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TCL Multimedia Technology Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1070)

Profit Warning

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Board wishes to inform the shareholders of the Company and investors that the consolidated results of the Company for the fourth quarter ended 31 December 2006 will be worse than expected. The Board is expected to announce its audited consolidated annual results for the year ended 31 December 2006 on or around 27 April 2007.

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

TCL Multimedia Technology Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) announced in its results announcement dated 20 October 2006 for the nine months ended 30 September 2006 that the Group’s operating performance was expected to improve gradually since new business strategy and restructuring plan of the European business would be implemented progressively from the fourth quarter (the “Q4”) of 2006 onwards.

The board of directors of the Company (the “Board”) would like to inform its shareholders that based on the consolidated management accounts of the Group for Q4 of 2006, the performance of the Group in Q4 will be much worse than expected for the reasons that the overall costs and expenses (including impairment provisions) for restructuring and winding down the Group’s European operations far exceeded the Board’s previous estimation and the performance of the Group’s business in the Emerging Markets was below expectation. Accordingly, the Board anticipates that the Group will continue to record a substantial loss for the Q4 of 2006. Apart from this, the performance of the Group’s businesses in other markets was generally in line with the Board’s expectations.

The amount of the total loss for the year ended 31 December 2006 is subject to the management final review and audit and will be disclosed in the final results announcement which is expected to be released on or before 27 April 2007.

The Board is confident that the underlying factors that drive the Group's business remain sound and the medium-and long-term prospects of the Group remain positive.

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

On behalf of the Board
Li Dongsheng
Chairman

Hong Kong, 3 April 2007

As at the date hereof, the Board comprises Li Dongsheng, Lu Zhongli, Wang Kangping, Shi Wanwen and Yuan Bing as executive directors, Albert Thomas da Rosa, Junior as non-executive director and Tang Guliang, Wang Bing and Robert Maarten Westerhof as independent non-executive directors.

Please also refer to the published version of this announcement in South China Morning Post - Classified.