



PRESS RELEASE

28 November 2011

**Chevalier International Holdings Limited
Announce 2011/12 Interim Results**

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Chevalier International Holdings Limited (“CIHL” or “the Group”; stock code: 25.hk) announced their interim results for the six months ended 30 September 2011.

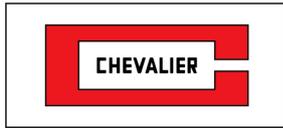
On the whole, the Group’s unaudited interim results for the six month period ended 30 September 2011 recorded a substantial decrease in profit corresponding to the same period last year. This is despite a gain on disposal of the Group’s 54.14% interest in Chevalier Pacific Holdings Limited completed before the interim’s end date and an overall improvement in Group revenue and operating profit.

The decline in profit is mainly due to the absence of significant one-off gains on disposal entirely of the Group’s interests in subsidiaries and their related jointly controlled entities (“JCEs”) in property development projects for Shenzhen and Hefei, as well as the disposal of the Group’s 80% interest in the Pacific Coffee Group, which were all completed before the end of July of last year for a total gain of HK\$595 million.

Nonetheless, Group revenue did enjoy a net increase of 7.1%, from HK\$1,673 million in the six month period ended 30 September 2010 to HK\$1,792 million during the recorded period, for a profit of HK\$239 million (2010: HK\$598 million). Total segment revenue, which also includes the Group’s share of revenue of associates and JCEs, increased to HK\$2,993 million (2010: HK\$2,689 million) as well. This brought profit attributable to the Company’s equity holders to HK\$222 million (2010: HK\$514 million) and earnings per share to HK\$0.80 (2010: HK\$1.85) for the period.

The Board of Directors has resolved to declare an interim dividend of HK\$0.20 (2010: interim dividend of HK\$0.20 and special dividend of HK\$0.40) per share for the six months ended 30 September 2011 payable on Tuesday, 20 December 2011 to shareholders whose names appear on the Register of Members of the Company on Monday, 19 December 2011.

CIHL is a diversified holding company which is principally engaged in the businesses of Construction and Engineering, Insurance and Investment, Property, Food and Beverage, together with Computer and Information Communication Technology and Others.



Prospects

Hong Kong's booming construction industry continues to offer bright prospects for the Group. A variety of large-scale public infrastructure projects initiated by the Government of HKSAR provide ongoing opportunities to explore, even as high material and labour costs as well as a weak US dollar pose a challenge for the industry as a whole. The Group is also optimistic about its recent foray into the US senior housing market and its promising future as a new source of revenue. Due to the tight lending policy imposed by the PRC Government on property development projects, the Group's plans to expand in this sector will continue to be relatively conservative.

The investment sector faces numerous tests in the coming months, as growth throughout the Euro zone is restricted by the widening sovereign debt crisis, the cost of funding has increased and the recovery of the US economy remains sluggish. Widespread concern over a possible hard landing for the PRC puts additional stresses on prospects in the investment sector. To buffer against both this possible hard landing and the ongoing US slump, we are seeking purchasing opportunities that optimise value for investment.

In view of rising food costs and rental hikes, the Group is planning the establishment of a central food processing plant, which will dramatically strengthen backend support for its food and beverage sector. Efforts to further the Food and Beverage segment's diversification into Asian-themed outlets will culminate in the opening of its first robotayaki-styled store in Shanghai as early as 2012.

Looking ahead, the Group will seek new business opportunities in Hong Kong and abroad while leveraging its vast operational flexibility in order to seize the competitive edge on the global market.

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Details of the announcement can be found on our website: <http://www.chevalier.com/>

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