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NAM FONG INTERNATIONAL HOLDINGS LIMITED

南方國際控股有限公司*

(incorporated in Bermuda with limited liability)

(stock code: 1176)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform the shareholders of the Company and the investors that it is expected that the consolidated profit of the Group for the year ended 31 December 2007 may experience a significant decline compared with that for the year ended 31 December 2006.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

This announcement is made by Nam Fong International Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

After preliminary review by the Company’s management based on the management accounts of the Group, the board (the “Board”) of directors (the “Directors”) of the Company wishes to inform the shareholders of the Company and the investors that it is expected that the consolidated profit of the Group for the year ended 31 December 2007 may experience a significant decline compared with that for the year ended 31 December 2006. Based on the information currently available, such decrease is mainly due to a combination of the following: (1) a drop in revenue from rental income generated by the Group; (2) decrease in other income as no reversal of impairment losses on properties under development was recorded for the year ended 31 December 2007 as in the year ended 31 December 2006; (3) the gain on disposal of subsidiaries recognized in the year ended 31 December 2007 was significantly lower as compared to that in last year; and (4) the loss on disposal of investment properties and fair value losses on investment properties recognized in the year ended 31 December 2007 were less than the amount recorded in the year ended 31 December 2006.

* For identification purposes only

As the Company is still in the process of finalizing the results for the year ended 31 December 2007, the information as contained in this announcement is only based on the preliminary assessment by the Company's management according to the management accounts of the Group. Shareholders of the Company and the investors should read the Company's annual results announcement for the year ended 31 December 2007 carefully, which is expected to be published on 16 May 2008.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

For and on behalf of the Board
Nam Fong International Holdings Limited
Tong Shi Jun
Chairman

Hong Kong, 8 May 2008

As at the date of this announcement, the Board comprises Mr. Tong Shi Jun (Chairman), Mr. Zhao Lishen, Mr. Chiu Kong, Ms. Huang Ling and Ms. Zhu Jun as executive Directors and Mr. Chen Song Sheng, Ms. Zhou Mei Zhen and Mr. Yuen Wai Ho as independent non-executive Directors.