

PROFIT GUIDANCE FOR THE SECOND HALF OF FY2007 ENDED 28 FEBRUARY 2007

With reference to the announcement of Jackspeed Corporation Limited ("the Company") on 12 October 2006 relating to its financial results for the first six months of FY2007, the Company had provided an outlook statement on its business prospects.

During the year 2006, the Group had launched various initiatives under its diversification strategy to expand its businesses of supplying high-quality leather trim and accessories to the automotive and non-automotive markets in Thailand, Malaysia and Europe. In view of these initiatives, the directors had indicated baring unforeseen circumstances that they were optimistic the Group's performance for FY2007 will be better than the previous year, i.e., FY2006.

The directors now wish to provide an update that during the second half of FY2007 ("2H FY07") ended 28 February 2007, one segment of the Group's operations, i.e., leather trim business in Thailand and Malaysia, was impacted by several developments in the said markets leading to reduced orders in our leather trim segment which in turn dampened targeted revenue and profit contributions for the 2H FY07 period.

Consequently, while the Group remains profitable for FY2007, the Group's financial results for FY2007 is unlikely to surpass FY2006 performance as earlier indicated. Details of the developments affecting our leather trim business will be provided in the Company's full year results announcement which is expected to be released in April 2007.

Notwithstanding the unfavorable developments for its leather trim business in Thailand and Malaysia, the Company is pleased to update that its initiatives to increase the Group's penetration of the aviation and marine sectors in the last two years are showing good results in FY2007.

In addition, the Group's new wholly owned subsidiary, Jackson Vehicle Holdings Pte Ltd, which was acquired in 4Q FY2006 to springboard the Group's expansion into the auto accessories business, has performed up to expected profit guarantee and thus, generated significant contributions to the Group's profit in 2HFY07.

Submitted by Liew Ham Chow, Director on 1 March 2007 to SGX.