



[Press Release]

Standard & Poor's Upgrades SIUD's Credit Rating to "BB" from "B"

(Hong Kong, 25 September 2013) – **Shanghai Industrial Urban Development Group Limited** ("SIUD" or "the Group", SEHK: 563) announced Standard & Poor's today has raised its long-term corporate credit rating to "BB" from "B", with a "stable" outlook to reflect the property developer's strong support from its parent, strengthened market position and improved operating efficiency.

Standard & Poor's said it has also raised its long-term issue rating on SIUD's outstanding senior unsecured notes to "BB-" from "B-".

"We believe Shanghai Industrial Holdings Limited ("SIHL"; SEHK: 363) will continue to extend strong support to SIUD, which it acquired in 2010, as the latter becomes more integrated with the SIHL group. We expect SIUD to turn around its financial performance and make a profit in 2013 as it digests loss-making legacy projects that commenced prior to the acquisition," Standard & Poor's said.

The credit rating agency added that SIUD has improved its operating efficiency significantly, thanks to improved corporate governance standards.

The Spokesperson of SIUD expressed great satisfaction with Standard & Poor's upgrading of its credit rating.

"The credit upgrade not only is a seal of approval for our efforts to improve operations during recent years, but also demonstrates Standard & Poor's confidence in the parent company as well as SIUD's management team to turn around its businesses. At the same time, SIUD will continue to tighten its corporate governance standard and implement industry best practices."

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 are mid-range to high-end residential properties, and are already in the construction stage, with total a salable area of more than 8 million square meters.