

[For Immediate Release]

Xinhua Finance announces plan to sell shares of FTSE/Xinhua Index Limited

SHANGHAI, July 7, 2010 – Xinhua Finance Limited (“XFL”, TSE Mothers: 9399) today announced that it has been authorized to sell by a board resolution shares of FTSE/Xinhua Index Limited (“FXI”) that are indirectly held via Xinhua Financial Network Limited, a wholly-owned subsidiary of the Company, subject to the approval by the shareholders of the Company at a Extraordinary General Meeting (“EGM”). The Company entered into the final agreement with FTSE International Limited for a total consideration of US\$40 million. Upon completion of the sale, the Company will cease to have any interest in FXI and FXI will be no longer be accounted for by the Company using the equity method.

In response to the global financial crisis in 2008, the Company has been developing and implementing a reorganization plan since 2008 to improve the Company’s foundations and financial position by realigning and eliminating certain operations to focus on the China markets. However as the financial markets have remained unstable, it has substantially slowed the business development of FXI in China. The sale of the Company’s entire stake in FXI will enable the management and the directors of the Company to focus the resources of the Group on its other core competencies. Under the articles of association (article (83)2), approval at an EGM is required. The EGM will take place on 10 September 2010.

The proceeds from the sale will be used by the Company to redeem all of its outstanding 10% Senior Guaranteed Notes due in 2011 to reduce its financing cost and will enable the Company to invest in new business opportunities so as to increase shareholder value. After the transaction, the Company’s financial condition and liquidity position will improve and the Company will no longer have liabilities in excess of assets (under the Rule 603, clause 1, sub-clause 3 and the Rule 604, clause 1, sub-clause 1 of the Securities Listing Regulations of the TSE).

[End]

More Information:



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About Xinhua Finance Limited

Xinhua Finance Limited ("XFL") is a leading financial information provider in China and is listed on the Mothers Board of the Tokyo Stock Exchange (symbol: 9399). Bridging China's market, business opportunities, and the world, Xinhua Finance's proprietary content platform and local know-how, comprising Indices and Solutions, serves major financial institutions and corporations. Founded in November 1999, XFL is headquartered in Shanghai.

For more information, please visit 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.