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魏橋紡織股份有限公司
Weiqiao Textile Company Limited*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2698)

Profit Warning

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that it is expected that the consolidated net profit of the Group for the year ended 31 December 2008 will experience an obvious decrease compared with that for the year ended 31 December 2007.

As the Company is still in the process of finalizing the results for the year ended 31 December 2008, the information contained in this announcement is only a preliminary estimate performed by the management of the Company and is not based on any figures or information audited or reviewed by the Company's auditors.

Shareholders of the Company and potential investors should exercise caution when dealing in shares of the Company.

This announcement is made by Weiqiao Textile Company Limited (the “**Company**”, together with its subsidiaries shall be referred to as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Reference is made to the interim report dated 12 September 2008 of the Company for the six months ended 30 June 2008, in which it was mentioned that the unaudited consolidated net profit of the Group for the six months ended 30 June 2008 experienced a decline compared with that for the same period of the year 2007 due to a number of adverse factors including the rapid appreciation of the Renminbi, the rise in raw materials and energy costs and the slowdown in foreign demand, the cotton textile market of China remained in a depression while market competition further intensified.

Although the PRC government has adopted some macro-economic measures in the second half of the year 2008, including increasing the tax rebate rate for certain textile products, it will take some time for these measures to improve the macro-economic environment as a whole. In addition, the economic growth rate was adversely affected by the global financial crisis at different degrees globally; the demand for textile products has been adversely affected as well. The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company and potential investors that, it is expected that the consolidated net profit of the Group for the year ending 31 December 2008 may experience an obvious decrease compared with that for the year ended 31 December 2007.

The Board considers that the overall operations of the Group as a whole remain sound and healthy and the financial condition remains stable and healthy.

As the Company is still in the process of finalizing the Group’s results for the twelve months ended 31 December 2008, the Company has not yet quantified the amount of decrease. The information contained in this announcement is only a preliminary assessment by the management of the Company and it is not based on any figures or information which has been audited or reviewed by the Company’s auditor. Investors are advised to read carefully the results announcement of the Company for the twelve months ended 31 December 2008, which is expected to be published before the end of March 2009.

Shareholders of the Company and potential investors should exercise caution when dealing in shares of the Company.

On behalf of the Board
Weiqiao Textile Company Limited

Zhao Suwen

Executive Director and Company Secretary

Shandong, People's Republic of China

15 January 2009

As at the date of this announcement, the board of Directors of the Company comprises 11 Directors, namely Ms. Zhang Hongxia, Mr. Qi Xingli, Ms. Zhao Suwen and Ms. Zhang Yanhong as executive Directors, Mr. Zhang Shiping, Mr. Wang Zhaoting, Ms. Zhao Suhua and Ms. Wang Xiaoyun as non-executive Directors and Mr. Wang Naixin, Mr. Xu Wenying and Mr. George Chan Wing Yau as independent non-executive Directors.

** The Company is registered in Hong Kong as an oversea company under the English name "Weiqiao Textile Company Limited".*