



上海實業城市開發集團有限公司
SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED

[Press Release]

SIUD Swaps Existing Land Parcel for Four Land Parcels in Binjiang, Shanghai

* * * *

Offers Prime Geographical Advantage Aims to Build New Landmark in Shanghai

(Hong Kong, 19 May 2013) – **Shanghai Industrial Urban Development Group Ltd.** (“SIUD”, SEHK: 563) announced that it has reached an agreement with Shanghai Xuhui District Government to swap the land parcel in the Xujiahui Centre project for four parcels of land located in Binjiang, Shanghai and nearby Shanghai Expo Center.

In order to meet the evolving needs for the city’s development, Shanghai Xuhui District Government is undertaking an statutory changes in town planning and metro construction. After discussing with the local government on the basis that the interests of the company would be protected, SIUD agreed to transfer the land parcel in Xujiahui Centre worth around RMB4.245 billion in market value (based on the valuation report as at 31 July 2011) in an exchange for the four land parcels in Binjiang, which is expected of higher market value based on the preliminary indicative valuation carried out by an independent professional valuer. As one of the Group’s major development focus, the Binjiang land parcels are designated for mixed use, occupying an aggregate area of 83,220 sq. m., about 1.35 times larger than the land parcel of the Xujiahui Centre project.

Spokesperson of SIUD, said, “The Group is very delighted to reach this land swap agreement with the relevant local government. The four land parcels in Binjiang, designated as a key area in Shanghai for future development, have a huge potential for value appreciation, with the constructions of infrastructure and transportation network already underway. Having control over the Binjiang land parcels, the Group is able to

develop the project at different stages to complement the overall future development strategy of the Group, as such enjoying greater flexibility and effectiveness in allocating resources as opposed to the Xujiahui Centre project, where SIUD owned only one out of a total of six parcels of land.”

A strong advantage of Binjiang, Xuhui District is its superior location, which is easily accessible by the city's major transportations, with Huangpujiang on the east and south and the Pudong World Expo district on the opposite shore, Ruijiang Road on the north, and Fenggu Road on the west. The 11 Line north section of the Shanghai Metro is scheduled for trial run this year, which will link Binjiang with an extensive transportation network spreading across the city of Shanghai.

Adjacent to Xuhui Commercial Zone and Shanghai Botanical Garden, the Xuhui District Government plans to transform the Binjiang area into a commercial district with cultural facilities as the southern extension of the city's development along the coast of Huangpujiang, with a shoreline of 2.5 kilometers. Under the development plan formulated by the local government, a large-scale cultural corridor that highlights Oriental DreamWorks, as well as exhibition facilities and art centres, will also be built within the Binjiang area, which is destined to become a new landmark in Shanghai.

The spokesperson concluded, “Looking ahead, the Group will continue its active engagement in capturing available market opportunities. Leveraging the competitive advantages of our parent company, Shanghai Industrial Holdings (SEHK: 363), in the Yangtze River Delta region, we will further optimize our asset portfolio and more effectively allocate resources into projects of a large scale and with stronger profitability.”

- End -

About Shanghai Industrial Urban Development Group Limited

Shanghai Industrial Urban Development Group Ltd. is a subsidiary of Shanghai Industrial Holdings Ltd., currently owning 24 real-estate projects in 12 Chinese cities, which include Shanghai, Beijing, Sanhe, Shenyang, Tianjin, Kunshan, Wuxi, Xi'an, Chongqing, Changsha, Shenzhen and Zhuhai. Most of the projects belong to mid-range to high-end residential properties, and are already in the construction stage, with total salable area of 8 million square meters.