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新創建 NWS

新創建集團有限公司*
NWS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

(stock code: 659)

PROPOSED ISSUANCE OF GUARANTEED BONDS AND UPDATED INFORMATION ABOUT THE GROUP

Rosy Unicorn Limited (the “Issuer”, an indirect wholly-owned subsidiary of NWS Holdings Limited (the “Company”)) proposes to conduct an international offering of one or more series of senior bonds (the “Bonds”) to be issued by the Issuer and guaranteed by the Company (the “Proposed Bond Issue”). The Issuer and the Company intend to commence a series of road show presentations beginning on or after 16 January 2012 with institutional investors. An offering circular in respect of the Proposed Bond Issue (the “Offering Circular”) has been prepared for distribution to prospective investors. Since the Offering Circular discloses updated information about the Group which has not been previously published, extracts of such information from the Offering Circular are set out below.

The completion and the terms of the Proposed Bond Issue are subject to market conditions. The terms and the pricing of the Bonds will be determined through a book-building exercise conducted by Deutsche Bank AG, Singapore Branch, The Hongkong and Shanghai Banking Corporation Limited, J.P. Morgan Securities Ltd. and Standard Chartered Bank as joint bookrunners and joint lead managers (collectively, the “Joint Lead Managers”).

Upon finalization of the terms of the Bonds, the Joint Lead Managers, the Issuer and the Company will enter into a subscription agreement (the “Subscription Agreement”) and other ancillary documents. The Company currently intends to use the net proceeds from the Proposed Bond Issue (which amount shall be determined upon finalization of the terms of the Bonds) for general working capital purposes of the Company and its subsidiaries (together, the “Group”) and to refinance the existing banking facilities utilized to finance the acquisition of the Group’s interest in Hangzhou Ring Road (as referred to in the circular of the Company dated 6 December 2011 and the announcement of the Company dated 11 January 2012), including a 364-day HK\$5.0 billion bridging facility (the “Bridging Facility”).

Approval-in-principle has been obtained for the listing of the Bonds on the Singapore Exchange Securities Trading Limited (the “SGX-ST”). Admission of the Bonds to the Official List of the SGX-ST is not to be taken as an indication of the merits of the Issuer, the Company or the Bonds. No listing of the Bonds has been sought in Hong Kong.

As no binding agreement in relation to the Proposed Bond Issue has been entered into as at the date of this announcement, the Proposed Bond Issue may or may not be completed. Shareholders and prospective investors of the Company are urged to exercise caution when dealing in the Company’s securities.

Further announcement in respect of the Proposed Bond Issue will be made by the Company should the Subscription Agreement be signed.

UPDATED INFORMATION ABOUT THE GROUP

Additional Information in relation to Chinese Future Corporation (“CFC”)

The major financial indicators of CFC, an indirect wholly-owned subsidiary of the Company which currently holds a 95% indirect interest in the project company operating Hangzhou Ring Road, are summarized in the table below:

	<i>(US\$ million)</i>	<i>(Equivalent to HK\$ million)</i>	<i>(US\$ million)</i>	<i>(Equivalent to HK\$ million)</i>
	For the year ended 31 December 2009		For the year ended 31 December 2010	
	As at 31 December 2009		As at 31 December 2010	
Turnover	194.15	1,514.4	225.66	1,760.1
Net profit before taxation	68.54	534.6	82.14	640.7
Net profit after taxation	51.91	404.9	62.11	484.5
Adjusted EBITDA ⁽¹⁾	165.02	1,287.2	177.44	1,384.0
Total assets	1,055.46	8,232.6	1,081.87	8,438.6
Net assets	293.48	2,289.1	367.12	2,863.5
Total bank and other borrowings ⁽²⁾	700.26	5,462.0	662.33	5,166.2

This information has been extracted from the audited consolidated financial statements of CFC for the year ended 31 December 2010 (other than Adjusted EBITDA⁽¹⁾, which has been derived from information extracted from such audited consolidated financial statements of CFC), and has not been reviewed, audited or verified by PricewaterhouseCoopers, the auditor of the Company. Shareholders and prospective investors of the Company should exercise caution when using such data to evaluate the respective financial condition and operating results of the Company and CFC. Such information should not be taken as an indication of the future financial performance of the Company and CFC, including the expected financial condition or operating results of the Company for the six months ended 31 December 2011 or for the year ending 30 June 2012.

Other Unaudited Financial Information in relation to the Group

The financial information of the Group for the two years ended 30 June 2011 has been previously disclosed by the Company in its annual reports. The following sets forth additional information:

Adjusted EBITDA

	For the year ended 30 June 2010	For the year ended 30 June 2011
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Adjusted EBITDA ⁽¹⁾	<u>2,897.7</u>	<u>2,966.1</u>

Indebtedness

As at 30 November 2011, the Group's unaudited total bank and other borrowings comprised the following:

	As at 30 November 2011
	<i>(HK\$ million)</i>
Current portion:	
Consolidation of CFC's indebtedness	690.1
Other bank borrowings	<u>7,586.5⁽³⁾</u>
	8,276.6
Non-current portion:	
Consolidation of CFC's indebtedness	4,269.5 ⁽⁴⁾
CNY1 billion 2.75% guaranteed bonds due 2014	1,193.7 ⁽⁵⁾
Other bank borrowings	<u>4,726.8</u>
	10,190.0
Total	<u>18,466.6</u>

Notes:

- (1) Adjusted EBITDA is calculated as gross profit minus general/administrative/other expenses plus depreciation/amortization/management fee income/machinery hire income and dividends received from associated companies and jointly controlled entities. Although Adjusted EBITDA is not a standard measure under the Hong Kong Financial Reporting Standards, it is a widely used financial indicator of a company's ability to service and incur debt. Adjusted EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of performance or as an indicator of CFC's or the Group's operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. Adjusted EBITDA does not account for taxes, interest expense or other non-operating cash expenses. In evaluating Adjusted EBITDA, the Group believes that investors should consider, among other things, the components of Adjusted EBITDA and the amount by which Adjusted EBITDA exceeds capital expenditures and other charges. Investors should not compare CFC's or the Group's Adjusted EBITDA to the adjusted EBITDA presented by other companies because not all companies use the same definition.

Set forth below is a reconciliation of the Group's Adjusted EBITDA to the Group's gross profit for the years indicated.

	For the year ended 30 June 2010	For the year ended 30 June 2011
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>
Gross profit	1,977.3	1,658.9
<i>Less:</i>		
General and administrative expenses	(1,145.7)	(717.2)
<i>Add:</i>		
Depreciation and amortization	218.7	184.2
Management fee income and machinery hire income	94.1	114.0
Dividends received from associated companies and jointly controlled entities	1,753.3	1,726.2
Adjusted EBITDA	<u>2,897.7</u>	<u>2,966.1</u>

- (2) On 11 January 2012, the Company announced that CFC provided an irrevocable notice to the holders of its US\$225,000,000 12% Senior Notes due 2015 (the "CFC Notes") in respect of the redemption in full of the outstanding CFC Notes on 13 February 2012 (the "Redemption Date") at the redemption price of 107.5% of the principal amount plus accrued and unpaid interest up to the Redemption Date.
- (3) This amount included the Bridging Facility arranged for the acquisition of the Group's interest in Hangzhou Ring Road.
- (4) This amount included the outstanding principal amount as at 30 November 2011 of the CFC Notes, which will be redeemed on the Redemption Date. For this amount only, an exchange rate of US\$1 to HK\$7.7831 was used for the conversion of US dollars to HK dollars.
- (5) An exchange rate of CNY0.83 to HK\$1 was used for the conversion of Renminbi to HK dollars.

For the purpose of this announcement and for illustration purpose only, unless otherwise specified, amounts denominated in US dollars have been translated into HK dollars using the exchange rate of US\$1=HK\$7.80. No representation is made that any amount in HK dollars or US dollars could have been or could be converted at such rate or at any other rates at all.

By order of the board of directors of
NWS HOLDINGS LIMITED
Dr. Cheng Kar Shun, Henry
Chairman

Hong Kong, 13 January 2012

As at the date of this announcement, (a) the executive directors of the Company are Dr. Cheng Kar Shun, Henry, Mr. Tsang Yam Pui, Mr. Lam Wai Hon, Patrick, Mr. Cheung Chin Cheung, Mr. William Junior Guilherme Doo and Mr. Cheng Chi Ming, Brian; (b) the non-executive directors of the Company are Mr. Doo Wai Hoi, William, Mr. Wilfried Ernst Kaffenberger (alternate director to Mr. Wilfried Ernst Kaffenberger: Mr. Yeung Kun Wah, David), Mr. To Hin Tsun, Gerald and Mr. Dominic Lai; and (c) the independent non-executive directors of the Company are Mr. Kwong Che Keung, Gordon, Dr. Cheng Wai Chee, Christopher and The Honourable Shek Lai Him, Abraham.

** For identification purposes only*