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**Shanghai Jin Jiang International Hotels (Group) Company Limited\***  
**上海錦江國際酒店(集團)股份有限公司**

*(a joint stock company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 02006)**

**ANNOUNCEMENT**  
**PRICE-SENSITIVE INFORMATION**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board (the "Board") of directors (the "Directors") of Shanghai Jin Jiang International Hotels (Group) Company Limited (the "Company") is pleased to announce that Shanghai Jin Jiang International Hotels Development Company Limited ("Jin Jiang Hotels Development", Shanghai Stock Exchange Stock Code: 600754/900934), in which the Company holds a 50.32% interest, entered into the 《上海肯德基有限公司7%股權轉讓合同》 (Transfer Contract for 7% Equity Interest in Shanghai Kentucky Fried Chicken Company Limited ("Shanghai KFC")) together with YUM! Restaurants (China) Investment Company Limited ("YUM! China") on 28 April 2009 ("Equity Transfer").

Jin Jiang Hotels Development shall transfer a 7% equity interest in Shanghai KFC to YUM! China for a consideration of RMB80,008,670, which is determined on the basis of the appraised value of the net assets of Shanghai KFC as at 30 November 2008. As appraised by 上海長信資產評估有限公司 (Shanghai Chang Xin Asset Appraisal Limited), the net assets of Shanghai KFC were appraised at RMB1,142,981,000 as at 30 November 2008.

Jin Jiang Hotels Development and YUM! China have agreed that the consideration for the Equity Transfer will be partially settled by a deposit placed by YUM! China with Shanghai United Asset and Equity Exchange ("SUAEE") in the amount of RMB4,000,000, which will be paid to Jin Jiang Hotels Development by SUAEE. The balance of the consideration, amounting to RMB76,008,670, will be paid to Jin Jiang Hotels Development by YUM! China within 5 business days following the approval of the Equity Transfer by the Shanghai Municipal Commission of Commerce.

After the equity transfer takes effect, Shanghai KFC will continue to assume and settle its existing credit rights and debts, while Jin Jiang Hotels Development and YUM! China will be entitled to shareholders' interests and undertake shareholders' responsibilities pro-rata to the percentage of their respective equity interests in Shanghai KFC after the equity transfer takes effect.

Jin Jiang Hotels Development and YUM! China have agreed that 30 November 2008 is the appraisal record date. Operating profit/loss generated or incurred by Shanghai KFC during the period beginning from the appraisal record date and ending on 30 April 2009 will be attributable to Jin Jiang Hotels Development and YUM! China based on their respective shareholding percentage prior to the Equity Transfer. Operating profit/loss generated or incurred by Shanghai KFC thereafter will be attributable to Jin Jiang Hotels Development and YUM! China based on their respective shareholding percentage after the Equity Transfer.

Jin Jiang Hotels Development will receive a cash income as a result of the Equity Transfer, the profit of which is expected to be approximately RMB50 million, after the deduction of investment costs and relevant tax charges.

By order of the Board  
**Shanghai Jin Jiang International Hotels (Group) Company Limited\***  
**Kang Ming**  
*Joint Company Secretary*

Shanghai, the People's Republic of China, 28 April 2009

*As at the date of this announcement, the executive Directors are Mr. Yu Minliang, Ms. Chen Wenjun, Mr. Yang Weimin, Mr. Chen Hao, Mr. Yuan Gongyao, Mr. Xu Zurong, Mr. Han Min and Mr. Kang Ming, the non-executive Director is Mr. Shen Maoxing, and the independent non-executive Directors are Mr. Ji Gang, Mr. Xia Dawei, Mr. Sun Dajian, Dr. Rui Mingjie, Mr. Yang Menghua, Dr. Tu Qiyu, Mr. Shen Chengxiang and Mr. Lee Chung Bo.*

\* *The Company is registered as a non-Hong Kong company under Part XI of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong) under its Chinese name and the English name "Shanghai Jin Jiang International Hotels (Group) Company Limited".*