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(Incorporated in Hong Kong with limited liability)

(Stock Code: 363)

ANNOUNCEMENT AND RESUMPTION OF TRADING

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to certain press articles published recently regarding the increase in the equity interest of Shanghai Industrial Holdings Limited (the “Company”) in Shanghai Urban Development (Holdings) Co., Ltd. to 59% by the acquisition of an additional 19% equity interest through bidding pursuant to a listed offer notice.

The board of directors of the Company announces that today the Company has received a formal notice from Shanghai United Assets and Equity Exchange confirming that the Company possesses the required qualification to acquire the equity interest mentioned above. However, as at the date of this announcement, the relevant equity transfer contract has not yet been signed. The quoted price in the said listed offer notice is approximately RMB1,569 million, which is the same as the offer price offered by the Company.

As the equity transfer is yet to be executed, shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. Further announcement will be made at the appropriate time after the equity transfer contract has been signed.

Trading in the shares of the Company has been suspended at the request of the Company with effect from 9:34 a.m. on Wednesday, 24th October 2007 pending the release of this announcement. Application has been made to the Stock Exchange for resumption in trading of the shares of the Company with effect from 9:30 a.m. on Thursday, 25th October 2007.

By Order of the Board
Shanghai Industrial Holdings Limited
Wong Mei Ling, Marina
Company Secretary

Hong Kong, 24th October 2007

As at the date of this announcement, the Board of the Company is comprised of:

Executive Directors:

Mr. Cai Lai Xing, Mr. Cai Yu Tian, Mr. Qu Ding, Mr. Lu Ming Fang, Mr. Ding Zhong De, Mr. Qian Shi Zheng, Mr. Yao Fang and Mr. Tang Jun

Independent Non-Executive Directors:

Dr. Lo Ka Shui, Prof. Woo Chia-Wei and Mr. Leung Pak To, Francis