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CHEVALIER INTERNATIONAL HOLDINGS LIMITED

其士國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 025)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the unaudited interim results of the Group for the six months ended 30 September 2011 are expected to record a substantial decrease in profit as compared to the corresponding period ended 30 September 2010, which was mainly due to the absence of significant one-off gain on disposal of (1) the Citiway Group and the Smartco Group, and (2) interest in the Pacific Coffee Group as recorded during the corresponding period in 2010 despite a gain on disposal of CPHL that is expected to be recorded for the six months ended 30 September 2011.

Shareholders and potential investors are therefore advised to exercise caution when dealing in the shares of the Company.

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The board of directors (the “Board”) of Chevalier International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) wishes to inform the shareholders of the Company and potential investors that the unaudited interim results of the Group for the six months ended 30 September 2011 are expected to record a substantial decrease in profit as compared to the corresponding period ended 30 September 2010, which was mainly due to the absence of significant one-off gain on disposal of:

- (1) the Group’s entire interest in subsidiaries and their related jointly controlled entities engaged in the property development projects in Shenzhen, Mainland China (the “Citiway Group”) and Hefei, Mainland China (the “Smartco Group”); and
- (2) the Group’s 80% interest in subsidiaries engaged in branded coffee shop business (the “Pacific Coffee Group”)

as recorded during the corresponding period in 2010 despite a gain on disposal of the Group's entire interest in Chevalier Pacific Holdings Limited ("CPHL"), a subsidiary listed on the Stock Exchange, that is expected to be recorded for the six months ended 30 September 2011.

The information contained in this announcement is based on the preliminary review of the management accounts of the Group and information currently available, which have not been confirmed nor audited by the Company's auditor. The unaudited interim results of the Group for the six months ended 30 September 2011 have not yet been finalised as of today and are subject to further adjustments if required.

The interim results announcement of the Group for the six months ended 30 September 2011 is expected to be published in late November 2011.

Shareholders and potential investors are therefore advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Chevalier International Holdings Limited
Chow Yei Ching
Chairman

Hong Kong, 31 October 2011

As at the date of this announcement, the Board comprises Dr Chow Yei Ching (Chairman), Messrs Kuok Hoi Sang (Vice Chairman and Managing Director), Tam Kwok Wing (Deputy Managing Director), Chow Vee Tsung, Oscar, Ho Chung Leung and Ma Chi Wing as executive directors; Dr Chow Ming Kuen, Joseph, Messrs Sun Kai Dah, George and Yang Chuen Liang, Charles as independent non-executive directors and Dr Ko Chan Gock, William as non-executive director.

* *for identification purpose only*