

ANNUAL RESULTS 2010



Scaling
New Heights

TotalCaring
Award
全面關懷大獎 2008/09

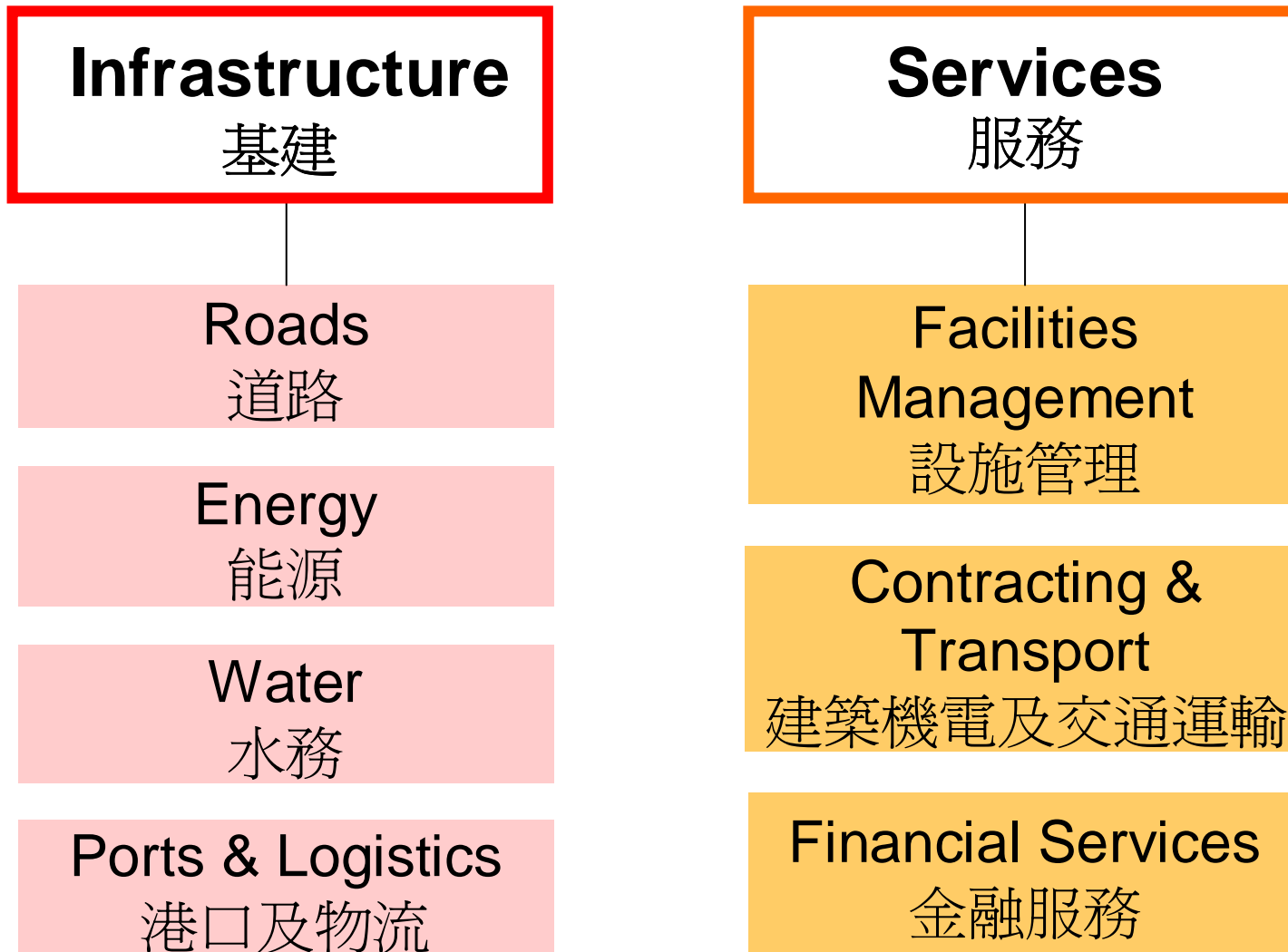
5 years +
商界展關懷
caringcompany
Awarded by The Hong Kong Council of Social Service
2008-09 香港社會服務界協會

New World Group Structure



(As at 30 June 2010)

NWS Corporate Structure



Financial Highlights

Consolidated Financial Highlights

For the year ended 30 June	2010 (HK\$'m)	2009 (HK\$'m)	Change + / (-)%
AOP	2,843.0	2,537.1	12
Profit attributable to shareholders	4,011.7	2,528.8	59
Earnings per share	HK\$1.92	HK\$1.23	56
Dividend per share	HK\$0.95	HK\$0.62	53
Net assets	26,452.1	24,259.4	9

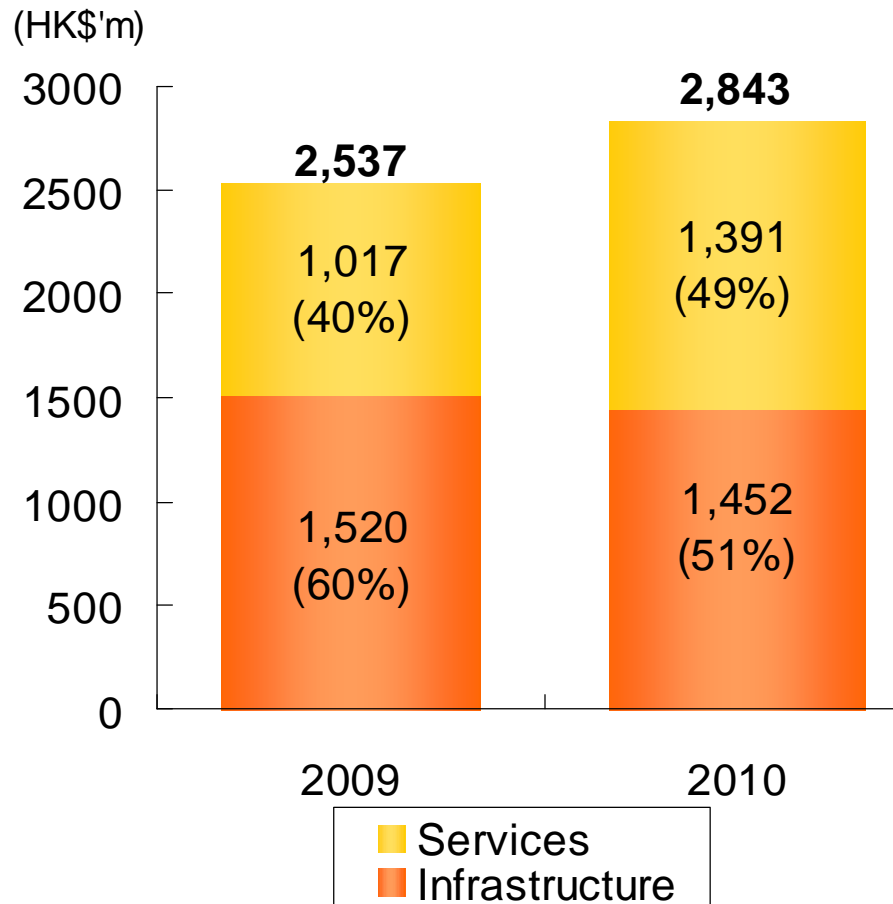
Strong Financial Position

- Total cash and bank balances: HK\$5.2 billion
- Total debt: HK\$4.9 billion
- Net cash position: HK\$0.3 billion

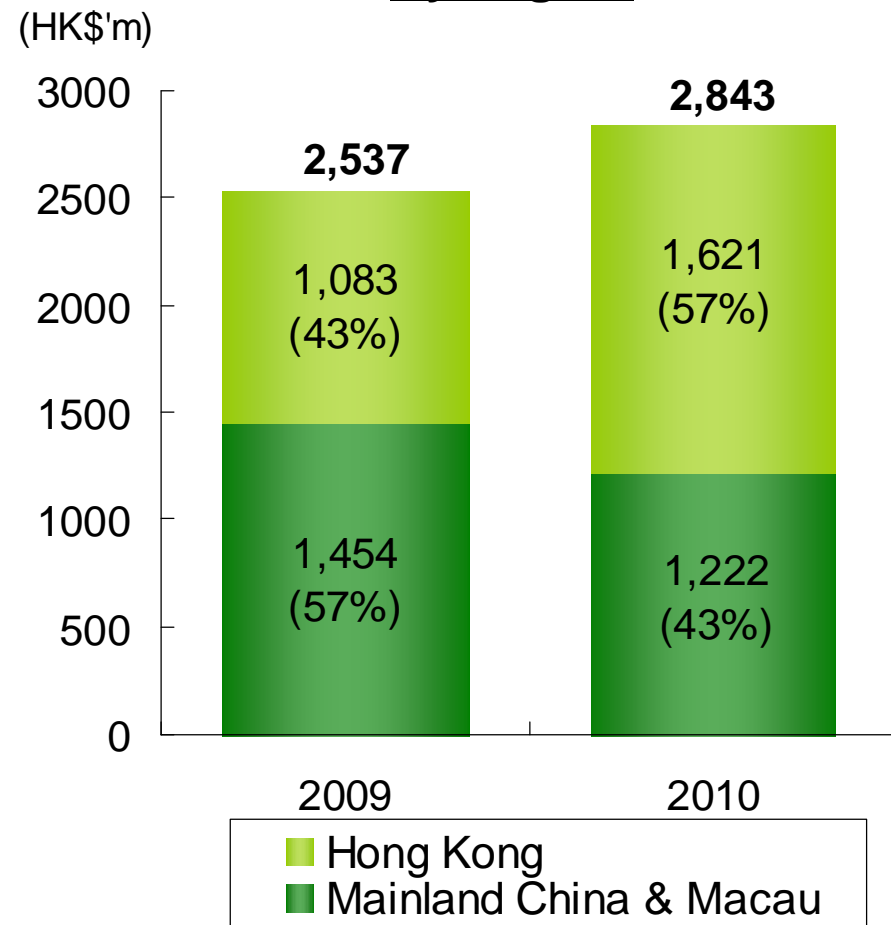
(As at 30 June 2010)

AOP Mix (for the year ended 30 June)

By Division



By Region





新創建 NWS

AOP by Segment

For the year ended 30 June	2010 (HK\$'m)	2009 (HK\$'m)	Change % Fav./Unfav.)
Infrastructure			
Roads	520.6	789.4	(34)
Energy	420.0	245.0	71
Water	233.3	185.6	26
Ports & Logistics	278.0	300.1	(7)
Sub-total:	1,451.9	1,520.1	(4)
Services			
Facilities Management	825.1	612.1	35
Contracting & Transport	410.1	285.7	44
Financial Services	155.9	119.2	31
Sub-total:	1,391.1	1,017.0	37
TOTAL	2,843.0	2,537.1	12

AOP - Contribution by Segment

For the year ended 30 June	2010 (HK\$'m)	% of total AOP
Facilities Management	825.1	29
Roads	520.6	18
Energy	420.0	15
Contracting & Transport	410.1	14
Ports & Logistics	278.0	10
Water	233.3	8
Financial Services	155.9	6
TOTAL	2,843.0	100

Infrastructure





 Roads	<p>19 Roads and related projects in Guangdong, Guangxi, Shanxi and Tianjin</p> <hr/> <p>1 Tunnel project in Hong Kong</p>
 Energy	<p>4 Power plants in Mainland China and Macau</p> <hr/> <p>1 Fuel company in Guangzhou</p>
 Water	<p>24 Water projects in Mainland China and Macau</p> <hr/> <p>1 Incineration plant in Shanghai</p> <hr/> <p>1 Sludge treatment plant in Suzhou</p> <hr/> <p>1 Landfill project in Hong Kong</p> <hr/> <p>2 Operation and management consulting companies in Shanghai</p>
 Ports & Logistics	<p>6 Container ports in Xiamen, Tianjin and Dalian</p> <hr/> <p>2 Logistic centres in Hong Kong and Shenzhen</p> <hr/> <p>1 Rail container terminals project in China</p>

AOP - Infrastructure

For the year ended 30 June	2010 (HK\$'m)	2009 (HK\$'m)	Change % Fav./ (Unfav.)
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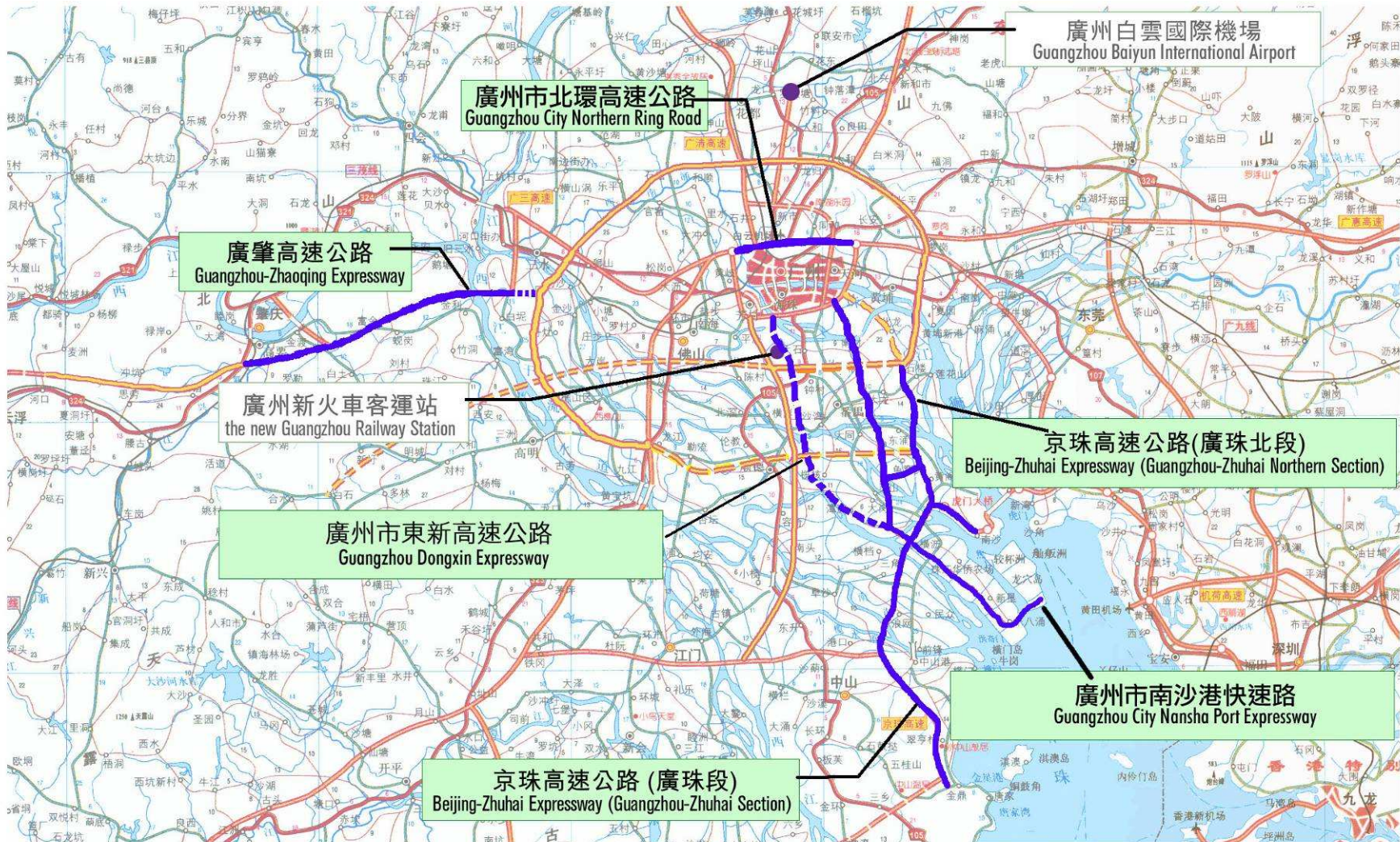


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Roads

- AOP dropped by 34%
- Guangzhou City Northern Ring Road (廣州市北環高速公路)
 - Closed four months for major repair and maintenance
 - Re-opened in early November 2009 and traffic volume has returned to original level
- Pearl River Delta projects recorded an increase in average daily traffic volume
 - Shenzhen–Huizhou Roadway and Expressway (深圳惠州高速公路及公路) up 19%
 - Beijing-Zhuhai Expressway (Guangzhou-Zhuhai Section) (京珠高速公路(廣珠段)) up 15%
- Tangjin Expressway (Tianjin North Section) (唐津高速公路(天津北段)) up 15% in average daily traffic flow

珠江三角洲高速公路網 Pearl River Delta Expressway Network



Energy

- AOP surged 71% due to lowered coal prices and rise in power demand
- Combined electricity sales of Zhujiang Power Plants (珠江電廠) increased 12%
- Electricity sales of Chengdu Jintang Power Plant (成都金堂電廠) up 4%
- Macau Power (澳門電力) sales volume up 8%



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Water

- AOP increased by 26%
- Full year profit contribution from Chongqing Water Group (重慶水務集團)
- Chongqing Water Plant (重慶水廠) reported 16% growth in daily average sales volume
- Shanghai SCIP Water Treatment Plants (上海化學工業區水處理廠)
 - Industrial water sales volume up 23%
 - Sewage treatment volume up 15%
- Macau Water Plant (澳門水廠)
 - Concession contract renewed till 2020, with further extension allowed to 2030
- A total of nine projects achieved tariff increase in FY2010



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Water

New Investments

Project name	Shareholding	Status	Capacity (m ³ /day)
Chongqing CCIP Water Treatment Plants 重慶長壽化學工業區水處理廠	25.52%	2H 2010	Industrial Water (Phase 1) – 120,000 Sewage – 40,000
Dalian Changxing Island Environmental Services Company 大連長興島環境服務公司	47.5%	Operational	Sewage – 40,000



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Ports & Logistics

- AOP decreased by 7%
- Global economic downturn has slowed down China's import and export
- Throughputs of Tianjin Five Continents International Container Terminal (天津五洲國際集裝箱碼頭) dropped by 1%
- Xiamen New World Xiangyu Terminals (廈門象嶼新創建碼頭) and Tianjin Orient Container Terminals (天津東方海陸集裝箱碼頭) reported an 8% and 3% growth respectively
- ATL – Average occupancy rate remained high at 97%

China Rail Container Terminals Project

- 18 pivotal rail container terminals in 18 major cities in Mainland China
- 8 terminals are now operational



● **Terminal under operation**

- Kunming (昆明) Dalian (大連)
- Chongqing (重慶) Qingdao (青島)
- Chengdu (成都) Wuhan (武漢)
- Zhengzhou (鄭州) Shanghai (上海)*
- Xi'an (西安) (Oct 2010)

● **Terminal planned to commence construction in 2010**

- Tianjin (天津) Shenzhen (深圳)
- Harbin (哈爾濱)

● **Terminal under planning**

* To be injected into CUIRC by Ministry of Railways

China Rail Container Terminals Project

Kunming (昆明)

- Remarkable throughput growth since operational in Jan 2008 resulted from:
 - Business transfer from existing MOR terminal
 - Cargo volume growth in Kunming



	FY08	FY09	FY10
Throughput (TEU)	70,000	159,000	267,000
Growth rate	--	127%	68%

FY10 (Budget)
206,000
30% over budget

- Handled 157,000 TEUs in 2010 H1; annualized approx. 300,000 TEUs
- Substantial profit contribution at terminal EBIT level
- Other services: warehousing, container storage and repair, depot, etc
- Kunming as a pilot model for other terminals

China Rail Container Terminals Project

Terminal performance

- Projected total 1st year throughput of approx. 1.5 million TEUs
e.g. Chengdu 270,000 TEUs and Chongqing 200,000 TEUs
- Based on current project development progress:
 - All 18 terminals would be completed by end of 2012
 - Anticipate breakeven at terminal EBIT level in FY2012
 - Target to achieve total throughput of 3.5 million TEUs in FY2013



Services



AOP – Services

For the year ended 30 June	2010 (HK\$'m)	2009 (HK\$'m)	Change % Fav./((Unfav.)
Facilities Management	825.1	612.1	35
Contracting & Transport	410.1	285.7	44
Financial Services	155.9	119.2	31
TOTAL	1,391.1	1,017.0	37

Facilities Management

- AOP up by 35%
- Benefited from the recovery of local economy
- HKCEC
 - Enhanced contribution upon the completion of Atrium Link expansion in April 2009
- Free Duty
 - Benefited from robust growth in visitors and their increased average spending

Contracting & Transport

- Overall AOP increased by 44%
- Hip Hing Construction
 - Gross contract-on-hand: HK\$17.6 billion*
 - Remaining value: HK\$11.6 billion*

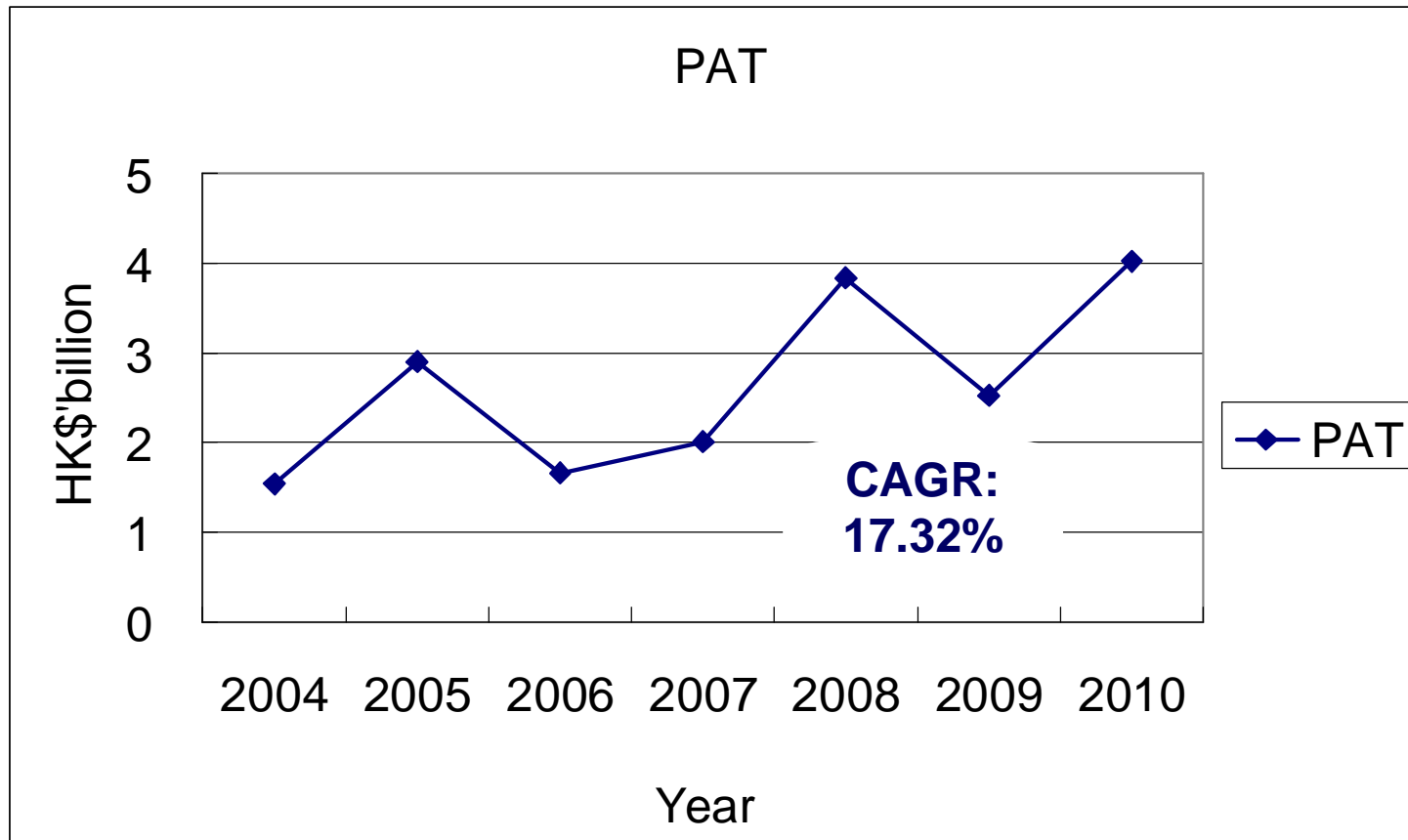
<u>New Projects</u>	<u>GFA</u>
- Goodman Logistic Centre	285,000m ²
- Cathay Pacific Air Cargo Terminal	280,000m ²

- Transport
 - AOP improved due to lower fuel costs

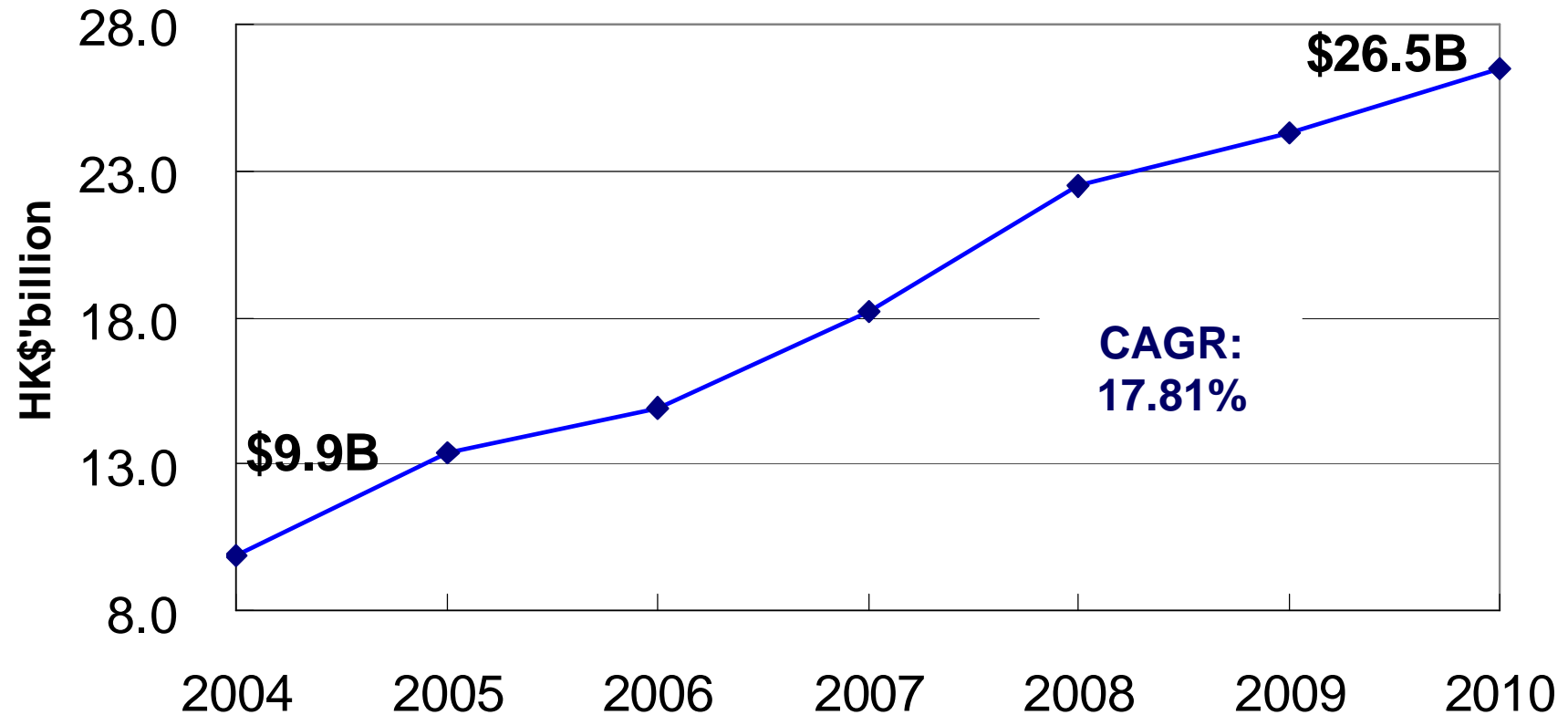
Financial Services

- AOP increased by 31%
- Disposed of 52.86% shareholding in Taifook Securities and continue to hold 9% stake
- Contribution from Tricor remained stable

Outstanding Profit Track Record



Solid Growth in Net Assets

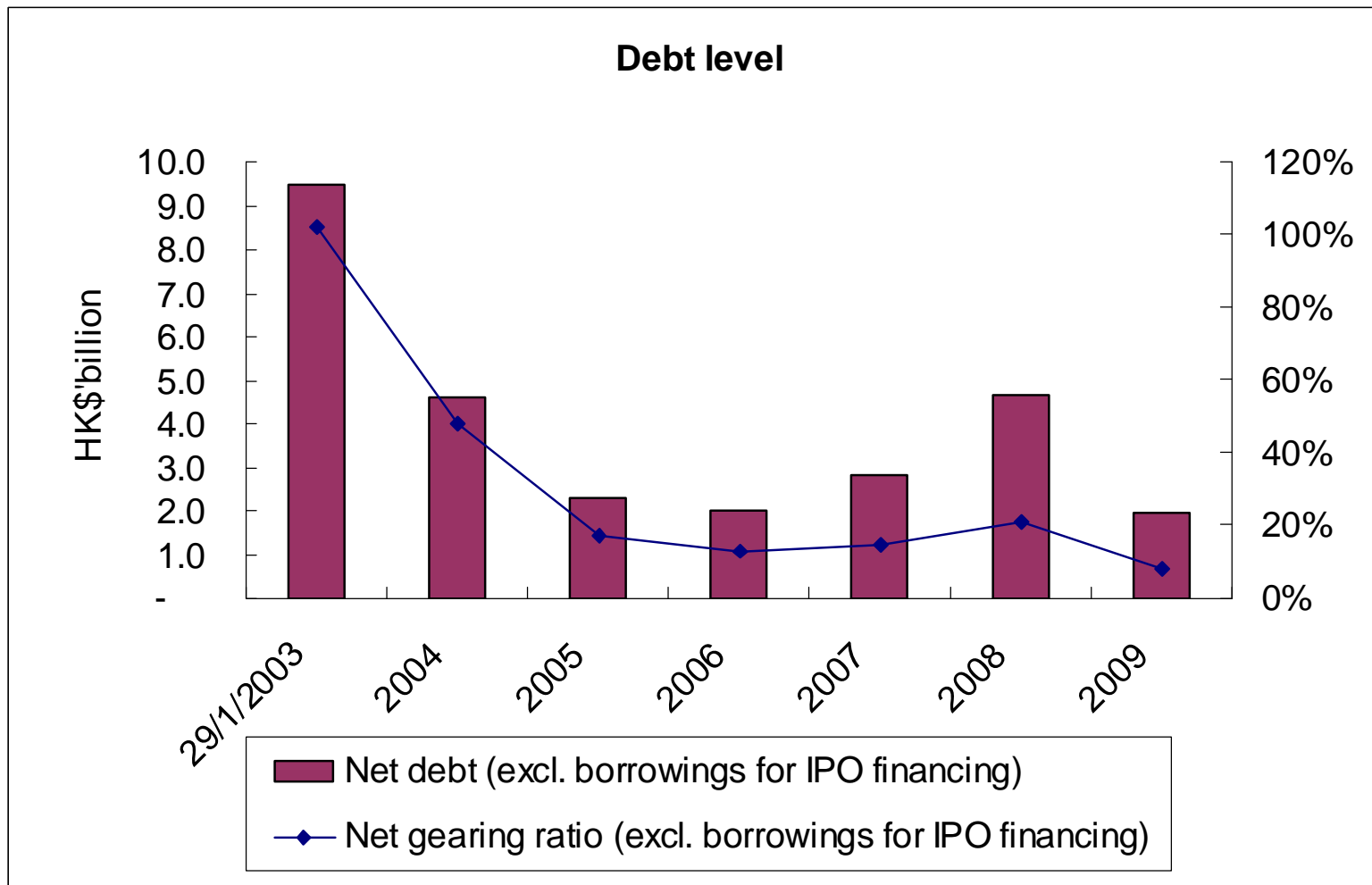




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Strong Financial Position & in Net Cash Position

- Debt level FY2004 – FY2009
- FY2010 Net Cash Position (HK\$0.3 billion as at 30 June 2010)



Future Growth

Roads

- Guangzhou-Zhaoqing Expressway (廣肇高速公路) up 22% in average daily traffic
- Guangzhou City Nansha Port Expressway (廣州市南沙港快速路) has become operational
- Guangzhou Dongxin Expressway (廣州市東新高速公路) will commence operation in end of 2010

Energy

- Chengdu Jintang Power Plant (成都金堂電廠) has become profitable

Future Growth (cont'd)

Water

- Chongqing CCIP Water Treatment Plants
(重慶長壽化學工業區水處理廠)
- Dalian Changxing Island Environmental Services Company
(大連長興島環境服務公司)

Ports & Logistics

- Xiamen Haicang Xinhaida Container Terminals (廈門海滄新海達集裝箱碼頭) expected to be operational in 2H 2011
- Rail Container Terminals Project has formed a scale
- Kwai Chung Logistics Centre
GFA 800,000 sq. ft and operational in March 2011

Future Growth (cont'd)

HKCEC

- New businesses and incremental revenue from atrium expansion

Free Duty

- Robust growth in visitor arrivals
- Increased spending per passenger

Construction – secured sizeable contracts

- Goodman Logistics Centre
- Cathay Pacific Air Cargo Terminal



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Achievements

Roads - *Guangzhou City Northern Ring Road*

- 2008-2009 Guangzhou City Corporate Harmonious in Labour Relation (AA Rating)

Water - *Sino-French Holdings*

- Top Ten Most Influential Enterprises in Mainland China's Water Supply Industry 2009

Facilities Management - *HKCEC*

- CEI Asia Industry Awards 2010 – Asia's Best Convention & Exhibition Centre

CSR, PR & HR – *NWS Holdings*

- Ninth China Golden Awards for Excellence in Public Relations - Silver award of Internal Communication Category
- 23rd International Mercury Awards – Silver Award in Promotion/Marketing: Environmental Protection (*NWS Hong Kong Geo Wonders Hike*)
- Best Practice Awards 2009 in the “Best Practices in Employee Involvement Category”
- Class of Excellence Wastewi\$e Label and Energywi\$e Label
- Social Welfare Department - Gold Award for Volunteer Service



Scaling New Heights