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DREAM INTERNATIONAL LIMITED

德林國際有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1126)

PROFIT WARNING

This announcement is made by Dream International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 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 the Group is expected to record a considerably lower profit for the year ended 31 December 2011 as compared to the profit for the year ended 31 December 2010 mainly due to the decrease in the sales volume of the Group.

The Board considers that the decrease in sales volume in 2011 is primarily attributable to (i) market demand in Japan was weakened after the outbreak of earthquake in March, which hit the sales of both business lines of the Group, and (ii) a sales order from a new customer in Brazil amounted to US\$18 million was totally booked during the year ended 31 December 2010. Another order from the same customer was originally scheduled to be shipped in 2011 but it was postponed to 2012 or 2013 with a reduced quantity pursuant to the announcement on 22 November 2011.

The Company is still in the process of finalising the consolidated results for the year ended 31 December 2011. The information contained in this announcement is derived based on the preliminary assessment of the unaudited management accounts of the Group prepared by the management of the Company. The management accounts of the Group for the year ended 31 December 2011 is subject to audit by the Company’s auditors.

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

By Order of the Board
Dream International Limited
Mr. Young M. Lee
Vice President

Hong Kong, 7 March 2012

The Directors of the Company as at the date of this announcement are as follows:

Executive directors:

Mr. Kyoo Yoon Choi (*Chairman*)

Mr. Young M. Lee

Mr. James Chuan Yung Wang

Mr. Hyun Ho Kim

Independent non-executive directors:

Professor Cheong Heon Yi

Professor Byong Hun Ahn

Mr. Tae Woong Kang