

Press Release

31 March 2016

Shanghai Industrial Holdings Limited Announces 2015 Annual Results

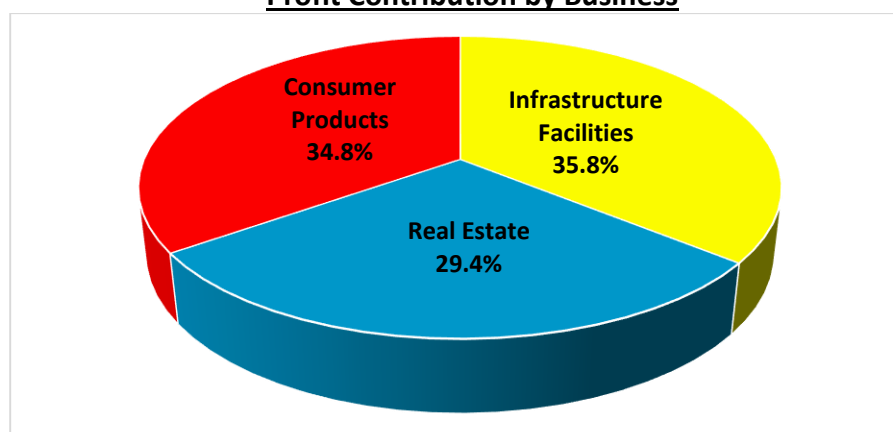
Shanghai Industrial Holdings Limited ("SIHL", Stock Code: 0363) announced its annual results for the year ended 31st December 2015. Revenue was HK\$19,694 million, a 7.7% decrease; profit attributable to ordinary shareholders was HK\$2,770 million, a decrease of 10.5%.

The board of directors has proposed a final dividend of HK\$0.45 per share. Together with the interim dividend of HK\$0.36 per share, the dividend for the entire year will be HK\$0.81 per share.

2015 Results Highlights:

	2015	2014	Change
Revenue (HK\$ million)	19,694	21,333	-7.7%
Profit attributable to ordinary shareholders (HK\$ million)	2,770	3,096	-10.5%
Earnings per share (HK\$)	2.553	2.860	-10.7%
Dividend per share (HK\$)	0.81	0.9	-10%
	As at 31 Dec 2015	As at 31 Dec 2014	
Total assets (HK\$ million)	142,894	138,167	+3.4%
Equity attributable to the owners of the Company (HK\$ million)	36,028	35,228	+2.3%

Profit Contribution by Business



Business Highlights:

Infrastructure Facilities

- Traffic flow on the company's three toll roads grew 8.5% on a year-on-year basis. The average toll per vehicle decreased mainly due to a divergence of traffic around a new expressway at Jing-Hu Expressway and decrease of heavy vehicles proportion. As a result, net profit of the business was HK\$836 million, a 2.6% drop from last year.

- Net profit from SI Environment increased significantly to RMB3,602 million, or 24% higher than last year, thanks both to the contribution from new projects acquired and growth of existing projects.
- General Water of China Co., Ltd. continued to increase its market share and improve overall efficiency. Net profit increased 35.7% to HK\$106 million.
- In new business, after the acquisition of three more photovoltaic power station projects at the end of 2015, the total power generation capacity of the business reached 510MW.

Real Estate

- Profit contribution from the real estate business was HK\$888 million, a 28% decrease, mainly due to fewer deliverable projects booked and disposal gain during the reporting period.
- The rental income from SI Development (“SID”) and SI Urban Development (“SIUD”) increased 34% from last year to HK\$966 million.
- SID raised approximately RMB3.9 billion from the issuance of new shares in January 2016. The funds were used to acquire 100% equity interest of Shanghai Investment and 61.48% interest of Longchuang Eco-Energy.
- The contract sales GFA of SID and SIUD was 560,000 sqm., an increase of 14% to RMB9.8 bn.

Consumer Products

- Despite the weak demand in mainland China, Nanyang Tobacco maintained stable revenue by increasing market penetration overseas and optimising its product mix to improve gross margin. In 2015, net profit of the tobacco business was HK\$930 million, a 2.5% increase compared with last year.
- The printing business during the year underwent a period of transformation, with net profit dropping 34.6% to HK\$128 million mainly due to a considerable one-off net gain from entrustment funds recorded in 2014. In a challenging market environment, Wing Fat Printing continued to optimise its traditional business structure as well as focus on new business development. A newly-established pulp mould packaging business will become a growth driver for the company.

Mr Wang Wei, Chairman of SIHL, stated, “In 2015, with fluctuations in the global capital markets and the slowdown in the Chinese economy, our management team strived to improve internal control and internal capacity. By strengthening business collaboration and improving operational efficiency, our core businesses continued to perform well. During the year, the group promoted the integration of its financing activities and business operations, and expanded its businesses via mergers and acquisitions, thereby optimising the group’s capital structure to create new growth drivers for the company.

“Early this year, volatility in global equity, interest and currency markets increased. The uncertainty in the global economy as well as industrial policy in mainland China posed more challenges to our business development. The group will continue to strengthen risk control, improve its corporate governance and increase the efficiency of its resource allocation. In the context of the supply-side structural reforms currently being undertaken by the Central Government, the group will seize opportunities to promote innovation and further improve efficiency, aiming to create greater value for our shareholders”

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About SIHL

Shanghai Industrial Holdings Limited (“SIHL”, Stock Code: 0363) is the largest overseas conglomerate under Shanghai Industrial Investments (Holdings) Co., Ltd (“SIIC”). As the flagship of the SIIC group of companies, SIHL has been successful in leveraging its Shanghai advantage since listing, in terms of securing the best investment opportunities in Shanghai with full support from the parent company.

Over the past 20 years, SIHL has secured a unique position as a leading red chip company in Hong Kong with three core businesses: infrastructure facilities, real estate and consumer products. SIHL will continue to raise its governance standard in order to create favourable returns and value for shareholders. For more information about SIHL, please visit the company website at www.sihl.com.hk.

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