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北京控股有限公司
BEIJING ENTERPRISES HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(website: www.behl.com.hk)

(Stock Code: 392)

CLARIFICATION ANNOUNCEMENT

The Board of the Company wishes to make this clarification announcement in response to articles appeared in a few newspapers on 17 May 2007 that the Company's profit forecast is HK\$1 billion or HK\$1.1 billion for the year 2007 and that the profit forecast of the Beijing Gas Group in 2007 changes from HK\$788 million to HK\$680 million.

The board of directors (the "Board") of Beijing Enterprises Holdings Limited (the "Company") wishes to make this clarification announcement in response to articles appeared in a few newspapers on 17 May 2007 that the Company's profit forecast is HK\$1 billion or HK\$1.1 billion for the year 2007 and that the profit forecast of the Beijing Gas Group in 2007 changes from HK\$788 million to HK\$680 million.

The Board wishes to clarify that:

1. the Company has not made any profit forecast of HK\$1 billion or HK\$1.1 billion for the year 2007 in respect of the Company; and
2. the Company has not made any changes to the profit forecast of the Beijing Gas Group in 2007 at the amount of HK\$788 million as stated in the circular dated 30 April 2007 despatched to the shareholders of the Company.

This announcement is made by the order of the Board. The directors of the Board jointly and individually take responsibility of the accuracy of this announcement.

Public investors and shareholders of the Company should exercise caution when dealing in the securities of the Company.

By order of the Board

Tam Chun Fai

Company Secretary

Hong Kong, 17 May 2007

As of the date of this announcement, the Board comprises executive directors 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, Mr. E Meng, Mr. Zhao Chang Shan and Mr. Lei Zhen Gang; and independent non-executive directors Mr. Lau Hon Chuen, Ambrose, Dr. Lee Tung Hai, Leo, Mr. Wang Xian Zhang, Mr. Wu Jiesi and Mr. Robert A. Theleen.