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China New Town Development Company Limited **中國新城鎮發展有限公司**

(incorporated as a business company limited by shares under the laws of the British Virgin Islands)

Hong Kong Stock Code: 1278

Singapore Stock Code: D4N.si

COMPLETION OF LAND AUCTION UNDER WUXI PROJECT

The Board of Directors (the “Board”) of China New Town Development Company Limited (the “Company”) is pleased to announce the completion of auction of land use rights of the residential land parcel (XDG(XQ)-2010-25) located at our Wuxi New Town (“Wuxi Project”) by Wuxi Municipal Bureau of Land and Resources on 27 December 2010. The buyer is Wuxi Chongqing Development Company Limited (無錫仲慶房地產開發有限公司).

The land parcel of approximately 127,637 sq.m. in site area was sold at RMB382 million which is equivalent to approximately RMB2,994 per sq.m of site area. The last achieved price for a residential land parcel from Wuxi Project was approximately RMB2,038 per sq.m of site area in February 2010.

The Company first undertook the development of the Wuxi Hongshan Project in 2007, through a joint venture (“JV”) agreement with Wuxi New District Municipal Investment and Development Company Limited (“Wuxi JV Partner”). Under the agreement, a JV company – Wuxi Hongshan New Town Development Co., Ltd (“Wuxi JV Company”) was established to undertake the development of the new town project. The Company holds 90% stake in the Wuxi JV Company, while the Wuxi JV Partner holds the remaining 10%. The JV is for a period of 50 years.

None of the Directors of the Company has any interest, direct or indirect, in the sales of the Land.

By order of the Board
China New Town Development Company Limited
Shi Jian
Chairman

Hong Kong, 28 December 2010

As at the date of this announcement, the executive Directors are Mr. Shi Jian (Chairman), Mr. Li Yao Min, Ms. Gu Biya, Ms. Song Yiqing, Mr. Mao Yiping, Mr. Yang Yonggang and Mr. Shi Janson Bing, the non-independent non-executive Director is Mr. Yue Wai Leung Stan, and the independent non-executive Directors are Mr. Henry Tan Song Kok, Mr. Loh Weng Whye, Mr. Lam Bing Lun Philip and Mr. Kong Siu Chee.