



For immediate release

NWS Holdings Announces FY2012 Interim Results

HIGHLIGHTS

	For the six months ended 31 December		
	2011 HK\$ million	2010 HK\$ million	Change +/(-)%
Revenue	6,941.9	4,734.0	47
Attributable Operating Profit	1,972.4	2,213.9	(11)
Profit Attributable to Shareholders	3,423.1	2,391.2	43
Earnings per share (EPS)	HK\$1.01	HK\$0.73	38
Interim dividend per share	HK\$0.50	HK\$0.37	35
Net Assets	35,309.3	32,346.1*	9

*as at 30 June 2011

Total cash and bank balances: HK\$7,795 million (30 June 2011: HK\$4,501 million)

(28 February 2012, Hong Kong) NWS Holdings Limited (“NWS Holdings” or the “Group”; Hong Kong stock code: 659) today announced its interim results for the six months ended 31 December 2011 (the “Current Period”).

The Group reported a remarkable profit attributable to shareholders of HK\$3,423 million (2010: HK\$2,391 million), representing a significant increase of 43% compared with the corresponding period in 2010 (the “Last Period”). The consolidated revenue for the Current Period rose 47% to HK\$6,942 million (2010: HK\$4,734 million), as a result of the acquisition of Hangzhou Ring Road (“HZRR”) and revenue increase from the Services division. Attributable Operating Profit (“AOP”) dropped 11% to approximately HK\$1,972 million (2010: HK\$2,214 million).

The Board of Directors (the “Board”) has resolved to declare an interim dividend for the year ending 30 June 2012 in scrip form equivalent to HK\$0.50 per share (2010: HK\$0.37 per share) with a cash option to the shareholders on the register on 22 March 2012. The dividend payout ratio of 50.6% is in line with the dividend strategy declared by the Board in FY2005.

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新創建集團有限公司 NWS Holdings Limited

(incorporated in Bermuda with limited liability)

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The Group's performance reflects a careful implementation of our strategy of building a balanced portfolio, prudent financial management and disciplined investment, which will continue to offer resilience in volatile financial and business environment in Hong Kong and Mainland China.

Solid performance of Infrastructure

The Infrastructure division generated an AOP of HK\$1,056 million, a decrease of 16% as compared to HK\$1,261 million in the Last Period.

Roads

AOP contribution from the Roads segment dropped by 18% to HK\$613 million, mainly due to a decrease of approximately HK\$234 million in gain on extra profit distribution from Tangjin Expressway (Tianjin North Section) during the Current Period. Its average daily traffic flow grew by 11% mainly due to the growth in private vehicle ownership and economic development of Binhai New Area in Tianjin.

The newly acquired HZRR provided a significant contribution to the AOP in the Current Period. After the fourth stage of acquisition which was completed in January 2012, the Group holds a 95% effective interest in the project which is expected to contribute strong and recurring AOP and cash inflows to the Group. The average daily traffic flow of HZRR reached 110,000 towards the end of 2011 and its growth momentum is expected to continue.

In the Pearl River Delta Region, the average daily traffic flow of Guangzhou City Northern Ring Road saw an increase of 15%, which was the combined effect of repair and maintenance works undertaken by a competing road during the Current Period and the traffic control adopted during the Asian Games in the Last Period. Average daily traffic flow of Beijing-Zhuhai Expressway (Guangzhou-Zhuhai Section) and Shenzhen-Huizhou Expressway grew by 8% and 7% respectively when compared to the Last Period. Phase two of Guangzhou-Zhaoqing Expressway, which was completed in September 2010, has greatly enhanced its competitiveness in the Pearl River Delta Region and reported a traffic growth of 18% in the Current Period.

Energy

AOP contribution from the Energy segment reduced by 53% to HK\$90 million, mainly due to surging coal price in Mainland China.

Electricity sales of Zhujiang Power Plants decreased by 8% due to system upgrade and overhaul works carried out during the Current Period. Electricity sales of Chengdu Jintang Power Plant and Macau Power, on the other hand, grew by 6% and 8% respectively. The on-grid tariff increase in December 2011 is expected to mitigate the impact of high fuel costs on the Group's power plants in Mainland China.

Trading revenue of Guangzhou Fuel Company continued to rise by 25% but its AOP for the Current Period was under pressure as a result of lower gross profit margin and higher financial expense in relation to the investment in a coal mine project in Mainland China.

Water

AOP of the Water segment achieved an increment of 19% to HK\$201 million.

Sales volume of Chongqing Water Plant rose 10% during the Current Period. Volume of waste water treated by Shanghai SCIP Water Treatment Plants and Chongqing Tangjiatuo Waste Water Plant also registered a growth of 10% and 8% respectively. A tax refund made to Shanghai SCIP Water Treatment Plants after the project was awarded as a hi-tech enterprise also contributed to the growth in AOP for the Current Period. The new Chongqing CCIP Water Treatment Plants commenced operation in September 2011. Water sales in Macau Water Plant grew by 6% when compared to the Last Period.

Chongqing Water Group continued to be a major AOP contributor to this segment.

Ports & Logistics

AOP of the Ports & Logistics segment increased slightly to HK\$153 million in the Current Period.

The throughput of Xiamen New World Xiangyu Terminals Co., Ltd increased by 33% to 528,000 TEUs due to additional shipping routes obtained during the Current Period. The new Xiamen Haicang Xinhaida Container Terminals, which became operational in September 2011, is well-positioned to take advantage of the trade across the Taiwan Strait.

In Tianjin, the throughput of Tianjin Orient Container Terminals Co., Ltd. and Tianjin Five Continents International Container Terminal Co., Ltd, grew by 3% to 463,000 TEUs and 12% to 1,123,000 TEUs respectively in the Current Period.

Occupancy rate at ATL Logistics Centre increased from 95% to 98% whilst the average rental also grew by 2% during the Current Period. The newly completed NWS Kwai Chung Logistics Centre provides a total leasable area of approximately 920,000 square feet and is expected to bring a steady operating profit and cash inflows to the Group in the near term.

The eight operating rail container terminals of China United International Rail Containers Co., Ltd. reported a satisfactory throughput growth of 27% to 757,000 TEUs for the Current Period, resulting from increase in business volume of Kunming and Chongqing terminals and full-period effect of operations of several terminals. These phase-one terminals in Kunming, Chongqing, Chengdu, Zhengzhou, Dalian, Qingdao, Wuhan and Xian have formed a network covering both coastal and inland regions in Central China. The remaining terminals of the phase-two development are currently under planning and construction preparation.

Stable contribution from Services

AOP of the Services division recorded a decrease of 4% to HK\$916 million in the Current Period.

Facilities Management

The Facilities Management segment which comprises mainly the Hong Kong Convention and Exhibition Centre (“HKCEC”) and Free Duty reported an AOP of HK\$578 million, representing a 43% growth in the Current Period.

The Group continued to benefit from the growth of exhibition industry. During the period, 631 events were held at HKCEC with total patronage of approximately 3.9 million.

Increased patronage and spending power, especially from Mainland Chinese visitors, contributed to the significant growth of Free Duty’s retail business at various cross-boundary transportation terminals in Hong Kong.

Construction & Transport

AOP of the Construction & Transport segment recorded an increase of 22% to HK\$183 million.

The Construction business recognized an AOP of HK\$91.2 million in the Current Period. The Construction business will focus on the Hong Kong and Macau markets, in particular serving the needs of group companies and targeting on sizeable employers that demand high quality services.

The Group's Transport business reported an AOP of 15% increase during the Current Period, as a result of disposal gain of the Macau Ferry operations. Excluding the gain of disposal, the AOP dropped by 19% compared to the Last Period as fuel costs rose by nearly 36%.

Strategic Investments

This segment includes contributions from Tricor Holdings Limited, Haitong International Securities Group Limited, Hyva Holding B.V., Newton Resources Ltd ("Newton Resources") and other securities investments held by the Group for strategic investment purposes. Its AOP showed a decline of 61% to HK\$155 million during the Current Period, which reflected the volatile investment environment.

On 4 July 2011, the spin-off of Newton Resources had been completed and dealings of its shares on the Main Board of the Hong Kong Stock Exchange commenced on that date. As a result, the Group's effective interest in Newton Resources decreased from approximately 60% to 48% and it ceased to be a subsidiary of the Group immediately upon listing. A dilution gain of HK\$1,843 million resulting from the listing was recorded in the Current Period.

Capitalizing on a balanced portfolio

The Group is confident that the existing portfolio of defensive and well-diversified assets will continue to generate stable earnings and growth despite the economic uncertainty in both Mainland China and Hong Kong. At the same time, the Group will continue to capitalize on its financial strength and close connections with its local partners to identify and acquire high-quality infrastructure projects, as reflected in the acquisition of HZRR.

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Attachment: NWS Holdings' Condensed Consolidated Income Statement (Unaudited)

This press release is also available at the Group's website (www.nws.com.hk).

NWS Holdings Limited

NWS Holdings Limited (“NWS Holdings”, Hong Kong stock code: 659), the infrastructure and service flagship of New World Development Company Limited (Hong Kong stock code: 17), embraces businesses in Hong Kong, Mainland China and Macau. Its **Infrastructure** portfolio includes Roads, Energy, Water and Ports & Logistics projects. Its **Services** division comprises Facilities Management (*the management of Hong Kong Convention and Exhibition Centre and Free Duty*), Construction & Transport (*Hip Hing Construction and bus and ferry services*) and Strategic Investments (*Tricor, Haitong, Newton Resources and securities investments*).

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Attachment

Condensed Consolidated Income Statement – Unaudited

	For the six months ended 31 December	
	2011 HK\$'m	2010 HK\$'m
Revenue	6,941.9	4,734.0
Cost of sales	(5,451.9)	(3,902.3)
Gross profit	1,490.0	831.7
Gain on deemed disposal of interest in a subsidiary	1,842.7	-
Other income/gains (net)	76.1	739.4
General and administrative expenses	(346.8)	(300.3)
Operating profit	3,062.0	1,270.8
Finance costs	(211.3)	(49.5)
Share of results of		
Associated companies	280.5	198.1
Jointly controlled entities	711.4	1,175.1
Profit before income tax	3,842.6	2,594.5
Income tax expenses	(275.4)	(187.3)
Profit for the period	3,567.2	2,407.2
Attributable to		
Shareholders of the Company	3,423.1	2,391.2
Non-controlling interests	144.1	16.0
	3,567.2	2,407.2
Dividend	1,731.3	1,226.9
Earnings per share attributable to shareholders of the Company		
Basic and diluted	HK\$1.01	HK\$0.73