

KWIH Announces 2009 Interim Results

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Core Business Remains Solid Property Sales Set to Hit another Height in 2010

Highlights

- Turnover: HK\$1,089,000,000 (2008: HK\$716,000,000)
- Profit attributable to shareholders: HK\$155,000,000 (2008: HK\$251,000,000)
- Gearing ratio: 17%
- NAV per share: HK\$3.24
- Interim dividend: HK 1 cent per share

(Hong Kong, 17 September 2009) – **K. Wah International Holdings Limited** (“KWIH” or “the Group”) (stock code: 173) today announced its interim results for the six months ended 30 June 2009. The Group reported revenue of HK\$1,089,000,000, representing an increase of 52% compared with the same period last year (2008: HK\$716,000,000). The results were attributed to the sales generated from Shanghai Westwood II and rental income from Shanghai K. Wah Centre. Profit attributable to shareholders amounted to HK\$155,000,000 (2008: HK\$251,000,000).

Basic earnings per share were 6.27 HK cents (2008: 10.18 HK cents). The Board has recommended the payment of an interim dividend of HK 1 cent per share (2008: HK 1 cent).

Dr Che-woo Lui, Chairman of KWIH, said, “The Group’s core business remained strong amidst the global financial crisis. The launch of Shanghai Westwood II in December last year proved to be a legendary success. The outstanding sales performance not only reflected the strong purchasing power of Mainland buyers, but also underscored the supreme product quality and brand value of K. Wah.”

4Q2009: Remaining special units of Shanghai Westwood II & The Great Hill

As the global economy is stabilizing, the Group plans to put on market the remaining 83 special units of **Shanghai Westwood II** and the 7 houses and 32 penthouses of **The Great Hill, Shatin**, at the end of the year, depending on market conditions.

2010: 5 premium projects to be launched in Shanghai, Guangzhou and Hong Kong

In line with its prudent yet proactive strategy, the Group will launch a number of premium integrated property projects in Shanghai, Guangzhou and Hong Kong over the next 3 years. 2010 is set to be another height for property sales, with development and investment projects covering a total GFA of 110,000 sq.m. and 50,000 sq.m. respectively.

Shanghai: Xuhui District and Jingan District Projects

The Group plans to launch the two luxury residential developments in **Xuhui District** and **Jingan District** in phases, both situated in prime locations of Shanghai, with a total GFA of 140,000 sq.m. and 100,000 sq.m. respectively. With architecture and design featuring innovation, prestige and uniqueness, these two projects are expected to draw keen market attention upon launch.

Guangzhou: Huadu Airport CBD and Jianshebei Road Projects

The construction work for **Huadu Airport CBD Project**, with a total GFA of 323,000 sq.m., is well in progress. Its first phase, consisting of a five-star hotel and an office building, will be launched in the second half of 2010. Managed by Crowne Plaza, the business hotel is a new initiative of KWIH and also the first five-star hotel in Huadu. Meanwhile, the marketing and leasing of the office building has already commenced. In addition, the **Jianshebei Road Project**, a luxury residential development with a total GFA of 46,000 sq.m., is scheduled for launch in the second half of 2010 and reaching completion in 2011.

Hong Kong: 6 Shiu Fai Terrace Project

Carving a niche in booming luxury market in Hong Kong, the Group will complete and launch **6 Shiu Fai Terrace Project** in the second half of 2010. With a total GFA of 6,340 sq.m, the project offers 24 units of about 350 sq.m., including 4 special units each with a private garden and a swimming pool.

2011 and beyond : Momentum continues

Riding on the Central Government's plan of developing Shanghai into an international financial and shipping centre, the Group will accelerate the development of its projects in Shanghai. The Group plans to launch **Shanghai Westwood III** in 2011, a premium residential community with a total GFA of 110,000 sq.m. consisting of 1,114 units. Moreover, in view of its comprehensive amenities and proximity to a university and a science and technology park, the Group will expedite the development of the **Shanghai Min Hang District Project**, turning it into a luxurious residential-cum-commercial community. The total GFA of the project is around 170,000 sq.m., with the first phase scheduled for launch in 2011.

The **Guangzhou Huadu Mega Integrated Project**, a large-scale residential and commercial development with a total GFA of 1,147,000 sq.m., will commence construction in 2010 with its first phase scheduled for launch in 2011.

Construction work has commenced for four premium land plots in **Pak Shek Kok, Tai Po; Welfare Road, Aberdeen;** and **Hoi Wang Road, West Kowloon**, which the Group acquired in partnership with key property developers. All these projects will be developed into luxury residences, scheduled for launch in 2011.

A strong financial position to replenish land and sustain growth

The Group maintains a healthy financial position with a gearing ratio of 17% and over HK\$5 billion of available funds. Moreover, KWIH has a property portfolio of over 2,400,000 sq.m. GFA in Hong Kong and Mainland China, which is sufficient for the Group to perpetuate its growth in the coming five years.

Dr Lui concluded, "Looking ahead, KWIH will continue its focus on the Greater China region, seeking land replenishment and investment opportunities in Yangtze River Delta and Pearl River Delta. We believe that with our solid financial position and precise business strategy, the Group will strive to achieve promising returns for shareholders."

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Caption (from left to right)
Mr. Eymon Tsang, Director – Corporate Finance
Ms. Paddy Lui, Executive Director
Dr. Che-woo Lui, Chairman
Mr. Alex Lui, Managing Director – Hong Kong Properties
Mr. David Ng, Director – Shanghai Operations

About K. Wah International Holdings Limited (stock code: 173)

K. Wah International Holdings Limited, listed in Hong Kong in 1987, is the property flagship of K. Wah Group. KWIH aims at establishing a position of large-scale integrated property developer and investor in the Greater China region. With a property portfolio encompassing premium residential developments, Grade-A office towers, retail spaces, hotels and serviced apartments, KWIH has a presence in Hong Kong, Shanghai, Guangzhou and Southeast Asia. Driven by a keen market sense and a versatile strategy, and backed by strong financial capability, KWIH has built up a sizeable and prime land reserve in major cities of China, and thus a strong foothold for future growth. KWIH has received several international accolades for its outstanding quality and service. Awarded Business Superbrands in the property development sector in 2006, KWIH was also the only winner in the Hong Kong Property Developer category of the High-Flyer Outstanding Enterprises consecutively in 2006 and 2007.

Company website: <http://www.kwih.com>

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