



FORELAND FABRICTECH HOLDINGS LIMITED
(Incorporated in Bermuda with Company Registration No. 39151)

BUSINESS UPDATE

In anticipation of the announcement of the unaudited financial results for the second quarter ended 30 June 2009 ("2Q 2009"), the Board of Directors of Foreland Fabrictech Holdings Limited (the "Company", and together with its subsidiaries, the "Group") deems it appropriate to provide a business update for the benefit of shareholders of the Company.

Generally, the demand in textile industry in 2Q 2009 remains weak as disclosed in the Group's last results announcement on 14 May 2009. The softened demand for textile had led to both lower production and operation levels which in turn impacted the Group's profits. The Group expects such profits to be lower as compared to the previous corresponding quarter but higher than the previous quarter.

As set out in our full year results announcement for the year ended 31 December 2008, 2009 is and will remain a challenging and tough year for textile manufacturers (including the Group) in the PRC. Nevertheless, the Group will strive to develop better and more competitive products to enhance its market's share and profitability. New and/or improved products are expected to be launched at timely intervals to meet/ cater for the market demand.

The Company will disclose further details when it announces its unaudited financial results for 2Q 2009 on or before 14 August 2009.