



Sinopec Shanghai Petrochemical Company Limited
中國石化上海石油化工股份有限公司
(A joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 338)

Price-sensitive Information
Expected Loss for the Interim Results of 2008

Sinopec Shanghai Petrochemical Company Limited (the “Company”) and all members of the board of directors warrant that the information contained in this announcement is true, accurate and complete, and that there are no false representations or misleading statements contained in, or material omissions from, this announcement.

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 and the relevant regulations issued by the Shanghai Stock Exchange.

I. Estimates on the results

- (1) Period of estimates on the results: 1 January 2008 to 30 June 2008.
- (2) Estimates on the results: According to the preliminary estimates of the accounting department of the Company, it is estimated that the Company and its subsidiaries (the “Group”) will suffer a loss for its net profit attributable to equity shareholders of the Company for the first half of 2008.
- (3) The estimated results are not reviewed or audited by any certified accountants.

II. Results for the corresponding period of the previous year

	Under the China Accounting Standards for Business Enterprises
Net profit attributable to equity shareholders of the Company (RMB'000)	1,751,897
Earnings per share (RMB)	0.243

III. Reason

During the first half of 2008, as international crude oil prices continually increased and reached historic highs time and again, the crude oil costs incurred by the Company increased substantially. With domestic petroleum product prices under stringent State controls, there has been a severe mismatch between petroleum product prices and crude oil prices, thereby resulting in a relatively substantial loss for the Company's oil refining operation. While the Company has obtained government subsidies of RMB247,280,000 in the first quarter of 2008 and will obtain a certain amount of government subsidies in the following second quarter, according to the preliminary estimates of the Company's accounting department, it is estimated that the Group will suffer a loss for its net profit attributable to equity shareholders of the Company for the first half of 2008. Specific information will be disclosed in detail in the 2008 interim report of the Company which will be published on 28 August 2008.

Investors are advised to pay attention to the risks involved in the investment in the Company's securities.

Sinopec Shanghai Petrochemical Company Limited

Shanghai, the PRC, 17 July 2008

As at the date of this announcement, the executive directors of the Company are Rong Guangdao, Du Chongjun, Han Zhihao, Shi Wei, Li Honggen and Dai Jinbao; the non-executive directors of the Company are Lei Dianwu and Xiang Hanyin, and the independent non-executive directors of the Company are Chen Xinyuan, Sun Chiping, Jiang Zhiquan and Zhou Yunnong.