

GITI TIRE CORPORATION

Financial Results for the First Half Ended 30 June 2012 (“1H2012”)

Giti Tire Corporation's¹ revenue for 1H2012 was RMB2,064 million, lower by 7.0% from 1H2011's revenue of RMB2,220 million. The decrease was a combined effect mainly attributable to decrease in sales volume and increase of average selling price. The decrease in sales was mainly due to the slowdown in China relating to the contracted activities in the construction and properties sectors, coupled with measures undertaken by the Chinese government to restrict credit availability. The decrease in the export market was largely brought about by the financial crisis in the European markets.

In 1H2012, the Company's gross profit was RMB358 million, approximately a one-fold increase compared to 1H2011's gross profit of RMB180 million. Gross profit margin for 1H2012 was 17.3% as compared to 8.1% in 1H2011. The increase in gross profit was mainly attributable to the decrease in raw material costs of goods sold. The Company also incurred higher finance expenses during the period due to higher cost of borrowings compared to 1H2011 (the decrease in interest rates by PBOC in June 2012 has limited effect on this quarter's finance expenses) and decrease in foreign exchange gain recognised during the period, mainly attributable to strengthen USD and weaken Euro against RMB during the period.

The Company generated a net profit of RMB143 million in 1H2012, an increase of over 100% compared to RMB32 million in 1H2011, while net profit margin for 1H2012 was 6.9% compared 1.4% in 1H2011.

¹ *Giti Tire Corporation is a subsidiary company of Giti Tire Pte. Ltd.. Giti Tire Corporation holds 51% of Giti Tire Fujian, which represents one of seven tire manufacturing plants owned by Giti Tire Pte. Ltd. Group.*

Giti Tire Corporation (Stock code: 600182) listed on the Stock Exchange of Shanghai, is a member of the Giti Tire Pte. Ltd. group of companies