For Immediate Release

合生創展集團有限公司

HOPSON DEVELOPMENT HOLDINGS LIMITED

Hopson Announces 2011 Annual Results

Financial Highlights

For the year ended 31 December	**2011 HK$ million (Audited)**	2010 HK$ million (Audited)	Change
Turnover	**8,008**	14,379	-44.3%
Profit attributable to equity holders	**1,430**	5,889	-75.7%
Underlying profit	**1,349**	3,043	-55.7%
Basic earnings per share	**HK$0.818**	HK$3.43	-76.1%
Dividend for the year	**--**	HK17.15 cents	--

(30 March 2012 – Hong Kong) – Hopson Development Holdings Limited ("Hopson" or the "Company", together with its subsidiaries, the "Group"; Stock code: 00754) announced today its annual results for the year ended 31 December 2011.

During the year under review, the Group's turnover was HK$8,008 million, representing a year-on-year decrease of 44.3%. Profit attributable to equity holders was HK$1,430 million for 2011 (2010: HK$5,889 million). Basic earnings per share was HK$0.818. Excluding the effect of the net of tax gain from revaluation of investment properties amounting to HK$81 million, underlying profit was HK$1,349 million, down 55.7% as compared with previous year. The Board of Directors does not recommend a payment of the final dividend for the year ended 31 December 2011.

Being restricted by the tightening austerity measures in the first- and the second-tier cities, the market reversed quickly. During the reporting period, the results of the Group declined and the GFA delivered was 391,277 square meters while the Group recorded property sales of HK$7.14 billion. The average selling price for delivered and completed properties in 2011 amounted to HK$18,265 per square meter. During the year, property development continued to be the Group's core business and contributed 89.1% to the turnover.

In 2011, the Group recorded contract sales amounting to HK$11.97 billion, down 6% from that of 2010. GFA of contracted sales was 658,158 square meters. The average contracted selling price was HK$18,187 per square meter. During the reporting period, the Group's focus in the three Core Economic Zones and the strategy of balanced distribution had proven to be successful. Southern China, eastern China and northern China contributed HK$4.94 billion, HK$3.04 billion and HK$3.99 billion to the Group's revenue respectively. As at 31 December 2011, deferred sales of the Group was HK$15.65 billion, equivalent to a GFA of 820,270 square meters. Such amount was expected to be recognized in 2012 and afterwards.

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Commenting on the annual results, Mr. Zhang Yi, Executive Director of Hopson, said, “In 2011, the international and internal economic environments were complicated and the property market was relatively volatile, under the guidance of its prudent general approach, the Group leveraged on its enormous comprehensive strengths, wide operational experience, mature management principle, well-established governance structure as well as its scientific operation system to ride through this critical year of implementing property control measures on a solid note.”

To maintain a stable and continuous business development and to secure its ability for sustainable development, the Group adopted a prudent principle in land bank acquisition. In 2011, the Group acquired 4 land plots with development area of 1,686,744 square meters. As at 31 December 2011, the land bank of the Group was 31.91 million square meters, sufficient for the rapid development of the Group in the future.

Looking ahead, Mr. Chu Mang Yee, Chairman of Hopson, concluded, “Looking ahead to 2012, opportunities coexist with challenges. It is expected that pursuing the structural adjustments and assuring the quality of the growth will be the primary objectives of the domestic macro-economy growth, with the direction of “strengthening the specificity, flexibility and perspicacity of austerity measures” being adhered. The competition of real estate industry in the nation has aggravated and the level of resource concentration has been increased. Accordingly, the Group intends to seek for innovative developments, in order to ensure the investment returns for the shareholders. We must endeavor to integrate and upgrade the product mix, to cohere and improve the value of the brand, to continuously strengthen the profitability of the Group’s operating sales by all means, and thus, thereby bringing fruitful returns to our shareholders.”

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