



Press Release
(For immediate release)

Water Property acquires a plot in Wuhan Economic and Technological Development Zone for RMB 105 million further expanding its land bank in Wuhan

(January 10, 2011, Hong Kong) China Water Property Group Limited (“Water Property” or the “Company”, collectively with its subsidiaries referred to as the “Group”; stock code: 02349.HK), announced that the Group has entered into a contract with an independent third party to acquire the entire equity interest in Wuhan Zhongnan Automobile Parts and Accessories Co., Ltd, which is currently inactive and solely holds the land use right of a plot with a site area of more than 30,000 square meters in the Wuhan Economic and Technological Development Zone (the “WEDZ”). The Group would possess three quality properties after the transaction, further strengthening its position in the Wuhan property market.

The plot is strategically located at a prime site in the WEDZ and adjacent to the Longyang Station of Wuhan Metro Line 3. The station is under construction and once its operation commences, the plot can be easily accessible to the central part of Wuhan City. With a site area of approximately 30,625 square meters and a planned gross floor area of approximately 91,872 square meters, it costs RMB105 million, or RMB1,143 per square meter and is permitted for commercial and office development.

The management of Water Property commented that last year’s sales performance of Wuhan Future City was very encouraging. Moreover, the Group acquired another property project in Wuhan City last year. Together with this project, the Group will have 3 premier property projects in Wuhan, allowing it to further strengthen its property development business in Wuhan City. In addition, the new project will generate synergies with existing property projects of the Group in Wuhan City and enhance its brand power in the property market of Wuhan, laying a solid foundation for the development of its property operations.

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About China Water Property Group Limited

China Water Property Group Limited is mainly engaged in property development and investments in the PRC. It is listed on the Main Board of the Stock Exchange of Hong Kong Limited (Stock Code: 02349.HK). It aims at becoming one of the leading property developers in the PRC and will increase its land bank by looking for sites with good potential in various cities of China.

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