

[For Immediate Release]

Value Partners Announces 2010 Final Results
Strong fund performance and record AUM at year end,
the Group reports one of the best years on record

Financial highlights

(In HK\$ million)	2010	2009	%Change
Total revenue	1,075.2	460.3	+133.6%
Gross management fees	343.8	233.5	+47.2%
Gross performance fees	708.5	219.8	+222.3%
Net profit	653.2	318.8	+104.9%
Basic earnings per share (HK cents)	40.1	19.9	+101.5%
Diluted earnings per share (HK cents)	39.9	19.9	+100.5%
Interim dividend per share (HK cents)	Nil	Nil	
Final dividend per share (HK cents)	16.0	8.0	+100.0%

(Hong Kong, 10 March 2010) — **Value Partners Group Limited** (together with its subsidiaries, “Value Partners” or “the Group”, Stock Code: 806 HK) today announces its final results for the year ended 31 December 2010.

Value Partners reported very strong business and financial performance during 2010, as a result of good fund performance and significant fund inflows. As at 31 December 2010, The Group’s AUM was US\$7.9 billion, representing a net increase of 44.2%, which was over the US\$5.5 billion recorded one year earlier.

Total revenue increased by 133.6% to HK\$1,075.2 million for the year ended 31 December 2010, compared to HK\$460.3 million recorded one year earlier. Net profit for the year was HK\$653.2 million, which is more than twice the 2009 total of HK\$318.8 million. The significant increase in net profit was mainly driven by strong fund performance and increased performance fee earnings.

Strong fund performance allowed Value Partners to collect performance fees on many of its funds. As at 31 December 2010, a majority of the funds managed by the Group exceeded their high watermarks or benchmark returns. The weighted average return of the Group’s AUM was up 18.8%, compared to the 8.6% gain by the Hang Seng Index and 4.6% gain by the MSCI China Index.

Gross management fees rose by 47.2% to HK\$343.8 million, from HK\$233.5 million recorded in 2009. Gross subscriptions for the second half of 2010 amounted to US\$1,739 million, compared to US\$847 million recorded in first half of 2010 and US\$1,261 million recorded in 2009, reflecting the continuing steady positive fund inflow and recovery that began in 2009. Gross redemptions amounted to US\$1,319 million during the year, which were stable in comparison to 2009. Net subscription significantly increased from US\$82 million in 2009 to US\$1,267 million in 2010.

The Group continued to exercise stringent cost discipline and has aimed to keep its fixed operating expenses well covered by its management fee income, which is considered a relatively stable source of income. The fixed cost coverage ratio is steady at 3.1 times.

The Group’s balance sheet and cash flow positions remained strong. As at 31 December 2010, the Group had a net cash balance of HK\$1,218.6 million.

The Group has been practicing a more consistent and sustainable dividend distribution policy, one that takes into account the volatile nature of asset management income streams. The Board has recommended a final dividend of HK16.0 cents for the financial year ended 31 December 2010, which represents a payout ratio of 40%.

During the year, Value Partners has launched an exchanged traded fund – the Value Gold ETF (3081 HK) – on the Stock Exchange of Hong Kong. The Fund is the first and only gold ETF backed by physical gold bullion stored in Hong Kong, and has received wide publicity in the market.

2010 was a very strong year for the Group, both for the performance of its funds and its staff. Value Partners received a number of awards and distinctions, and this provide further indication of its investment success and the broad recognition from its peers and investors.

Particularly, Value Partners has been named one of the three leading fund management firms in Asia in the prestigious Thomson Reuters Extel Survey 2010. According to the 2010 Asia Hedge Fund 25 rankings published by *Institutional Investor* magazine in July 2010, Value Partners was ranked the number one hedge fund management firm based on AUM as at 1 April 2010.

In this year and beyond, Value Partners will devote more of its efforts to develop the Group into a world class asset management firm. Greater China will be its primary strategic market for the next decade and the Group is very positive on the future growth of the country's fund management industry. The Group's management is confident that given their strong track record in investing in China and their similar culture with potential Mainland partners, Value Partners will establish significant fund management businesses on the Mainland in the near future.

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About Value Partners Group Limited

Value Partners Group Limited is an independent, value-oriented asset management firm. Founded in Hong Kong in February 1993, Value Partners has been ranked among the top performing fund management firms in the industry. The Group was listed on the Main Board of the Stock Exchange of Hong Kong in November 2007.

Focused on the Greater China and Asia-Pacific regions, Value Partners has built a strong reputation across the international asset management industry as a leading value investor. The Group's products and services apply classic value investing practices, through products that include absolute return long-biased funds, long-short hedge funds, exchange-traded funds, quantitative funds, and private equity funds.

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