

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



上海實業城市開發集團有限公司

SHANGHAI INDUSTRIAL URBAN DEVELOPMENT GROUP LIMITED

(incorporated in Bermuda with limited liability)

(Stock Code: 563)

ANNOUNCEMENT WRIT OF SUMMONS ISSUED AGAINST THE COMPANY

On 25 July 2012, a writ of summons (the “**Writ**”) was issued by a third person (the “**Plaintiff**”) against the Company (as the first defendant) and Neo-China Realestate (Shanghai) Limited (as the second defendant) (“**Neo-China Realestate**”, a wholly-owned subsidiary of the Company). Pursuant to the Writ, the Plaintiff is claiming against the Company and Neo-China Realestate for a sum of RMB128,096,800.00 being the outstanding payment of the consideration payable to the Plaintiff for the acquisition of the entire issued share capital of Moral Luck Group Limited in 2007 (the “**Acquisition**”). Please refer to the announcement of the Company dated 8 October 2007 for details of the Acquisition.

Pursuant to the Writ, the Plaintiff is claiming against the Company and Neo-China Realestate for:

1. the said sum of RMB128,096,800.00, being the outstanding payment of consideration for the Acquisition;
2. liquidated damages for the period from 14 February 2008 to 25 July 2012 in the sum of RMB218,017,764.48;
3. daily liquidated damages from 26 July 2012 at RMB128,096.80 per day;
4. interests;
5. costs; and
6. further and/or other relief.

The Company is currently seeking legal advice in respect of the Writ and will vigorously defend the claim and consider all the options available. The Company will make further announcement should there be any material development in connection with the proceedings.

By order of the Board
Shanghai Industrial Urban Development Group Limited
Ji Gang
Executive Director

Hong Kong, 27 July 2012

As at the date of this announcement, the Board comprises Mr. Ni Jianda, Mr. Ji Gang, Mr. Zhou Jun, Mr. Yang Biao and Mr. Chen Anmin as executive Directors and Mr. Doo Wai-Hoi, William, J.P., Dr. Wong Ying Ho, Kennedy, BBS, J.P., Mr. Fan Ren Da, Anthony and Mr. Li Ka Fai, David as independent non-executive Directors.