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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)

ANNOUNCEMENT

ADJUSTMENT TO THE CONVERSION PRICE

Reference is made to the circular dated 30 June 2009 issued by China Properties Investment Holdings Limited (the “**Company**”) in relation to a very substantial acquisition and connected transaction for the Company (the “**Circular**”) and the announcements in relation the adjustment to the conversion price dated 3 August 2009, 1 December 2009, 4 January 2010, 1 June 2010, 30 June 2010, 9 July 2010, 2 August 2010 and 1 September 2010 respectively (the “**Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Circular and Announcements unless the context requires otherwise.

ADJUSTMENT TO THE CONVERSION PRICE

Pursuant to the terms of the Convertible Bonds, the conversion price of the Convertible Bonds can be reset (if necessary) 12 times (i.e. on the last Business Day of each month) in each calendar year (the “**Reset Date**”) before the date of its maturity in the event that the average closing price of the Shares as quoted on the Stock Exchange for the last three consecutive trading days up to and including the Reset Date (the “**Reset Price**”) is lower than the then conversion price of the Convertible Bonds. When such situation takes place, the then conversion price of the Convertible Bonds will be adjusted downwards to the Reset Price with effect from the next Business Day, and in any case the reset conversion price of the Convertible Bonds should not be less than the par value of the Share of HK\$0.01 each. In addition, according to the announcement and circular of the Company dated 8 June 2010 and 22 June 2010 respectively, the Board proposed to implement the shares consolidation on the basis that every five (5) issued and unissued ordinary shares of the Company of HK\$0.01 each be consolidated into one (1) ordinary share of the Company of HK\$0.05 each (the “**Shares Consolidation**”). The Shares Consolidation has become effective on 12 July 2010. As such, the reset conversion price of the Convertible Bonds should not be less than the par value of the Shares of HK\$0.05 each after the effective date of Shares Consolidation.

The closing prices of the shares of the Company as quoted on the Stock Exchange for the last three consecutive trading days up to and including 30 September 2010 are HK\$0.042, HK\$0.041 and HK\$0.041 respectively and the average of those is hence equivalent to approximately HK\$0.041 per Share which is lower than the par value of the Shares of HK\$0.05. As the conversion price of

the Convertible Bonds should not be less than the par value of the Shares, the conversion price will be reset to HK\$0.05 per Conversion Share (the “**October Conversion Price**”) with effect from 4 October 2010.

Based on the October Conversion Price of HK\$0.05 per Conversion Share and the principal amount of the outstanding Convertible Bonds of HK\$27 million, in the event that the Convertible Bonds are fully converted, a total of 540,000,000 Conversion Shares will be issued, representing approximately 24.73% of the existing issued share capital of the Company of 2,183,789,499 Shares as at the date of this announcement.

Shareholders should note that the conversion of the Convertible Bonds is subject to the conversion restrictions under the Sale and Purchase Agreement and the terms of the Convertible Bonds. In addition, the Company shall follow the conditional approval received by the Company for the listing of and permission to deal in any Conversion Shares which may be issued on exercise of the conversion rights attached to the Convertible Bonds in the manner described in the Circular and the Announcements.

By order of the Board
China Properties Investment Holdings Limited
Xu Dong
Chairman

Hong Kong, 4 October 2010

As at the date of this announcement, the executive Directors are Mr. Xu Dong and Mr. Au Tat On, the non-executive Director is Ms. Yu Wai Fong, 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*