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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)

PRICE SENSITIVE INFORMATION

Reference is made to (1) the announcement of China Properties Investment Holdings Limited (the “**Company**”) dated 27 July 2011 in relation to the entry into a participation deed (the “**Deed**”) and a sub-participation agreement (the “**Agreement**”) by the Company both on 27 July 2011; and (2) the announcement of Mayer Holdings Limited (“**Mayer**”) dated 16 January 2012 in relation to the writ of summons issued by Mayer.

The Company entered into (1) the Deed with Simsen Capital Finance Limited (“**Simsen**”) in relation to participate without recourse to Simsen in the term loan of HK\$76,000,000 (the “**Loan**”) extended by Simsen to Make Success Limited (“**Make Success**”) on 7 June 2011 in the amount of HK\$42,000,000; and (2) the Agreement with Power Alliance International Limited (“**Power Alliance**”) in relation to participate without recourse to Power Alliance in the Loan in the amount of HK\$8,000,000.

Make Success has assigned a promissory note of HK\$300,000,000 due from Mayer (the “**Promissory Note**”) and a convertible note of HK\$90,000,000 issued by Mayer (the “**Convertible Note**”) as security for the Loan to Simsen both on 7 June 2011. The Promissory Note and the Convertible Note were issued by Mayer to Make Success as consideration for an acquisition by Mayer from Make Success of the entire equity interest in Yield Rise Limited. The said sale and purchase agreement was dated 8 November 2010 (the “**SPA**”). Under the Deed consent from Simsen and the Company is required and under the Agreement, consent from Simsen, Power Alliance and the Company is required before any step with respect to the enforcement of the security interest under the Promissory Note and the Convertible Note is taken.

* *for identification purpose only*

It has come to the attention of the Company from an announcement issued by Mayer dated 16 January 2012 that Mayer has issued an writ of summons in the High Court of Hong Kong on 12 January 2012 claiming against Make Success for breach under the SPA and misrepresentations made by Make Success. One of the reliefs claimed against Make Success was an order for injunction restraining the disposal of or dealing with or diminishing the value of the Promissory Note and the Convertible Note.

In light of the abovementioned litigation, the Company will continue to monitor the development closely and will make further announcement of any material information as and when appropriate.

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

Hong Kong, 17 January 2012

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. Lai Wai Yin Wilson, Ms. Cao Jie Min and Mr. Tse Kwong Wah.

In the case of inconsistency, the English text of this announcement shall prevail over the Chinese text.