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CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED

招商局中國基金有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 133)

**VOLUNTARY DISCLOSURE
DISPOSAL OF A SHARES IN
INDUSTRIAL BANK CO., LTD.**

Reference is made to the circular of China Merchants China Direct Investments Limited (the “**Company**”) dated 20 April 2010 (the “**Circular**”) in relation to the proposed subscription for rights issue of A Shares of Industrial Bank Co., Ltd. (“**IBC**”). Capitalized terms used in this announcement shall have the same meanings as defined in the Circular unless the context otherwise requires.

As disclosed in the Circular, the Company had applied for, and the Hong Kong Stock Exchange had granted, the IBC Waiver from strict compliance of Rule 21.04(3)(b) of the Listing Rules on condition that (among other conditions) by the end of June 2011 (if the IBC A Rights Issue was completed in 2010), the Company would further dispose of IBC A Shares to the extent that its interests in IBC would not exceed 20% of the Company’s NAV.

As disclosed in the announcement of the Company dated 4 June 2010, the Company had fully subscribed for the IBC A Rights Shares to which it was entitled and upon completion of the IBC A Rights Issue and allotment of IBC A Rights Shares on 8 June 2010, the Company held an aggregate of 49,680,000 IBC A Shares.

Since 8 June 2010 up to 28 June 2011, the Company had disposed of 38,400,000 IBC A Shares. On 9 May 2011, the Company received 33,344,000 IBC A Shares pursuant to the distribution by IBC of bonus shares converted from capital reserve on the basis of 8 bonus IBC A Shares for every 10 existing IBC A Shares held as disclosed in the announcement of IBC dated 28 April 2011. Therefore, as at the close of trading on 28 June 2011, the Company held 44,624,000 IBC A Shares and the carrying value of its interests in the IBC A Shares as shown in the Company's financial statements accounted for approximately 19.14% of the Company's NAV, thereby fulfilling Condition (iii) of the IBC Waiver.

For and on behalf of
CHINA MERCHANTS CHINA DIRECT
INVESTMENTS LIMITED
ZHOU Linda Lei
Director

Hong Kong, 29 June 2011

As at the date hereof, the Executive Directors of the Company are Mr. LI Yinquan, Mr. HONG Xiaoyuan, Mr. CHU Lap Lik, Victor, Ms. ZHOU Linda Lei and Mr. TSE Yue Kit; the Non-executive Director is Mr. KE Shifeng; and the Independent Non-executive Directors are Mr. KUT Ying Hay, Mr. WANG Jincheng, Mr. LI Kai Cheong, Samson and Mr. LIU Baojie. In addition, Ms. KAN Ka Yee, Elizabeth is the Alternate Director to Mr. CHU Lap Lik, Victor.