

CHINA INTERNATIONAL HOLDINGS LIMITED
(Bermuda Company Registration No. 23356)
(Incorporated in Bermuda)

Suspension of Toll Collection at Zuowei Yanghe Bridge

The Board of Directors of China International Holdings Limited ("**Company**") wishes to announce that CCI Andi Bridges Co., Ltd ("Andi"), a 60% owned subsidiary of the Company, has suspended the toll collection at Zuowei Yanghe Bridge.

Background.

In the past few months, the Chinese Government, through its relevant departments and local government agencies, has been undertaking review of toll roads and bridges in China, with a view to reducing the burden on road users. CCI Andi Bridges Co., Ltd ("Andi" thereafter), a subsidiary of CIHL, owns the right of toll charging over the Zuowei Yanghe Bridge, which is under the review by the Government for possible cessation of toll charging. Andi has not so far received any formal notice from any government agencies regarding the review.

However, certain employees of Andi, in anticipation of possible loss of jobs associated with any decision by the Government, have stopped work, causing the suspension of toll charging at Zuowei Yanghe Bridge. The action of those employees has caused the suspension of operation for 46 days since 16 Nov 2011 despite the efforts of Andi and local government agencies to get those employees back to their jobs. The estimated loss of revenue to Andi from this suspension is RMB 1.96 million.

Andi has been communicating with those employees and the relevant local government agencies since the very beginning and trying to resume toll charging. The Company will keep the market informed of any development of the operation of the bridge and any instruction from the government agencies pursuant to the results of the government review. If Andi ceases to collect tolls pursuant to the government instruction, Andi will seek compensation from the government through normal channels.

BY ORDER OF THE BOARD

Shan Chang
Chairman

31 December 2011