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中國建築國際集團有限公司

CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3311)

**ISSUE OF US\$500 MILLION 3.125%
GUARANTEED NOTES DUE 2018**

Reference is made to the announcement of the Company dated 4 February 2013 in relation to the proposed issue of US\$ denominated notes by the Issuer to be guaranteed by the Company.

The Board is pleased to announce that on 25 March 2013, the Company and the Issuer entered into the Subscription Agreement with BofA Merrill Lynch, CICC HKS and Deutsche Bank in connection with the issuance of the Notes.

The net proceeds from the Notes Issue, after deducting the fees and other expenses in connection with the Notes Issue, will be approximately US\$495,585,000, which are intended to be used by the Company to repay and/or refinance the existing indebtedness of the Group, to finance new and existing projects and for general corporate purposes.

The Issuer intends to apply to the Stock Exchange for listing of, and permission to deal in, the Notes by way of debt issued to professional investors only. Listing of the Notes on the Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Company, the Group or the Notes. The Notes are expected to be issued on or about 2 April 2013.

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The Board is pleased to announce that on 25 March 2013, the Company and the Issuer entered into the Subscription Agreement with BofA Merrill Lynch, CICC HKS and Deutsche Bank in connection with the issuance of the Notes.

BofA Merrill Lynch, CICC HKS and Deutsche Bank are the joint bookrunners and joint lead managers for the Notes Issue. They are also the initial purchasers of the Notes. To the best of the knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, BofA Merrill Lynch, CICC HKS and Deutsche Bank are independent third parties and are not connected persons of the Company.

PRINCIPAL TERMS OF THE NOTES

Notes offered

Subject to certain conditions to completion, the Issuer will issue the Notes in the aggregate principal amount of US\$500 million which will mature on 2 April 2018 unless earlier redeemed pursuant to the terms thereof.

The Notes are being offered and sold in an institutional offering outside the United States in reliance on Regulation S under the U.S. Securities Act.

Issue Price

99.542%

Interest

The Notes will bear interest at the rate of 3.125% per annum, payable semi-annually in arrear on 2 April and 2 October in each year commencing on 2 October 2013.

Ranking of the Notes

The Notes constitute direct, unsubordinated, unconditional and (subject to certain exceptions) unsecured obligations of the Issuer and shall at all times rank pari passu and without any preference among themselves. The payment obligations of the Issuer under the Notes shall, save for certain exceptions, at all times rank at least equally with all the Issuer's other present and future unsecured and unsubordinated obligations.

Guarantee

The Company has unconditionally and irrevocably guaranteed the due payment of all sums expressed to be payable by the Issuer under the Notes. The obligations of the Company under the Guarantee shall, save for certain exceptions, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

Early Redemption

The Issuer may, at any time upon giving not less than 30 nor more than 60 days' notice to holders of the Notes, redeem the Notes, in whole but not in part, at a redemption amount equal to (i) the principal amount of the Notes plus any accrued but unpaid interest or, if higher, (ii) the Make Whole Amount.

The Notes may also be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to holders of the Notes, at their principal amount (together with interest accrued to the date fixed for redemption) if the Issuer or the Company would be required to pay additional tax amounts as a result of any change in, or amendment to, the laws or regulations of the Cayman Islands or the People's Republic of China, subject to certain conditions.

A holder of the Notes shall have the right, at its/his option, to require the Issuer to redeem all, or some only, of its/his Notes at their principal amount together with accrued interest following the occurrence of the following events:

- (a) COHL ceases to directly or indirectly Control the Company, except for any ceasing of direct or indirect Control which is regained by COHL within 14 days or such longer period as permitted under the Listing Rules or by the Stock Exchange after the date of such ceasing of Control as a result of any top-up and placing exercise carried out by the Company of its share capital; or
- (b) the Company consolidates with or merges into or sells or transfers all or substantially all of the Company's assets to any other person or persons, acting together, except where the consolidation, merger, sale or transfer will not result in the other person or persons acquiring Control over the Company or the successor entity.

USE OF PROCEEDS

The net proceeds from the Notes Issue, after deducting the fees and other expenses in connection with the Notes Issue, will be approximately US\$495,585,000, which are intended to be used by the Company to repay and/or refinance the existing indebtedness of the Group, to finance new and existing projects and for general corporate purposes.

APPLICATION FOR LISTING

The Issuer intends to apply to the Stock Exchange for listing of, and permission to deal in, the Notes by way of debt issued to professional investors only. Listing of the Notes on the Stock Exchange is not to be taken as an indication of the merits of the Issuer, the Company, the Group or the Notes. The Notes are expected to be issued on or about 2 April 2013.

RATING

The Notes are expected to be rated “Baa3” by Moody’s Investor Services, Inc., “BBB-” by Standard & Poor’s Rating Services (a division of the McGraw-Hill Companies, Inc.) and “BBB-” by Fitch Ratings.

DEFINITIONS

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

“BofA Merrill Lynch”	Merrill Lynch International
“Board”	the board of directors of the Company
“CICC HKS”	China International Capital Corporation Hong Kong Securities Limited
“COHL”	China Overseas Holdings Limited, the controlling shareholder of the Company
“Company”	China State Construction International Holdings Limited (Stock Code: 3311), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Control”	(i) the ownership or control of more than 50% of the voting rights of the issued share capital of the Company or (ii) the right to appoint and/or remove all or the majority of the members of the Company’s board of directors or other governing body, whether obtained directly or indirectly, and whether obtained by ownership of share capital, the possession of voting rights, contract or otherwise
“Deutsche Bank”	Deutsche Bank AG, Singapore Branch
“Group”	the Company and its subsidiaries
“Guarantee”	the unconditional and irrevocable guarantee given by the Company with respect to the Issuer’s obligations under the Notes
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuer”	China State Construction Finance (Cayman) I Limited, a company incorporated in the Cayman Islands with limited liability and a wholly-owned subsidiary of the Company

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Make Whole Amount”	an amount determined on the fifth day on which commercial banks are open for business in New York City before the redemption date by the calculation agent to be equal to the sum of (i) the present value of the principal amount of the Notes, assuming a scheduled repayment thereof on the Maturity Date, plus (ii) the present value of the remaining scheduled payments of interest to and including the Maturity Date, in each case discounted to the redemption date on a semi-annual basis (assuming a 360-day year consisting of 12 months of 30 days each and, in the case of an incomplete month, the actual number of days elapsed) at the Treasury Yield (as defined in the terms and conditions of the Notes) plus 0.50%
“Maturity Date”	2 April 2018
“Notes”	US\$500 million 3.125% guaranteed notes due 2018 to be issued by the Issuer and guaranteed by the Company as described in this announcement
“Notes Issue”	the issue of the Notes by the Issuer as described in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 25 March 2013 entered into between the Issuer, the Company, BofA Merrill Lynch, CICC HKS and Deutsche Bank in relation to the issue of the Notes
“United States”	the United States of America
“U.S. Securities Act”	the United States Securities Act of 1933, as amended
“US\$”	United States dollars

By order of the Board
**China State Construction
International Holdings Limited**
Kong Qingping
Chairman and Non-executive Director

Hong Kong, 26 March 2013

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