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(Incorporated in Hong Kong with limited liability under the Companies Ordinance)

(Stock Code: 00144)

ANNOUNCEMENT

DISCLOSEABLE TRANSACTION SHAREHOLDING INCREASE IN CIMC

On 23 May 2016, China Merchants CIMC, a wholly-owned subsidiary of the Company, acquired 3,326,000 CIMC H Shares through the Hong Kong Stock Exchange at an average price of HK\$9.43 per CIMC H Share. Such acquisition, when aggregated with other purchases of CIMC H Shares by China Merchants CIMC since 1 January 2016 resulted in an increase of the Company's interest in CIMC from approximately 23.08% of the total issued share capital of CIMC as at 1 January 2016 to approximately 23.73% of the total issued share capital of CIMC as at 23 May 2016.

As the applicable ratios of the aggregate increase of the Company's interest in CIMC since 1 January 2016 are more than 5% but less than 25%, it constitutes a discloseable transaction of the Company, and is subject to the notification and announcement requirements under Chapter 14 of the Hong Kong Listing Rules.

SHAREHOLDING INCREASE IN CIMC

On 23 May 2016, China Merchants CIMC, a wholly-owned subsidiary of the Company, acquired 3,326,000 CIMC H Shares through the Hong Kong Stock Exchange at an average price of HK\$9.43 per CIMC H Share. Such acquisition, when aggregated with other purchases of 16,067,400 CIMC H Shares by China Merchants CIMC since 1 January 2016 (all of which were also acquired through the Hong Kong Stock Exchange) resulted in an increase of the Company's interest in CIMC from approximately 23.08% of the total issued share capital of CIMC as at 1 January 2016

to approximately 23.73% of the total issued share capital of CIMC as at 23 May 2016. In total, China Merchants CIMC acquired in aggregate 19,393,400 CIMC H Shares through the Hong Kong Stock Exchange during the period from 1 January 2016 to 23 May 2016 at an average price of HK\$11.16 per CIMC H Share. Apart from China Merchants CIMC, no other member of the Group acquired any CIMC H Shares during the same period.

The total consideration for the acquisition by China Merchants CIMC of the 19,393,400 CIMC H Shares (exclusive of any brokerage, transaction levy, trading fee and other transaction cost) is approximately HK\$216.43 million. As all the CIMC H Shares were acquired through the Hong Kong Stock Exchange, the consideration for each purchase of CIMC H Shares was determined with reference to the then prevailing trading price of the CIMC H Shares as quoted on the Hong Kong Stock Exchange and the Directors therefore consider that the terms of the acquisition of the CIMC H Shares (including the consideration for each purchase of CIMC H Shares) are on normal commercial terms, fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole. Furthermore, as the acquisition of the CIMC H Shares were all conducted through the Hong Kong Stock Exchange, the Company is not aware of the identity of the sellers of the CIMC H Shares but to the best of the Director's knowledge, information and belief having made all reasonable enquiry, China Merchants CIMC did not knowingly acquire any of the CIMC H Shares from any persons who are, or whose ultimate beneficial owners are connected persons of the Company or otherwise not independent from the Company.

INFORMATION ON CIMC

CIMC is a joint stock limited company incorporated in the PRC with limited liability. CIMC and its subsidiaries are principally engaged in manufacture of modern transportation facilities, facilities for energy, food, chemistry and rendering of relative services, manufacture of logistic equipment & related services, marine projects, railway trucks production and property development.

Based on the audited financial statements of CIMC prepared in accordance with the Chinese Accounting Standards for Business Enterprises, the audited consolidated total asset value of CIMC as at 31 December 2014 and 31 December 2015 amounted to approximately RMB87,776 million (equivalent to approximately

HK\$104,160 million) and RMB106,763 million (equivalent to approximately HK\$126,692 million), respectively. The net profits (before and after tax) of CIMC for the years ended 31 December 2014 and 31 December 2015 are as follows:

	For the year ended 31 December 2014	For the year ended 31 December 2015
	<i>RMB</i>	<i>RMB</i>
Net profit before tax	3,570 million (equivalent to approximately HK\$4,236 million)	3,206 million (equivalent to approximately HK\$3,804 million)
Net profit after tax	2,478 million (equivalent to approximately HK\$2,941 million)	1,974 million (equivalent to approximately HK\$2,342 million)

REASONS FOR AND BENEFITS OF THE SUBSCRIPTION

The Company is the leading port investor and operator in China with international presence. At present, the Company's investments and operations span across China Coastal areas including Hong Kong, Shenzhen, Shanghai, Ningbo, Qingdao, Tianjin, Zhanjiang, Xiamen Bay, and Taiwan, and internationally, in Sri Lanka, Nigeria, Djibouti, Togo, the United States and a number of countries in Asia, Europe and the Mediterranean region.

The Company is the single largest shareholder of CIMC and considers its investment in CIMC as an important part of its overall business strategy. Following the completion of issuance of CIMC H Shares by CIMC on 31 December 2015, the Company's shareholding was diluted and the Company has been looking at the right opportunity to restore its shareholding in CIMC.

The Directors are of the view that the purchases of CIMC H Shares have been conducted on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable ratios of the aggregate increase of the Company's interest in CIMC since 1 January 2016 are more than 5% but less than 25%, it constitutes a discloseable transaction of the Company, and is subject to the notification and announcement requirements under Chapter 14 of the Hong Kong Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors of the Company
“Company”	China Merchants Holdings (International) Company Limited (招商局國際有限公司), a company incorporated in Hong Kong and whose shares are listed on the Main Board of the Hong Kong Stock Exchange
“connected person”	has the meaning ascribed to this term under the Hong Kong Listing Rules
“China Merchants CIMC”	China Merchants (CIMC) Investment Limited, a company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“CIMC”	China International Marine Containers (Group) Co., Ltd. (中國國際海運集裝箱(集團)股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, whose H shares and A shares are listed on the Hong Kong Stock Exchange and the Shenzhen Stock Exchange, respectively
“CIMC H Shares”	the overseas listed foreign investment share(s) in the ordinary share capital of CIMC with a nominal value of RMB1.00 each, which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 2039)
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries as a whole, and a member of the Group shall mean any one of them
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“Hong Kong Stock
Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent.

For reference only, an exchange rate of HK\$1.00 to RMB0.8427 has been used for the conversion of Renminbi into Hong Kong dollars in this announcement.

By Order of the Board of
China Merchants Holdings (International) Company Limited
Li Xiaopeng
Chairman

Hong Kong, 25 May 2016

As at the date of this announcement, the Board comprises Mr. Li Xiaopeng, Mr. Hu Jianhua, Mr. Fu Gangfeng, Mr. Yu Liming, Mr. Wang Hong, Mr. Deng Renjie, Mr. Bai Jingtao, Mr. Wang Zhixian and Mr. Zheng Shaoping as executive Directors; and Mr. Kut Ying Hay, Mr. Lee Yip Wah Peter, Mr. Li Kwok Heem John, Mr. Li Ka Fai David and Mr. Bong Shu Ying Francis as independent non-executive Directors.