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TAI PING CARPETS INTERNATIONAL LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 146)



POSITIVE PROFIT ALERT

The Group is expected to record a significant increase in profits for the year ended 31 December 2012 as compared to the corresponding period in 2011. Shareholders and potential investors are informed that the Group is still in the course of finalizing its financial results and consequently the information referred to in this announcement is subject to change. Financial information and other details of the Group will be disclosed in the annual results announcement of the Group for the year ended 31 December 2012 scheduled for 22 March 2013.

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

This announcement is made by Tai Ping Carpets International Limited (the “Company”, together with its subsidiaries, the “Group”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined in the Listing Rules) of Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2012, the Company would like to inform shareholders and potential investors that it is expecting to record a significant increase in profit for the year ended 31 December 2012 compared to the corresponding period in 2011. The improvement in the Group’s results is primarily due to an accounting profit relating to a very substantial disposal of the equity interest in three PRC joint ventures, which was previously reported and an accounting gain relating to insurance recovery due to the flood in Thailand in 2011. Total insurance recovery is still under discussion with the insurers.

Shareholders and potential investors are informed that the Group is still in the course of finalizing its financial results and related audit work has not yet been completed. The information contained in this announcement is only based on a preliminary assessment by the Company of its unaudited consolidated management accounts and is not based on any figures or information audited or reviewed by the Company’s independent auditors, and is therefore subject to change. Financial information and other details of the Group will be disclosed in the annual results announcement of the Group for the year ended 31 December 2012 scheduled for 22 March 2013.

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

Hong Kong, 13 March 2013

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. David C. L. Tong, Mr. John J. Ying, Mr. Nelson K. F. Leong .