

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CHINA RENEWABLE ENERGY INVESTMENT LIMITED

中國再生能源投資有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 987)

(website: www.cre987.com)

PROFIT WARNING

This announcement is made pursuant to Rule 13.09(2) of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

The Company is expecting to see a significant impairment loss to be provided on certain Wind Farm Assets of the Group for the financial year ended 31 December 2012 with reference to the internal management accounts of the Group for the year. The impairment loss under consideration is mainly attributed to the continuous significant drop in the traded market unit price of Certified Emission Reduction (“**CER**”) under the Clean Development Mechanism and its adverse impact on the estimated recoverable amount attributable to future CER income in the business valuation of the Wind Farms Assets. The impairment loss provisioning under consideration is a non-cash item in compiling the annual audited financial statements of the Group.

As of the date of this announcement, neither the impairment loss provisioning for the Wind Farm Assets nor the extent of its attendant impact on the performance of the Group as a whole for FY 2012 has been ascertained. That being said, the Group is expecting a significant consolidated loss, the exact amount of such loss is yet to be determined, in its audited financial statements for FY 2012, as compared to the audited consolidated profit for the previous corresponding year ended 31 December 2011, pending the issue of the Group's audited financial statements of FY 2012.

The management of the Group believes that the impairment loss, being a non-cash accounting treatment, will not bring about any material adverse effect on the normal operations and current cash position of the Group. The total amount of cash and cash equivalent item of the Group as of 31 December 2012 did not deviate significantly from that of the interim cash and cash equivalent item as at 30 June 2012. The unaudited total assets of the Group as at 30 June 2012 was HK\$ 2,689 million, of which the cash and cash equivalent was HK\$ 251 million.

The information in this announcement is disclosed for information only and under the Listing Rules and the Inside Information Provisions. Shareholders of the Company and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2012 which is expected to be published before the end of March 2013. **Shareholders of the Company and potential investors are advised to exercise due caution in dealing in the shares of the Company. If in doubt, they seek their own professional advisers.**

This announcement is made by China Renewable Energy Investment Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the “**SFO**”).

The board of directors of the Company (the “**Board**”) wish to announce that the Company is expecting to see a significant impairment loss to be provided on certain wind farm projects of the Group (“**Wind Farm Assets**”) with reference to the internal unaudited management accounts of the Group for the financial year ended 31 December 2012 (“**FY 2012**”). The impairment loss under consideration is mainly attributed to the continuous significant drop in the traded market unit price of Certified Emission Reduction (“**CER**”) under the Clean Development Mechanism (part of the Kyoto Protocol on environmental protection regime from the United Nations) and its adverse impact on the estimated recoverable amount attributable to future CER income in the business valuation of the Wind Farms Assets.

The impairment loss provisioning under consideration is a non-cash item in compiling the annual audited financial statements of the Group. As of the date of this announcement, neither the impairment loss provisioning for the Wind Farm Assets nor the extent of its attendant impact on the performance of the Group as a whole for FY 2012 have been ascertained. That being said, the Group is expecting a significant consolidated loss in its audited financial statements for FY 2012, as compared to the audited consolidated profit for the previous financial year ended 31 December 2011, the exact amount of which consolidated loss is yet to be determined prior to issue of the Group's audited financial statements of FY 2012. The management of the Group will continue to monitor the development in that regard and will issue further announcements as and when appropriate and in compliance with the Listing Rules and the Inside Information Provisions.

The management of the Group believes that the impairment loss, being a non-cash accounting treatment, will not bring about any material adverse effect on the normal operations and current cash position of the Group. The total amount of cash and cash equivalent item of the Group as of 31 December 2012 did not deviate significantly from that of the interim cash and cash equivalent item as at 30 June 2012. The unaudited total assets of the Group as at 30 June 2012 was HK\$ 2,689 million, of which the cash and cash equivalent was HK\$ 251 million.

The information as contained in this profit warning announcement is only based on the unaudited internal management accounts of the Group made up to 31 December 2012 and the information currently available to the Board, which is not confirmed, reviewed or audited by the Company's auditors. The information in this announcement is disclosed for information only and under the Listing Rules and the Inside Information Provisions. Shareholders of the Company and potential investors are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2012 which is expected to be published before the end of March 2013.

SHAREHOLDERS OF THE COMPANY AND POTENTIAL INVESTORS ARE ADVISED TO EXERCISE DUE CAUTION IN DEALING IN THE SHARES OF THE COMPANY. IF IN DOUBT, THEY SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS.

By order of the Board
China Renewable Energy Investment Limited
LEUNG Wing Sum, Samuel
Executive Director and Chief Financial Officer

Hong Kong, 23 January 2013

As at the date hereof, the Board comprises seven directors, of which three are executive directors, namely, Mr. OEI Kang, Eric, Mr. CHANG Li Hsien, Leslie and Mr. LEUNG Wing Sum, Samuel; one is non-executive director, Mr. WANG Sing (with Mr. TSANG Chi Kin as his alternate); three are independent non-executive directors, namely, Mr. ZHANG Songyi, Mr. TANG Siu Kui, Ernest and Mr. YU Hon To, David.