



Press Release

**SIUD Disposes Yanjiao Project
For RMB940,000,000**

(Hong Kong, 10 February 2015) – **Shanghai Industrial Urban Development Group Limited** (“SIUD” or the “Group”, SEHK: 563) announced today that the Group entered into the agreement with Basic Urban Development Co. Limited, to dispose 100% equity interest of the Yanjiao Project at a consideration of RMB940.0 million, in which RMB456.4 million will be the consideration for the acquisition of the entire issued share capital of the Yanjiao Project’s holding company, and the rest will be used to settle shareholder’s loans of the project. Upon completion of the transaction, the Group will record an estimated gain of approximately RMB343.9 million before taxation.

The disposal will bring in an aggregate cash flow of approximately RMB940,000,000. The Group considers the disposal aligned its strategy to focus on property development projects in the prosperous coastal cities and the Yangtze River Delta. The Group intends to use the proceeds from the disposal to finance its existing property development projects, and potential new projects that may be identified in the future.

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About Shanghai Industrial Urban Development Group Limited

Shanghai Industrial Urban Development Group Limited is a subsidiary of Shanghai Industrial Holdings Limited. At the end of June 2014, The Group owns 23 real estate projects in 12 tier-one and tier-two 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 saleable area of approximately 7,530,000 square meters.