

ANIMAL FEED TYCOON LIU YONGXING IS CHINA'S RICHEST PERSON

COMBINED WEALTH OF FORBES ASIA'S 40 RICHEST IN CHINA FALLS 57%

Singapore, 30 October 2008 – Agricultural feed and aluminium tycoon, Liu Yongxing, who founded Hope Group with his three brothers on savings of US\$120, has emerged as the richest person in China in *Forbes Asia's* 2008 rankings of the 40 richest Chinese. Liu's family was once China's richest and the only billionaire family in 2002.

The Shanghai-based Liu tops this year's China Rich List with a net worth of US\$3 billion, up \$600 million from \$2.4 billion last year. The Liu family started raising quails and chickens in 1982 and transformed Hope Group into one of China's largest makers of animal feed. They split in 1995. Liu moved to Shanghai and his East Hope Group is still one of China's biggest feed producers. He also owns aluminium smelters.

Liu knocked out last year's wealthiest, Yang Huiyan, the 27-year old daughter of Country Garden's chief, Yeung Kwok Keung. She slipped to third position and is the biggest loser on this year's list. Her wealth suffered a massive drop of \$14 billion to \$2.2 billion this year amid a slowing China property market.

The combined wealth of China's 40 richest has fallen 57% to US\$52 billion from \$120 billion in 2007 amid a 60% drop in the mainland stock market and a 50% drop in Hong Kong share prices so far this year.

Among the top 40, 24 have billion dollar fortunes and the minimum net worth to make the list is \$790 million, down 42% from last year's \$1.36 billion. Losses would have been greater if not for the renminbi's 10% appreciation against the dollar.

The average age of the 40 richest Chinese is 49, and eight are under 40.

Russell Flannery, Forbes senior editor and compiler of the *Forbes Asia* China Rich List, said: “The global financial crisis and the economic slowdown, combined with the appreciation of the renminbi and a socialist-style labor law that took effect this year, have collectively taken some of the wind out of export manufacturing, a key pillar of China’s economy.

“These factors as well as a credit tightening by the government to counter a bubble in the real estate industry, have contributed to the steep drops in the net worth of China’s 40 richest.”

There were 10 newcomers on the 2008 list. Among them is Zhou Chengjian, ranked No. 5 with a net worth of \$2 billion. The 43-year old created a fashion brand and retailer, Metersbonwe, catering to China’s masses.

Thanks in part to savvy marketing that includes hiring pop stars as spokespeople and fashion consultants, Metersbonwe successfully raised \$200 million in an IPO in late August this year. The first store was opened in 1995 and now has 2,200 across China. Zhou is known for constantly refreshing his products and launching 3,000 designs in a year.

Other notable newcomers include the heads of two steel manufacturers, Du Shuanghua of Rizhao Steel Holding, one of China’s largest private steel manufacturers, who came in at No. 8 with a net worth of \$1.6 billion and Zhang Zhixiang of Jianlong Iron & Steel, who was No. 21 with a \$1.13 billion fortune.

Twenty tycoons from last year’s list failed to make the cut, including Larry Yung, whose Citic Pacific is reeling as a result of losses of up to \$2 billion in unauthorized currency bets, as well as founder of manufacturer Nine Dragons Paper, Yan Cheung, once ranked as China’s richest person.

Cheung’s net worth is now estimated to be at \$265 million, down from \$3.4 billion last year. Her company’s stock lost 95% of its peak value and its decline reflects slower business in China’s export hub in Guangdong Province, due in part to the global economic slowdown.

This year, only two tycoons saw an increase in net worth, while 18 lost wealth and 10 were returnees. Notable returnees include William Ding Lei, once China's richest man, at No. 17 with a net worth of \$1.25 billion. Stock of his online gaming outfit, Netease, is up a third in the past 12 months and profits are up 40% in the second quarter.

Its flagship game Fantasy Westward Journey, is among the nation's top 10 downloads. He signed a three-year contract with US game developer, Blizzard Entertainment, to distribute StarCraft 2 and Battle.net to the mainland.

The list of China's top 40 richest will be published in the November 10 issue of *Forbes Asia* and the list of China's top 400 richest will appear in the November 2008 issue of *Forbes China*.

For the purpose of the list, net worths were calculated using October 17, 2008 stock prices and exchange rates with one exception. Forbes knocked down Citic Pacific's Larry Yung by \$550 million to reflect the company's dramatic 55% stock price plunge the week after 17 Oct.

For more information, visit www.forbes.com/china.

The top 10 richest in China are:

1. Liu Yongxing; US\$3 billion
2. Wong Kwong Yu; \$2.7 billion
3. Yang Huiyan; \$2.22 billion
4. Liu Yonghao; \$2.2 billion
5. Zhou Chengjian & family; \$2 billion
6. Zhang Jindong; \$1.8 billion
7. Robin Li; \$1.7 billion
8. Du Shuanghua; \$1.6 billion
9. Ma Huateng; \$1.58 billion
10. Zhou Furen & family; \$1.55 billion

- END -

Forbes is the publisher of *Forbes*, the leading business magazine, with a North American circulation of more than 900,000. *Forbes*, *Forbes Asia*, and the company's eight local-language editions, together reach a worldwide audience of over five million readers. The company also publishes *ForbesLife*, the lifestyle bi-monthly. Forbes' other divisions include: Forbes.com; Forbes Conference Group; Forbes Custom Media; and American Heritage website.

The Editor is available for interview

Russell Flannery, Forbes Senior Editor & Shanghai Bureau Chief
at mobile: +(86-139) 1658 7303.

For media queries, please contact:

Catherine Ong Associates Pte Ltd

Catherine Ong

DID: +65 6327 6088

Mobile: +65 9697 0007

Email: cath@catherineong.com

Eugene Tan

DID: +65 6327 6086

Mobile: +65 9857 9236

Email: eugene@catherineong.com