipulates every director should be subject to retirement by rotation at least once every three years.

According to the Bye-Laws of the Company, at each annual general meeting, one third of the directors shall retire from office by rotation provided that notwithstanding anything therein. The chairman of the Board and the managing director of the Company shall not be subject to retirement by rotation or taken into account in determining the number of directors to retire. As continuity is a key factor to the successful long term implementation of business plans, the Board believes that the roles of the chairman and the managing director provide the Group with strong and consistent leadership and allow more effective planning and execution of long-term business strategy. As such, the Board is of the view that the chairman of the Board and the managing director of the Company should not be subject to retirement by rotation.

Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of the Company's directors, all directors confirmed that they have complied with the required standard set out in the Model Code during the year ended 31 March 2008.

Audit Committee

The Group's Audit Committee has adopted new terms of reference on 20 September 2005 in order to comply with the requirements of the code provisions of the Code. The Group's Audit Committee comprises three members, namely, Mr. Fan Chor Ho Paul, Mr. Tse Man Bun and Mr. Lung Chee Ming George, who are independent non-executive directors of the Company. The Group's Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the auditing, internal control and financial reporting matters including the review of the Group's audited results for the year ended 31 March 2008.

APPRECIATION

I would also like to express our sincere gratitude to our former Independent Non-Executive Director, Mr. Chau Cham Son who retired in August 2007. I would like to take this opportunity to thank him for his invaluable contributions to the Company during the tenure of his office. With the departure of Mr. Chau, I am pleased to announce and extend my warm welcome to Mr. Lung Chee Ming George for joining our Board as Independent Non-Executive Director.

On behalf of the Board, I would like to express my sincere gratitude to all our staff for their dedication, hard work and contribution especially during such challenging period. In addition, we would also like to thank all our shareholders for their support of the Group.

On behalf of the Board
FRANCIS CHEUNG
Chairman

Hong Kong, 28 July 2008

As at the date of this announcement, the Board consists of six executive Directors, Mr. Francis Cheung, Mr. Fung Chiu Chak, Victor, Mr. David Chien, Miss Jennifer Kwok, Mr. Chiu Chin Hung and Mr. Wong Kay and three independent non-executive Directors, Mr. Fan Chor Ho, Paul, Mr. Tse Man Bun and Mr. Lung Chee Ming George.

Website: www.tysan.com