

The forecast of the combined net profit of our Group for the year ending 30 June 2009 is set out in the paragraph headed “Profit forecast” in the section headed “Financial Information” in this prospectus.

(1) BASIS AND ASSUMPTIONS

The forecast of the combined net profit of our Group for the financial year ending 30 June 2009 prepared by our Directors is based on the audited combined accounts of our Group for the nine months ended 31 March 2009, the unaudited combined management accounts of our Group for the one month ended 30 April 2009 and a forecast of the combined results of our Group for the two months ending 30 June 2009. The forecast has been prepared on the basis of the accounting policies consistent in all material aspects with those currently adopted by our Group as summarised in the accountants’ report, the text of which is set out in Appendix I to this prospectus and is based on the following principal assumptions:

- (a) there will be no material changes in existing government policies or political, legal (including changes in legislation or regulations or rules), fiscal or economic conditions in Hong Kong, the PRC or any other places in which any member of our Group is incorporated, carries on business;
- (b) there will be no material changes in the bases or rates of taxation or duties applicable to the activities of our Group in Hong Kong, in the PRC, or any other place in which our Group operates or in which any member of our Group is incorporated; and
- (c) there will be no material adverse changes in the foreign currency exchange rates and interest rates from those currently prevailing.

(2) LETTERS

Set out below are texts of letters received by our Directors from (i) KPMG, the auditors and reporting accountants of our Company, and (ii) the Sole Sponsor, prepared for the purpose of inclusion in this prospectus in connection with the profit forecast of our Group for the year ending 30 June 2009.

(i) Letter from KPMG

Set out below is the text of a letter from the reporting accountants, KPMG, Certified Public Accountants, Hong Kong for the purpose of incorporation in this prospectus in connection with the profit forecast for the year ending 30 June 2009.



8th Floor
Prince's Building
10 Chater Road
Central
Hong Kong

The Board of Directors
361 Degrees International Limited
Merrill Lynch Far East Limited

18 June 2009

Dear Sirs,

We have reviewed the accounting policies adopted and calculations made in arriving at the forecast of the combined profit attributable to the equity holders of 361 Degrees International Limited ("**the Company**") and its subsidiaries (collectively referred to as "**the Group**") for the year ending 30 June 2009 ("**the Profit Forecast**"), for which the directors of the Company are solely responsible, as set forth in the section headed "Financial Information" in the prospectus of the Company dated 18 June 2009 ("**the Prospectus**").

The Profit Forecast has been prepared by the directors of the Company based on the audited combined results of the Group for the nine months ended 31 March 2009, the unaudited combined results of the Group for the one month ended 30 April 2009 and a forecast of the combined results of the Group for the remaining two months ending 30 June 2009.

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Forecast has been properly compiled in accordance with the assumptions made by the directors as set out in Appendix III of the Prospectus and is presented on a basis consistent in all material respects with the accounting policies normally adopted by the Group as set out in our accountants' report dated 18 June 2009, the text of which is set out in Appendix I to the prospectus.

Yours faithfully,
KPMG
Certified Public Accountants
Hong Kong

(ii) *Letter from the Sole Sponsor*



18 June 2009

The Board of Directors
361 Degrees International Limited
361 度國際有限公司
Jiangtou Industry Park
Chendai Town
Jinjiang City
Fujian Province
The PRC

Dear Sirs,

We refer to the forecast of the combined profit attributable to equity holders of 361 Degrees International Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) for the year ending 30 June 2009 (the “**Profit Forecast**”) as set out in the prospectus issued by the Company dated 18 June 2009 (the “**Prospectus**”).

We understand that the Profit Forecast has been prepared by the directors of the Company based on the audited combined results of the Group for the nine months ended 31 March 2009, the unaudited combined results of the Group for the one month ended 30 April 2009 and a forecast of the combined results of the Group for the remaining two months ending 30 June 2009.

We have discussed with you the basis made by the directors of the Company as set out in Appendix III to the Prospectus upon which the Profit Forecast has been made. We have also considered the letter dated 18 June 2009 addressed to yourselves and ourselves from KPMG regarding the accounting policies and calculations upon which the Profit Forecast has been made.

On the basis of the information comprising the Profit Forecast and on the basis of the accounting policies and calculations adopted by you and reviewed by KPMG, we are of the opinion that the Profit Forecast, for which you as directors of our Company are solely responsible, has been made after due and careful enquiry.

Yours faithfully,
For and on behalf of
Merrill Lynch Far East Limited
John Lee
Managing Director