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PEARL RIVER TYRE (HOLDINGS) LIMITED
(Registered under the Companies Act, 1981 of Bermuda with limited liability)
(Stock Code: 01187)

PROFIT WARNING

This announcement is made by the Pearl River Tyre (Holdings) Limited pursuant to Rule 13.09 of the Listing Rules.

The Board of Directors of Pearl River Tyre (Holdings) Limited wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a further substantial loss in the second half of the year 2008 (after recording a substantial loss in the unaudited interim results 2008), which would results in a significant net loss after tax for the consolidated results of the Company for the year ended 31 December 2008, as compared to that for the corresponding financial year in 2007.

Potential investors and shareholders of Pearl River Tyre (Holdings) Limited should exercise caution when dealing in shares of the Company.

This announcement is made by Pearl River Tyre (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**").

As stated in the Company's interim results announcement dated 18 September 2008, the Group recorded an unaudited consolidated loss after tax of approximately HK$23.9 million for the six months ended 30 June 2008. The Board of Directors (the "**Board**") of the Company wishes to inform the shareholders of the Company and potential investors that based on information currently available, the Board expected a further substantial loss in the second half of the year 2008. The expected losses were mainly attributable to the unsatisfactory performance of Guangzhou Pearl River Rubber Tyre Limited and the loss on fair value changes of held-for-trading listed securities due to decline in the market value of shares invested outside Hong Kong.

The information contained in this announcement is only based on preliminary assessment performed by the management of the Company and information currently available to the Company and is not based on any final figure or information audited or reviewed by the Company's auditors. The audited consolidated results of the Group for the year ended 31 December 2008 have not been finalized and are currently subject to audit by the auditors of the Company.

Potential investors and shareholders of the Company should exercise caution when dealing in shares of the Company.

By order of the Board
Pearl River Tyre (Holdings) Limited
Tan Pei Choo
Company Secretary
26 March 2009

As at the date of this announcement, the Board of Directors of the Company comprises of Mr. Goh Nan Kioh, the Non-Executive Chairman, Mr. Goh Nan Yang, being the Executive Director, Mr Yeoh Eng Khoon being the Non-Executive Director and Mr Won Thean Sang, Mr Yeow See Yuen and Mr Khoo Teng Keat being the Independent Non-Executive Directors.