

**Haitong International Announces 2014 Interim Results
 Profits Soar by 60% to HK\$352 Million**

Financial Highlights

	6 Months Ended 30 June 2014	6 Months Ended 30 June 2013	Percentage Change Increase/ (Decrease)
Total Revenue (<i>HK\$'000</i>)	1,080,993	703,117	54%
Net Profit Attributable to Shareholders (<i>HK\$'000</i>)	351,719	220,292	60%
Basic Earnings Per Share (<i>HK Cents</i>)	23.37	18.52	26%
Dividend Per Share (<i>HK Cents</i>)	8	8	-

Hong Kong, 7 August 2014 – Haitong International Securities Group Limited (“Haitong International” or the “Company”; together with its subsidiaries, the “Group”; Stock Code: 665.HK) today announced its interim results for the 6 months ended 30 June 2014. In the first half year, Haitong International achieved revenue of HK\$1.081 billion, increased by 54% compared with the same period in 2013. Net profit attributable to shareholders totalled HK\$352 million, representing a significant year-on-year (“YoY”) growth of 60%. The Board of Directors of the Company is pleased to declare an interim dividend of HK\$8 cents per share.

As of 30 June 2014, total assets of the Group amounted to HK\$35.7 billion and net assets totalled HK\$7.744 billion, increasing by 21.3 % and 57.4% respectively over the end of 2013.

Dr. Lin Yong, Deputy Chairman of Haitong International and Chief Executive Officer of the Group stated, “Haitong International has made breakthroughs in the development of all of its business segments through strengthening its three core competitive edges: its investment management capability, its undertaking and pricing capability as well as its institutional sales and trading capability.”

To support the enormous needs in capital derived from the vast business development, the Group carried out two financing projects in the first half of 2014, which includes the rights issue raising HK\$2.643 billion and the syndicated loan agreement entered with several banks amounted to HK\$3.34 billion. Nearly HK\$6 billion were raised totally for the Group. In addition, Haitong International has announced the issuance of US\$1 billion worth of medium-term notes in June 2014. By zealously strengthening its capital base and capital deployment capability, the Group provided abundant support in funds for development of its different business segments.

The six key businesses of the Group consists of Corporate Finance, Brokerage and Margin Financing, Investment Management, Fixed Income, Currency and Commodities (“FICC”), Structured Finance and Equity Derivatives.

Corporate Finance – In the first half of 2014, the Group completed 6 initial public offering (“IPO”) projects in the capacity of a joint bookrunner. In terms of number of projects participated, it ranked fourth among all international investment firms in the Hong Kong market. On the debt capital market (“DCM”) front, the Group has underwritten 5 debt issuance projects in the first half year, and acted as joint global coordinator for 3 of the projects. According to the Bloomberg League Table (Asia Ex-Japan), Haitong International ranked second in G3 High Yield issuances amongst all PRC securities houses by number of projects undertaken. During the first half of 2014, the Corporate Finance business generated HK\$131 million of income, increased YoY by 122%.

Brokerage and Margin Financing – The Group provides innovative and comprehensive financial products and investment services to over 170,000 global institutional and individual investors. In the first half of 2014, riding on the edges in possession of a robust sales force and branch network, the Group outperformed the market average and recorded a 40.0% YoY growth in its average daily turnover of Hong Kong stocks for the first 6 months. The business recorded an income of HK\$494 million, rose by 40% YoY.

Investment Management – As at the end of June 2014, the Group was granted an aggregate RQFII quota of RMB9.7 billion, ranking the first among all non-asset-management-based financial institutions in Hong Kong (in accordance to the State Administration of Foreign Exchange’s website), and the assets under management was hence notably enlarged. Haitong International has also proactively tapped into innovative Renminbi (“RMB”) products. In March, the Group launched the Haitong CSI 300 Index ETF, the first RQFII ETF managed by a Chinese financial institution in brokerage background. In view of investment return, Haitong Global RMB Fixed Income Fund, the first dim sum bond fund in the Hong Kong market, sustained its brilliant results and was rated 4-star by Morningstar, making it the highest-rated RMB fund for the time being. In terms of wealth management, the Group has been promoting its Private Wealth Management business in full swing, offering quality and comprehensive services to high net worth individual clients. In the second half of the year, it will roll out more innovative wealth management products in order to expand its market share. In the first half of 2014, the investment business contributed HK\$61 million of income, significantly increased by 32% over the corresponding period last year.

Fixed Income, Currency and Commodities – During the period, the Group has kept strengthening its FICC business, and has fully kicked off market making service for both dim sum bonds and USD-denominated Chinese credit bonds. At present, the segment has put in place sizable teams of trading, market analysis and sales as well as supporting teams in the middle and back office, enabling it to provide customers with more comprehensive bilateral quotation for bonds. Besides trading, the department has partnered with the Group's DCM team to complete the primary market issuance and further issuance of a number of bonds. In the first half of 2014, revenue contribution from the business segment amounted to HK\$135 million, rising 77% over the same period last year.

Structured Finance – Haitong International has put great efforts to facilitate the development of its structured financing business by providing enterprises with customised solutions on corporate actions and shareholders' actions before and after listing. While expanding the scope of projects undertaken, Haitong International has also strengthened risk control and successfully diversified its portfolio in terms of project type, sector involved and tenure, thus safeguarding robust business development while keeping risk in check. By sharing corporate customers and identifying the financing needs of enterprises in different development stages, the structured financing business and the existing corporate finance business have realised excellent coordination and interaction. In the first half of 2014, revenue contribution from Structured Finance amounted to HK\$243 million, representing a YoY growth of 39%.

Equity Derivatives – Haitong International has clung to tap into the derivatives business sector. Ever since the Group was granted the market maker qualification in June 2013, the Equity Derivatives business has already provided market making service for a number of A-share ETFs. In the first half of 2014, the Equity Derivatives business witnessed significant growth in turnover from market marking operations following system upgrades and optimisation of trading strategies, outstripping all other market players of similar businesses. Meanwhile, the business has also fully capitalised on the Group's established advantages in RMB business to strengthen ties across departments and business segments, striving to provide more product solutions to overseas customers seeking to invest in China.

The focal point of investors in the second half of 2014 will be the implementation of the “Shanghai-Hong Kong Stock Connect”. As early as last year, Haitong International already got the insight into such a stock connect trend of capital markets and has made preparation well in advance, including stepping up connection of systems while capitalising on the established advantages of its RMB business, in order to pave the way for the impending launch of the stock connect pilot programme, striving to provide investors with premium cross-border stock trading services. Backed by the research competence in A-share market by its parent company Haitong Securities Co., Ltd. (“Haitong Securities”) as well as the Group’s broad base of local customers, the Shanghai-Hong Kong Stock Connect will become a key highlight of Haitong International’s business development and will foster the Group to offer a more comprehensive and competitive suite of cross-border RMB products and services.

The course of the ongoing internationalisation of RMB and the steady development of offshore RMB business, Haitong International is visionary as well. Its first overseas company Haitong International Securities (Singapore) Pte. Ltd. commenced operation in Singapore in January this year, becoming a pioneer of Chinese non-bank financial institutions in setting up business in Singapore. It has also become a trading member of both the securities and derivatives markets of the Singapore Exchange Limited. Through setting up its platform in Singapore, Haitong International endeavours to serve as a link between Chinese investors and Singapore capital market as well as to connect investors from Singapore and overseas to opportunities in China.

“In Hong Kong capital market, the development of a top enterprise would require insightful strategies, an open mind as well as all-out effort and strong execution power to survive fierce competition. Haitong International will move forward on the back of all-out effort, well-established tactics and strong execution power. We are dedicated to become a modern financial institution with global competitiveness, brand influence and systematic importance,” Dr. Lin concluded.

For more details of Haitong International 2014 interim results, please refer to the Group’s website: <http://www.htisec.com/tc/aboutus/ann.jsp>.

Haitong International Securities Group Limited

Haitong International Securities Group Limited (“Haitong International”; together with its subsidiaries, the “Group”; Stock Code: 665.HK) is a subsidiary of Haitong International Holdings Limited (“Haitong International Holdings”), a company incorporated in Hong Kong and wholly-owned by Haitong Securities Co., Ltd. (“Haitong Securities”). Haitong Securities is listed on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong (Stock Code: 600837.SH; 6837.HK). Being one of the leading securities companies in China, Haitong Securities provides comprehensive financial services for over 4.7 million retail clients as well as over 15,000 institutional and high net worth clients with more than 270 sales offices in the Mainland.

Haitong International Securities Company Limited, a main operating subsidiary of Haitong International, was established in 1973. Haitong International was formed in 1996 and was listed on the Stock Exchange of Hong Kong in August of the same year. Haitong International Holdings acquired Taifook Securities Group Limited in 2010. Haitong International is well-established to provide comprehensive and quality corporate finance, brokerage and margin financing, investment management, fixed income, currency and commodities as well as structured financing products and services to institutional clients and individual investors domestically and around the globe. As the only overseas business platform of Haitong Securities, the Group strives to be a modern and comprehensive financial institution with leading position in the Greater China Region.

Haitong International has a robust retail client base and extensive distribution channels, with over 10 branches in Hong Kong and Macau. The Group has 2 representative offices in Beijing and Shanghai and an overseas company Haitong International Securities Group (Singapore) Pte. Ltd. in Singapore.

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