The forecast of the consolidated profit attributable to equity holders of the Company for the half year ending June 30, 2010 is set out in the subsection headed "Forecast for the Half Year Ending June 30, 2010" under the section headed "Financial Information" in this prospectus:

(A) BASES AND ASSUMPTIONS

The Directors have prepared the forecast of the consolidated profit attributable to equity holders of the Company for the half year ending June 30, 2010 based on the audited consolidated results of the Group for the years ended December 31, 2007, 2008 and 2009, the unaudited actual results of the Group for the three months ended March 31, 2010, and a forecast of the consolidated results of the Group for the three months ending June 30, 2010. The forecast has been prepared on the basis of the accounting policies consistent in all material respects with those normally adopted by the Group as summarized in the accountants' report, the text of which is set out in Appendix I to this prospectus. Pursuant to Rule 11.18 of the Listing Rules, we have undertaken to the Stock Exchange that the interim financial statements of the Group for the six months ending June 30, 2010 will be audited.

The Directors have adopted the following assumptions in the preparation of the profit forecast:

- There will be no material changes in the existing political, legal, fiscal, market or economic conditions in the PRC, Hong Kong or any other countries or territories in which we currently operate or which are otherwise material to our business;
- There will be no changes in legislation, regulations or rules in the PRC, Hong Kong or any other countries or territories in which we operate or with which we have arrangements or agreements, which may materially adversely affect the our business or operations;
- There will be no material changes in inflation rates, interest rates or foreign exchange rates from those currently prevailing in the context of the our operations;
- There will be no material changes in the bases or applicable rates of taxation, surcharges or other government levies in the countries or territories in which we operate, except as otherwise disclosed in the prospectus;
- The PRC government will continue to adopt moderate macroeconomic and monetary policies, similar to those of 2009, in order to maintain a consistent rate of economic growth;
- There will be no significant slowdown in the infrastructure construction expenditure in China and demand for our products and services;
- Our operations will not be adversely affected by occurrences such as labor shortages and disputes, or any other factors outside the control of its management. In addition, we will be able to recruit enough employees to meet its operating requirements during the forecast period;
- There will be no interruption of operations that will adversely affect us as a result of a shortage in supply of equipment which are beyond management's control;
- There will be no material unfavorable changes in the costs of equipment, subcontracting charges, employee costs, instruments and equipment costs from those currently prevailing;
- There will also be no material impact or interruption on our Company's assets and operations (including loss of lives or injury, destruction of assets, or impact on construction progress) as a result of any force majeure events or unforeseeable factors or any unforeseeable reasons that are beyond the control of the Directors, including but not limited to the occurrence of natural disasters, epidemics, earthquakes, wars, terrorists attacks or serious accidents; and
- There will be no acquisitions during the forecast period.

We forecast that, in the absence of unforeseen circumstances and on the bases and assumptions set out in the "Profit Forecast" in Appendix III to this prospectus, and in accordance with IFRS, our net profit attributable to our shareholders for the half year ending June 30, 2010 is expected to be not less than RMB41.2 million.

The forecast is presented on a basis consistent in all material respects with the accounting policies currently adopted by us as set out in the Accountants' Report dated the date of this prospectus (the text of which is set out in "Accountants' Report" in Appendix I to this prospectus).

Our Directors have prepared a profit forecast only for the half year ending June 30, 2010, as the factors described under the sections headed "Risk Factors" and "Financial Information—Factors Affecting Our Results of Operations and Financial Condition" make any forecast for a longer period subject to too many uncertainties.

The unaudited pro forma fully diluted earnings per Share for the half year ending June 30, 2010 is expected to be not less than RMB0.027. This amount has been calculated based on the forecast consolidated profit attributable to equity holders of our Company for the half year ending June 30, 2010 and assuming that our Company had been listed since January 1, 2010 and a total of 1,550,296,334 Shares were in issue during the half year ended June 30, 2010, without taking into account any Shares which may be allotted and issued upon the exercise of the Over-allotment Option or any option which may be granted under the Share Option Scheme.

Our revenue is generated primarily by three business segments: Turnkey Solutions, Specialized Solutions and VA Services.

Revenue from construction contracts, which is fixed price in nature, is recognized using the percentage of completion method when the contract activities have progressed to a stage where economic benefit can be reasonably foreseen and is measured by reference to the proportion of costs incurred to date to the estimated total cost of the relevant contract.

The estimate of our revenue for the half year ending June 30, 2010 for purposes of our profit forecast on, among other things:

(i) backlog as of December 31, 2009 (based on percentage completion milestones as set out in contracts signed or orders secured).

(ii) contracts signed to date (based on contracts entered into since December 31, 2009 and actual work done or projected percentage completion milestones as set out in such contracts); and

(iii) bids won to date (based on winning bid notification or other written notification and projected percentage completion milestones as set out in the bidding documents. The Directors confirm that based on past experience, bids won generally become actual contracts signed and that there will not be changes in the terms and conditions of the bids as compared to actual contracts entered into that will materially and adversely affect our contracts). The period from bid winning to contract signing is typically one to two months.

Sensitivity Analysis

The following table illustrates the sensitivity of net profit attributable to the equity holders of the Company to revenue recognized for all projects during the forecast period.

Reduction in net profit attributable to equity holders of the Company (revenue sensitivity analysis).

	If 2.5% of revenue is not recognized	If 5.0% of revenue is not recognized
	RMB million	RMB million
Reduction in net profit attributable to equity holders of the Company	(2.4)	(4.8)

The following table illustrates the sensitivity of net profit attributable to the equity holders of the Company to cost overrun for all projects during forecast period.

Reduction in net profit attributable to equity holders of the Company (cost sensitivity analysis).

	If cost is overrun by 1.0%	**If cost is overrun by 2.5%**
	RMB million	**RMB million**
Reduction in net profit attributable to equity holders of the Company . .	(2.5)	(6.2)

The above sensitivity analysis is intended for reference only, and any variation could exceed the ranges given. Investors should note in particular that (i) this sensitivity analysis is not intended to be exhaustive and is limited to the impact of the variance in revenue recognition and cost for all projects for the half year ending June 30, 2010 and (ii) the profit forecast is subject to further and additional uncertainties generally.

We have considered for the purposes of the profit forecast what we believe is the best estimate of the sensitivity in revenue recognized and cost overrun for all projects as at June 30, 2010. However, the sensitivity in revenue recognized and cost overrun for all projects and/or any changes of the sensitivity in revenue recognized and cost overrun for all projects as at the relevant time may differ materially from our estimate, and is dependent on market conditions and other factors that are beyond our control. Our profit forecast involves estimates and assumptions in this regard which may prove to be incorrect.

(B) LETTER FROM THE REPORTING ACCOUNTANTS ON THE PROFIT FORECAST

The following is the text of a letter, prepared for inclusion in this prospectus, received by our Directors and the Joint Sponsors from Ernst & Young, the reporting accountants of the Company, in connection with the forecast of our consolidated profit attributable to equity holders of the Company for the half year ending June 30, 2010.

18th Floor
Two International Finance Centre
8 Finance Street, Central
Hong Kong

June 30, 2010

The Directors
China ITS (Holdings) Co., Ltd.
Merrill Lynch Far East Limited
CCB International Capital Limited
Macquarie Capital Securities Limited

Dear Sirs,

We have reviewed the accounting policies and calculations adopted in arriving at the forecast of the consolidated profit attributable to the equity holders of China ITS (Holdings) Co., Ltd. (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for the half year ending June 30, 2010 (the "Profit Forecast") as set out in the subsection headed "Forecast for the Half Year Ending June 30, 2010" under the section headed "Financial Information" in the prospectus of the Company dated June 30, 2010 (the "Prospectus"), for which the directors of the Company (the "Directors) are solely responsible.

We calculated our work with reference to Auditing Guidance 3.341 "Accountants' Report on Profit Forecasts" issued by the Hong Kong Institute of Certified Public Accountants.

The Profit Forecast has been prepared by the Directors based on the audited consolidated results of the Group for the years ended December 31, 2007, 2008 and 2009, the unaudited actual results of the Group for the three months ended March 31, 2010 and a forecast of the consolidated results of the Group for the remaining three months ending June 30, 2010.

In our opinion, so far as the accounting policies and calculations are concerned, the Profit Forecast has been properly compiled in accordance with the bases and assumptions made by the Directors as set out in Part A of 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 June 30, 2010, the text of which is set out in Appendix I to the Prospectus.

Yours faithfully,
Ernst & Young
Certified Public Accountants
Hong Kong

(C) LETTER FROM THE JOINT SPONSORS

The following is the text of a letter, prepared for inclusion in this prospectus by the Joint Sponsors, in connection with the forecast of our consolidated profit attributable to equity holders of our Company for the half year ending June 30, 2010.

June 30, 2010

The Directors
China ITS (Holdings) Co., Ltd.

Dear Sirs,

We refer to the forecast (the "**Forecast**") of the consolidated profit attributable to equity holders of China ITS (Holdings) Co., Ltd. (the "**Company**") for the half year ending June 30, 2010 as set out in the subsection headed "Forecast for the Half Year Ending June 30, 2010" in the section entitled "Financial Information" in the prospectus issued by the Company dated June 30, 2010.

The Forecast, for which the Directors of the Company are solely responsible, has been prepared by them based on the audited consolidated results of the Company and its subsidiaries (together, the "Group") for the years ended December 31, 2007, 2008 and 2009, the unaudited actual results of the Group for the three months ended March 31, 2010 and a forecast of the consolidated results of the Group for the remaining three months ending June 30, 2010 on the basis that the current Group structure had been in existence throughout the half year ending June 30, 2010.

We have discussed with you the bases and assumptions upon which the Forecast has been made. We have also considered, and relied upon, the letter dated June 30, 2010 addressed to you and us from Ernst & Young regarding the accounting policies and calculations upon which the Forecast has been based.

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

Yours faithfully,
For and on behalf of
Merrill Lynch Far East Limited

Julian Lee
Director

Yours faithfully,
For and on behalf of
CCB International Capital Limited

Lai Voon Wai
Managing Director
Corporate Finance

Yours faithfully,
For and on behalf of
Macquarie Capital Securities Limited

David Roberts
Managing Director

Debora Cheng
Managing Director