

**KWIH Announces 2011 Interim Results
 Profit Attributable to Equity Holders Surges 161% to
 HK\$411,000,000**

* * *

**Prime Projects in Mainland China and Hong Kong Set to Launch at
 an Opportune Time**

Financial Highlights

	For the six months ended 30 June		
	2011	2010*	Change
Turnover (HK\$'000,000)	864	584	↑48%
Gross profit (HK\$'000,000)	573	408	↑41%
Profit attributable to shareholders (HK\$'000,000)	411	157	↑161%
Earnings per share (HK cents)	16.10	6.35	↑154%
Interim dividend (HK cents)	2	1	↑100%
NAV per share (HK\$)	4.73	3.64	↑30%

* Interim results for the six months ended 30 June 2010 was restated

(Hong Kong, 25 August 2011) – **K. Wah International Holdings Limited** (“KWIH” or the “Group”) (stock code: 173) today announced its interim results for the six months ended 30 June 2011.

During the period under review, the Group recorded turnover of HK\$864,000,000, representing an increase of 48% attributable to the sales revenue from The Great Hill in Hong Kong and Shanghai Westwood II, as well as rental income from Shanghai K. Wah Centre. Gross profit amounted to HK\$573,000,000, representing an increase of 41%. Profit attributable to equity holders amounted to HK\$411,000,000, a jump of 161% over the same period last year. Basic earnings per share were 16.10HK cents (2010: 6.35 HK cents per share), surging by 154% over the last year. The Board recommended payment of an interim dividend of 2 HK cent per share (2010: 1 HK cent).

Dr Che-woo Lui, Chairman of KWIH, said, “KWIH’s core businesses performed well in the first half of the year. We timely launched The Great Hill amid a strong market and achieved remarkable sales. Rental income from Shanghai K. Wah Centre continued to be promising. Consequently, KWIH recorded substantial growth in net profit in the period under review. Besides, market response to the Legend, Shanghai Westwood III, remained keen since its launch by the end of last year. Over 90% of the launched units were sold. The project is expected to deliver handsome profit contributions upon its completion.”

Prime development projects in Mainland China and Hong Kong earmarked for launch at an opportune time in the second half year

The Group has more than 10 development projects in Mainland China and Hong Kong that have been progressing on schedule. Despite the market uncertainties perplexed by global economic factors, the Group remains optimistic that its projects will continue to be well received by the market with their superb quality and prime locations. On the other hand, the Group will continue to adopt a prudent yet flexible strategy in developing and launching its luxurious projects so as to ensure sustainable growth of its business.

Hong Kong: Continue to market The Great Hill, Shatin, and Chantilly, Stubbs Road, on an 'as is' basis and will launch other properties including Marinella on Welfare Road, Sham Wan; Providence Bay at Pak Shek Kok, Tai Po; and Hoi Wang Road project in West Kowloon

In face of tightening mortgage loan application requirements and uncertainties over external markets, demand for luxury residences remained strong in Hong Kong. The Group will continue to launch the as-is units in its prime luxurious properties The Great Hill and Chantilly in the second half year.

Furthermore, the Group will present three projects jointly developed with other major developers in the second half year subject to market conditions, including Marinella on Welfare Road, Sham Wan, which the Group owns 35% interest. Comprising six blocks of 36-storey residential buildings, the project provides 411 units ranging between 1,000 and 5,000 square feet. The project is currently awaiting approval of presale consent. Furthermore, The Group is also applying for pre-sale consent for Providence Bay at Pak Shek Kok, Tai Po, a large-scale waterfront residential development, and the luxurious Hoi Wang Road project in West Kowloon which the Group owns 15% interest respectively. The former will offer 475 residential units and 7 houses during its first phase while the latter will offer 740 residential units.

Shanghai: Strong sales recorded for The Legend, Shanghai Westwood III. The Palace in Xuhui District is Set for Launch

Benefiting from robust initial demand for mid- to high-end residences, the launch of The Legend, Shanghai Westwood III has drawn keen market response, generating sales proceeds of approximately RMB2.7 billion. Consequently, the Group plans to launch the remaining approximately 300 units in the second half year. The project is expected to be completed by the end of this year or early next year.

The Palace in Xuhui District and Grand Summit in Jingan District are both situated in prime locations in the city centre. The Group is poised to launch The Palace opportunely in the second half year upon approval of pre-sale consent. Grand Summit has also been progressing as scheduled with its residential buildings topped out and expected for launch by next year. Both projects are scheduled for completion between 2012 and 2013 and are expected to set the new standard of landmark residences in Shanghai.

Leveraging on the comprehensive amenities in the neighbourhood as well as close proximity to a technology park, metro lines and expressway network, the Group will develop Upstream Park in Minhang District into an integrated residential and commercial complex. The project will be placed on the market by next year. Meanwhile, the project in Zhujiajiao, Qingpu District is currently under planning.

Guangzhou: Le Palais on Jianshebei Road reported strong sales while Crowne Plaza Guangzhou Huadu has commenced trial operation

Le Palais, a high-end residential development on Jianshebei Road, Huadu District, launched in July, has been well received by the market. The project is expected to be completed by the end of this year. In addition, Crowne Plaza Guangzhou Huadu at Phase 1 of Yingbin Road Project, commenced its trial operation in July. Besides, construction of Phase 1 of the Huadu Mega International Community project has commenced. The project is scheduled for launch by next year.

Sound financial position with adequate land resources

The Group's property portfolio and land bank total approximately two million square metres, which should suffice for years of development. While upholding the principle of prudently progressive, the Group will continue to explore investment opportunities in Hong Kong, Yangtze River Delta and Pearl River Delta.

Nonetheless, the Group will seek to adopt a prudent manner in maintaining a healthy financial position. Taking into account the term and revolving credit facilities totalling nearly HK\$1.5 billion secured from nine international and local banks in late June, the Group's available fund amounted to over HK\$3 billion, with a gearing ratio of 19%. Combined with several quality projects to be completed or marketed in Hong Kong and Mainland China this year, the Group's finance will be further strengthened for long-term sustainability.

Dr Lui concluded, "Capitalizing on our leading brand, strong track record in developing premium projects and solid financial position, we have confidence in maintaining our growth momentum and generating promising returns for our shareholders."

- End -

Appendix:



Photo 1 : Management from KWIH (From left to right) - Mr. Eymon Tsang, Director – Corporate Finance; Ms. Paddy Lui, Executive Director; Dr. Che-woo Lui, Chairman; Mr. Alexander Lui, Executive Director



Photo 2 : Dr. Che-woo Lui, Chairman

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>

For press enquiries:

K. Wah International Holdings Limited

Shelly Cheng (852) 2880 1853 shellycheng@kwah.com
Fax: (852) 2811 9710

Strategic Financial Relations Limited

Iris Lee (852) 2864 4829 iris.lee@sprg.com.hk
Angela Kung (852) 2864 4859 angela.kung@sprg.com.hk
Jover Wong (852) 2114 4955 jover.wong@sprg.com.hk
Fax: (852) 2804 2789