

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

## **TAI PING CARPETS INTERNATIONAL LIMITED**

*(incorporated in Bermuda with limited liability)*

(Stock Code: 146)

### **PROFIT WARNING**

This announcement is made by Tai Ping Carpets International 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 board of Directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that the Group is expected to record a loss for the six months ended 30 June 2010 as compared to a profit for the same period in 2009. The Board considers that this result is mainly attributable to the continuous unfavorable economic conditions in certain major markets in which the Group operates and the depreciation of the Euro over the reporting period. Based on the current operating environment, the Board's outlook is more favourable for the second half of the year.

As the Company is still in the process of finalizing the unaudited interim results of the Group for the six months ended 30 June 2010, the information contained in this announcement is only based on the preliminary assessment by the Company's management according to the consolidated management accounts of the Group and such information has not been audited or reviewed by the Company's auditor. The unaudited interim results of the Group for the six months ended 30 June 2010 is expected to be published by the end of August 2010.

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

By order of the Board  
**Tai Ping Carpets International Limited**  
**Nicholas T. J. Colfer**  
*Chairman*

Hong Kong, 26 July 2010

*As at the date of this announcement, the Directors of the Company are: Chairman and Non-executive Director – Mr Nicholas T. J. Colfer; Chief Executive Officer and Executive Director – Mr James H. Kaplan; Independent Non-executive Directors – Mrs Yvette Y. H. Fung, Mr Roderic N. A. Sage, Mr Lincoln C. K. Yung; Non-executive Directors – Mr Ian D. Boyce, Mr Lincoln K. K. Leong, Mr David C. L. Tong, Mr John J. Ying; Alternate Director – Mr Nelson K. F. Leong (Alternate to Mr Lincoln K. K. Leong).*