

## **China Pharma Holdings, Inc., Financial Year 2008 Preview**

- *Record High Revenue for Financial Year 2008*
- *Sales Revenue up 50%, Net Income up 35% on Financial Year 2007*
- *Record High Positive Cash-flow in Operating Activities*

HAIKOU CITY, China, Jan. 21, 2009 - China Pharma Holdings, Inc. ("China Pharma") (OTC Bulletin Board: CPHI), which develops, manufactures, and markets specialty pharmaceutical products in China, today announced a financial preview.

According to the unaudited financial data for the financial year 2008, China Pharma achieved record high revenues. The Company's work to strengthen accounts receivable collection led to clear improvements in collection, and effective control of accounts receivable. The Company also realized record high positive cash flow in operating activity. The sales revenue improved by over 50% compared to the previous year, while the net income improved by over 35% compared to the previous year.

China Pharma's President and CEO, Ms. Zhilin Li commented, "I am very happy to announce record-breaking revenue for the financial year 2008, and also the success of our efforts to strengthen the collection of accounts receivable and to achieve record high positive operating cash flow. Our deepened penetration into our broad distribution network, and our strong sales force positioned us to gain greater market share. In addition, our diverse product mix addressing diseases of greatest incidence and highest mortality in China has allowed us to generate more brand awareness on an ongoing basis. Our new products with high market potential to be launched this year will support our strong financial performance."

The Company expects to announce more detailed information including audited fourth quarter and full year 2008 results in a press release and conference call to be scheduled in March 2009.

About China Pharma Holdings, Inc.

China Pharma Holdings, Inc. is a biopharmaceutical company with rapidly growing profit that develops, manufactures, and markets treatments for a wide range of high incidence and high mortality conditions in China, including cardiovascular, CNS, infectious, and digestive diseases. The Company's cost-effective, high margin business model is driven by market demand and



## **China Pharma Holdings, Inc.**

supported by 8 scalable GMP-certified product lines covering the major dosage forms. In addition, the Company has a broad and expanding distribution network across 30 provinces, municipalities and autonomous regions. The Company is registered in Delaware, USA. Hainan Helpson Biopharmaceutical Co., Ltd (Helpson), located in Haikou City, Hainan Province, China, is a wholly owned subsidiary of China Pharma Holdings, Inc. For more information about China Pharma Holdings, Inc., please visit <http://www.chinapharmaholdings.com> .

*Safe Harbor Statement: Certain statements in this press release and oral statements made by China Pharma on its conference call in relation to this release, constitute forward-looking statements for purposes of the safe harbor provisions under The Private Securities Litigation Reform Act of 1995. Any statements set forth above that are not historical facts are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements, which may include, but are not limited to, such factors as unanticipated changes in product demand, increased competition, failure to obtain or maintain intellectual property protection, downturns in the Chinese economy, uncompetitive levels of research and development, failure to obtain regulatory approvals, and other information detailed from time to time in the Company's filings and future filings with the United States Securities and Exchange Commission. The forward-looking statements made herein speak only as of the date of this press release and the Company undertakes no duty to update any forward-looking statement to conform the statement to actual results or changes in the company's expectations.*

