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XINHUA NEWS MEDIA HOLDINGS LIMITED

(formerly known as Lo's Enviro-Pro Holdings Limited)
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 309)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(1) of the Listing Rules.

The Board wishes to inform shareholders of the Company and potential investors that based on the preliminary review by the management of the Company on the unaudited consolidated management accounts of the Company, which are currently under review by the auditors of the Company, the Group expects to record a larger loss for its financial year ended 31 March 2011 than the audited loss for the previous year ended 31 March 2010. The increase in loss is primarily due to impairment of intangible assets related to the medical waste treatment segment and impairment of property, plant and equipment related to the waste treatment segment, which are non-cash expenses, and the significant increase in professional fees in respect of the cooperation agreement entered into by the Company as detailed in the Company's circular dated 11 March 2011.

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

This announcement is made by Xinhua News Media Holdings Limited (the "Company", and together with its subsidiaries, the "Group") pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Based on preliminary review by the Company's management of the unaudited consolidated management accounts of the Group, the board of directors of the Company (the "Board") wishes to inform shareholders of the Company and potential investors that the Group expects to record a larger loss for its financial year ended 31 March 2011 than the audited loss for the previous year ended 31 March 2010. The increase in loss is primarily due to impairment of intangible assets related to the medical waste treatment segment and impairment of property, plant and equipment related to the waste treatment segment, which are non-cash expenses, and the significant increase in professional fees in respect of the cooperation agreement entered into by the Company as detailed in the Company's circular dated 11 March 2011.

The Company is in the process of finalizing the Group's final results for the year ended 31 March 2011. The information contained in this announcement is based on information currently available to the Group and the management of the Company's preliminary assessment after reviewing the unaudited consolidated management accounts of the Company which are currently under review by the Company's independent auditors. The Group's audited annual results for the year ended 31 March 2011 are expected to be announced on 28 June 2011.

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

By Order of the Board
Xinhua News Media Holdings Limited
Lo Kou Hong
Co-chairman

Hong Kong, 17 June 2011

As at the date of this announcement, the Board comprises eight executive Directors, namely Mr. Ju Mengjun, Dr. Lo Kou Hong, Mr. Xu Zugen, Mr. Mao Hongcheng, Mr. Cheung Ming, Ms. Ko Lok Ping, Maria Genoveffa, Mr. Leung Tai Tsan, Charles, and Mr. Cheung Pui Keung, James; one non-executive Director, namely Mr. Xu Rong; and three independent non-executive Directors, namely Mr. Cheng Kai Tai, Allen, Mr. Chiu Wai Piu and Mr. Wang Qi.