



[For Immediate Release]

Xinhua Finance Limited (TSE: 9399) reports its results for the year ended  
December 31, 2008

SHANGHAI, February 27, 2009 – Xinhua Finance Limited (“XFL”, or “the Company”, TSE Mothers: 9399 and OTC: XHFNY), China’s premier financial information service provider, today reported consolidated revenue for the year ended December 31, 2008, under International Financial Reporting Standards (“IFRS”), of US\$279.4 million, an 8% increase over 2007. EBITDA was negative US\$457.3 million and net loss was US\$341.7 million. Proforma EBITDA, adjusted to exclude non-cash ESOP expenses and one-time items, was US\$50.3 million versus US\$52.0 million in 2007. Adjusting for the divestiture or discontinuation of certain businesses in 2008 and 2007, revenue from continuing operations increased 24%, from US\$24.7 million in 2007 to US\$30.6 million in 2008.

Due mainly to the worsening economic environment, which has a direct impact on the Company’s assessment of intangible asset values, in addition to the Company’s restructuring, the Company recorded provisions for intangible asset impairment totaling US\$321.2 million. The Company also recorded a write-down of US\$81.5 million related to its investment in Xinhua Finance Media Limited (“XFMedia”) <sup>1</sup>, due to the decline in XFMedia’s asset value. Beginning December 31, 2008, XFMedia is no longer consolidated into the Company’s accounts and XFMedia is accounted for as an associated company.

Primarily due to the aforementioned impairments, the Company generated a net loss for the year of US\$341.7 million. On a proforma basis, after excluding non-cash and one-time items, proforma net income was US\$2.9 million compared to US\$1.8 million in 2007. Proforma results are provided by the Company to help investors better understand underlying operating and financial trends.

During the past several months, the Company continued to divest out of non core assets and reduce costs. Following the disposal of its Mergent and Kinetic subsidiaries in July 2008, the Company sold certain assets of the G7 Group and Taylor Rafferty, its joint alliance interest in Xinhua PR Newswire, and its US-based subsidiaries Washington Analysis and Market News International. On December 31, 2008, XFL converted its class B shareholding in XFMedia to class A shares, thereby relinquishing its control of XFMedia and allowing for its deconsolidation.

XFL CEO Mr. Jae Lie said, “The sale and divestiture of non core assets has allowed us to generate funds to redeem bonds, which will give us greater flexibility. This is also in line with our overall strategy to streamline and focus on our core competency, which is the provision of proprietary and value-added information and services of China’s financial markets. The deconsolidation of XFMedia is in line with this strategy and improves transparency and provides a clearer picture of the underlying businesses as well as reduces reporting costs. In 2009, we

will continue to focus on our core businesses of Indices, Ratings and Solutions and pursue strategies that will improve shareholder value.”

Earlier in the month, the Company announced a tender offer for the redemption of approximately US\$42 million of its 10% Senior Guaranteed Notes due 2011 (the “Notes”). This follows the redemption of around US\$49 million of the Notes in September 2008.

XFL CFO Mr. David Wang said, “Upon the successful completion of the tender offer, we will have redeemed US\$90 million of the Notes, leaving US\$10 million outstanding. For 2009 we will continue cutting costs and improving operational efficiencies.”

End

<sup>1</sup> XFMedia changed its name to Xinhua Sports and Entertainment Limited on February 15, 2009.

2008 vs. 2007 (IFRS) – unit: USD million

	2008	2007	Variance
Revenue	279.4	257.7	8%
Proforma EBITDA <sup>(1)</sup>	50.3	52.0	-3%
EBITDA	(457.3)	39.0	NA
Proforma Net Income <sup>(2)</sup>	2.9	1.8	55%
Net Income	(341.7)	56.5	NA

Continuing Operations <sup>(3)</sup>

2008 vs. 2007 (IFRS) – unit: USD million

	2008	2007	Variance
Revenue	30.6	24.7	24%

(1) Proforma EBITDA is EBITDA excluding non-cash share-based compensation expense and excluding one time items.

(2) Proforma Net Income is calculated by taking net income and excluding non cash share-based compensation expenses, one time non recurrent items, amortization arising from acquisitions and non-cash imputed interest.

(3) Due to changes in the composition of our business as a result of the divestiture or discontinuation of certain subsidiaries, we also present results from continuing operations.

(Notes)

A. We define EBITDA in relation to our IFRS financial statements as profit or loss before interest expense, tax, depreciation and amortization.



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About Xinhua Finance Limited

Xinhua Finance Limited ("XFL") is China's premier financial information service provider and is listed on the Mothers Board of the Tokyo Stock Exchange (symbol: 9399) (OTC ADRs: XHFNY). Founded in November 1999, XFL is headquartered in Shanghai.

For more information, please visit [www.xinhuafinance.com](http://www.xinhuafinance.com).

*This is a press release to the public and should not be relied on as information to make an investment decision by any investor. Investors should read the Company's Securities Report filed to the Tokyo Stock Exchange and consider the risk factors together with other information contained therein when making an investment decision. This press release contains some forward-looking statements that involve a number of risks and uncertainties. A number of factors could cause actual results, performance, achievements of the Company or industries in which it operates to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements.*