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**PROFIT WARNING FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011 AND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011**

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The Directors of Hwa Hong Corporation Limited (the “**Company**”) wish to issue a profit warning regarding the financial results of the Company and its subsidiaries (the “**Group**”) for the fourth quarter ended 31 December 2011 and for the financial year ended 31 December 2011.

The Group is expected to report a loss for the fourth quarter ended 31 December 2011 compared with a profit for the corresponding period in 2010 mainly due to (i) lower rental revenue due to refurbishment works on a residential property in the UK and our warehouse in Paya Lebar (ii) lower profit from trading of investment securities (iii) lower gain from disposal of RiverGate apartments due to a more cautious market following the introduction of additional buyers’ stamp duty by the Singapore Government and (iv) higher allowance for impairment losses on investment securities.

For the above-mentioned reasons, the Group is expected to report a significant decline in profit for the full year ended 31 December 2011 as compared with the corresponding period in 2010 but the Group will remain profitable for the full year ended 31 December 2011.

This profit warning is based on a preliminary review of the unaudited financial results of the Group. Further details of the Group’s performance will be disclosed when it releases its unaudited financial results for the full year ended 31 December 2011 in early February 2012.

In the meantime, the Directors of the Company wish to advise shareholders and investors to exercise caution when dealing in the shares of the Company.

BY ORDER OF THE BOARD

Ong Bee Leem  
Company Secretary  
26 January 2012