

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **INTERCHINA HOLDINGS COMPANY LIMITED**

### **國 中 控 股 有 限 公 司**

*(incorporated in Hong Kong with limited liability)*

**(Stock Code: 202)**

### **PROFIT FORECAST ANNOUNCEMENT**

This announcement is made by Interchina Holdings Company Limited (the “**Company**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of the Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to (i) the announcement of the Company dated 8 March 2010 and the circular of the Company dated 29 March 2010 (the “**Circular**”) in relation to the submission of the proposal to the Shanghai Stock Exchange by 黑龍江國中水務股份有限公司 (Heilongjiang Interchina Water Treatment Company Limited), a subsidiary of the Company, to increase its capital by issuing not more than 115,000,000 new A shares to 10 target investors at a price of not less than RMB6.51 per A share to raise not more than RMB750,000,000 (the “**Share Issue**”); (ii) the announcement of the Company dated 17 August 2010 in relation to the acquisition of 85% equity interest in 北京中科國益環保工程有限公司 (Beijing Zhongke Guoyi Environmental Protection Engineering Company Limited\*) (“**Beijing Zhongke**”) and the acquisition of the entire equity interest of 涿州中科國益水務有限公司 (Zhuozhou Zhongke Guoyi Water Treatment Company Limited\*) (“**Zhuozhou Zhongke**”). Unless the context requires otherwise, terms used in this announcement shall have the same meanings as those defined in the Circular.

Reference is also made to the Chinese version of the overseas regulatory announcement made by the Company dated 25 October 2010 in relation to the announcement (“**Heilongjiang Announcement**”) published by Heilongjiang Interchina on the Shanghai Stock Exchange together with the auditors’ report, valuation report, profit forecast, legal opinions and report from independent financial advisors regarding the Share Issue.

### **PROFIT FORECAST**

As set out in the Circular, Heilongjiang Interchina will use the proceeds from the Share Issue to acquire seven water projects in the PRC including the internal transfer of five water projects from the Group (i.e., the acquisition of five companies, namely Changli, Maanshan, Ordos, Qinhuangdao and Taiyuan)

and the acquisition of Beijing Zhongke and Zhuozhou Zhongke (together with Changli, Maanshan, Ordos, Qinhuangdao and Taiyuan, the “**Target Companies**”).

The Company would like to draw the Shareholders’ attention to the profit forecast of the revenue and profit of the Target Companies and Heilongjiang Interchina for the year ending 31 December 2010 as disclosed in the Heilongjiang Announcement, which is summarised as follows:

<b>Company name</b>	<b>Forecast Revenue</b> <i>Approximately RMB’000</i>	<b>Forecast Profit</b> <i>Approximately RMB’000</i>
1) Qinhuangdao	29,258	9,526
2) Changli	8,294	1,107
3) Maanshan	17,668	4,401
4) Ordos	21,682	15,246
5) Taiyuan	29,381	8,787
6) Beijing Zhongke	59,344	6,649
7) Zhuozhou Zhongke	18,360	3,091
8) Heilongjiang Interchina	306,646	89,599

The above forecast has been prepared in conformity with the Accounting Standard for Enterprises of the PRC and the PRC auditors of the Heilongjiang Interchina, Zonzun Accounting Office Limited, has issued a 盈利預測審核報告 (profit forecast review report) in relation thereto. Shareholders should refer to the Heilongjiang Announcement for further details.

As regards the above profit forecast, the Company intends to publish a further announcement setting out the information required under Rule 14.62 of the Listing Rules within 15 business days from the date of this announcement.

By Order of the Board of  
**Interchina Holdings Company Limited**  
**Lam Cheung Shing, Richard**  
*Executive Director and Chief Executive Officer*

Hong Kong, 26 October 2010

*As at the date of this announcement, the executive Directors are Mr. Lam Cheung Shing, Richard, Mr. Zhu Yongjun and Mr. Zhang Chen; and the independent non-executive Directors are Ms. Ha Ping, Mr. Ho Yiu Yue, Louis and Mr. Ko Ming Tung, Edward and Dr. Fu To.*

\* *For identification purpose only*