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IPE GROUP LIMITED

國際精密集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 929)

POSITIVE PROFIT ALERT

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

The Board wishes to inform shareholders of the Company and potential investors that based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2010, the Group in 2010 achieved record highs of both the total amount of revenue and the net profit attributable to shareholders for a financial year. The net profit in 2010 is expected to be about 10 times of the net profit recorded in 2009.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by IPE Group 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**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2010, the Group in 2010 achieved record highs of both the total amount of revenue and the net profit attributable to shareholders for a financial year.

* For identification purposes only

The recovery in our sales of hard disk drive (HDD) components and automotive components that began in the second half of 2009, continued throughout the year of 2010. Sales of hydraulic equipment components did not start to recover until the beginning of the year 2010, but the recovery was very strong, especially in the second half of 2010. Thus, turnover in each of these three main business segments achieved record highs. As the Group enjoyed economy of scale as a result of the increase in turnover and the improvement in the utilization rate of its production capacity, the profit margin is expected to improve significantly. As such, the net profit attributable to shareholders of the Company in 2010 is expected to achieve a record high and be about 10 times of the net profit recorded in 2009.

This positive profit alert is a preliminary assessment by the Company's management based on the unaudited consolidated management accounts of the Group for the year ended 31 December 2010, which is subject to finalization and review by the auditors of the Company.

Further details of the Group's financial performance will be disclosed in the Company's announcement of final results for the year ended 31 December 2010 to be published in March 2011.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
IPE Group Limited
Chui Siu On
Chairman

Hong Kong, 27 January 2011

As at the date of this announcement, the Board comprises 7 executive directors, namely, Mr. Chui Siu On (Chairman), Mr. Ho Yu Hoi, Mr. Lai Man Kit, Mr. Li Chi Hang, Mr. Wong Kwok Keung, Mr. Lau Siu Chung and Mr. Yuen Chi Ho; and 4 independent non-executive directors, namely, Dr. Cheng Ngok, Mr. Choi Hon Ting, Derek, Mr. Wu Karl Kwok and Mr. Nguyen, Van Tu Peter.