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亞洲金融集團(控股)有限公司
ASIA FINANCIAL HOLDINGS LTD.

(Incorporated in Bermuda with limited liability)

(Stock Code: 662)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and investors that the Group is expected to record significant losses for the six months ended 30 June, 2008 compared to a profit recorded by the Group for the corresponding period ended 30 June, 2007 due to the realised and unrealised losses on the Group's investment portfolio as a result of the recent general downturn in the world's equity markets.

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

This announcement is made by Asia Financial Holdings Ltd. (the "**Company**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The board of directors (the "**Board**") of the Company (together with its subsidiaries, the "**Group**") wishes to inform the shareholders of the Company and investors that the Group is expected to record significant losses for the six months ended 30 June, 2008 compared to a profit recorded by the Group for the corresponding period ended 30 June, 2007 due to the realised and unrealised losses on the Group's investment portfolio as a result of the recent general downturn in the world's equity markets. The Group does not engage in investment hedging activities and does not have any direct exposure to the U.S. sub-prime mortgage market. The Group will continue to maintain a prudent investment strategy.

The Board considers that the outlook for the Group's insurance business for the remainder of 2008 remains positive and that the Group's balance sheet and cash position remain very healthy and strong.

The Board remains focused on taking actions that create value for the Company's shareholders as well as serving its clients, growing the business profitably and reducing costs.

This profit warning announcement is only based on preliminary determinations by the Company's management according to the management accounts of the Company, which have not been confirmed or audited by the Company's auditors. Investors are advised to read carefully the interim results announcement of the Company for the six months ended 30 June, 2008 which is expected to be released in September 2008.

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

By order of the Board
Asia Financial Holdings Limited
Eileen Lam
Company Secretary

Hong Kong, 26th June, 2008

As at the date of this announcement, the executive directors of the Company are Mr. Robin Yau Hing Chan (Chairman), The Hon. Bernard Charnwut Chan (President), Mr. Stephen Tan and Mr. Wong Kok Ho; the non-executive directors are Mr. Lau Ki Chit, Dr. The Hon. Leo Tung Hai Lee, Mr. Choedchu Sophonpanich, Mr. Ng Song Hin, Dr. The Hon. Philip Yu Hong Wong, Mr. Kenneth Chi Lam Siao, Mr. Mamoru Miyazaki and Ms. Chan Yeow Toh; and the independent non-executive directors are Ms. Anna Suk Han Chow, Mr. Andrew Chiu Cheung Ma and Dr. Ko Wing Man.