



鑫苑集团
XINYUAN GROUP

Xinyuan Real Estate Co. Announces Update Regarding Jiantou Xinyuan Joint Venture

June 8, 2010

BEIJING, June 8 /PRNewswire-Asia/ -- Xinyuan Real Estate Co., Ltd. ("Xinyuan" or "the Company") (NYSE: [XIN](#)), a residential real estate developer with a focus on high growth, strategic Tier II cities in China, today announced that the Company did not bid at the June 8, 2010 auction for the 55% of the shares of Jiantou Xinyuan that it does not already own.

As previously disclosed, on September 25, 2009, the Company, through its indirectly wholly-owned subsidiary enterprise, entered into an agreement with the two other joint venture partners, or the sellers, to acquire from them their 55% equity interest. As the Sellers are state-owned enterprises, the proposed acquisition of shares was deemed a transfer of state-owned assets which requires a public listing and auction process. After taking into consideration, among other factors, the timing of the auction and the potential cash flow impact on Jiantou Xinyuan of completing the acquisition at the present time, management believed that it was not in the Company's best interest to bid in the auction at the current time. Following completion of the auction and based on the auction results, the Company will re-evaluate its options with respect to Jiantou Xinyuan, including but not limited to, maintaining the joint venture, pursuing a new auction process, or liquidating Jiantou Xinyuan in the future.

About Xinyuan Real Estate Co., Ltd.

Xinyuan Real Estate Co., Ltd. ("Xinyuan") (NYSE: [XIN](#)) is a developer of large scale, high quality residential real estate projects aimed at providing middle-income consumers with a comfortable and convenient community lifestyle. Xinyuan focuses on China's Tier II cities, characterized as larger, more developed urban areas with above average GDP and population growth rates. Xinyuan has expanded its network to cover a total population of over 44.7 million people in seven strategically selected Tier II cities, comprising Hefei, Jinan, Kunshan, Suzhou, Zhengzhou, Xuzhou and Chengdu. Xinyuan is the first real estate developer from China to be listed on the New York Stock Exchange. For more information, please visit <http://www.xyre.com>.

Safe Harbor Statement

This press release contains forward-looking statements. These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "confident" and similar statements. Statements that are not historical facts, including statements concerning our beliefs, forecasts, estimates and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties that could cause actual results to differ materially from those projected or anticipated, including, but not limited to, the risk that: Xinyuan may be unable to acquire desired development sales at commercially reasonable costs; PRC economic, political and social conditions as well as government policies can affect Xinyuan's business; Xinyuan's financing costs are subject to changes in interest rates; Xinyuan's results of operations may fluctuate from period to period; the recognition of real estate revenue and costs relies on Xinyuan's estimation of total project sales value and costs; increases in the price of raw materials may increase cost of sales and reduce earnings; Xinyuan is heavily dependent on the performance of the residential property market in China, which is at a relatively early development stage; the market price of Xinyuan's ADSs may be volatile, and other risks outlined in Xinyuan's public filings with the Securities and Exchange Commission, including its annual report on Form 20-F for the year ended December 31, 2009. All information provided in this press release is as of June 8, 2010. Except as required by law, Xinyuan undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

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