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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.

Shanghai Jin Jiang International Hotels Development Company Limited (“Jin Jiang Hotels Development”, Shanghai Stock Exchange Stock Code: 600754/900934), in which Shanghai Jin Jiang International Hotels (Group) Company Limited (the “Company”) holds a 50.32% interest, will publish its audited annual results for the year 2010 on 28 March 2011, the major contents of which are cited as follows:

1. MAJOR ACCOUNTING DATA AND FINANCIAL INDICATORS OF JIN JIANG HOTELS DEVELOPMENT FOR THE THREE YEARS UP TO THE END OF 2010

Unit: RMB Currency: Yuan

Significant accounting data	2010		2009		Rate of increase/ decrease for the current period over the same period last year (%, per accounting standards)	2008
	Per accounting standards	Pro-forma basis	Per accounting standards	Pro-forma basis		
Operating revenue	2,124,540,565.46	1,583,108,509.20	1,898,308,159.05	782,557,223.00	11.92	793,625,751
Gross profit	470,559,043.14	395,874,702.43	409,518,696.42	334,781,778.00	14.91	321,239,206
Net profit attributable to shareholders of Jin Jiang Hotels Development	380,614,642.39	334,346,016.56	327,369,787.21	280,985,039.00	16.26	273,195,189
Net profit after deducting non-recurring profit/loss attributable to shareholders of Jin Jiang Hotels Development	315,328,862.65	317,224,530.09	119,660,635.13	128,295,800.00	163.52	241,555,283
Net cash flow generated from operating activities	640,533,432.95	493,756,532.11	444,624,044.95	56,141,348.00	44.06	126,042,722

	End of 2010		End of 2009		Rate of increase/ decrease for the end of current period over the end of same period last year (% , per accounting standards)	End of 2008
	Per accounting standards	Pro-forma basis	Per accounting standards	Pro-forma basis		
Total assets	5,536,294,036.07	5,560,307,059.26	7,519,021,120.45	4,762,436,207.00	-26.37	3,221,950,408
Owner's equity (or shareholder's equity) attributable to shareholders of Jin Jiang Hotels Development	4,273,611,587.84	4,289,979,707.42	5,468,292,234.89	3,912,423,340.00	-21.85	2,751,115,084

Significant accounting indicators	2010		2009		Rate of increase/ decrease for the current period over the same period last year (%)	2008
	Per accounting standards	Pro-forma basis	Per accounting standards	Pro-forma basis		
Basic earnings per share (Yuan/share)	0.6309	0.5542	0.5427	0.4658	16.26	0.4529
Diluted earnings per share (Yuan/share)	0.6309	0.5542	0.5427	0.4658	16.26	0.4529
Basic earnings per share after deducting non- recurring profit/loss (Yuan/share)	0.5227	0.5259	0.1984	0.2127	163.52	0.4004
Weighted average return on net assets(%)	8.10	8.22	6.67	8.34	Increased by 1.43 percentage points	7.44
Weighted average return on net assets after deducting non-recurring profit/loss (%)	6.71	7.80	2.44	3.81	Increased by 4.27 percentage points	6.58
Net cash flow generated from operating activities per share (Yuan/share)	1.0618	0.8185	0.7371	0.0931	44.06	0.2089

	End of 2010		End of 2009		Rate of increase/ decrease for the end of current period over the end of same period last year (% , per accounting standards)	End of 2008
	Per accounting standards	Pro-forma basis	Per accounting standards	Pro-forma basis		
Net assets per share attributable to shareholders of Jin Jiang Hotel Development (Yuan/share)	7.0844	7.1116	9.0649	6.4857	-21.85	4.5606

Notes:1. 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” prepared under accounting standards at the end of the reporting period compared with that of the end of previous year was mainly due to the decrease in the fair value of financial assets available for sale and the disposal of 11 related equity interests, assets and liabilities etc. pursuant to the below proposal of the Company on material assets swap and acquisition and connected transactions.

The increase 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” prepared on pro-forma basis at the end of the reporting period compared with that of the end of previous year was mainly due to the decrease in the fair value of financial assets available for sale, the acquisition of 3 related equity interests and the disposal of 11 related equity interests, assets and liabilities etc. pursuant to the below disposal of the Company on material assets swap and acquisition and connected transactions.

2. Significant accounting data and financial indicators for 2008 and the end of 2008 are extracted from 2009 annual report of Jin Jiang Hotels Development.

2. NOTES:

1. The annual financial statements of Jin Jiang Hotels Development for 2010 prepared in accordance with PRC accounting standards have been audited by Deloitte Touche Tohmatsu CPA Ltd., which has issued an unqualified audit report (De Shi Bao (Shen) Zi (11) No. P0296 德師報(審)字(11)第P0296號) signed by registered accountants, Mr. Tang Lianjiong (唐戀炯) and Mr. Ni Min (倪敏).
2. At the first extraordinary general meeting of 2009 of Jin Jiang Hotels Development held on 23 October 2009, the “Proposal of the Company on material assets swap and acquisition and connected 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 swap 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 Hotel 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 (“Da Hua Hotel”). The assets disposed of and sold 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. The aforesaid proposal of material assets swap and acquisition and connected transactions was officially approved by the China Securities Regulatory Commission (“CSRC”) on 12 May 2010. Pursuant to the “Assets Swap and the Company Reorganisation Agreement” made between Jin Jiang Hotel 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 swap contemplated under the agreement is approved by the CSRC”, i.e. 31 May 2010.

Jin Jiang Hotels Development has engaged Orient Appraisal Co., Ltd. (上海東洲資產評估有限公司) to make valuation on the subject assets of the transaction with 31 July 2009 as the base date, and has also engaged Deloitte Touche Tohmatsu CPA Ltd. and PricewaterhouseCoopers Zhong Tian CPAs Co. Ltd. to implement specific audit on those assets acquired and disposed as well as those assets involved in sub-ordinate transaction with 31 May 2010 as the completion date. According to the asset valuation result with 31 July 2009 as the base date and the specific audit result with 31 May 2010 as the completion date, as at 31 May 2010, the fair value of assets acquired and the transaction price ultimately amounted to RMB2,795,188,846.05, while the fair value of assets disposed and the transaction price ultimately amounted to RMB3,043,097,376.88, resulting in a swap difference between assets acquired and disposed ultimately amounted to RMB247,908,530.83. On 5 August 2010, Jin Jiang Hotels Development and the Company signed the “confirmation letter” on final

completion, and settled the difference for assets swap pursuant to the agreement in the confirmation letter. Meanwhile, the final transaction price for the transfer of 1% equity interest in Jin Jiang International Hotel Management Company Limited held by Shanghai Min Hang Hotel Co., Ltd. amounted to RMB4,301,334.71, and the final transaction price for the transfer of 1% equity interest in Da Hua Hotel held by Jin Jiang Hotel Company Limited amounted to RMB1,135,841.46. Settlement for the difference between the assessed values and final transaction prices have been made between Jin Jiang Hotels Development and the Company.

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 annual financial statements for 2010 by Jin Jiang Hotels Development, and the opening balance for the 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 year 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 2010 annual financial statements of Jin Jiang Hotels Development is referred to as the “per accounting standards”.

For the convenience of investors’ perusal and comparison of the assets and liabilities of Jin Jiang Hotels Development as at 31 December 2010 versus the end of the previous year as well as the operating results and cash flow for 2010, a consolidated accounting statement which includes the relevant acquired assets in the scope of consolidation only from 1 June 2010 has been prepared in the “Pro-forma Financial Statements” set out in the annual report of Jin Jiang Hotels Development. This method of preparing the 2010 annual accounting statements of Jin Jiang Hotels Development is referred to as the “pro-forma basis”.

3. The 2010 Annual Report of Jin Jiang Hotels Development will be posted on the website <http://www.sse.com.cn> as designated by CSRC.
4. Investors are reminded that the above data is the audited annual results for the year 2010 of the Company’s subsidiary, Jin Jiang Hotels Development, rather than that of the Company.

By Order of the Board
Shanghai Jin Jiang International Hotels (Group) Company Limited*
Yang Weimin
Executive Director & Chief Executive Officer

Shanghai, the People’s Republic of China, 28 March 2011

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”.*