

**China Yida Holding Co.
3Q 2008 Earnings FAQ**

Financial

1. Have you noticed an impact in either your tourism or media business due to the challenging market conditions?

Our tourism and media businesses are both developing in a sound manner. Our sales have steadily increased. In our media business, the global financial crisis will influence Chinese export industry, which will, to some extent, constrain the speed of economic growth in China. But compared to Europe and the United States, the fundamentals of the Chinese economy will continue to grow at a comparatively high level. Meanwhile, the Chinese government has launched a series of economic policies to stimulate domestic demand, which will positively impact our advertising revenue and promotional campaigns.

In the tourism business, our visitors mainly come from the domestic market. As the domestic tourism market expands, our tourism revenue will likewise expand.

2. Which quarter in the first nine months of 2008 showed the highest revenue? Have you noticed any seasonality patterns that you expect will continue as we look into 2009?

For our tourism site, there is no major seasonality pattern. Our site is located in climate with warm weather year-round, so while the summer and autumn have slightly higher visitation patterns, it is not a drastic impact from quarter to quarter.

As for our media business, we do not see any seasonality, and our revenue in each of the four quarters is relatively even and consistent.

3. Can you explain the increase in operating expenses?

Operating expenses in the third quarter increased by USD100,000 as compared with the same period last year, which can mainly be attributed to an increases in expenses related to our preparations to become a public company, and includes expenses for lawyers and auditors.

4. Can you explain China's new income tax policy and its impact on China Yida?

The Chinese income tax rate was reduced to 25% from 33% after the launch of the new income tax policy effective January 1, 2008, which has cut the income tax expenses for China Yida along with and all other Chinese companies.

5. While your net profit is \$13.6million, your level of cash and cash equivalents is 1.3 million. Can you please describe your priorities for your use of cash?

Our use of cash is slightly different from other industries'. We have no inventory for our business, and no expenses for raw materials. We also rarely have accounts receivable; our revenues are mainly received in cash in both the media and tourism business. Therefore, we are able to pay our current expenses based on our current cash income,

and the excess will be used for capital expenditures (i.e. investments for tourism site construction projects). Our industry is in a stage of rapid growth, with many projects to be considered for investment. In order to improve the efficiency of our use of capital, we invested our operating profit in tourist site construction, and the site improvements will drive revenue growth in 2009.

6. Do you need to raise additional capital to complete the Yongtai site transaction? Do you have a financing plan? Will the tough market conditions affect the progress of this project?

A major consideration in our decision to make on acquisition or embark on cooperative development of a new site or media project is our permitted cash flow. Therefore, even without financing in these tough market conditions, we are still able to proceed with our business expansion, supported by our ability to make acquisitions at low costs.

Therefore, we are currently able to operate the new Yongtai project, generating revenue in the process of project development, and will be able to efficiently operate new tourism sites.

We also expect that our ability to raise funds will remain intact due to our robust opportunities for expansion. Currently, local governments are increasingly seeking cooperation agreements with us. If our cash levels allow, we will be able to accelerate development of new tourist sites or media outlets, and could generate revenues from these ventures earlier than currently projected. Additionally, our unique business model allows us to obtain management rights to tourist destinations and media properties with preferential conditions and at low costs.

7. Do you have sufficient cash to continue expanding your tourism and media businesses and to supplement your acquired tourist site?

We are confident in our ability to support all of our current media and tourism businesses, including the Yongtai site, with our current operating cash flow. Should we consider additional acquisitions, we would need to secure financing. However, our goal is to seek creative cooperation agreements in order to execute our expansion in an efficient and low cost manner, and the Yongtai project is an example of our ability to do this successfully. So if without immediate financing at hand, we still can move forward to seize market opportunities.

8. Can you give us outlook for your business operations for 2008 and next year?

In our media business segment, our development strategy is twofold: we aim to obtain management rights of TV channels that have turnaround potential, as well as to embark on cooperative operations on new TV channels. Our experience enhancing and streamlining FETV will help us to replicate this success, enabling resource sharing, mass purchase and joint advertising promotions in our media business to create economy of scale advantages. We have potential project candidates in the pipeline that we are carefully considering and evaluating.

In our tourism business segment, our development strategy is to acquire management rights of or to apply our management expertise to sites with the potential to be world-class tourist destinations. We will replicate the successful management techniques and

experience to achieve resource sharing, mass purchase and joint advertising promotion in our tourism business, creating economies of scale advantages. Recently, we signed the letter of intent with Fujian Yongtai County Government to co-develop the largest leisure tourist site within the Fuzhou area, in the capital city of Fujian province in China. The official agreement is expected to be signed by the end of November 2008, and we expect to begin generating revenues early next year in conjunction with the development process.

Tourism Business Operations

9. Can you give further details on tourism admission trends at the Great Golden Lake (GGL)? What type of trends do you expect to see in the Q4 and 2009?

We have seen the stable increase in visitors to GGL in the third quarter compared with the same period of 2007. In the fourth quarter, we expect visitor growth to be roughly the same magnitude as it was in the third quarter. In 2009, we expect that our market promotion activities and strategic partnerships will drive even further visitor growth.

10. Do you expect to see an increase in visitors around the Christmas holidays at the Great Golden Lake?

Since Christmas is not an official holiday in China, we do not expect the number of visitors to our tourism sites to increase. China's New Year and Spring Festival holidays in early January and February of 2009 will bring about a busy period, leading to an increase of visitors to GGL, especially for those that live within a short to medium distance from the site.

11. What are your plans to develop additional revenue streams at the Great Golden Lake?

First, we will seek and develop additional revenue streams via our newly developed scenic areas within the GGL, such as Zhuangyuan Rock and Luohan Mountain. Second, we will expand some interactive tourism and entertainment activities within our existing spots, such as develop recreational activities on water and other outdoor activities. Finally, we will provide other miscellaneous services, such as leasing out our tourism premises for lease events.

12. Was the GGL impacted by the Olympics safety measures? What was the market demand for domestic travel like?

The GGL was not impacted by the Olympics safety measures due to the following:

- Most of our visitors are from local, provincial, or neighboring provinces. We have seen that tourism demand from these markets remain stable.
- There are not too many visitors from Beijing and the overseas markets.
- The GGL will benefit from the growing tourism demand following the Chinese government and Taiwan's launch of the three links across the Taiwan strait.

13. Have you seen positive feedback from your strategic partnerships with travel agencies? How has this contributed to your revenue in the third quarter? How

many new visitors did the GGL receive from the Guangdong and Yangtze River area? Do you expect similar growth trends in the fourth quarter?

We have received positive feedback from our travel agency partners. In the third quarter, we have seen new visitors from the Guangdong and Yangtze River Delta area. The Company estimates that 8.3% of the total 96,000 visitors in the third quarter were from Guangdong province, 6.5% from Jiangsu province and 6.8% from Shanghai. Following our GGL admissions data from the National Holiday Week in October, we foresee continued growth in the number of visitors at our GGL in the future.

14. Regarding the recently announced Yongtai County government letter of intent, when do you expect to begin developing the Yongtai site? When will it be completed, and when will you begin recognizing revenue from that tourism site?

We will begin to develop the Yongtai site after we reach a definitive agreement. We plan to complete the first stage of construction within one year after the contract has been signed. We plan to open the site for tourists while in the development process so that we do not have down time.

15. What is the difference between the Yongtai site and the current GGL?

GGL was developed and known for its landscape and sightseeing pleasure, while the Yongtai site is more for leisure and vacation. The GGL features the typical “Danxia” on water, and the Yongtai site features a Southern mountain meadow and a unique volcanic rock.

16. How much money do you need to invest in the Yongtai site for further construction, and how long will it take to build out the entire site?

The total investment of the Yongtai site is approximately RMB200 million and the length of the construction period will greatly depend on the progress of our fundraising. We expect the first stage of the construction to take one year.

17. What is the reception capacity of the visitors in the Yongtai site? When do you expect to see revenue contributions?

We will further develop and improve the site’s infrastructure to enhance its reception capability to approximately 1.5 million visitors annually. Meanwhile, we plan to generate revenue during the development stage so that we do not see any down time.

18. What are the near-term growth drivers in the tourism business?

Our near-term growth drivers for our tourism growth include the further expansion of the GGL, the development of the new Yongtai site and the acquisition of potential tourism destinations.

Media Business Operations

19. Why did advertising revenue decrease in the third quarter? Do you project approximately the same advertising revenue for the fourth quarter?

First, our advertising revenue in the third quarter increased sequentially, but decreased compared with the same period last year. In the third quarter of 2007, we recorded exceptionally high advertisement revenue primarily attributable to the successful transformation of FETV's programs that well exceeded our expectation.

In the fourth quarter of 2008, we expect our advertising revenue to gradually increase compared with the fourth quarter in 2007, and will remain steady and consistent going forward.

20. Have you seen any new recurring customers from your media/television partnerships following the strategic cooperation? What is the status of your new television/newspaper alliance? Have you seen an increase in sales from the alliance?

We have already seen an improved reputation for FETV as a result of our strategic alliances with various newspaper outlets and with Fuzhou Fenzhong Media, which will not only help consolidate our current customers, but also attract new customers. We expect the positive feedback will directly show in our advertising sales going forward.

21. Your media business is much larger than your tourism business. What are your plans to expand your media business?

The tourism industry has entered into a period rapid growth, and we have seen a faster growth rate in our tourism business compared to our media business. We expect the revenue contribution from the tourism business to gradually approach the level of contribution from the media business over the long-term. At the same time, we are continually looking for additional expansion opportunities in our media business, and already have potential partnership opportunities in the pipeline. We will disclose any material information as they occur.

22. What are the near-term growth drivers in the media business?

We believe our near-term growth drivers for our media business include the increase in advertising sales attributable to FETV's transformed television programs and strong strategic alliances, as well as the acquisition of additional management rights or strategic collaborations to co-develop a television station or column.

Forward-Looking Statement

Certain statements in this document that are not historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements may be identified by the use of words such as "anticipate," "believe," "expect," "future," "may," "will," "would," "should," "plan," "projected," "intend," and similar expressions. Such forward-looking statements, involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of China Yida Holding Co., Inc. (the "Company") to be materially different from those expressed or implied by such forward-looking statements. The Company's future operating results are dependent upon many factors, including but not limited to: (i) the Company's ability to obtain sufficient capital or a strategic business arrangement; (ii) the Company's ability to build and maintain the management and human resources and infrastructure necessary to support the anticipated growth of its business; (iii) competitive factors and developments beyond the Company's control; and (iv) other risk factors

discussed in the Company's periodic filings with the Securities and Exchange Commission, which are available for review at www.sec.gov.