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(Incorporated in Hong Kong with limited liability)
(Stock Code : 688)



(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 3311)

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
IN RELATION TO: (1) CONSTRUCTION WORKS; (2) PROVISION OF
SECURITY SERVICES; (3) LEASING OF PROPERTIES; AND
(4) CONNECTION SERVICES FOR HEATING PIPES**

**(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN
RELATION TO CONSTRUCTION WORKS**

The CSC Group Engagement Agreement will expire on 30 June 2012. The directors of COLI expect that the COLI Group will continue to invite the CSC Group to participate in competitive tender for the COLI Group's construction works in the PRC, Hong Kong and Macau from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master CSC Group Engagement Agreement for a term of three years commencing from 1 July 2012 and ending on 30 June 2015 subject to the New Construction Works Cap.

**(2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN
RELATION TO PROVISION OF SECURITY SERVICES**

The Master Security Services Agreement will expire on 30 June 2012. The directors of CSC expect that the CSC Group will continue to invite members of the COLI Group which hold the relevant licenses to provide security services in Hong Kong to participate in competitive tender for the security services to the work sites of the CSC Group in Hong Kong from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master Security Services Agreement for a term of three years commencing from 1 July 2012 and ending on 30 June 2015 subject to the New Security Services Cap.

(3) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO LEASING OF PROPERTIES

The Master Lease Agreement will expire on 30 June 2012. The directors of CSC expect that the CSC Group will continue to lease Properties from the COLI Group from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master Lease Agreement for a term of three years commencing from 1 July 2012 and ending on 30 June 2015 subject to the New Lease Cap.

(4) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO CONNECTION SERVICES FOR HEATING PIPES

The Connection Services Agreement will expire on 31 December 2012. The directors of COLI expect that the COLI Group will continue to invite CSC (through SHTCL) to participate in the provision of connection services for heating pipes for Heating Pipes Project(s) from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master Connection Services Agreement for a term of three years commencing from 1 January 2013 and ending on 31 December 2015 subject to the New Connection Services Cap.

LISTING RULES IMPLICATIONS

COHL is interested in approximately 53.2% of the issued share capital of COLI and approximately 61.9% of the issued share capital of CSC. Accordingly, members of the CSC Group are connected persons of COLI and members of the COLI Group are connected persons of CSC. The transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Lease Agreement and the New Master Connection Services Agreement constitute continuing connected transactions for both COLI and CSC under Chapter 14A of the Listing Rules.

For COLI, since the applicable percentage ratios as defined in Rule 14A.10 of the Listing Rules in respect of the maximum total contract sum that may be awarded each year/period under each of the New Master CSC Group Engagement Agreement (i.e. the New Construction Works Cap), the New Master Security Services Agreement (i.e. the New Security Services Cap) and the New Master Connection Services Agreement (i.e. the New Connection Services Cap) is less than 5%, respectively, the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement

and the New Master Connection Services Agreement, respectively, are subject only to the annual review, reporting and announcement requirements, and are exempt from the independent shareholders' approval requirement. In addition, as the applicable percentage ratios as defined under Rule 14A.10 of the Listing Rules in respect of the maximum aggregate rental (exclusive of rates, government rent, management fees and air-conditioning charges, water charges, cleaning charges and electricity charges) payable by the CSC Group to the COLI Group for each year/period under the New Master Lease Agreement (i.e. the New Lease Cap) is less than 0.1%, the transactions contemplated under the New Master Lease Agreement are exempt from the annual review, reporting, announcement and the independent shareholders' approval requirements. The disclosure herein in relation to the New Master Lease Agreement is made on a voluntary basis by COLI.

For CSC, since the applicable percentage ratios as defined in Rule 14A.10 of the Listing Rules in respect of the maximum total contract sum or the maximum aggregate rental (exclusive of rates, government rent, management fees and air-conditioning charges, water charges, cleaning charges and electricity charges) that may be awarded for each year/period under each of the New Master CSC Group Engagement Agreement (i.e. the New Construction Works Cap), the New Master Security Services Agreement (i.e. the New Security Services Cap), the New Master Connection Services Agreement (i.e. the New Connection Services Cap) and the New Master Lease Agreement (i.e. the New Lease Cap) is less than 5%, respectively, and the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Connection Services Agreement and the New Master Lease Agreement, respectively, are subject only to the annual review, reporting and announcement requirements, and are exempt from the independent shareholders' approval requirements.

INTRODUCTION

Reference is made to (i) the announcement dated 2 April 2009 jointly issued by COLI and CSC relating to the CSC Group Engagement Agreement, the Master Security Services Agreement and the Master Lease Agreement; (ii) the circular dated 23 April 2009 issued by COLI relating to, among others, the CSC Group Engagement Agreement; (iii) the announcement dated 18 June 2010 jointly issued by COLI and CSC relating to the Connection Services Agreement; and (iv) the circular dated 23 April 2009 issued by CSC relating to, among others, the CSC Group Engagement Agreement.

(1) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO CONSTRUCTION WORKS

The CSC Group Engagement Agreement will expire on 30 June 2012. The directors of COLI expect that the COLI Group will continue to invite the CSC Group to participate in competitive tender for the COLI Group's construction works in the PRC, Hong Kong and Macau from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master CSC Group Engagement Agreement for a term of three years commencing from 1 July 2012 and ending on 30 June 2015 whereby the parties agreed that:

- (a) the CSC Group may tender for the COLI Group's construction works in the PRC, Hong Kong and Macau in accordance with the tendering procedures of the COLI Group from time to time and on the same and normal terms as offered to other independent third party construction contractors;
- (b) if any contract is granted in favour of the CSC Group as a result of the above tender, the CSC Group may act as construction contractor for the COLI Group in the PRC, Hong Kong and Macau based on the terms of the successful tender provided that the maximum total contract sum that may be awarded by the COLI Group to the CSC Group for the period between 1 July 2012 and 31 December 2012 shall not exceed HK\$400 million, for each of the two years ending 31 December 2014 shall not exceed HK\$800 million, and for the period between 1 January 2015 and 30 June 2015 shall not exceed HK\$400 million (i.e. the New Construction Works Cap); and
- (c) the construction fees payable by the COLI Group to the CSC Group will be settled pursuant to the payment terms set out in the tender documents for the specific construction contracts.

The New Construction Works Cap is calculated with reference to the following factors:

- (i) the total contract sum awarded to CSC and its subsidiaries by COLI and its subsidiaries under the CSC Group Engagement Agreement for the period between 1 July 2009 and 31 December 2009 amounted to approximately HK\$136.9 million and for each of the two years ending 31 December 2011 amounted to approximately HK\$1,626.9 million and approximately HK\$167.8 million, respectively; and

- (ii) the total estimated contract sum of new construction projects of the COLI Group in the PRC, Hong Kong and Macau in the three-year period commencing from 1 July 2012 and ending on 30 June 2015, estimated with reference to the COLI Group's future growth and expansion in its land reserves and the CSC Group's construction works capacity in the PRC, Hong Kong and Macau for such period.

The contract sums under the New Master CSC Group Engagement Agreement will be satisfied by COLI Group in cash from its internal resources.

Reasons for the Transactions

The COLI Group is principally engaged in investment holding, property investment and property development. The CSC Group is principally engaged in building construction, civil engineering works, infrastructure investment and project consultancy businesses.

As the CSC Group Engagement Agreement will expire on 30 June 2012, COLI and CSC have entered into the New Master CSC Group Engagement Agreement. The directors of COLI consider that continuing to engage the CSC Group as construction contractor upon successful tender allows the COLI Group to secure a more diverse base of contractors to participate in the construction works of the COLI Group. The directors of CSC consider that being able to continue to participate in the construction works of the COLI Group upon successful tender allows the CSC Group to secure a more diverse base of customers for building construction.

The directors of COLI (including the independent non-executive directors of COLI) consider that the transactions contemplated under the New Master CSC Group Engagement Agreement are expected to be entered into in the ordinary and usual course of business of the COLI Group, and the New Master CSC Group Engagement Agreement (together with the New Construction Works Cap) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master CSC Group Engagement Agreement (together with the New Construction Works Cap) are fair and reasonable and in the interests of the Shareholders of COLI as a whole.

The directors of CSC (including the independent non-executive directors of CSC) consider that the transactions contemplated under the New Master CSC Group Engagement Agreement are expected to be entered into in the ordinary and usual course of business of the CSC Group, and the New Master CSC Group Engagement Agreement (together with the New Construction Works Cap) has

been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master CSC Group Engagement Agreement (together with the New Construction Works Cap) are fair and reasonable and in the interests of the Shareholders of CSC as a whole.

For clarification purposes, any engagement of the CSC Group pursuant to the COHL Construction Engagement Agreement (see the relevant announcement dated 20 September 2011 and the circular dated 7 October 2011, both issued by CSC) will not be subject to the provisions of the New Master CSC Group Engagement Agreement. The maximum total contract sums that may be awarded under the COHL Construction Engagement Agreement for each year/period are separate and distinct from the New Construction Works Cap or the Caps.

(2) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO PROVISION OF SECURITY SERVICES

The Master Security Services Agreement will expire on 30 June 2012. The directors of CSC expect that the CSC Group will continue to invite members of the COLI Group which hold the relevant licenses to provide security services in Hong Kong to participate in competitive tender for the security services to the work sites of the CSC Group in Hong Kong from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master Security Services Agreement for a term of three years commencing from 1 July 2012 and ending on 30 June 2015 whereby the parties agreed that:

- (a) members of the COLI Group which hold the relevant licenses to provide security services in Hong Kong may tender for security services to the work sites of the CSC Group in Hong Kong in accordance with the tendering procedure of the CSC Group from time to time and on the same and normal terms as offered to other independent third party security services providers;
- (b) if any contract is granted in favour of any member of the COLI Group as a result of the above tender, such member of the COLI Group may act as security services provider for the work sites of the CSC Group in Hong Kong based on the terms of the successful tender provided that the maximum total contract sum that may be awarded by the CSC Group to the COLI Group for the provision of the security services under the New Master Security Services Agreement for the period between 1 July 2012 and 31 December 2012 shall not exceed HK\$25 million, for each of the two years ending 31 December 2014 shall not exceed HK\$50 million, and for the period between 1 January 2015 and 30 June 2015 shall not exceed HK\$25 million (i.e. the New Security Services Cap); and

- (c) the security service fees payable by the CSC Group to the COLI Group will be settled pursuant to the payment terms set out in the tender documents for the specific security services contracts.

The New Security Services Cap is calculated with reference to the following factors:

- (i) the total contract sum awarded to COLI and its subsidiaries by CSC and its subsidiaries under the Master Security Services Agreement for the period between 1 July 2009 and 31 December 2009 amounted to approximately HK\$13.7 million and for each of the two years ending 31 December 2011 amounted to approximately HK\$26.0 million and approximately HK\$17.2 million, respectively; and
- (ii) total estimated contract sum of security services contracts in Hong Kong for the CSC Group in the three-year period commencing from 1 July 2012 and ending on 30 June 2015, estimated with reference to the CSC Group's future growth and expansion in its construction works in Hong Kong for such period.

The consideration of the provision of security services will be determined in accordance with the number of security guards provided and by reference to market rates of comparable prices that CSC may obtain from independent security services providers. The contract sums under the New Master Security Services Agreement will be satisfied by CSC Group in cash from its internal resources.

Reasons for the Transactions

As the Master Security Services Agreement will expire on 30 June 2012, COLI and CSC have entered into the New Master Security Services Agreement. The directors of COLI believe that continuing to provide security services to the work sites of the CSC Group in Hong Kong upon successful tender allows the COLI Group to secure a more diverse base of customers for its security services. The directors of CSC believe that continuing to engage members of the COLI Group which hold relevant licenses to provide security services in Hong Kong upon successful tender allow the CSC Group to secure a reliable pool of security service providers.

The directors of COLI (including the independent non-executive directors of COLI) consider that the transactions contemplated under the New Master Security Services Agreement are expected to be entered into in the ordinary and usual course of business of the COLI Group, and the New Master Security

Services Agreement (together with the New Security Services Cap) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master Security Services Agreement (together with the New Security Services Cap) are fair and reasonable and in the interests of the Shareholders of COLI as a whole.

The directors of CSC (including the independent non-executive directors of CSC) consider that the transactions contemplated under the New Master Security Services Agreement are expected to be entered into in the ordinary and usual course of business of the CSC Group, and the New Master Security Services Agreement (together with the New Security Services Cap) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master Security Services Agreement (together with the New Security Services Cap) are fair and reasonable and in the interests of the Shareholders of CSC as a whole.

(3) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO LEASING OF PROPERTIES

The Master Lease Agreement will expire on 30 June 2012. The directors of CSC expect that the CSC Group will continue to lease Properties from the COLI Group from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master Lease Agreement for a term of three years commencing from 1 July 2012 and ending on 30 June 2015 whereby the parties agreed that:

- (a) members of the CSC Group may lease Properties from members of the COLI Group in accordance with the terms of the New Master Lease Agreement, subject to the subsequent agreement of the other detailed terms and conditions by the parties thereto in relation to each particular Properties, which shall be recorded in writing in the form of a tenancy agreement, and shall be on normal commercial terms as offered to other independent third parties;
- (b) the rent (exclusive of the charges) for the Properties will be determined by the COLI Group and the CSC Group with reference to the then prevailing market conditions and the rental level of similar properties in the vicinity of the Properties;
- (c) expenses in relation to the subsequent tenancy agreements for the Properties (including stamp duty) will be borne by the COLI Group and the CSC Group on equal basis;

- (d) the rent for the Properties is exclusive of rates, government rent, management fees and air-conditioning charges, water charges, cleaning charges and electricity charges;
- (e) maximum aggregate rental for leasing of Properties under the New Master Lease Agreement for the period between 1 July 2012 and 31 December 2012 shall not exceed HK\$9 million, for each of the two years ending 31 December 2014 shall not exceed HK\$18 million, and for the period between 1 January 2015 and 30 June 2015 shall not exceed HK\$9 million (i.e. the New Lease Cap); and
- (f) Further details of payment terms of the rent for the Properties payable by the CSC Group to the COLI Group will be set out in the subsequent tenancy agreements for specific Properties as agreed by both parties.

The New Lease Cap is calculated with reference to the following factors:

- (i) the historical aggregate rent paid by CSC and its subsidiaries to COLI and its subsidiaries under the Master Lease Agreement for the period between 1 July 2009 and 31 December 2009 amounted to approximately HK\$4.3 million and for each of the two years ending 31 December 2011 amounted to approximately HK\$10.4 million and approximately HK\$10.4 million, respectively; and
- (ii) a possible increase in the area of the Properties to be leased by the CSC Group from the COLI Group for the three-year period commencing from 1 July 2012 and ending on 30 June 2015.

The rent payable under the New Master Lease Agreement will be satisfied by CSC Group in cash from its internal resources.

Reasons for the Transactions

As the Master Lease Agreement will expire on 30 June 2012, COLI and CSC have entered into the New Master Lease Agreement. The directors of COLI believe that continuing to be able to lease Properties to the CSC Group provide steady sources of revenues to the COLI Group. The directors of CSC believe that being able to continue to lease Properties from the COLI Group can avoid possible disruption to business of the CSC Group due to relocation.

The directors of COLI (including the independent non-executive directors of COLI) consider that the transactions contemplated under the New Master Lease Agreement are expected to be entered into in the ordinary and usual course of business of the COLI Group, and the New Master Lease Agreement (together

with the New Lease Cap) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master Lease Agreement (together with the New Lease Cap) are fair and reasonable and in the interests of the Shareholders of COLI as a whole.

The directors of CSC (including the independent non-executive directors of CSC) consider that the transactions contemplated under the New Master Lease Agreement are expected to be entered into in the ordinary and usual course of business of the CSC Group, and the New Master Lease Agreement (together with the New Lease Cap) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master Lease Agreement (together with the New Lease Cap) are fair and reasonable and in the interests of the Shareholders of CSC as a whole.

(4) RENEWAL OF CONTINUING CONNECTED TRANSACTIONS IN RELATION TO CONNECTION SERVICES FOR HEATING PIPES

The Connection Services Agreement will expire on 31 December 2012. The directors of COLI expect that the COLI Group will continue to invite CSC (through SHTCL) to participate in the provision of connection services for heating pipes for Heating Pipes Project(s) from time to time. In this connection, on 18 May 2012, COLI and CSC entered into the New Master Connection Services Agreement for a term of three years commencing from 1 January 2013 and ending on 31 December 2015 whereby the parties agreed that:

- (a) CSC (through SHTCL) may provide heating pipes connection services for Heating Pipes Project(s) that involve the connection of sets of heating pipes, which allow the provision of heat to residential and commercial buildings from thermal plants;
- (b) the parties may from time to time enter into further implementation agreements, which set out the detailed terms in relation to heating pipes connection services for Heating Pipes Project(s). The terms under further implementation agreements will be negotiated on an arm's length basis between the parties; and
- (c) the maximum contract sums awarded by the COLI Group to the CSC Group under the New Master Connection Services Agreement for each of the three years ending 31 December 2015 shall not exceed HK\$100 million (i.e. the New Connection Services Cap).

The New Connection Services Cap is calculated with reference to the following factors:

- (i) the total contract sum awarded to the CSC Group by the COLI Group under the Connection Services Agreement for the period between 1 July 2010 and 31 December 2010 amounted to approximately HK\$72.5 million and for the year ending 31 December 2011 amounted to approximately HK\$25.3 million; and
- (ii) future projection of the relevant project development plans of the COLI Group in the three-year period commencing from 1 January 2013 and ending on 31 December 2015.

The contract sums payable by the COLI Group under the New Master Connection Services Agreement will be satisfied by the COLI Group in cash from its internal resources. Detailed payment terms will be included in further implementation agreements. Such payment terms will be determined on an arm's length basis and will be referenced to the prevailing market prices at the time each further implementation agreement is entered.

Reasons for the Transactions

As the Connection Services Agreement will expire on 31 December 2012, COLI and CSC have entered into the New Master Connection Services Agreement. The COLI Group has a number of real estate projects in Shenyang and locations of some of such projects are within the coverage areas where SHTCL is capable to provide connection services for heating pipes. The directors of CSC believe the transactions contemplated under the New Master Connection Services Agreement will not only continue to increase the income from the provision of the connection services for heating pipes, but will also continue to increase the heat supply area and the revenue generated from the supply of heat in the future.

The directors of COLI (including the independent non-executive directors of COLI) consider that the transactions contemplated under the New Master Connection Services Agreement are expected to be entered into in the ordinary and usual course of business of the COLI Group, and the New Master Connection Services Agreement (together with the New Connection Services Cap) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master Connection Services Agreement (together with the New Connection Services Cap) are fair and reasonable and in the interests of the Shareholders of COLI as a whole.

The directors of CSC (including the independent non-executive directors of CSC) consider that the transactions contemplated under the New Master Connection Services Agreement are expected to be entered into in the ordinary and usual course of business of the CSC Group, and the New Master Connection Services Agreement (together with the New Connection Services Cap) has been entered into on normal commercial terms after arm's length negotiations between the parties, and the terms of the transactions contemplated under the New Master Connection Services Agreement (together with the New Connection Services Cap) are fair and reasonable and in the interests of the Shareholders of CSC as a whole.

GENERAL

COHL is interested in approximately 53.2% of the issued share capital of COLI and approximately 61.9% of the issued share capital of CSC. Accordingly, members of the CSC Group are connected persons of COLI and members of the COLI Group are connected persons of CSC. The transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Lease Agreement and the New Master Connection Services Agreement constitute continuing connected transactions for both COLI and CSC under Chapter 14A of the Listing Rules.

For COLI, since the applicable percentage ratios as defined in Rule 14A.10 of the Listing Rules in respect of the maximum total contract sum that may be awarded for each year/period under each of the New Master CSC Group Engagement Agreement (i.e. the New Construction Works Cap), the New Master Security Services Agreement (i.e. the New Security Services Cap) and the New Master Connection Services Agreement (i.e. the New Connection Services Cap) is less than 5%, respectively, the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement and the New Master Connection Services Agreement, respectively, are subject only to the annual review, reporting and announcement requirements, and are exempt from the independent shareholders' approval requirement. In addition, since each of the applicable percentage ratios as defined under Rule 14A.10 of the Listing Rules in respect of the maximum aggregate rental (exclusive of rates, government rent, management fees and air-conditioning charges, water charges, cleaning charges and electricity charges) payable by the CSC Group to the COLI Group for each year/period under the New Master Lease Agreement (i.e. the New Lease Cap) is less than 0.1%, the transactions contemplated under the New Master Lease Agreement are exempt from the annual review, reporting, announcement and the independent shareholders' approval requirements. The disclosure herein in relation to the New Master Lease Agreement is made on a voluntary basis by COLI. No director of COLI has a material interest

in the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Connection Services Agreement or the New Master Lease Agreement, respectively, nor is required to abstain from voting on the board resolution approving the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Connection Services Agreement or the New Master Lease Agreement, respectively.

For CSC, since the applicable percentage ratios as defined in Rule 14A.10 of the Listing Rules in respect of the maximum total contract sum or the maximum aggregate rental (exclusive of rates, government rent, management fees and air-conditioning charges, water charges, cleaning charges and electricity charges) that may be awarded for each year/period under each of the New Master CSC Group Engagement Agreement (i.e. the New Construction Works Cap), the New Master Security Services Agreement (i.e. the New Security Services Cap), the New Master Connection Services Agreement (i.e. the New Connection Services Cap) and the New Master Lease Agreement (i.e. the New Lease Cap) is less than 5%, respectively, the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Connection Services Agreement and the New Master Lease Agreement, respectively, are subject to the annual review, reporting and announcement requirements, and are exempt from the independent shareholders' approval requirement. No director of CSC has a material interest in the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Connection Services Agreement or the New Master Lease Agreement, respectively, nor is required to abstain from voting on the board resolution approving the transactions contemplated under each of the New Master CSC Group Engagement Agreement, the New Master Security Services Agreement, the New Master Connection Services Agreement or the New Master Lease Agreement, respectively.

Shareholders of COLI should note that the Caps represent the best estimates by the directors of COLI of the amount of the relevant transaction based on the information currently available. The Caps bear no direct relationships to, nor should be taken to have any direct bearings to, the COLI Group's financial or potential financial performance. The COLI Group may or may not retain the CSC Group to engage in construction works and the CSC Group may or may not retain the COLI Group for security services up to the level of the respective Caps, if at all, as the engagements are subject to tender procedures which are open to other independent third party construction contractors or security services providers. In addition, the COLI Group

may or may not engage CSC (through SHTCL) to provide heating pipes connection services for Heating Pipes Project(s) up to the level of the New Connection Services Cap and the CSC Group may or may not lease Properties from the COLI Group up to the level of the New Lease Cap.

Shareholders of CSC should note that the Caps represent the best estimates by the directors of CSC of the amount of the relevant transaction based on the information currently available. The Caps bear no direct relationships to, nor should be taken to have any direct bearings to, the CSC Group's financial or potential financial performance. The COLI Group may or may not retain the CSC Group to engage in construction works and the CSC Group may or may not retain the COLI Group for security services up to the level of the respective Caps, if at all, as the engagements are subject to tender procedures which are open to other independent third party construction contractors or security services providers. In addition, the COLI Group may or may not engage CSC (through SHTCL) to provide heating pipes connection services for Heating Pipes Project(s) up to the level of the New Connection Services Cap and the CSC Group may or may not lease Properties from the COLI Group up to the level of the New Lease Cap.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“associate(s)”, “connected person(s)”, “subsidiary(ies)”	each has the meaning ascribed to it under the Listing Rules;
“Caps”	collectively the New Construction Works Cap, the New Security Services Cap, the New Lease Cap and the New Connection Services Cap;
“COHL”	China Overseas Holdings Limited, a company incorporated in Hong Kong with limited liability, which is interested, directly and indirectly, in approximately 53.2% and 61.9% of the issued share capital of COLI and CSC respectively;

“COHL Construction Engagement Agreement”	the engagement agreement entered into between CSC and COHL on 20 September 2011 in respect of the engagement of CSC and its subsidiaries as contractor (on the basis of “Build-Transfer” mode) for the construction works of COHL and its subsidiaries (excluding the CSC Group) from time to time; details of which are mentioned in the announcement dated 20 September 2011 issued by CSC regarding continuing connected transactions with COHL;
“COGOGL”	China Overseas Grand Oceans Group Ltd., a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 81). At the date of this announcement, COLI indirectly holds approximately 37.9% of the issued share capital and is a controlling shareholder of COGOGL;
“COGOGL Group”	COGOGL and its subsidiaries from time to time;
“COLI”	China Overseas Land & Investment Ltd., a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 688);
“COLI Group”	COLI and its subsidiaries (excluding COGOGL Group, if applicable) from time to time;
“Connection Services Agreement”	the agreement entered into by COLI and CSC dated 18 June 2010 in relation to the provision of heating pipes connection services for Heating Pipes Project(s); details of which are mentioned in the announcement dated 18 June 2010 jointly issued by COLI and CSC relating to the Connection Services Agreement;
“CSC”	China State Construction International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 3311);
“CSCEC”	中國建築工程總公司 (China State Construction Engineering Corporation), a state-owned corporation organised and existing under the laws of the PRC, being the ultimate holding company of both COLI and CSC;

“CSC Group”	CSC and its subsidiaries (excluding Far East Group) from time to time;
“CSC Group Engagement Agreement”	the engagement agreement entered into between COLI and CSC on 2 April 2009 in respect of the engagement of CSC and its subsidiaries by COLI and its subsidiaries as construction contractor for COLI and its subsidiaries in the PRC, Hong Kong and Macau; details of which are mentioned in the announcement dated 2 April 2009 jointly issued by COLI and CSC relating to the CSC Group Engagement Agreement, the Master Security Services Agreement and the Master Lease Agreement;
“Far East”	Far East Global Group Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange (stock code: 830), is a non-wholly owned subsidiary of CSC;
“Far East Group”	Far East and its subsidiaries from time to time;
“Heating Pipes Project(s)”	real estate project(s), which is (are) located in Shenyang, developed by the COLI Group;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Macau”	the Macao Special Administrative Region of the PRC;
“Master Lease Agreement”	the agreement entered into by COLI and CSC on 2 April 2009 in respect of leasing of the properties, which are owned by COLI and its subsidiaries from time to time, by CSC and its subsidiaries from COLI and its subsidiaries; details of which are mentioned in the announcement dated 2 April 2009 jointly issued by COLI and CSC relating to the CSC Group Engagement Agreement, the Master Security Services Agreement and the Master Lease Agreement;

“Master Security Services Agreement”	the agreement entered into by COLI and CSC on 2 April 2009 in respect of the engagement of members of COLI and its subsidiaries which hold the relevant licenses by CSC and its subsidiaries for providing security services to the work sites of CSC and its subsidiaries in Hong Kong; details of which are mentioned in the announcement dated 2 April 2009 jointly issued by COLI and CSC relating to the CSC Group Engagement Agreement, the Master Security Services Agreement and the Master Lease Agreement;
“New Master Connection Services Agreement”	the agreement entered into by COLI and CSC dated 18 May 2012 in relation to the provision of heating pipes connection services for Heating Pipes Project(s);
“New Connection Services Cap”	the maximum total contract sum that may be awarded by the COLI Group to the CSC Group for each year/period under the New Master Connection Services Agreement;
“New Construction Works Cap”	the maximum total contract sum of the construction contracts that may be awarded by the COLI Group to the CSC Group for each year/period under the New Master CSC Group Engagement Agreement;
“New Master CSC Group Engagement Agreement”	the engagement agreement entered into between COLI and CSC on 18 May 2012 in respect of the engagement of the CSC Group by the COLI Group as construction contractor for the COLI Group in the PRC, Hong Kong and Macau;
“New Lease Cap”	the maximum aggregate rental (exclusive of rates, government rent, management fees and air-conditioning charges, water charges, cleaning charges and electricity charges) payable by the CSC Group to the COLI Group for each year/period under the New Master Lease Agreement;
“New Master Lease Agreement”	the agreement entered into by COLI and CSC on 18 May 2012 in respect of leasing of the Properties by the CSC Group from the COLI Group;

“New Master Security Services Agreement”	the agreement entered into by COLI and CSC on 18 May 2012 in respect of the engagement of members of the COLI Group which hold the relevant licenses by the CSC Group for providing security services to the work sites of the CSC Group in Hong Kong;
“New Security Services Cap”	the maximum total contract sum of the security services contracts that may be awarded by the CSC Group to the COLI Group for each year/period under the New Master Security Services Agreement;
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau and Taiwan;
“Properties”	the properties owned by the COLI Group from time to time;
“Shareholder(s)”	holders of share(s) in the ordinary share capital of a company;
“Shenyang”	Shenyang, Liaoning Province, the PRC;
“SHTCL”	瀋陽皇姑熱電有限公司 (Shenyang Huanggu Thermoelectricity Company Limited), a company incorporated in the PRC and is a wholly-owned subsidiary of CSC, and is principally engaged in the provision of connection services for heating pipes, and the supply of heat, electricity and steam;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“%”	per cent..

By Order of the Board
**China Overseas Land &
Investment Ltd.**
Kong Qingping
Chairman

By Order of the Board
**China State Construction
International Holdings Limited**
Zhou Yong
Vice-chairman and Chief Executive Officer

Hong Kong, 18 May 2012

The directors of COLI jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to CSC and its subsidiaries) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to CSC and its subsidiaries) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than those relating to CSC and its subsidiaries), the omission of which would make any statement in this announcement misleading.

The directors of CSC jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to COLI and its subsidiaries) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those relating to COLI and its subsidiaries) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement (other than those relating to COLI and its subsidiaries), the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, Messrs. Kong Qingping (Chairman), Hao Jian Min (Vice Chairman and Chief Executive Officer), Xiao Xiao (Vice Chairman), Dong Daping, Nip Yun Wing, Luo Liang and Lin Xiaofeng are the executive directors of COLI; Messrs. Wu Jianbin (Vice Chairman) and Zheng Xuexuan are the non-executive directors of COLI; and Messrs. Li Kwok Po, David, Lam Kwong Siu, Wong Ying Ho, Kennedy and Madam Fan Hsu Lai Tai, Rita are the independent non-executive directors of COLI.

As at the date of this announcement, Mr. Kong Qingping is Chairman and Non-executive Director of CSC; Mr. Zhou Yong (Vice-chairman and Chief Executive Officer), Mr. Zhang Yifeng, Mr. Zhou Hancheng, Mr. Tian Shuchen and Mr. Hung Cheung Shew are the Executive Directors of CSC; Dr. Cheong Chit Sun and Mr. Li Jian are Non-executive Directors of CSC; and Dr. Raymond Ho Chung Tai, Mr. Adrian David Li Man Kiu, Dr. Raymond Leung Hai Ming and Mr. Lee Shing See are Independent Non-executive Directors of CSC.