



DREAM INTERNATIONAL LIMITED

德林國際有限公司

(incorporated in Hong Kong with limited liability)
(Stock Code: 1126)

PROFIT WARNING

The board of directors (the “Board”) of Dream International Limited (the “Company” and together with its subsidiaries, the “Group”) wishes to inform the shareholders of the Company and investors that the results of the Group for the year ended 31 December 2006 will be materially and adversely affected by the Company’s decision to recognise an impairment of HK\$100 million in goodwill associated with the acquisition of Dream INKO Co., Ltd. in July 2003. Therefore, the Group’s expected consolidated net losses for the year ended 31 December 2006 will significantly increase and the Board has decided to issue a profit warning. This goodwill impairment figure of HK\$100 million is unaudited and may (or may not) change after the audited figures are finalised.

As the Group’s results for the year ended 31 December 2006 have not yet been finalised and audited, the Board is not in the position, at this stage, to quantify precisely the financial impacts of the above-mentioned factors on the Group’s results.

Investors are advised to read the Company’s annual results announcement for the year ended 31 December 2006 with care, which is expected to be published on 18 April 2007.

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

This announcement is made in accordance with paragraph (1) of rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Directors of the Company as at the date of this announcement is composed of:

Executive Directors

Mr. Kyoo Yoon Choi (*Chairman*)
Mrs. Shin Hee Cha
Mr. Tae Sub Choi
Mr. Young M. Lee
Mr. James Wang

Independent Non-Executive Directors

Mr. Kin Piu Cheung, Valiant
Professor Cheong Heon Yi
Dr. Chan Yoo

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

Executive Managing Director and CFO

4 April 2007, Hong Kong

Please also refer to the published version of this announcement in International Herald Tribune.