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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 limited 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.

A subsidiary of Shanghai Jin Jiang International Hotels (Group) Company Limited (the "Company"), 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, will publish its unaudited results for the third quarter of 2010 on 30 October 2010, the principal financial data and indicators of which are cited as follows:

	<i>Currency: RMB</i>		
	As at the end of the reporting period (30 September 2010)	As at the end of the previous year (31 December 2009)	Increase/ decrease of the reporting period against the end of the previous year (%)
Total assets (<i>Yuan</i>)	5,321,972,984	7,519,021,120	-29.22
Owners' equity (or shareholders' equity) attributable to shareholders of Jin Jiang Hotels Development (<i>Yuan</i>)	4,254,844,386	5,468,292,235	-22.19
Net assets per share attributable to shareholders of Jin Jiang Hotels Development (<i>Yuan/share</i>)	7.0533	9.0649	-22.19

		Beginning of the year to end of the reporting period (January to September 2010)	Increase/decrease of the reporting period against the comparative period of the previous year (%)
Net cash flow generated from operating activities (<i>Yuan</i>)		553,121,716	95.06
Net cash flow generated from operating activities per share (<i>Yuan/share</i>)		0.9169	95.06
	Reporting period (July to September 2010)	Beginning of the year to end of the reporting period (January to September 2010)	Increase/decrease of the reporting period against the comparative period of the previous year (%)
Net profit attributable to shareholders of Jin Jiang Hotels Development (<i>Yuan</i>)	118,893,641	349,552,688	129.61
Basic earnings per share (<i>Yuan/share</i>)	0.1971	0.5795	129.61
Including: net profit realised prior to the merger by the merged party to a merger of enterprises under common control	—	45,823,189	—
Basic earnings per share after deducting non-recurring profit/loss (<i>Yuan/share</i>)	0.1957	0.4845	69.18
Diluted earnings per share (<i>Yuan/share</i>)	0.1971	0.5795	129.61
Weighted average return on net assets (%)	3.18	7.18	Increased by 2.18 percentage points
Weighted average return on net assets after deducting non-recurring profit/loss (%)	3.16	6.00	Increased by 1.82 percentage points

Note: The decrease in “Total assets”, “Owners’ equity (or shareholders’ equity) attributable to shareholders of Jin Jiang Hotels Development” and “Net assets per share attributable to shareholders of Jin Jiang Hotels Development” at the end of the reporting period compared with that of the previous year was mainly due to the significant changes in the fair value of financial assets available for sale and the disposition of 11 related equity interests, assets and liabilities etc. pursuant to the proposal of Jin Jiang Hotels Development on material assets replacement and purchase and affiliated transactions. In accordance with relevant provisions of the Accounting Standards for Business Enterprises, “Total assets”, “Owners’ equity (or shareholders’ equity) attributable to shareholders of Jin Jiang Hotels Development” and “Net assets per share attributable to shareholders of Jin Jiang Hotels Development” at the end of the previous year have been adjusted to include relevant figures of swapped in assets such as Jin Jiang Inn Company Limited, Shanghai Jin Jiang International Hotel Investment Company Limited and Shanghai Jin Jiang Da Hua Hotel Company Limited.

Notes:

1. The text of the 2010 third quarterly report of Jin Jiang Hotels Development will be published in Shanghai Securities and the full text will be published on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn>).
2. The financial statements of Jin Jiang Hotels Development, prepared in accordance with the Accounting Standards for Business Enterprises promulgated by the Ministry of Finance of the People’s Republic of China on 15 February 2006, are unaudited.
3. At the first extraordinary general meeting of 2009 of Jin Jiang Hotels Development held on 23 October 2009, the “Proposal of Jin Jiang Hotels Development on material assets replacement and purchase and affiliated transactions” was considered and passed. Taking into account the nature and operational requirements of their respective businesses and with a view to reducing connected transactions and avoiding competition, Jin Jiang Hotels Development and the Company proposed to conduct a reorganisation of the assets and businesses of both parties through relevant assets replacement and the completion of certain supplemental transactions, so that the respective advantages in management and resources of each party will be more effectively leveraged, while assets and fund utilisation rates will be maximised and greater value will be created for shareholders. Under the transaction, the assets replaced and acquired by Jin Jiang Hotels Development included a 71.225% equity interest in Jin Jiang Inn Company Limited, a 80% equity interest in Shanghai Jin Jiang International Hotel Investment Company Limited and a 100% equity interest in Shanghai Jin Jiang Da Hua Hotel Co., Ltd. The assets replaced and acquired by the Company included all assets and liabilities of Branch — New Asia Hotel and Branch — Metropole Hotel, all interests in Shanghai Jin Jiang International Management College, a 100% equity interest in Jin Jiang International Hotel Management Company Limited, a 66.67% equity interest in Sofitel Hyland Shanghai, a 65% equity interest in Shanghai Jian Guo Hotel Company Limited, a 50% equity interest in Shanghai Jin Jiang Tomson Hotel Company Limited, a 50% equity interest in Wuhan Jin Jiang International Hotel Co., Ltd., a 50% equity interest in Thayer Jin Jiang Interactive Company Limited, a 40% equity interest in Shanghai Yangtze Hotel Company Limited and a 15% equity interest in Wenzhou Dynasty Hotel Company Limited owned by Jin Jiang Hotels Development. The aforesaid proposal of material assets replacement and purchase and affiliated transactions was officially approved by the China Securities Regulatory Commission (“CSRC”) on 12 May 2010. Pursuant to the “Assets Replacement and Reorganisation Agreement” made between Jin Jiang Hotels Development and the Company dated 28 August 2009, the closing date for the assets transaction between the parties shall be “the last day of the month on which the assets reorganisation and replacement contemplated under the agreement is approved by the CSRC”, i.e. 31 May 2010.

The aforesaid material assets reorganisation constitutes a merger of enterprises under common control. According to the relevant provisions of the Accounting Standards for Business Enterprises, the acquired assets are deemed to have been acquired at the beginning of the year during the preparation of the 2010 interim and 2010 third quarterly financial statements by Jin Jiang Hotels Development, and the closing balance for the previous year shall be adjusted accordingly in the consolidated balance sheet, while the income statement and cash flow statement of the relevant acquired assets for the period from the beginning of the year to the completion date shall be included in the consolidated income statement and consolidated cash flow statement of Jin Jiang Hotels Development and the comparative figures for the same period last year shall be adjusted accordingly. This method of preparing the financial statements of Jin Jiang Hotels Development is referred to as the “per accounting standards.” Except as otherwise stated, the data adopted in the 2010 third quarterly report of Jin Jiang Hotels Development have been prepared “per accounting standards”.

4. An original copy of the year 2010 third quarterly report is filed with Jin Jiang Hotels Development.

Address: 25th Floor, No. 100 Yan’an East Road, Shanghai, the PRC. Tel: 86-21-63217132

By order of the Board
Shanghai Jin Jiang International Hotels (Group) Company Limited
Kang Ming
Executive Director & Joint Company Secretary

Shanghai, the People’s Republic of China, 29 October 2010

As at the date of this announcement, the executive directors are Mr. Yu Minliang, Ms. Chen Wenjun, Mr. Yang Weimin, Mr. Chen Hao, 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**”.*