

[For Immediate Release]



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

**XINGDA'S PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY
INCREASES 119.7% TO RMB414.8 MILLION IN 2013**

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**MAINTAINS A STRONG PERFORMANCE IN THE DOMESTIC MARKET
CONTINUES TO EXPAND AND EXPLORE GLOBAL OPPORTUNITIES**

(Hong Kong, 26 March 2014) – **Xingda International Holdings Limited** (“Xingda” or “the Group”) (Stock Code: 1899.HK), one of the leading global manufacturer of radial tire cords, today announced its annual audited results for the year ended 31 December 2013.

In the wake of a modest recovery of the global economy and sustained domestic economic growth, in 2013 China's automobile and tire industry rebounded from a somewhat sluggish performance over previous years. The Group's revenue increased 6.4% to approximately RMB5,585 million, while gross profit rose by 29.5% to RMB1,385.4 million. Gross profit margin also increased 4.4 percentage points to 24.8%, thanks to the increase in sales volume and decrease in overall cost of production. The Group's profit attributable to owners of the Company increased by 119.7% to approximately RMB414.8 million. The Board of Directors has proposed a final dividend of 16 HK cents per share (2012: 15 HK cents per share).

Mr. Liu Jinlan, Chairman of Xingda, said, “Having come through an industry-wide downturn during the previous two years, the Group has successfully captured the market opportunities presented by favorable economic conditions to end 2013 on a good note. The Group saw a moderate and consistent rebound in all aspects of its businesses.”

Having already built its reputation as a trusted supplier, Xingda has registered a 16.8% growth in sales of radial tire cords to 473,700 tonnes in volume terms, which contributed around 86.3% to the Group's total sales volume (2012: 85.4%). On the other hand, bead wires sales increased by 8.4% to 69,400 tonnes, accounting for 12.7% of the total sales volume (2012: 13.5%) of the Group, while the sales of sawing wire maintained at 5,500 tonnes, representing 1.0% of the Group's total sales volume (2012: 1.1%).

During the year under review, radial tire cords for trucks remained as the Group's primary product, with sales increasing by 18.3% to 318,400 tonnes as China's robust construction activities spurred replacement demand. On the other hand, sales of the radial tire cord for passenger cars reached 155,300 tonnes, up 13.9% from the previous year on the back of steady growth of domestic demand for vehicles. Sales of radial tire cord for trucks and passenger cars represented around 67.2% and 32.8%, respectively, of the Group's total sales volume of radial tire cord products (2012: 66.4% and 33.6%).

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In 2013, the recovery of global economies and continued infrastructure and property investment in China boded well for the automobile industry. As a key supplier for the industry chain, Xingda's domestic sales volume of radial tire cords increased by 19.2% to 388,600 tonnes (2012: 325,900 tonnes), representing 82.0% of the Group's total sales volume for this product (2012: 80.4%). Besides an outstanding performance in the domestic market, Xingda has also strengthened its global businesses in terms of sales and geographical expansion. Not only has it achieved a 7.0% increase in exports sales to 85,100 tonnes (2012: 79,500 tonnes), which accounted for 18.0% of the Group's total sales volume of radial tire cords in 2013 (2012: 19.6%), but it has also gained recognition from global tire manufacturers as a high quality supplier of choice.

In addition, the Group's sales volume of sawing wire, an important element in the manufacturing process of solar cells, registered a figure of 5,500 tonnes (2012: 5,500 tonnes) as introduction of a number of new environmental policies by the Chinese government, including solar power subsidies, has nearly offset the weaker demand in overseas market.

During the period under review, Xingda continued to strengthen production operations and achieved higher productivity. To meet growing demand, Xingda has increased its radial tire cord capacity of the Jiangsu factory from 500,000 tonnes to 520,000 tonnes during the year, representing an increase of 4.0% of the capacity. The annual capacity of bead wires and sawing wires remained at 100,000 tonnes and 12,000 tonnes, respectively.

Mr. Liu concluded, "China's economy has entered into a new phase as it focuses on deepening reforms and economic restructuring. The government has embarked on a massive urbanisation plan, which requires not only large spending on infrastructure and property construction, but also in environmental protection, industrial upgrade and a wide range of public services in the rural area over the next decade. The Group is cautiously optimistic about the upcoming year and aims to maintain steady growth going forward. With growth of passenger car sales expected to stay steady, exports of radial tire cord for trucks carrying higher profit margin is likely to expand more quickly, driving the growth of our overall profit in the long run."

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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. The Group commenced mass production of sawing wires since December 2010. 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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