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TAI PING CARPETS INTERNATIONAL LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 146)



IMPACT OF THAILAND FLOODING ON TAI PING OPERATIONS

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 (the “Board”) of the Company would like to inform its shareholders and potential investors of the severe flooding in Thailand and the impact on the operations of the Group.

As a result of the floods, the Company had to suspend production at the Group’s Carpets Inter production facility in Pathumthani, near Bangkok on 17 October 2011. Currently, the Company cannot estimate when production activities at the Carpets Inter factory will restart. It may take several weeks after flood waters recede for production to resume at normal capacity.

The Company has redirected production orders to its production facility in Nanhai, PRC, to its joint-venture partner Weihai Shanhua in Weihai, PRC and several third party manufacturing companies in the PRC and South East Asia.

While the Company has insurance coverage to cover damage to its assets as a result of the flooding and also has business interruption insurance, the full impact of damage to the Group’s production facilities in Thailand is unknown at the date of this announcement.

The Company will make further announcement as appropriate if there is a material impact on the Company’s financial results for the financial year ending on 31 December 2011 as a result of the flooding.

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, 3 November 2011

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, Mr Aubrey K. S. Li; 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).