



DAISHO MICROLINE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 0567)

PROFIT WARNING

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

The Board wishes to inform the Shareholders and potential investors that the profit of the Group for the six months ended 30 September 2008 may decrease substantially as compared with the last corresponding period.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Daisho Microline Holdings Limited (the “**Company**”, together with its subsidiaries, 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**”).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the profit of the Group for the six months ended 30 September 2008 (the “**Interim Period**”) may decrease substantially as compared with the last corresponding period mainly as a result of the following factors influencing the Group during the Interim Period.

- (i) The reduction in the average unit selling price for printed circuit boards sold by the Group due to the strategic reason to broaden the customer base of the Group;
- (ii) The increase in the raw material costs for the Group due to the jump in the prices of non-ferrous metals such as copper and gold etc.; and
- (iii) The increase in the production costs for the Group due to the appreciation of Renminbi currency.

The Board considers that the financial position of the Group remains sound and the Group is capable of financing its operations by its own internal resources and available banking facilities.

As the Company is still in the process of finalizing the results of the Group for the Interim Period, the information contained in this announcement is a preliminary estimate given by the management of the Company and is not based on any figures nor information that has been audited or reviewed by the Company’s auditors.

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

By Order of the Board
Chan Sik Ming Harry
Chairman

Hong Kong, 28 November 2008

As at the date of this announcement, the Board consists of five executive directors, namely, CHAN Sik Ming, Harry, Motofumi TSUMURA, Hiroto SASAKI, Hiroyuki KIKUCHI and AU-YEUNG Wai Hung, and three independent non-executive directors, namely, Kohu KASHIWAGI, CHAN Yuk Tong and LI Chi Kwong.