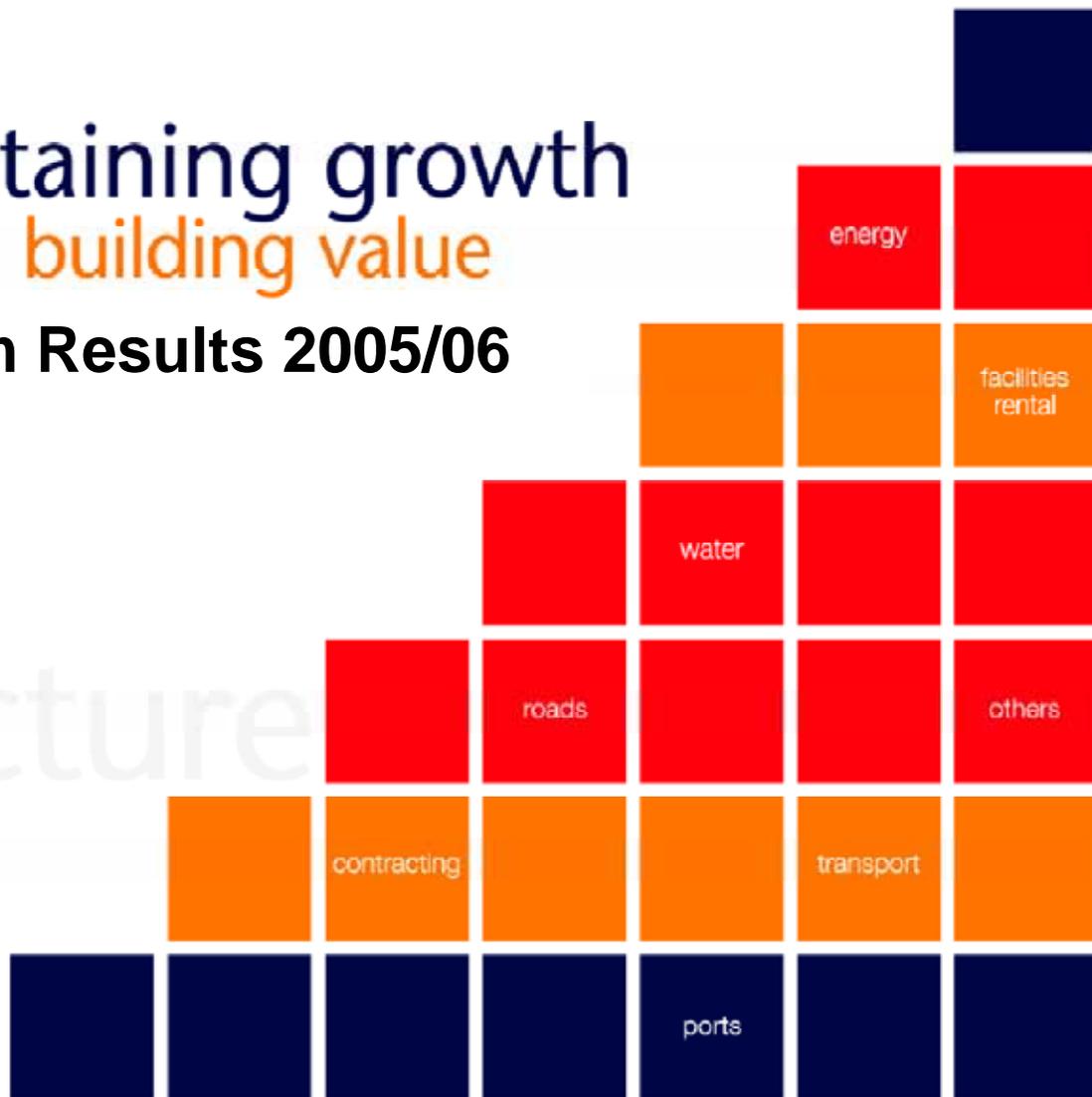


Sustaining growth building value

Interim Results 2005/06

infrastructure
service
& rental





New World Group Structure

新世界發展有限公司
New World Development Company Limited
(香港股份代號: 0017)
(HK Stock code: 0017)

55%

新創建集團
有限公司
NWS Holdings Limited

(香港股份代號: **0659**)

(HK stock code: 0659)

71%

新世界中國地產
有限公司
New World China
Land Limited

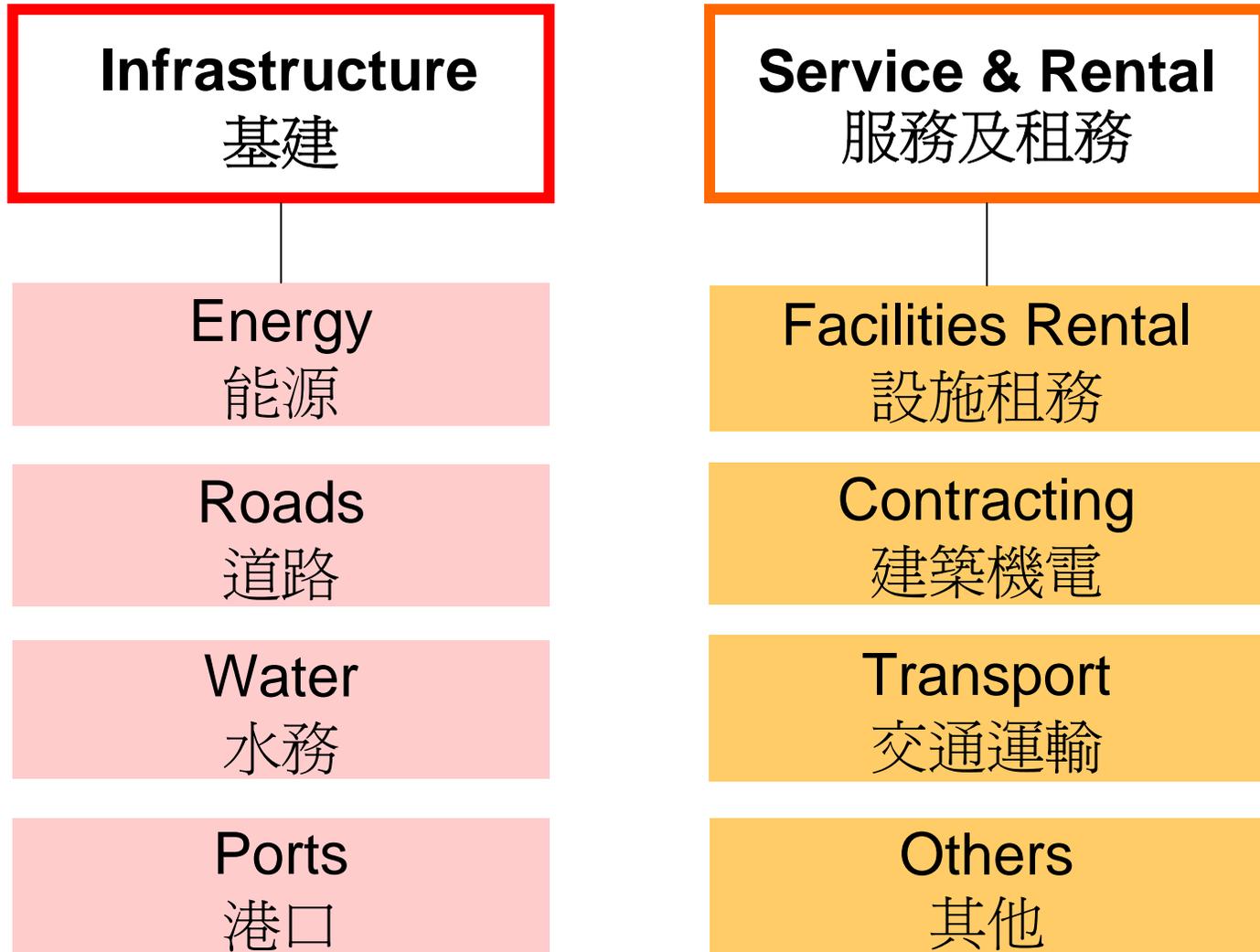
(香港股份代號: 0917)
(HK stock code: 0917)

58%

新世界移動
控股有限公司
New World Mobile
Holdings Limited

(香港股份代號: 0862)
(HK stock code: 0862)

NWSH Corporate Structure





Financial Highlights

Consolidated Financial Highlights

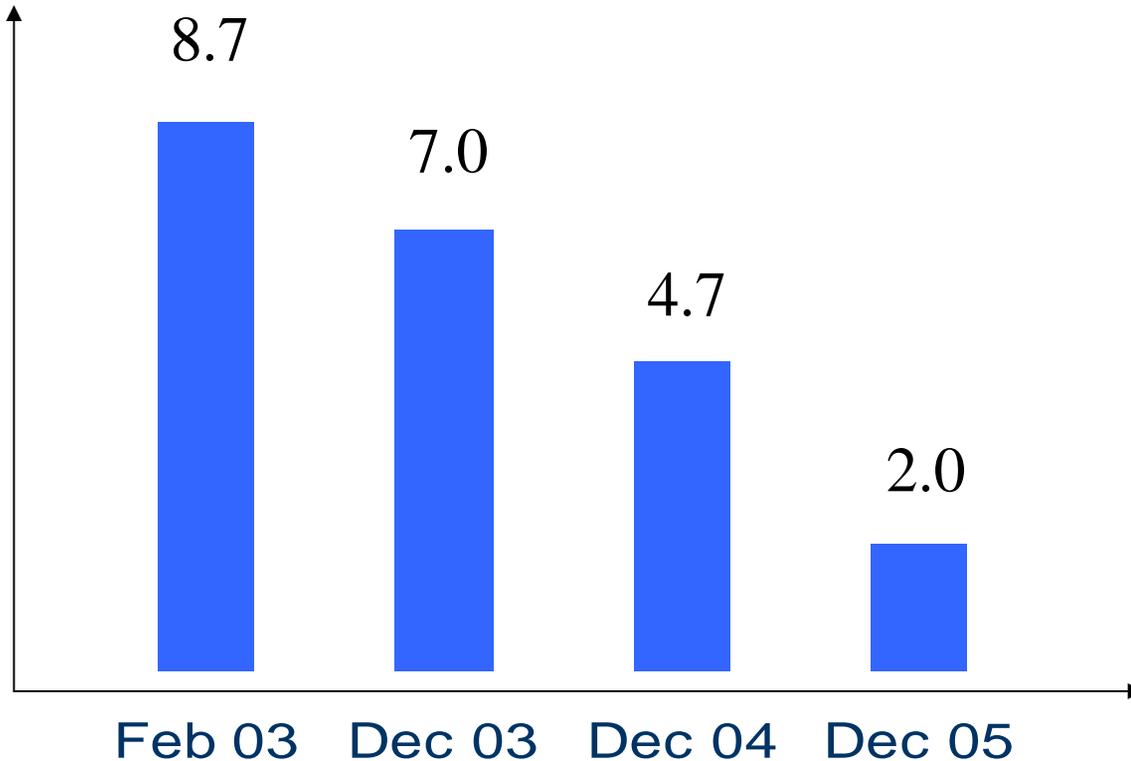
For the six months ended 31 Dec	2005 (HK\$'m)	2004 (HK\$'m)	YoY Growth
Turnover	5,753.7	5,132.4	↑ 12%
AOP	1,024.4	838.9	↑ 22%
Profit attributable to shareholders	909.0	867.6	↑ 5%
Earnings per share	HK\$0.50	HK\$0.48	↑ 4%
Dividend per share	HK\$0.24	HK\$0.18	↑ 33%
Dividend payout ratio	50%	37%	N/A
Total assets	25,636.3*	25,165.6**	↑ 2%
Shareholders' funds	14,135.8*	13,024.9**	↑ 9%

*As at 31 Dec 2005

**As at 30 Jun 2005

Strong Financial Position

Net Debt
(HK\$ billion)



- Cash on hand: HK\$3.0 billion (30 June 2005: HK\$3.6 billion)
- Gearing ratio* : 14% (30 June 2005: 17%)

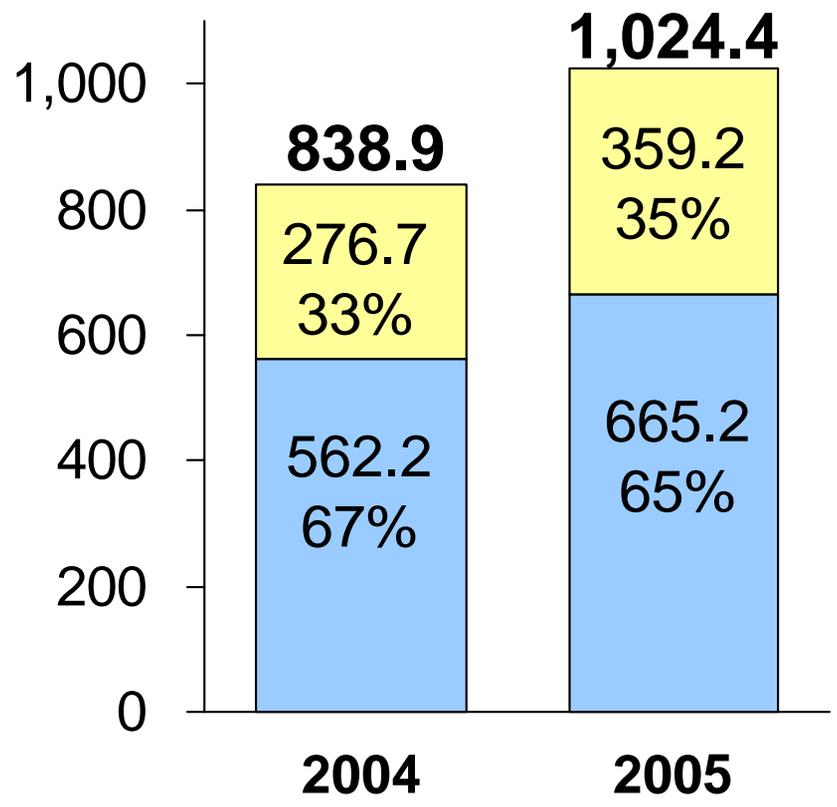
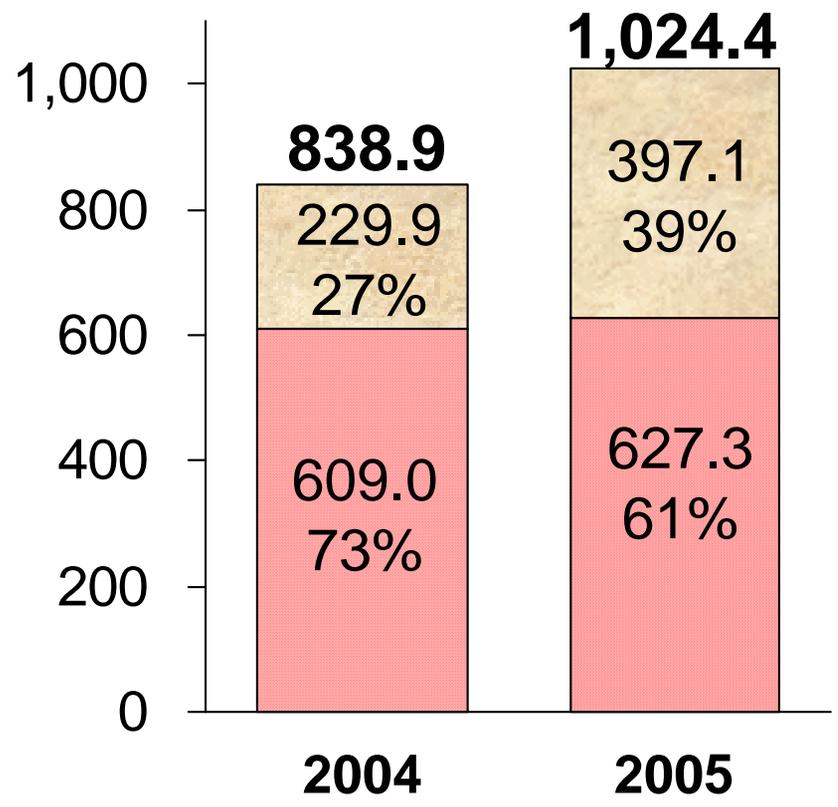
* Net Debt to Total Equity

AOP Mix (for the six months ended 31 Dec)

By Division

(HK\$'m)

By Region

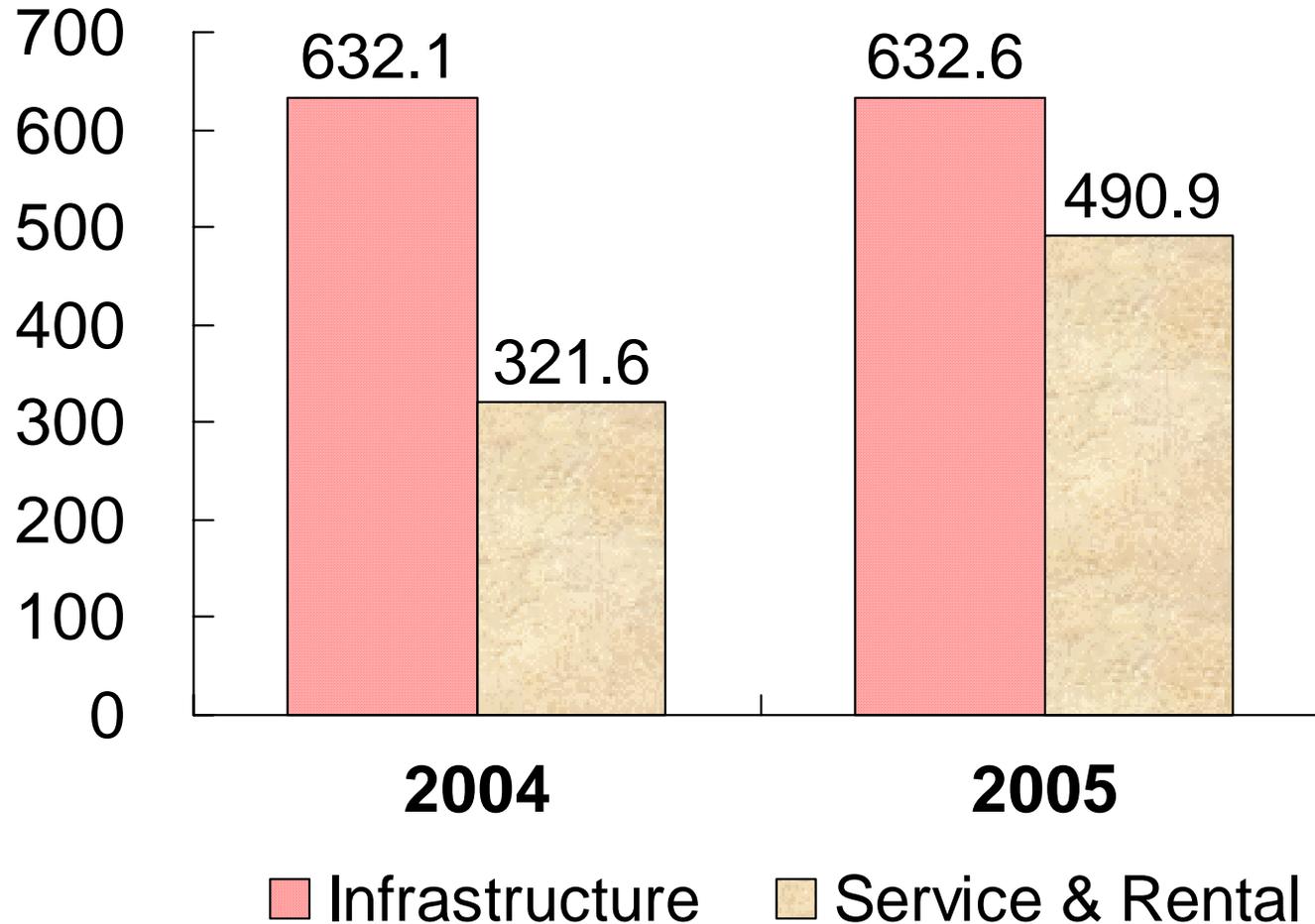


Service & Rental
 Infrastructure

Hong Kong
 Mainland China & Macau

EBITDA (for the six months ended 31 Dec)

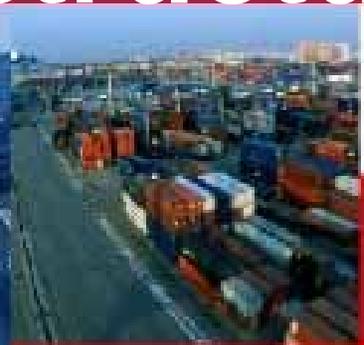
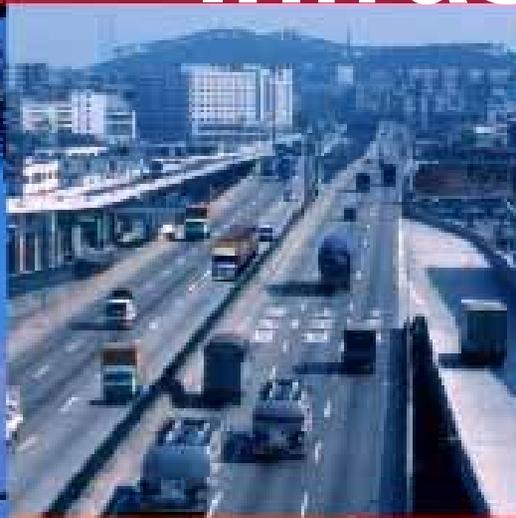
HK\$m



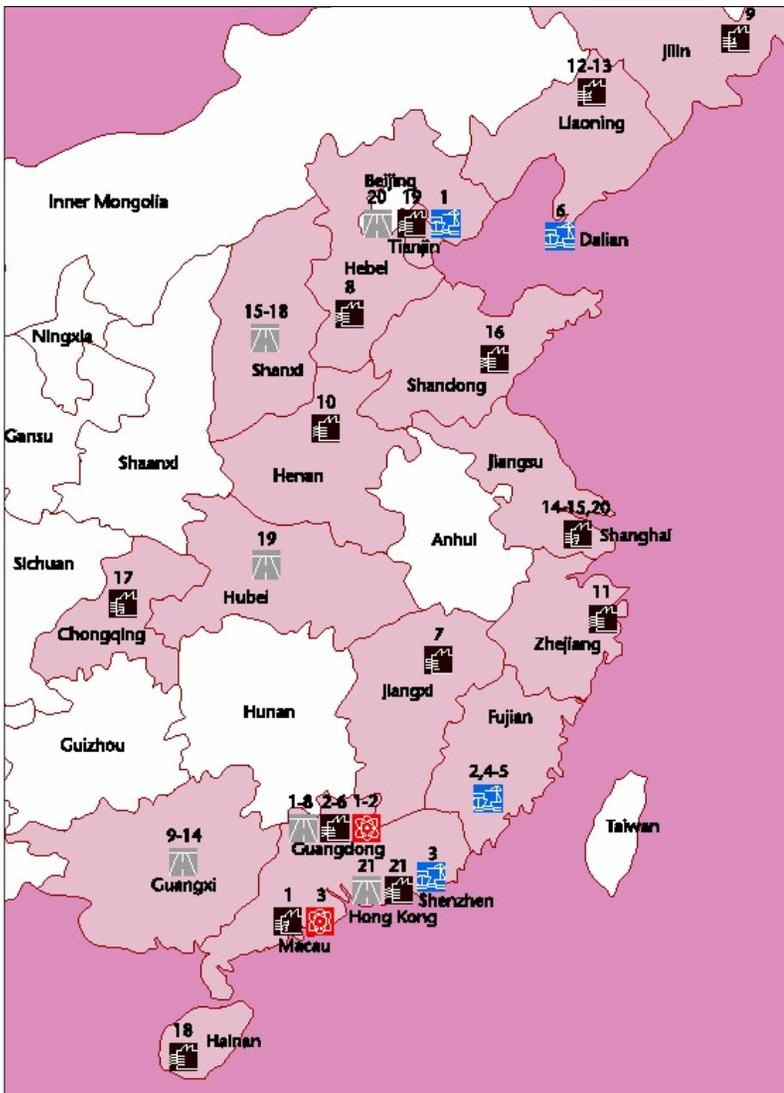
1H 2006 Financial Achievements

- Solid turnover growth
- Impressive AOP increase
- Continuously decreasing net debt
- Solid capital structure
- Strong cash flow

Infrastructure



Infrastructure



 Energy	<p>3 power plants in Mainland China and Macau</p>
 Roads	<p>19 road and bridge projects in Guangdong, Guangxi, Shanxi, Tianjin and Wuhan; and one tunnel project in Hong Kong</p>
 Water	<p>19 water treatment projects in Mainland China and Macau, one incineration plant in Mainland China and one landfill project in Hong Kong</p>
 Ports	<p>7 projects in Xiamen, Tianjin, Dalian and Shenzhen</p>

*** As at 31 Dec 2005**

AOP - Infrastructure

For the six months ended 31 Dec	2005 (HK\$'m)	2004 (HK\$'m)	Change + / (-) %
Energy	299.4	306.8	(2)
Roads	238.7	192.0	24
Water	51.2	44.8	14
Ports	38.0	65.4	(42)
TOTAL	627.3	609.0	3

Energy

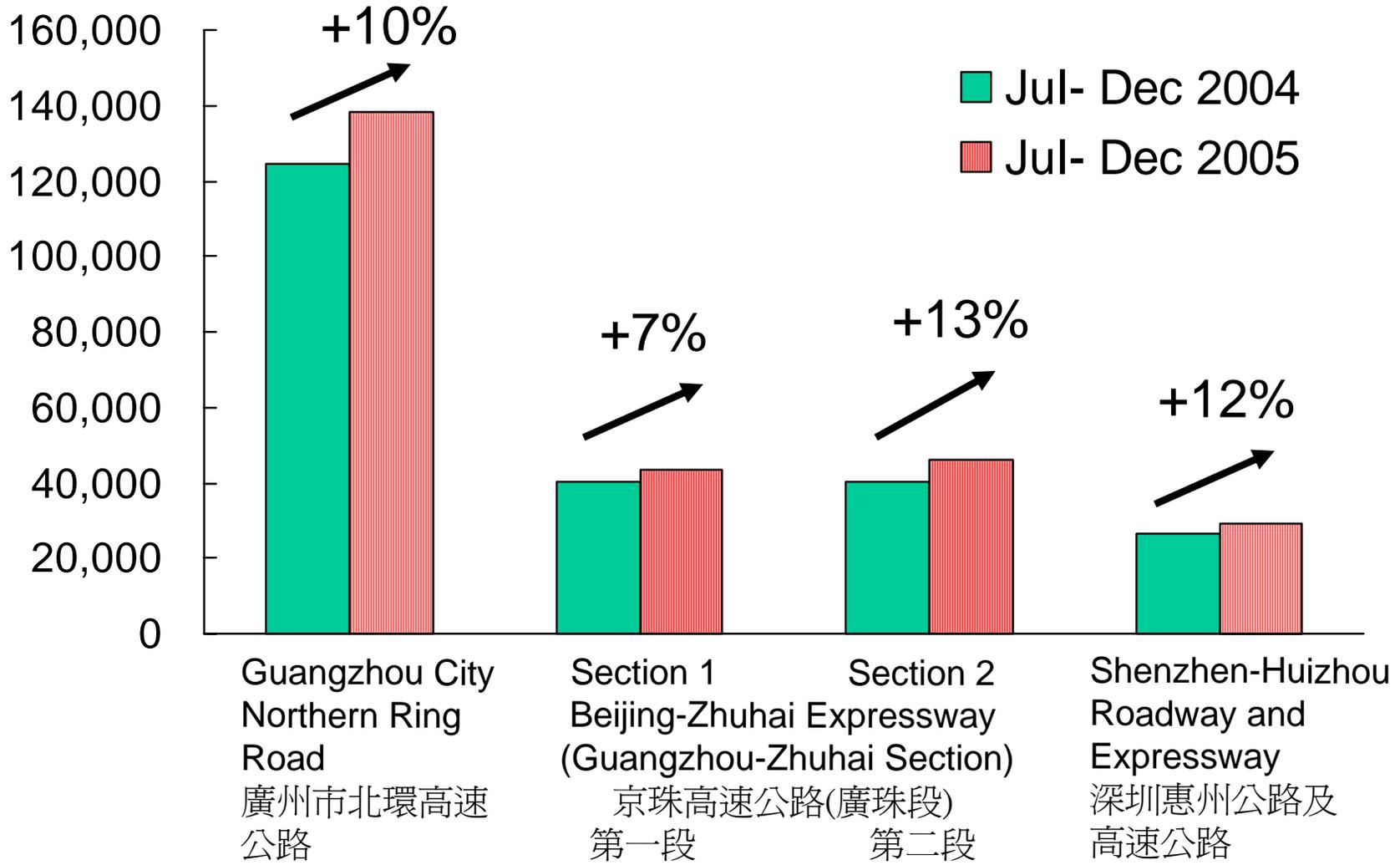
- AOP decreased by 2%
- Zhujiang Power Phase I and II (珠江電廠第一及第二期) combined sales volume increased by 2%
- Macau Power (澳門電力) recorded 10% increase in sales volume
- Strong GDP growth in Mainland China and Macau boosts demand for electricity

Roads

- AOP up 24%: Pearl River Delta projects performed remarkably
- Beijing Zhuhai Expressway (Guangzhou-Zhuhai Northern Section) (京珠高速公路(廣珠北段)) commenced operation in December 2005
- Gain on disposal of interests in Roadway No.1906 - Qingcheng Section (1906線公路 – 清城段): HK\$66 million

Stable Growth of Average Daily Traffic

No. of vehicles



珠江三角洲高速公路網

Pearl River Delta Expressways Network



Water

- AOP increased by 14%
- Macau Water Plant (澳門水廠) sales volume up 5%
- Chongqing Water Plant (重慶水廠) recorded impressive performance
- Shanghai SCIP Waste Incineration Plant (上海化學工業區廢料焚化處理廠) will operate in 2nd half of 2006
- 2nd phase expansion in Chongqing and Qingdao water treatment plants will commence operation in mid 2006
- Signed a contract to form an investment company with Chongqing Water Holding (Group) Co. Ltd. to explore water projects

Ports

- Xiamen New World Xiangyu Terminals (廈門象嶼新創建碼頭): AOP and throughput increased by 49% and 19% respectively
- Tianjin Orient Container Terminals (天津東方海陸集裝箱碼頭): Throughput grew by 1% but profit dropped due to cessation of coal handling
- Feasibility study carried out for the rail container terminal in Mainland China
- New investment : Framework agreement of 55% stakes in Wenzhou multi-purpose terminal (溫州港狀元壩多用途碼頭) signed. Operational by early 2008, JV period 50 years

Service & Rental



AOP – Service & Rental

For the six months ended 31 Dec	2005 (HK\$'m)	2004 (HK\$'m)	Change + / (-) %
Facilities Rental	205.3	220.3	(7)
Contracting	73.5	(135.8)	154
Transport	37.4	46.4	(19)
Others	80.9	99.0	(18)
TOTAL	397.1	229.9	73

Facilities Rental

- AOP decreased by 7%
- ATL maintained high occupancy rate of 96%
- HKCEC provides steady income and solid contributions
- HKCEC Atrium Link Extension:
 - Expected to commence in 4Q 2006 and complete by 2009
 - Exhibition space increases by 30%

Contracting

- Returned to profit: HK\$73.5 million
(1H 2005 HK\$136 million loss)
- Construction contract-on-hand: HK\$21 billion, including HK\$7 billion from Macau
- Continue to secure new contracts in Macau and Mainland China

Transport

- AOP declined by 19% due to surge of fuel cost and increase in interest rate
- NWFB & Citybus continue to enhance operational efficiency by route rationalization
- Kunming New World First Bus (昆明新世界第一巴士) attained stable income with passenger volume increased by 7%
- NWFF attained fare increase by 6.5% in Feb 2006
- Patronage of NWFF(M) steadily increased

Others

- Stable cash and profit contribution from other businesses
 - Property management
 - Liquor and tobacco duty free sales
 - Financial services
 - Cleaning and guarding

Corporate Strategies & Objectives

- Continue to invest and sustain long-term growth
- Mainland China remains our primary focus of investments
- Continue to enhance shareholder value
- Uphold service excellence and corporate branding
- Enhance corporate governance and social responsibility

Achievements



- Asia Pacific PR Awards 2005 (NWSH)
- Galaxy Awards 2005 & Mercury Awards 2004 (NWSH)
- Most Progress in Investor Relations 2005 (NWSH)
- Best Convention & Exhibition Centre 2005 (HKCEC)
- Top Ten Most Influential Enterprises in Mainland China's Water Supply Industry 2005 (Sino French Water Development Company Limited)
- Caring Company Logo (NWSH and 16 SBUs)

Responsible Corporate Citizen



Sustaining growth building value

推動長足發展

創建理想價值

