

[For Immediate Release]



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

**Xingda's 2006 Profit Attributable to Equity Holders of the Company
Up 67.2% to RMB194 million**

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**Strengthened Leading Position in China
Aims at Becoming Approved Supplier of More Global Tire Giants**

Financial Highlights:

	For the year ended 31 December		
RMB million	2005	2006	Change(%)
Turnover	2,357	2,516	+6.7
Gross profit	709	732	+3.2
Profit attributable to equity holders of the company	116	194	+67.2
Basic earnings per share (RMB)	0.1291	0.2131	+65.1
Final dividend per share (HKD)	Nil	0.04	N.A.

(Hong Kong, 3 April 2007) – Xingda International Holdings Limited (“Xingda” or “the Group”)(Stock Code : 1899), the largest manufacturer of radial tire cords in China, today announced its annual results for the year ended 31 December 2006.

With sales volume grew steadily during 2006, the Group's turnover and gross profit recorded year-on-year increase of 6.7% and 3.2% to RMB2,516 million and RMB732 million respectively. In addition, the increase of the Group's equity interests in Jiangsu Xingda Steel Tyre Cord Co., Ltd. in the end of 2005 from 58.4% to 69.54% has boosted the Group's profit for 2006, profit attributable to equity holders of the company surged 67.2% to RMB194 million as compared with 2005. The Board proposed to distribute a final dividend of HK 4 cents per share.

In the absence of the effect of change in fair value of the convertible bonds, the Group's consolidated profit attributable to the equity holders of the company of RMB353 million represents an excess of RMB17 million, or 4.9% over the forecast profit before the loss on fair value adjustment on the convertible bonds of RMB336 million listed on the prospectus dated 8 December 2006.

Mr Liu Jinlan, Chairman of Xingda, said, "The year 2006 was a critical year for the Group. The Group continued to be the largest manufacturer of radial tire cords in China. Besides, the Group's successful listing on the Main Board of HKEx on 21 December 2006 has marked its boarding of the international financial platform. This achievement has not only enhanced corporate governance of the Group, but has also given us greater exposure in the international market, speeding up the Group's future development pace in the global market."

In 2006, about 94% of the Group's turnover was from the sales of radial tire cords, the backbone material of radial tire. The remaining was from the sales of bead wire. During the year, the sales volume of radial tire cords increased 19.2% to 167,000 tonnes with sales increased 7.7% to RMB2,369 million. Sales of radial tire cords for truck accounted for 78% of the Group's total turnover (2005: 83%) and sales of radial tire cords for passenger car accounted for 16% of the Group's total turnover (2005: 10%).

China remained the Group's core market in 2006. The Group's sales volume of radial tire cords in China increased 14.8% to 158,700 tonnes and amounted to 95% of the Group's total radial tire cords sales volume (2005: 98.7%). With the Group's expansion into the overseas market, overseas sales volume of radial tire cords surged 3.5 times to 8,300 tonnes and amounted to 5% of the Group's total radial tire cords sales volume (2005: 1.3%).

To cater for increasing orders from its growing clientele, during the year, the Group actively expanded production capacity for radial tire cords and bead wires to 194,100 tonnes and 39,000 tonnes respectively, representing an increase of 14.8% and 1.8% when compared with 2005. The Group started to expand its No. 8 Factory targeting to boost production capacity by approximately 150,000 tonnes. The entire project will take four to five years to complete and will add between 30,000 to 40,000 tonnes yearly to the Group's capacity for producing high performance radial tire cords. At the same time, the Group will invest resources into developing new products and production craftsmanship. It plans to bring in high speed drawing machines and new models of stranding machines to give its products additional merits.

Developing overseas market is a key objective of the Group for the future. It has set up an international business development division in Shanghai during the year to coordinate international sales. The Group has been active to strive to become the approved radial tire cords supplier for more international tire manufacturers. It expects to obtain approvals from at least three renowned overseas tire manufacturers in Japan and India this year. Furthermore, the Group will step up exploring new overseas markets such as North America and Japan where many of its potential customers gather. As it continues to gain worldwide recognition, it expects more Japanese and European tire enterprises to pick it as an approved radial tire cords supplier within the next three years.

Mr Liu concluded, "In addition to pushing on with its business development strategy, the Group will closely follow industry trends and look for acquisition opportunities that can allow it to expand its business and seize market share quickly. As its operation continues to grow and its plans to adopt advanced manufacturing execution system (MES) and logistics management system, the Group is confident that operational cost will be lowered and greater economies of scale will be achieved, and thus, boosting its overall profitability ultimately. The Group is very optimistic about its outlook and believes it will continue to lead the industry and make strides into the global market, moving ever closer to its goal of becoming one of the largest radial tire cords suppliers in the world."

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About Xingda International Holdings Limited

Established in 1994, Xingda 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 wire 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 the largest manufacturer of radial tire cords in China. Xingda's customers include the China's top 10 radial tire manufacturers and the global renowned tire manufacturer Goodyear. Xingda's headquarters and production base located in Jiangsu Province of China with total gross floor area of around 567,000 sq. m.

Media enquiries:

Strategic Financial Relations (China) Limited

Karen Hung	Tel: 2864 4854	karen.hung@sprg.com.hk
Karen To	Tel: 2864 4860	karen.to@sprg.com.hk

Fax: 2527 1271