

## Shanghai Industrial Holdings Limited Announces 2016 Annual Results

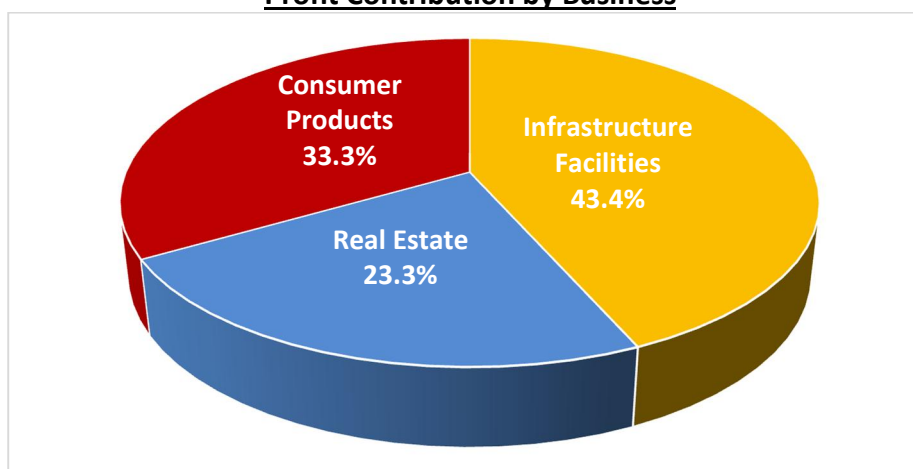
Shanghai Industrial Holdings Limited ("SIHL", Stock Code: 0363) announced its annual results for the year ended 31<sup>st</sup> December 2016. Revenue was HK\$22,132 million, a 12.4% increase; profit attributable to ordinary shareholders was HK\$2,903 million, an increase of 2.7%.

The board of directors has proposed a final dividend of HK\$0.46 per share. Together with the interim dividend and special dividend of HK\$0.46 per share, the dividends for the entire year will be HK\$0.92 per share.

### 2016 Results Highlights:

	2016	2015 (restated)	Change
Revenue (HK\$ million)	22,132	19,694	12.4%
Profit attributable to ordinary shareholders (HK\$ million)	2,903	2,827	2.7%
Earnings per share (HK\$)	2.673	2.605	2.6%
Dividend per share (HK\$)	0.92	0.81	
	As at 31 Dec 2016	As at 31 Dec 2015 (restated)	
Total assets (HK\$ million)	151,248	144,701	4.5%
Equity attributable to the owners of the Company (HK\$ million)	36,916	36,032	2.5%

### Profit Contribution by Business



## ***Business Highlights:***

### **Infrastructure Facilities**

- Completed acquisition of about 23% interests of Hangzhou Bay Bridge and majority stake of Longjiang Environmental in the second half of 2016, further strengthen the assets portfolio.
- Traffic flow on the company's three toll roads grew 10.7% on a year-on-year basis. Even the average toll per vehicle decreased due to a divergence of traffic, the net profit of the business up 5.6% from last year, reached HK\$883 million.
- Net profit from SI Environment increased significantly to RMB455 million, or 26.2% higher than last year, thanks both to the contribution from new projects acquired and growth of existing projects.
- General Water of China continued to increase its water handling capacity and improve overall efficiency, plus one-off disposal gain, net profit up 71.5%.
- In new business, added 50MW capacity, total electricity generated during the year was 557 million kWh, up 65% compared to last year.

### **Real Estate**

- Profit contribution from the real estate business was HK\$752 million, a 15.4% decrease, mainly due to less disposal gain, and the proportion of SIHL's shareholdings in SID was diluted after its share placement during the reporting period.
- The contract sales GFA of SID and SIUD was 1.1 million sqm., amounted to RMB17.6 billion, up 80%. The rental income of two property arms remained steady at HK\$984 million.

### **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 2016, net profit of the tobacco business was HK\$971 million, or 4.4% increase compared with last year.
- Wing Fat Printing's newly-established pulp mould packaging unit successfully entered high-end electronic product packaging area in the second half of the year. The transformation of printing business achieved encouraging results with 9.6% increase in revenue. Net profit was HK\$128 million, remained steady.

Mr Wang Wei, Chairman of SIHL, stated, "In 2016, we have experienced fluctuations in the global capital markets, political and economic uncertainty and slowdown of the Chinese economy. By strengthening business collaboration and improving operational efficiency, our core businesses such as infrastructure facilities, real estate and consumer products 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 a strong fundamental for future development the company.

"Global market volatility, political and industry policy uncertainty in mainland China remained major challenges in 2017 to our business development. The group will continue to strengthen risk and internal control, better allocate its resource, as well as encourage innovation and further improve efficiency, aiming to create greater value for our shareholders."

## **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](http://www.sihl.com.hk).

### ***Media enquiries:***

Edgar Fu

Corporate Communications Department

Shanghai Industrial Holdings Limited

Tel: (852) 2821 3919 or (852) 6020 0601

Email: [fuy@sihl.com.hk](mailto:fuy@sihl.com.hk)