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China Cinda Asset Management Co., Ltd.

中國信達資產管理股份有限公司

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

(Stock Code: 01359)

ANNOUNCEMENT LITIGATION

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules and the Inside Information Provisions.

The Company announces that Cinda Investment and Cinda Beijing Branch have been served with a summon from the Beijing Higher People's Court on December 20, 2013.

The Company has instructed its special PRC legal counsel to defend against the litigation brought by Junefield Real Estate and to deal with all legal matters in relation thereof.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by China Cinda Asset Management Co., Ltd. (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**Inside Information Provisions**”).

The Company announces that Cinda Investment Co., Ltd. (“**Cinda Investment**”), a wholly-owned subsidiary of the Company, and China Cinda Asset Management Co., Ltd. Beijing Branch (“**Cinda Beijing Branch**”) have been served with a summon from the Beijing Higher People's Court (the “**Beijing Court**”) on December 20, 2013. The Beijing Court has accepted a lawsuit filed by Beijing Junefield Real Estate Development Co., Ltd. (北京莊勝房地產開發有限公司) (“**Junefield Real Estate**”) against Cinda Investment, Beijing Cinda Properties Co., Ltd. (“**Cinda Properties**”) and Cinda Beijing Branch in respect of an equity transfer.

Junefield Real Estate, Cinda Investment and Cinda Beijing Branch have entered into a framework agreement and supplemental agreements since October 2009, pursuant to which the interests in a parcel of land in Beijing will be assigned by Junefield Real Estate to Cinda Investment as settlement of debts of Junefield Real Estate and such parcel of land will be developed by a wholly-owned project company to be established by Cinda Investment. Junefield Real Estate had the right to invest in the project company (that is, Cinda Properties which was subsequently established) by way of capital injection. In July 2010, Junefield Real Estate entered into a capital injection agreement with Cinda Investment for the proposed capital contribution of RMB100 million to Cinda Properties, a then wholly-owned subsidiary of Cinda Investment established for the development of the target parcel of land, to acquire 20% equity interest in Cinda Properties. However, Junefield Real Estate has not obtained necessary government approval for the capital injection and has not completed the change of registration with the relevant Administration of Industry and Commerce. In November 2012, due to commercial consideration, Cinda Investment transferred its 100% equity interest in Cinda Properties to a third party through an open bidding at Beijing Financial Assets Exchange. In May 2013, Junefield Real Estate filed a lawsuit with the Beijing Court against Cinda Investment, Cinda Properties and the third party who acquired 100% equity interest in Cinda Properties, requesting the court to invalidate the above-mentioned equity transfer. The Beijing Court conducted an open hearing of the case. In September 2013, an application for the withdrawal of the lawsuit was filed by Junefield Real Estate and was approved by the Beijing Court in October 2013. On December 20, 2013, the Company noticed that Junefield Real Estate filed another lawsuit with the Beijing Court against Cinda Investment, Cinda Properties and Cinda Beijing Branch, requesting the court to terminate the framework agreement and its supplemental agreement, grant an order for penalty payment of RMB1 billion from Cinda Investment, and at the same time order Cinda Properties to be jointly and severally liable for the penalty payment.

The Company has appointed a special PRC legal counsel to defend against the litigation brought by Junefield Real Estate and to deal with all legal matters in relation thereof. Such special PRC legal counsel is of the opinion that Cinda Investment has performed its obligations that have fulfilled the conditions for performance under the framework agreement and its supplemental agreement.

The Company currently assesses that the litigation will not have material adverse effect on its operating results and financial condition, and will not affect the normal operations of the Company.

The Company is actively following up the lawsuit and evaluating the potential impact. The Company will make a further announcement to inform its shareholders and potential investors the development of the lawsuit as and when appropriate. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
China Cinda Asset Management Co., Ltd.
HOU Jianhang
Chairman

Beijing, China
December 27, 2013

As at the date of this announcement, the Board of the Company consists of Mr. HOU Jianhang, Mr. ZANG Jingfan, Mr. XU Zhichao as executive Directors, Ms. WANG Shurong, Mr. YIN Boqin, Ms. XIAO Yuping, Ms. YUAN Hong, Mr. LU Shengliang as non-executive Directors, and Mr. LI Xikui, Mr. QIU Dong, Mr. CHANG Tso Tung, Stephen, Mr. XU Dingbo as independent non-executive Directors.