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**XINGFA ALUMINIUM HOLDINGS LIMITED**  
**興發鋁業控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 98)**

**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 the Group is expected to record a considerable reduction in profit for the year ended 31 December 2011 as compared to that of the Group 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 Xingfa Aluminium 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 of the Company and potential investors that the Group is expected to record a considerable reduction in profit for the year ended 31 December 2011 as compared to that of the Group for the year ended 31 December 2010.

The Board believes that such expected reduction is primarily attributable to (i) the drop of gross profit margin; (ii) the increase in the administrative expenses as a result of additional recruitment of staff and a rise of the pre-operating expenses for the new production plants of the Group, and (iii) the increase in the average borrowings and interest rates which led to a rise in finance costs.

The information contained in this announcement is only a preliminary assessment by the Board based on the consolidated management accounts of the Group for the year ended 31 December 2011. Further details of the Group's financial results and performance will be disclosed in the Company's annual results announcement to be published by the end of March 2012.

By order of the Board  
**Xingfa Aluminium Holdings Limited**  
**LIU Libin**  
*Chairman*

Hong Kong, 9 March 2012

As at the date of this announcement, the directors of the Company are as follows:

*Executive directors:*

Mr. LIU Libin (*Chairman*)  
Mr. LUO Su (*Honorary Chairman*)  
Mr. LUO Riming  
*(Chief Executive Officer)*  
Mr. LIAO Yuqing  
Mr. DAI Feng  
Mr. LAW Yung Koon  
Mr. WANG Zhihua

*Non-executive directors:*

Mr. CHEN Shengguang  
Mr. WONG Siu Ki

*Independent non-executive directors:*

Mr. CHEN Mo  
Mr. HO Kwan Yiu  
Mr. LAM Ying Hung Andy