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JIUZHOU DEVELOPMENT COMPANY LIMITED

九洲發展有限公司*

(Incorporated in Bermuda with limited liability)

(stock code: 908)

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 and potential investors of the Company that it is expected that the final results of the Group for the year ended 31 December 2008 may experience a significant decline as compared with those for the corresponding period in 2007.

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

This announcement is made by the board (“Board”) of directors of Jiuzhou Development Company Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (“Listing Rules”).

The Board wishes to inform the shareholders of the Company and potential investors that as the global financial market further deteriorated during the second half of the financial year 2008, it is expected that the final results of the Group for the year ended 31 December 2008 may experience a significant decline as compared with the corresponding period in 2007.

The Group is principally engaged in the operation and/or management of a holiday resort, theme park and amusement park and provision of port facilities and ticketing services in mainland China. The global financial turmoil occurred in the latter half of 2008 and the resulting rapid deteriorating economic environment and financial markets posed an adverse impact on the overall business and investments of the Group. In addition, the Group may record unrealized losses on fair value changes for certain listed equity investments measured at fair value through profit or loss and impairment charges on certain available for sale investment, all of which were mainly attributable to the plummeting of the stock markets caused by the global financial turmoil.

The Company is still in the process of finalizing the Group’s results for the year ended 31 December 2008. The information contained in this announcement is only based on the Company’s preliminary review of the management accounts of the Group which have not been audited or reviewed by the Company’s auditors. Shareholders of the Company and potential investors should read the Group’s final results announcement for the year ended 31 December 2008 carefully, which is expected to be published before the end of April 2009.

The Board considers that the overall financial position of the Group as a whole remains sound and the Group still currently maintains a very low debt-equity ratio and a strong cash position. The Board will continue to review the Group's strategies and operations with a view to enhance its business performance and is well positioned to weather the current difficult economic environment.

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

By order of the Board
Jiuzhou Development Company Limited
Zhu Lifu
Chairman

Hong Kong, 12 February 2009

As at the date of this announcement, the Board of Directors of the Company comprises Messrs. Zhu Lifu, Gu Zengcai, Huang Xin, Jin Tao and Wu Hanqiu as executive directors; Mr Liang Han as non-executive director; and Messrs. Hui Chiu Chung, Stephen, Chu Yu Lin, David and Albert Ho as independent non-executive directors.

* *For identification purpose only*