

【For Immediate Release】

Value Partners Announces 2010 Interim Results

**In the challenging economic environment,
Value Partners generates strong performance and solid results**

Financial highlights

	1H 2010	1H 2009	% Change
Total revenue (HK\$ million)	207.0	162.8	+ 27.1%
Gross management fees (HK\$ million)	149.0	98.2	+ 51.7%
Gross performance fees (HK\$ million)	53.8	61.0	- 11.8%
Net profit (HK\$ million)	91.6	116.1	- 21.1%
Basic earnings per share (HK cents)	5.7	7.3	- 21.9%
Diluted earnings per share (HK cents)	5.7	7.2	- 20.8%
Interim dividend per share (HK cents)	Nil	Nil	

(Hong Kong, 24 August 2010) — Value Partners Group Limited (together with its subsidiaries, “Value Partners” or “the Group”, Stock Code: 806 HK) today announced its interim results for the six months ended 30 June 2010.

Overall, although market conditions for the period were challenging, Value Partners’ business performance for the first half of 2010 was encouraging. Gross management fees increased by 51.7%, and total revenue increased by 27.1%, over the same period last year.

Net profit was HK\$91.6 million, which was a decrease from the HK\$116.1 million net profit seen in the first half of 2009. The drop was mainly due to the lower unrealized mark-to-market gain of HK\$3.6 million on our fund investments recorded in 2010, than the unrealized gain of HK\$57.9 million in 2009, notwithstanding the increase in revenue in 2010.

As at 30 June 2010, the Group’s assets under management (“AUM”) amounted to US\$5,654 million, compared to US\$5,506 million half a year earlier (a 2.7% increase). The growth was mainly driven by the positive net inflow of US\$319 million, and partly offset by the negative performance of US\$171 million. The average AUM increased from US\$3,391 million to US\$5,538 million for the first half of 2009 and 2010, respectively, representing a 63.3% increase, and resulting in higher management fees for 2010.

The Group’s asset-weighted average loss of funds under management was negative 1.9%, compared to the recorded losses of 6.1% for both the Hang Seng Index and MSCI China Index during the same period. It’s flagship fund, the Value Partners Classic Fund[#], recorded a 1.0% gain during the first half of 2010, which, again, reflects the Fund’s solid performance compared to the market.

Gross subscriptions amounted to US\$847 million, up 94% and 2.8% from the first and second halves of last year, respectively, reflecting the steady positive trend of fund inflow and recovery, which began in the second half of 2009. Gross redemptions amounted to US\$528 million during the period, which were stable in comparison to the first and second halves of 2009.

Net subscriptions amounted to US\$319 million, compared to net redemptions of US\$144 million and net subscriptions of US\$226 million recorded in the first and second half of 2009, respectively.

The Group maintained a strong financial position, its balance sheet remained sound, with zero leverage and positive cash flow, and very prudent cost management.

Although some of the Group's funds are close to their high watermarks at the end of the first six months, it is not possible to project whether performance fees for these funds will be earned at the end of the year. What Value Partners has been doing and will continue to do is deliver superior investment performance, thereby enhancing the likelihood that the Group will earn its performance fees, and to keep down fixed costs in order to sustain profitability, even if market conditions deteriorate in the second half of the year.

The past six months have seen Value Partners focus on building on the Group's strengths, which the Group will maintain for the rest of the year and beyond. The Company will also carry on capitalizing on its success, building new networks, enhancing activities with established and new distributors, and continuing to grow innovative premium products and growing its ETF suite. The future also looks bright as the Company continues to actively explore opportunities in Mainland China, as it remains the Group's primary strategic market.

The past few years have shown that Value Partners' unique brand of research-driven value investing positions the Group as a leader in Asia. Among its many awards, the Group was ranked as Asia's leading hedge fund management firm by *Institutional Investor*, taking the top spot in the 2010 Asia Hedge Fund 25.

Although the second half of this year may deliver a market that remains volatile, Value Partners remains committed to staying true to our value principles and strategy.

[#]Performance of Value Partners Classic Fund (A Units) over past five years: 2009, +82.9%; 2008, -47.9%; 2007, +41.1%; 2006, +41.8%; 2005, +15.9%. Performance figures are calculated in US dollars terms on NAV to NAV, with dividends reinvested. Performance data is net of all fees.

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About Value Partners Group Limited

Value Partners Group Limited is an independent, value-oriented asset management group with a focus on Greater China and the Asia-Pacific Region. The Group dedicated to delivering exceptional investment performance through value investing strategy. Applying this time-honored approach to investing with strict discipline, the Group has been rated as one of the top performing Greater China fund managers by major rating agencies.

Value Partners manages and sub-manages absolute return long-biased funds, long-short hedge funds, private equity funds and quantitative funds. The Group also provides account management services to managed accounts and manages or advises on other products including structured notes. The investor base of the Group comprises institutions, corporate, statutory authorities, pension funds, university endowment funds, charitable foundations, funds of funds, high-net-worth individuals and retail investors.

Value Partners Limited was incorporated in 1991 and commenced operations in February 1993. The Group was listed on the Main Board of the Stock Exchange of Hong Kong Limited on 22 November 2007 (Stock Code: 806-HK). For more details of the Group, please visit: www.valuepartnersgroup.com.hk.

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