


玖龍紙業(控股)有限公司*
NINE DRAGONS PAPER (HOLDINGS) LIMITED

 (Incorporated in Bermuda with limited liability)
 (Stock Code: 2689)

For Immediate Release
10 March 2009

**Nine Dragons Paper (Holdings) Limited Announces
the Final Results of Tender Offer for the 7.875% Senior Notes Due 2013**

10 March 2009 – Nine Dragons Paper (Holdings) Limited (HKSE: 2689) (the “**Company**” or “**Nine Dragons**”) on 9 February 2009 announced (the “**9 February Announcement**”) that it had commenced a tender offer (the “**Offer**”) to purchase for cash any and all of its outstanding US\$283,750,000 7.875% Senior Notes Due 2013 (the “**Notes**”). Further to the 9 February Announcement, the Company on 24 February 2009 announced the early results of the Offer and an extension of the original Early Tender Date. The Offer expired at 12:00 Midnight, New York City time, on 9 March 2009 (the “**Expiration Date**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as defined in the 9 February Announcement.

The Company today announces that US\$165,177,000 of the principal amount of the Notes, representing approximately 58% of the total amount of Notes outstanding, had been validly tendered and not been validly withdrawn as of the Expiration Date. The tendered amount, in addition to the US\$16,250,000 principal amount repurchased in December 2008 (the details of which are set out in the Company’s announcement dated 29 December 2008), brings the total amount of Notes repurchased or to be repurchased by the Company to US\$181,427,000, representing approximately 60% of the initial US\$300,000,000 principal amount outstanding. Following the settlement of this Offer, US\$118,573,000 of the principal amount of the Notes will remain outstanding. The Company has accepted all the tendered Notes for payment.

With regard to only an additional US\$4,745,000 of the principal amount of the Notes were tendered after the Early Tender Date, representing approximately 1.7% of the total amount of the outstanding Notes, the Company deemed that this relatively low tender rate is a reflection of the resumed confidence of investors on the liquidity position and future prospect of Nine Dragons. With a target of buying back any and all of the outstanding Notes, the Company increased the purchase price from US\$480 to US\$530 per US\$1,000 during the period after the original Early Tender Date in order to attract more tenders for the remaining Notes outstanding.

Holders of the Notes who validly tendered their Notes prior to the Expiration Date and did not validly withdraw their Notes, will receive the Total Consideration of US\$530 per US\$1,000 principal amount of Notes, plus accrued and unpaid interest thereon to, but not including, the date of payment.

The aggregate amount to be paid by the Company to holders of the Notes for the purchase of the tendered Notes will be approximately US\$94 million (which includes accrued interest thereon). Payment is expected to be made on or before 12 March 2009 for all tendered Notes.

Merrill Lynch & Co. acted as sole dealer manager, and Bondholder Communications Group acted as information and tender agent in connection with the Offer.

THIS PRESS RELEASE IS NOT AN OFFER TO PURCHASE, A SOLICITATION OF AN OFFER TO PURCHASE, OR A SOLICITATION OF AN OFFER TO SELL, NOTES. THE OFFER WAS MADE ONLY PURSUANT TO THE TERMS OF THE OFFER TO PURCHASE.

About the Company

The Company is a limited liability company incorporated in Bermuda, the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (under stock code 2689).

As of the date of this press release, the Group is the largest producer in Asia, and one of the largest producers in the world of packaging paperboard products in terms of design production capacity. The Group primarily manufactures linerboard, high-performance corrugating medium and certain types of coated duplex board. The Group also manufactures specialty paper, wood and bamboo pulp through a subsidiary, and produces unbleached kraft pulp through its joint venture subsidiary, which the Group uses as raw material for its own production as well as sells to third parties.

Forward-Looking Statements

Forward-looking statements in this press release, including those statements relating to the Offer, such as the repurchase of Notes, are based on current expectations. These statements are not guarantees of future events or results. Future events and results involve some risks, uncertainties and assumptions that are difficult to predict. Actual events and results could vary materially from the description contained herein due to many factors including changes in the market and price for the Notes; changes in the business and financial condition of the Group; and changes in the debt markets in general.

This press release is distributed by Wonderful Sky Financial Group Limited for Nine Dragons Paper (Holdings) Limited.

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