



[For Immediate Release]



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

XINGDA ANNOUNCES 2010 INTERIM RESULTS

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**TURNOVER AND NET PROFIT SURGED 66.3% AND 135.9% RESPECTIVELY
SPURRED BY REMARKABLE GROWTH OF DOMESTIC AND EXPORT SALES**

Financial Highlights:

(Unaudited)	For the Six Months Ended 30 June		
	2010	2009	Changes
	(RMB Million)	(RMB Million)	
Revenue	2,538.4	1,526.8	+66.3%
Gross Profit	815.3	385.1	+111.7%
Gross Profit Margin	32.1%	25.2%	+6.9pts
Net Profit	635.4	269.3	+135.9%
Profit Attributable to Owners of the Company	476.6	200.8	+137.4%
Basic Earnings per Share (RMB fen)	34.38	14.49	+137.3%
Diluted Earnings per Share (RMB fen)	34.38	14.40	+138.8%

(Hong Kong, 17 August 2010) – 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 unaudited interim results for the six months ended 30 June 2010.

During the period under review, the Group’s total revenue surged 66.3% to RMB2,538.4 million, mainly driven by the remarkable growth in both domestic and overseas sales. With the substantial improvement in the utilisation rate, the economies of scale improved and led to an increase in the gross profit margin by 6.9 percentage points to 32.1%. The increase in the sales volume and margin boosted the Group’s gross profit by 111.7% to RMB815.3million. The net profit surged by 135.9% to RMB635.4million. Profit attributable to owners of the Company rose 137.4% to RMB476.6million. The Board of Directors of the Company did not recommend payment of interim dividend for the six months ended 30 June 2010.

Mr Liu Jinlan, Chairman of Xingda, said, “During the period, the economic stimulus measures continued to impact favorably on the PRC economy. The Group has experienced remarkable growth by taking advantage of the revival of the road transportation and automobile sectors starting in the second half of 2009 and the significantly improved business environment. Leveraging our solid foundation within the industry in high quality production and favourable recognition for our brand name, Xingda has been able to deliver encouraging results.”

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Radial tire cords continued to be the core product of the Group with sales volume increasing by 70.5% to 173,400 tonnes, accounting for 84.6% of the total sales volume of the Group. Sales volume of bead wires also rose by 77.5% to 31,600 tonnes, accounting for 15.4% of the total sales volume.

With the strong growth in tire replacement demand and hence the overall demand for radial tire cord, radial tire cord for trucks continued to contribute as the major source of revenue. Sales of this product was up by 59.6% to 134,700 tones. Sales volume of radial tire cords for passenger cars also increased significantly by 123.7% to 38,700 tonnes, mainly because of the country's automobile subsidy program and growth of the PRC into the top automobile producing country in the world together with increased export orders. Radial tire cords for trucks and passenger cars accounted for 77.7% and 22.3% of the total sales volume of radial tire cords respectively.

The Group's domestic business continued to dominate and accounted for 91% of total sales. Meanwhile, the competitive price and high quality of Xingda's products enabled the Group to achieve overseas market acceptance. Orders from overseas markets have been increasing, accounting for 9% of the Group's total sales which is a satisfactory growth from 5% in the same period in 2009.

As the Group managed to adjust the average selling price of products, the pressure from rising costs has eased. During the period, steel wire rods accounted for 55.8% of total cost of sales (first half of 2009: 52.4%).

With the first phase of the No. 9 factory completed and commencing operation in the first half of 2010, the production capacity for radial tire cords rose by 27.0% to 400,000 tonnes while that of bead wires was up 10.6% to 73,000 tones. The overall utilisation rate increased substantially to 86.2% as compared with 61.4% the same period in 2009.

To maintain its leading position in the industry, the Group is committed to research and development as well as offering a variety of products of superb quality. The Group has successfully developed a new product, a sawing wire, which is widely used in the solar cells industry for cutting polycrystalline silicon ingots to wafers. As it is a horizontal advance, more than half of the Group's existing production facilities can be shared in manufacturing this new product which have also boosted its overall cost effectiveness. Pilot production has been completed and mass production is expected to commence in 2011. The new product is expected to be another growth driver for the Group in the future.

Mr. Liu concluded, "The economic stimulus measures in the PRC are conducive to the healthy development of the entire tire industry. Xingda will continue to closely monitor the market demand and strive to maintain a high utilisation rate to attain economies of scale. While solidifying its status as a first tier radial tire cord manufacturer in the PRC, the Group will also step up efforts to extend its presence overseas. We believe our share of revenue contribution from overseas markets will continue to grow along with our overseas markets penetration. Looking ahead, Xingda is confident of sustaining its leadership in the PRC and will grasp the opportunities arising to expand its presence worldwide."

About Xingda International Holdings Limited

The Group is primarily engaged in the manufacturing and distribution of the backbone material of radial tires 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 a solid foothold in China and is one of the largest manufacturers of radial tire cords in China. The Group's customers include China's top 10 radial tire manufacturers and global renowned tire manufacturers. Xingda's headquarters and production base are located in Jiangsu Province of China with a total gross floor area of around 567,000 sq m.

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