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INTERNATIONAL ENTERTAINMENT CORPORATION

國際娛樂有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8118)

ANNOUNCEMENT IN RELATION TO THE ESTIMATED FINANCIAL RESULTS

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules.

The Board wishes to inform the Shareholders and potential investors that it is expected that there would be a significant increase in the unaudited profit of the Group for the three months ended 30 June 2010 as compared to the unaudited profit of the Group for the three months ended 30 June 2009, and such increase may result in a net profit attributable to owners of the Company for the three months ended 30 June 2010. However, as compared to the unaudited profit of the Group for the three months ended 31 March 2010, it is expected that there would be a decrease in the unaudited profit of the Group for the three months ended 30 June 2010.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by International Entertainment Corporation (the “Company”, together with its subsidiaries, the “Group”) pursuant to the Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”).

The board of directors (the “Board”) of the Company wishes to inform the shareholders of the Company (the “Shareholders”) and the potential investors that it is expected that there would be a significant increase in the unaudited profit of the Group for the three months ended 30 June 2010 as compared to the unaudited profit of the Group for the three months ended 30 June 2009, and such increase may result in a net profit attributable to owners of the Company for the three months ended 30 June 2010. The significant increase in the unaudited profit for the three months ended 30 June 2010 was mainly due to a gain on the change in fair value of conversion option derivative recognised for the three months ended 30 June 2010.

However, as compared to the unaudited profit of the Group for the three months ended 31 March 2010, it is expected that there would be a decrease in the unaudited profit of the Group for the three months ended 30 June 2010. It was mainly due to the net effect of (i) a significant decrease in the share of profit of an associate as compared to the three months ended 31 March 2010; (ii) a gain on the change in fair value of conversion option derivative recognised for the three months ended 30 June 2010; and (iii) a gain on deconsolidation of M8 Entertainment Inc. and its subsidiaries recognised for the three months ended 31 March 2010.

As the Company is still in the process of finalising its first quarterly results for the three months ended 30 June 2010, information contained in this announcement is only based on the information currently available to the Group, it can only be treated as a preliminary assessment by the Board in accordance with the unaudited consolidated management accounts of the Group and is not based on any figures nor information that has been audited, confirmed and/or reviewed by the auditor of the Company, it is, therefore, subject to finalisation and necessary adjustments. The results announcement of the Company for the three months ended 30 June 2010 is expected to be released on 12 August 2010.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
International Entertainment Corporation
Kwok Chi Kin
Company Secretary

Hong Kong, 9 August 2010

As at the date of this announcement, the Board comprises the following members:

Executive directors:

Cheng Kar Shun (*Chairman*)
Lo Lin Shing, Simon (*Deputy Chairman*)
To Hin Tsun, Gerald
Cheng Kam Chiu, Stewart
Cheng Kam Bui, Wilson
Cheng Chi Kong
Cheng Chi Him

Independent non-executive directors:

Cheung Hon Kit
Kwee Chong Kok, Michael
Lau Wai Piu
Tsui Hing Chuen, William *JP*

This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors of the Company, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain at www.hkgem.com on the “Latest Company Announcements” page of the GEM website for at least 7 days from the date of its posting and on the website of the Company at www.ientcorp.com.