

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the content of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

吉林奇峰化纖股份有限公司

JILIN QIFENG CHEMICAL FIBER CO., LTD.*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 549)

POSITIVE PROFIT ALERT

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

The Board wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a substantial increase in net profit for the year ended 31 December 2011 as compared with the net profit for the year ended 31 December 2010.

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

This announcement is made by Jilin Qifeng Chemical Fiber Co., Ltd. (the “**Company**” 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 of the Company and potential investors that the Group is expected to record a substantial increase in net profit for the year ended 31 December 2011 as compared with the net profit for the year ended 31 December 2010. The expected increase is primarily due to (i) the improvement of supply and demand balance of acrylic fibre products as a result of consolidation in the industry during recent years; (ii) the expected increase in sales volume of the Group’s acrylic fibre products; and (iii) the expected substantial increase in the Group’s share of the net profit generated by Jilin Jimont Acrylic Fiber Co., Ltd., an entity jointly controlled by the Group.

The information contained in this announcement is only a preliminary assessment by the Board based on the unaudited management accounts of the Group. The annual results of the Group for the year ended 31 December 2011 have not yet been finalised as at the date of this announcement. Further details of the Group's performance will be disclosed when the annual results of the Group for the year ended 31 December 2011 are announced.

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

By order of the Board
Jilin Qifeng Chemical Fiber Co., Ltd.*
Wang Jinjun
Chairman

Jilin, the PRC, 31 January 2012

* *The Company is registered as an oversea company under Part XI of the Company Ordinance (Chapter 32 of the Laws of Hong Kong) under the English name "Jilin Qifeng Chemical Fiber Co., Ltd."*

As at the date of this announcement, the executive Directors are Mr. Wang Jinjun, Mr. Yang Xuefeng and Mr. Wang Changsheng, the non-executive Directors are Ms. Pang Suet Mui, Mr. Chen Jinkui, Mr. Jiang Junzhou, Mr. Ma Jun and Ms. Zhu Ping, and independent non-executive Directors are Mr. Ye Yongmao, Mr. Mao Fengge and Mr. Lee Ka Chung, J.P.