

China New Town Development Company Limited

中国新城镇发展有限公司

Listed on The Mainboard of The Singapore Exchange (SGX-ST)

Suite 2503 Convention Plaza Office Tower, 1 Harbour Road, Wanchai, Hong Kong

香港湾仔港湾道1号会展广场办公大楼2503室

Tel: (852) 3965 9000 Fax: (852) 3965 9111

www.china-newtown.com



Media Release – For Immediate Release

China New Town Announced Completion of Sale of Land Use Rights for RMB 1.40 Billion

- ▶ **Record land sale price of RMB 9,070 psm; represents 150% increase from the last achieved price**
- ▶ **Expected to contribute revenue of approximately RMB 895 million and gross profit of approximately RMB 725 million for 3Q ended 30 September 2009**
- ▶ **Profit helped by interest saving as a result of the recent repurchase and cancellation of over 80% of the high yield bonds**

Singapore and Hong Kong, 25 September 2009 – China New Town Development Company Limited (“CNTD” or the “Company”), a pioneer and leading developer of large-scale new towns in suburban areas of the largest cities in China, is pleased to announce the completion of the sale of land use rights for the residential land parcel D1-2 located at the Luodian New Town (“Luodian Project”) by the relevant Shanghai land administrative bodies today.

The land parcel D1-2 of total site area of approximately 102,300 sq.m. (equivalent to about RMB 9,070 per sq.m in terms of gross floor area (“GFA”)) went at RMB 1.40 billion to China Enterprise Limited, an A-share company which is also the developer of an existing site D2-3 of 135,060 sq.m. in GFA. This represents an increase of 150% from last price of RMB 3,635 per sq.m. achieved in May 2009.

The average cost of development was approximately RMB 1,666 per sq.m. as of 30 June 2009. The land sale is expected to contribute revenue of approximately RMB 895 million and gross profit of RMB 725 million to the Company’s financial result for the 3rd quarter

ended 30 September 2009. This marks the second land disposal from CNTD's Luodian Project this year. This is expected to have a significant material impact on the Group's financial performance for the year ended 31 December 2009.

The land has been developed by Shanghai Golden Luodian Development Co.,Ltd ("SGLD"), a 72.63% owned subsidiary of the Company, as part of the Luodian Project. The Shanghai Luodian New Town is the flagship new town project of the Company, which commenced development in 2002. The tenure of the land lease is 70 years.

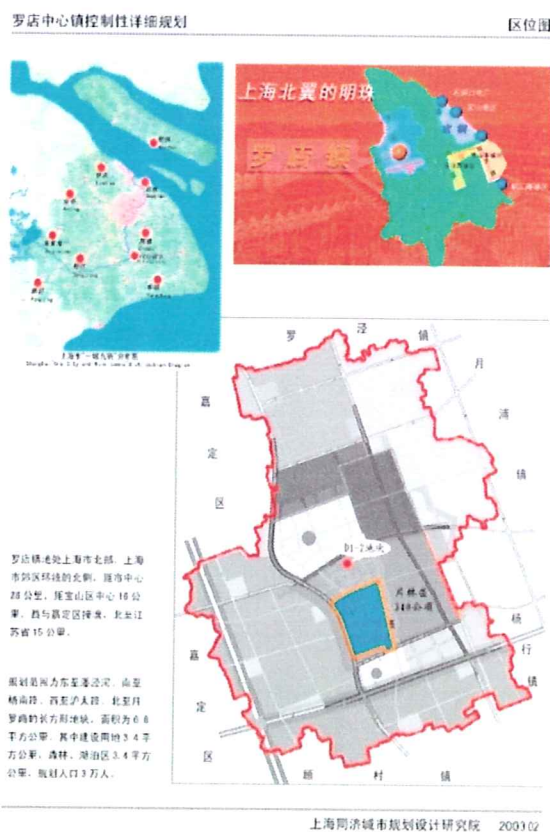
"We are very encouraged to how enthusiastic various developers participated in this round of land listings from our Luodian project. We hope the current market sentiment will translate into strong land sale till the year end and beyond."

"Our Luodian project is left with a dozen more residential parcels representing total site area of over 800,000 sq.m., which we are trying to make all available for public listing over the next 2-3 years."

"With much reduced interest expenses as a result of the recent repurchase and cancellation over 80% of our high yield bonds, I believe the Company will report significant improved earnings for 2009."

"Needless to say, the management has to strike a balance between immediate cash earnings and the benefits from long term price appreciation. The bottom line of CNTD is now well positioned to capitalise the sharp recovery in the Shanghai property prices generating healthy operating cash flow."

-- Mr Ben Cheng, Chief Executive Officer of CNTD



Source: Shanghai Property Transaction Centre



The initial public offering of the Company's shares was jointly sponsored by Citigroup Global Markets Singapore Pte. Ltd. and Deutsche Bank AG, Singapore Branch.

>>> The End

About China New Town Development Company Limited (Bloomberg Code: CNTD SP)

China New Town Development Company Limited (CNTD) is a leading new town developer in China. Working closely with local governments, CNTD is principally engaged in the planning and development of large-scale new town projects of at least 5 million square metres. The Company mainly focuses on developing new towns that are located in the suburban areas of China's major cities.

The Group also develops, manages and operates commercial properties such as hotels and convention centres and public amenities such as recreational parks and museums within the new town developments.

The Group currently has four projects, namely Shanghai Luodian New Town Project (Luodian Project); Wuxi Hongshan New Town Project (Wuxi Project); and Shenyang Lixiang New Town Project (Shenyang Project) and Changchun Automobile New Town Project (Changchun project).

For more information about CNTD, please visit the Company's website (<http://www.china-newtown.com>).

Issued for and on behalf of China New Town Development Company Limited

Contact Information

Aries Consulting Limited Ms Pearl Peng/Mr Mark Lee Investor Relations Consultants Tel: +852-2610 0846 Email: staff@ariesconsulting.com.hk	China New Town Development Company Limited Ms Melody Yu DID: +852-3965-9000 Fax: +852-3965-9111 Email: media@china-newtown.com
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