



For immediate release

**NWS Holdings Posts Record High Annual Results in FY2012**

**HIGHLIGHTS**

	<b>FY2012</b>	<b>FY2011</b>	<b>Change</b>
	<b>HK\$ million</b>	<b>HK\$ million</b>	<b>+ / (-) %</b>
Revenue	<b>14,954.3</b>	9,560.6	56
Attributable Operating Profit	<b>4,207.6</b>	4,056.2	4
Profit attributable to shareholders	<b>5,251.1</b>	4,626.8	13
Earnings per share (EPS)	<b>HK\$1.53</b>	HK\$1.40	9
Dividend per share	<b>HK\$0.75</b>	HK\$0.70	7
Net assets	<b>36,632.8</b>	32,346.1	13

Total cash and bank balances: HK\$5,386 million (30 June 2011: HK\$4,501 million)

Net gearing ratio: 34%

(25 September 2012, Hong Kong) NWS Holdings Limited (“NWS Holdings” or the “Group”; Hong Kong stock code: 659) achieved another record breaking set of results for the year ended 30 June 2012 (“FY2012”). Revenue rose by 56% to HK\$14,954 million (FY2011: HK\$9,561 million). Profit attributable to shareholders rose by 13% to hit a record high of HK\$5,251 million (FY2011: HK\$4,627 million), while Attributable Operating Profit (“AOP”) increased by 4% to HK\$4,208 million (FY2011: HK\$4,056 million).

The Group’s outstanding results reflect positively on its strategy of maintaining sustainable growth by investing in high-quality and well balanced infrastructure assets, particularly under the Roads and Water segments in Mainland China; and by maximizing the profit and cash flow from core services assets in Hong Kong.

The Board of Directors (the “Board”) has resolved to recommend a final dividend for FY2012 in scrip form equivalent to HK\$0.25 per share (FY2011: HK\$0.33 per share) with a cash option to the shareholders on the register on 26 November 2012. Together with the interim dividend of HK\$0.50 per share (FY2011: HK\$0.37 per share) paid in May 2012, total distribution of dividend by the Group for FY2012 will be HK\$0.75 per share (FY2011: HK\$0.70 per share), representing a payout ratio of approximately 50.2%.

**新創建集團有限公司 NWS Holdings Limited**

(incorporated in Bermuda with limited liability)

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▪ Infrastructure 基建 ▪ Services 服務

## Infrastructure businesses

Infrastructure division generated an AOP of HK\$2,133 million, an increase of 3% as compared to HK\$2,067 million in FY2011.

### Roads

The Roads segment registered an AOP growth of 7% to HK\$1,210 million in FY2012.

The completion of the acquisition of Hangzhou Ring Road (“HZRR”) in FY2012 has effectively strengthened the Group’s roads portfolio and extended its footprint to the Yangtze River Delta Region. This 103.4km long expressway boasts an average daily traffic volume of over 100,000 vehicles and contributed significantly to the segment’s AOP in FY2012.

AOP from the Tangjin Expressway (Tianjin North Section) dropped in FY2012 due to a decrease of approximately HK\$264 million in gain on extra profit recognition when compared to FY2011. Its average daily traffic flow maintained at a similar level as FY2011. To capture the high rate of economic growth in Tianjin Binhai New Area, expansion works of this expressway has begun in FY2012 and will be completed by FY2015.

In the Pearl River Delta Region, Guangzhou City Northern Ring Road, Beijing-Zhuhai Expressway (Guangzhou-Zhuhai Section) and Shenzhen-Huizhou Expressway (Huizhou Section) recorded growth in average daily traffic flow of 13%, 7% and 9% respectively when compared to FY2011. Guangzhou-Zhaoqing Expressway also reported a traffic growth of 17% in FY2012 due to the opening of its phase two section in September 2010 and economic development. In Hong Kong, the average daily traffic flow of Tate’s Cairn Tunnel rose by 3% compared to FY2011.

### Energy

AOP of the Energy segment dropped by 26% to HK\$262 million, mainly due to surging coal price in FY2012.

Zhujiang Power Plants registered a decrease in electricity sales of 5% due to system upgrade and overhaul works. Electricity sales of Chengdu Jintang Power Plant and Macau Power, on the other hand, grew by 6% and 9% respectively. The on-grid tariff increase in December 2011 mitigated the impact of high fuel costs on the Group’s power plants in Mainland China.

### Water

AOP of the Water segment increased to HK\$359 million in FY2012, representing a robust growth of 21%.

The sales volume of Chongqing Water Plant and Sanya Water Plant increased by 6% and 8% respectively. Waste water treated by Chongqing Tangjiatuo Waste Water Plant reported a growth of 13%. The new Chongqing CCIP Water Treatment Plants commenced operation in September 2011. In addition, water sales volume of Macau Water Plant rose by 6% when compared to FY2011.

In May 2012, the Group secured a 30-year concession for the provision of water treatment services at the Wuhan Chemical Industry Park through its joint venture Wuhan Sino French Water Company Limited (“Wuhan JV”). Combined with previous agreements, Wuhan JV will become the exclusive provider of integrated water and wastewater services in the industry park.

### Ports & Logistics

AOP of the Ports & Logistics segment increased by 7% to HK\$301 million in FY2012.

The throughput of Xiamen New World Xiangyu Terminals Co., Ltd. rose by 29% due to additional shipping routes obtained in FY2012. The new Xiamen Haicang Xinhaida Container Terminals commenced operation in September 2011. The throughput of Tianjin Five Continents International Container Terminal Co., Ltd. and Tianjin Orient Container Terminals Co., Ltd. also grew by 10% and 3% respectively.

ATL Logistics Centre continued to make stable AOP contribution to the Group. Average occupancy rate increased to 98% in FY2012. Since commencement of operation in December 2011, the NWS Kwai Chung Logistics Centre has been fully leased out and is expected to generate a steady AOP and cash flow to the Group.

The eight operating rail container terminals of China United International Rail Containers Co., Ltd. (“CUIRC”) reported a throughput growth of 20% during FY2012. With its unique position, CUIRC stands to capture the growing demand for rail freight fueled by government policy to support the development of sea-rail transportation and block train services to Europe.

## Services businesses

The Services division recorded an AOP of HK\$2,075 million in FY2012, representing a 4% increase in FY2012.

### Facilities Management

The Facilities Management segment reported an AOP of HK\$1,184 million in FY2012, representing a 35% growth over the previous year.

The Group continued to benefit from the growth of the exhibition and convention industry in FY2012. During the year, more than 1,200 events were held at the Hong Kong Convention and Exhibition Centre with total patronage of approximately 5.6 million.

Strong patronage of affluent travellers, especially Mainland Chinese visitors, contributed to the significant growth of Free Duty's retail business. With the expiry of concession contract at the Hong Kong International Airport in November 2012, the Group remains optimistic about the prospects of its duty free business due to the successful renewal of concession contracts at all the land border crossings for five years.

### Construction & Transport

The segment achieved an AOP of HK\$334 million in FY2012, representing an increase of 20% over FY2011.

The Construction business recognized an AOP of HK\$188 million in FY2012, representing a 15% increase from FY2011. As at 30 June 2012, the gross value of contracts on hand was approximately HK\$21.4 billion.

Transport business reported an AOP of HK\$146 million in FY2012, representing a 27% increase over FY2011. This was mainly attributable to the gain on the disposals of Macau ferry operation and the bus operation in Kunming, the PRC.

### Strategic Investments

The segment recorded an AOP of HK\$556 million in FY2012. The drop in AOP was mainly due to market volatility and reduction in disposal gains of securities.

## Going forward

Despite the challenging global economic conditions, the Group expects the economic growth in Mainland China and Hong Kong to remain relatively firm and views the Group's overall prospect positively. The Group is confident that its overall strategic direction and resilient business model will continue to deliver stable and sustainable growth.

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### ***Attachment: NWS Holdings' Consolidated Income Statement***

*This press release is also available on the Group's website ([www.nws.com.hk](http://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 International, Newton Resources and securities investments*).

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**Attachment**

Consolidated Income Statement

For the year ended 30 June

	2012	2011
	HK\$'m	HK\$'m
Revenue	14,954.3	9,560.6
Cost of sales	<u>(11,876.2)</u>	<u>(7,901.7)</u>
Gross profit	3,078.1	1,658.9
Gain on deemed disposal of interest in a subsidiary	1,842.7	-
Other income / gains (net)	571.7	1,715.3
General and administrative expenses	<u>(654.5)</u>	<u>(717.2)</u>
Operating profit	4,838.0	2,657.0
Finance costs	(580.1)	(104.3)
Share of results of		
Associated companies	557.2	620.4
Jointly controlled entities	<u>1,237.5</u>	<u>1,922.9</u>
Profit before income tax	6,052.6	5,096.0
Income tax expenses	<u>(625.0)</u>	<u>(440.4)</u>
Profit for the year	<u>5,427.6</u>	<u>4,655.6</u>
Attributable to		
Shareholders of the Company	5,251.1	4,626.8
Non-controlling interests	<u>176.5</u>	<u>28.8</u>
	<u>5,427.6</u>	<u>4,655.6</u>
Dividends	<u>2,636.8</u>	<u>2,345.2</u>
Earnings per share attributable to the shareholders of the Company		
Basic	<u>HK\$1.53</u>	<u>HK\$1.40</u>
Diluted	<u>HK\$1.52</u>	<u>HK\$1.40</u>