

[For immediate release]

NWS Holdings Repays HK\$1.7 Billion Debt 3-Pronged Strategy Remains Unchanged

[Hong Kong, 29 April 2003] NWS Holdings Limited (Stock code: 0659.HK) today announced that it has paid down HK\$1.7 billion of debt in the past two months, out of which HK\$1 billion was repaid ahead of schedule. After the repayment, the total net debt of the Company is reduced to approximately HK\$ 8.5 billion.

In addition to these repayments, NWS Holdings targets to settle about HK\$4 billion of debt over the next three financial years. The stable and strong cash flows from its operating businesses have enabled NWS Holdings to reduce debt at a steady pace.

As a result of this repayment, NWS Holdings will not only reduce its gearing but also its interest expenses. In line with its active debt-repayment programme, NWS Holdings' gearing will be significantly reduced.

Remarking on the early repayment, Dr. Henry Cheng Kar-Shun, Chairman of NWS Holdings, said "One of the strengths of NWS Holdings' diverse businesses is the ability to generate strong cash flow. The recurrent net cash flow gained from our operating businesses was as high as HK\$ 2.1 billion as recorded in the pro-forma account for full year 2001/02. Given this financial strength, I am confident that NWS Holdings can reduce its debt steadily in accordance to our plan."

Looking forward, Dr. Cheng said the Company's 3-pronged strategy remains unchanged, "Apart from our debt repayment obligation, NWS Holdings' strategy is to pursue growth opportunities and target a dividend policy that is in line with comparable stable-cash-flow businesses."

NWS Holdings enjoys a healthy financial position with HK\$1.4 billion cash on hand after the repayment. The Company is in the process of arranging a term loan of HK\$6 billion to replace its HK\$7 billion bridging loan with the difference of HK\$1 billion being from this early repayment.

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(Incorporated in Bermuda with limited liability)

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This press release can be downloaded from NWS Holdings' website at www.nwsh.com.hk

NWS Holdings Limited

NWS Holdings Limited (Stock code: 0659.HK), the flagship servicing company of New World Development Company Limited (Stock code: 0017.HK), embraces a diversified range of businesses in Hong Kong, Macau and in Mainland China. These businesses can be broadly grouped under three main divisions: service, traditional infrastructure and ports. Its **service** arm comprises Facilities (*Urban Property Management, General Security and the management of the Hong Kong Convention and Exhibition Centre*), Contracting (*Hip Hing Construction and NWS Engineering*), Transport (*First Bus and First Ferry*), Financial and Environmental. The **traditional infrastructure** portfolio includes energy, toll roads, water and sewage treatment projects, bridges, and a tunnel. For **ports**, NWS Holdings is principally engaged in container and cargo handling, logistics and warehouse management.

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