

*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)*

### **Overseas Regulatory Announcement**

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached announcement released in the website of the Shanghai Stock Exchange on 14 January 2012 by Heilongjiang Interchina Water Treatment Company Limited, a subsidiary of the Interchina Holdings Company Limited whose shares are listed on the Shanghai Stock Exchange of the PRC in relation to the “Forecasted Increase of the 2011 Annual Results”.

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

Hong Kong, 16 January 2012

*As at the date of this announcement, the executive Directors are Mr. Lam Cheung Shing, Richard, Mr. Zhu Yongjun and Mr. Wong Hin Shek; and the independent non-executive Directors are Mr. Ho Yiu Yue, Louis and Mr. Ko Ming Tung, Edward and Mr. Chi Chi Hung, Kenneth.*

Stock Code: 600187

Stock name:  
Interchina Water Treatment

Ref No.: Lin 2012-001  
(臨 2012-001)

Heilongjiang Interchina Water Treatment Company Limited  
Announcement on the Forecasted Increase of the  
2011 Annual Results

The Company and all members of its board of directors guarantee that the information disclosed herein is true, accurate and complete, and contains no false statements, misleading representations or material omissions.

**I. Estimated Results for the Current Period**

1. Period for the estimated results: From 1 January 2011 to 31 December 2011

2. Estimated results:

Based on the preliminary calculations by the finance department of the Company, it is expected that the net profit attributable to the shareholders of the parent company for the year 2011 will increase by over 50% as compared with the corresponding period of last year before adjustment. It is also expected that the net profit attributable to the shareholders of the parent company for the year 2011 will decrease by over 12% as compared with the corresponding period of last year after adjustment.

3. The estimated results have not been pre-audited by registered accountants.

**II. Results for the Corresponding Period of Last Year**

(1) Before adjustment (excluding the five jointly-controlled entities acquired during the current period)

1. Net profit: RMB42,525,004.35

2. Earnings per share: RMB0.13 (Earnings per share of RMB0.1073 after extraordinary items)

(2) After adjustment (including the five jointly-controlled entities acquired during the current period)

1. Net profit: RMB75,492,519.26

2. Earnings per share: RMB0.2307 (Earnings per share of RMB0.1073 after extraordinary items)

### **III. Reason for the Forecasted Increase in Results as Compared with the Results Before Adjustment**

As compared with the results for the corresponding period of last year before adjustment, the forecasted increase in results for the year 2011 was mainly due to the Company's private placing of shares in 2011, with the funds raised being used for the purchase of water treatment related assets. As a result, additional assets and revenue were included in the combined financial statements of the Company.

### **IV. Reason for the Decline in Results as Compared with the Corresponding Period of Last Year After Adjustment**

The 5 water treatment companies newly-acquired by the Company with funds raised by way of private placing of shares in 2011 and the Company itself are jointly-controlled entities. According to article 22 of the "Corporate accounting principles No. 33—combined financial statements", in the event of the addition of a subsidiary as a result of the business combination under common control of the parent company during the reporting period, the income, expense and profit of that additional subsidiary from the beginning to the end of the current period should be consolidated into the combined income statement. The Company has made retrospective adjustments to the financial statements for 2010 accordingly. The decline in the annual results for 2011 as compared to the adjusted results for the corresponding period of last year is mainly due to the disposal of Xian Aviation Technology Asset Zone Water Supply Co., Ltd. by the Company in 2011. As a result, subsidy income decreased by approximately RMB14 million over 2010.

### **V. Other related statements**

Information contained in this preliminary results announcement is only a rough estimation not yet audited by registered accountants. Specific information will be disclosed in the annual accounts for 2011. Investors should be aware of the risks relating to investments.

By order of the Board  
Heilongjiang Interchina Water Treatment Company Limited

Dated 13 January, 2012