



FibreChem Technologies Limited
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MEDIA RELEASE
(For Immediate Release)

**FibreChem's Nine-Month Net Profit Surged
 75.1% to HK\$398.5 Million**

- *Group revenue grew 52.5% for the first nine months of FY2007, boosted by increased contributions from microfibre leather and the newly commissioned long fibre production facility*
- *Group net margins rose to 30.3% backed by higher profits from microfibre leather products*
- *Completed rights issue of non-redeemable convertible non-cumulative preference shares, gross proceeds approximate S\$114.4 million*

Financial Highlights						
	3 months ended 30 Sep 2007			9 months ended 30 Sep 2007		
	Quarter-on-Quarter			Year-on-Year		
(HK\$ 'm)	3Q07	3Q06	% Change	9M07	9M06	% Change
Revenue	478.8	367.7	30.2	1,315.9	862.7	52.5
Gross Profit	188.9	141.8	33.2	510.8	325.1	57.1
Net Profit	148.0	101.9	45.3	398.5	227.6	75.1

SINGAPORE, 1 November 2007 – Mainboard listed PRC-based chemical fibre manufacturer FibreChem Technologies Limited (“FibreChem”; the “Group” or “化纤科技有限公司”), today announced its nine months ended 30 September 2007 (“9M07”) net earnings of HK\$398.5m, an increase of 75.1%

year-on-year, backed by a full nine-month tax exempted profits from microfibre leather sales. Net earnings outpaced revenue growth as a result, and the Group's net margin improved from 26.4% to 30.3% year-on-year.

Revenue for the nine months increased by 52.5% to HK\$1.3 billion in 9M07 from HK\$862.7 million in the nine months ended 30 September 2006. Revenue growth was driven by the new uniform microfibre leather production facility that became operational in September 2006. Productivity gains from the newly commissioned 10,000 tonnes per annum nylon-polyester bi-component long fibre facility added to this growth.

The Group completed a rights issue of the new non-redeemable convertible non-cumulative preference shares on 3 October 2007, from which gross proceeds amounted to approximately S\$114.4 million. Current expansion plans are on track.

Commenting on the Group's latest results, FibreChem's Executive Chairman, Mr James Zhang (张飞跃) said, ***"I am pleased with our third quarter performance, which is in line with FibreChem's growth plans. Our continuous pursuit for innovative and high quality products has propelled us to new heights every period, and has further enhanced our reputation as a producer of premium products. We are now positioned to enlarge our market share in bi-component fibres strategically over the next few periods, while expanding our market outreach for uniform microfibre leather products."***

The Group believes that orders for its uniform microfibre leather products will remain strong for the year as the Group continues to penetrate the fashion apparel and upholstery markets. Ongoing talks are taking place with apparel and furniture manufacturers, in addition to suppliers in the automotive industry.

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About FibreChem Technologies Limited (www.fibrechem.com)

FibreChem is a chemical fibre manufacturer in the Fujian Province of the PRC. Since its establishment in 1995, the Company has moved up the production value chain from producing normal polyester fibre and polyester differential products to bi-component fibre products. The Company places strong emphasis on research and development to develop new and innovative products to stay ahead of the industry. It has moved into premium fibre products that target niche market segments – differential sea-island bi-component fibre, differential nylon-polyester bi-component fibre and core-sheath nylon-polyester bi-component fibre. These higher margin products have a wider range of applications in the textile and fabric industries and set FibreChem apart from other chemical fibre manufacturers.

**Issued on behalf of FibreChem Technologies Limited by
Cogent Communications Pte Ltd**

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