

Press Release

28 March 2018

Shanghai Industrial's revenue and core earnings reached record high

- Revenue and core earnings reached record high, benefited from acquisitions under infrastructure facilities segment and growth in real estate segment.
- SI Environment successfully completed dual primary listing on SEHK.

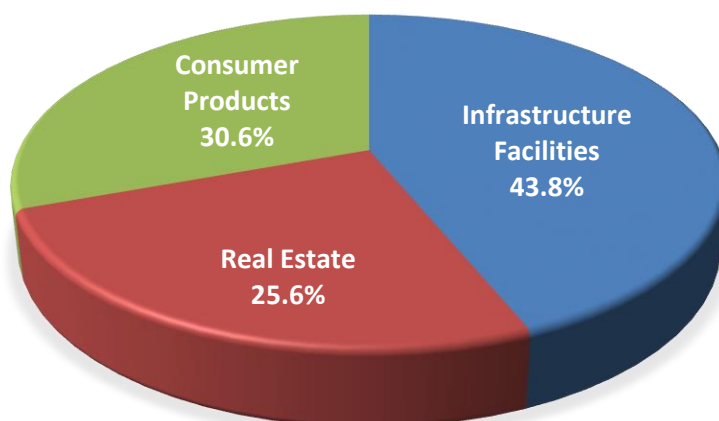
Shanghai Industrial Holdings Limited ("SIHL", Stock Code: 0363) announced its annual results for the year ended 31st December 2017. Revenue was HK\$29.5 billion, a 33.3% increase; profit attributable to ordinary shareholders was HK\$3.15 billion, an increase of 8.5%.

The board of directors has proposed a final dividend of HK\$0.48 per share. Together with the interim dividend of HK\$0.46 per share, the dividends for the entire year will be HK\$0.94 per share.

2017 Results Highlights:

	2017	2016	Change
Revenue (HK\$ million)	29,504	22,132	33.3%
Profit attributable to ordinary shareholders (HK\$ million)	3,150	2,903	8.5%
Earnings per share (HK\$)	2.898	2.673	8.4%
Dividend per share (HK\$)	0.94	0.92	
	2017	2016	Change
Total assets (HK\$ million)	171,330	151,248	13.3%
Equity attributable to the owners of the Company (HK\$ million)	41,580	36,916	12.6%

Profit Contribution by Business



Business Highlights:

Infrastructure Facilities

- Robust segment performance, revenue and profit contribution grew 46.5% and 9.7% respectively.
- Traffic flow on the company's four toll roads grew 4.5% on a year-on-year basis, the net profit of the business up 19.0% from last year, reached HK\$1,146 million.
- Net profit from SI Environment was RMB536 million, or 17.7% higher than last year, thanks both to the contribution from new acquisitions and growth of existing projects. SI Environment completed dual primary listing on SEHK on 23 March, 2018.
- In new business, total electricity generated during the year was 716 million kWh, up 28.7% compared to last year.

Real Estate

- Profit contribution from the real estate business was HK\$894 million, an 18.9% increase, recurring earning much improved in the two property arms.
- The total contracted sales of two property arms was GFA 650,000 sqm., amounted to RMB11.2 billion. Rental income remained steady at about HK\$1 billion.

Consumer Products

- Nanyang Tobacco's revenue decreased slightly mainly because of the weak demand in mainland China. The company continued increasing market penetration overseas and optimising its product mix to improve gross margin. In 2017, net profit of the tobacco business was HK\$950 million, or 2.2% decrease compared with last year.
- Wing Fat Printing's transformation into electronic packaging business achieved encouraging results with 16.3% increase in revenue, where about half came from electronic packaging business. Net profit was HK\$128 million, remained steady.

Mr Shen Xiaochu, Chairman of SIHL, stated, "The global economies and political environment were relatively stable in 2017. The economy in mainland China and Hong Kong were doing well during the reporting period. Global major bond and equity markets were strong through 2017 but have also shown increasing volatility. By strengthening business collaboration and improving operational efficiency, our core businesses such as infrastructure facilities, real estate and consumer products continued to perform well, a record high in terms of revenue and core earnings. During the year, the group completed several important projects in the capital markets, including SIIC Environment successfully dual primary listing on SEHK, which affirmed a strong connection with capital market in Hong Kong for future development of the company.

"Geopolitics uncertainties and changing of industry policy in mainland China will continue and remain major challenges in 2018 to our business development. As SIHL's new chairman, I will continue to promote high standard of corporate governance, better allocate its resource, as well as encourage innovation and further improve efficiency, aiming to create 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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