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SHENGLI OIL & GAS PIPE HOLDINGS LIMITED

勝利油氣管道控股有限公司

(Incorporated in the Cayman Islands with Limited Liability)

(Stock Code: 1080)

POSITIVE PROFIT ALERT

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

The Board wishes to inform the Shareholders and potential investors that, based on the information currently available to the Board, it is expected that the profit of the Group for the six months ending 31 December 2011 will record a significant increase as compared to the profit for the six month ended 30 June 2011. In addition, based on information available to the Board as at the date hereof, the Board expects that the profit of the Group for the year ending 31 December 2011 will be comparable to that for the year ended 31 December 2010.

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

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the profit warning announcement of Shengli Oil & Gas Pipe Holdings Limited (the “**Company**”) dated 3 June 2011 (the “**Previous Announcement**”). Based on the information currently available to the board of directors of the Company (the “**Board**”), it is expected that the profit of the Company and its subsidiaries (the “**Group**”) for the six months ending 31 December 2011 will record a significant increase as compared to the profit for the six months ended 30 June 2011. Such increase of profit of the Group in the second half of the year 2011 is mainly attributable to the gradual recovery of the pipeline industry since the second quarter of 2011 as stated in the Previous Announcement. However, as the profit of the Group for the six months ended 30 June 2011 was significantly less than that of the corresponding period of 2010, based on information available to the Board as at the date hereof, the Board expects that the profit of the Group for the year ending 31 December 2011 is expected to be comparable to that for the year ended 31 December 2010.

The information contained in this announcement is only a preliminary assessment by the management of the Company based on the information currently available and is not based on any audited figures or information reviewed by the Company's auditors. Shareholders and potential investors are advised to carefully consider the Group's final results announcement and annual report for the year ending 31 December 2011, which are expected to be released in March and April 2012.

By order of the Board
SHENGLI OIL & GAS PIPE HOLDINGS LIMITED
Han Aizhi
Executive Director and Vice President

Zibo, Shandong, 7 November 2011

Executive Directors: *Mr. Zhang Bizhuang, Mr. Wang Xu, Ms. Han Aizhi and
Mr. Liu Yaohua*

Non-executive Directors: *Mr. Yan Tangfeng and Mr. Teo Yi-Dar*

*Independent non-executive
Directors:* *Mr. Huo Chunyong, Mr. Guo Changyu and Mr. Leung Ming Shu*