

Press Release

29 August 2017

Shanghai Industrial Holdings Limited Announces 2017 Half-Year Results

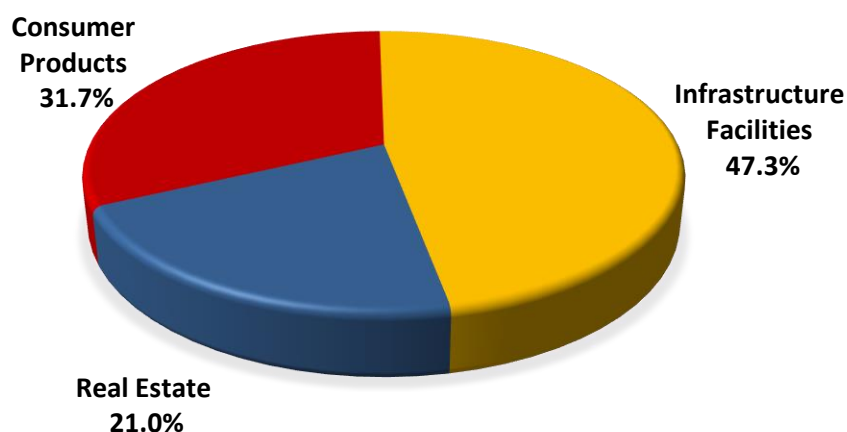
Shanghai Industrial Holdings Limited (“SIHL”, Stock Code: 0363) announced its half-year results. Revenue was HK\$12,141 million, or 31.6% increase; profit attributable to ordinary shareholders was HK\$1,621 million, or 5.4% increase from last year. After excluding the extra gains from disposal partial interests in the “U Center” project by SI Urban Development in the same period in 2016, the profit substantially increased 35.8%.

The Board of Directors has proposed an interim dividend of HK46 cents per share.

2017 Half-year Results Highlights:

	1H2017	1H2016 (Re-stated)	Change
Revenue (HK\$ million)	12,141.1	9,228.6	+31.6%
Profit attributable to ordinary shareholders (HK\$ million)	1,620.9	1,537.9	+5.4%
Earnings per share (HK\$)	1.492	1.416	+5.4%
Dividend per share - interim (HK cents)	46	36	
- special (HK cents)	--	10	
	As at 30 Jun 2017	As at 31 Dec 2016	Change
Total assets (HK\$ million)	158,888	151,248	+5.1%
Equity attributable to the owners of the Company (HK\$ million)	38,969	36,916	+5.6%

Profit Contribution by Business



Business Highlights:

Infrastructure Facilities

- Profit contribution from infrastructure facilities was HK\$813 million, or 24.2% increase from the same period last year. Traffic flow and revenue of toll roads business remained steady growth in the first half. Water and environmental related business continued to expand its capacity and maintained its growth momentum.
- Revenue and net profit from **SIIC Environment** increased significantly to RMB1,995 million and RMB240 million respectively, or 78.2% and 25.9% higher than last year, thanks both to the contribution from new projects from Longjiang Environmental and strong organic growth.
- In new business, the total power generation capacity of the business reached 560MW. In the first half, 352 million kWh electricity was generated, a year-on-year increase of 24.7%.

Real Estate

- Profit contribution from the real estate business was HK\$362 million, or increased 2.6%.
- Revenue increased 37% to HK\$6.8 billion, mainly due to more residential units delivered during the reporting period.
- Contracted sales from the two property arms: **SI Development** ("SID") and **SI Urban Development** ("SIUD") was about RMB7 billion, total GFA 412,800 sqm; rental income from SID and SIUD was HK\$442 million.

Consumer Products

- Profit contribution from consumer products segment was HK\$545 million, or 9.3% increase from last year.
- Despite the weak demand and tobacco control in mainland China, **Nanyang Tobacco** maintained gross margin and net profit growth by cost control and expanding its sales network. During the first half, net profit of the tobacco business was HK\$485 million, a 2.2% increase compared with last year.
- For **Wing Fat Printing**, thanks to the contribution from the newly-established pulp mould business and rather stable of traditional printing and packaging business, revenue grew 27.9% to HK\$578 million and net profit increased 172.3% to HK\$63.65 million compared to last year.

Mr Wang Wei, Chairman of SIHL, stated, "The global economies has shown signs of recovery in the first half of 2017. The economic performance in mainland China and Hong Kong were quite good during the reporting period, the stock markets were strong and there was less volatility in currencies and interest rates. Shanghai Industrial's recurring earnings also reached a record high. However, we should be aware of the recent impacts of geopolitical factors on major economies, as well as uncertainties of industrial policy in mainland China. SIHL will continue the development strategy of integrating financing activities and business operations, aims to better allocate its resources and to improve overall operational efficiencies for creating shareholder value."

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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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