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XINGDA INTERNATIONAL HOLDINGS LIMITED

興達國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1899)

PROFIT WARNING

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

The Board wishes to inform the Shareholders and potential investors that based on the management's preliminary assessment of the unaudited consolidated management accounts, the Group is expected to record a decline in the net profit attributable to the owners of the Company for the year ended 31 December 2011 for more than 40% as compared with the net profit attributable to the owners of the Company for the year ended 31 December 2010.

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

This announcement is made by Xingda International Holdings Limited (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 (the “**Shareholders**”) and potential investors that based on the management's preliminary assessment of the unaudited consolidated management accounts, the Group is expected to record a decline in the net profit attributable to the owners of the Company for the year ended 31 December 2011 for more than 40% as compared with the net profit attributable to the owners of the Company for the year ended 31 December 2010.

The expected decline in the net profit attributable to the owners of the Company for the year ended 31 December 2011 was primarily attributable to the following reasons:

- (1) The one-off gain on disposal of available-for-sale investments of approximately RMB186 millions recorded in the year ended 31 December 2010; and
- (2) The increase in raw materials cost together with the decrease in average selling prices of sawing wires products and certain truck tire cords products reduced the gross profit margin; and
- (3) The increase in finance costs and foreign exchange loss.

Despite the decline in net profit for the year ended 31 December 2011, the Board considers that the Group's overall financial position remains solid and the Board remains positive on the long term prospect of the Group.

The Company is still in the process of finalising the results for the year ended 31 December 2011. The information contained herein is a preliminary estimate given by the management of the Group based on the unaudited consolidated management accounts of the Group which have not been audited or reviewed by the auditor of the Company. The audited financial results of the Group for the financial year ended 31 December 2011 will be announced on 23 March 2012. Further management discussion and analysis on the results of the Group will be set out therein.

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 of
Xingda International Holdings Limited
Liu Jinlan
Chairman of the Board

Hong Kong, 8 March 2012

As at the date of this announcement, the executive directors of the Company are Mr. Liu Jinlan, Mr. Liu Xiang, Mr. Tao Jinxiang and Mr. Zhang Yuxiao; the non-executive director of the Company is Ms. Wu Xiaohui; and the independent non-executive directors of the Company are Mr. Koo Fook Sun, Louis, Mr. William John Sharp and Ms. Xu Chunhua.