



Fuda Faucet Works, Inc.
Ms. Yiting Wu, CEO
Phone: +86 793-588-7178
Email: wyt1645@163.com
www.jxfuda.com

CCG Elite Investor Relations
Mr. Crocker Coulson, President
Phone: +1-646-213-1915
Email: crocker.coulson@ccgir.com
www.ccgelite.com

FOR IMMEDIATE RELEASE

Fuda Faucet Announces First Quarter 2008 Results

Yiyang, Jiangxi Province, China, - May 16, 2008 – Fuda Faucet Works, Inc. (OTC BB: FUFW) (“Fuda Faucet” or “the Company”), a Chinese company engaged, through variable interest entities, in the business of developing, manufacturing, marketing and distributing mid-tier European style brass faucets, spouts and fittings to the international markets, today announced its financial results for the first quarter ended March 31, 2008.

First Quarter 2008 Highlights

- Net revenues increased 141.7% year-over-year to \$9.8 million
- Gross profit increased 166% year-over-year to \$2.1 million
- Gross margin improved to 21.1% from 19.2% a year ago
- Net income increased 148.5% year-over-year to \$1.4 million, or \$0.07 per diluted share

“Our stellar first quarter results are a continuation of the growth we have achieved since our inception in 1995. Over the last few years we have sold the vast majority of our products to the Middle East market, participating in the construction boom in that region,” said Ms. Yiting Wu, CEO of Fuda Faucet. “We expect the growth in the Middle East market to continue and to that end we have established a strong distribution system in Dubai. We are also expanding sales of our products to Russia, where the growth potential is high.”

Recent Highlights

- Completed new production facility, tripling production capacity
- Increased sales volume in Russia after Moscow Build ‘08 Exhibition
- Launched new corporate website: www.jxfuda.com

- Elected four independent directors and established audit and compensation committees.

First Quarter 2008 Results

Total revenue for the first quarter ended March 31, 2008 totaled \$9.8 million, up 141.7% from \$4.0 million in the three months period ended March 31, 2007. The increase in total revenues was related mostly to sales to the Middle East market, the Company's largest market, through its retail and wholesale center in Dubai. During the first quarter of 2008, net sales to the Middle East market were \$9.2 million, or an increase of 138.1%, for the same period prior year.

"We are delighted to maintain good working relationship with our existing customers through sales in Dubai. To further enhance our customer base, we attended Moscow Build '08 Exhibition in April to increase our exposure to potential customers. Our products are well-accepted in the target market because of our good quality and after-sale service," said Ms. Wu. "Starting sales in Russia from late 2007, we expect to see a significant growth this year."

Gross profit for the first quarter of 2008 was \$2.1 million, an increase of 166.0% from \$0.8 million for the same period of the prior year. Gross margin was 21.1% for the first quarter of 2008, compared to 19.2% for the prior year period. This increase is due to significant growth in sales volume, which results in reducing fixed cost per unit. Management expects that the normal level is around 20% in this industry.

Operating expenses were \$0.4 million in the first quarter of 2008, compared to \$0.1 million for the same period prior year. The primary reason for the increase in operating expenses was higher general and administrative expenses, which totaled \$0.2 million, up from \$0.1 million for the same period prior year. The increase in G&A expenses was mainly from the expansion of the Company's business, which increased expenses related to salaries, insurance, travel and office expenses. In addition, the Company incurred higher professional fees in the first quarter of 2008 related to being a public company. Selling expenses for the first quarter of 2008 rose slightly due to higher delivery expenses related to the growth in sales volume and the growth in international sales. Depreciation expenses also increased, due to an increase in fixed assets.

Operating income for the first quarter of 2008 totaled \$1.7 million, a 164.9% increase from \$0.6 million for the same period prior year. Operating margin improved to 17.3% in the first quarter of 2008, from 15.8% a year ago.

Net income for the first quarter of 2008 was \$1.4 million, or \$0.07 per fully diluted share, an increase of 148.5% from net income of \$0.5 million, or \$0.05 per fully diluted share, for the first quarter of 2007. Earnings per share were calculated using a diluted weighted share count of 20.1 million shares for the first quarter of 2008 and 10.6 million shares for the first quarter of 2007. The increase in weighted average shares includes the impact of the reverse merger and private placement in December 2007.

Financial Condition

At March 31, 2008, the Company had cash and cash equivalents of \$2.8 million and working capital of \$8.4 million. Accounts receivable were \$4.5 million, and days sales outstanding were 55. Inventory was \$9.3 million and days inventory outstanding was 103. Fuda Faucet expects to reduce inventory and collections in the second half of the year. At March 31, 2008, the Company had short-term bank loans of \$5.9 million and stockholders' equity of \$14.7 million.

The Company generated \$3.5 million in cash flow from operating activities during the first quarter of 2008, primarily due to the collection of a receivable from a related party. Capital expenditures totaled \$1.4 million, primarily related to the purchase of equipment and costs incurred due to construction..

Business Outlook

In April 2008, the Company commenced operations at its new, 229,703 square-foot manufacturing facility in Yiyang, Jiangxi Province, which increased production capacity from 1.2 million sets per year to 3.5 million sets per year. The facility is equipped with semi-automated, state of the art manufacturing equipment and will produce the same types of products that are currently being produced at the rest of the Company's manufacturing facilities.

“Our newly expanded production capacity will allow us to meet the growing demand for our European style brass faucets in the Middle East, Russia and Nigeria. In the coming months, we plan to increase our sales and distribution networks to cater to these growing markets,” said Ms. Yiting Wu, CEO of Fuda Faucet.

About Fuda Faucet Works, Inc.

Jiangxi Yiyang Fuda Copper Co., Ltd. was founded by Ms. Wu Yiting, in Yiyang County, Jiangxi Province of the People's Republic of China, in November 1995. When Fuda started its operations in 1995, its business comprised of copper re-processing. In 2002, the Company started production of European style brass faucets and related spouts and

fittings for the Chinese market. By 2004, Fuda started selling its products to international markets. Presently, Fuda Faucet engages in the business of developing, manufacturing, marketing and distributing a wide range of brass faucets and related spouts and fittings. The products are manufactured by Fuda for Fuda Faucet. The Company manufactures all its products in China and exports most of them to international markets. For more information, please visit the Company's web site <http://www.jxfuda.com>

Safe Harbor Statement

This announcement contains "forward-looking statements" within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact in this announcement are forward-looking statements, including but not limited to, the company's ability to obtain the necessary financing to continue and expand operations, to market its products in new markets and to offer products at competitive pricing, to attract and retain management, and to integrate and maintain technical information and management information systems; compliance with laws and regulations of the PRC, the effects of currency policies and fluctuations, general economic conditions and other factors detailed from time to time in the Company's filings with the United States Securities and Exchange Commission and other regulatory authorities. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

-FINANCIAL TABLES FOLLOW-

FUDA FAUCET WORKS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME
(UNAUDITED)

	(US dollars)	
	Three Months Ended March 31,	
	2008	2007
Net sales	9,760,370	4,037,934
Cost of sales (exclusive of items shown separately below)	7,700,215	3,263,348
Gross profit	2,060,155	774,586
Operating expenses:		
Selling expenses	63,718	57,113
General and administrative	222,726	70,609
Officers' compensation	6,411	5,806
Depreciation and amortization	20,850	3,247
Consulting and professional fees	56,755	-
Total operating expenses	370,460	136,775
Operating income	1,689,695	637,811
Interest expense	(110,912)	(88,079)
Foreign exchange loss	(212,639)	-
Net income	1,366,144	549,732
Other comprehensive income		
Foreign currency translation adjustment	708,723	47,228
Comprehensive income	2,074,867	596,960
Earnings per common share		
Basic	0.13	0.05
Diluted	0.07	0.05
Weighted average number of common shares outstanding		
Basic	10,725,440	10,564,647
Diluted	20,098,167	10,564,647

FUDA FAUCET WORKS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

	(US dollars)	
	March 31, 2008	December 31, 2007
	(UNAUDITED)	(AUDITED)
ASSETS		
Current assets		
Cash and cash equivalents	2,764,643	169,319
Accounts receivable	4,535,417	487,471
Due from related parties - trade	-	6,996,322
Prepayments to suppliers	-	14,326
Inventories	9,288,386	8,260,479
Other current assets	234,981	251,619
Total current assets	16,823,427	16,179,536
Property, plant and equipment		
Land use right	904,621	869,251
Buildings	1,228,457	1,180,427
Machinery and equipment	2,266,612	817,417
Automobiles	172,070	128,495
Office equipment	22,388	14,003
Property plant and equipment - total	4,594,148	3,009,593
Less: accumulated depreciation	(876,527)	(777,600)
Property plant and equipment - net	3,717,621	2,231,993
Construction in progress	2,033,518	1,867,513
Other long-term assets - idle assets		
Machinery and equipment - net	344,804	331,324
Land use right - net	191,701	184,205
Total assets	23,111,071	20,794,571
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Short-term bank loans	5,914,599	5,252,594
Accounts payable	628,102	686,114
Due to related parties - trade	1,289,647	1,189,152
Due to related parties - non-trade	321,592	869,802
Accrued expenses	237,939	112,280
Other payables	40,839	81,143
Total current liabilities	8,432,718	8,191,085
Total Liabilities	8,432,718	8,191,085
Commitments and Contingencies		
Stockholders' equity		
Preferred stock, 0.0000001 par value; 20,000,000 shares authorized; 3,090,909 share issued and outstanding on March 31, 2008 and December 31, 2007	-	-
Common stock - \$0.0000001 par value; 900,000,000 shares authorized; 10,725,440 issued and outstanding shares on March 31, 2008 and December 31, 2007	1	1
Additional paid-in capital	3,748,785	3,748,785
Surplus reserve	260,430	260,430
Retained earnings	9,119,729	7,753,585
Accumulated other comprehensive income	1,549,408	840,685
Total stockholders' equity	14,678,353	12,603,486
Total liabilities and stockholders' equity	23,111,071	20,794,571

FUDA FAUCET WORKS, INC.
CONDENSED CONSOLIDATED CASH FLOWS STATEMENTS
(UNAUDITED)

	(US dollars)	
	Three Months Ended March 31,	
	2008	2007
Cash flows from operating activities:		
Net income	1,366,144	549,731
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization	98,927	38,443
(Increase) decrease in:		
Accounts receivable	(4,047,946)	(282,650)
Due from related parties - trade	6,996,322	-
Prepayments to suppliers	14,326	(68,416)
Inventories	(1,027,907)	(858,170)
Other current assets	16,638	(31,114)
Increase (decrease) in:		
Accounts payable	(58,012)	83,656
Due to related parties-trade	100,495	(165,610)
Advances from customers	-	586,633
Accrued expenses	125,659	41,176
Other payables	(40,304)	(39,327)
Net cash provided by (used in) operating activities:	3,544,342	(145,648)
Cash flows from investing activities:		
Purchase of fixed assets	(1,379,708)	(27,032)
Net cash used in investing activities	(1,379,708)	(27,032)
Cash flows from financing activities:		
Proceeds from short-term bank loans	5,381,802	1,819,019
Repayment of short-term bank loans	(4,884,271)	(1,708,386)
Loans from related parties	2,800,128	-
Repayment to related parties	(3,348,338)	-
Net cash from financing activities	(50,679)	110,633
Effect of exchange rate changes on cash and cash equi	481,369	(55,154)
Cash and equivalents		
Net increase (decrease) in cash and equivalents	2,595,324	(117,201)
Cash and equivalents, beginning of period	169,319	380,714
Cash and equivalents, end of period	2,764,643	263,513
Supplemental Disclosures of Cash flow Information:		
Cash paid for interest	110,912	52,825
Cash paid for income taxes	-	-

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