

Hopewell Highway Infrastructure Limited

合和公路基建有限公司

FY2010/11 Annual Results

2010/11 財政年度全年業績

25 August 2011

Presentation slides are available in www.hopewellhighway.com

Group Messages

集團信息

- **Entering a new phase**

昂然邁進新階段

- **Strong and solid financial position for future investments**

具備穩健的財務實力投資新項目

- **Poised to grow with the Pearl River Delta economy**

緊貼珠江三角洲的經濟發展



Key Highlights

摘要

- GS, Phases I & II West aggregate average daily traffic ↑ 23% to 473k vehicles**
 廣深高速、西綫 I 期和 II 期的合計日均車流量上升23%至47.3萬架次

 - Excluding Phase II West (opened 25 Jun 2010), GS & Phase I West aggregate average daily traffic ↑ 12% to 429k vehicles**
 不包括西綫 II 期 (2010年6月25日通車), 廣深高速及西綫 I 期的合計日均車流量上升12%至42.9萬架次

- GS recorded steady growth in Class 1 vehicles**
 廣深高速一類小車錄得穩健的增長

 - ◆ Classes 4 & 5 trucks toll revenue overtook FY08 level**
 四及五類貨車的路費收入已超過2008財政年度的水平

- In 2H FY11, Phase II West achieved cash-flow breakeven target in the 1st year of operation i.e. RMB800,000 average daily toll revenue**
 西綫 II 期於2011財政年度下半年已達到現金流收支平衡的首年營運目標, 即日均路費收入達人民幣80萬元

 - ◆ Net cash inflow recorded**
 錄得淨現金流入

- Phase III West planned to be completed earlier by 1H 2013**
 西綫 III 期計劃提早於2013上半年完工

- Net cash on hand at HHI corporate level (excluding jointly controlled entities) approx. RMB855m (or HK\$1,030m, HK\$0.35/share) as of 30 Jun 2011**
 在2011年6月30日, 合和公路基建公司層面 (不包括共同控制個體) 持有手頭淨現金約人民幣8.55億元 (或相等於港幣10.3億元, 每股港幣0.35元)

(HK\$'M) (港幣百萬元)	Year ended 30-Jun 截至6月30日止年度		% change 轉變(%)
	2010	2011	
Net toll revenue 淨路費收入	1,940	2,275	+17%
EBIT of toll expressways 收費高速公路除利息及稅項前溢利	1,355	1,547	+14%
Profit attributable to owners of the Co. 公司股東應佔溢利	956	1,018	+6%

- **Net toll revenue ↑ 17% mainly due to** 淨路費收入上升17%，主要受惠於
 - ◆ **Guangdong's increasing car ownership and economic growth**
廣東省汽車擁有量增加及經濟增長
 - ◆ **Passenger and freight transportation growth**
客貨運輸的增長
 - ◆ **Phase II West full year operation (opened on 25 Jun 2010)**
西綫 II 期的全年營運 (2010年6月25日通車)

- **Profit attributable to owners of the Company ↑ 6% mainly because** 公司股東應佔溢利上升6%，主要由於
 - ◆ **Rise in toll revenue and exchange gain offset the step up of GS' tax rate and Phase II West's loss in 1st year of operation**
路費收入及匯兌盈利的增加，抵銷了廣深高速稅率的上升及西綫 II 期在首年營運的虧損

Financial Highlights (cont'd)

財務摘要(續)

	Year ended 30-Jun 截至6月30日止年度		% change 轉變(%)
	2010	2011	
EPS (HK cents) 每股溢利(港仙)	32.28	34.39	+7%
DPS (HK cents) 每股股息(港仙)	Interim 中期: 17	Interim 中期: 16	
	Final 末期: 15	Final 末期: 18	
	Total 合計: 32	Total 合計: 34	

Financial Highlights (cont'd)

財務摘要(續)

- **HHI issued RMB1.98 billion corporate bonds in Jul 2010 & May 2011 to broaden financing sources of itself & JV Co.**
合和公路基建在2010年7月及2011年5月共發行19.8億元人民幣企業債券，有助進一步拓闊本公司及合營企業的融資渠道
 - ◆ **The first non-financial institution to issue RMB corporate bonds in Hong Kong, Jul 2010**
於2010年7月，成為首家於香港發行人民幣企業債券的非金融機構
 - ◆ **For Phase III West's development**
以發展西綫 III 期項目
- **Use part of RMB bonds proceeds and injected RMB996m for Phase III West's development as of 30.6.2011 (Registered Capital: RMB496m; Shareholder's Loan: RMB500m)**
運用部份人民幣債券籌得的金額並在2011年6月30日已投入人民幣9.96億元，用作發展西綫III期項目
(註冊資本：人民幣4.96億元；股東貸款：人民幣5億元)
- **Obtained approval to inject registered capital in RMB for Phase III West**
已獲得批准以人民幣投入註冊資本予西綫 III期項目
- **Phase II West total cost of approx. RMB7b was lower than budget of RMB7.2b**
西綫 II 期的總成本約人民幣 70億元，低於預算的人民幣72億元

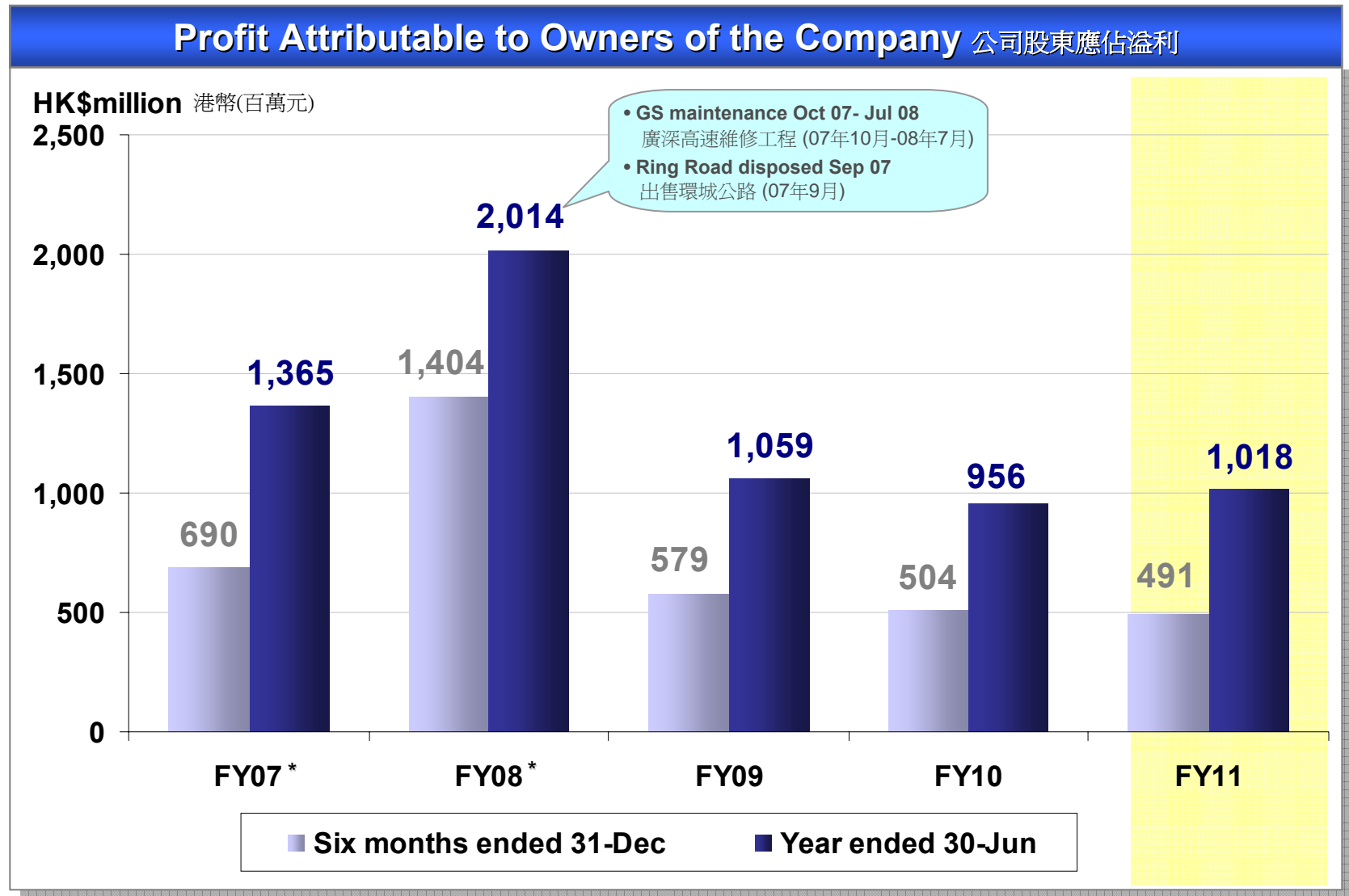
HK\$'M 港幣(百萬元)	Net Toll Revenue 淨路費收入		EBIT 除利息及稅項前溢利		Results 業績		
	2010	2011	2010	2011	2010	2011	% chng 轉變(%)
For the year ended 30-Jun 截至6月30日止年度							
GS Superhighway ^{N1} 廣深高速公路	1,851	2,021	1,296	1,403	984	978	
Phase I West 西綫 I 期	88	96	59	63	35	44	
Phase II West 西綫 II 期	1	158	-	81	(2)	(55)	
Net Toll Rev/EBIT/Net Profit of toll expys 收費高速公路之淨路費收入/除利息及稅項前溢利/淨溢利	1,940	2,275	1,355	1,547	1,017	967	-5% ^{N2}
		+17%		+14%			
Corporate results: 公司層面業績							
Interest income 利息收入					9	83	
Other income 其他收入					4	2	
General and administrative expenses 一般行政費用					(40)	(48)	
Finance costs 財務成本					(12)	(53)	
Income tax expenses 所得稅開支					(0)	(3)	
					(39)	(19)	
Net exchange gain/(loss) 淨匯兌盈利/(虧損)					(5)	89	
Profit for the year 本年度溢利					973	1,037	
Minority interests 少數股東權益					(17)	(19)	
Profit attributable to owners of the Company 公司股東應佔溢利					956	1,018	+6%

N1: Excl. exchange difference from USD & HKD loans and related tax

N2: Excluding the effect of step up on GS' tax rate, net profit of toll expressways would rise 6% yoy

Profit Attributable to Owners of the Company

公司股東應佔溢利



Note: Figures in FY07-08 have been restated

* Incl. exchange gain of \$439m & \$236m in FY08 & FY07 respectively

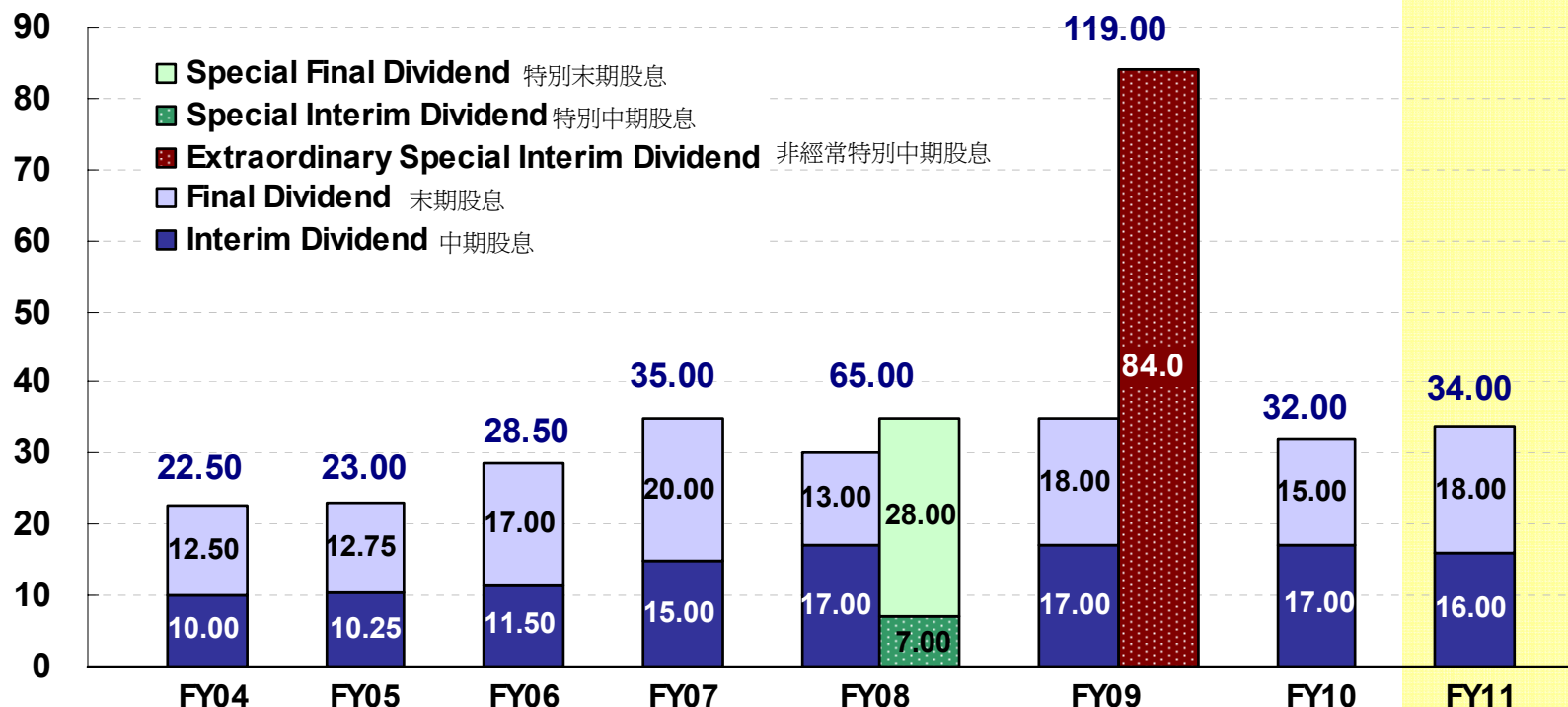
● **Target around 100% dividend payout ratio, in light of HHI's strong financial position**

由於合和公路基建的財政穩健，目標派息比率約100%

● **Around 100% target dividend payout sustainable** 約100%的目標派息比率可以持續

HHI Dividend 合和公路基建的股息

HK cents/sh(每股港幣)



Total Dividend Payout Ratio^{N2}

88%

74%

75%

77%

97%

98%^{N1}

99%

99%

N1: Excl. \$0.84/share extraordinary special interim dividend paid in Nov 08

N2: Profits in FY04-08 have not been restated in order to reflect the actual payout ratio decided in those years

● **Aggregate average daily traffic of GS, Phases I & II West ↑ 23% to 473k vehicles**

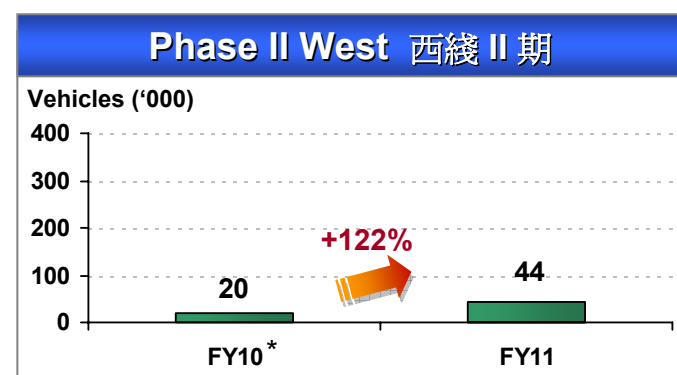
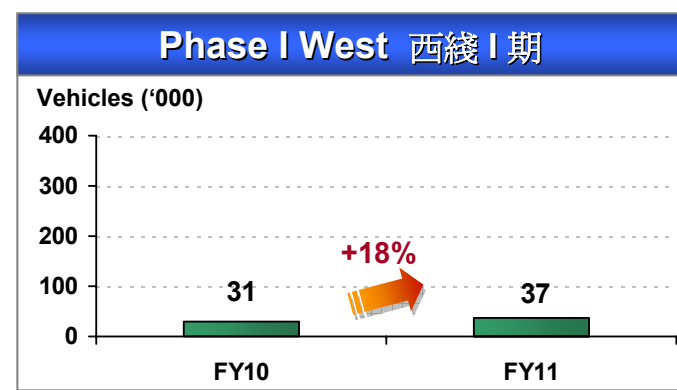
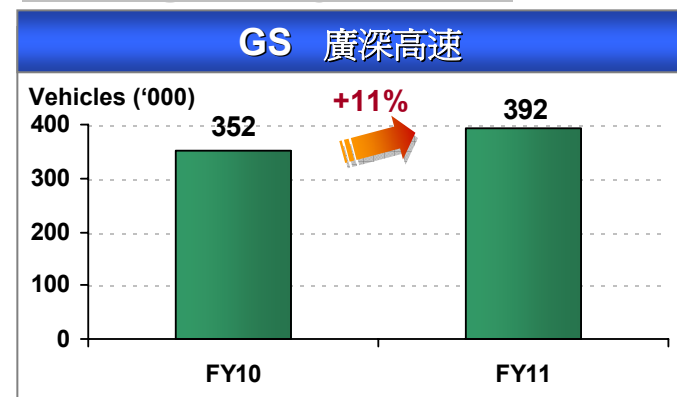
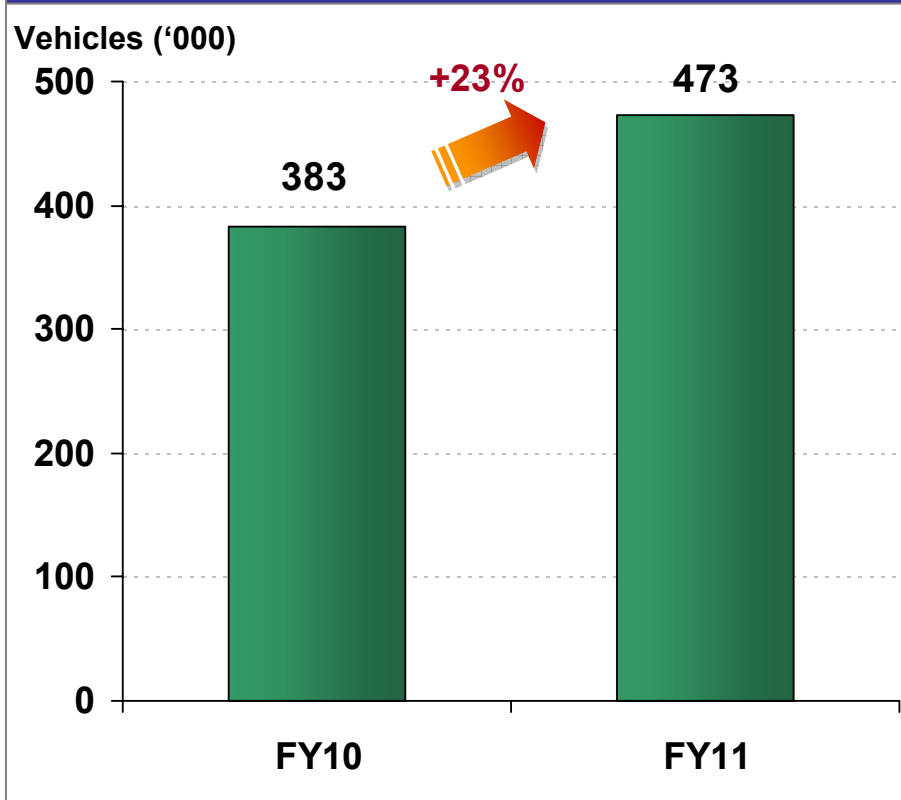
廣深高速、西綫 I 期和 II 期的合計日均車流量 ↑ 23% 至 47.3 萬架次

◆ **↑ 12% to 429k vehicles (GS & Phase I West)**

廣深高速和西綫 I 期的合計日均車流量 ↑ 12% 至 42.9 萬架次

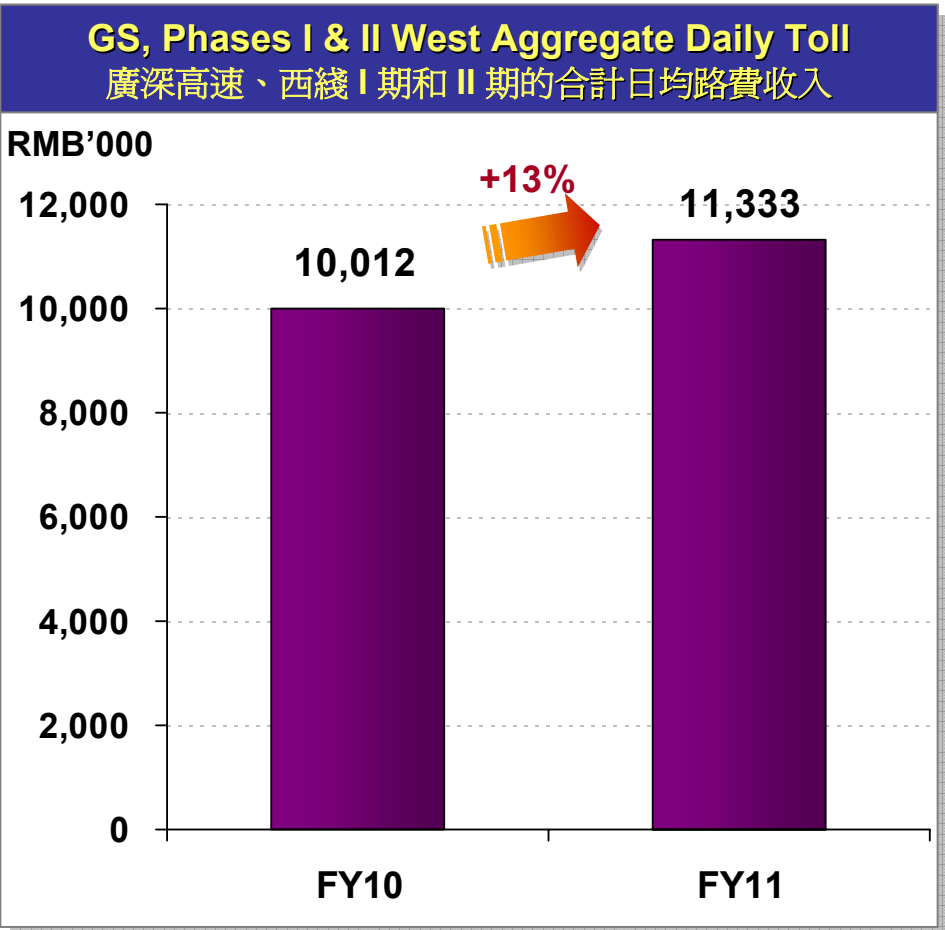
Average Daily Traffic 日均車流量

GS, Phases I & II West Aggregate Daily Traffic 廣深高速、西綫 I 期和 II 期的合計日均車流量

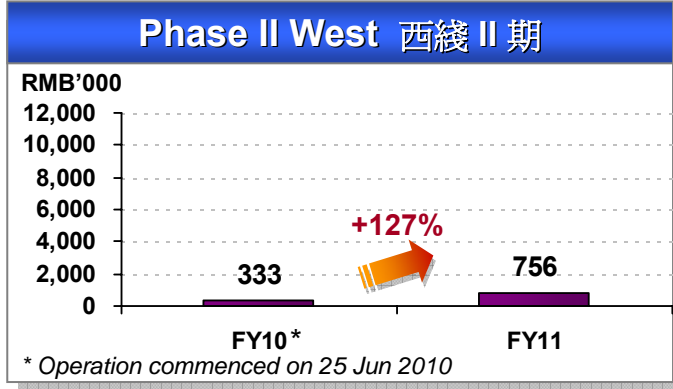
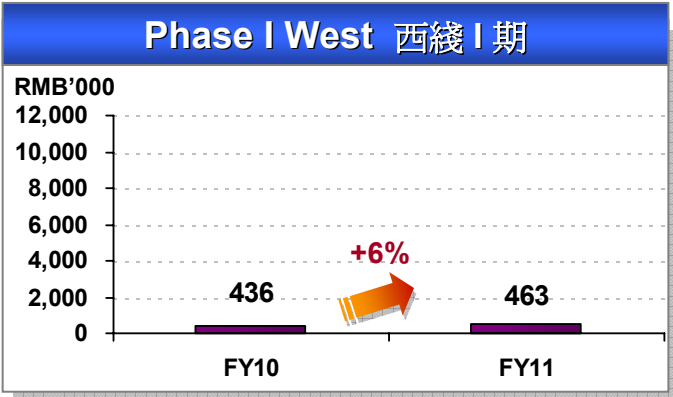
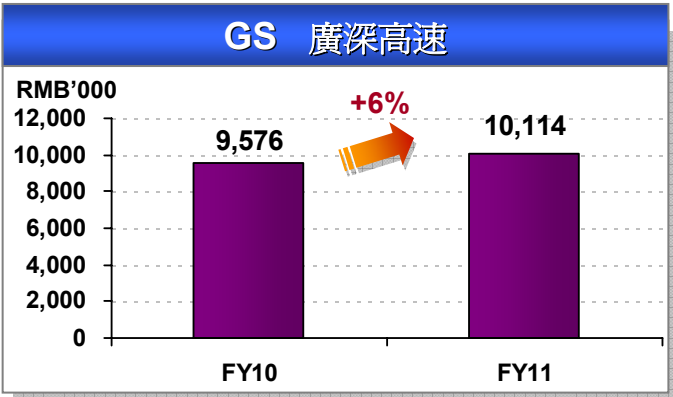


Operation Highlights 營運摘要

- **Aggregate average daily toll of GS, Phases I & II West ↑ 13% to RMB11.3 million**
 廣深高速、西綫 I 期和 II 期的合計日均路費收入 ↑ 13% 至人民幣 1,130 萬元
- ◆ **↑ 6% to RMB10.6 million (GS & Phase I West)**
 廣深高速和西綫 I 期的合計日均路費收入 ↑ 6% 至人民幣 1,060 萬元



Average Daily Toll 日均路費收入



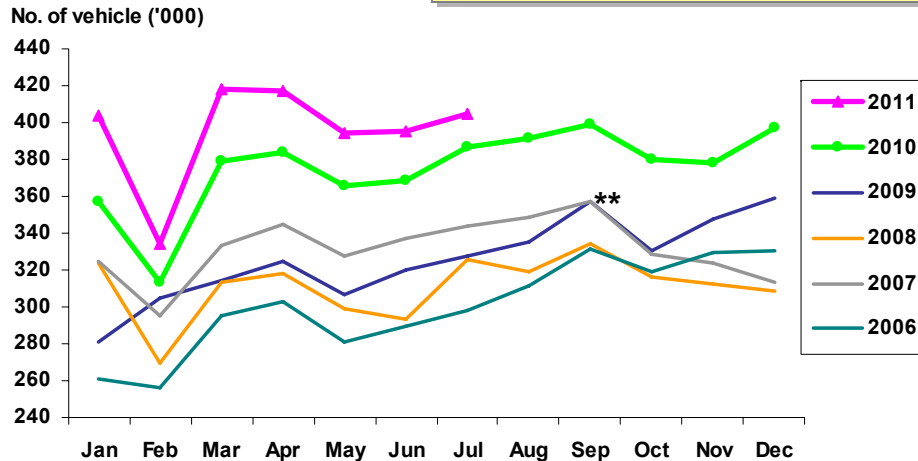
GS Superhighway – Steady Growth

廣深高速公路：增長穩健

- ◆ **Benefiting from growth of car ownership in PRC**
 受惠於中國汽車擁有量的增長
- ◆ **National Highway 107 became toll free since Apr 2011**
 – mainly affects Classes 4 & 5 trucks of GS
 107國道自2011年4月起免收路費 - 主要影響廣深高速四及五類貨車
- ◆ **Opening of 2nd runway of Shenzhen Baoan International Airport on 26 Jul 2011**
 – GS' traffic set to surge with rise in passenger and freight
 深圳寶安國際機場的第二條跑道已在2011年7月26日啓用，廣深高速的車流將隨著上升的客貨運而增加

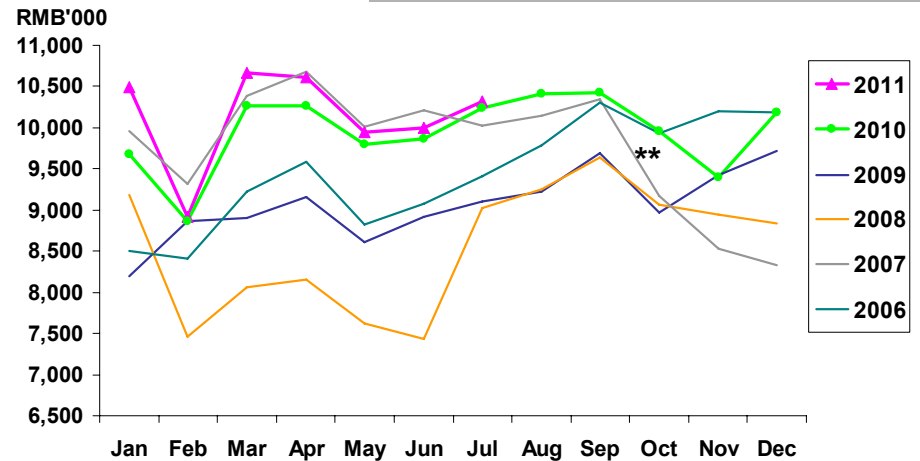
GS Superhighway – Average Daily Traffic

	FY10	FY11	change
Avg. Daily Traffic	352k	392k	↑ 11%



GS Superhighway – Average Daily Toll Revenue

	FY10	FY11	change
Avg. Daily Toll (RMB)	9,576k	10,114k	↑ 6%



* Chinese New Year in 2011 started on 3 Feb 2011 (2010 started on 14 Feb 2010)

** The Xintang to Dongguan section (approximately 22.2km) were closed for maintenance 18 Oct 2007 - 9 Jul 2008

GS Superhighway – Class 1, 4 & 5 Vehicles

廣深高速公路：一、四及五類車

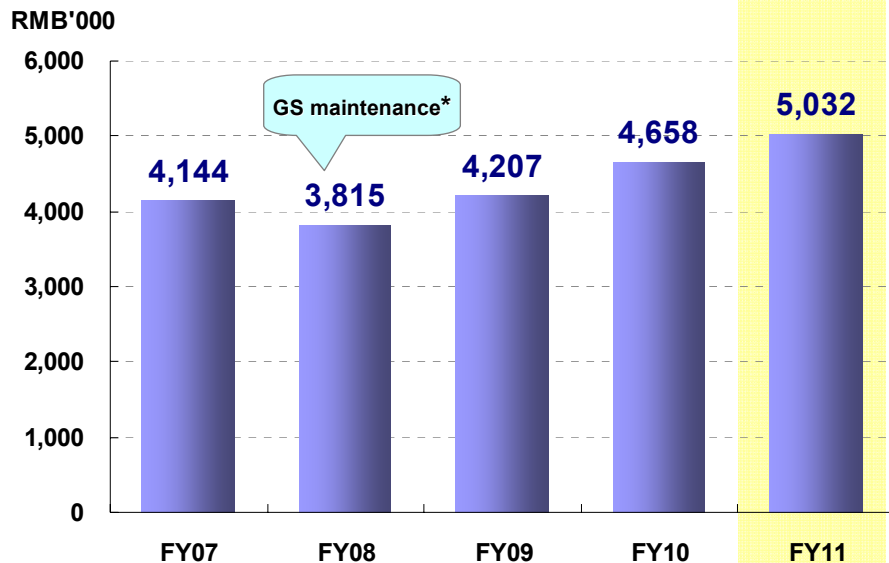
- Class 1 – traffic and toll revenue recorded steady growth**

一類車的車流量及路費收入均錄得穩健增長

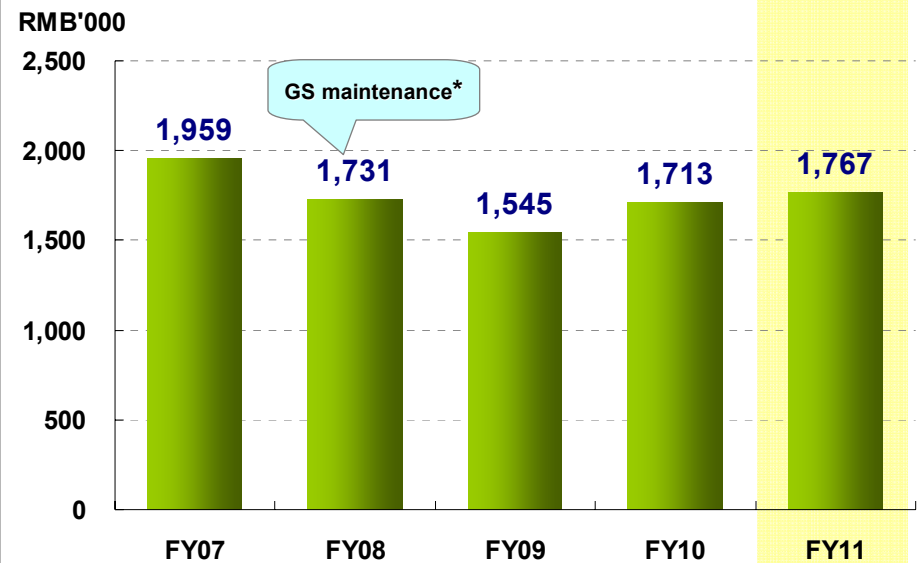
- Classes 4 & 5 – traffic and toll overtook FY08 level**

四及五類車的車流量及路費已超過2008財政年度的水平

Class 1 – Average Daily Toll Revenue (FY07-FY11)



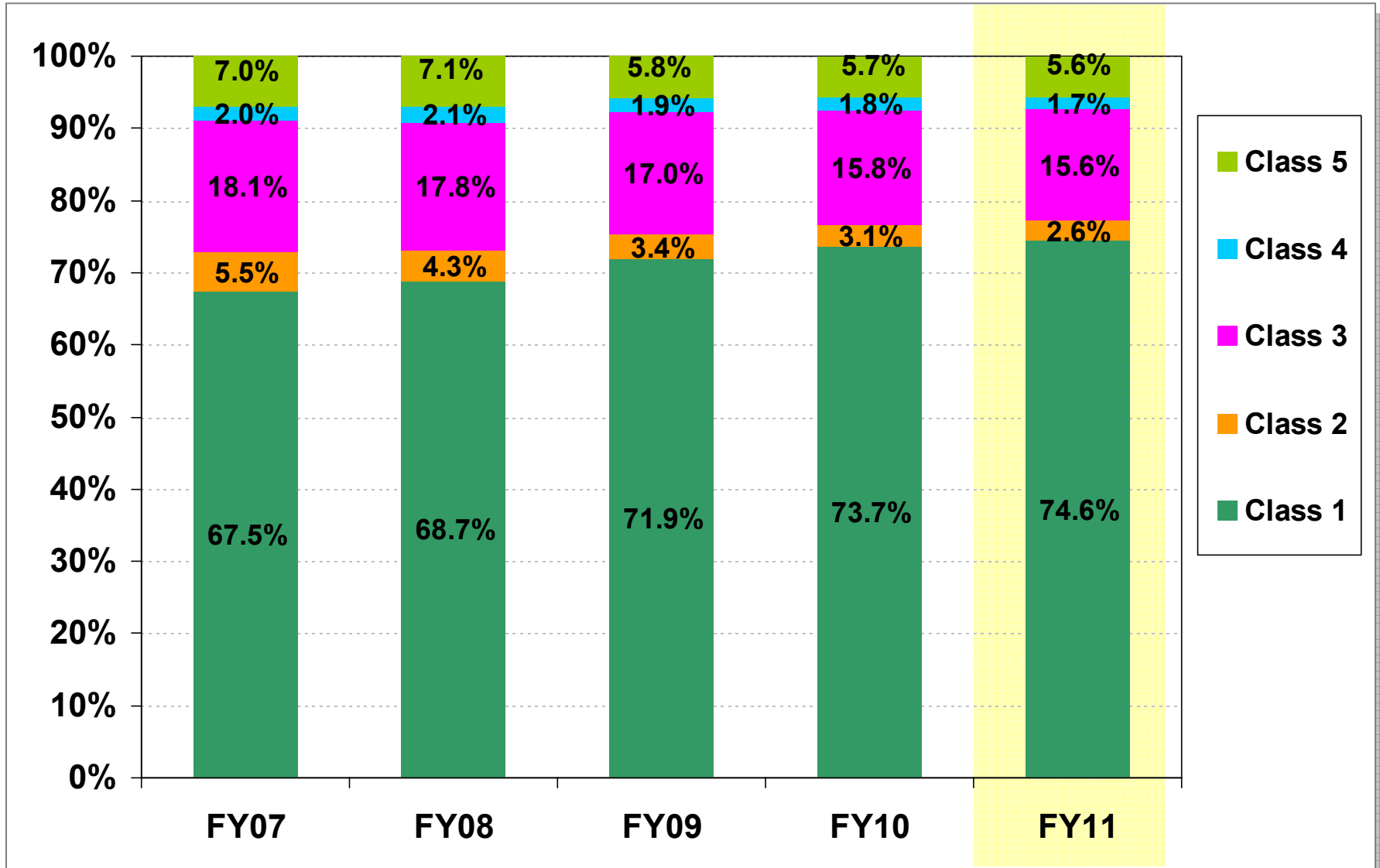
Classes 4 & 5 – Average Daily Toll Revenue (FY07-FY11)



* Xintang to Dongguan section (approx. 22.2km) of GS closed for maintenance in phases during Oct07-Jul08

GS Superhighway – Traffic by Class of Vehicles

廣深高速公路：按車輛類別劃分的車流量



GS Superhighway - Proactive Traffic Management

廣深高速公路：主動的交通管理

- Proactively monitor traffic flow and widen busier sections after obtaining approvals from authorities

主動監控車流量，並在獲得有關部門批准後擴寬較繁忙路段

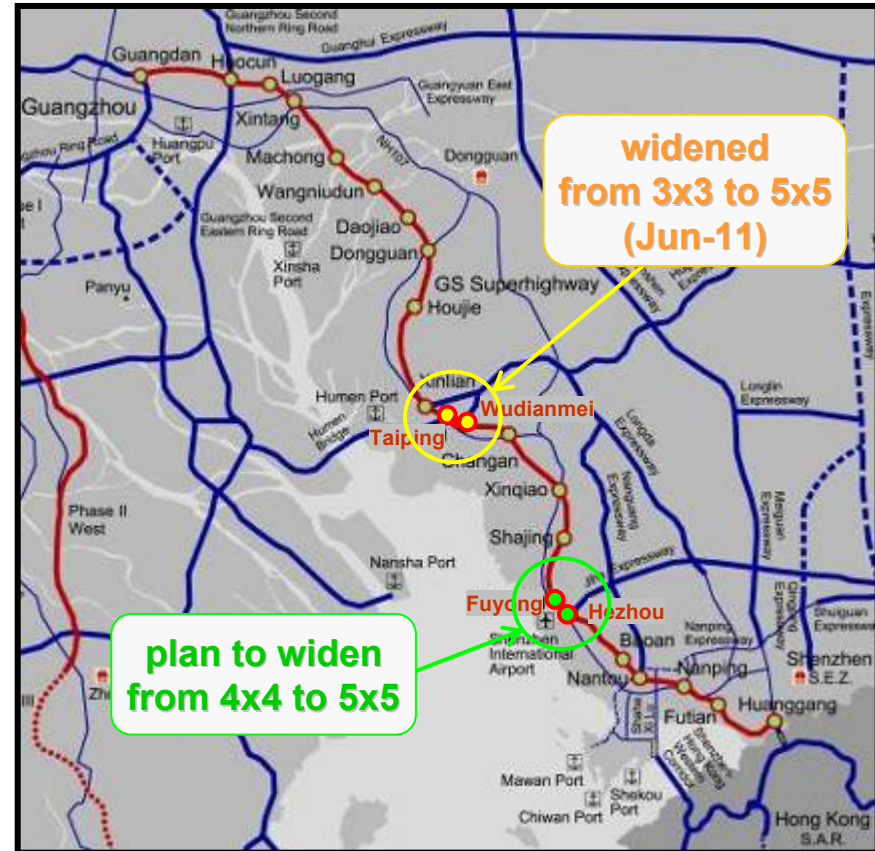
Locations 位置	Status of Widening 擴寬狀況
Hezhou to Fuyong (~2 km) 鶴州至福永 (約2公里)	Already widened from 3x3 to 4x4 in 2003 已在2003年完成由雙向共六車道擴寬至雙向共八車道
Wudianmei to Taiping (3.5km) 五點梅至太平 (3.5公里)	Already widened from 3x3 to 5x5 in Jun-11 已在2011年6月完成由雙向共六車道擴寬至雙向共十車道
Hezhou to Fuyong (~2 km) 鶴州至福永 (約2公里)	Plan to widen from 4x4 to 5x5 in coming months 計劃在未來數月內，由雙向共八車道擴寬至雙向共十車道

- Xinlian interchange southbound (north of Taiping) was fully opened in Apr 2011

新聯立交南行 (位於太平立交的北面) 於2011年4月已全面啓用

- Opened additional electronic toll collection lanes and automatic card-issuing lanes

安裝額外電子不停車收費車道及自動發卡車道



GS Superhighway

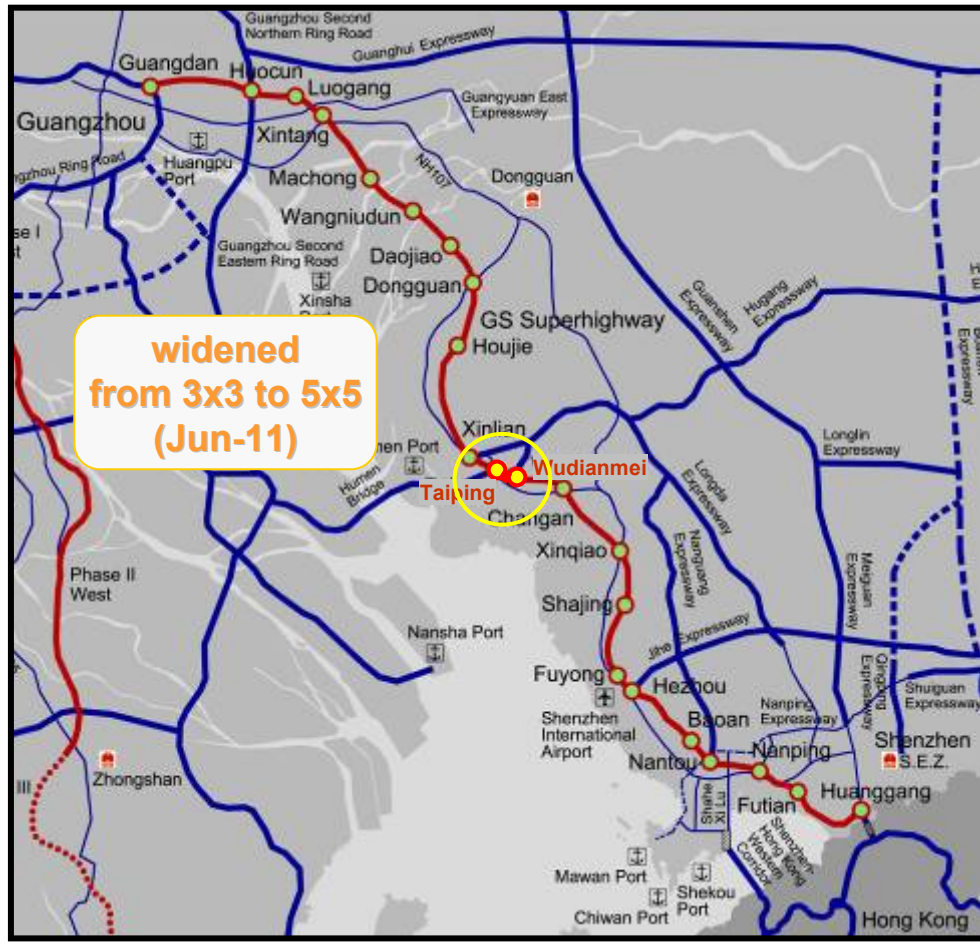
– Widening of 3.5km busier Wudianmei to Taiping Section

廣深高速公路：五點梅至太平之間3.5公里較繁忙路段的擴寬工程

- **Expansion from 6 lanes to 10 lanes in dual directions completed in Jun 2011**
 在2011年6月完成由雙向共六車道擴建至雙向共十車道

- **After widening was completed, during peak hours along this section:**
 擴寬工程完成後，在這路段的繁忙時間：
 - **Traffic becomes smoother**
 交通更暢順
 - **Traveling speed has increased**
 行車速度提升

- **No. of accidents fell significantly**
 交通事故數目明顯下降



Phase I West – Synergy from Phase II West

西綫I期：西綫II期帶來協同效應

- Synergy from Phase II West opening (25 Jun 2010) has increased traffic**

西綫 II 期在2010年6月25日通車後的協同效應使車流量增加

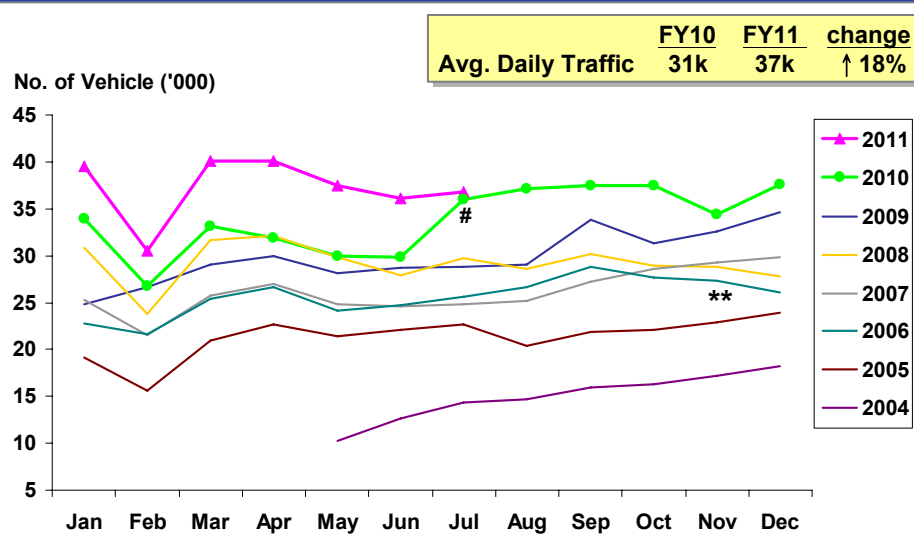
- Yajisha Bridge on ESW Ring Road under maintenance works (Jan 2010 – Jan 2012) – affects Phase I West’s traffic and toll**

東南西環高速的丫髻沙大橋，在2010年1月至2012年1月期間進行維修工程，影響西綫 I 期的車流量及路費收入

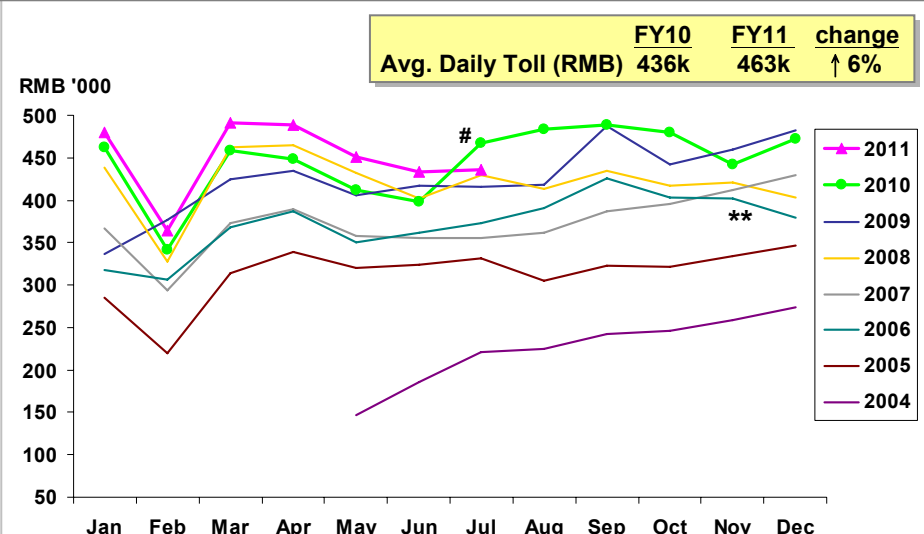
- Traffic restriction enforcement intensified since mid-Jul 2011 → Phase I West average daily toll revenue fell to RMB427k (17-31 Jul 2011) vs RMB446k (1-16 Jul 2011)**

自2011年7月中起交通管制的執行變得嚴謹，西綫 I 期的日均路費收入由人民幣44.6萬元 (2011年7月1至16日)下跌至人民幣42.7萬元 (2011年7月17至31日)

Phase I West – Average Daily Traffic



Phase I West – Average Daily Toll Revenue



* Chinese New Year in 2011 started on 3 Feb 2011 (2010 started on 14 Feb 2010)

** Growth slowed because of opening of a local toll-free road in Foshan parallel to Phase I West in Nov 06

Phase II West commenced operation on 25 Jun 2010

Phase II West – Achieved Cash-flow Breakeven Target

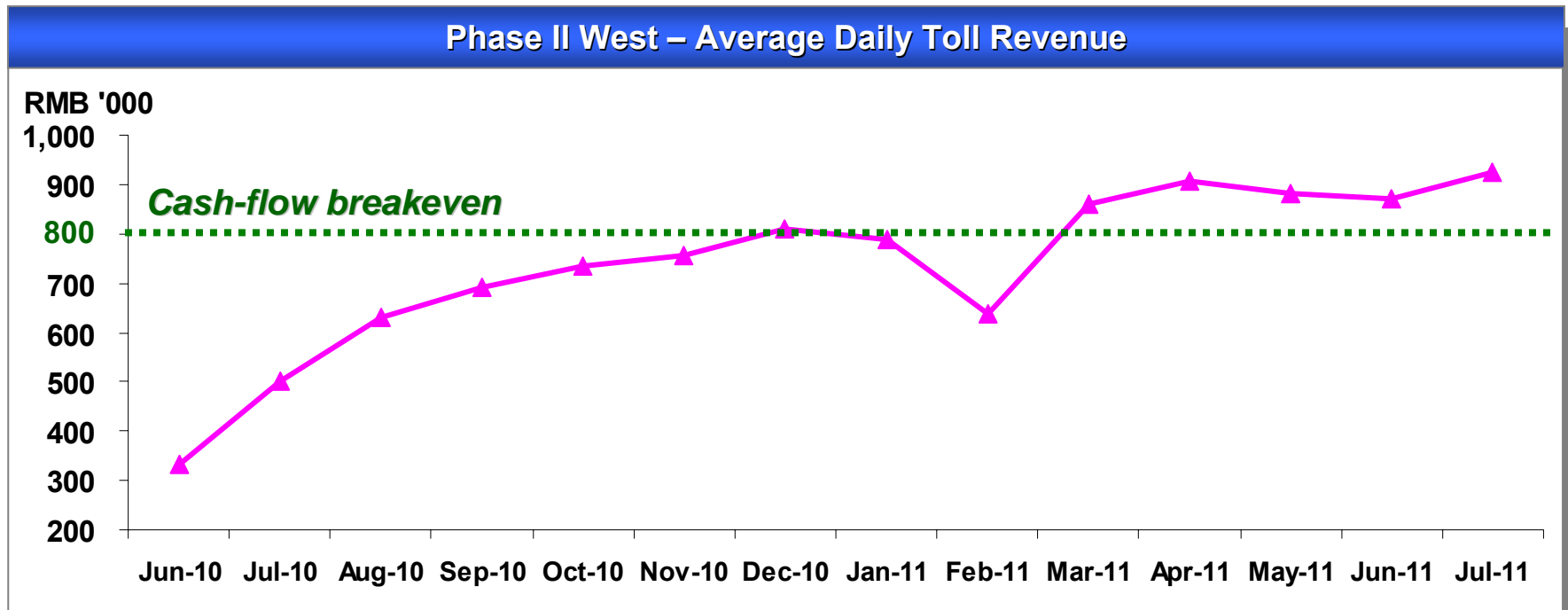
西綫II期：達到現金流收支平衡的目標

- **Opened 25 Jun 2010**

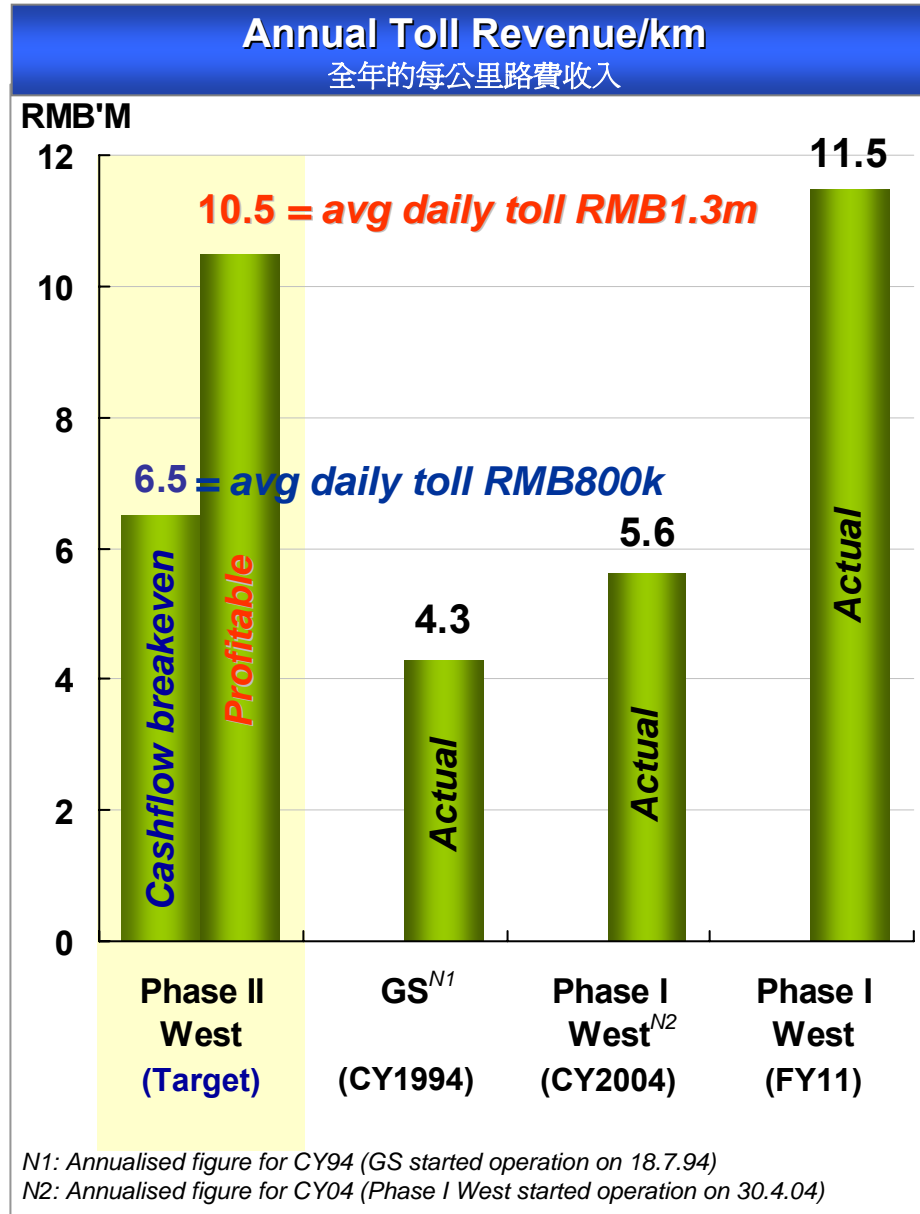
於2010年6月25日開通

- **In 2H FY11, reached cash-flow breakeven^{N1} target in 1st year of operation (i.e. RMB800k average daily toll revenue), recording net cash inflow**

在2011財政年度下半年已達到現金流收支平衡的首年營運目標 (即日均路費收入達人民幣80萬元)，並錄得淨現金流入



N1: Toll revenue is sufficient to cover the project's expenses including finance cost



Highlights 重點

- Target: achieve profit in 2014**
目標在2014年錄得盈利

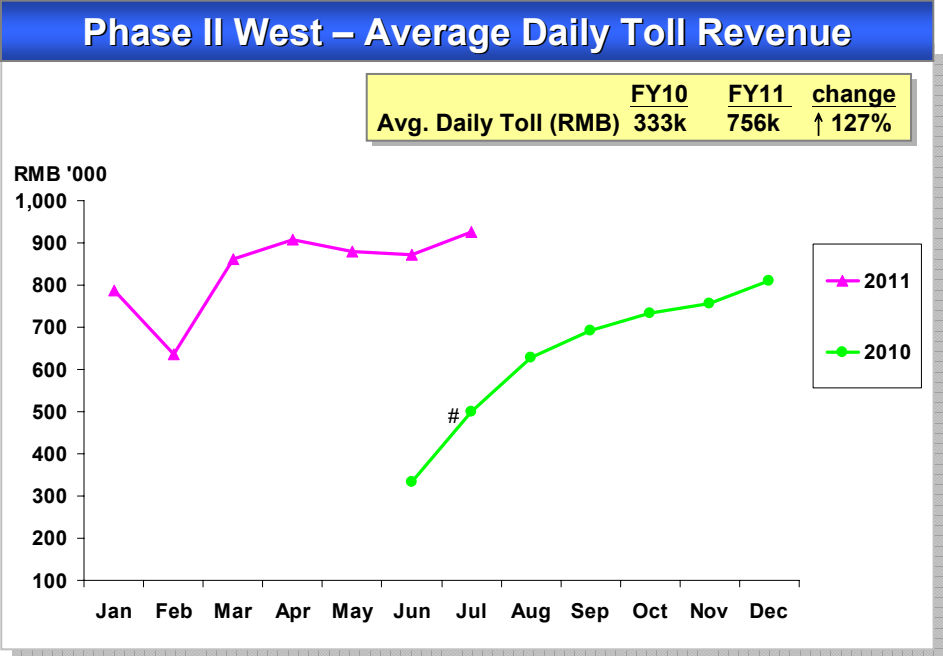
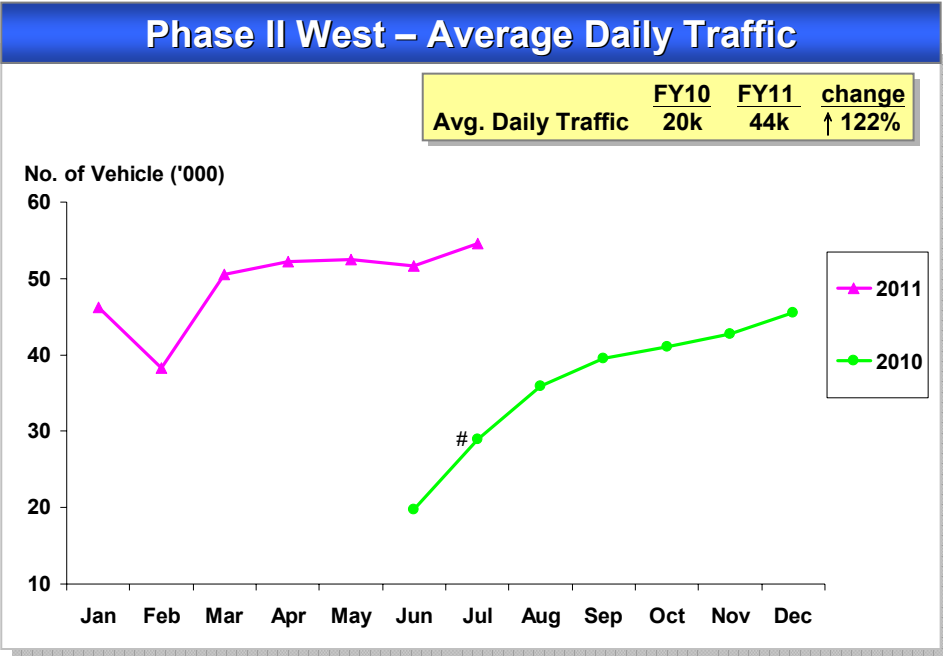
 - Even without synergy from Phase III West opening**
即使沒有西綫 III 期通車後帶來的協同效應
- Could achieve profit earlier with synergy from Phase III West opening in 1H2013**
加上西綫 III期在2013年上半年通車後帶來的協同效應，將可更早錄得盈利
- Will record profit if achieve over RMB1.3m average daily toll revenue**
假如日均路費收入超過人民幣130萬元，將錄得盈利

Phase II West

西綫II期

● Average daily toll revenue rose 85% from RMB500k in Jul 2010 to RMB925k in Jul 2011

日均路費收入由2010年7月的人民幣50萬元，上升85%至2011年7月的人民幣92.5萬元



* Chinese New Year in 2011 started on 3 Feb 2011 (2010 started on 14 Feb 2010)

Operation commenced on 25 Jun 2010

New Roads to Improve Connectivity of Phases I & II West

新公路有助改善西綫I期及II期的交通網絡

Phase III completion (1H 2013)

西綫III期完工 (2013上半年)

Guangzhou Southern Second Ring Road

廣州南二環高速公路

- opened in Dec 2010

於2010年12月通車

- boosts Phase II traffic

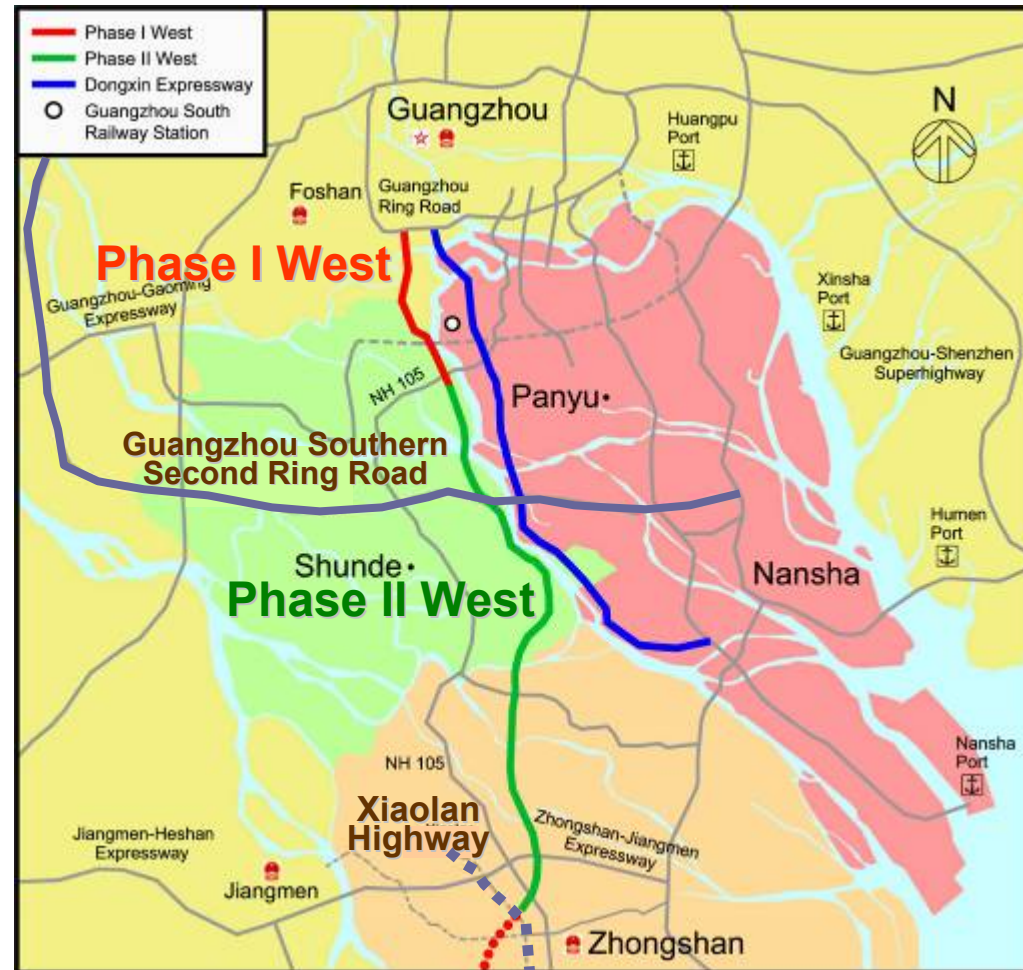
有助增加西綫 II 期的車流量

Connection to Xiaolan Highway

小欖公路的连接

- Planned opening in FY12

計劃於2012財政年度開通



Factors to Boost Traffic of Phases I & II West ^{N1}

有助增加西綫I及II期車流量的因素

- Foshan's strong economic growth**

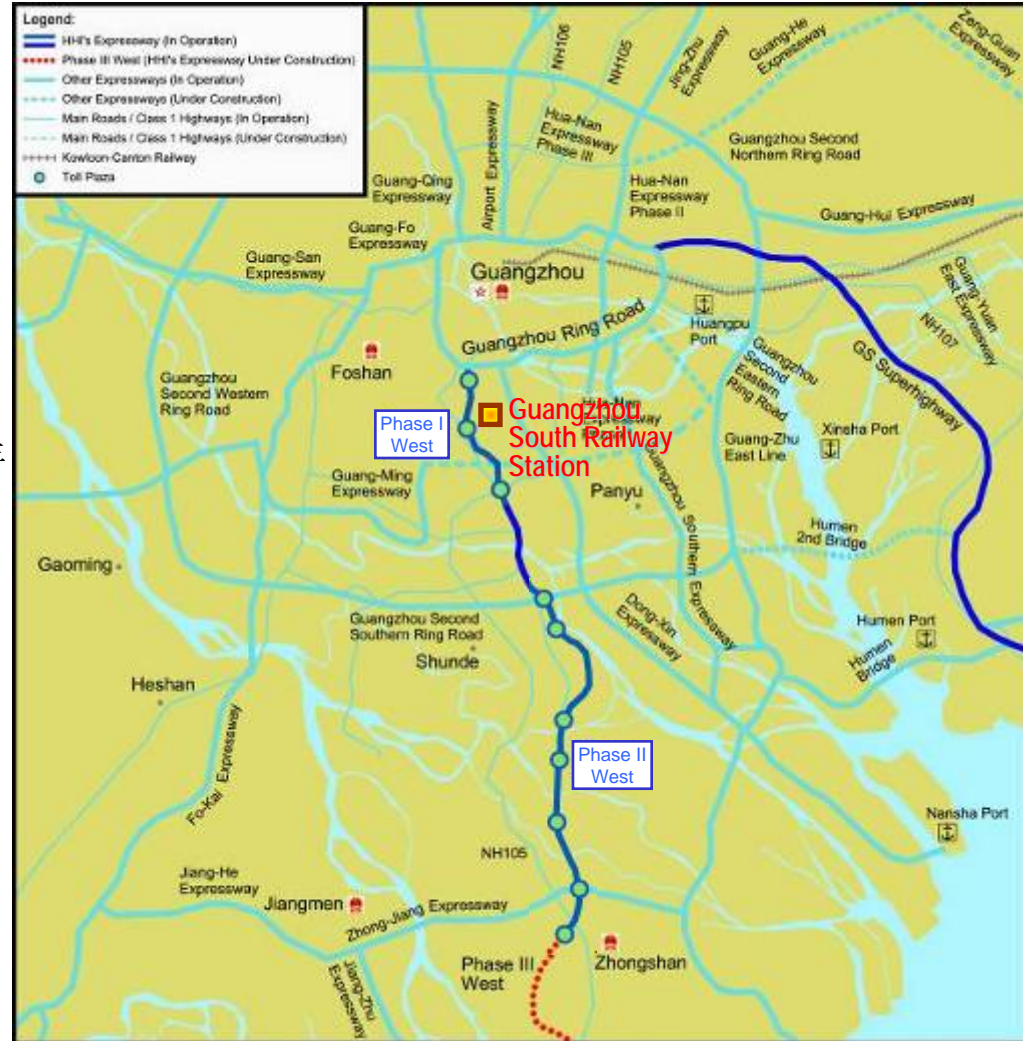
佛山強勁的經濟增長

- Opening of peripheral connecting road network between the Guangzhou South Railway Station and Phase I West in Oct 2010**

貫通西綫I期與廣州南站的周邊連接道路網絡，於2010年10月開通

- this high-speed rail station opened in Jan 2010**

高速鐵路車站，已於2010年1月開始營運



N1: Phases I & II West shorten travel time between Guangzhou and Zhongshan to around 30 minutes from over 1 hour via local roads

Future Project: Phase III West

未來項目：西綫III期



Note: All subject to Govt. approval

* Present planning, subject to change, incl. finance cost

^ Subject to approval by PRC Government

Highlights 重點

- **Planned to complete earlier by 1H 2013**
計劃提早於2013上半年竣工
- **HHI injected RMB996m for Phase III West development as of 30 Jun 2011 (Equity: RMB496m; Shareholder's loan: RMB500m)**
在2011年6月30日，合和公路基建已投入人民幣9.96億元以發展西綫III期項目 (股本：人民幣4.96億元；股東貸款：人民幣5億元)

Project Description 項目詳情

Route 位置: Zhongshan - Zhuhai 中山市至珠海市

Length 長度: approx. 38km 約38公里

JV Partners: Guangdong Provincial Highway Construction Co Ltd
合營夥伴
(same as GS Superhighway)
廣東省公路建設有限公司 (與廣深高速相同)

Planned Investment^** **Approx. RMB5.6 billion**
(35% equity, HHI & PRC partner each to contribute RMB980 million)
計劃投資額
約人民幣56億元 (股本35%，合和公路基建及中方各投資人民幣9.8億元)

Traveling Time: **Shorten traveling time between Guangzhou and Zhuhai to around 1 hour (original 2 hours)**
行車時間
往來廣州至珠海的行車時間由現時2小時減至約1小時

Mild Rise in Exposure for Western Delta Route

珠江三角洲西岸幹道的投資輕微上升

- **HHI currently plans to provide RMB1.1 billion shareholder's loan to Phase III West**

合和公路基建現計劃提供人民幣11億元的股東貸款予西綫III期項目

- ◆ **Provided RMB500 million (as of 30.6.2011)**

在2011年6月30日已提供人民幣5億元

- **Exposure of HHI in Western Delta Route will rise mildly from 18% to 26% of total investment**

合和公路基建於珠江三角洲西岸幹道的投資佔總投資，將由18%溫和上升至26%

- **Strong fundamentals of Western Delta Route project remains unchanged**

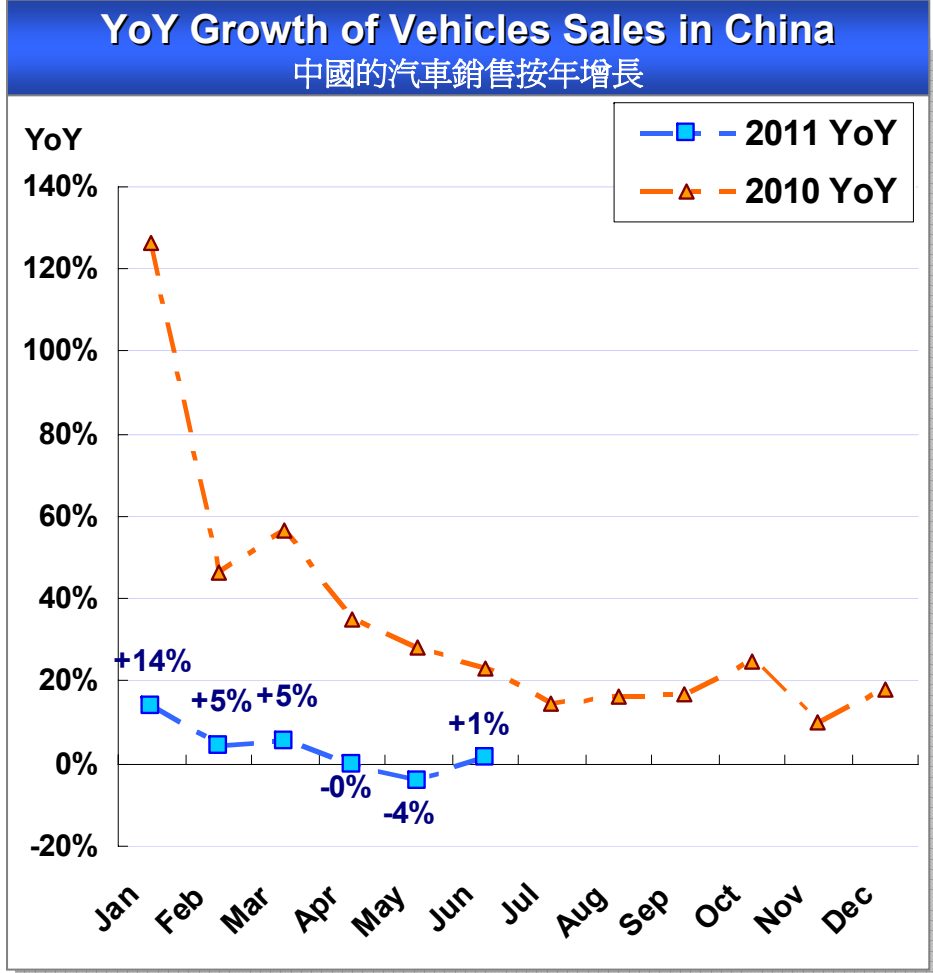
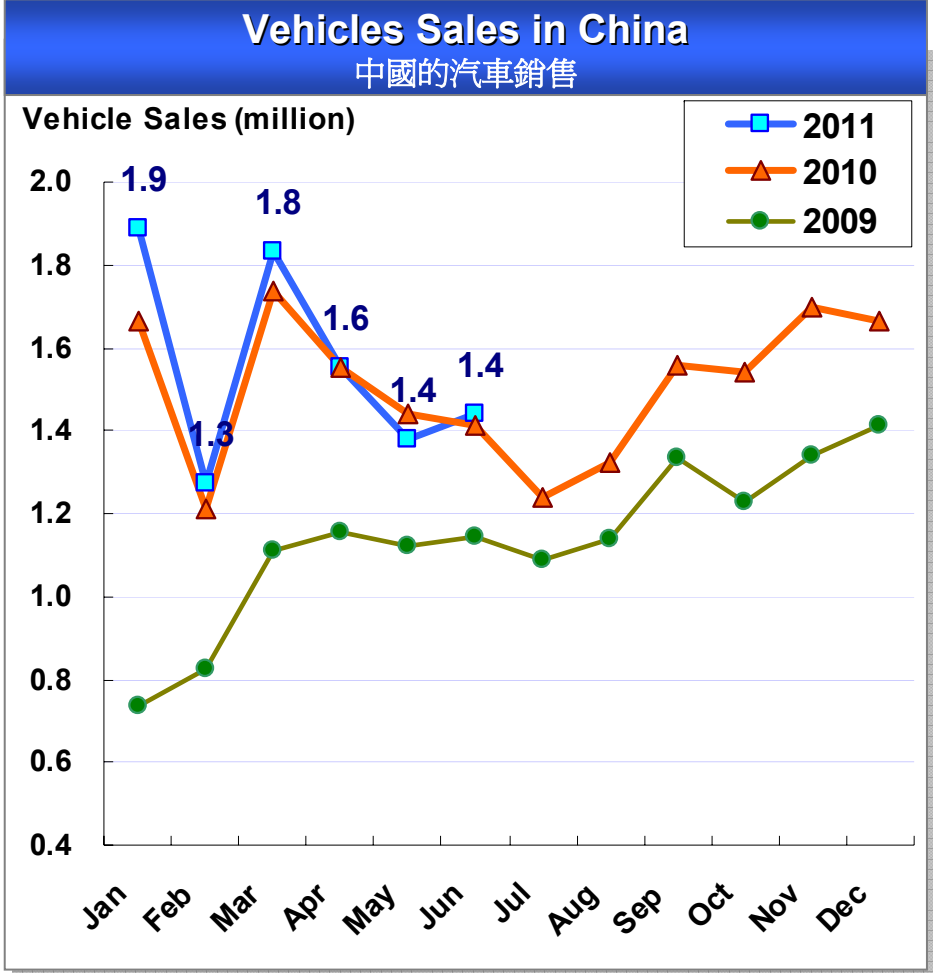
珠江三角洲西岸幹道項目強勁的基本因素保持不變

Vehicles Sales in China

中國的汽車銷售

Total vehicle sales in China reached 9.3 million vehicles in Jan-Jun 2011 (+3% yoy)

在2011年1月至6月，中國的總汽車銷售達930萬輛 (較去年同期上升3%)



Source: 中國汽車工業協會統計信息網 (www.auto-stats.org.cn)

China – World’s Largest Vehicle Sales Market in 2010

中國在2010年是世界最大汽車銷售市場

Motor Vehicle* Sales 2010

Ranking	Country	<u>2010</u> Total Vehicle Sales
1	China	18m
2	U.S.A.	12m



Motor Vehicle* Sales 2009

Ranking	Country	<u>2009</u> Total Vehicle Sales (in unit)
1	China	13,644,794
2	U.S.A.	10,601,000
3	Japan	4,609,256
4	Germany	4,049,353
5	Brazil	3,153,995
6	France	2,718,599
7	India	2,715,817
8	Italy	2,357,918
9	U.K.	2,222,542
10	Russia	1,465,917

China 2009: 13.6m
(+5% yoy)

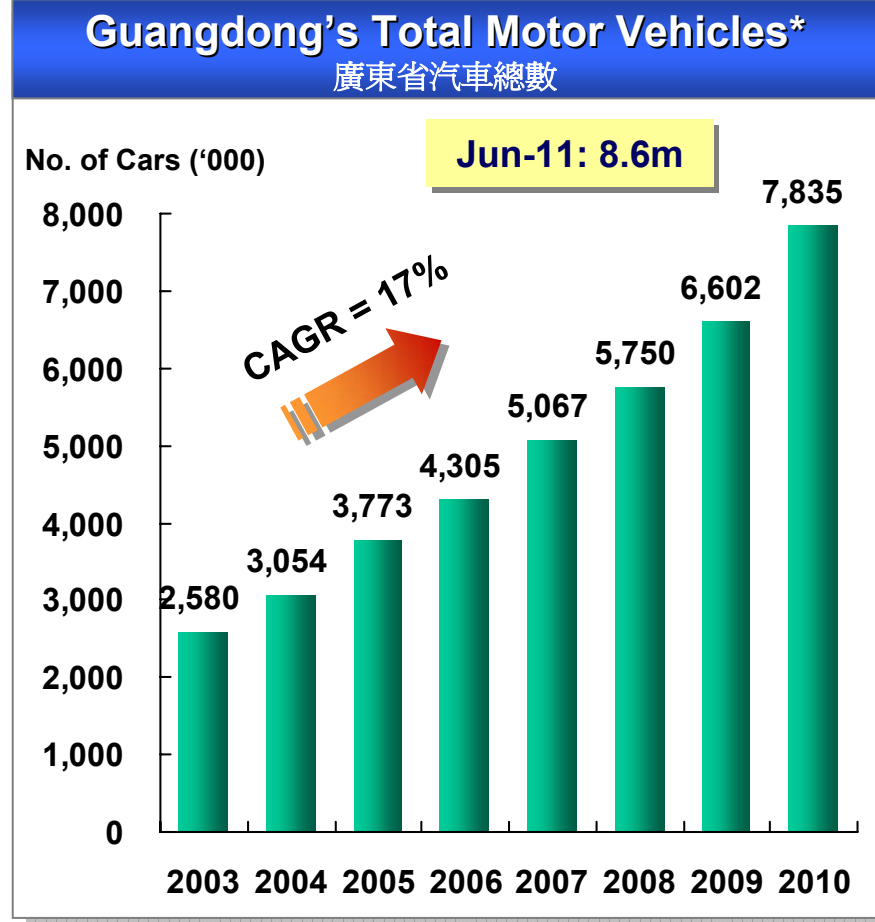
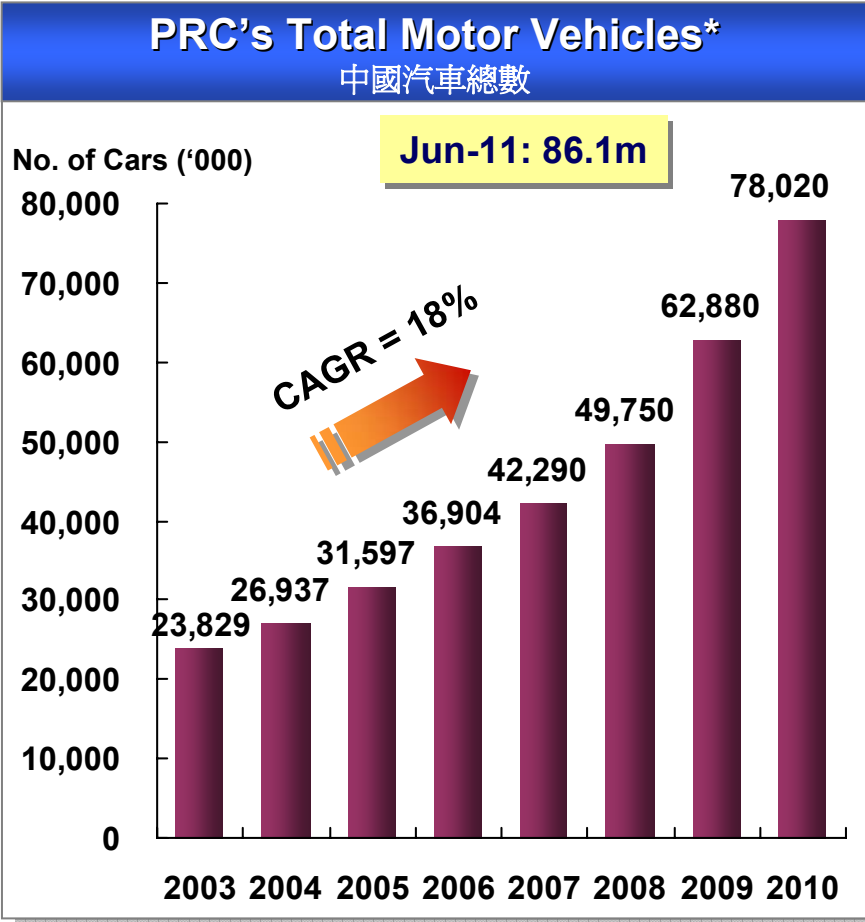
China 1994: 1.6m

* Incl. passenger & commercial vehicles but excl. motorcycles
Source: CEIC , Thomson Reuters & various car manufacturer associations

Steady Growth in PRC & Guangdong Car Population

中國及廣東省汽車數目增長穩健

- **Driven mainly by small cars sales** 主要由小車銷售帶動
- **Newly registered passenger vehicles in Guangdong** ↑ 7% or 440,000 vehicles in 1H 2011
於2011年上半年，廣東省新登記的乘用車數目上升7%或44萬架次

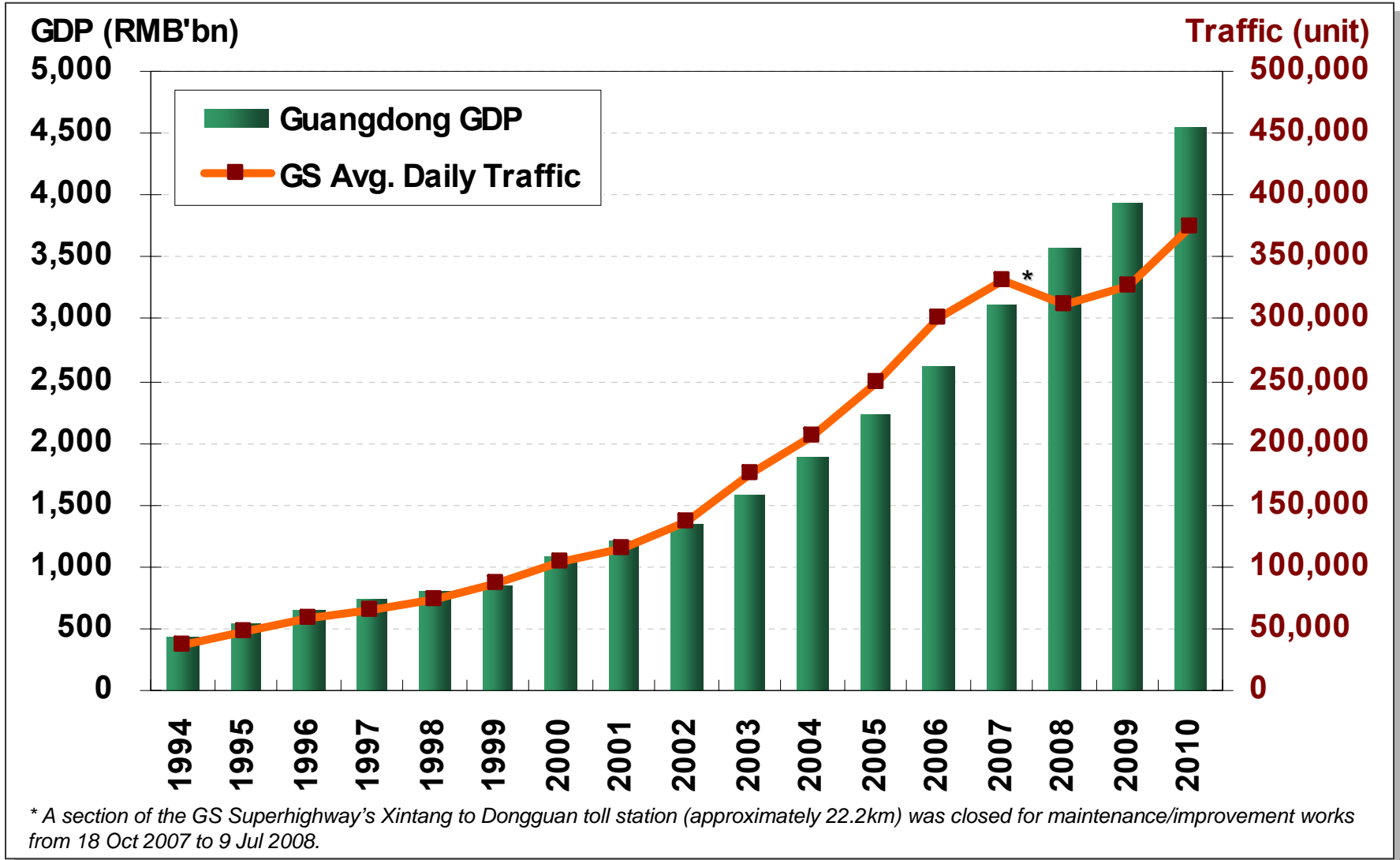


* Incl. passenger & commercial vehicles but excl. motorcycles & truckers

Source: Statistics Bureau of Guangdong (www.gdstats.gov.cn), National Bureau of Statistics of China (www.stats.gov.cn), China Association of Automobile Manufacturers (www.caam.org.cn), CEIC

Strong Correlation between Guangdong GDP and GS Traffic

廣深高速的車流量與廣東省本地生產總值關係密切



Measures to Lower Operating Costs

減低營運成本的措施

Operating Costs Control 控制營運成本

- **Increase staff productivity**
提升員工生產力
- **Enhance energy saving**
增強節能措施
- **Control administrative expenses**
控制行政開支

Optimise Finance Strategy

善用財政策略

Optimise Finance Strategy 善用財政策略

● **HHI issued RMB1.98 billion corporate bonds in Jul 2010 and May 2011**

合和公路基建分別在2010年7月及2011年5月共發行19.8億元人民幣企業債券

■ **Provide funds for Phase III West development**

提供資金作西綫 III期項目發展

■ **Broaden financing sources of HHI & JV Co. given PRC credit market tightening**

由於內地信貸市場收緊，發債有助進一步拓闊合和公路基建及合營企業的融資渠道

■ **Strengthen financial position**

鞏固財務實力

● **Arrange shareholder's loans for Phase III West to save finance costs**

安排股東貸款藉以減低西綫 III期項目的財務成本

■ **Provided shareholder's loan of RMB500 million as of 30.6.2011**

在2011年6月30日，已提供股東貸款人民幣5億元

The First Non-financial Institution to Issue RMB Corporate Bonds in HK, July 2010

首家於香港發行人民幣企業債券的非金融機構 (2010年7月)

- **Issue size of RMB1.38b; interest rate 2.98% per annum; due in Jul 2012**

發行金額為人民幣13.8億元；票面息率為2.98厘；2012年7月到期

- **Received overwhelming market response**

市場反應熱烈

- **Helps diversify financing sources**

有助拓展融資渠道

- **Provide funds for Phase III West development**

提供資金作發展西綫 III期項目



Second RMB Corporate Bonds Issuance, May 2011

再次發行人民幣企業債券（2011年5月）

● Issued 600 million RMB corporate bonds in May 2011:-

於2011年5月，再次發行 6 億元人民幣企業債券：

◆ **Interest rate 1.55%** 票面息率為 1.55厘

◆ **Due in May 2014** 2014年5月到期

● Use of net proceeds:-

集資所得用於：

◆ **Develop Phase III West** 西綫 III 期項目的發展

◆ **Invest in new projects** 投資新項目

◆ **General working capital** 一般營運資金

● The issuance helps:-

發債的原因：

◆ **Broaden financing sources of HHI & JV company given tightening of credit market in PRC**

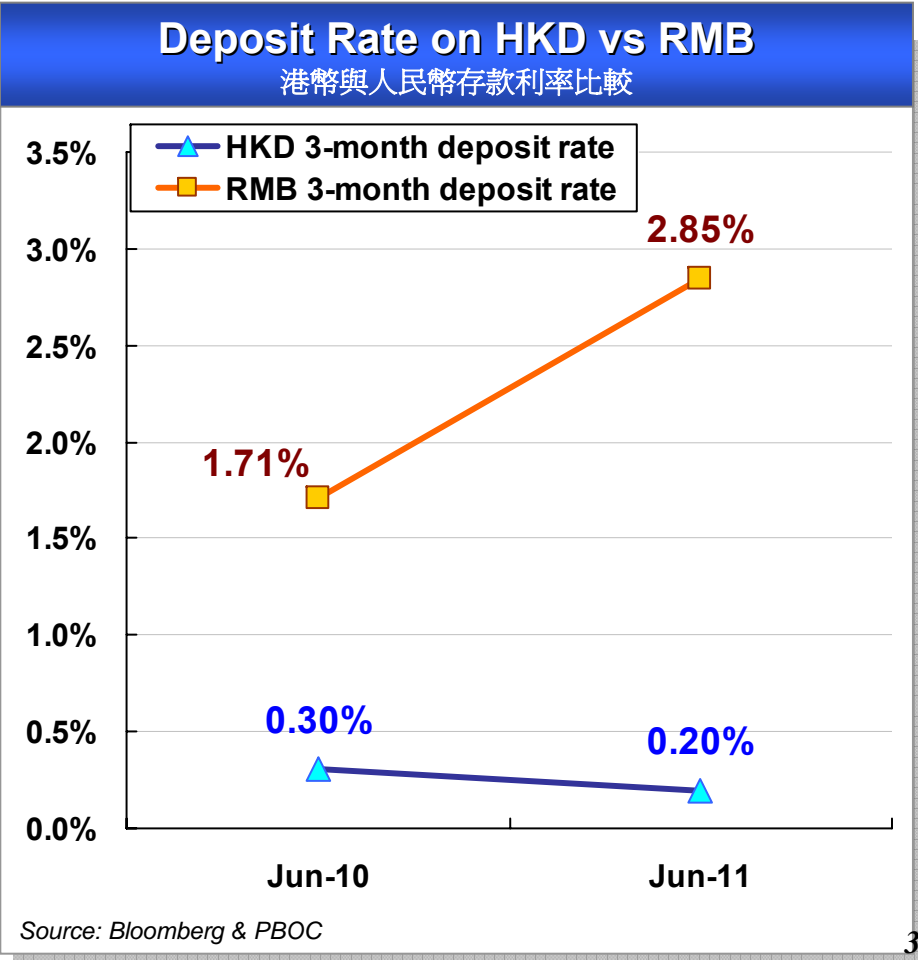
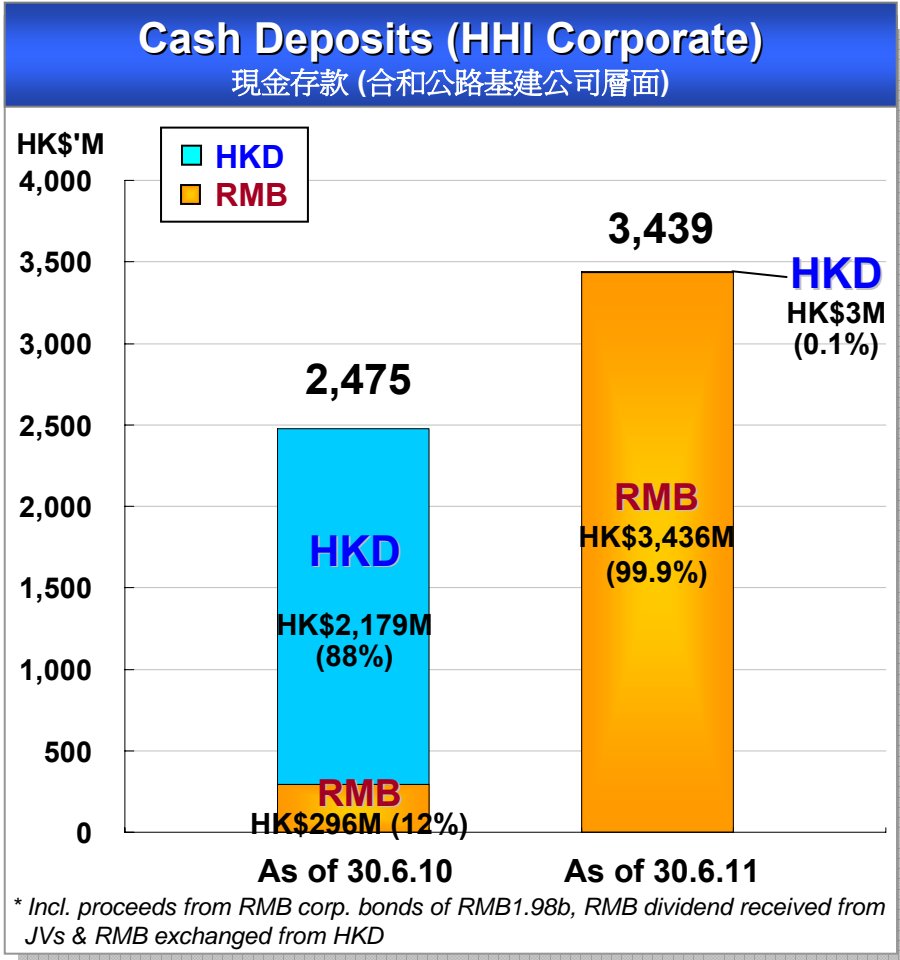
由於內地信貸市場收緊，發債有助進一步拓闊合和公路基建及合營企業的融資渠道

◆ **Strengthen HHI's financial position and maintain a healthy balance sheet to explore new projects**

鞏固我們的財務實力及優化資產負債表以拓展新項目

Cash Management 現金管理

- Increased RMB cash deposits to match RMB-based operations**
 增加人民幣現金存款以配合人民幣為主的業務
- Higher deposit rate on RMB – treasury yield improved from 0.3% (FY10) to 2.1% (FY11)**
 人民幣的存款利率較高：財資收益率由2010財政年度的0.3%，改善至2011財政年度的2.1%
- RMB for development of PRC projects**
 以人民幣發展在中國的項目

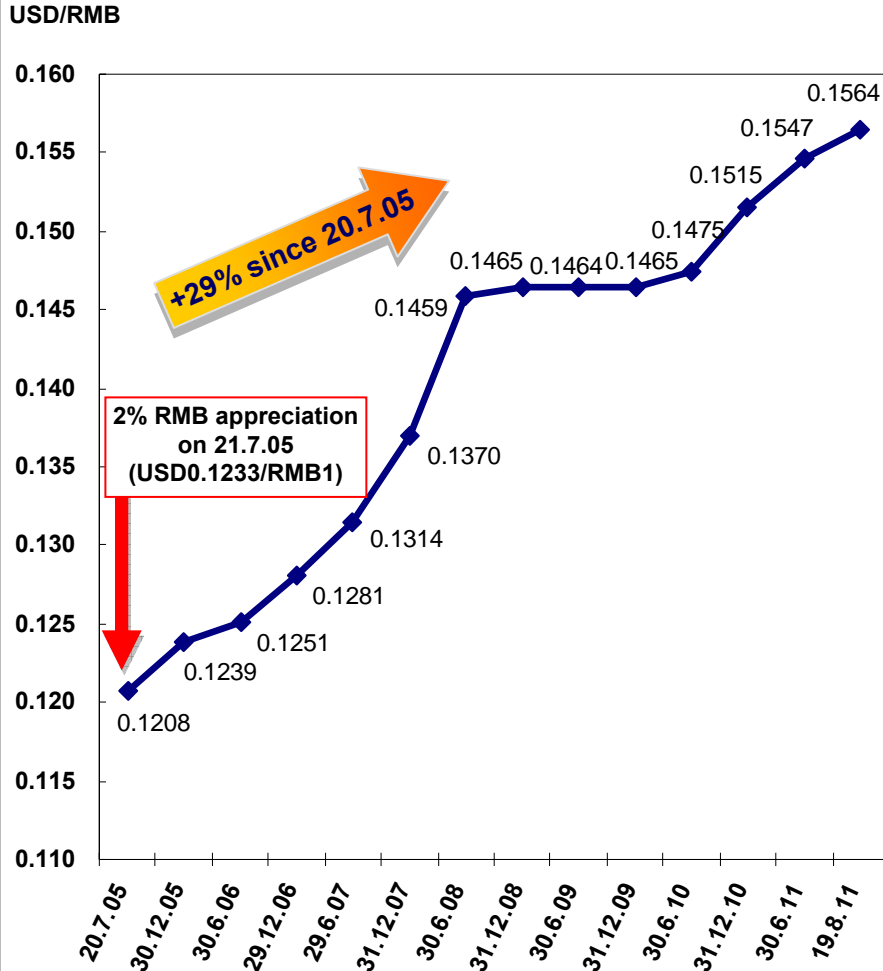


Exchange Rate Movement

匯率走勢

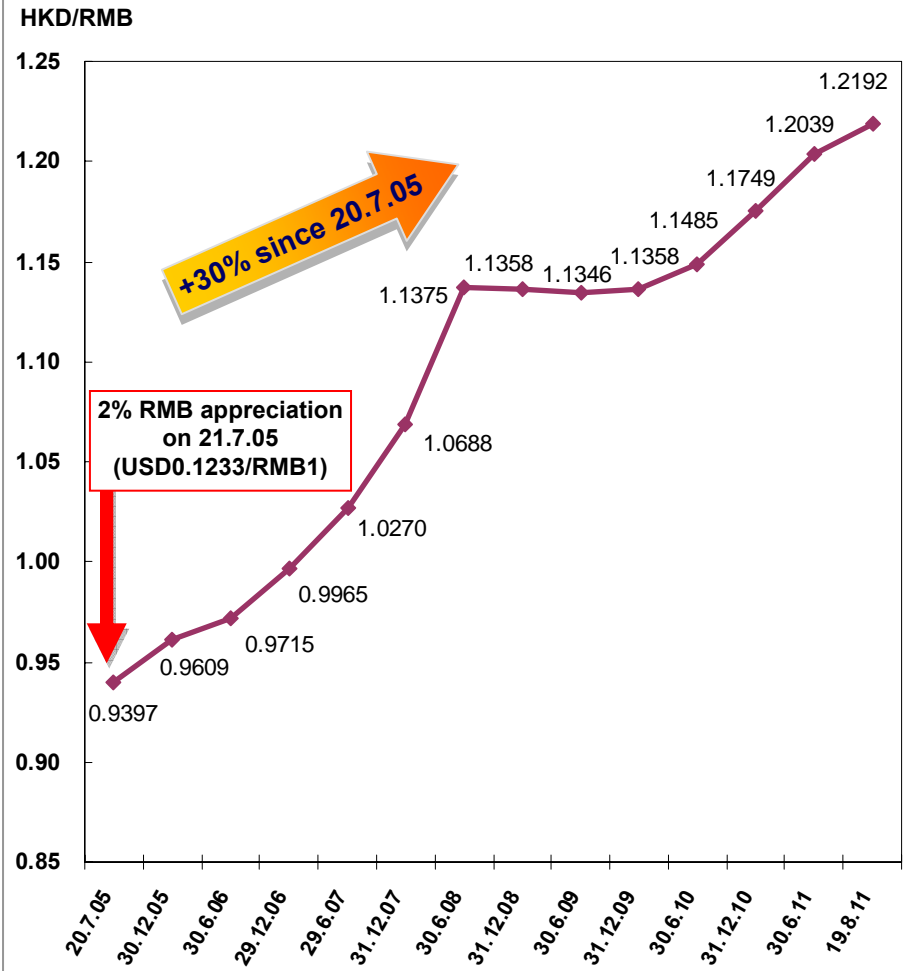
USD/RMB Exchange Rate

美元兌人民幣的匯率



HKD/RMB Exchange Rate

港元兌人民幣的匯率



Major Projects Plan

主要項目計劃

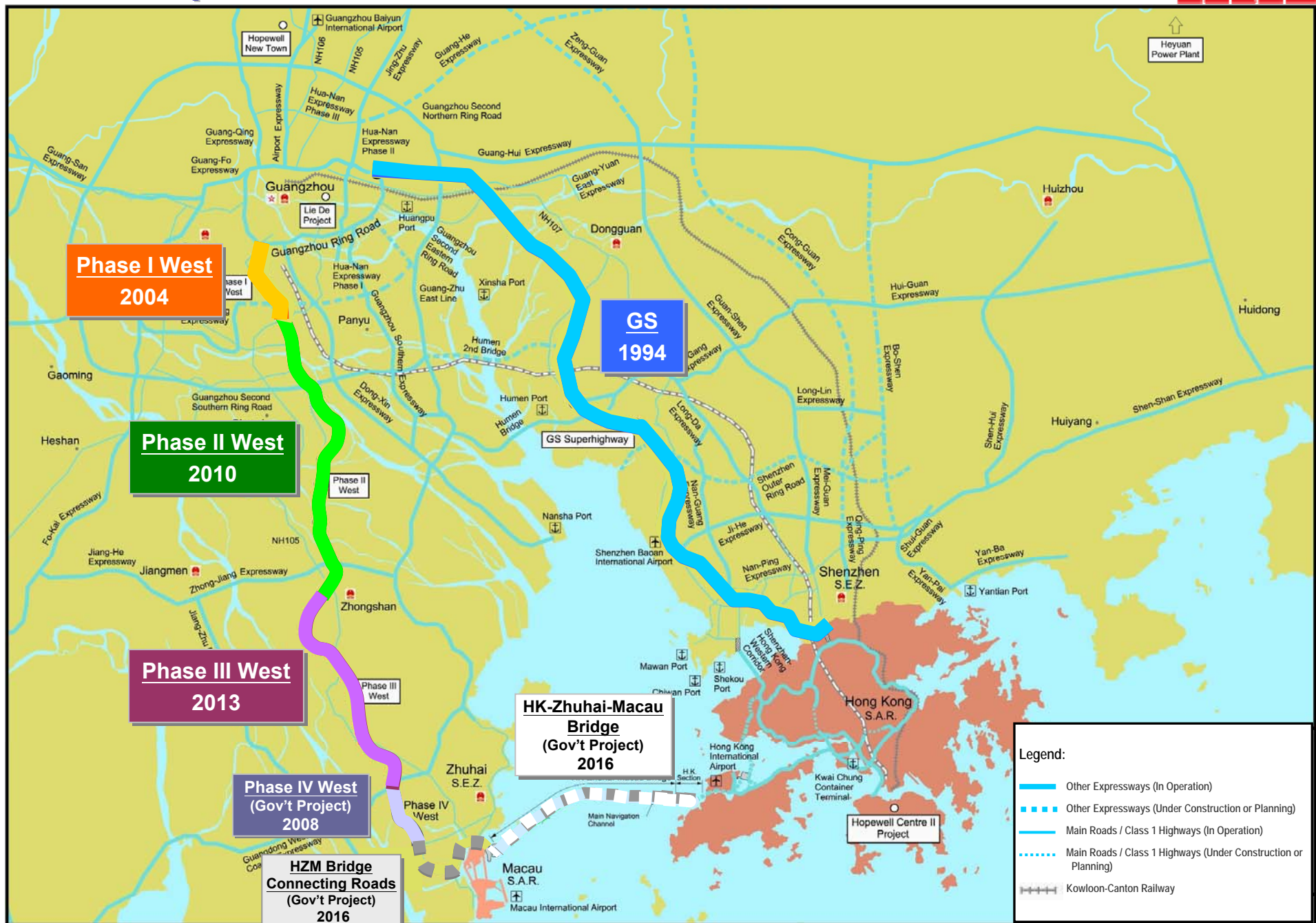
Projects 項目	Description 詳情	Current Planned Investment* 現計劃的投資額	Current Planned# Construction Start / Completion Date 現計劃工程開始 / 完工期
Phase III West 西綫 III 期 (HHI: 50%)	Zhongshan - Zhuhai expressway of approx. 38km 中山市至珠海市約38公里的高速公路	Approx. RMB5.6b (Equity/Debt: 35%/65%) 約人民幣 56億元 (股本/債務: 35%/65%)	Construction is underway 工程正在建設中 Completion: by 1H 2013 完工：2013上半年
GS Expansion 廣深高速擴寬工程 (HHI: 48%)	◆ Expansion from 6 to 10 lanes in dual directions 由雙向共6車道擴寬至雙向共10車道 ▪ Feasibility study in progress 可行性研究報告正在進行中	Approx. RMB7.0b (Equity/Debt: 0%/100%) 約人民幣 70億元 (股本/債務: 0%/100%)	No timetable yet 暫未有時間表

* Present planning, subject to change; incl. finance cost

Present planning, subject to change

The Complete Network – 2016

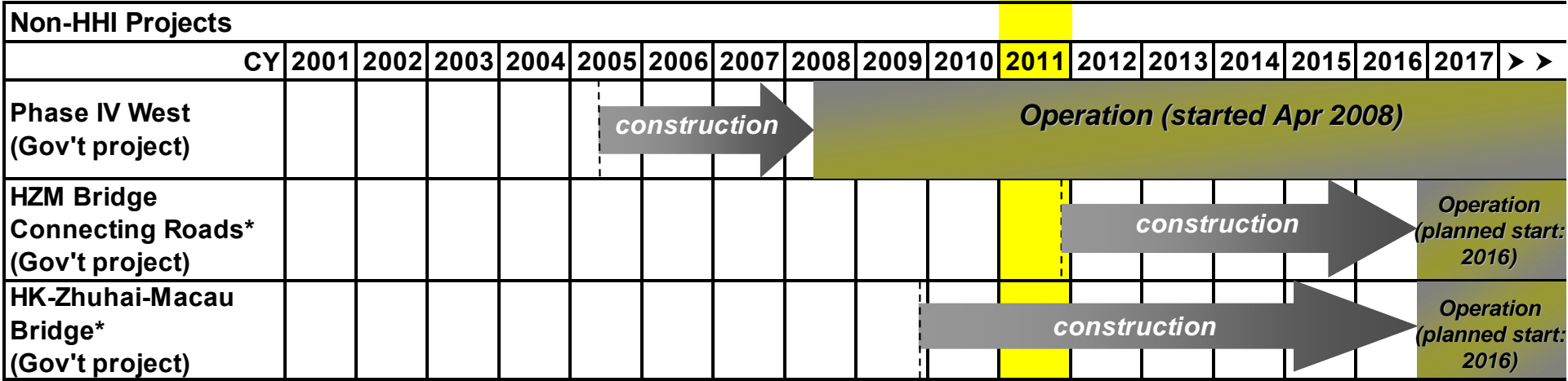
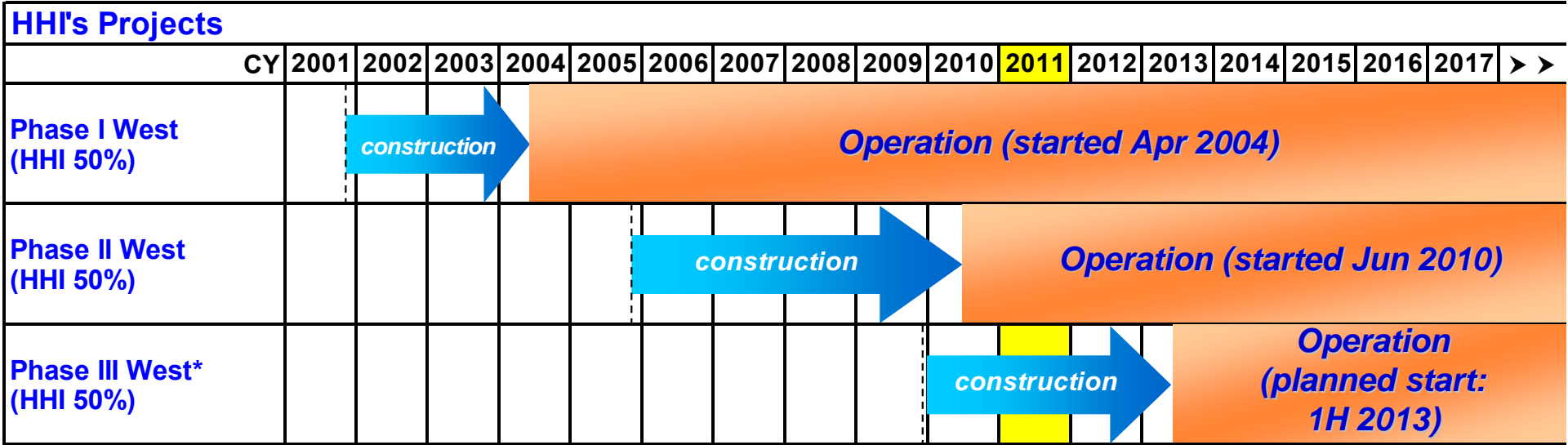
2016年:完整的道路網絡



Construction Timeline 工程進度時間表

When Phase III West is completed, total length of toll expressways invested by HHI will be expanded by about 20% to around 220km

當西綫 III 期完工時，合和公路基建投資的收費高速公路總長度將會增加約20%至約220公里



* Present planning, subject to change

Sources: Company, Newspaper

Major Projects Plan 主要項目計劃



Projects	Planned Investment ^{N1} RMB'm	Interest %	Equity required %	HHI's Planned Equity Portion ^{N1} RMB'm	HHI's Equity Injected FY11 RMB'm	HHI's Equity Portion Outstanding ^{N1} RMB'm	HHI's Planned Equity Injection ^{N1} RMB'm FY12
Phase II West 西綫II期	7,000	50%	35%	1,260 ^{N2}	-	403	403
Phase III West 西綫III期	5,600	50%	35%	980	300	484	484
GS expansion 廣深高速擴寬	7,000	48% ^{N3}	0%	-	-	-	-
Total 合計	19,600			2,240	300	887	887

N1: Present planning, subject to change; incl. finance cost

N2: Based on total budgeted cost of RMB7.2b (subject to Govt approval). Currently estimated total cost of RMB7b is lower than budget

N3: HHI's interest in GS: 50% for 1 Jul 97 - 30 Jun 07; 48% for 1 Jul 07 - 30 Jun 17; 45% for 1 Jul 17 - 30 Jun 27

● Sufficient funding for new projects from:

擁有充足資金發展新項目:

- 1) Total cash of approx. RMB2.9 billion (or HK\$3.4 billion) at HHI corporate level (excluding jointly controlled entities) as of 30 Jun 2011**

在2011年6月30日，合和公路基建公司層面 (不包括共同控制個體) 的合計現金約人民幣29億元 (或相等於港幣34億元)

- 2) Healthy cash-flow**

強勁的現金流

Step-up of PRC Income Tax[^]

中國利得稅的增加

- **Rise in GS income tax rate from 22% (2010) to 24% (2011)**
 廣深高速的利得稅率上升，由2010年22%上升至2011年24%
- **Rise in Phase I West income tax rate from 11% (2010) to 24% (2011)**
 西綫 I 期的利得稅率上升，由2010年11%上升至2011年24%

Income Tax Rate	GS Superhighway	Phase I West	Phase II West	Sino-foreign JV in PRC
CY2008	9%* FY09	9%* FY09		18%
CY2009	10%* FY10	10%* FY10		20%
CY2010	22% FY11	11%* FY11		22%
CY2011	24% FY12	24% FY12	0%* FY12	24%
CY2012				
CY2013				
CY2014	25% (until end of JV) FY14	25% (until end of JV) FY14	12.5%* FY14	25%**
CY2015				
CY2016 onwards			25% (until end of JV)	

* Enjoying tax holiday

** Previous terminal tax rate was 18%

^ Announced in Mar 2007 and effective from 1 Jan 2008

Ad Hoc Quotas for Cross-border Vehicles

跨境車輛的一次性特別配額

- On 23 Aug 2011, Hong Kong and Guangdong Governments agreed to launch first phase of trial scheme to introduce ad hoc quotas for cross-boundary private cars in **Mar 2012**

於2011年8月23日，香港與廣東省政府雙方確定在2012年3月推出兩地過境私家車一次性特別配額的第一階段試驗計劃

- Hong Kong private cars with 5 seats or less may apply for ad hoc quotas to drive into Guangdong Province

五座位或以下的香港私家車車主可以申請一次性特別配額從香港駕駛私家車進入廣東省

- Will benefit GS Superhighway

將有利廣深高速公路

- Details will be announced before end-2011

細節將於2011年底前公布

30 Jun 2011 2011年6月30日	Private Cars 私家車	Trucks 貨車	Others 其他	Total 合計
Vehicles with cross-boundary license 持有跨境車牌的車輛	23,700	15,200	1,100	40,000
As a % of total licensed vehicles 持有跨境車牌的車輛佔香港已領牌車輛的比例(%)	6%	14%	1%	6%
Licensed vehicles in Hong Kong 香港已領牌的車輛	424,758	110,282	83,734	618,774

Coastal Expressway

沿江高速公路

- **Completion dates*:** 完工日期
 - ◆ **Guangzhou to Dongguan sections (59km): 2H2011 (open by phase)**
廣州至東莞段 (59公里) : 2011年下半年分段開通
 - ◆ **Shenzhen section (30km): 2012**
深圳段 (30公里) : 2012年

● **Coastal Expressway designed to connect ports along PRD's eastern coast**

沿江高速為連接沿珠江三角洲的東岸港口而設計

- ◆ **Mainly serves trucks destined for ports**
主要服務以港口為目的地的貨車



* Source: Media reports

Corporate Social Responsibility

企業社會責任

Highlights 重點

- **Upgrade facilities to provide a safe and comfortable environment for road users**

提升服務設施為道路使用者提供一個安全及舒適的環境

- ◆ **Traffic surveillance camera**

交通監察攝像機

- ◆ **Rescue services**

拯救服務

- **LED lighting to save energy**

採用半導體照明燈以節約能源

- **Considering installation of chargers for electric vehicles**

研究為電動車安裝充電站

~ **Presentation End** ~

The background is a collage of three images related to highways. The left image shows a multi-lane highway with several cars and trucks. The middle image shows a highway with a green overhead sign. The right image shows a complex highway interchange with multiple overpasses and ramps.

Supplementary Information (Analyst Meeting)

Breakdown of HHI's Proportionate Share of Project Loans# by Currency

按貨幣劃分的合和公路基建按比例分佔之項目貸款

As at 30 Jun 2011,

在2011年6月30日

USD-based loans: 33%

以美元為基礎計算的貸款：33%

USD loans: 29%

美元貸款：29%

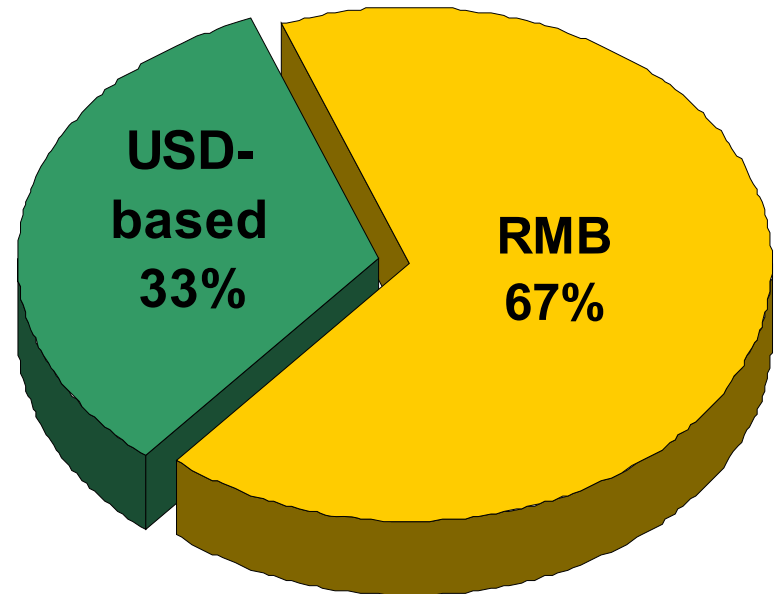
HKD loans: 4%

港元貸款：4%

RMB loans: 67%

人民幣貸款：67%

Breakdown of HHI's Proportionate Share of Project Loans# by Currency



Incl. bank & other loans and RMB1.38b & RMB600m corporate bonds

Consolidated Balance Sheet Highlights

綜合財務狀況表摘要

As at	30.06.10	30.6.11	As at	30.06.10	30.6.11
	HK\$'M	HK\$'M		HK\$'M	HK\$'M
Bank balances and cash ^{N1}	2,865	3,802	Prop. share of JV debt ^{N2}	6,465	6,412
HHI corp	2,475	3,439	JV debt	5,916	6,180
- USD	0	0	- USD	2,666	2,498
- HKD	2,179	3	- HKD	320	306
- RMB	296	3,436	- RMB	2,930	3,376
JV	390	363	JV other debt	549	232
S/H loan to Phase III West (RMB500m)	0	608	HHI RMB corporate bonds	0	2,384
/less: Elimination on prop. consolidation	0	(304)	HHI HKD short term bank loan	0	25
Property & equipment	307	326	Other payables	1,276	1,427
Concession intangible assets	12,574	14,337	Total liabilities	7,741	10,248
Other assets	347	353	Equity attributable to owners of the Co.	8,300	8,814
Total assets	16,093	19,122	Minority interests	52	60
			Total equity & liabilities	16,093	19,122
				30.06.10	30.6.11
Total debt / total assets				40%	46%
Net debt ^{N3} / equity attributable to owners of the Co.				43%	57%

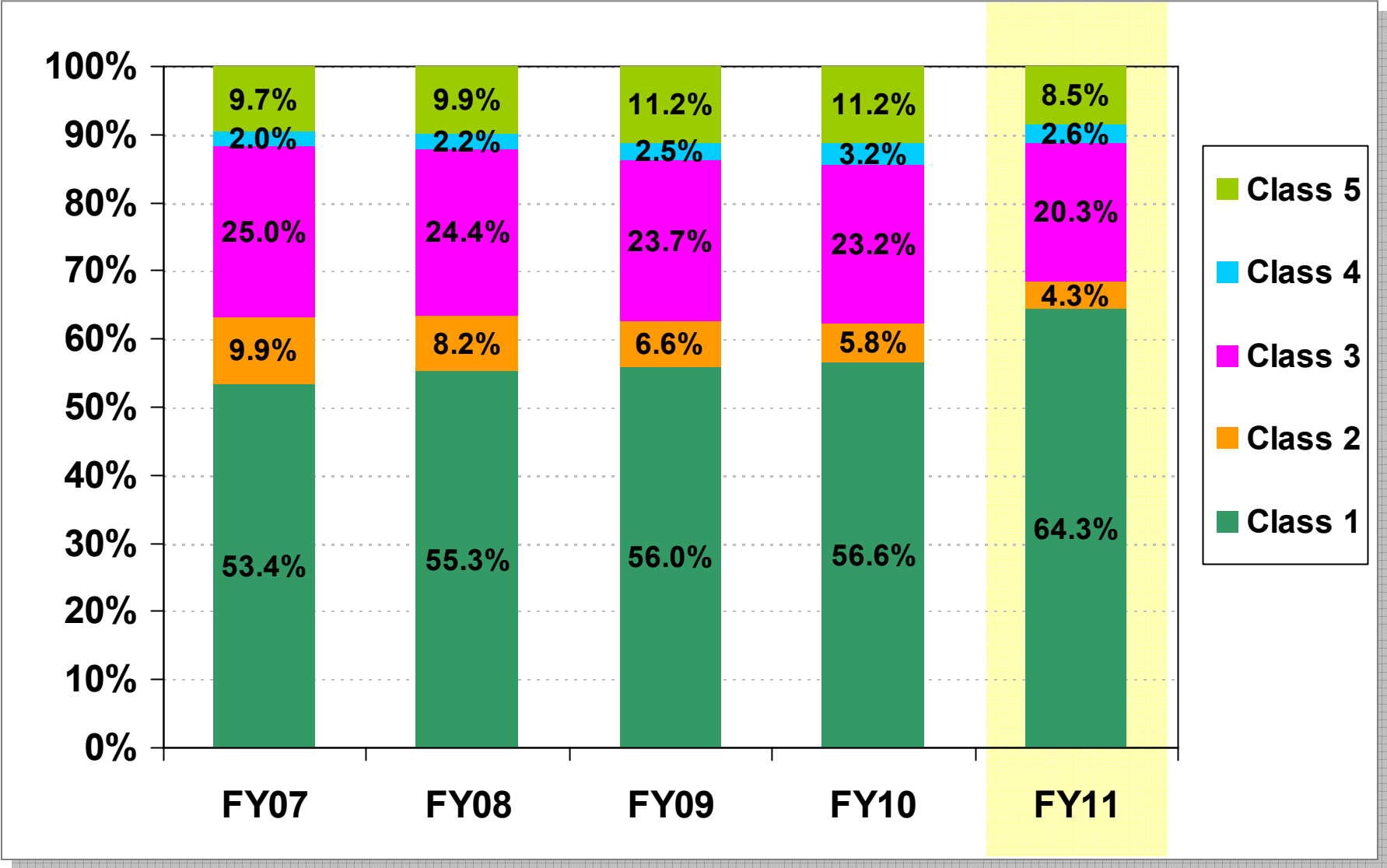
N1: Included pledged bank deposits \$295M (30.6.11) and \$122M (30.6.10)

N2: HHI's proportionate share of joint venture's debts. Majority of the debt has long maturity of over 5 years

N3: Net debt refers to total debt less bank balances and cash together with pledged bank balances and deposits

Phase I West – Traffic by Class of Vehicles

西綫I期：按車輛類別劃分的車流量



Phase II West

西綫II期



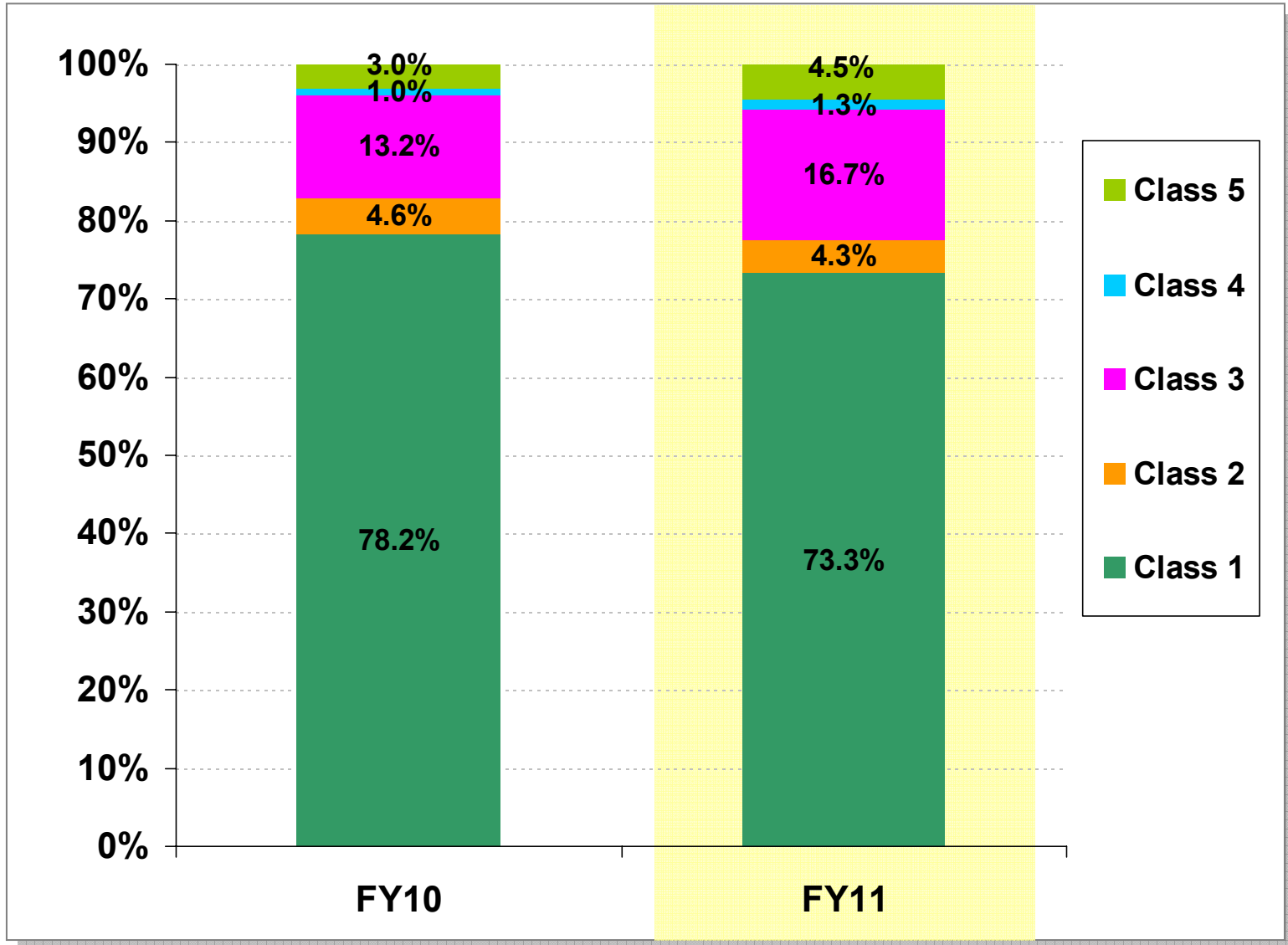
Project Description 項目詳情

Route: 路線	Shunde – Zhongshan 順德區至中山市
Length: 長度	45.5km 45.5 公里
Type: 車道	3 x 3 closed system expressway 雙向共六車道
JV Partners: 合營企業夥伴	Guangdong Provincial Highway Construction Co Ltd (same as GS Superhighway) 廣東省公路建設有限公司(與廣深高速相同)
Total Investment*: 總投資額	- approx. RMB7.0 billion (35% equity) 約人民幣70億元 (股本35%) - lower than budgeted cost 較原定預算為少
Opening: 開通	25 Jun 2010 shortens traveling time between Guangzhou & Zhongshan to approx. 30 mins (originally above 1 hr) 2010年6月25日通車，使往來廣州市及中山的行程時間由現時的1小時以上減至約30分鐘

* incl. finance cost

Phase II West – Traffic by Class of Vehicles

西綫II期：按車輛類別劃分的車流量



Coastal Expressway

– Comparable Travel Distance to GS Superhighway

沿江高速公路：與廣深高速公路的行駛里程相近

Reported 89km Coastal Expressway: middle part of the route between HK and Guangzhou

報導中89公里的沿江高速公路：位於香港與廣州之間的中間路段

Travel via Coastal Expressway: around 116km

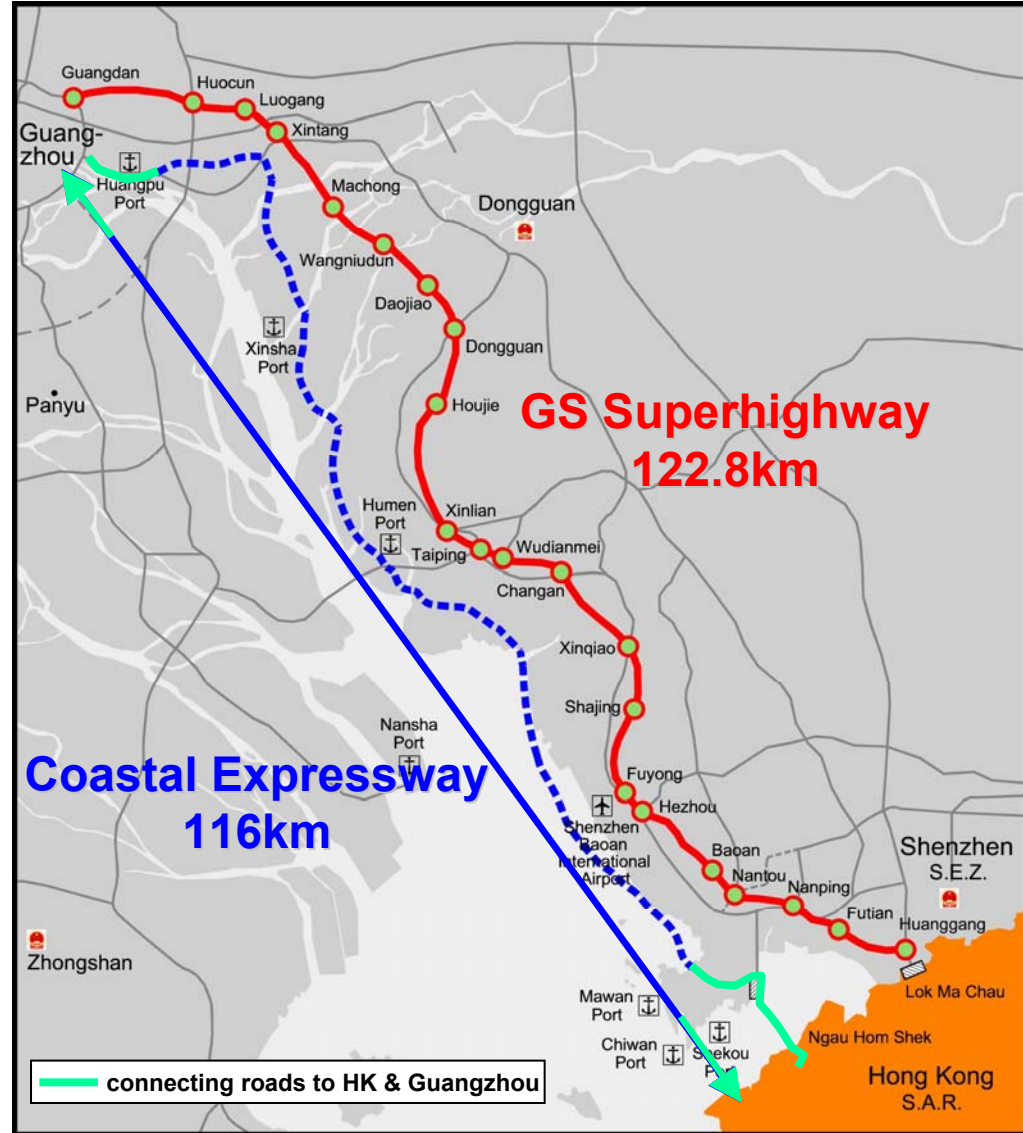
經沿江高速公路行駛：約116公里

Including connecting roads to HK and Guangzhou

包括接駁路至香港及廣州

Comparable to GS

與廣深高速公路相若



Dongxin Expressway

東新高速公路

● Dongxin Expressway: 46.7km

東新高速公路: 46.7公里

● Opened at the end of Dec 2010

2010年12月底建成通車

● Connects different regions

連接不同區域

◆ Dongxin Expressway: Guangzhou-Panyu-Nansha

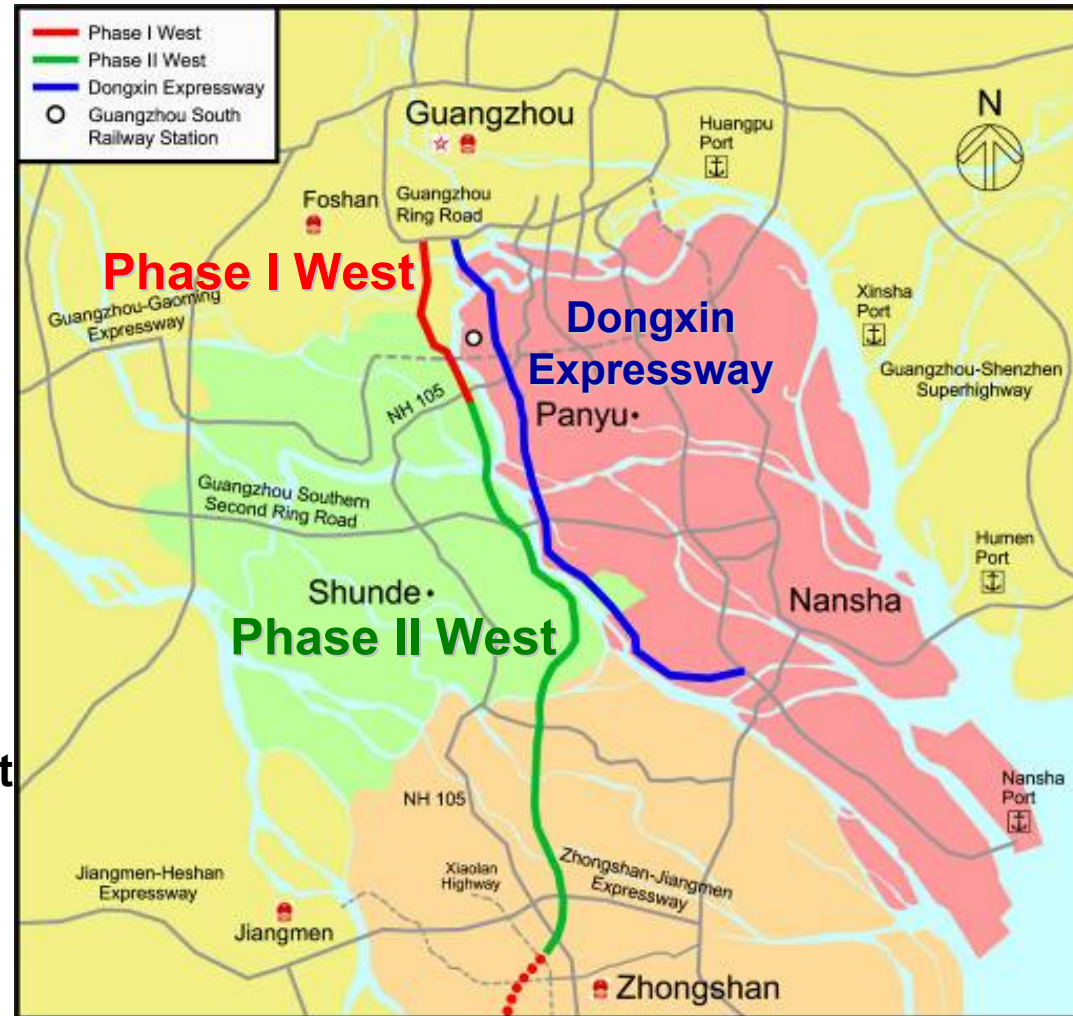
東新高速公路: 廣州-番禺-南沙

◆ Phases I & II West: Guangzhou-Nanhai-Shunde- Zhongshan

西綫 I 及 II 期: 廣州-南海-順德-中山

● Insignificant impact to Phase I West since it opened

自通車以來對西綫 I 期的影響輕微



~ **End** ~