

December 6, 2012

## Orient Paper Responds to Investors' Enquiries on SEC's Accusation of Several Audit Firms

This statement is made in response to investors' enquiries on media reports that the SEC is probing potential fraud by China-based companies, and has formally accused several audit firms of withholding documents from investigators. One of the firms named by media is BDO China Dahua Co.

Orient Paper will like to clarify that its independent auditor is BDO China Shu Lun Pan CPAs LLP, which has been appointed since December 2011.

In addition, the Company reiterates that it is fully supportive and in full compliance of all US regulatory rules. Orient Paper has well established all the necessary systems and processes to ensure accurate financial reporting, including an Audit Committee consisting of three independent directors on the board.

Orient Paper would like to reassure investors that it is committed to a high level of corporate governance and stand by the integrity of its financial statements, as well as all aspects of its business operations.

If investors have any request for information or suggestion about the company's investor communications, please write to [IR@orientpaperinc.com](mailto:IR@orientpaperinc.com).

### **About Orient Paper, Inc.**

Orient Paper, Inc., through its wholly owned subsidiary, Shengde Holdings, Inc., controls and operates Baoding Shengde Paper Co., Ltd. ("Baoding Shengde"), and Hebei Baoding Orient Paper Milling Co., Ltd ("HBOP"). Founded in 1996, HBOP is engaged in the production and distribution of products such as corrugating medium paper, offset printing paper, and other paper and packaging-related products in China. The Company uses recycled paper as its primary raw material. Baoding Shengde, founded in June 2009 located in Baoding, is engaged in the production and distribution of digital photo paper. As one of the largest paper producers in Hebei Province, China, HBOP is strategically located in Baoding, a city in close proximity to Beijing where the majority of publishing houses are based. Orient Paper is led by an experienced management team committed to diversifying the Company's product offering and delivering tailored services to its customers. For more information, please visit <http://www.orientpaperinc.com>.