



<For Immediate release>

FAIRWOOD ANNOUNCES 2009/10 INTERIM RESULTS

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GROSS MARGIN IMPROVED TO 14.3%
DIVIDEND PAYMENT INCREASED BY 80%

FINANCIAL HIGHLIGHTS

- **TURNOVER INCREASED FROM HK\$739.5 MILLION TO HK\$777.2 MILLION**
- **GROSS MARGIN IMPROVED FROM 13.8% TO 14.3%**
- **PROFIT FOR THE PERIOD WAS HK\$49.3 MILLION (2008: HK\$46.4 MILLION)**
- **RETURN ON AVERAGE EQUITY FOR THE SIX-MONTH PERIOD WAS 12.9% (2008: 12.9%)**
- **INTERIM DIVIDEND OF HK18.0 CENTS (2008: HK10.0 CENTS) PER SHARE**
- **NEW CENTRAL PROCESSING PLANT COMMENCED OPERATION IN SEPTEMBER 2009**

(Hong Kong, 30 November 2009) – Leading local fast food operator Fairwood Holdings Limited (“Fairwood” or “the Group”) (stock code: 52) today announced its interim results for the six months ended 30 September 2009.

For the six months ended 30 September 2009, the Group achieved turnover of HK\$777.2 million compared with HK\$739.5 million for the corresponding period last year. Gross margin was 14.3% (six months ended 30 September 2008: 13.8%). Profit attributable to equity shareholders of the Company was HK\$49.3 million versus HK\$46.4 million for the same period last year. Basic earnings per share were HK39.23 cents (six months ended 30 September 2008: HK36.75 cents).

The Board of Directors has declared an interim dividend of HK18.0 cents (six months ended 30 September 2008: HK10.0 cents) per share for the six months ended 30 September 2009. This represents a distribution of approximately 46.0% of the Group’s profit attributable to equity shareholders.

Mr. Dennis Lo, Chairman of Fairwood, said, “Despite the challenging business environment, Fairwood has achieved improvement in sales performance as a result of continuous dedication in enhancing its innovative product strategies. We also managed to improve our gross margin by way of stringent cost control measures, including adjusting sourcing mix, better staff scheduling and enhancing internal operational efficiency.”

The Group is committed to raising overall efficiency through greater economies of scale. The opening of a new central processing plant at the Tai Po Industrial Estate, New Territories, reflected such commitment in this area. Since commencement of operation from September 2009, the new facilities had contributed positively to the Group's internal processes as well as provided greater flexibility in product offerings.

With regards to Mainland China operation, continuous sales growth is achieved with an increase by 17.0% over the same period last year. This was largely due to special menus tailored to satisfy local tastes.

During the review period, the Group opened 7 new fast food outlets with 4 in Hong Kong and 3 in Mainland China. As at 30 September 2009, the Group had a total of 97 outlets in operation in Hong Kong, including 92 fast food outlets, 3 Buddies Cafes and 2 specialty restaurants; and 15 fast food outlets in Mainland China.

Moving forward, the Group will expedite its growth by making full use of the new central food processing plant to optimize production efficiency. The new infrastructure will enable the Group to further its product range and introduce cuisine not normally served at fast food restaurants and is expected to play an essential role in facilitating the Group's long-term business growth. With the implementation of phase two of the SAP Enterprise Resources Planning (ERP) System, the Group will be able to make more effective management decisions. These will all help improve margins as well as to bring customers a more enjoyable dining experience.

Mr. Lo concluded, "Looking ahead, the management remains optimistic about the prospects of the consumer market in Hong Kong. With effective leadership, sound fundamentals and well formulated business strategies; we are fully equipped to tackle challenges arising from changing market conditions, thereby maintaining growth and delivering favorable returns to shareholders."

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About Fairwood Holdings Limited

Fairwood Holdings Limited, (HKEx: 52), is one of the leading Hong Kong fast food operators in Hong Kong and in Mainland China. As at 30 September 2009, the Group ran a total of 112 outlets, including 92 fast food outlets, 3 Buddies Cafés and 2 specialty restaurants in Hong Kong, and 15 fast food outlets in the Mainland China. To improve customer perception of the Fairwood brand and enhance competitiveness, the Group launched a corporate re-branding campaign in November 2003. It is confident that its new strong brand identity and improved fundamentals will continue to facilitate its business expansion in the future.

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