

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.



SITC International Holdings Company Limited

海豐國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1308)

RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2013

Financial Highlights

- Revenue for the three months ended 31 March 2013 was approximately US\$286.2 million, increased by 1.2% as compared with approximately US\$282.7 million for the corresponding period in year 2012.
- Gross profit for the three months ended 31 March 2013 was approximately US\$25.5 million, increased by 7.1% as compared with approximately US\$23.8 million for the corresponding period in year 2012.
- Net profit for the three months ended 31 March 2013 was approximately US\$17.9 million, representing an increase of 33.6% as compared with the profit of approximately US\$13.4 million for the corresponding period in year 2012, which corresponded to a net profit margin of approximately 6.3% in the three months ended 31 March 2013 as compared with approximately 4.7% for the corresponding period in year 2012.

The board of directors (the “**Board**”) of SITC International Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) is pleased to announce the unaudited results of the Group for the three months ended 31 March 2013, together with the restated comparative figures for the corresponding period in year 2012. 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. Shareholders are reminded to exercise caution when dealing in the shares of the Company.

FINANCIAL INFORMATION

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

	For the three months ended 31 March	
	2013	2012
	USD'000	USD'000 (Restated)
REVENUE	286,235	282,694
Cost of sales	<u>(260,706)</u>	<u>(258,906)</u>
Gross profit	25,529	23,788
Other income and gains	7,308	4,195
Administrative expenses	(14,785)	(14,012)
Other expenses and losses	(23)	(1,201)
Finance costs	(1,338)	(308)
Share of profits and losses of:		
Joint Ventures	1,567	1,504
Associates	<u>145</u>	<u>190</u>
PROFIT BEFORE TAX	18,403	14,156
Income tax expense	<u>(474)</u>	<u>(716)</u>
PROFIT FOR THE PERIOD	<u>17,929</u>	<u>13,440</u>
Profit attributable to:		
Owners of the parent	17,849	13,394
Non-controlling interests	<u>80</u>	<u>46</u>
	<u>17,929</u>	<u>13,440</u>

The Group's unaudited consolidated results for the three months ended 31 March 2013 have been prepared in accordance with the accounting policies adopted by the Group as disclosed in the annual report of the Company for the year ended 31 December 2012.

Business Review

The Company is one of Asia's leading shipping logistics company that provides integrated transportation and logistics solutions.

For the three months ended 31 March 2013, the Group's total shipping volume reached 458,481 TEU, representing an increase of 12.7% as compared to that of 406,857 TEU for the corresponding period in year 2012. The Group's average freight rate for the three months ended 31 March 2013 amounted to US\$499 per TEU, representing a decrease of 10.3% as compared to that of US\$556 per TEU for the corresponding period in year 2012. Further, the total volume from the Group's freight forwarding for the three months ended 31 March 2013 reached 354,863 TEU, representing an increase of 11.24% as compared to that of 319,003 TEU for the corresponding period in year 2012.

Revenue of the Group increased by 1.2% from approximately US\$282.7 million for the three months ended 31 March 2012 to US\$286.2 million for the corresponding period in 2013. This increase primarily reflected (i) the increase in its shipping volume; and (ii) the continuous growth in the Group's freight forwarding operations.

The cost of sales of the Group increased by 0.7% from approximately US\$258.9 million for the three months ended 31 March 2012 to US\$260.7 million for the same corresponding period in year 2013. This increase was primarily attributable to the increase in the Group's shipping volume.

As a result of the foregoing, gross profit of the Group increased from approximately US\$23.8 million for the three months ended 31 March 2012 to approximately US\$25.5 million for the corresponding period in year 2013. The gross profit margin of the Group increased from 8.4% for the three months ended 31 March 2012 to 8.9% for the corresponding period in 2013.

The Group's administrative expenses increased from approximately US\$14 million for the three months ended 31 March 2012 to approximately US\$14.8 million for the corresponding period in year 2013. The 5.7% increase was mainly attributable to the overall increase in staff cost.

The amount of the Group's other expenses and losses decreased from approximately US\$1.2 million for the three months ended 31 March 2012 to approximately US\$0.02 million for the corresponding period in year 2013. The amount in 2012 mainly represented the fair value losses in derivatives.

Other income and gains of the Group mainly comprised interest income from banks and principal-guaranteed investment products and gains from derivatives. The increase from approximately US\$4.2 million for the three months ended 31 March 2012 to approximately US\$7.3 million for the corresponding period in 2013 was mainly attributable to the hedging gains from our Japanese Yen of US\$2.8 million.

The finance costs of the Group increased from approximately US\$0.3 million for the three months ended 31 March 2012 to approximately US\$1.3 million for the corresponding period in year 2013. The increase was mainly due to the drawdown of bank loans to finance the acquisition of vessels.

As a result of the foregoing, the Group's profit for the three months ended 31 March 2013 was approximately US\$17.9 million, representing an increase of 33.6% over the profit of approximately US\$13.4 million for the corresponding period in year 2012, which corresponded to a net profit margin of approximately 6.3% in the three months ended 31 March 2013 as compared to approximately 4.8% for the corresponding period in year 2012.

By order of the Board
SITC International Holdings Company Limited
Yang Shaopeng
Chairman

30 April 2013

As at the date of this announcement, the executive directors of the Company are Mr. Yang Shaopeng, Mr. Yang Xianxiang, Mr. Liu Kecheng, Mr. Xue Peng, Mr. Xue Mingyuan and Mr. Lai Zhiyong and the independent non-executive directors of the Company are Mr. Tsui Yung Kwok, Mr. Yeung Kwok On, Mr. Lo Wing Yan, William and Mr. Ngai Wai Fung.