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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 of Directors (the "Board") of Shanghai Jin Jiang International Hotels (Group) Company Limited (the "Company") is pleased to announce that, 上海錦江國際酒店發展股份有限公司 (Shanghai Jin Jiang International Hotels Development Company Limited) ("Jin Jiang Hotels Development", Shanghai Stock Exchange Stock Code: 600754/900934), a subsidiary in which the Company holds a 50.32% interest, entered into the 《上海中亞飯店45%產權轉讓合同》 (Transfer Contract for 45% Equity Interest of Shanghai Zhongya Hotel ("Zhongya Hotel")) (the "Transfer Contract") together with 亨瑞(上海)投資控股有限公司 (Heng Rui (Shanghai) Investment Holding Limited) ("Heng Rui Investment") and 上海申凱投資有限公司 (Shanghai Shenkai Investment Limited) ("Shenkai Investment") on 26 March 2009.

Jin Jiang Hotels Development shall transfer 35% and 10% of the equity interests it holds in Zhongya Hotel to Heng Rui Investment and Shenkai Investment respectively. The transfer consideration shall be based on the appraised value of the net assets of Zhongya Hotel, which was RMB266,266,592.94 on 31 July 2008, the record date of the appraisal undertaken by 上海集聯資產評估有限公司 (Shanghai Ji Lian Asset Appraisal Limited).

It has been negotiated among Jin Jiang Hotels Development, Heng Rui Investment and Shenkai Investment that not less than 70% of the total consideration of the transaction shall be paid by Heng Rui Investment and Shenkai Investment to Jin Jiang Hotels Development within 3 working days and the balance shall be paid within 3 months, subsequent to the effective date of the Transfer Contract.

Subsequent to the equity transfer becoming effective, Zhongya Hotel shall continue to assume and discharge its existing indebtedness and debts. Heng Rui Investment and Shenkai Investment shall enjoy their equity rights and assume their shareholders' obligations in proportion to their respective equity interests in Zhongya Hotel held by them subsequent to the equity transfer becoming effective.

Jin Jiang Hotels Development shall receive a cash payment from the equity transfer. It is estimated that there will be a gain in excess of RMB70 million after deducting staff redeployment expenses, investment costs, relevant taxes and expenses and the profit or loss to be shared or borne for the period from the record date of appraisal to the completion date of the transaction.

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

Shanghai, the People's Republic of China, 27 March 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".*