

**NEW HOONG FATT HOLDINGS BERHAD** (425709-K)

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NHF 2010 NET PROFIT UP BY 24.1%***Recommendation of 10 sen Dividend***

Klang, 28 February 2011 – New Hoong Fatt Holdings Berhad (“New Hoong Fatt” or “the Group” or “NHF”) today announced its results for the financial year ended 31 December 2010:

	Year to date ended 31 December 2010	Year to date ended 31 December 2009
Total Revenue (RM'000)	222,473	203,315
Profit Before Tax (RM'000)	31,304	25,729
Net Profit After Minority Interest (RM'000)	27,254	21,973
Earnings per Share	36.26 sen	29.24 sen

Proposed Dividend per Share	8 sen (final single tier) and 2 sen (special final single tier)	8 sen (final single tier) and 1 sen (special final single tier)
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The Group's total revenue for the financial year ended 31 December 2010 was **RM222.5 million**, which was **9.4%** higher than RM203.3 million in the previous financial year. The better performance was mainly driven by greater demand, thus generating higher sales for both domestic and export markets.

Profit before tax increased by **21.8%** from RM25.7 million previously to **RM31.3 million** this year. This was mainly due to increase in revenue compared to previous financial year and gain on fair value of investment property of RM2.4 million.

Net Profit also increased by **24.1%** at **RM27.3 million** this year compared to RM22.0 million previously. Correspondingly, New Hoong Fatt's Earnings Per Share for the year under review was higher at **36.26 sen** compared to 29.24 sen previously.

In view of the revenue and profits achieved by the Group this year, the Board of Directors has recommended a final single tier dividend of **8 sen** per share plus a special final single tier dividend of **2 sen** per share, total amounting to RM7,515,660. The proposed dividend is subject to shareholders' approval at the forthcoming Annual General Meeting. The dividend entitlement and payment dates will be advised at a later date.

The Group expects 2011 to be another challenging and competitive year. Rising cost pressures and margin squeeze will remain a challenge for the Group. However, the Group will continue to focus on improving its production capabilities in order to improve its operational and cost efficiencies. Barring unforeseen circumstances, the Group is optimistic that it will continue its positive performance in 2011.