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CAPINFO COMPANY LIMITED*

首都信息發展股份有限公司

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

CLARIFICATION ON PRESS ARTICLES AND UNUSUAL SHARE TRADING VOLUME

The Board has noted certain press articles in certain newspapers today indicating that the Company anticipated to record a revenue and a profit of approximately RMB300 million and RMB30 million respectively for the year ending 31 December 2002 and to declare dividends. The Board wishes to clarify that such information as disclosed in those articles is not accurate. The press articles also stated that the Company had mandated business contract value of approximately RMB33 million and anticipated to mandate further contract value of approximately RMB50 million in the next few months. The Board confirms that such contracts are still under negotiations.

The Board has also noted the recent increase in the trading volume of the shares of the Company and wish to state that the Board is not aware of any reasons for such increase.

Investors are strongly advised to ignore such articles when making any investment decision in relation to the securities of the Company and exercise caution when dealing in the securities of the Company.

Certain articles published in the newspapers in Hong Kong today have reported that Dr. Chen Xinxiang, a director of Capinfo Company Limited (the "Company"), anticipated that the Company anticipated to record a revenue and a profit of approximately RMB300 million and RMB30 million respectively for the year ending 31 December 2002 and to declare dividends. The Board wishes to clarify that such information as disclosed in those articles is not accurate. Dr. Chen wishes to confirm that such statement is not accurate and that he did not make such statement and merely informed the press that based on the current business performance of the Company, he is optimistic about the overall financial performance of the Company for the year ending 31 December 2002 and expects the Company to be awarded more contracts. The board (the "Board") of directors (the "Directors") of the Company also wishes to clarify that such information as disclosed in those articles is not accurate. In addition, no profit forecast has been made by the Company. At present, the Company is carrying on the business as disclosed in the prospectus of the Company dated 17 December 2001 (the "Prospectus"). The turnover and profitability of the Company will depend on, among other things, the success of the implementation plan of the Company as stated in the Prospectus, the market condition and the general economic environment. The press articles also stated that the Company had mandated contract value of approximately RMB33 million and anticipated to mandate further contract value of approximately RMB50 million in the next few months.

The Board confirms that the Company is in negotiations for a contract of approximately RMB33 million and a number of business contracts with an aggregate value of approximately RMB50 million. However, no contract in this regard has been concluded as at the date of this announcement. **Investors should be aware that such contracts may or may not materialise.**

The Board has also noted the recent increase in the trading volume of the shares of the Company and wish to state that the Board is not aware of any reasons for such increase.

Save as disclosed in this announcement, the Board further confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Chapters 19 and 20 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”), neither is the Board aware of any matter discloseable under the general obligation imposed by rule 17.10 of the GEM Listing Rules, which is or may be of a price-sensitive nature.

Investors are strongly advised to ignore such articles when making any investment decision in relation to the securities of the Company and exercise caution when dealing in the securities of the Company.

By order of the Board
Capinfo Company Limited
Chen Xinxiang
Chairman

Beijing, the People’s Republic of China, 12 March 2002

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that the fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from the date of its publication.

** For identification purposes only*