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新疆天業節水灌溉股份有限公司

XINJIANG TIANYE WATER SAVING IRRIGATION SYSTEM COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 840)

ANNUAL GENERAL MEETING RESULTS IN RELATION TO DIVIDEND PAYMENT

The AGM was held on 25 April 2008.

Resolutions as set out in the notice of the AGM were duly passed at the AGM, inter alia, the proposal of the payment of final dividend for the year ended 31 December 2007 which shall be distributed to the holders of H shares of the Company on or before 27 June 2008.

Further to the notice of the annual general meeting (the "AGM") of 新疆天業節水灌溉股份有限公司 Xinjiang Tianye Water Saving Irrigation System Company Limited* (the "Company") dated 10 March 2008, the board (the "Board") of directors of the Company is pleased to announce that the resolutions as set out in the notice of the AGM, inter alia, a proposal for a final dividend of RMB0.036 per share (the "Share") of the Company by show of hands in cash for the year ended 31 December 2007 recommended by the Board, were duly passed at the AGM held on 25 April 2008.

The method of payment of the dividend by the Company will be as follows:

1. In accordance with the relevant regulations and the articles of association of the Company, dividend payable to the holders of H Shares shall be calculated in Renminbi ("RMB") and paid in Hong Kong dollars. The following conversion formula shall apply:

$$\text{Dividend in Hong Kong Dollar} = \frac{\text{Dividend in RMB}}{\text{Average of the opening exchange rate of RMB to Hong Kong dollar as announced daily by The People's Bank of China for one calendar week prior to the declaration of the final dividend.}}$$

For the purpose of the abovementioned final dividend distribution, the date of declaration of the final dividend was 25 April 2008. The average of the opening exchange rate of RMB to Hong Kong dollar as announced daily by The People's Bank of China for one calendar week prior to the declaration of the final dividend is approximately RMB0.89735. Accordingly, the final dividend payable for each H Share is HK\$0.0401.

2. Pursuant to the articles of association of the Company, the Company has appointed The Bank of China (Hong Kong) Trustees Limited as the receiving agent (the "Receiving Agent"), which is registered as a trustee company under the Trustee Ordinance (Chapter 29 of the Laws of Hong Kong), to receive the H Share final dividend distributed by the Company on behalf of the holders of H Shares. It is expected that the Receiving Agent will issue cheques for the H Share final dividend on or before 27 June 2008 and will dispatch by ordinary mail to the holders of the H Share at their own risk.

By order of the Board of
Xinjiang Tianye Water Saving Irrigation System Company Limited*
Guo Qing Ren
Chairman

Xinjiang, the People's Republic of China, 18 June 2008

As at the date of this announcement, the Board comprises four executive Directors namely Guo Qing Ren, Shi Xiang Shen, Li Shuang Quan and Zhu Jia Ji, and four independent non-executive Directors namely He Lin Wang, Xia Jun Min, Gu Lie Feng and Mak King Sau.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in the announcement, the omission of which would make any statement in this announcement misleading.

* For identification purposes only