



北人印刷機械股份有限公司 BEIREN PRINTING MACHINERY HOLDINGS LIMITED

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

(Stock Code: 187)

PRICE-SENSITIVE INFORMATION ANNOUNCEMENT ON ADJUSTMENT OF FAVOURABLE INCOME TAX POLICIES APPLICABLE TO THE COMPANY

The board of directors of the Company and its directors warrant that there are no false misrepresentations, misleading statements or material omissions from this announcement and severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the contents contained herein. This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

It is noted by the Company that according to reports in medias including Shanghai Securities News dated 5 July 2007, the State Administration of Taxation demanded the relevant local tax authorities in its recent notice (“Notice”) to immediately correct the expired favourable income tax policies which are still being applied to the nine listed companies whose shares were approved to be issued in Hong Kong by the State Council in 1993. The difference in income tax resulting from the application of the expired favourable income tax policies in previous years shall be dealt with pursuant to the relevant regulations of the Law of the People’s Republic of China Concerning the Administration of Tax Collection.

Beiren Printing Machinery Holdings Limited (the “Company”), one of the aforesaid nine listed companies. The Company is communicating with the relevant department, and is evaluating possible financial effects caused by the matter. The Company will issue another announcement in due course when the matter is clarified.

The Company advised investors to exercise caution in dealing with shares of the Company.

The Board of Directors
Beiren Printing Machinery Holdings Limited

5 July 2007

As at the date of the announcement, the Company's directors comprise Mr. Wang Guohua, Mr. Lu Changan, Mr. Zhang Peiwu , Mr. Yu Baogui, Mr. Jiang Jianming, Mr. Yang Zhendong, Mr. Deng Gang, Ms. Li Yijing, Mr. Shi Tiantao*, Mr. Wu Hongzuo* and Mr. Wu Wenxiang*.*

** Independent non-executive director*