



China

Forest Industry

MLCFI: Grasp the opportunities of forest land acquisitions to expand the scale of resources.

China Forestry Industry Holdings Limited (Code: MLCFI): Even in the extremely difficult business environment year of 2008, the company still achieve great efforts with a profit of 2.23 million euros. In times of financial crisis, CFI takes active measures to expand the scale the company through merge and acquisition. Mr. Zhou Daofang the Chairman of CFI won the honour of Chinese outstanding entrepreneurs and professional manager due to his excellence business leadership and management capability.

In October 2008 which was the eve of financial storm, the company listed in NYSE-Euronext Paris market with strong confidence of the development of future. A year later, the company repays to the investors with its excellent operating performance. The company takes the financial crisis as a golden opportunity for the development of the future. Relying on its rich industry experience and vast valuable information, the company launched an mergers and acquisitions of forest land .In July 2009, the company successfully merged 36 thousands mu (2424ha) of forest land, of which 25 thousands mu (1692ha) of commercial forest , accumulation 243 thousand m³ of wood, the assessed value is RMB71 million yuan, which will bring an annual income of at least RMB200 millions yuan for the company.

The company adhere to the road of standardized forestry planting and industrialization production and to continue to expand the scale of forest land resources and reserves more quality assets for assuring the company's long-term stable development. The fourth quarter of 2009, Company plans to emerge part of shares of Hongkong Chenxing Company which has 175 thousands mu (11667ha) of forest land resources and then quickly control more than 300 thousands (20Kha) of forest resources , then the company will become a large professional forestry company on forest planting, tending, harvesting.

The Company believes that the continued expansion of forest resources will provide a solid base for development of the company in the future. Despite the challenge to the Chinese forest industry by current financial crisis, however, The company is confident that its business will be booming with the warm of the economy of China. More importantly, the company's vision is evolving into an international forestry company, and the company will share the high growth and high-yield return on investment with the international capital market investors.