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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), a subsidiary of Shanghai Jin Jiang International Hotels (Group) Company Limited (the “Company”), in which the Company holds a 50.32% interest, has published its unaudited results for the third quarter of 2011 on 28 October 2011, the major contents of which are cited as follows:

Currency: RMB

| | As at the end of the reporting period (30 September 2011) | As at the end of last year (31 December 2010) | Increase/decrease as at the end of the reporting period compared to the end of last year (%) |
|---|--|--|---|
| Total assets (<i>Yuan</i>) | 5,217,711,499.17 | 5,536,294,036.07 | -5.75 |
| Owners' equity (or shareholders' equity) (<i>Yuan</i>) | 4,070,622,034.88 | 4,273,611,587.84 | -4.75 |
| Net assets per share attributable to shareholders of Jin Jiang Hotels Development (<i>Yuan/share</i>) | 6.7479 | 7.0844 | -4.75 |

| | | Beginning of the year to the end of the reporting period (January–September 2011) | Increase/decrease compared to the corresponding period of last year (%) |
|---|--|--|--|
| Net cash flow generated from operating activities (<i>Yuan</i>) | | 370,707,459.05 | –32.98 |
| Net cash flow per share generated from operating activities (<i>Yuan/share</i>) | | 0.6145 | –32.98 |

| | Reporting period (July–September 2011) | Beginning of the year to the end of the reporting period (January–September 2011) | Increase/decrease for the reporting period compared to the corresponding period of last year (%) |
|---|---|--|---|
| Net profit attributable to shareholders of Jin Jiang Hotels Development (<i>Yuan</i>) | 82,907,914.82 | 275,574,344.85 | –30.27 |
| Net profit attributable to shareholders of Jin Jiang Hotels Development after deducting non-recurring profit/loss (<i>Yuan</i>) | 83,487,723.25 | 264,106,274.73 | –29.30 |
| Basic earnings per share (<i>Yuan/share</i>) | 0.1374 | 0.4568 | –30.27 |
| Basic earnings per share after deducting non-recurring profit/loss (<i>Yuan/share</i>) | 0.1384 | 0.4378 | –29.30 |
| Diluted earnings per share (<i>Yuan/share</i>) | — | — | — |
| Weighted average return on net assets (%) | 1.99 | 6.43 | Decreased by 1.19 percentage points |
| Weighted average return on net assets after deducting non-recurring profit/loss (%) | 2.00 | 6.17 | Decreased by 1.16 percentage points |

Notes:

1. The text of the 2011 third quarterly report of Jin Jiang Hotels Development will be published in Shanghai Securities News 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 for the third quarter of 2011, 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. In 2010, Jin Jiang Hotels Development and the Company (its controlling shareholder) conducted material assets replacement and purchase and affiliated transactions and set 31 May 2010 as the completion date for the transaction of assets between the two parties. In accordance with pertinent regulations, Jin Jiang Hotels Development restated the comparative figures of the previous period when it prepared its consolidated financial statements.

It should be noted that the decline in operating profit and net profit for the third quarter as compared to the corresponding period of last year was primarily attributable to the fact that the budget hotel room and restaurant chain operations of Jin Jiang Hotels Development reported remarkable results for the third quarter of last year, capitalising on unique business opportunities presented by the 2010 Shanghai World Expo which was held during that period. The Jin Jiang Inn Budget Hotels of Jin Jiang Hotels Development in Shanghai reported an average RevPAR of RMB317.65 for the third quarter of last year, representing an 83.88% growth as compared to the same period in 2009. The 8 restaurants of Shanghai KFC and Shanghai Yoshinoya located within the Shanghai World Expo site reported revenue of RMB132,430,000 in aggregate for the third quarter of last year.

Revenue for January to September amounted to RMB1,559,500,000, representing a decrease of 5.93% as compared to the same period of last year; operating profit amounted to RMB312,620,000, representing a decrease of 23.33% as compared to the same period of last year; net profit attributable to the shareholders of Jin Jiang Hotels Development amounted to RMB275,570,000, representing a decrease of 21.16% as compared to the same period of last year. The decline in revenue and net profit for January to September as compared to the corresponding period of last year was primarily affected by three major factors as follows: 1) the “Revenue” stated in the consolidated income statement of Jin Jiang Hotels Development for January to September 2010 included an amount of RMB272,010,000 deriving from relevant disposed assets during the period from January to May in the same year; “net profit attributable to the shareholders of Jin Jiang Hotels Development” included net profit of RMB39,200,000 contributed by the relevant disposed assets during the period from January to May in the same year. 2) The period from May to September 2010 coincided with the 2010 Shanghai World Expo held in the PRC, during which the budget hotel room and restaurant chain operations of Jin Jiang Hotels Development reported remarkable results, capitalising on unique business opportunities. The Jin Jiang Inn Budget Hotels of Jin Jiang Hotels Development in Shanghai reported an average RevPAR of RMB296.90 during the period from May to September of last year, representing a 74.40% growth as compared to the same period in 2009. The 8 restaurants of Shanghai KFC and Shanghai Yoshinoya located within the Shanghai World Expo site reported revenue of RMB200,330,000 in aggregate during the period from May to September of last year. 3) The dividend income from Changjiang Securities was reduced by RMB13,090,000 as compared to the same period of last year.

4. An original copy of the 2011 third quarterly report of Jin Jiang Hotels Development is filed with Jin Jiang Hotels Development.

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5. Investors are reminded that the figures set out above are the unaudited results for the third quarter of 2011 of Jin Jiang Hotels Development, a subsidiary of the Company, rather than those of the Company.

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

Shanghai, the PRC, 28 October 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. 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”.*