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**PINE ANNOUNCES FY2008 FIRST QUARTER RESULTS
NET PROFIT SURGES 43% TO RECORD HIGH AT HK\$5.7 MILLION**

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**STRONG PERFORMANCE OF XFX GRAPHIC CARDS IN AMERICA, EUROPE AND ASIA
STEPS UP PENETRATION OF LATIN AMERICAN MARKET**

(Hong Kong, 9 November 2007) – Leader in design, manufacture and distribution of video graphic card and other PC-based products **PINE Technology Holdings Limited** (“PINE” or the “Group”) (SEHK: 8013) today announced that it achieved record net profit for the three months ended 30 September 2007.

In the first quarter of FY2008, the Group made a turnover of US\$126 million (HK\$980 million), representing an increase of 36% as compared to US\$92 million in the corresponding period last year. It was attributed to continuous solid growth of both the own brand XFX division and the Distribution division. The two divisions brought in revenue of US\$88.4 million and US\$37.2 million respectively, translating into strong growth of 46% and 18%. Net profit jumped 43% to US\$736,000 (HK\$5.7 million). Basic earnings per share for the quarter were 0.108 US cents (0.842 HK cents), while that for the same period last year was 0.075 US cents (0.585 HK cents).

Mr. Michael Chiu, Chairman and CEO of PINE, said, “We are delighted with the consistent growth in sales of our own-brand XFX graphic cards across all major markets in America, Europe and Asia, which accounted for approximately 22%, 28% and 20% of the Group’s total turnover respectively. Our broad product range, strong brand position and top quality explain the success.

“We introduced the ‘Ferrari’ of our graphic card series – XFX GeForce® 8800 GTS Fatal1ty model – in the first quarter. The new model with clock speed 30% faster than

the first generation version promise gamers excitement like never before. We expect high demand for this model we tailored for hardcore gamers going for ultra speed.”

A leader in the global video graphic card sector, XFX continued to receive various awards and accolades. 2007 is the fourth consecutive year for XFX to obtain the Best Graphics Card Award from Windows Magazine in the Middle East. It was also awarded by popular websites including Guru3D (www.guru3d.com) and Overclock3D (www.overclock3d.net) for the super clock speed of its products. These websites covering computer hardware, computer news and reviews are the bible of online game enthusiasts worldwide.

Looking ahead, the Group is optimistic about the prospects of its business in the coming year. According to IDC forecast, the global PC market will grow by at least 10.5% in 2008. Against that backdrop and the anticipated increase in DirectX 10 games to be launched to the market comes Christmas, plus growing adaptation of Windows Vista that can support intensive 3D graphic processing speed, the graphic card market is set to boom.

Furthermore, the Group has invested US\$800,000 into a fully automated production line in Manaus, Brazil, which will commence production around late November 2007. In Brazil, government departments and the education sector are required to purchase only PC systems that use locally-made components. With production facility in the country means the Group will be able to market its XFX graphic cards direct in the largest PC market in Latin America, representing an extension of the geographical footprint of its business.

Mr. Chiu concluded, “We will continue to focus on providing innovative and creative products and services that exceed the expectations of our customers. These efforts, which success is reflected in our recent performance, will continue to drive growth of the Group’s business in the foreseeable future.”

About PINE Technology Holdings Limited

Founded in 1989, PINE designs, manufactures and distributes PC-based products. It has two core business divisions – the XFX division and distribution division. The former specializes in design, manufacture and distribution of PINE's own XFX brand video graphic cards, while the latter distributes a wide range of PC peripherals and accessories through a full-fledged distribution network.

With strong brand equity and offering diverse products, the Group is among leaders in its field of expertise. Please visit www.pinegroup.com and www.xfxforce.com for details.

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PINE Technology Holdings Limited
Consolidated Profit and Loss Account
 For the three months ended 30 September 2007

	Unaudited 3-month ended 30 September	
	2007	2006
	US\$'000	US\$'000
Turnover	125,683	92,428
Cost of sales	(114,550)	(84,070)
Gross Profit	11,133	8,358
Other income	368	186
Selling and development expenses	(2,649)	(1,492)
General and administrative expenses	(6,719)	(5,460)
Finance costs	(1,162)	(1,015)
Profit before taxation	971	577
Taxation	(235)	(63)
Profit for the year	736	514
Earnings per share (US cents)		
Basic	0.108	0.075
Diluted	0.106	0.075