

[For Immediate Release]



XINGDA INTERNATIONAL HOLDINGS LIMITED
 興達國際控股有限公司

XINGDA ANNOUNCES 2008 INTERIM RESULTS

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**TURNOVER UP 41.6% AND
 PROFIT ATTRIBUTABLE TO COMPANY'S EQUITY HOLDERS SURGES 476.6%**

Financial Highlights :

For the six months ended 30 June

(Unaudited)	2008	2007	YOY Changes
	RMB Million	RMB Million	(%)
Turnover	1,775.2	1,253.4	+41.6%
Gross Profit	475.5	313.1	+51.9%
Gross Profit Margin	26.8%	25.0%	+1.8p.p.
Profit attributable to Company's equity holders	238.7	41.4	+476.6%
Basic earnings per share (RMB cents)	17.22	3.22	+434.8%

(Hong Kong, 8 September 2008) – Xingda International Holdings Limited (“Xingda” or “the Group”) (Stock Code:1899.HK), one of the largest manufacturer of radial tire cords in China, today announced its interim results for the six months ended 30 June 2008.

During the period under review, the Group's sales volume recorded steady growth and turnover increased by 41.6% to RMB1,775 million. At its effort to implement various policies to raise profit and control cost, the Group effectively boosted gross profit margin to 26.8% from 25.0% in the same period last year, and gross profit also increased by 51.9% to RMB476 million. Profit attributable to equity holders of the Company rose to RMB239 million, surged remarkably by 476.6% against the same period last year. The Board of Directors of the Company did not recommend payment of interim dividend for the six months ended 30 June 2008.

Mr Liu Jinlan, Chairman of Xingda, said, “Thanks to the strong demand for radial tire cords in China, the Group maintained market leadership and continued to be the largest manufacturer of radial tire cords in the PRC in the first half of 2008. We implemented various measures and developed new products to mitigate pressure from raising costs, which had allowed us to improve operational efficiency and profitability during the review period.”

During the first half of 2008, the Group's total sales volume increased by 29.7% to 137,100 tonnes as compared with the same period of 2007. Radial tire cords continued to be the core product of the Group with sales volume reached 114,900 tonnes, an increase of 29.8% and accounting for 83.8% of the total sales volume of the Group. Sales volume of bead wires also increased by 29.1% to 22,200 tonnes, accounting for 16.2% of the total sales volume.

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During the review period, the Group focused on selling radial tire cords for trucks which have a higher gross profit margin. 98,000 tonnes of the product type were sold during the period, 36.9% more year-on-year, which boosted its profit margin. Sales volume of radial tire cords for passenger cars was maintained at 16,900 tonnes. Radial tire cords for trucks and passenger cars accounted for 85.3% and 14.7% respectively of the total radial tire cords sales volume of the Group.

The price advantage of bias tires was weakened because of consistently high rubber price during the review period. Hence, more truck manufacturers turned to using radial tires which in turn expedited the radialization rate of tires in the PRC and also fuelled rapid growth in demand for radical tire cords. Heeding this trend, the Group made the PRC its target market for the period, which explained the 98.3% share in total sales volume contributed by domestic business. Apart from retaining existing customers, the Group actively sought to collaborate with leading domestic tire manufacturers. As for overseas business, it developed steadily and accounted for 1.7% of the Group's total sales volume.

The Group managed to ease pressure from rising raw material costs by exercising effective cost control and through adjusting the selling prices of products during the review period. As the Group used more of other materials, steel wire rods took up a slightly smaller portion of costs for the period and accounted for 52.2% of total cost of sales (first half of 2007: 53.5%).

With the first phase of the Group's No.8 Factory in full operation, it boasted production capacity for radial tire cords to 284,000 tonnes during the six months period ended 30 June 2008, up 30.2% as compared with same period last year. Meanwhile, production capacity for bead wires increased 69.2% to 66,000 tonnes. The overall production utilization rate of the Group increased from 80.0% in the first half of 2007 to 86.0% in the first half of 2008. The Group placed strong emphasis on research and development and developed 14 new types of radial tire cords during the review period. As at 30 June 2008, the Group offers a portfolio of 97 types of radial tire cords and 30 types of bead wires.

In order to satisfy domestic and overseas market demands and prepare for full scale radialization of tires in China, the Group will expand production capacity continually, targeting to increase annual production capacity for high performance radial tire cords by 40,000 to 50,000 tonnes in the next three years. The Group will also control production cost strictly, continue to suppress expenses through bulk purchase and strengthen relationship with suppliers and customers to stabilize and boost profit.

Mr Liu concluded, "With extensive experience in producing radial tire cords for major domestic and international tire manufacturers and boasting advanced technologies, we are confident of heading toward a bright future. Looking forward, riding on its solid expansion strategy, the Group will strive to expand its business, gradually enlarge market share and its income base, as well as keep a steady pace of development. It will seek to strengthen leadership in the PRC radial tire cords industry and bring better returns to shareholders."

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About Xingda International Holdings Limited

The Group is primarily engaged in the manufacturing and distribution of backbone material of radial tire including radial tire cords that support the tire wall and bead wires that connect the tire to the wheel-rim. Boasting unique production technologies, strong R&D capabilities and stringent quality control, Xingda has established solid foothold in China and is one of the largest manufacturers of radial tire cords in China. The Group's customers include the China's top 10 radial tire manufacturers and the global renowned tire manufacturer. Xingda's headquarters and production base located in Jiangsu Province of China with total gross floor area of around 567,000 sq. m.

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