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CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED

中國置業投資控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 736)

PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

The Board proposes to implement the Share Consolidation on the basis that every 5 issued and unissued Shares of HK\$0.01 each will be consolidated into one Consolidated Share of HK\$0.05 each. The Board also proposes to change the board lot size for trading in the shares of the Company from 5,000 Shares to 10,000 Consolidated Shares after the Share Consolidation becoming effective.

The Share Consolidation is subject to the Shareholders' approval at the SGM and no Shareholders are required to abstain from voting on the resolution in relation to the Share Consolidation. A circular containing further details of the Share Consolidation and the notice of the SGM will be dispatched to the Shareholders as soon as practicable.

SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every 5 issued and unissued Shares of HK\$0.01 each will be consolidated into one Consolidated Share of HK\$0.05 each. Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Shares regardless of the number of share certificates held by such holder.

Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$300,000,000 divided into 30,000,000,000 Shares of HK\$0.01 each, of which 5,652,909,761 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Consolidation becoming effective, on the basis that the Company does not allot and issue any further Shares prior thereto, the authorised share capital of the Company shall become HK\$300,000,000 divided into 6,000,000,000 Consolidated Shares of HK\$0.05 each, of which 1,130,581,952 Consolidated Shares will be in issue.

The Consolidated Shares will rank *pari passu* in all respects with each other in accordance with the Company's memorandum of association and bye-laws. Other than the expenses to be incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders, save for any fractional Consolidated Shares to which Shareholders may be entitled.

Listing Application

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Consolidated Shares to be in issue upon the Share Consolidation becoming effective.

Conditions of the Share Consolidation

The Share Consolidation is conditional on:

- (i) the passing of an ordinary resolution by the Shareholders to approve the Share Consolidation at the SGM; and
- (ii) the Stock Exchange granting the listing of, and the permission to deal in, the Consolidated Shares in issue.

CHANGE OF BOARD LOT SIZE

The Board also proposes to change the board lot size for trading in the shares of the Company from 5,000 Shares to 10,000 Consolidated Shares after the Share Consolidation becoming effective.

REASONS FOR THE SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

It is expected that the Share Consolidation would bring about a corresponding increase in the trading price of the Consolidated Shares. It is also expected that the change in board lot size would increase the trading amount for each board lot. As a result, the Share Consolidation and change in board lot size would enable the Company to comply with the trading requirements of the Listing Rules. Accordingly, the Board is of the view that the Share Consolidation and change in board lot size are in the interest of the Company and the Shareholders as a whole.

ARRANGEMENT ON ODD LOT TRADING

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm to provide matching service, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the odd lot arrangement will be set out in the circular to be dispatched to the Shareholders in relation to the Share Consolidation.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Consolidation becoming effective, which is expected to be on 12 July 2010, Shareholders may, on or after 12 July 2010 until 17 August 2010 (both days inclusive), submit share certificates for existing Shares to the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, to exchange, at the expense of the Company, for certificates of the Consolidated Shares (on the basis of 5 existing Shares for one Consolidated Share). Thereafter, certificates of Shares will remain effective as documents of title but will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) per certificate issued or cancelled, whichever is higher, payable by Shareholders.

CONVERTIBLE BONDS AND SHARE OPTIONS

As at the date of this announcement, there are (i) outstanding principal amount of HK\$72,000,000.00 under the 2012 Convertible Bonds and (ii) outstanding options granted under the Share Option Scheme to subscribe for 70,540,000 new Shares. The auditor of the Company and an independent merchant bank will be engaged by the Company in accordance with the terms of the Share Option Scheme and the 2012 Convertible Bonds instrument respectively to certify in writing as to the adjustments (if any) required to be made in respect of the outstanding options and outstanding 2012 Convertible Bonds as a result of the Share Consolidation. The Company will make a further announcement about the adjustments in due course.

EXPECTED TIMETABLE

Set out below is the expected timetable for the implementation of the Share Consolidation and change in board lot size :

Despatch of circular with notice of SGM. Tuesday, 22 June 2010

Date of SGM 10:30 a.m. on
Friday, 9 July 2010

Effective date for the Share Consolidation Monday, 12 July 2010

First day for free exchange of existing share
certificates for new share certificates Monday, 12 July 2010

Original counter for trading in Shares in board
lots of 5,000 Shares temporarily closes 9:30 a.m. Monday, 12 July 2010

Temporary counter for trading in Consolidated
Shares in board lots of 1,000 Consolidated Shares
(in the form of existing share certificates) opens 9:30 a.m. Monday,
12 July 2010

Original counter for trading in Consolidated Shares
in new board lots of 10,000 Consolidated Shares
(in the form of new share certificates) re-opens 9:30 a.m. Monday,
26 July 2010

Parallel trading in Consolidated Shares in the form of
new share certificates and existing share certificates
commences 9:30 a.m. Monday,
26 July 2010

Designated broker starts to stand in the market to provide
matching services for odd lots of Consolidated Shares Monday, 26 July 2010

Temporary counter for trading in Consolidated Shares in
board lots of 1,000 Consolidated Shares (in the form of
existing share certificates) closes 4:00 p.m. Friday,
13 August 2010

Parallel trading in Consolidated Shares in the form of new
share certificates and existing share certificates closes Friday, 13 August 2010

Designated broker ceases to stand in the market to provide
matching services for odd lots of Consolidated Shares Friday, 13 August 2010

Last day for free exchange of existing share
certificates for new share certificates Tuesday, 17 August 2010

SGM AND CIRCULAR

The Share Consolidation is subject to the Shareholders' approval at the SGM and no Shareholders are required to abstain from voting on the resolution in relation to the Share Consolidation. A circular containing further details of the Share Consolidation and the notice of the SGM will be dispatched to the Shareholders as soon as practicable.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:

“2012 Convertible Bonds”	the convertible bonds with outstanding principal amount of HK\$72 million as at the date of this announcement issued by the Company to Gold Trinity International Limited as set out in the Company’s circular dated 30 June 2009
“Board”	the board of Directors
“Company”	China Properties Investment Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Consolidated Shares”	ordinary share(s) of HK\$ 0.05 each in the share capital of the Company after the Share Consolidation becoming effective
“Directors”	the directors of the Company
“HK\$” or “HK Dollar”	Hong Kong dollars, the lawful currency of Hong Kong from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“SGM”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Share Consolidation
“Shareholder(s)”	holder(s) of the existing shares of the Company
“Shares”	the shares of HK\$0.01 each in the share capital of the Company
“Share Consolidation”	the proposed consolidation of every 5 Shares into one Consolidated Share

“Share Option Scheme”

the share option scheme adopted by the Company on 4 October 2002

“Stock Exchange”

the Stock Exchange of Hong Kong Limited

By Order of the Board of
CHINA PROPERTIES INVESTMENT HOLDINGS LIMITED
Yu Wai Fong
Chairman

Hong Kong, 8 June 2010

As at the date of this announcement, the executive Directors are Ms. Yu Wai Fong, Mr Xu Dong and Mr. Au Tat On, and the independent non-executive Directors are Mr. Lam Man Yui, Mr. Lai Wai Yin, Wilson and Ms. Cao Jie Min.

** For identification purpose only*