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BILLION INDUSTRIAL HOLDINGS LIMITED

百宏實業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2299)

ANNOUNCEMENT

POSITIVE PROFIT ALERT

This announcement is made by Billion Industrial 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**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the preliminary review of the management accounts of the Group for the six months ended 30 June 2011, the Board expects a substantial increase in the unaudited profit after taxation of the Group for the six months ended 30 June 2011 as compared with the six months ended 30 June 2010. The increase was primarily attributed to an increase in average selling price and sales volume of the Group’s products.

This positive profit alert is only based on a preliminary assessment by the management of the Company based on the management accounts of the Group for the six months ended 30 June 2011, which are still being reviewed by the Company’s auditors, and have not been reviewed and approved by the audit committee of the Company and are subject to possible adjustments upon further review.

The Company is still in the process of finalizing the interim results of the Group for the six months ended 30 June 2011. The overall financial results of the Group for the six months ended 30 June 2011 will only be ascertained when all the relevant results and corresponding treatments are finalised. The announcement of the Company's interim results for the six months ended 30 June 2011 is expected to be published in August 2011.

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

By Order of the Board
Billion Industrial Holdings Limited
Sze Tin Yau
Chairman

Hong Kong, 18 July 2011

As at the date of this announcement, the Board comprises Mr. Sze Tin Yau, Mr. Wu Jinbiao, Mr. Wu Jianshe, and Mr. He Wenyao as executive directors, and Mr. Yeung Chi Tat, Ms. Zhu Meifang and Mr. Ma Yuliang as independent non-executive directors.