

【For Immediate Release】



**Impending favorable policies fuel property demand
Additional 15 units of Shanghai Westwood II reserved immediately
after launch
Another 15 special large units put on sale the same day**

31 December 2008 (Wednesday) – The imminent launch of government policies favorable to the property market of Shanghai and the continual lowering of interest rate by the People’s Bank of China have given a boost to property transactions in the city with Shanghai Westwood II, a KWIH project, as a beneficiary reporting strong sales during Christmas just past.

Mr Wilson Chan, General Manager - Sales of KWIH, said the 15 units added yesterday were quickly reserved by buyers and that has prompted the Group to open another 15 special large units – 106 sq. m. two-room and 146 sq. m. three-room – for sale before the New Year Day. Over 200 units were sold in a week after the pre-sale began, he said, a double of the original target of 100 units, reflecting a reviving property market.

Senior local government official intends to purchase 30 to 40 units

Mr Chan said the latest 15 large units added are units of premium layout designs in Block 11 of the Shanghai Westwood II and are priced at RMB18,000 per sq. m. on average. The 15 additional units launched yesterday to the market were quickly reserved by buyers who are mainly users, indicative of the abundant capital held by local citizens. That plus the imminent roll out of government policies conducive to the property market of the city and interest rate coming down have encouraged purchase by those looking to own homes.

The Company is in negotiation with a major local government official regarding a sizeable transaction involving 30 to 40 units, added Mr. Chan.

Strong sales achieved persistently

KWIH kicked off sale of Shanghai Westwood II on 26 December. The first batch of units launched for sale comprised mainly units of 75 to 90 sq. m. with two bedrooms in Block 33 in the first batch of sales. The Group planned to release 40 units on the first day and encouraged by enthusiastic buyers, it increased the units offered for three times. A total of nearly 130 units were sold on the first day alone and a total of 180 units were snapped up all together in the 3 days to 28 December, with the highest price reaching RMB20,000 per sq. m.

Shanghai Westwood is the largest residential project of K. Wah Group. Shanghai Westwood II comprises six apartment buildings with a total of 1,061 units of area between 71 to 169 sq. m. The project integrates the lifestyle of the Westwood community in Los Angeles, US in the architecture. Its wave-like silhouette stands out among traditional cubical architectural designs in Shanghai. The sales office, in a “time tunnel” like design, is also bold and unconventional. It takes visitors through past achievements of the Group and to the show flats.

Overlooking greenery that spans 680,000 sq. m., the project has one of the most spectacular green views in Shanghai that few other projects can match. The concept of “garden-in-apartment” is dream comes true for buyers. The six-metre high spacious lobby is an emblem of eminence. At a prime location, the project is close to the 250,000 sq. m. Daning Commercial Plaza, the biggest commercial complex in Shanghai. It also has convenient access to transportation networks including elevated highways taking it to the city centre in a 10-minute drive and the Inner Ring and Middle Ring linking it with many other districts.

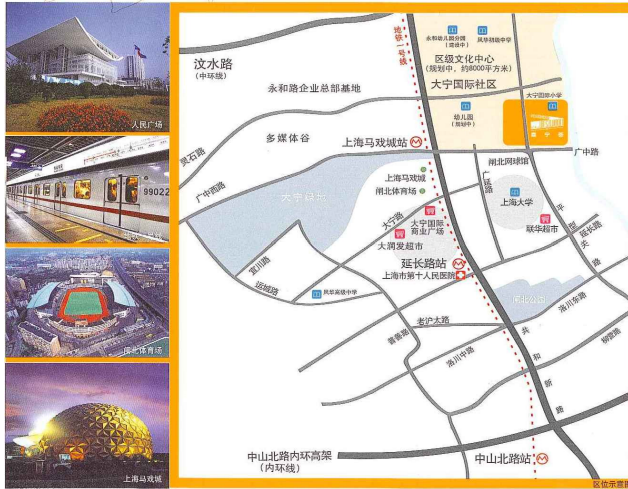
KWIH launched and sold Shanghai Westwood I, 1,300 units in all, in 2006 and 2007, and move-in began last year. Confident of the Shanghai property market, the Group will focus on marketing of Shanghai Westwood II in 2009.

About K. Wah International Holdings Limited (stock code: 173)

K. Wah International Holdings Limited, listed in Hong Kong in 1987, is the property flagship of K. Wah Group. KWIH aims at establishing a position of large-scale integrated property developer and investor in the Greater China region. With a property portfolio encompassing premium residential developments, Grade-A office towers, retail spaces, hotels and serviced apartments, KWIH has a presence in Hong Kong, Shanghai, Guangzhou and Southeast Asia. Driven by a keen market sense and a versatile strategy, and backed by strong financial capability, KWIH has built up a sizeable and prime land reserve in major cities of China, and thus a strong foothold for future growth. KWIH has received several international accolades for its outstanding quality and service. Awarded Business Superbrands in the property development sector in 2006, KWIH was also the only winner in the Hong Kong Property Developer category of the High-Flyer Outstanding Enterprises consecutively in 2006 and 2007.

Picture One) Shanghai Westwood II – Location Map

Picture Two) Shanghai Westwood II



For media enquiries:

Mr. Wilson Chan

General Manager – Sales of KWIH

Tel: 9633 8922

Fax: 2516 9209

Email: wilsonchan@kwah.com