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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 pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors, it is expected that the Group's unaudited consolidated net profit for the financial period ended 30 June 2010 may decline significantly as compared to the previous corresponding period.

Potential investors and shareholders of the Company 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 and the Joint Venture, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules").

Based on the information currently available, the board of directors (the "Board") of the Company wishes to inform the shareholders of the Company and potential investors, it is expected that the Group's unaudited consolidated net profit for the financial period ended 30 June 2010 may decline significantly as compared to the previous corresponding period.

The expected decrease in the financial results of the Group for the financial period ended 30 June 2010 mainly attributable to decrease in the operating profit from the Joint Venture, Guangzhou Pearl River Rubber Tyre Limited due to rise in raw material prices and decrease in the domestic sales for the Joint Venture.

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 reviewed by the audit committee members. The unaudited consolidated results of the Group for the financial period ended 30 June 2010 have not been finalized and are currently subject to review by the audit committee members of the Company.

Further details of the Company performance will be published in the unaudited consolidated interim results announcement for the six months ended 30 June 2010 which is expected to be announced in August 2010.

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

This announcement is made by the order of the Board, of which the directors individually and jointly accept responsibility for the accuracy of the information contained in this announcement

By order of the Board
Pearl River Tyre (Holdings) Limited
Tan Pei Choo
Company Secretary
3 August 2010

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.