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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)

UNAUDITED RESULTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010

Highlights

- Revenue was approximately US\$647.4 million in the nine months ended 30 September 2010, up 34.3% compared to approximately US\$482.2 million for the same period in 2009;
- Gross profit was approximately US\$124.7 million in the nine months ended 30 September 2010, up 194.1% compared to approximately US\$42.4 million for the same period in 2009, which translated to a gross profit margin of approximately 19.3% in the nine months ended 30 September 2010 compared to 8.8% for the same period in 2009; and
- Profit for the period was approximately US\$88.6 million in the nine months ended 30 September 2010, up 334.3% compared to approximately US\$20.4 million for the same period in 2009, which corresponded to a net profit margin of approximately 13.7% in the nine months ended 30 September 2010 compared to 4.2% for the same period in 2009.

The board of directors (the “**Board**”) of SITC International Holdings Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) announces the unaudited consolidated results of the Company for the nine months ended 30 September 2010 together with the comparative figures for the corresponding period of last year. This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). **Shareholders are reminded to exercise caution when dealing in the shares of the Company.**

CONSOLIDATED INCOME STATEMENT (UNAUDITED)

For the nine months ended 30 September 2010

	For the nine months ended 30 September	
	2010	2009
	<i>(unaudited)</i>	<i>(unaudited)</i>
	<i>US\$'000</i>	<i>US\$'000</i>
REVENUE	647,392	482,164
Cost of sales	<u>(522,716)</u>	<u>(439,809)</u>
Gross profit	124,676	42,355
Other income and gains	1,552	1,502
Administrative expenses	(30,479)	(20,962)
Other expenses and losses	(3,548)	(13)
Finance costs	(2,201)	(1,475)
Share of profits and losses of associates	<u>80</u>	<u>—</u>
PROFIT BEFORE TAX	90,080	21,407
Income tax expense	<u>(1,463)</u>	<u>(1,011)</u>
PROFIT FOR THE PERIOD	<u>88,617</u>	<u>20,396</u>
Profit attributable to:		
Owners of the parent	88,228	20,129
Non-controlling interests	<u>389</u>	<u>267</u>
	<u>88,617</u>	<u>20,396</u>

The Group's unaudited consolidated results for the nine months ended 30 September 2010 have been prepared in accordance with the accounting policies adopted by the Group as disclosed in the prospectus of the Company dated 20 September 2010.

Business Review

We are a leading PRC-based shipping logistics company that provides integrated transportation and logistics solutions.

Our revenue was approximately US\$647.4 million in the nine months ended 30 September 2010, up 34.3% compared to approximately US\$482.2 million for the same period in 2009. This increase primarily reflected (i) higher average freight rate and growth in shipping volume on the sea freight logistics business and (ii) growth in the average freight forwarding fee and freight forwarding volume on the land-based logistics business.

Gross profit was approximately US\$124.7 million in the nine months ended 30 September 2010, up 194.1% compared to approximately US\$42.4 million for the same period in 2009, which translated to a gross profit margin of approximately 19.3% in the nine months ended 30 September 2010 compared to 8.8% for the same period in 2009. The increase in gross profit margin primarily reflected the increase in the average freight rate and relatively constant cost of sales per TEU, which primarily reflected an increase in bunkers cost offset by a lower vessel charter rate, on the sea freight logistics business. This was partially offset by the decrease in gross profit margin on the land-based logistics business, primarily due to the increase in the average freight rate charged by carriers.

Other income and gains was approximately US\$1.6 million in the nine months ended 30 September 2010 compared to approximately US\$1.5 million in the same period in 2009, which primarily consisted of increases in the fair value of financial instruments.

Administrative expenses increased 45.2% from approximately US\$21.0 million in the nine months ended 30 September 2009 to US\$30.5 million in the same period in 2010, which primarily reflected the costs for setting up a wholly-owned subsidiary to provide shipping agency services to the vessels we own and operate, and an increase in salary expenses as a result of the expansion of our land-based logistics and sea freight logistics business and, to a lesser extent, an increase in foreign exchange expenses.

Other expenses and losses was approximately US\$3.5 million in the nine months ended September 30, 2010, primarily due to the closing out of the 10-year derivative financial instrument with HSBC. Other expenses and losses was less than US\$0.1 million in the same period in 2009.

As a result of the aforementioned, our profit for the period was approximately US\$88.6 million in the nine months ended 30 September 2010, up 334.3% compared to approximately US\$20.4 million for the same period in 2009, which corresponded to a net profit margin of approximately 13.7% in the nine months ended 30 September 2010 compared to 4.2% for the same period in 2009.

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

27 October 2010

As at the date of this announcement, the executive directors of the Company are Yang Shaopeng, Yang Xianxiang, Liu Kecheng, Li Xuexia, Xue Peng; the non-executive director of the Company is Liu Rongli; and the independent non-executive directors of the Company are Tsui Yung Kwok, Yeung Kwok On, Lo Wing Yan, William and Ngai Wai Fung.