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中國奧園地產集團股份有限公司
China Aoyuan Property Group Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3883)

DISCLOSEABLE TRANSACTION

**DISMISSAL OF HONG DA'S APPLICATION FOR
LEAVE TO APPEAL BY THE COURT OF APPEAL**

Reference is made to the announcements of the China Aoyuan Property Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 31 July 2011, 5 August 2011, 24 August 2011, 20 December 2011 and 30 December 2011 (collectively, the “**Announcements**”) in relation to a discloseable transaction entered into by the Group. Capitalised terms used in this announcement shall have the same meanings as defined in the Announcements, unless otherwise provided herein.

The Board wishes to inform the Shareholders in connection with the result of the application for leave to appeal made by Hong Da to the Court of Appeal on 30 December 2011. For details of the Application and Hong Da's application to the High Court of Hong Kong for leave to appeal, please refer to the announcements of the Company dated 24 August 2011, 20 December 2011 and 30 December 2011 respectively.

At the hearing of Hong Da's application for leave to appeal in the Court of Appeal on 17 January 2012, the Court of Appeal dismissed Hong Da's application for leave to appeal, and ordered that the costs of Hong Da's application for leave to appeal should be paid by Hong Da to the Parties, the Receivers and the Security Agent.

As mentioned in the Company's announcement dated 30 December 2011, Hong Da made an undertaking to the High Court of Hong Kong that it would tender payment on or before 13 January 2012. After some negotiations between Zhen Fu Limited (a wholly-owned subsidiary of the Company and the creditor of the Loan) and Hong Da, on 18 January 2012, Hong Da has paid a sum of HK\$351,906,439, being the total sum due to Zhen Fu Limited payable by Hong Da. Accordingly, the obligations of Hong Da under the Credit Facility Agreement and the Finance Documents have been discharged.

Further announcement(s) will be made by the Company if there are further material developments in this matter.

Save as disclosed above, so far as the Board is aware of, there are no litigation or arbitration proceedings made or threatened to be made against the Company, which would have a significant impact on the business or operations of the Company or would be discloseable under the general obligation imposed by Rules 13.09 of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise due care when dealing in the shares of the Company.

By order of the Board
China Aoyuan Property Group Limited
Guo Zi Wen
Chairman

Hong Kong, 19 January 2012

As at the date of this announcement, the executive directors of the Company are Mr. Guo Zi Wen, Mr. Guo Zi Ning, Mr. Yang Zhong, Mr. Lam Kam Tong, Ms. Xin Zhu and Mr. Hu Da Wei; the non-executive directors of the Company are Mr. Wu Jie Si and Mr. Paul Steven Wolansky; and the independent non-executive directors of the Company are Mr. Ma Kwai Yuen, Mr. Song Xian Zhong, Mr. Tsui King Fai and Mr. Cheung Kwok Keung.