



中國石化儀征化纖股份有限公司

SINOPEC YIZHENG CHEMICAL FIBRE COMPANY LIMITED

(a joint stock limited company established in the People's Republic of China)

(Stock code: 1033)

Price-sensitive Information Expected loss for the Interim Results for the six months ended 30 June, 2008

The Company and its directors warrant the authenticity, accuracy and completeness of the announcement, and will take full responsibility for false representations, misleading statement and material omission jointly.

This announcement is made by Sinopec Yizheng Chemical Fibre Company Limited (“**the Company**”) pursuant to Rule 13.09 (1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the relevant regulations issued by the Shanghai Stock Exchange.

1. Estimates of the interim results of 2008

- (1) Period of estimates of results: 1 January 2008 to 30 June 2008.
- (2) Estimates of results: According to the preliminary calculations of the Company, it is estimated that the Company and its subsidiaries (the “**Group**”) will suffer a consolidated net loss attributable to the equity shareholders of the Company for the 6 months ended 30 June, 2008.
- (3) The above estimates have not been reviewed or audited by any certified accountants.

2. Results for the corresponding period of the previous year

	Under the PRC Accounting Standards for Business Enterprises (2006)
Net profit attributable to equity shareholders of the Company	Rmb 50,029,000
Earnings per share	Rmb 0.013

3. Explanation for the reason

As the global market price of crude oil and the domestic price of coal have been soaring, the costs of the Group's raw materials and fuels increased substantially. Meanwhile, the business risk for downstream textiles has been increasing and the demand for downstream textiles has been slowing down. Therefore, the profit margin of the polyester products became narrower. Though the Company has made great efforts in strengthening fine management, optimizing production and operations, endeavoring to further reduce costs and expenses, and optimize the products structure, it is estimated that the Group will suffer a consolidated net loss attributable to equity shareholders for the first half of 2008 according to the preliminary calculations of the Company's accounting department. Shareholders and investors of the Company are advised to pay attention to specific information to be disclosed in the interim report for the 6 months ended 30 June, 2008 of the Company.

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

For and on behalf of the Board of Directors

Tom C. Y. Wu

Company Secretary

Nanjing, PRC, 17 July 2008

As at the date of this announcement, the Company's directors include Mr. Qian Heng-ge, Ms. Sun Zhi-hong, Mr. Xiao Wei-zhen, Ms. Long Xing-ping, Mr. Zhang-hong, Mr. Guan Diao-sheng, Mr. Shen Xi-jun, Ms. Li Zhong-he, Mr. Wang Hua-cheng*, Ms. Yi Ren-ping* and Ms. Qian Zhi-hong*.*

** Independent directors*