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ASX Announcement Office



ChongHerr

INVESTMENTS LTD

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Announcement to the Market

FULL YEAR PROFIT FORECAST

ChongHerr Investments Ltd has today announced a downgrade to its full year revenue and profit forecasts.

Revenue is anticipated to decrease by approximately 10%-15%. ChongHerr has experienced market pressure on selling prices. In addition, slow collections from customers have resulted in accounting for sales on a fair value basis, resulting in lower revenue recognition in the current year.

This has had a flow on effect to profit, and trading has also been impacted by inflationary pressures on production costs and substantial legal costs incurred for the Company to regain possession of the Zack Quarry from a lessee. In addition, the major customer has a significant trade debt due to the company which is past due, and a provision for impairment has been raised. Profit is expected to decrease by approximately 70%-75% on the previous corresponding period.

ChongHerr Investments Ltd is due to formally announce its audited full year results by the end of February 2008.

Yours truly,

Dehui Liu
CEO / Chairman
ChongHerr Investments Limited

