

This statement is made at the request of The Stock Exchange of Hong Kong Limited.

In response to the recent articles in today's newspaper, we confirm that of Beijing Enterprises Holdings Limited ("the Company") has not made any profit forecast of HK\$1 billion or HK\$1.1 billion in the year of 2007 in respect of the Company.

We also confirm that the Company has not made any changes to the profit forecast of the Gas Group at the amount of HK\$788 million as stated in the Circular dated 30 April 2007.

The Company will release a clarification announcement tomorrow.

The above statement is made by the order of the Board of the Company. The directors of the Board jointly and individually take responsibility to the accuracy of the statement.

As at the date of this statement, the executive directors of the Company are Mr. Yi Xi Qun, Mr. Zhang Hong Hai, Mr. Li Fu Cheng, Mr. Bai Jin Rong, Mr. Liu Kai, Mr. Guo Pu Jin, Mr. Zhou Si, and Mr. E Meng; Mr. Zhao Chang Shan, Mr. Lei Zhen Gang; the independent non-executive directors of the Company are Mr. Lau Hon Chuen, Ambrose, Dr. Lee Tung Hai, Leo, Mr. Wang Xian Zhang, Mr. Wu Jiesi and Mr. Robert A. Theleen.

For and on behalf of

Beijing Enterprises Holdings Limited

Zhang Hong Hai
Director

Hong Kong, 17 May 2007