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中鋁國際工程股份有限公司

China Aluminum International Engineering Corporation Limited

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2068)

**ANNOUNCEMENT
DISCLOSEABLE TRANSACTION IN RELATION TO THE ACQUISITION
OF 62.5% EQUITY INTERESTS IN NO.9 METALLURGICAL
CONSTRUCTION**

The Board announces that on 1 December 2015, the Company and Jiuan Properties entered into an Equity Transfer Agreement, pursuant to which the Company agreed to acquire the 62.5% equity interests held by Jiuan Properties in No. 9 Metallurgical Construction with a total consideration of RMB49,980,000.

As the applicable percentage ratios in respect of the Acquisition are more than 5% and less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules, but is exempt from the independent shareholders' approval requirement.

EQUITY TRANSFER AGREEMENT

The principal terms of the Equity Transfer Agreement are set out as follows:

- Parties**
- (i) The Company (as the purchaser); and
 - (ii) Jiuan Properties (as the seller)

To the best information, knowledge and belief of the directors having made all reasonable enquiries, Jiuan Properties and its ultimate beneficial owner are the third parties independent from the Company and its Connected Persons.

Acquired Shares	The 62.5% equity interests in No. 9 Metallurgical Construction. 62.5%, 30.27% and 7.23% of the issued share capital of No. 9 Metallurgical Construction are held by Jiuan Properties, individual shareholders and Xianyang SASAC respectively. Upon the completion of the Acquisition, No. 9 Metallurgical Construction will be held by the Company, individual shareholders and Xianyang SASAC as to 62.5%, 30.27% and 7.23% respectively. No. 9 Metallurgical Construction will be the Group's non-wholly owned Subsidiary and its financial results, assets and liabilities will be consolidated into the consolidated financial statements of the Group.
Consideration	The acquisition of the 62.5% equity interests in No. 9 Metallurgical Construction amounted to RMB49,980,000 in aggregate shall be settled by cash.
Payment Arrangement	<p>Within 3 business days after the signing of the Equity Transfer Agreement, the Company shall pay RMB29,980,000 to Jiuan Properties and such equity transfer payment shall be settled in an account specified by Jiuan Properties</p> <p>Within 10 business days after the aforesaid equity transfer payment settled by the Company, Jiuan Properties shall arrange the procedures of changes in industrial and commercial registration, which include but not limited to the completion of the registration for the changes in shareholders, shareholding and articles of association etc., in accordance with the Equity Transfer Agreement, for No. 9 Metallurgical Construction to complete, and the Company shall cooperate</p> <p>Within 15 business days after the completion of the aforesaid procedures of changes by Jiuan Properties, the Company shall settle the remaining equity transfer payment of RMB20,000,000 with Jiuan Properties and such payment shall be settled in an account specified by Jiuan Properties</p>

Warranty Nil

THE REASONS AND BENEFITS FOR THE ACQUISITION OF NO. 9 METALLURGICAL CONSTRUCTION

The Company considers the acquisition of 62.5% equity interests in No. 9 Metallurgical Construction will benefit the Group by: (1) compliance with the Company's development strategies. The acquisition of No. 9 Metallurgical Construction matches the Company's development strategies of "Development of Engineering General Contract Business" and "Extension of Upstream and Downstream Sectors in the Industry with Project Construction as a Tie". It is beneficial to the Company's goal of rapid expansion in the business areas of bridges, roads, steel and coking etc. At the same time, it is beneficial to the Company's expansion in the market of mid-west and Xixian New District (西咸新區), particularly the market in Xinjiang region. Through the acquisition of No. 9 Metallurgical Construction, the

Company has 3 construction enterprises out of 23 in the original metallurgical industrial segment, which is beneficial in enhancing the Company's influence on the market; (2) enhancing the Company's undertaking capability. No. 9 Metallurgical Construction has a long-established reputation, broad variety of qualifications, extensive performance and the qualification of engineering and construction general contract for housing and buildings. The Company currently has only No. 12 Metallurgical with premium qualifications for the metallurgical industry. Upon the completion of the Acquisition, the premium qualifications of the Company will complement with those of the No. 9 Metallurgical Construction; (3) strengthening the Company's competitiveness. In order to achieve the Company's strategic goal, the Company enhances its strength rapidly to meet the expected target by its own accumulation of experience on one hand and the acquisition of strong and well-performed target companies on the other hand.

BASIS FOR DETERMINATION OF THE CONSIDERATION

The total consideration of the 62.5% equity interests in No. 9 Metallurgical Construction amounted to RMB49,980,000 was determined after taking into consideration of the complementary advantages combined with the strategic needs for both parties of the Equity Transfer Agreement and by reference to factors such as the total assets, total revenue and profits after taxation of No. 9 Metallurgical Construction as at 30 September 2015 and its continuous profitability level in the future after the arm's length negotiations between both parties.

CONFIRMATION FROM THE BOARD

The directors (including independent non-executive directors) consider the terms of the Equity Transfer Agreement are fair and reasonable and are on normal commercial terms, in the ordinary course of business of the Company and in the interests of the Company and the shareholders as a whole. None of the directors of the Company has any material interests in the Acquisition of No. 9 Metallurgical Construction.

FINANCIAL INFORMATION OF NO. 9 METALLURGICAL CONSTRUCTION

The financial results of No. 9 Metallurgical Construction for the two years ended 31 December 2013 and 2014 prepared in accordance with the Chinese Accounting Standards for Business Enterprises are set out below:

	For the year ended 31 December (RMB/million yuan)	
	2013	2014
	(audited)	(audited)
Profit (loss) before taxation and extraordinary items	(3.57)	42.58
Profit (loss) after taxation and extraordinary items	(6.03)	25.64
Net assets	641.83	656.79

The audited accounts of No. 9 Metallurgical Construction were prepared in accordance with the Chinese Accounting Standards for Business Enterprises. As at 30 September 2015, the total assets, total revenue and profits after taxation of No. 9 Metallurgical Construction are RMB4,818.03 million, RMB2,221.48 million and a loss of RMB140.61 million respectively.

INFORMATION ON THE PARTIES

The Company

The Company is a leading technology, engineering service and equipment service provider in the non-ferrous metals industry in China, capable of completing full business-chain integrated engineering solutions throughout various stages of the non-ferrous metals industry chain. The Group is primarily engaged in engineering design and consultancy, engineering and construction contracting and equipment manufacturing.

No. 9 Metallurgical Construction

No. 9 Metallurgical Construction is a premium enterprise specialized in the national large-scale comprehensive construction general contract for buildings, with an integration of engineering construction general contract, steel equipment manufacturing and real estate development. It is primarily engaged in housing, metallurgical, electrical and mechanical installation, municipal public engineering, production and installation of steel structure and hydraulic metal structure, pipeline engineering specialized contracting as well as construction such as petrochemical, mining projects, highway projects and environmental friendly projects etc.

Jiuan Properties

Jiuan Properties is a renowned real estate development enterprise in Mian County (勉縣) of Shaanxi Province with grade 2 qualification for real estate development. It is primarily engaged in real estate development, construction, operation and properties management business.

LISTING RULES IMPLICATIONS IN RESPECT OF THE ACQUISITION OF NO. 9 METALLURGICAL CONSTRUCTION

As the applicable percentage ratios in respect of the Acquisition are more than 5% and less than 25%, the Acquisition constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules, but is exempt from the independent shareholders' approval requirement.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

Acquisition	the acquisition of 62.5% equity interests held by Jiuan Properties in No. 9 Metallurgical Construction by the Company with a total consideration of RMB49,980,000
Board	the board of directors of the Company
Company	China Aluminum International Engineering Corporation Limited (中鋁國際工程股份有限公司), a joint stock limited company incorporated in the PRC on 16 December 2003 and restructured on 30 June 2011 and the shares of which are listed on the Stock Exchange

Connected Person(s)	has the meaning ascribed to it under the Listing Rules
Equity Transfer Agreement	the agreement entered into by the Company and Jiuan Properties on 1 December 2015 in relation to the transfer of Jiuan Properties' 62.5% equity interests in No. 9 Metallurgical Construction to the Company
Group	the Company and its subsidiaries
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Jiuan Properties	Shaannxi Jiuan Properties Co., Ltd. (陝西久安房地產有限公司), a company incorporated in the PRC in July 2001 with limited liability
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
No. 9 Metallurgical Construction	No. 9 Metallurgical Construction Co., Ltd. (九冶建設有限公司), a company incorporated in the PRC on 29 April 2006 with limited liability
PRC	the People's Republic of China
RMB	Renminbi, the lawful currency of the PRC
Stock Exchange	The Stock Exchange of Hong Kong Limited
Subsidiary	has the meaning ascribed to it under the Listing Rules
Xianyang SASAC	State-owned Assets Supervision and Administration Commission of Xianyang People's Government
%	per cent.

By Order of the Board
China Aluminum International Engineering Corporation Limited
ZHANG Chengzhong
Chairman

Beijing, the PRC, 1 December 2015

As at the date of this announcement, the non-executive Directors are Mr. ZHANG Chengzhong, Mr. ZHANG Zhankui and Mr. WANG Jun; the executive Directors are Mr. HE Zhihui and Mr. ZHANG Jian; and the independent non-executive Directors are Mr. SUN Chuanyao, Mr. CHEUNG Hung Kwong and Mr. FU Jun.