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**TRANSPORT INTERNATIONAL HOLDINGS LIMITED**

**(載通國際控股有限公司)\***

*(Incorporated in Bermuda with limited liability)*  
(Stock Code : 62)

**ANNOUNCEMENT**

**PROFIT WARNING**

The Board wishes to inform the shareholders of the Company and potential investors that the financial results of the Group for the first half of 2011 are expected to be disappointing. The Group's financial performance is being negatively affected by high fuel oil prices which have a material adverse impact on the Company's core franchised public bus business operated under its principal wholly-owned subsidiary, KMB.

This announcement is made by Transport International Holdings Limited (the "Company", and together with its subsidiaries, the "Group") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors of the Company (the "Board") wishes to inform the shareholders of the Company and potential investors that the financial results of the Group for the first half of 2011 are expected to be disappointing. The Group's financial performance is being negatively affected by high fuel oil prices which have a material adverse impact on the Company's core franchised public bus business operated by its major wholly-owned subsidiary, The Kowloon Motor Bus Company (1933) Limited ("KMB").

The prices of Singapore 0.5% Sulphur Gasoil ("Gasoil"), on which the prices of Near Zero Sulphur Diesel used by our franchised buses are based, have risen significantly since the second half of 2010. In particular, the average Gasoil price for the period from 1 January 2011 to 30 June 2011 soared to US\$124.8 per barrel, which represents

an increase of 43.1% compared with the corresponding period of 2010 and an increase of 39.3% compared with the whole year of 2010. Given the drastic upsurge in Gasoil prices, KMB's recently implemented fare increase of 3.6% which took effect on 15 May 2011 is grossly insufficient to offset the huge increase in fuel costs. Although the financial results of the Group for the first half of 2011 have yet to be finalised, it is expected that KMB will incur a loss for the first half of 2011. The Board does not have a view as to the duration and magnitude of the current trend of high fuel oil prices, and it is therefore not possible to estimate accurately the potential impact of high Gasoil prices on the Group's financial results for the whole year of 2011.

This profit warning announcement is only based on the preliminary assessment by the Company's management. Shareholders of the Company and potential investors are advised to read carefully the interim results announcement of the Company for the six months ended 30 June 2011, which is expected to be published in August 2011.

**Shareholders of the Company and potential investors are advised to exercise caution in dealing in shares of the Company.**

By Order of the Board  
Transport International Holdings Limited  
**Lana Woo**  
*Company Secretary*

Hong Kong, 19 July 2011

*As at the date of this announcement, the Board of the Company is comprised of The Hon. Sir Sze-yuen CHUNG, GBM, GBE, JP as Chairman and Independent Non-executive Director; Dr. Norman LEUNG Nai Pang, GBS, JP as Deputy Chairman and Independent Non-executive Director; Dr. Eric LI Ka Cheung, GBS, OBE, JP and Mr. SIU Kwing-chue, Gordon, GBS, CBE, JP as Independent Non-executive Directors; Mr. Edmond HO Tat Man as Managing Director; Mr. Charles LUI Chung Yuen, M.H. and Mr. Evan AU YANG Chi Chun as Executive Directors; Mr. KWOK Ping-luen, Raymond, JP (with Mr. YUNG Wing Chung as alternate), Dr. KWOK Ping-sheung, Walter, JP (with Mr. SO Wai Kei, Godwin as alternate), Mr. NG Siu Chan (with Ms. Winnie NG as alternate), Mr. William LOUEY Lai Kuen, Dr. John CHAN Cho Chak, GBS, JP, Ms. Winnie NG and Mr. John Anthony MILLER, SBS, OBE as Non-executive Directors.*

*\* For identification purpose only.*