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INTERCHINA HOLDINGS COMPANY LIMITED

國 中 控 股 有 限 公 司

(incorporated in Hong Kong with limited liability)

(Stock Code: 202)

UPDATE ON THE VERY SUBSTANTIAL DISPOSAL

The Board announces that on 14 January 2013, the Group had disposal of 18,940,000 of Heilongjiang Interchina Shares, representing approximately 4.43% of the issued share capital of Heilongjiang Interchina at RMB8.03 per Heilongjiang Interchina Share, via the bulk-volume trading system of the Shanghai Stock Exchange. The above disposal of Heilongjiang Interchina Shares is in accordance with the terms of the Disposal Mandate approved by the Shareholders at the Company's extraordinary general meeting held on 19 October 2012.

Immediate after the above disposal, the Group's interests in Heilongjiang Interchina has been reduced from 229,725,000 Heilongjiang Interchina Shares, representing approximately 53.77% of the issued share capital of Heilongjiang Interchina to 210,785,000 Heilongjiang Interchina Shares, representing approximately 49.34% of the issued share capital of Heilongjiang Interchina. Besides, due to the Group's interest in Heilongjiang Interchina is below 50%, Heilongjiang Interchina has ceased to be a subsidiary of the Group and become an associate investment of the Group.

Reference is made to the circular of Interchina Holdings Company Limited (the "**Company**") dated 28 September 2012 (the "**Circular**") in relation to, among other things, the very substantial transaction of the Company regarding the Disposal Mandate. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

Update on the very substantial disposal

The Company obtained the Disposal Mandate from its Shareholders for disposal of up to 110,000,000 Heilongjiang Interchina Shares for a period of six months from 19 October 2012. Details of the Disposal Mandate were set out in the Circular. The Board announces that on 14 January 2013, the Group had disposal of 18,940,000 of Heilongjiang Interchina Shares,

representing approximately 4.43% of the issued share capital of Heilongjiang Interchina at RMB8.03 per Heilongjiang Interchina Share, via the bulk-volume trading system of the Shanghai Stock Exchange. The above disposal of Heilongjiang Interchina Shares is in accordance with the terms of the Disposal Mandate approved by the Shareholders at the Company's extraordinary general meeting held on 19 October 2012.

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Depending on the market conditions, the Group will continue to dispose of the remaining of 91,060,000 Heilongjiang Interchina Shares, representing approximately 21.31% of the issued share capital of Heilongjiang Interchina pursuant to the Disposal Mandate. The Company will make update announcement on the progress of the very substantial disposal at the appropriate time.

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

Hong Kong, 15 January 2013

As at the date of this announcement, the executive Directors are Mr. Jiang Zhaobai, Mr. Shen Angang, Mr. Lam Cheung Shing, Richard, Mr. Zhu Yongjun, Mr. Zhu Deyu and Mr. Lu Yaohua, and the independent non-executive Directors are Mr. Ho Yiu Yue, Louis, Mr. Ko Ming Tung, Edward and Mr. Chen Yi, Ethan.