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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)

VOLUNTARY ANNOUNCEMENT IN RELATION TO LOAN AGREEMENTS

This is a voluntary announcement made by the Company.

On 3 January 2012, the Company and SIHL entered into the SIUD Loan Extension Agreement pursuant to which SIHL agreed to extend the term of the SIUD Loan to 30 June 2012.

In December 2011, Shanghai Urban Development and SIIC Shanghai entered into the Entrusted Loan Extension Agreements with each of Bank of Communication, China Construction Bank and China Minsheng Bank pursuant to which the Entrusted Loans were extended for an additional term of one year.

As SIHL is a substantial shareholder and thus a connected person of the Company, the transaction(s) contemplated under the SIUD Loan Extension Agreement constitutes a connected transaction of the Company. As SIIC Shanghai is an associate of a substantial shareholder and thus a connected person of the Company, the transaction(s) contemplated under the Entrusted Loan Extension Agreements also constitutes a connected transaction of the Company. Given the financial assistance under such transactions is provided by SIHL and SIIC Shanghai on normal commercial terms and without grant of security over assets of the Group, such connected transactions are exempted from all reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.65(4) of the Listing Rules.

This is a voluntary announcement made by the Company.

Reference is made to the voluntary announcement of the Company dated 31 December 2010, where the Company announced that SIHL granted the SIUD Loan to the Company. On 3 January 2012, the Company and SIHL entered into the SIUD Loan Extension Agreement pursuant to which SIHL agreed to extend the term of the SIUD Loan to 30 June 2012.

In December 2010, SIIC Shanghai provided a loan of RMB1,000 million to Shanghai Urban Development through entrusted loan agreements administered by China Construction Bank, Bank of Communications and China Minsheng Bank, respectively. In December 2011, Shanghai Urban Development and SIIC Shanghai entered into the Entrusted Loan Extension Agreements with each of Bank of Communication, China Construction Bank and China Minsheng Bank pursuant to which the Entrusted Loans were extended for an additional term of one year.

REASONS FOR AND THE BENEFITS OF THE EXTENSION FOR THE COMPANY

The Group is one of the leading property developers in the PRC. The Group principally engages in property development, property investment and hotel operations.

SIHL is a wholly-owned subsidiary of SIH. SIIC Shanghai is an associate of SIIC, which is the ultimate holding company of SIH. As at the date of this announcement, SIH is interested in approximately 70.99% in the Company. The Company believes that SIHL and SIIC Shanghai agreed to extend the terms of the Loans to the Group as a sign of continuous support of the Group's daily operations and future business developments. The proceeds of the Loans have been utilised to finance acquisition costs of land and development, construction and improvement costs in its projects.

GENERAL

As SIHL is a substantial shareholder and thus a connected person of the Company, the transaction(s) contemplated under the SIUD Loan Extension Agreement constitutes a connected transaction of the Company. As SIIC Shanghai is an associate of a substantial shareholder and thus a connected person of the Company, the transaction(s) contemplated under the Entrusted Loan Extension Agreements also constitutes a connected transaction of the Company. Given the financial assistance under such transactions is provided by SIHL and SIIC Shanghai on normal commercial terms and without grant of security over assets of the Group, such connected transactions are exempted from all reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.65(4) of the Listing Rules.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following words and expressions have the following meanings:

“Board”	the board of Directors
“Company”	Shanghai Industrial Urban Development Group Limited (formerly known as Neo-China Land Group (Holdings) Limited), a company incorporated under the laws of Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules

“Director(s)”	the director(s) of the Company
“Entrusted Loan Extension Agreements”	the three entrusted loan extension agreements dated 27, 28 and 30 December 2011 between SIIC Shanghai, Shanghai Urban Development and each of Bank of Communication, China Construction Bank and China Minsheng Bank
“Entrusted Loans”	unsecured and interest bearing loans in an aggregate amount of RMB1,000 million granted by SIIC Shanghai to Shanghai Urban Development through entrusted loan agreements administrated by Bank of Communication, China Construction Bank and China Minsheng Bank
“Group”	the Company together with its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loans”	the SIUD Loan and the Entrusted Loans
“PRC”	the People’s Republic of China, which shall, for the purposes of this announcement, exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shanghai Urban Development”	上海城開(集團)有限公司 (Shanghai Urban Development (Holdings) Co., Ltd.*), a Sino-foreign equity joint venture established in the PRC and a 59% owned subsidiary of the Company
“SIH”	Shanghai Industrial Holdings Limited, a company incorporated under the laws of Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 363)
“SIHL”	SIHL Finance Limited, a company incorporated in the British Virgin Islands, which is a wholly-owned subsidiary of SIH and a substantial shareholder and connected person of the Company
“SIIC”	Shanghai Industrial Investment (Holdings) Company Limited, a company incorporated under the laws of Hong Kong with limited liability and a controlling shareholder of SIH

“SIIC Shanghai”	上海上實(集團)有限公司 (SIIC Shanghai (Holding) Co., Ltd. *), a company incorporated in the PRC with limited liability with SIIC as the authorised representative exercising state-owned shareholders’ right over it
“SIUD Loan”	an unsecured and interest-bearing loan of HK\$1,000 million granted by SIHL to the Company pursuant to a loan agreement between the Company and SIHL dated 29 December 2010
“SIUD Loan Extension Agreement”	the loan extension agreement dated 3 January 2012 entered into between SIHL and the Company in relation to the SIUD Loan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed thereto in the Listing Rules
“Substantial shareholder(s)”	has the meaning ascribed thereto in the Listing Rules

* *The English name is an informal English translation of the official Chinese name.*

By order of the Board
Shanghai Industrial Urban Development Group Limited
Chan Kin Chu, Harry
Company Secretary

Hong Kong, 6 January 2012

As at the date of this announcement, the Board comprises Mr. Cai Yu Tian, Mr. Ni Jianda, Mr. Qian Shizheng, Mr. Zhou Jun, Mr. Yang Biao, Mr. Chen Anmin and Mr. Jia Bowei 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.