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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Potential investors should read the prospectus dated Wednesday, 30 June, 2010 (the “Prospectus”) issued by China ITS (Holdings) Co., Ltd. (the “Company”) for detailed information about the Public Offering and International Placing described below before deciding whether or not to invest in the Shares thereby being offered.

The information contained in this announcement is not for distribution, directly or indirectly, in or into the United States (including its territories and dependencies, any State of the United States and the District of Columbia). These materials do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Shares mentioned herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”).

The Shares may not be offered or sold in the United States except pursuant to registration or an exemption from the registration requirements of the Securities Act. No public offering of the securities will be made in the United States.

Potential investors of the Offer Shares should note that the Joint Global Coordinators (on behalf of the other Public Offer Underwriters) are entitled, after prior consultation with the Company, to terminate their obligations under the Public Offer Underwriting Agreement by notice in writing to the Company, upon the occurrence of any of the events set out in the sections headed “Underwriting — Underwriting Arrangements and Expenses — Public Offering — Grounds for Termination” in the Prospectus, at any time prior to 8:00 a.m. (Hong Kong time) on the date on which dealings in Shares first commence on the Stock Exchange which is currently expected to be on Thursday, 15 July, 2010.

In connection with the Global Offering, CCB International Securities Limited as stabilizing manager (the “Stabilizing Manager”), or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market for a limited period commencing from the Listing Date. There is no obligation on the Stabilizing Manager or any person acting for it to do this. Such stabilization action, if commenced, will be conducted at the absolute discretion of the Stabilizing Manager or any person acting for it and may be discontinued at any time, and is required to be brought to an end within 30 days of the last day for the lodging of applications under the Public Offering. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements. The details of the intended stabilization and how it will be regulated under the Securities and Futures (Price Stabilising) Rules of the SFO are contained in the Prospectus.

Potential investors should be aware that stabilizing action cannot be taken to support the price of the Shares for longer than the stabilization period which begins on the commencement of trading of the Shares on the Stock Exchange which is expected to be on Thursday, 15 July, 2010 and ends on the date which is the 30th day after the last day for the lodging of applications under the Public Offering. The stabilization period is expected to expire on Friday, 6 August, 2010 and after this date, when no further stabilizing action may be taken, demand for the Shares, and therefore its market price, could fall. A public announcement will be made within seven days after the end of the stabilization period in accordance with the Securities and Futures (Price Stabilizing) Rules of the SFO.

In connection with the Global Offering, the Stabilizing Manager may over-allocate up to and not more than an aggregate of 35,526,000 additional Shares (representing approximately 15% of the Offer Shares initially available under the Global Offering) at any time from the Listing Date up to (and including) the date which is the 30th day after the last day for lodging of Application Forms under the Public Offering and cover such over-allocations by exercising the Over-allotment Option on behalf of the International Purchasers (at the discretion of the Joint Global Coordinators), or by making purchases in the secondary market at prices or by a combination of purchase in the secondary market and a partial exercise of the Over-allotment Option. In the event that such Over-allotment Option is exercised, an announcement will be made in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), and on the Company’s website at www.its.cn and the Hong Kong Stock Exchange’s website at www.hkexnews.hk.

Unless otherwise defined herein, terms used in this announcement shall have the same meanings as those defined in the Prospectus.

China ITS (Holdings) Co., Ltd.
中国智能交通系统(控股)有限公司

(incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	: 236,840,000 Shares (subject to adjustment and the Over-allotment Option)
Number of Public Offer Shares	: 23,684,000 new Shares (subject to adjustment)
Number of International Offer Shares	: 213,156,000 Shares comprising 176,318,781 new Shares and 36,837,219 Sale Shares (subject to adjustment and the Over-allotment Option)
Maximum Offer Price	: HK\$3.90 per Public Offer Share, plus brokerage of 1%, SFC transaction levy of 0.004%, and the Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)
Nominal Value	: HK\$0.0002 per Share
Stock Code	: 1900

Joint Global Coordinators, Joint Bookrunners, Joint Lead Managers and Joint Sponsors

BofA Merrill Lynch



The Company is initially offering 236,840,000 Shares (subject to the Over-allotment Option) under the Global Offering, which consists of 23,684,000 Public Offer Shares (subject to adjustment) and 213,156,000 International Offer Shares, including 36,837,219 Sale Shares (subject to adjustment and the Over-allotment Option), representing approximately 10% and 90% of the total number of Shares initially available under the Global Offering, respectively. Application has been made by the Company to the Listing Committee of the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Shares in issue and to be issued as described in the Prospectus and the Application Forms, including the Offer Shares (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option), and any Shares which may be issued under the Share Option Scheme. Dealings in the Shares on the Stock Exchange are expected to commence at 9:30 a.m. on Thursday, 15 July, 2010. Subject to the granting of the approval for the listing of, and permission to deal in, the Shares in issue and to be issued as described in the Prospectus, as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in the Shares on the Stock Exchange, or such other date as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading

day thereafter. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

The Shares will be traded in board lots of 1,000 Shares each. The Offer Price will not be more than HK\$3.90 per Offer Share and is currently expected to be not less than HK\$2.85 per Offer Share unless otherwise announced. The Share Offer of 236,840,000 Offer Shares comprises the International Placing of initially 213,156,000 International Placing Shares to professional, institutional and other investors and the Public Offering of initially 23,684,000 Public Offer Shares to members of the public in Hong Kong. The allocation of the Offer Shares between the International Placing and the Public Offering is subject to reallocation. If the Public Offering is not fully subscribed, Joint Global Coordinators may, in its absolute discretion, reallocate all or any of the unsubscribed Public Offer Shares originally included in the Public Offering to the International Placing (or vice versa, as appropriate) in such proportion and manner as it considers appropriate. In addition, Joint Global Coordinators has the discretion to reallocate Offer Shares from the International Placing to the Hong Kong Public Offering to satisfy valid applications under the Public Offering. For details, please refer to the section titled “Structure of the Global Offering” in the Prospectus.

Applicants who apply on **WHITE** Application Forms for 1,000,000 or more Public Offer Shares and have indicated in their Application Forms that they wish to collect (where applicable) refund cheques and/or Share certificates in person from the Company’s Hong Kong share registrar, Union Registrars Limited, 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wan Chai, Hong Kong may collect (where applicable) refund cheques and/or Share certificates in person from 9:00 a.m. to 1:00 p.m. on Wednesday, 14 July, 2010, or such other date as notified by our Company in the newspapers as the date of dispatch of Share certificates/refund cheques. Identification and (where applicable) authorization documents acceptable to Union Registrars Limited must be produced at the time of collection.

Applicants applying for 1,000,000 Public Offer Shares or more through the **WHITE Form eIPO** service by submitting an electronic application to the designated **WHITE Form eIPO** Service Provider through the designated website at www.eipo.com.hk may collect their Share certificate(s) and/or refund cheque(s) (if any) in person from Union Registrars Limited, 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wan Chai, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Wednesday, 14 July, 2010, or such other date as notified by our Company in the newspapers as the date of dispatch of Share certificates/refund cheques.

Uncollected Share certificate(s) and/or refund cheque(s) (if any) will be sent to the address specified by the applicants on their **WHITE** Application Forms or in their application instructions to the designated **WHITE Form eIPO** Service Provider promptly thereafter by ordinary post and at the applicants’ own risk.

In relation to applicants applying for less than 1,000,000 Public Offer Shares, the relevant Share certificate(s) and/or refund cheque(s) (if any) will be sent to the address specified by the applicants in the relevant application instructions to the designated **WHITE Form eIPO** Service Provider through the designated website at www.eipo.com.hk on Wednesday, 14 July, 2010 by ordinary post and at the applicants’ own risk.

For applicants whose payment of application monies is insufficient, or in excess of the required amount, having regard to the number of Offer Shares for which they have applied, or if their application is otherwise rejected by the designated **WHITE Form eIPO** Service Provider, the designated **WHITE Form eIPO** Service Provider may adopt alternative arrangements for the refund of monies to such applicants. Please refer to the additional information provided by the designated **WHITE Form eIPO** Service Provider on the designated website at www.eipo.com.hk.

Applicants who apply on **YELLOW** Application Forms for 1,000,000 or more Public Offer Shares and have indicated in their Application Forms that they wish to collect refund cheques in person may collect their refund cheques (if any) but may not elect to collect their Share certificates, which will be deposited into CCASS for credit to their designated CCASS Participants' stock accounts or CCASS Investor Participant stock accounts, as appropriate. The procedure for collection of refund cheques for applicants who apply on **YELLOW** Application Forms for Shares is the same as that for **WHITE** Application Form applicants. Instead of using **YELLOW** Application Forms, applicants may electronically instruct HKSCC to cause HKSCC Nominees to apply for the Public Offer Shares on their behalf via CCASS. Any Public Offer Shares allocated to such applicants will be registered in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock account or their designated CCASS Participant's stock account.

In relation to applicants who have applied for less than 1,000,000 Shares, or applicants who have applied for 1,000,000 or more Shares but have not elected to collect their (where relevant) refund cheque(s) and/or (where relevant) Share certificate(s) in person, their refund cheque(s) (where relevant) and/or Share certificate(s) (where relevant) will be sent by ordinary post at the applicants' own risk to the addresses specified in the **WHITE** or **YELLOW** Application Forms on Wednesday, 14 July, 2010.

The board lot size is 1,000 and Share certificates will only become valid certificates of title at 8:00 a.m. on Thursday, 15 July, 2010 provided that the Global Offering has become unconditional in all respects and neither of the Underwriting Agreements has been terminated in accordance with its terms.

Applicants who would like the Shares to be issued in their own names should complete and (i) sign the **WHITE** Application Forms or (ii) submit electronic applications to the designated **WHITE Form eIPO** Service Provider through the designated website at www.eipo.com.hk. Applicants who would like to have the Shares issued in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms, copies of which, together with the Prospectus, may be obtained from 9:00 a.m. on Wednesday, 30 June, 2010 until 12:00 noon on Wednesday, 7 July, 2010 (both days inclusive) at the Depository Counter of HKSCC at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong, or their brokers, who may have the Application Forms and the Prospectus; or (ii) give **electronic application instructions** to HKSCC via CCASS.

No receipt will be issued for application moneys received.

Copies of the Prospectus, together with **WHITE** Application Forms, may be obtained during normal business hours in the same period from:

1. Merrill Lynch Far East Limited, 15th Floor, Citibank Tower, 3 Garden Road, Central, Hong Kong; or
2. CCB International Capital Limited, 34th Floor, Two Pacific Place, 88 Queensways, Admiralty, Hong Kong; or
3. Macquarie Capital Securities Limited, Level 18, One International Financial Centre, 1 Harbour View Street, Central, Hong Kong; or
4. any of the following branches of

Standard Chartered Bank (Hong Kong) Limited

	Branch Name	Address
Hong Kong Island	Des Voeux Road Branch	Standard Chartered Bank Building, 4–4A, Des Voeux Road Central, Central
	North Point Centre Branch	North Point Centre, 284 King's Road, North Point
	Quarry Bay Branch	G/F, Westlands Gardens, 1027 King's Road, Quarry Bay
Kowloon	Kwun Tong Hoi Yuen Road	G/F, Fook Cheong Building, No. 63 Hoi Yuen Road, Kwun Tong, Kowloon
	Cheung Sha Wan Branch	828 Cheung Sha Wan Road, Cheung Sha Wan
New Territories	Yuen Long Fung Nin Road Branch	Shop B at G/F and 1/F, Man Cheong Building, 247 Castle Peak Road, Yuen Long
	Tseung Kwan O Branch	Shop G37–40, G/F, Hau Tak Shopping Centre East Wing, Hau Tak Estate, Tseung Kwan O

China Construction Bank (Asia) Corporation Limited

	Branch Name	Address
Hong Kong Island	Central Branch	6 Des Voeux Road Central, HK
	Causeway Bay Plaza Branch	G/F, Causeway Bay Plaza 1, Causeway Bay, HK
	Wan Chai Hennessy Road Branch	139 Hennessy Road, Wanchai, HK
Kowloon	Tsimshatsui Canton Road Branch	68 Canton Road, Tsimshatsui, KLN
	Hunghom Whampoa Branch	Shop A3, G/F, Yuen Wah Building, Whampoa Estates, Hunghom, KLN
	Tsimshatsui Humphreys Avenue Branch	3 Humphreys Avenue, Tsimshatsui, KLN
	Mongkok Nathan Road Branch	788 Nathan Road, Mongkok, KLN
New Territories	Tsuen Wan Branch	282 Sha Tsui Road, Tsuen Wan, N.T.
	Shatin Plaza Branch	Shop 5, Level 1, Shatin Plaza, Shatin, N.T.

Completed **WHITE** and **YELLOW** Forms (to which cheques or banker's cashier orders should be securely attached) should be deposited in the special collection boxes provided at any of the branches referred to above at the following times on the following dates:

Wednesday, 30 June, 2010 — 9:00 a.m. to 5:00 p.m.
Friday, 2 July, 2010 — 9:00 a.m. to 5:00 p.m.
Saturday, 3 July, 2010 — 9:00 a.m. to 1:00 p.m.
Monday, 5 July, 2010 — 9:00 a.m. to 5:00 p.m.
Tuesday, 6 July, 2010 — 9:00 a.m. to 5:00 p.m.
Wednesday, 7 July, 2010 — 9:00 a.m. to 12:00 noon

Applicants applying by **White Form eIPO** may submit applications to the **White Form eIPO** Service Provider through the designated website at www.eipo.com.hk from 9:00 a.m. on Wednesday, 30 June, 2010 until 11:30 a.m. on Wednesday, 7 July, 2010 (or such later time as described under the paragraph headed "How to apply for Public Offer Shares — Effect of bad weather on the last application day" in the Prospectus) (24 hours daily, except on the last application day). The latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Wednesday, 7 July, 2010, the last application day, or if the Application Lists are not open on that day, then by the time and date stated in the section headed "How to apply for Public Offer Shares — Effect of bad weather on the last application day" in the Prospectus. Applicants will not be permitted to submit applications to the **White Form eIPO** Service Provider after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the website prior to 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the Application Lists close.

Investors can apply for Public Offer Shares by giving electronic application instructions to HKSCC via CCASS as follows:

1. CCASS Investor Participants may give **electronic application instructions** to HKSCC through the CCASS Phone System by calling 2979 7888 or through the CCASS Internet System at (<https://ip.ccass.com>) (using the procedures contained in HKSCC's "An Operating Guide for Investor Participants in effect from time to time). HKSCC can also input electronic application instructions to HKSCC on behalf of CCASS Investor Participants if they go to HKSCC Customer Service Centre at 2nd Floor, Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong and complete an input request form. Prospectuses are also available for collection at the HKSCC Customer Services Centre.
2. Those who are not CCASS Investor Participants can instruct their brokers or custodians who are CCASS Clearing Participants or a CCASS Custodian Participants to give **electronic application instructions** to HKSCC via CCASS terminals to apply for Public Offer Shares on their behalf.

CCASS Clearing/Custodian Participants can input **electronic application instructions** through CCASS at the following times:

Wednesday, 30 June, 2010 — 9:00 a.m. to 8:30 p.m.⁽¹⁾
Friday, 2 July, 2010 — 8:00 a.m. to 8:30 p.m.⁽¹⁾
Saturday, 3 July, 2010 — 8:00 a.m. to 1:00 p.m.⁽¹⁾
Monday, 5 July, 2010 — 8:00 a.m. to 8:30 p.m.⁽¹⁾
Tuesday, 6 July, 2010 — 8:00 a.m. to 8:30 p.m.⁽¹⁾
Wednesday, 7 July, 2010 — 8:00 a.m.⁽¹⁾ to 12:00 noon

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Wednesday, 30 June, 2010 until 12:00 noon on Wednesday, 7 July, 2010 (24 hours daily, except the last day of application).

The Application Lists will be open from 11:45 a.m. to 12:00 noon on Wednesday, 7 July, 2010 (or such later date as may apply in case of certain bad weather conditions as described under the section headed “How to Apply for Public Offer Shares — Effect of bad weather on the last application day” in the Prospectus.

Subject to the terms and conditions set out in the Prospectus and the Application Forms, applications made on **WHITE** or **YELLOW** Application Forms or through the **White Form eIPO** service by submitting an electronic application to the **White Form eIPO** Service Provider through the designated website at www.eipo.com.hk, or by giving **electronic application instruction** to HKSCC, must be received no later than 12:00 noon on Wednesday, 7 July, 2010 (or if the Application Lists are not open on that day, then by 12:00 noon on the next business day the Application Lists are open). Please see the section headed “How to Apply for the Public Offer Shares” in the Prospectus for further details. If the conditions to the Global Offering are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. The Company will cause notice of the lapse of the Public Offering to be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), and on the Company’s website at www.its.cn and the Hong Kong Stock Exchange’s website at www.hkexnews.hk on the next day following such lapse.

For allocation purposes only, the Public Offer Shares (before taking into account any adjustment in the number of Offer Shares allocated between the Public Offering and the International Placing) will be divided equally (to the nearest board lot) into two pools of 11,842,000 Shares each: Pool A and Pool B, both of which are available on an equitable basis to successful applicants. The Public Offer Shares in Pool A will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with an aggregate subscription price of HK\$5 million (excluding the brokerage, SFC transaction levy and Stock Exchange trading fee payable) or less. The Public Offer Shares in Pool B will be allocated on an equitable basis to applicants who have applied for Public Offer Shares with an aggregate subscription price of more than HK\$5 million (excluding the brokerage, SFC transaction levy and Stock Exchange trading fee payable). Applicants should be aware that applications in different pools may receive different allocation ratios. If Public Offer Shares in one

pool (but not both pools) is undersubscribed, the surplus Public Offer Shares will be transferred to the other pool to satisfy demand in such other pool and be allocated accordingly. Applicants can only receive an allocation of Public Offer Shares from either Pool A or Pool B but not from both pools. Multiple or suspected multiple applications and any application for more than 50% of the Public Offer Shares available for allocation will be rejected.

The Offer Price is expected to be fixed by agreement between the Joint Lead Managers on behalf of the Public Offer Underwriters and the Company on the Price Determination Date. The Price Determination Date is expected to be on or around Wednesday, 7 July, 2010 and, in any event, not later than Sunday, 11 July, 2010. It is expected that the level of indications of interest in the International Placing, the Offer Price and the level of applications and the basis of allotment under the Public Offering will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), and on the Company's website at www.its.cn and the Hong Kong Stock Exchange's website at www.hkexnews.hk on Wednesday, 14 July, 2010. The Offer Price will not be more than HK\$3.90 per Offer Share and is currently expected to be not less than HK\$2.85 per Offer Share unless otherwise announced. Investors applying for Shares under the Public Offering must pay, on application, the maximum Offer Price of HK\$3.90 for each Offer Share together with a brokerage fee of 1.0%, SFC transaction levy of 0.004% and Stock Exchange trading fee of 0.005% on each Share.

The potential investor should note that if the Offer Price is set below HK\$3.20, consents may be required of certain of the Company's Pre-IPO Investors to approve the Global Offering. If such consents are not received, we will not proceed with price determination and the Global Offering will terminate. An announcement will be made if the Global Offering becomes unconditional and lapses. For more details, please refer to the "Our Investors — Qualified IPO Thresholds and the Global Offering" section of the Prospectus.

The Underwriters, may, with the consent of the Company, reduce the number of Offer Shares and/or the indicative Offer Price range below that stated in the Prospectus (which is HK\$2.85 to HK\$3.90 per Share) at any time on or prior to the morning of the last day for lodging applications under the Public Offering. In such a case, notices of the reduction in the number of Offer Shares and/or the indicative Offer Price range will be published in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), and on the Company's website at www.its.cn and the Hong Kong Stock Exchange's website at www.hkexnews.hk, not later than the morning of the day which is the last day for lodging application under the Public Offer. **Applicants in the Public Offering should pay on application the maximum Offer Price stated in the Prospectus of HK\$3.90 per Share, subject to refund, plus brokerage fee of 1.0%, and SFC transaction levy of 0.004% and Hong Kong Stock Exchange trading fee of 0.005%. No receipt will be issued for sums paid on application.**

Results of allocations of the Public Offering, and the Hong Kong Identity Card/passport/Hong Kong business registration numbers of successful applicants (where appropriate) will be made available through various channels as described in the section headed "How to Apply for Public Offer Shares — Results of Allocations" in the Prospectus on Wednesday, 14 July, 2010. The results of allocations and the Hong Kong Identity Card/passport/Hong Kong business registration numbers of successful applicants under the Public Offering and the results of allocations for the Public Offering will be available from 9:00 a.m. on Wednesday, 14 July, 2010 at www.hkexnews.hk (a hyperlink to which can also be found on the Company's website at www.its.cn;

Results of allocations for the Public Offering will also be available from 8:00 a.m. on Wednesday, 14 July, 2010 to 12:00 midnight on Tuesday, 20 July, 2010 from our designated results of allocations website at www.unioniporesults.com.hk. The user will be required to key in the Hong Kong Identity Card/passport/Hong Kong business registration number provided in his/her/its application to search for his/her/its own allocation result;

Results of allocations will be available from our Public Offering allocation results telephone enquiry line. Applicants may find out whether or not their applications have been successful and the number of Public Offer Shares allocated to them, if any, by calling 3443 6133 between 9:00 a.m. and 6:00 p.m. from Wednesday, 14 July, 2010 to Monday, 19 July, 2010 (excluding Saturday and Sunday);

Special allocation results booklets setting out the results of allocations will be available for inspection during opening hours of individual branches and sub-branches from Wednesday, 14 July, 2010 to Friday, 16 July, 2010 at all the receiving bank branches and sub-branches at the addresses set out above.

If your application for Shares under the Public Offering is partially successful, wholly unsuccessful or if the Offer Price is less than the maximum Offer Price of HK\$3.90, your application monies (or the relevant portion of it) will be refunded to you without interest on terms set out in the section headed “How to Apply for Public Offer Shares — Despatch/Collection of Share Certificates and Refund Monies” of the Prospectus.

In relation to applicants applying for Public Offer Shares on a **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC and their applications are wholly or partially successful, their Share certificates will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of any designated CCASS Participant giving **electronic application instructions** on their behalf or as instructed by them in their **YELLOW** Application Form at the close of business on Wednesday, 14 July, 2010 or in the event of a contingency, on any other date as shall be determined by HKSCC or HKSCC Nominees. In respect of applicants applying through a designated CCASS Participant (other than a CCASS Investor Participant), they can check the number of Public Offer Shares allocated to them (and the amount of refund money(s) payable to them if they have instructed a CCASS Clearing/Custodian Participant to give **electronic application instructions** on their behalf) with that CCASS Participant. In respect of applicants applying as a CCASS Investor Participant, they should check the announcement published by the Company on Wednesday, 14 July, 2010 and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, 14 July, 2010 or such other date as shall be determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Public Offer Shares to their account, they can also check their new account balance via the CCASS Phone System and CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). HKSCC will also make available to them an activity statement showing the number of Public Offer Shares credited to their CCASS Investor Participant stock account (if you are applying by giving **electronic application instructions** to HKSCC) and on the amount of refund money(s) (if any) credited to their designated bank account.

In connection with the Global Offering, CCB International Securities Limited as Stabilizing Manager, or any person acting for it, on behalf of the Underwriters, may over-allocate or effect transactions with a view to stabilizing or maintaining the market price of the Shares at a level higher than that which might otherwise prevail in the open market for a limited period commencing from the Listing Date. There is no obligation on the Stabilizing Manager or any person acting for it to do this. Such stabilization action, if commenced, will be conducted at the absolute discretion of the Stabilizing Manager or any person acting for it and may be discontinued at any time, and is required to be brought to an end within 30 days of the last day for the lodging of applications under Public Offering. Such transactions may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws and regulatory requirements. The details of the intended stabilization and how it will be regulated under the Securities and Futures (Price Stabilising) Rules of the Securities and Futures Ordinance (Chapter 571 of the Laws of the Hong Kong) and contained in the Prospectus. Potential investors should be aware that stabilizing action cannot be taken to support the price of the Shares for longer than the stabilization period which begins on the commencement of trading of the Shares on the Stock Exchange which is expected to be on Thursday, 15 July, 2010 and ends on the date which is the 30th day after the last day for the lodging of applications under the Public Offering. The stabilization period is expected to expire on Friday, 6 August, 2010 and that after this date, when no further stabilizing action may be taken, demands for the Shares, and therefore its market price, could fall. In connection with the Global Offering, the Stabilizing Manager may over-allocate up to and not more than an aggregate of 35,526,000 additional Shares (representing approximately 15% of the Offer Shares initially available under the Global Offering) at any time from the Listing Date up to (and including) the date which is the 30th day after the last day for lodging of Application Forms under the Public Offering and cover such over-allocations by exercising the Over-allotment Option on behalf of the International Underwriters, or by making purchases in the secondary market at prices or by a combination of purchase in the secondary market and a partial exercise of the Over-allotment Option on behalf of the International Underwriters. In the event that such Over-allotment Option is exercised, an announcement will be made in the South China Morning Post (in English) and the Hong Kong Economic Times (in Chinese), and on the Company's website at www.its.cn and the Hong Kong Stock Exchange's website at www.hkexnews.hk.

The Global Offering is conditional on the conditions as stated in the sub-section headed "Conditions of the Public Offering" under the section headed "Structure of the Global Offering" of the Prospectus. If the conditions are not fulfilled or waived prior to the times and dates specified in the Prospectus, the Global Offering will thereby lapse and all application monies, together with the brokerage fee, the SFC transaction levy and the Stock Exchange trading fee received from applicants under the Global Offering, will be returned to the applicants, without interest, on the terms set out under the paragraph headed "Refund of your money" on the related Application Forms.

As at the date of this announcement, the executive Directors are Mr. Jiang Hailin, Mr. Lu Xiao, Mr. Wang Jing and Mr. Pan Jianguo, and the independent non-executive Directors are Mr. Zhou Chunsheng, Mr. Choi Onward and Mr. Sun Lu.

Dealings in the Offer Shares on the Stock Exchange are expected to commence at 9:30 a.m. on Thursday, 15 July 2010.

By order of the Board
China ITS (Holdings) Co., Ltd.
Jiang Hailin
Chairman

Hong Kong, 30 June, 2010

Please also refer to the published version of this announcement in the South China Morning Post.