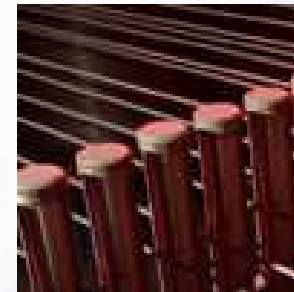
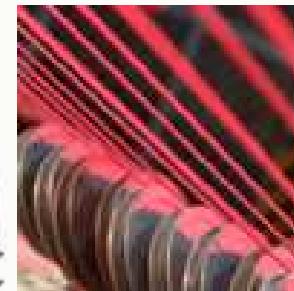
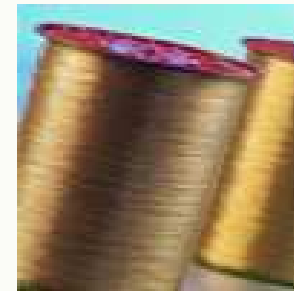


XINGDA INTERNATIONAL HOLDINGS LIMITED
興達國際控股有限公司
(HKEx stock code: 1899)

2008 Interim Results Corporate Presentation



Disclaimer

The materials included herein are qualified in their entirety by and should be read in conjunction with, the more detailed information, risk factors and financial statements, including the notes thereto, contained in the prospectus dated 8 December 2006, the subsequent annual reports for the year ended 31 December and the interim reports for the six months ended 30 June of Xingda International Holdings Limited (the "Company").

They are summaries in nature and do not purport to be a complete description of the Company, its business, operations, financial position, results or prospects.

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Agenda

- ❖ **Financial Review**
- ❖ **Business Overview**
- ❖ **Outlook & Strategies**



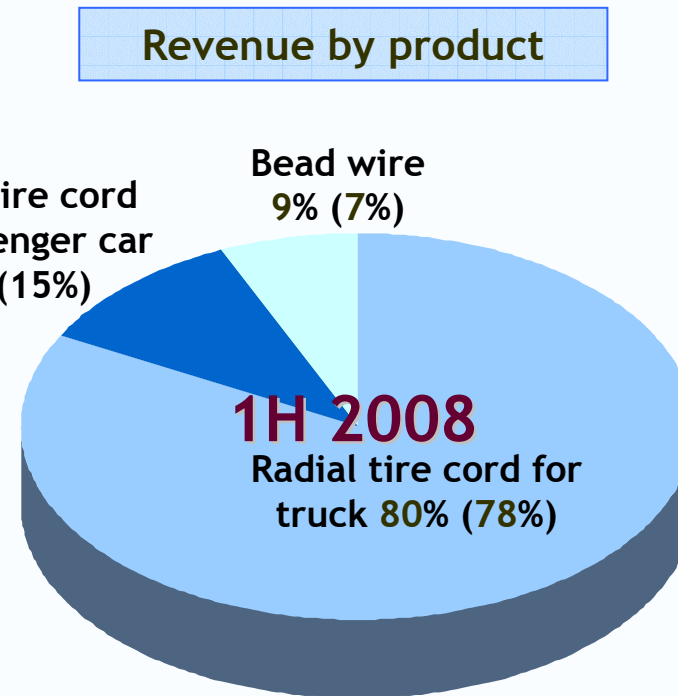
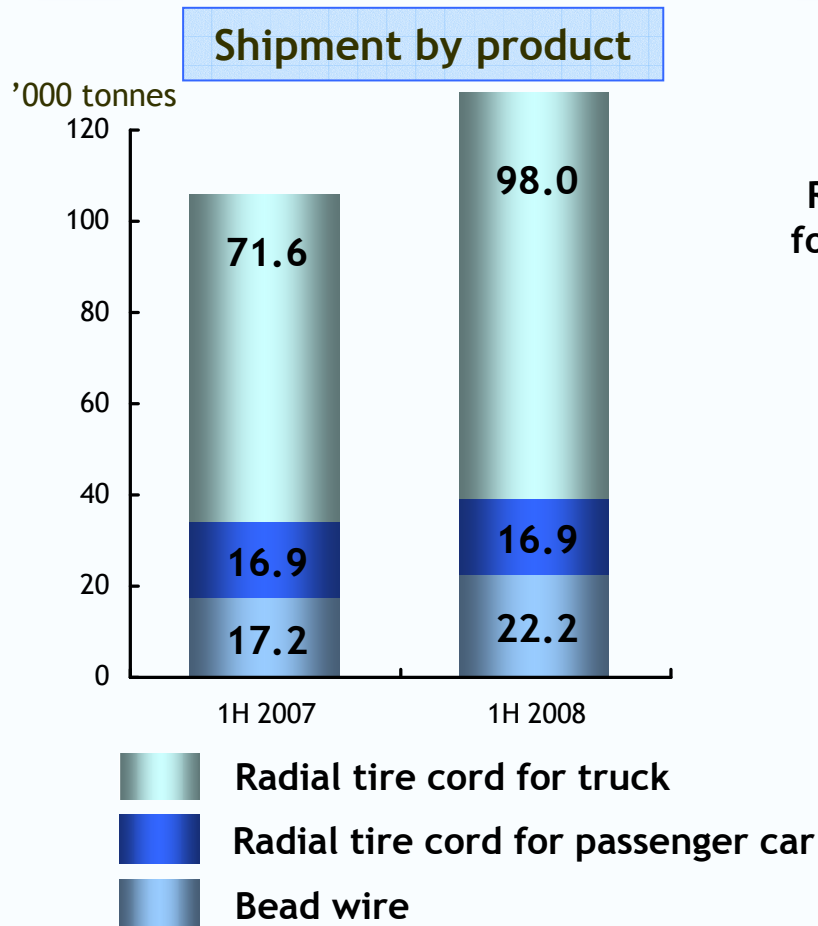
Financial Review



Financial Highlights

<i>RMB'million</i>	For the six months ended		Change
	30 June		
	2007	2008	
Revenue	1,253	1,775	+41.6%
Gross profit	313	476	+51.9%
Gross profit margin	25.0%	26.8%	+1.8%pts
Operating profit	244	378	+54.9%
Operating profit margin	19.5%	21.3%	+1.8 %pts
Profit attributable to equity holders of the Company	41	239	+476.6%
Basic EPS (<i>RMB fen</i>)	3.22	17.22	+434.8%
Profit attributable to equity holders of the Company BEFORE CB adjustment and FX	130	224	+72.3%

Revenue Analysis



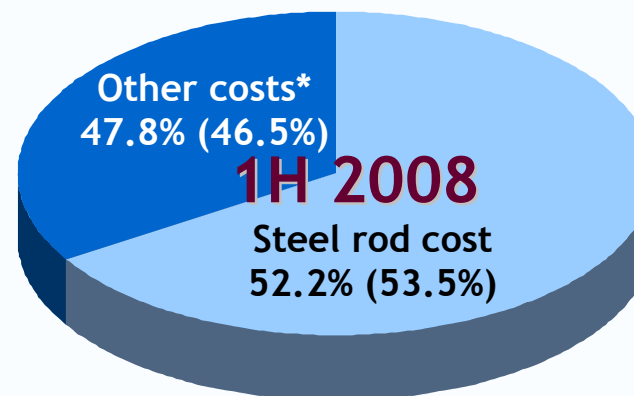
For the six months ended 30 June



Cost of Sales

- ❖ Steel rod cost accounted for 52.5% of the total COS (1H 07: 53.5%)
- ❖ Drop of steel rod cost to total COS due to
 - ❖ Faster growth in other direct materials including coal, lead and LPG
 - ❖ Increasing procurement of domestic high-end steel wire rods to enjoy a lower overall unit price
 - ❖ Strengthened relationship with suppliers to secure stable steel rod price

COGS breakdown



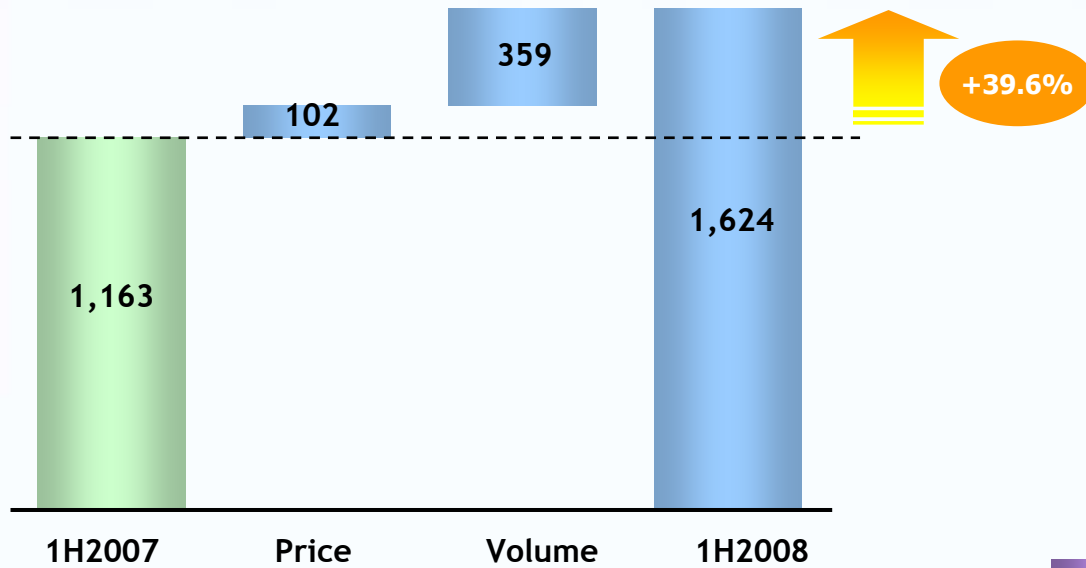
For the six months ended 30 June

**Other costs include other raw materials, depreciation, labor, electricity and other costs*

Revenue Growth Drivers

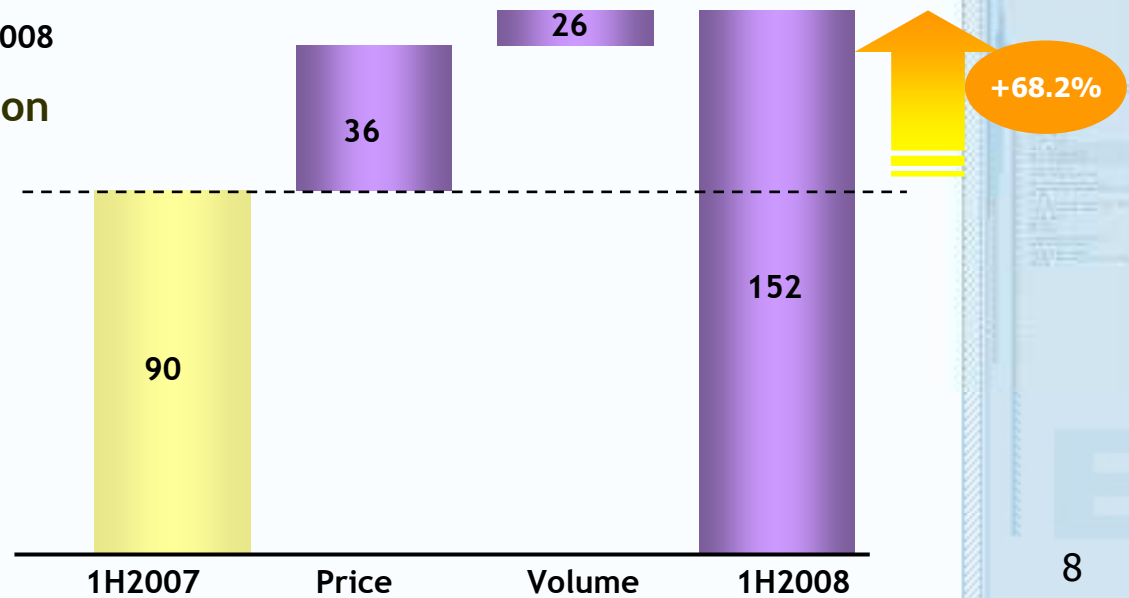
Radial Tire Cords

RMB'million



Bead Wires

RMB'million



Key Figures

	As at 31 Dec 07	As at 30 Jun 08
Cash on hand (RMB'mil)	947	790
Current ratio (times)	1.47	1.41
Trade receivable turnover days*	109 days	101 days
Trade payable turnover days	32 days	27 days
Inventory turnover days	51 days	53 days
Net debt to equity (%)	19.3%	30.9%

**Adjusted for the value-added tax effect*





Business Overview



Strong Industry Growth

- ❁ Exponential automobile demand in China
 - ❁ Being the 2nd largest consumption country in 1H08
 - ❁ Truck sales grew YOY of 19.2% to 950,000 units in 1H08
 - ❁ Passenger cars sales rose YOY by 16.0% to 2.7 million units in 1H08
 - ❁ Strong growth momentum in recent years translated into strong replacement market demand in present and the future
- ❁ Sustainable strong outsourcing demand from international tire manufacturers
- ❁ Fastened radialisation rate
 - ❁ Increasing cost of rubber shifted demand from bias tire to radial tire
 - ❁ Forecast to reach 80-90% in 2010 and close to 100% by 2015*

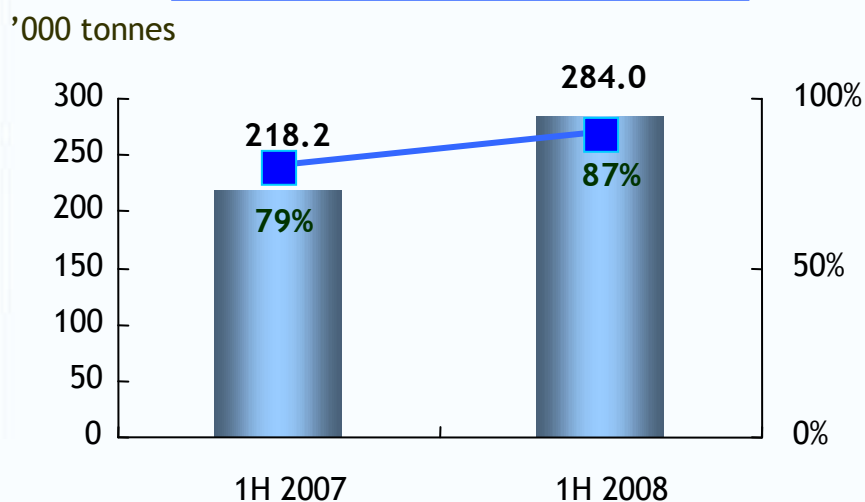


**by China Rubber Industry Association's statistics and forecast*

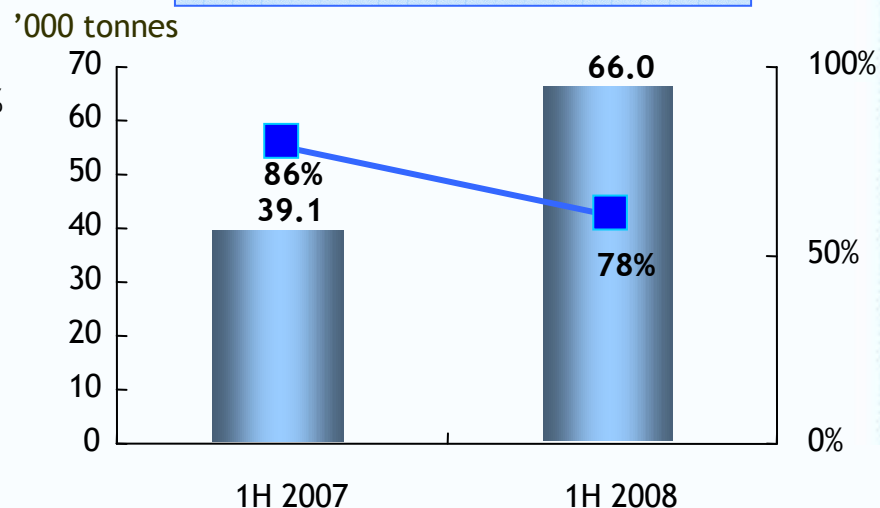
Increasing Capacity

- ❖ Full operations of its No.8 Factory Phase I brought in additional capacity
- ❖ Production capacity for radial tire cords and bead wires increased by 30% and 69% YOY respectively
- ❖ Overall utilization rate increased from 80% in 1H07 to 86% in 1H08

Radial tire cords
capacity & utilization rate



Bead wires
capacity & utilization rate



For the six months ended 30 June



Effective Cost Control

- ❖ Strengthened pricing strategy
 - ❖ Ability to shift a reasonable part of the increased cost to customers
 - ❖ Raised ASP of both radial tire cords and bead wires to match with the increased cost of steel rod
- ❖ Advanced supply chain
 - ❖ Tightened relationship with suppliers to secure stable steel rod volume
 - ❖ Increased consumption of local steel rod to lower overall raw material cost
 - ❖ Adopted bulk purchase to obtain lower steel rod price



Outlook & Strategies

Future Blueprints

- ❖ Two-pronged growth strategy
 - ❖ Organic expansion to reach 400,000 tpa capacity of radial tire cords by 2011 with 40,000 to 50,000 tpa growth in the coming 3 years
 - ❖ Seek for acquisition opportunities from industry consolidation in China
- ❖ China market as core focus with gradual overseas expansion
 - ❖ Seek for new supplier contracts with China top-rank tire manufacturers
 - ❖ Explore markets in N. America, Europe, Japan and Korea

Better Economies of Scale

- ❖ Capability and R&D enhancement
 - ❖ Bring in new facilities such as top-notch testing equipment from advanced countries
 - ❖ Develop new products and production craftsmanship
- ❖ Stringent cost control
 - ❖ Source steel rod at low cost
 - ❖ look for long-term supplier contract to secure stable steel rod price



Open Forum

