



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 first quarter ended 31 March 2009 ("1Q2009"), 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.

Due to the global financial turmoil, there was generally weaker demand in the textile industry in 1Q2009. As the Group's customers and suppliers adopted a more conservative stance in their production output, the Group also experienced a weaker demand in 1Q2009, especially during the period around the Chinese New Year. In view of the foregoing, the Group expects the financial performance in 1Q2009 to be weaker when compared to the previous quarter. However, barring unforeseen circumstances, the Group expects the financial performance for the second quarter of 2009 to improve as a relatively stronger demand from the Group's customers has been observed.

As mentioned in our full year results announcement for the year ended 31 December 2008, 2009 is going to be a very challenging and tough year for textile manufacturers (including the Group) in the PRC. Nevertheless, the Group will continue its research and development efforts and new products or higher grade products will be launched as and when there is market demand.

Further details will be disclosed when the Company announces its unaudited financial results for 1Q2009 on or before 15 May 2009.