

FY2014 Interim Results

FORGING AHEAD PURSUING VALUE



Hang Seng Corporate
Sustainability Index
Series Member 2013-2014



New World Group Structure

New World Development Company Limited
新世界發展有限公司
(HK stock code: 17)

69.7%

New World China Land Limited

新世界中國地產有限公司
(HK stock code: 917)

61.3%

NWS Holdings Limited
新創建集團有限公司
(HK stock code: 659)

72.3%

New World Department Store China Limited

新世界百貨中國有限公司
(HK stock code: 825)

(As at 31 December 2013)

NWS Investment Portfolio

Infrastructure 基建



Roads
道路



Energy
能源



Water
水務



Ports & Logistics
港口及物流

Services 服務



Facilities Management
設施管理



Construction &
Transport
建築及交通



Strategic Investments
策略性投資

Financial Summary

| For the six months ended 31 December | 2013 (HK\$'M) | 2012 (HK\$'M) | Change + / (-)% |
|--|--------------------------|--------------------------|----------------------------|
| Revenue | 10,097.8 | 7,971.0 | 27 |
| Attributable Operating Profit (AOP) | 2,320.2 | 2,196.0 | 6 |
| Profit Attributable to Shareholders (PAT) | 2,604.9 | 2,106.2 | 24 |
| Earnings per share | HK\$0.71 | HK\$0.59 | 20 |
| Dividend per share | HK\$0.36 | HK\$0.29 | 24 |
| Net Assets | 43,489.4 | 41,021.0* | 6 |

* as at 30 June 2013

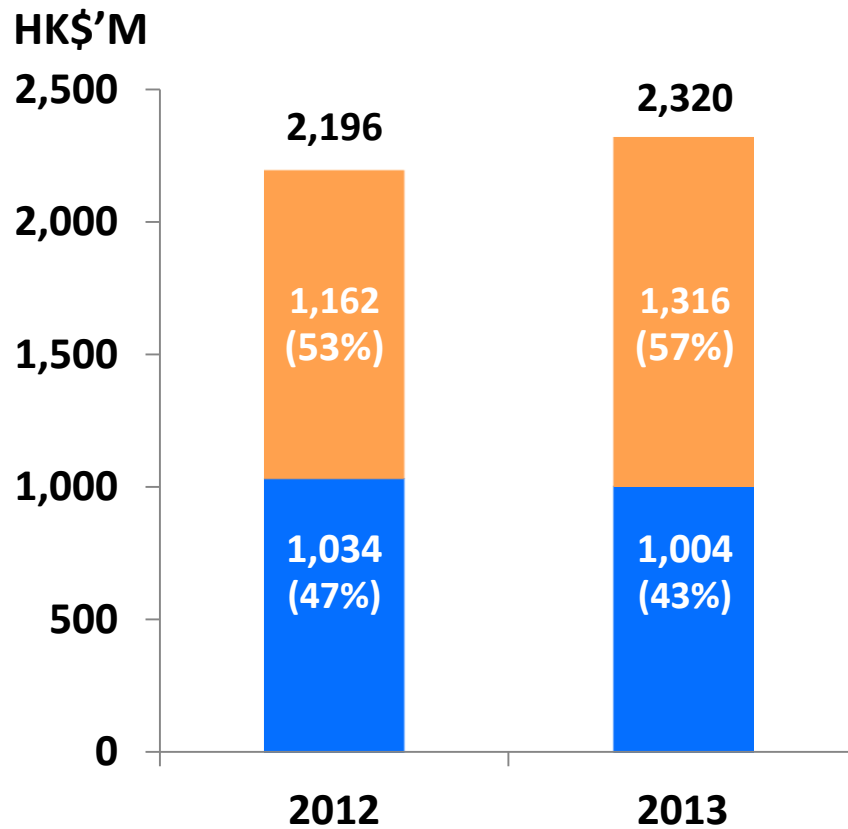
Financial Position

- ✓ Total cash and bank balances: HK\$8.8 billion
- ✓ Total debt: HK\$18.1 billion
- ✓ Net debt position: HK\$9.3 billion
- ✓ Net gearing ratio: 21% *(24% as at 30 June 2013)*

(As at 31 December 2013)

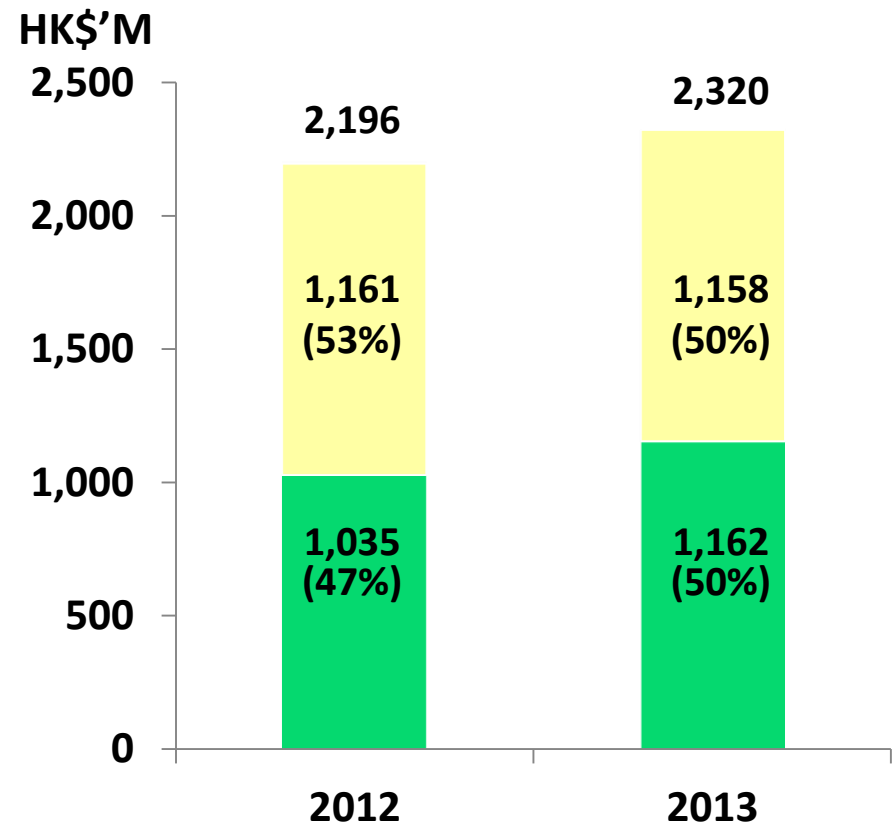
Attributable Operating Profit

By Segment



- Infrastructure
- Services

By Region



- Hong Kong
- Mainland China, Macau & Others

INFRASTRUCTURE

Roads



Energy



Water



Ports & Logistics



INFRASTRUCTURE

As at 31 January 2014



| | | |
|--|-----------|--|
|  Roads | 19 | Roads and related projects in Guangdong, Guangxi, Shanxi, Zhejiang and Tianjin |
| | 1 | Tunnel project in Hong Kong |
|  Energy | 4 | Power plants in the PRC and Macau |
| | 1 | Coal distributor in Guangzhou |
|  Water | 27 | Water treatment projects in the PRC and Macau |
| | 1 | Incineration plant in Shanghai |
| | 1 | Sludge treatment project in Suzhou |
| | 1 | Landfill project in Hong Kong |
| | 2 | Operation and management consulting companies in the PRC |
| | 2 | Strategic investments in Chongqing |
| | 2 | Strategic investments in Chongqing |
|  Ports & Logistics | 3 | Port projects in Xiamen and Tianjin |
| | 1 | Airport investment in Beijing |
| | 1 | Rail container terminals project in the PRC |
| | 2 | Logistics centres in Hong Kong |
| Total Projects | 66 | |

Infrastructure
Roads
Energy
Water
Ports & Logistics

AOP by Segment

| For the six months ended 31 December | 2013 (HK\$'M) | 2012 (HK\$'M) | Change % Fav./(Unfav.) |
|---|------------------|------------------|---------------------------|
| Roads | 673.2 | 690.8 | (3) |
| Energy | 190.8 | 110.2 | 73 |
| Water | 221.3 | 207.5 | 7 |
| Ports & Logistics | 230.4 | 153.4 | 50 |
| Total | 1,315.7 | 1,161.9 | 13 |

Infrastructure

Roads

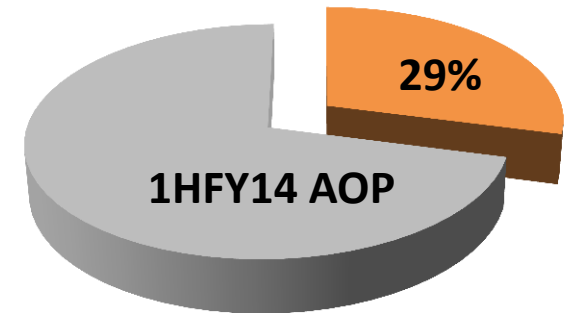
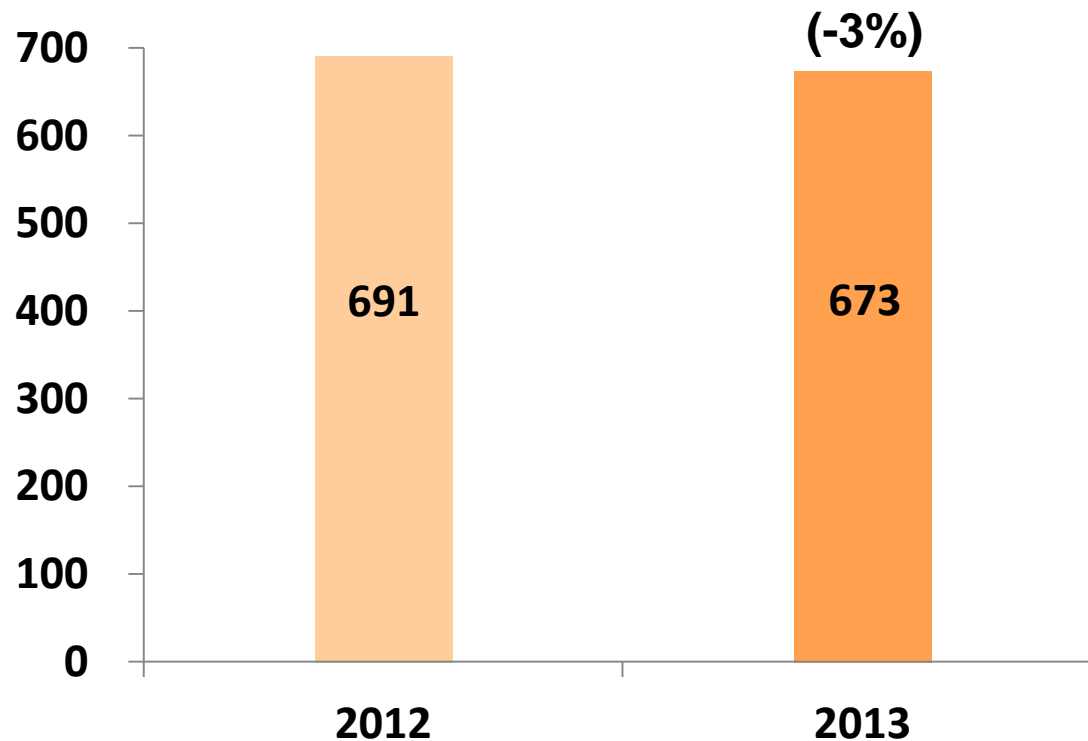
Energy

Water

Ports & Logistics

AOP – Roads

For the six months ended 31 December
HK\$'M



Infrastructure

Roads

Energy

Water

Ports & Logistics

Highlights – Roads

- Hangzhou Ring Road 杭州繞城公路
 - Toll revenue up 5% due to the growth of heavy vehicles
 - Average toll per vehicle up 8% after cancellation of annual pass
- Tangjin Expressway (Tianjin North Section) 唐津高速公路(天津北段)
 - Earnings impacted by the expansion works
- Robust traffic growth in Pearl River Delta Region
 - Guangzhou City Northern Ring Road 廣州市北環高速公路 traffic up 15%
 - Guangzhou-Zhaoqing Expressway 廣肇高速公路 traffic up 20%
 - Guangzhou Dongxin Expressway 廣州市東新高速公路 traffic up 27%
- Impact of negative toll policies fully reflected and moderated by traffic growth

Infrastructure

Roads

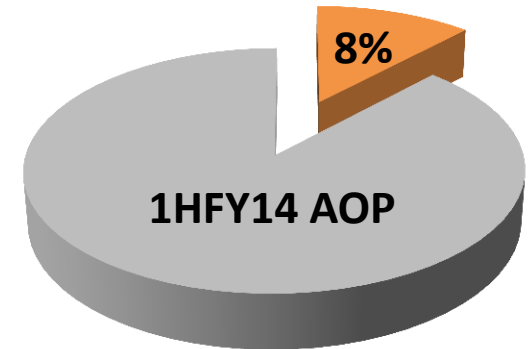
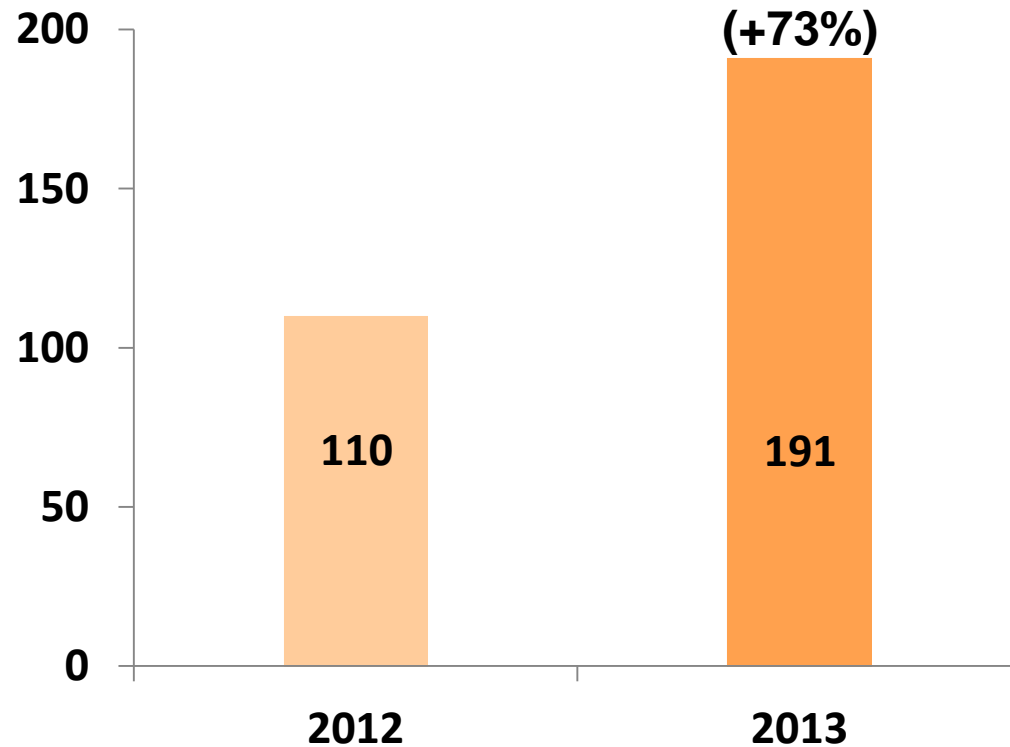
Energy

Water

Ports & Logistics

AOP – Energy

For the six months ended 31 December
HK\$'M



Infrastructure

Roads

Energy

Water

Ports & Logistics

Highlights – Energy

- Zhujiang Power Plants 珠江電廠
 - Electricity sales up 13%

- Chengdu Jintang Power Plant 成都金堂電廠
 - Electricity sales down 19%

- Macau Power 澳門電力
 - Electricity sales up 1%

- Guangzhou Fuel Company 廣州燃料公司
 - Trading volume up 8%



Zhujiang Power Plants

Infrastructure

Roads

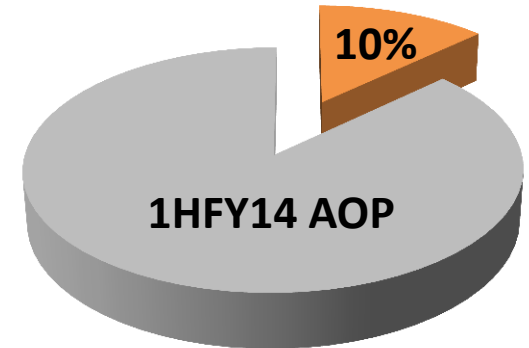
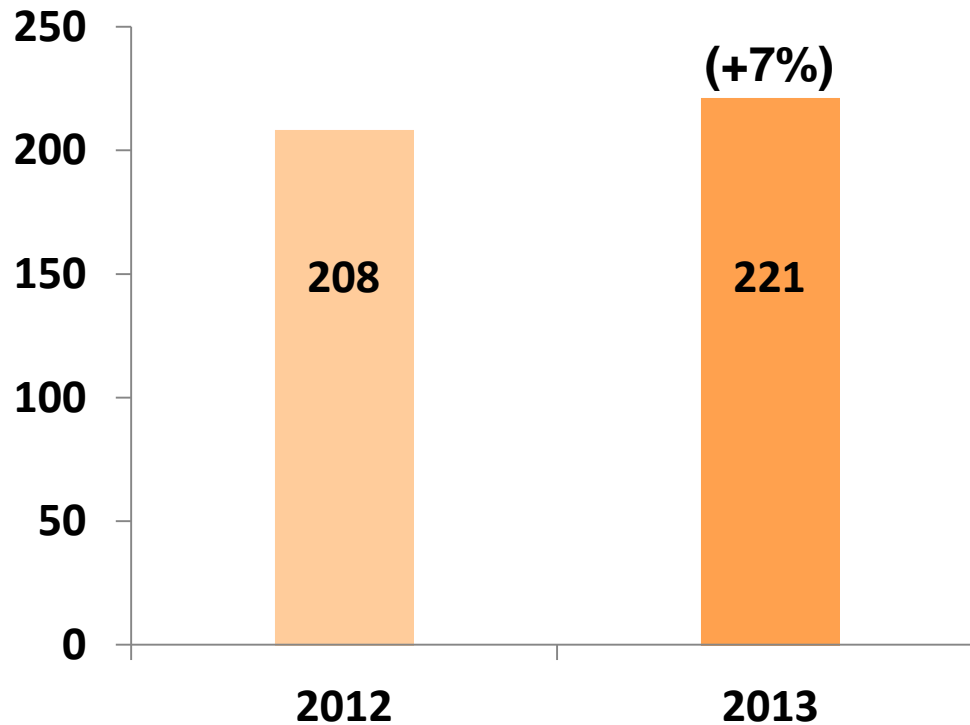
Energy

Water

Ports & Logistics

AOP – Water

For the six months ended 31 December
HK\$'M



Infrastructure

Roads

Energy

Water

Ports & Logistics

Highlights – Water

- ❑ Mainland China projects reported healthy sales volume growth
 - Chongqing Water Plant up 14%
 - Tanggu Water Plant up 13%
 - Chongqing Tangjiatuo Waste Water Plant up 27%
- ❑ Macau Water Plant
 - Sales volume up 5%; Tariff hike of 6% in June 2013
- ❑ New Projects
 - Chengdu Chongzhou Dayi Waste Water Project (Jan 2014)
 - Yangzhou Sludge Treatment Project (operational in 2015)

Infrastructure

Roads

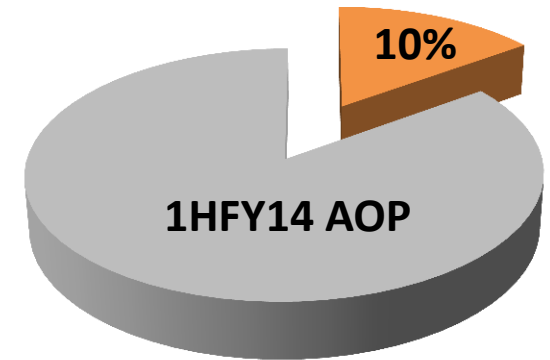
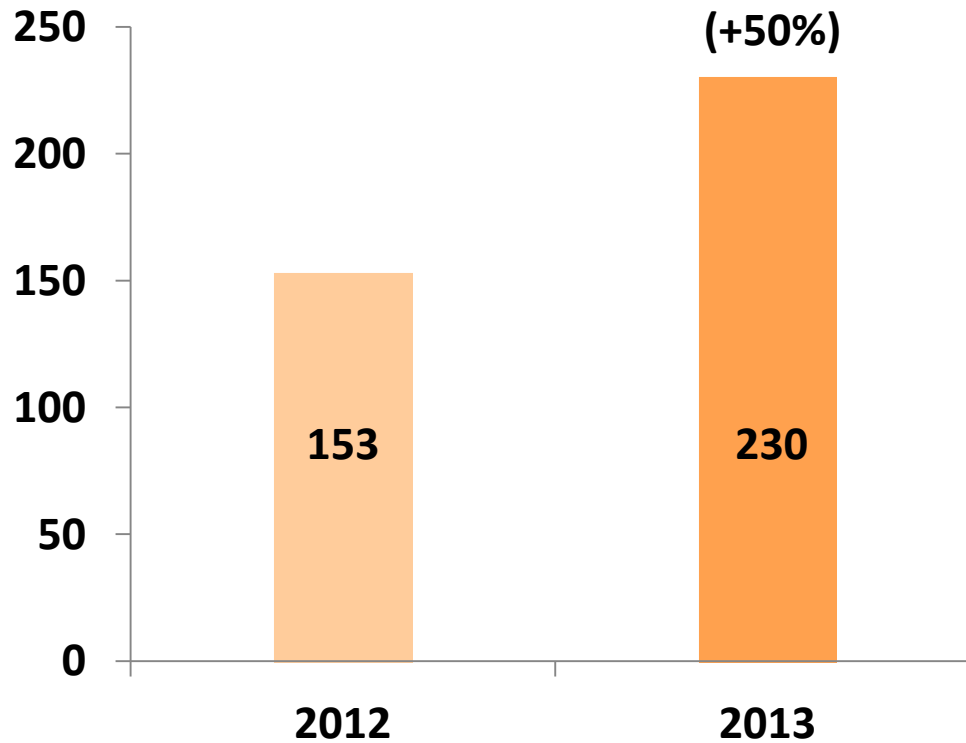
Energy

Water

Ports & Logistics

AOP – Ports & Logistics

For the six months ended 31 December
HK\$'M



Infrastructure

Roads

Energy

Water

Ports & Logistics

Highlights – Ports & Logistics

□ Tianjin Five Continents Int. Container Terminals

天津五洲國際集裝箱碼頭

- Throughput up 2%

□ Tianjin Orient Container Terminals

天津東方海陸集裝箱碼頭

- Throughput down 2%

□ Xiamen Container Terminal Group 廈門集裝箱碼頭集團

- Established on 13 December 2013
- NWS effective interest: 13.8% interest with option to increase to 20% within 3 years
- Restructuring gain of HK\$594M



Tianjin Five Continents Int. Container Terminals

Infrastructure

Roads

Energy

Water

Ports & Logistics

Beijing Capital International Airport (BCIA)

北京首都國際機場 (北京機場)

- ❑ Acquisition of 8.94% BCIA shares in 1HFY2014 (10.3% as at Feb 2014)
- ❑ Second largest shareholder
- ❑ Immediate and recurring earnings contribution
- ❑ Potential growth
 - Over 80 million passengers per year
 - Major international and domestic transportation hub
 - Development of non-aeronautical business activities



Infrastructure

Roads

Energy

Water

Ports & Logistics

Highlights – Ports & Logistics

- ATL Logistics Centre
 - 99% occupancy rate
 - Average rental up 11%

- NWS Kwai Chung Logistics Centre
 - 100% occupancy rate

NWS Kwai Chung Logistics Centre



Total leasable area of 920,000 sq ft

Infrastructure

Roads

Energy

Water

Ports & Logistics

China Rail Container Terminals Project (CUIRC)

- ❑ 8 terminals in operation
- ❑ Throughput up 9%
- ❑ Terminal expansion and development in 2014
 - Chongqing expansion
 - Construction of Tianjin and Urumqi terminals



Terminal in operation

- Kunming
- Chongqing
- Chengdu
- Zhengzhou
- Qingdao
- Wuhan
- Xian
- Dalian

Terminal under construction preparation and planning

- Tianjin
- Urumqi
- Shenyang
- Beijing
- Shenzhen
- Harbin
- Lanzhou
- Ningbo
- Guangzhou
- Shanghai

SERVICES

Facilities Management



Construction & Transport

Services
Facilities Management Construction & Transport Strategic Investments

AOP by Segment

| For the six months ended 31 December | 2013 (HK\$'M) | 2012 (HK\$'M) | Change % Fav./Unfav.) |
|---|--------------------------|--------------------------|----------------------------------|
| Facilities Management | 499.4 | 686.6 | (27) |
| Construction & Transport | 278.3 | 123.3 | 126 |
| Strategic Investments | 226.8 | 224.2 | 1 |
| Total | 1,004.5 | 1,034.1 | (3) |

Services

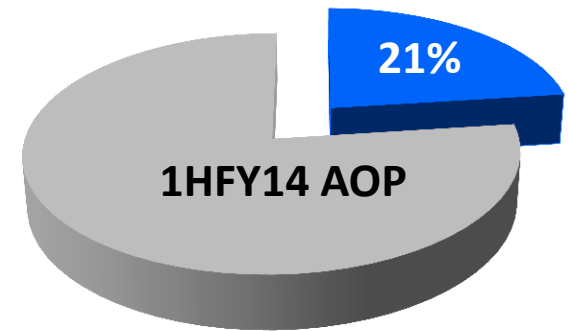
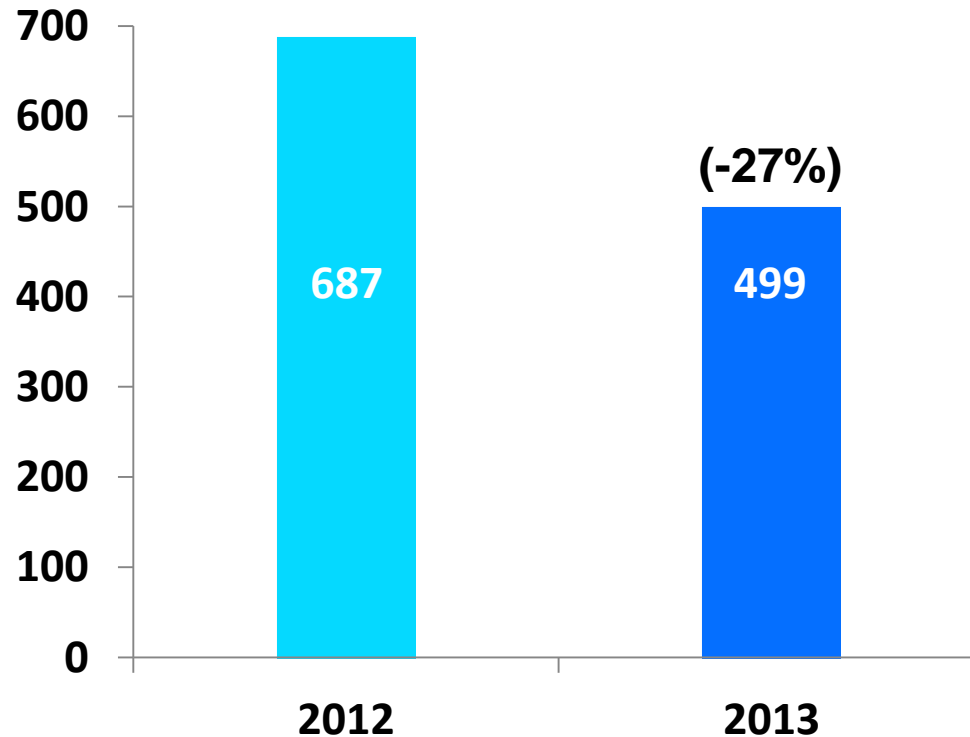
Facilities Management

Construction & Transport

Strategic Investments

AOP – Facilities Management

For the six months ended 31 December
HK\$'M



Highlights – Facilities Management

□ HKCEC

- Over 550 events were held with total patronage of approximately 3.9 million
- Exhibition revenue up 9%



□ Free Duty

- Renovation of land-border shops completed to enhance shopping experience
- Robust growth in average customer spending
- Performance impacted by the expiry of airport concession & renewed concession terms (full-period effect in 1HFY2014)

Services

Facilities Management

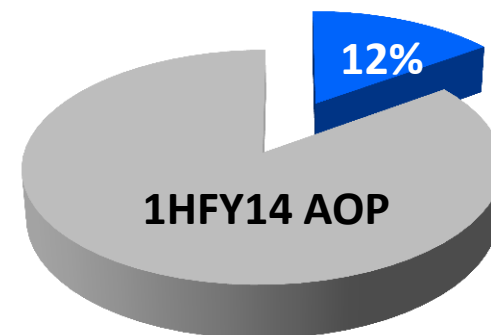
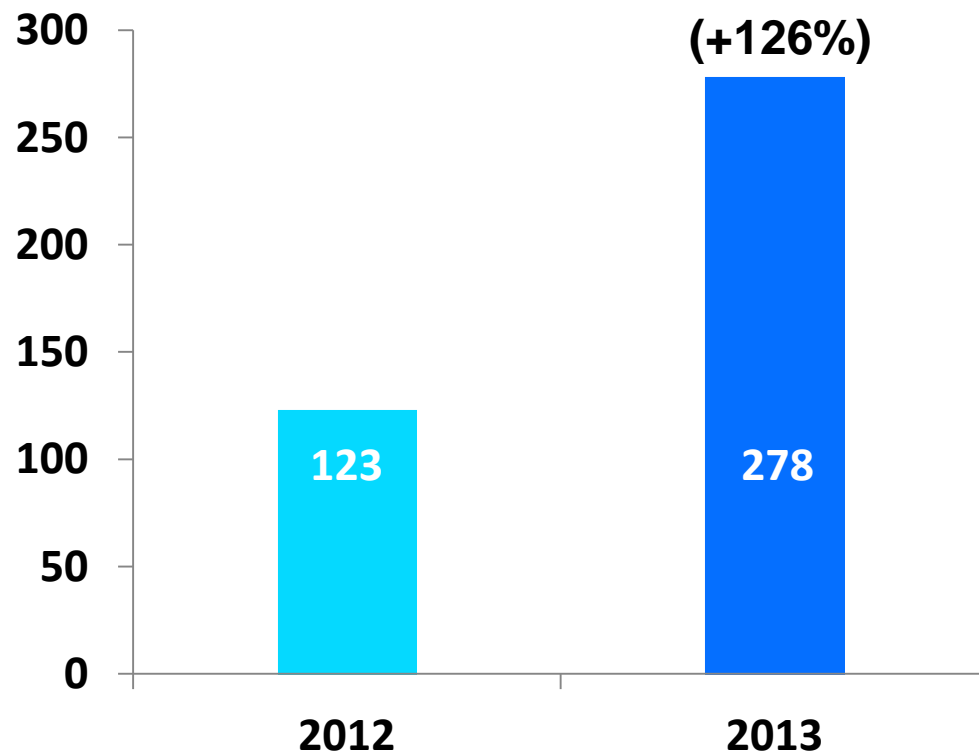
Construction & Transport

Strategic Investments

AOP – Construction & Transport

For the six months ended 31 December

HK\$'M



Highlights – Construction & Transport

- Construction
 - Overall improvement in profit margin and project progress
 - Revenue up 75%
 - Gross contracts-on-hand: HK\$45.6 billion

- Transport
 - Average fuel cost decreased by 5% due to fuel hedging
 - Average patronage up 3%

Services

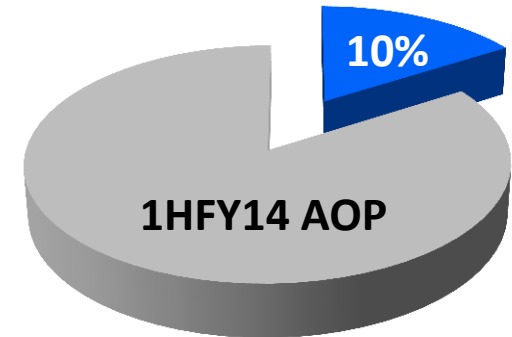
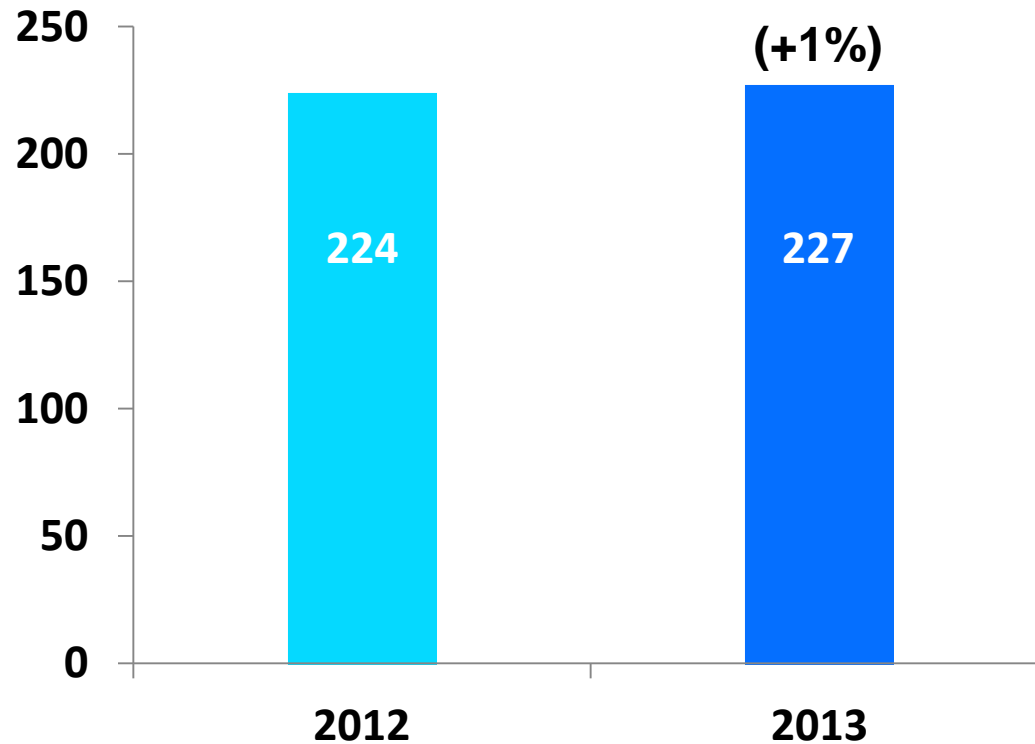
Facilities Management

Construction & Transport

Strategic Investments

AOP – Strategic Investments

For the six months ended 31 December
HK\$'M



Highlights – Strategic Investments

- Profit contributions from
 - Tricor Holdings Limited
 - Haitong International
 - Other investments

Core business - quality earnings amidst volatile environment and growth prospects

Infrastructure

□ Roads

- Earnings without Tangjin Expressway (Tianjin North Section) grew by 12%

□ Energy

- Normalized coal price in favour of power producers in Mainland China

□ Water

- Organic growth and acquisition opportunities

□ Ports & Logistics

- New airport investment and completion of Xiamen port merger
- Reforms on transportation sub-sectors including rail, logistics and airspace

Services

- ❑ Results of Facilities Management affected by cyclical renewal of duty free concessions but impact substantially mitigated by the strong performance of Construction & Transport

Going Forward

- ❑ In acquisition mode (roads and water)
- ❑ Traffic growth at Tangjin Expressway after expansion (saturation capacity increased from 50,000 to 75,000 vehicles/day)
- ❑ Gleneagles Hong Kong Hospital to capture increasing demand for quality healthcare services in Hong Kong (Operational in early 2017)

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Q&A Session