



KARDAN N.V.

KARDAN ACQUIRES NEW WASTE WATER TREATMENT PLANT IN CHINA

Amsterdam, January 28, 2010 - Kardan N.V. ("Kardan"), active in Real Estate, Financial Services and (Water) Infrastructure in emerging markets announces that its infrastructure subsidiary Kardan Water International Group (KWIG) has won a tender for the acquisition of a large waste water treatment facility in Zhangjiakou City, Hebei province, 180 km from Beijing. The plant won China's top award for construction excellence.

Closing of the transaction for a purchase price of EUR 28 million (RMB 270 million) is expected by Q3 2010. The contract to treat the waste water is for a period of 30 years, after which period the asset will be returned to the local government.

The plant has a capacity of 120,000 m3 per day. The Chinese government guarantees 80,000 m3 per day in the first year and will increase in increments of 2,500 m3 per day, yearly, until reaching total capacity.

Under the contract, KWIG will also be allowed to sell the effluent, ie the cleaned water, to the nearby power station, starting from 30,000 m3 per day. Additionally KWIG could sell the effluent to other nearby industrial companies.

The industrial area is expected to expand since Zhangjiakou City is a commercial cross point of four provinces: Inner Mongolia, Shanxi, Hebei, and Beijing. Due to its strategic importance to Beijing as a major resource provider (such as power, coal, steel, gold and agriculture), a high-speed railway is being constructed between the two cities, and will be finished by 2011.

Kardan considers China as one of the most important geographies to expand its business, in which it is also active as developer of residential and commercial real estate.

KWIG is a Chinese subsidiary of Tahal Group Assets B.V., which is 100% owned by Kardan. KWIG develops, operates and manages nine waste water and water treatment facilities in Tianjin, Shandong, Hebei and Sichuan provinces. The Zhangjiakou acquisition will increase KWIG's daily treated capacity up to 470,000 m3/day.

About Kardan

Kardan, with headquarters in Amsterdam focuses on three main fields of activities: Real Estate, Financial Services and (Water) Infrastructure. The company operates in seven segments primarily in emerging markets in Central and Eastern Europe and China, where it conducts most of its activities.

Kardan holds controlling interests in its divisions and is actively involved in the definition and implementation of their strategy. Kardan has a consistent track record of creating long-term shareholder value through active management of investments in the group companies and by leveraging on its business experience, financial resources and local and international network.

Kardan is listed on NYSE Euronext Amsterdam and the Tel Aviv Stock Exchange.

Total assets as of September 30, 2009 amounted to EUR 5.5 billion (9M 2008: EUR 5.2 billion), with revenues of EUR 548 million in 9M 2009 (9M 2008: EUR 355 million).

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