



北人印刷機械股份有限公司

BEIREN PRINTING MACHINERY HOLDINGS LIMITED

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 187)

ANNOUNCEMENT IN RESPECT OF ESTIMATED LOSS FOR 2008

The Board of Directors of the Company and all members of the Board of Directors warrant that this announcement does not contain any false information, misleading statements or material omission and that they severally and jointly accept full responsibility for the truthfulness, accuracy and completeness of the contents herein contained.

I. ESTIMATED RESULTS FOR THE PERIOD:

1. Period to which the estimated results apply: 1 January 2008 to 31 December 2008;
2. Estimated results: It is estimated by the Company that the results for the year ended 31 December 2008 will record a significant loss;
3. The estimated results for the period have not been audited by any audit organization.

II. RESULTS FOR THE CORRESPONDING PERIOD OF THE PREVIOUS YEAR:

1. Net profit: RMB9,278,498.87
2. Earnings per share: RMB0.02

III. EXPLANATIONS OF ESTIMATED LOSS FOR 2008:

1. Industry-wide slowdown: Due to the impact of the global financial crisis and the macroeconomic control policies of China, the profit of downstream printing enterprises has been heavily squeezed. Some printing enterprises were forced to transform, disinvest or even close down. The above factors have caused a significant shrink in the overall demand for printing machinery equipments. The sales revenue of the Company for the first three quarters decreased by 30.85% as compared with the corresponding period of the previous year. It is expected that the results for the whole year would not improve.
2. Increase in production cost: Attributed to factors such as the rapid increase in costs of raw materials and labor since the beginning of the year, the operating cost of the Company for the whole year has climbed up significantly and dragged down the profit index of the Company.
3. Abrupt decrease in profit from subsidiaries: Since the Company has been investing in printing machinery and related fields, the subsidiaries of the Company also suffered from the above two negative factors and recorded losses of different extents during the year.

4. Provision for bad debts and asset impairment: Due to the sales drop caused by the market-wide slump, the turnover period for accounts receivable and inventory of the Company increased significantly. Accordingly, the Company planned to continue the impairment provision for accounts payable, inventory and sales returns as a result of collecting accounts receivable.

IV. RISK INDICATION:

Details of the Company's operating results will be more particularly disclosed in the 2008 Annual Report. Potential investors and shareholders should exercise caution when dealing in the shares of the Company.

The Board of Directors of
Beiren Printing Machinery Holdings Limited

30 October 2008

As at the date of the announcement, the Company's Board of Directors comprises Mr. Wang Guohua, Mr. Deng Gang, Mr. Bai Fan and Mr. Yu Baogui as non-executive directors, Mr. Zhang Peiwu, Mr. Yang Zhendong as executive directors and Mr. Xu Wencai, Ms. Wang Hui, Mr. Xie Bingguang and Mr. Wang Deyu as independent non-executive directors.