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SYMPHONY HOLDINGS LIMITED

(新豐集團有限公司) *

(Incorporated in Bermuda with limited liability)
(Stock code: 01223)

PROFIT WARNING

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

Based on a preliminary review of the management accounts and unaudited consolidated financial statements of the Group and information currently available to the Company, the Group is expected to report a substantial loss for the year ended 31 December 2008 as compared to that of the previous corresponding year.

This announcement is made by Symphony Holdings Limited (the “**Company**”, 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**”).

Based on a preliminary review by the management of the Company (“**Management**”) of the management accounts and unaudited consolidated financial statements of the Group, the board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and the potential investors that the Group is expected to report a substantial loss for the year ended 31 December 2008 as compared to that of the previous corresponding year.

The Board considers the Group’s financial performance for the year ended 31 December 2008 was primarily attributable to (1) the adverse global business environment including, but not limited to, the volatile fluctuation of the costs of raw material and the increase in labour costs, the appreciation of Renminbi; (2) the worldwide economic downturn leading to sluggish retail market and a material depreciation of the fair values of the Group’s properties as well as the goodwill of certain brand names maintained by the Company; and (3) the decline in the global equity market undermined the unrealised value of the Group’s securities investment.

In order to improve its business performance, the Board reviews the Group’s strategies and operations regularly, and remains cautious on cost control, risk management as well as its future investments. The Board considers that the overall operation of the Group as a whole remains sound and intact, and the financial position of the Group remains solid.

This profit warning announcement is based on the preliminary assessment by the Management of the management accounts and unaudited consolidated financial statements of the Group. Details of the financial information of the Group will be disclosed in the Group’s 2008 annual report.

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

By Order of the Board
Chow So Ying Anna
Company Secretary

Hong Kong, 2 March 2009

As at the date of this announcement, directors of the Company are:

Executive Directors: Mr. Sze Sun Sun Tony, Mr. Chang Tsung Yuan, Mr. Ku Edward Y., Mr. Chan Lu Min, Dr. Ho Ting Seng, Mr. Chan Ting Chuen

Non-executive Directors: Mr. Li I Nan

Independent Non-executive Directors: Mr. Cheng Kar Shing, Mr. Feng Lei Ming, Mr. Ho Shing Chak

** For identification purposes only*