

CHINA INFRASTRUCTURE INVESTMENT LIMITED

中國基建投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 600)

MEMORANDUM OF UNDERSTANDING IN RELATION TO PARTICIPATION OF INFRASTRUCTURE PROJECTS IN NIGERIA

AND

FRAMEWORK AGREEMENT IN RELATION TO SHENFU ECOLOGICAL CITY PROJECT

The Board is pleased to announce that on 31 March 2008, a non-legally binding MOU was entered into between 泛華建設集團有限公司 (“Pan-China Construction Group Limited”*) and the Company, pursuant to which Pan-China Construction and the Company have both expressed their interests to jointly participate in the infrastructure projects in Nigeria in future.

The Board is also pleased to announce that on 2 April 2008, the Framework Agreement was entered into between (i) 遼寧省撫順市政府 (“the Government of FuShun City of Liaoning Province”*); (ii) Pan-China Construction; and (iii) the Company, pursuant to which Pan-China Construction and the Company have expressed their interests in the potential development of 沈撫生態新城項目 (“ShenFu Ecological City Project”*) in FuShun city.

In the event of the consummation of the proposed collaboration contemplated under the non-legally binding MOU and the Framework Agreement, the subject transactions might constitute notifiable transactions for the Company under Rule 14.06 of the Listing Rules. **As the proposed collaboration may or may not proceed, Shareholders and investors of the Company should exercise cautions when dealings in the securities of the Company.**

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Summarised below are the principal terms of the non-legally binding MOU and the Framework Agreement.

1. THE NON-LEGALLY BINDING MOU

(i) Date

31 March 2008

(ii) Parties

(a) *Pan-China Construction*

To the best knowledge of the Directors, information and belief having made all reasonable enquiries, as at the date of this announcement, Pan-China Construction owns 30% interest in 泛華房地產開發(瀋陽)有限公司 (“Pan-China (Shenyang) R.E. Development Limited”), a 70% indirect subsidiary of the Company.

(b) *the Company*

(iii) Subject

The parties agreed to jointly participate in infrastructure projects in Nigeria in future.

Under the non-legally binding MOU, the Company will be responsible for, amongst other things, (i) assisting the fund raising for the infrastructure projects; (ii) the formation of the joint venture or the project company or the subsidiary or other entities (as the case may be); and (iii) assessment on the economic benefits of the relevant projects whilst Pan-China Construction will introduce Urban Development Bank of Nigeria PLC (“尼日利亞城市開發銀行”) to the Company in order to establish collaboration among the three parties for participating in the infrastructure projects in Nigeria in future.

2. FRAMEWORK AGREEMENT

(i) Date

2 April 2008

(ii) Parties

(a) The Government of FuShun City of Liaoning Province

(b) Pan-China Construction

(c) the Company

(iii) ShenFu Ecological City Project

The Company and Pan-China Construction have expressed their interests in the potential development of ShenFu Ecological City Project in FuShun city.

Under the Framework Agreement, the parties agreed to pursue strategic and collaboration arrangement to develop ShenFu Ecological City Project into a modern commercial center, catering for, amongst other things, technological, financial, tourism and logistic sectors.

It is tentatively agreed to commence a feasibility study to establish ShenFu Ecological City Project within 撫順經濟發展區 (“FuShun Economic Development Zone”), with a site area of approximately 30 square kilometers, in FuShun city.

REASONS FOR ENTERING INTO THE NON-LEGALLY BINDING MOU AND THE FRAMEWORK AGREEMENT

The Company is primarily an investment holding company and its investment portfolio includes (i) hotel investments; (ii) property development and investments; and (iii) trading of leather products.

The Group strives to identify appropriate investments that satisfy the Group’s investment criteria and continues to seek and, if thought fit, to capture an appropriate investment opportunities which may arise.

The Directors believe that the participation in the infrastructure project presents a good opportunity for the Group to participate in sizeable projects, which is in the interests of the Company and the Shareholders as a whole.

GENERAL

In the event of the consummation of the proposed collaboration contemplated under the non-legally binding MOU and the Framework Agreement, the subject transactions might constitute notifiable transactions for the Company under Rule 14.06 of the Listing Rules. **As the proposed collaboration may or may not proceed, Shareholders and investors of the Company should exercise cautions when dealings in the securities of the Company.**

This announcement sets out the salient features of the non-legally binding MOU and the Framework Agreement. Further announcement(s) will be made by the Company in respect of any material development on the possible transaction and actions which will be taken to comply with the disclosure and/or approval requirements under the Listing Rules.

DEFINITIONS

Unless the context otherwise require, the following expressions have the following meanings in this announcement:

“associates”	has the same meaning as defined in the Listing Rules
“Board”	the Board of Directors
“Company”	China Infrastructure Investment Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange

“Director(s)”	the director(s) of the Company
“Framework Agreement”	the framework agreement dated 2 April 2008 entered into among (1) 遼寧省撫順市政府 (“The Government of FuShun City of Liaoning Province*); (2) Pan-China Construction; and (3) the Company in relation to the development of 沈撫生態新城項目 (“ShenFu Ecological City Project”*) in FuShun city
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the Memorandum of Understanding dated 31 March 2008 entered into among (1) Pan-China Construction; and (2) the Company in relation to the participation of infrastructure projects in Nigeria.
“Pan-China Construction”	泛華建設集團有限公司 (“Pan-China Construction Group Limited”*) is a company incorporated in the PRC with limited liability
“Shares(s)”	ordinary share(s), currently with par value of HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
China Infrastructure Investment Limited
Lee Siu Yuk Eliza
Executive Director

Hong Kong, 2 April 2008

As at the date of this announcement, the Board comprises Mr. Law Kar Po, Mr. Hoi Man Pak, Mr. Choy Wang Kong, Mr. Gao Feng, Mr. Yong Wing Tai, William, Mr. Chiang Kin Tong, Ms. Law Wing Yee, Wendy and Ms. Lee Siu Yuk, Eliza as executive Directors; Mr. Leonel Alberto Alves as non-executive Director; and Mr. Lau Wai Ming, Mr. Kwok Hong Yee, Jesse and Mr. Li Kam Fai, Dominic as independent non-executive Directors.

* For identification purpose only