

Hopewell Highway Infrastructure Limited

合和公路基建有限公司

FY2011/12 Interim Results

2011/12 財政年度中期業績

23 February 2012

Presentation slides are available in www.hopewellhighway.com

Group Messages

集團信息

- **Positive Operating Performance**

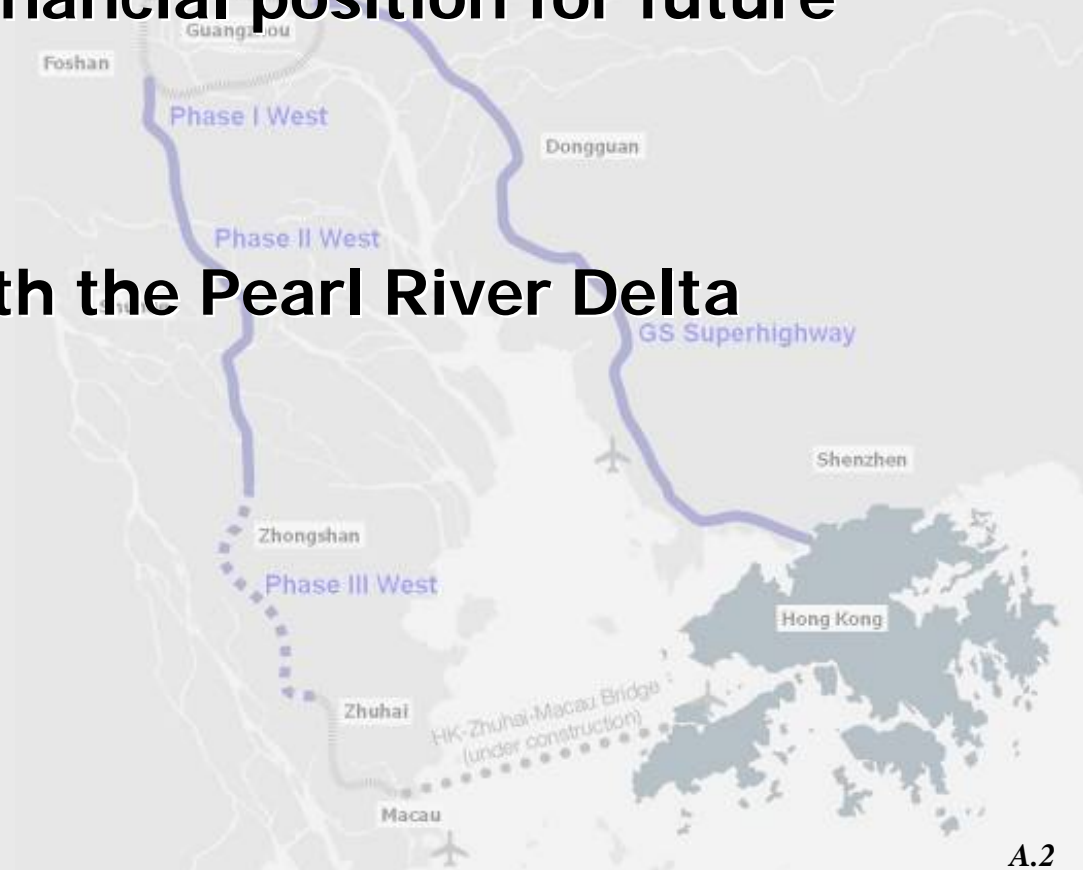
業務表現理想

- **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 ↑ 8% to 500k vehicles**
廣深高速、西綫 I 期和 II 期的合計日均車流量上升8%至50萬架次
- **Class 1 vehicles of GS continued to grow steadily and achieved historical high traffic and toll revenue**
廣深高速一類小車持續穩健增長，其車流量及路費收入均創歷史新高
- **Phase II West traffic and toll revenue continued to grow**
西綫 II 期的車流量及路費收入持續增長
 - ◆ **Average daily toll revenue ↑ 45% to RMB995k**
日均路費收入上升45%至人民幣99.5萬元
- **Endeavour to complete construction of Phase III West earlier in 1Q 2013. Over 60% of construction works have been completed. Phase III West is adequately funded.**
致力提早於2013年第1季完成建造西綫 III 期。在2011年12月底已完成超過60%的建造工程。西綫 III 期現時已有充足的資金
- **Net cash on hand at HHI corporate level (excluding JV companies) approx. RMB590m (or HK\$728m, HK\$0.25/share) as of 31 Dec 2011**
在2011年12月31日，合和公路基建公司層面 (不包括合營企業公司) 持有手頭淨現金約人民幣5.90億元 (或相等於港幣7.28億元，每股港幣0.25元)

(HK\$'M) (港幣百萬元)	Six months ended 31-Dec 截至12月31日止六個月		% change
	2010	2011	轉變(%)
Net toll revenue 淨路費收入	1,122	1,224	+9%
EBIT of toll expressways 收費高速公路除利息及稅項前溢利	748	838	+12%
Profit attributable to owners of the Co. 公司股東應佔溢利	491	571	+16%

● **Net toll revenue ↑ 9% mainly due to** 淨路費收入上升9%，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 rise**
客貨運輸的上升
- ◆ **Phase II West traffic increase**
西綫 II 期的車流量增加
- ◆ **RMB appreciation**
人民幣升值

● **Profit attributable to owners of the Company ↑ 16% mainly because**

公司股東應佔溢利上升16%，主要由於

- ◆ **Rise in toll revenue, interest income and exchange gain offset the step up of GS' tax rate and finance cost rise**
路費收入、利息收入及匯兌盈利的增加，抵銷了廣深高速稅率及財務成本的上升

Financial Highlights (cont'd)

財務摘要(續)

	Six months ended 31-Dec 截至12月31日止六個月		% change 轉變(%)
	2010	2011	
EPS (HK cents) 每股溢利 (港仙)	16.58	19.28	+16%
DPS (HK cents) 每股股息 (港仙)	Interim 中期: 16	Interim 中期: 18	

Financial Highlights (cont'd)

財務摘要(續)

- **HHI issued RMB1.98 billion corporate bonds**

合和公路基建發行共19.8億元人民幣企業債券

- ◆ **Help to fill funding gap for Phase III West**

填補西綫 III 期項目的融資空缺

- ◆ **Broaden HHI and JVs' financing sources**

有助拓闊合和公路基建及合營企業的融資渠道

- **Used part of RMB bonds proceeds and injected RMB1,226m for Phase III West's development as of 31.12.2011 (Registered Capital: RMB696m; Shareholder's Loan: RMB530m)**

運用發行人民幣債券籌得的部分金額，在2011年12月31日已投入人民幣12.26億元，用作發展西綫 III 期項目 (註冊資本：人民幣6.96億元；股東貸款：人民幣5.3億元)

- **GS advanced RMB731m to Phase II West as of 31.12.2011, as the application to increase project cost is still being processed**

在2011年12月31日，廣深高速貸款人民幣7.31億元予西綫 II 期，因為增加項目成本的申請仍在進行中

- **Exploring opportunities for PRC JV Cos. to issue RMB bonds in HK**

為內地合營企業公司在香港發行人民幣債券探索機會

- ◆ **help lower finance costs**

有助減低財務成本

HK\$'M 港幣(百萬元)

For the six months ended 31-Dec

截至12月31日止六個月

GS Superhighway^{N1} 廣深高速公路

Phase I West 西綫 I 期

Phase II West 西綫 II 期

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

	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 (%)
	1,002	1,070	676	750	478	519	
	49	46	34	29	24	20	
	71	108	38	59	(27)	(23)	
	1,122	1,224	748	838	475	516	+9%

+9%

+12%

Corporate results: 公司層面業績

Interest income 利息收入

Mangement fee income from JCE 收取共同控制個體的管理費收入

General and administrative expenses 一般行政費用

Finance costs 財務成本

Income tax expenses 所得稅開支

Net exchange gain/(loss) 淨匯兌盈利/(虧損)

Profit for the period 本期溢利

Minority interests 少數股東權益

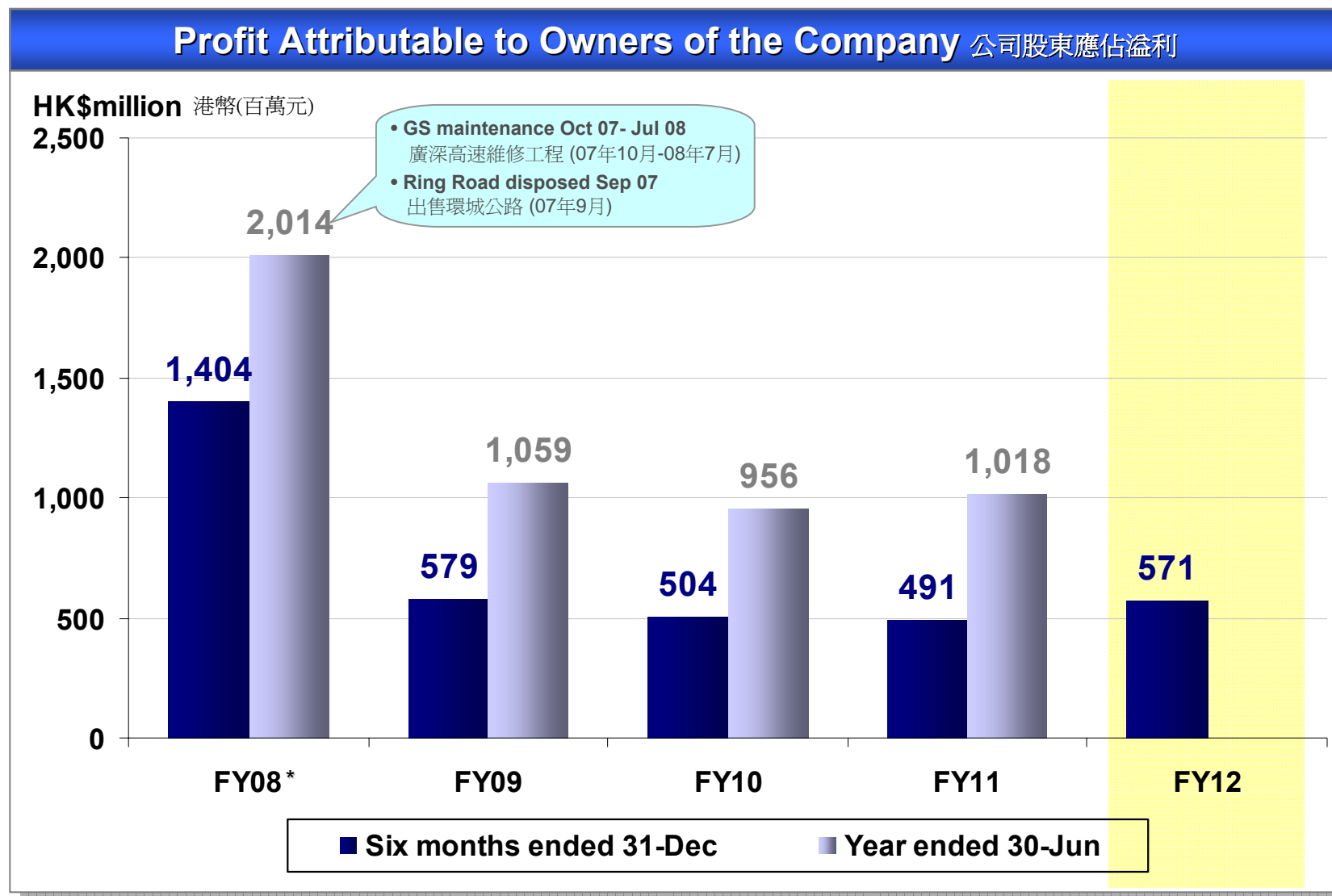
Profit attributable to owners of the Company 公司股東應佔溢利

35	71	
1	1	
(22)	(27)	
(26)	(32)	
(1)	(5)	
(13)	8	
38	57	
500	581	
(9)	(10)	
491	571	+16%

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

Profit Attributable to Owners of the Company

公司股東應佔溢利



Note: Figures in FY08 have been restated

* Incl. exchange gain of \$439m in FY08

HHI Dividend History 合和公路基建的股息



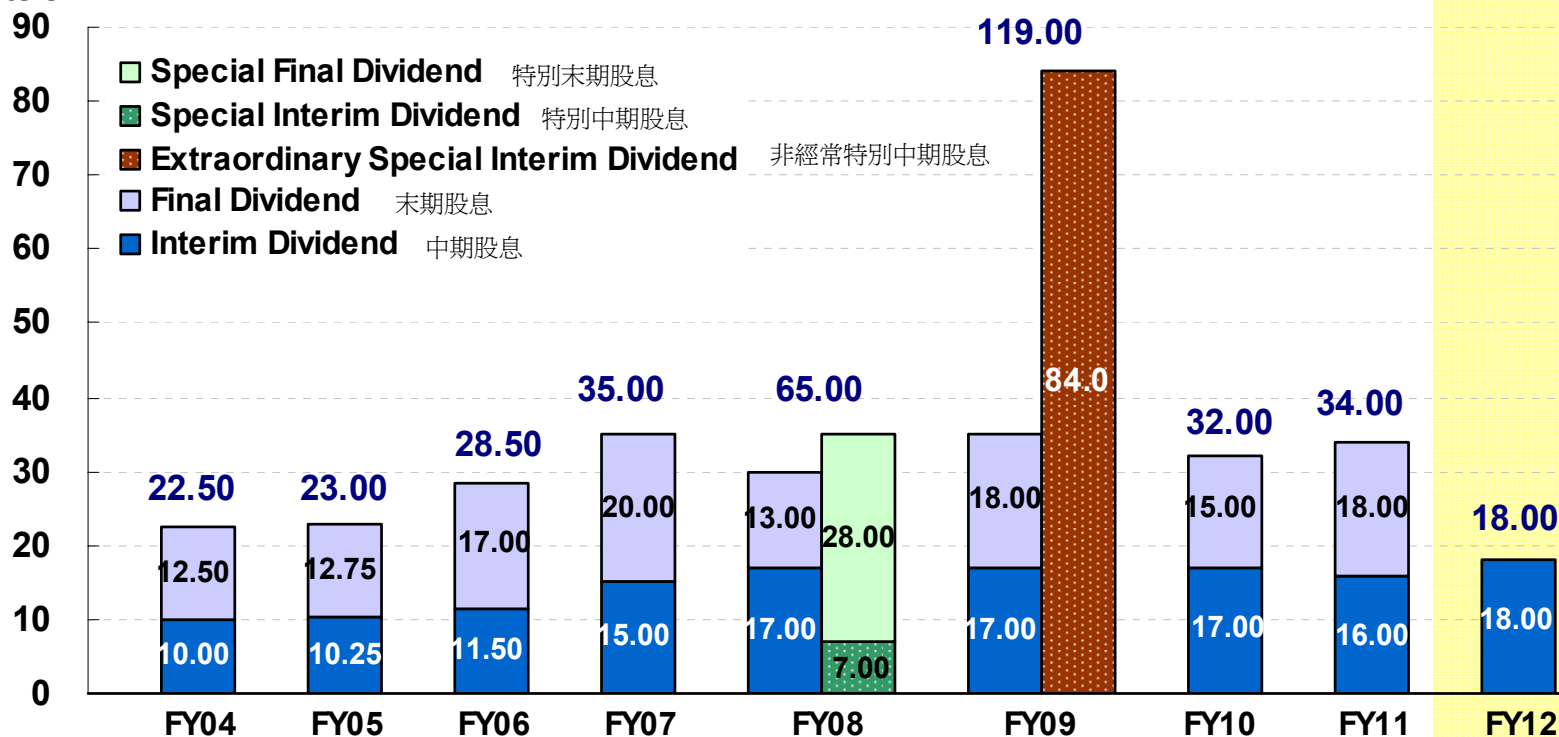
● Target around 100% dividend payout ratio, in light of HHI's strong financial position

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}

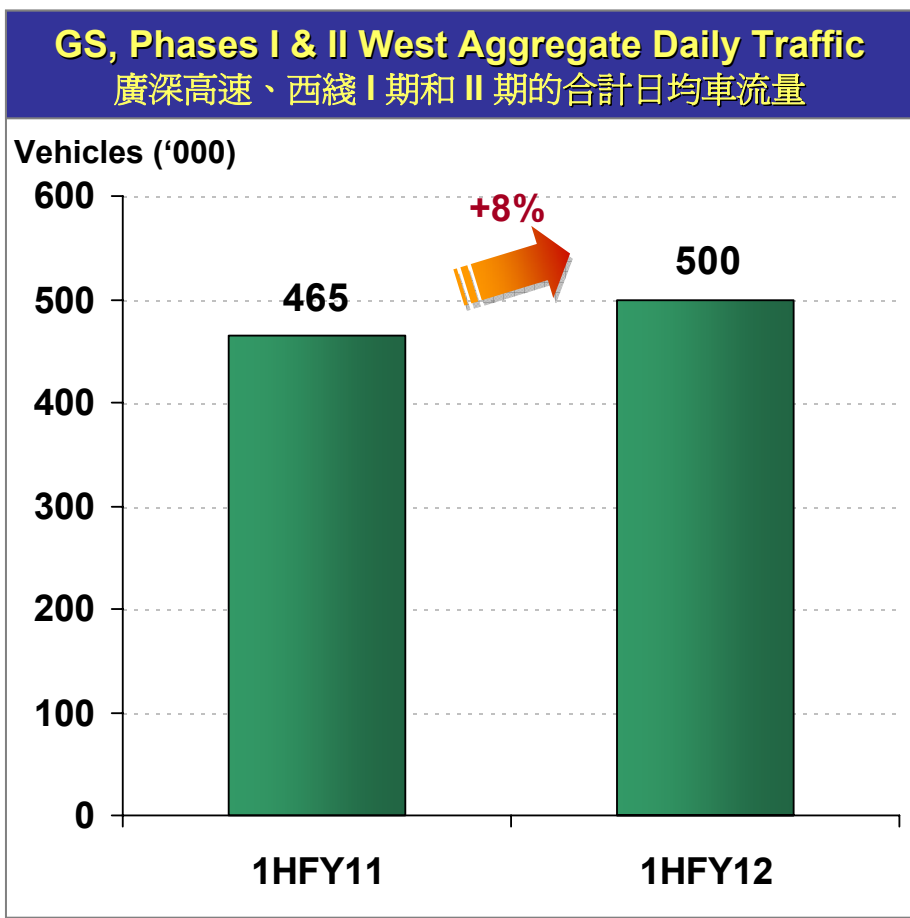
88% 74% 75% 77% 97% 98%^{N1} 99% 99% 93%

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

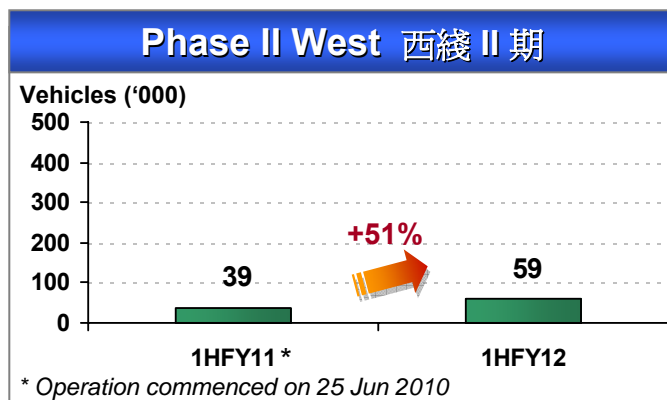
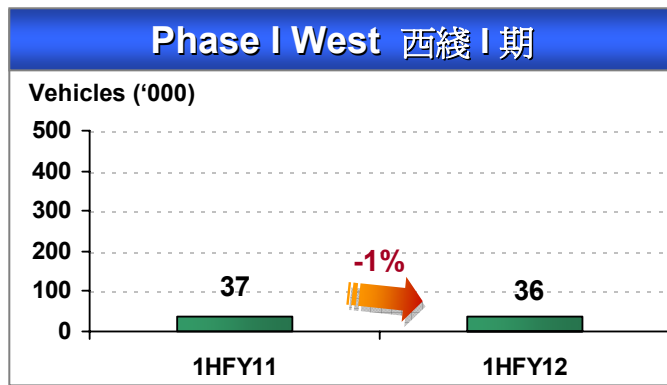
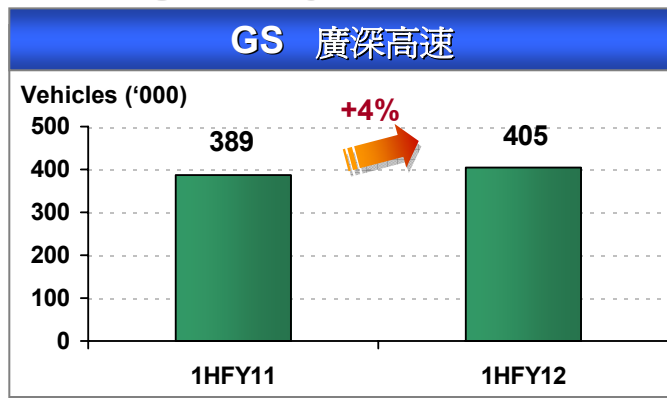
N2: Profits in FY04-08 have not been restated in order to reflect the actual payout ratio decided in those years

Aggregate average daily traffic of GS, Phases I and II West ↑ 8% to 500k vehicles

廣深高速、西綫 I 期和 II 期的合計日均車流量 ↑ 8% 至 50 萬架次

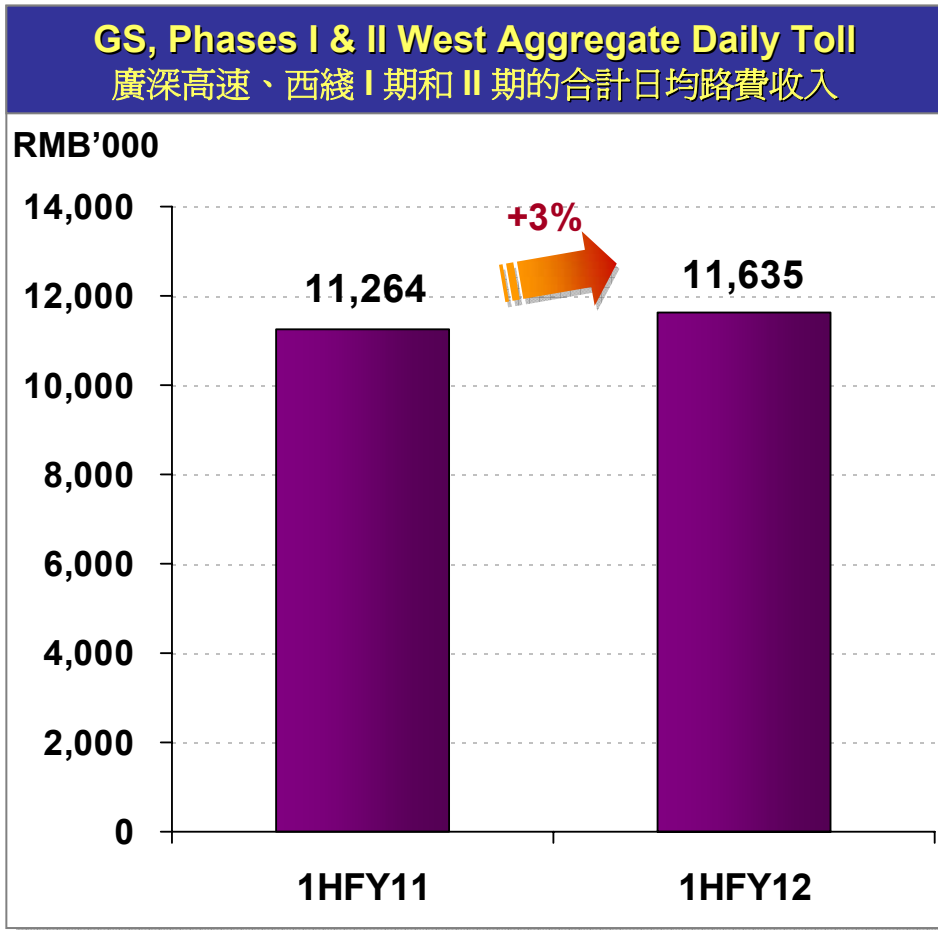


Average Daily Traffic 日均車流量

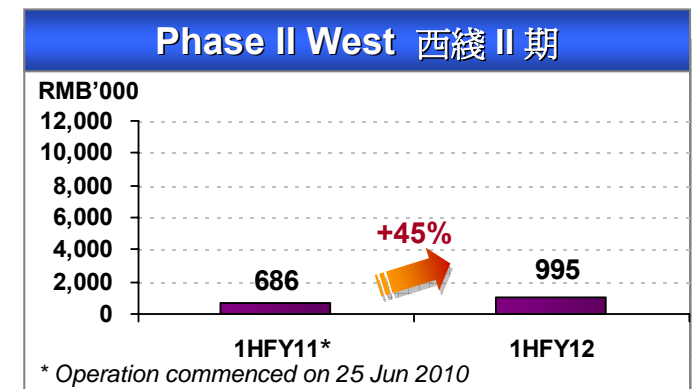
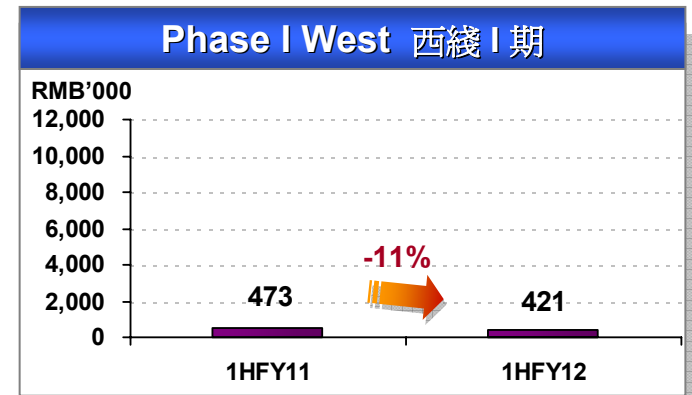
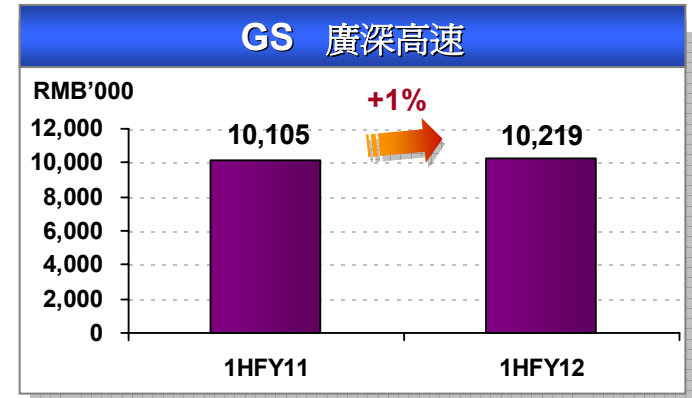


● **Aggregate average daily toll of GS, Phases I and II West ↑ 3% to RMB11.6 million**

廣深高速、西綫 I 期和 II 期的合計日均路費收入 ↑ 3% 至人民幣 1,160 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

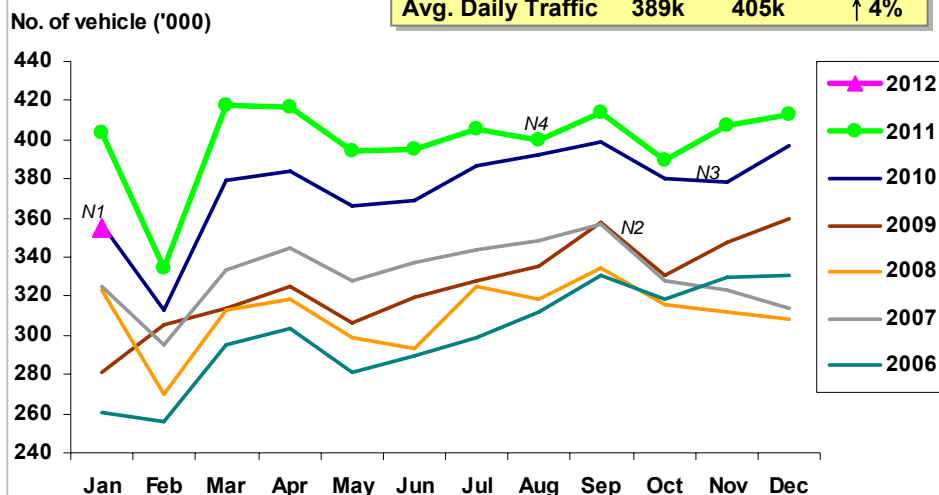
受惠於中國汽車擁有量的增長

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

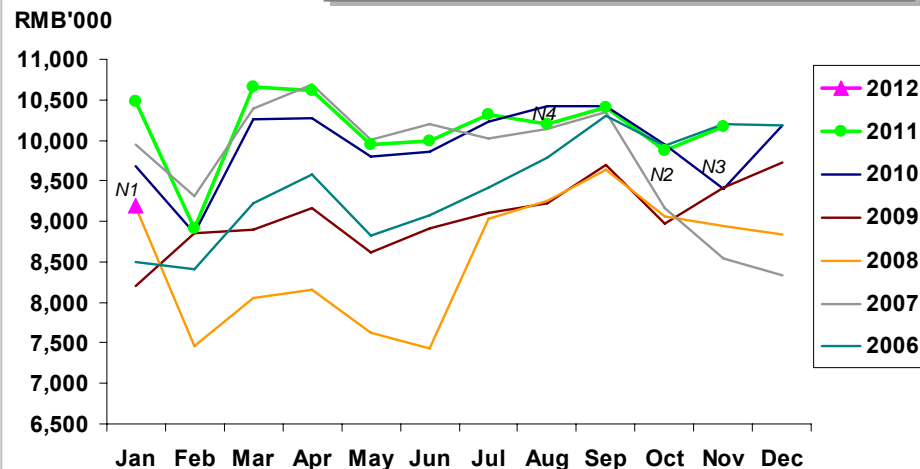
GS Superhighway – Average Daily Traffic

	1HFY11	1HFY12	change
Avg. Daily Traffic	389k	405k	↑ 4%



GS Superhighway – Average Daily Toll Revenue

	1HFY11	1HFY12	change
Avg. Daily Toll (RMB)	10,105k	10,219k	↑ 1%



N1: Chinese New Year in 2012 started on 23 Jan 2012 (2011 started on 3 Feb 2011)

N2: The Xintang to Dongguan section (approximately 22.2km) were closed for maintenance 18 Oct 2007 - 9 Jul 2008

N3: 2010 Traffic restriction for Asian Games in Guangzhou (Nov 2010)

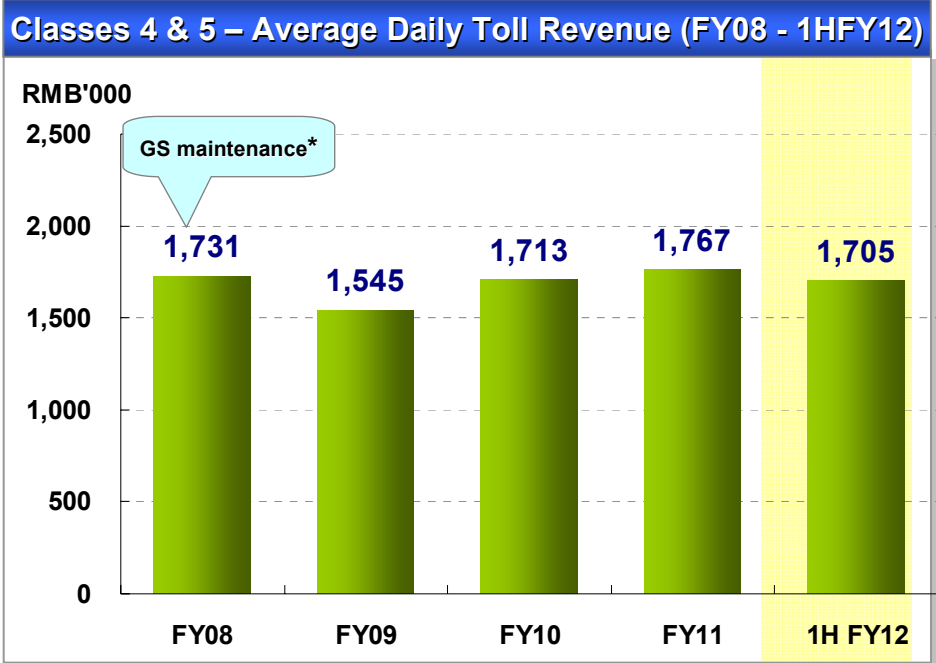
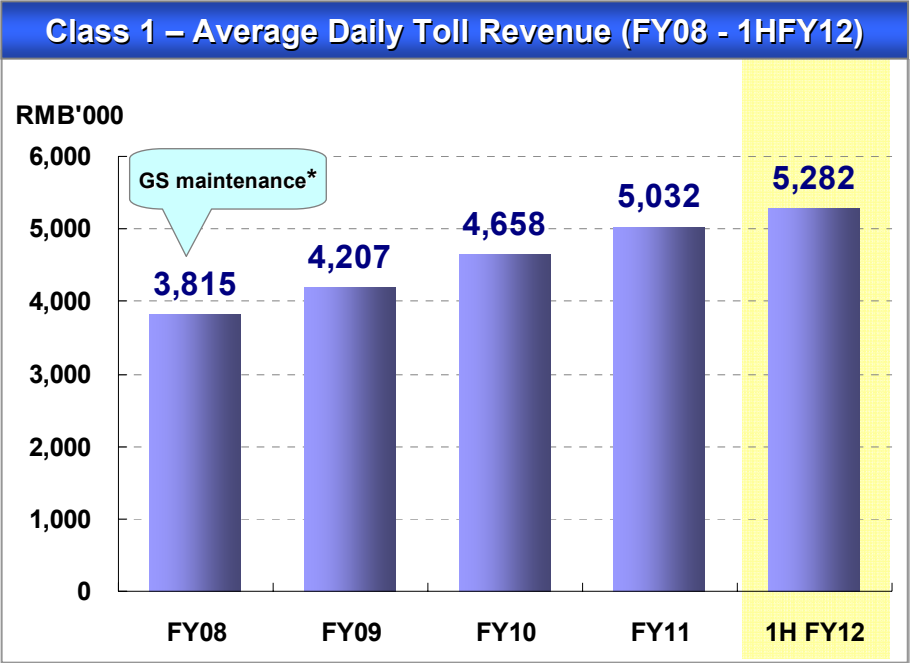
N4: 2011 Traffic restriction for Summer Universiade in Shenzhen (Aug 2011)

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 and rose to historically high levels

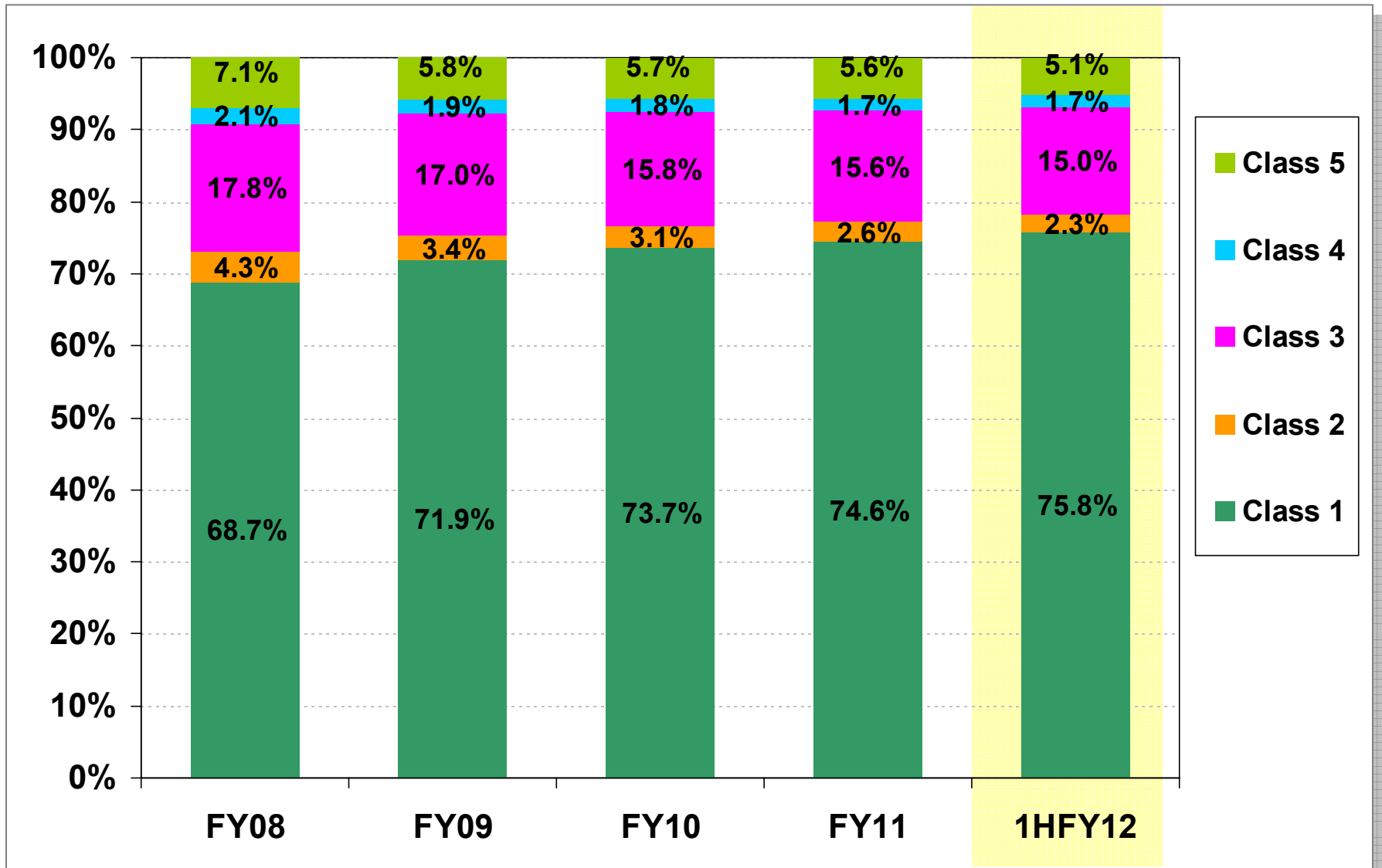
一類車的車流量及路費收入均錄得穩健的增長，及升至歷史新高



* 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



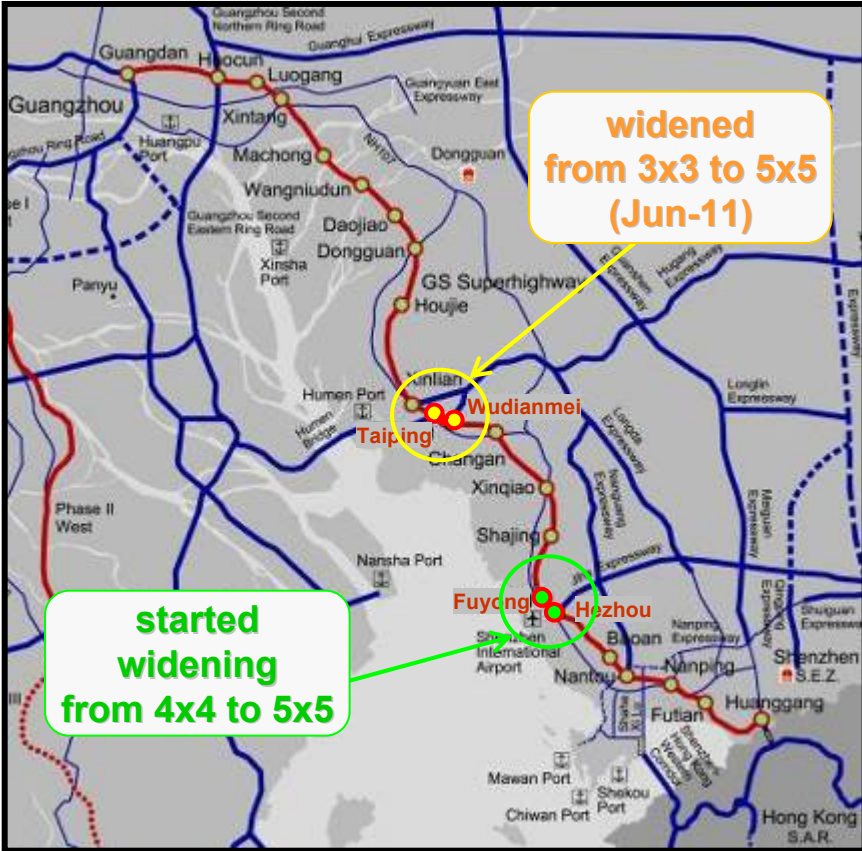
GS Superhighway - Proactive Traffic Management

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 relevant authorities

主動監察車流量，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)	Started widening from 4x4 to 5x5 in Sep-11 <ul style="list-style-type: none"> Northbound completed: Jan-12 Southbound planned to complete 2Q2012 於2011年9月展開擴寬工程，由雙向共八車道擴寬至雙向共十車道 <ul style="list-style-type: none"> 北行線：已於2012年1月完工 南行線：計劃於2012年第2季完工



GS Superhighway

- Widening of 2km Hezhou to Fuyong Section (Northbound completed)

廣深高速公路：鶴州至福永之間2公里的擴寬工程 (北行線已完工)

- Started expansion from 8 lanes to 10 lanes in Sep 2011

在2011年9月開始進行由雙向共八車道擴建至雙向共十車道

- Northbound completed in Jan 2012

北行線：已在2012年1月完工

- Southbound planned to complete in 2Q2012

南行線：計劃於2012年第2季完工

- Relieve traffic pressure to meet rising freight and passenger traffic to and from Shenzhen Baoan International Airport

紓緩往來深圳寶安國際機場不斷上升的貨運及客運量帶來的交通壓力



started widening from 4x4 to 5x5 In Sep 2011



Before Widening



After Widening

GS Superhighway

– Widening of 3.5km busier Wudianmei to Taiping Section (completed)

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（已完工）

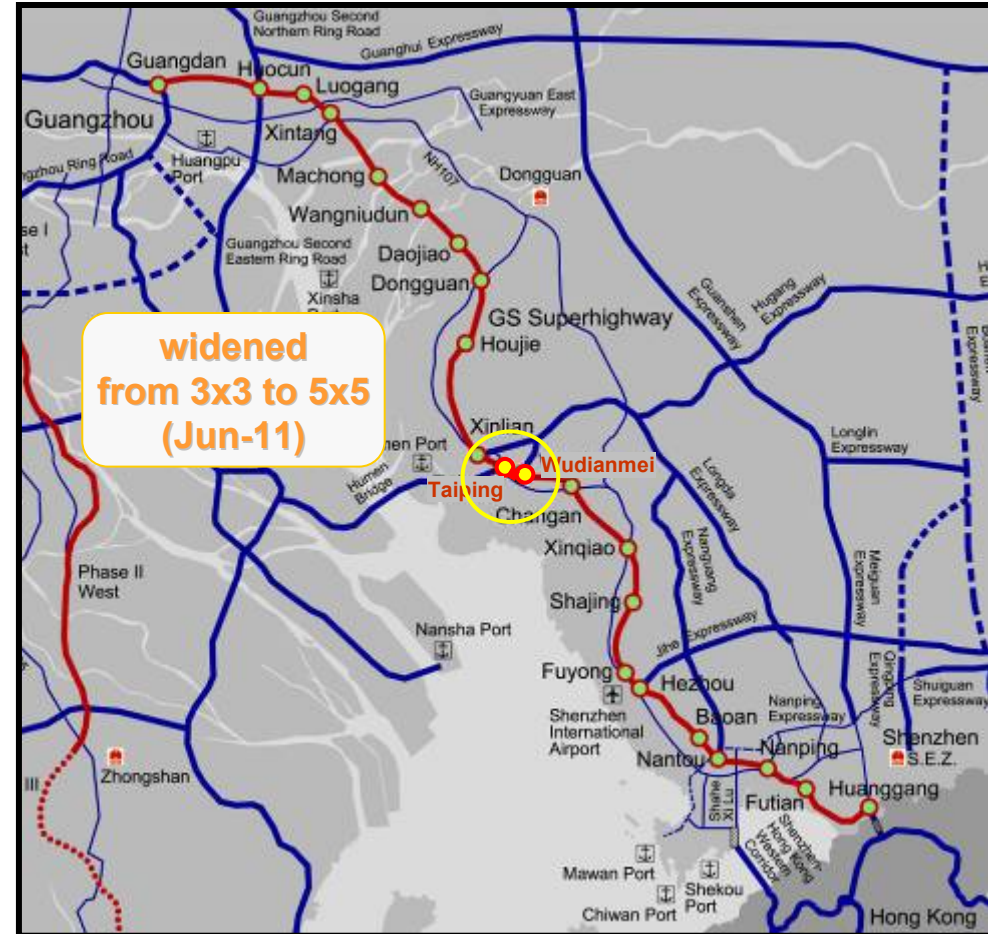
- Expansion from 6 lanes to 10 lanes in dual directions **completed in Jun 2011**

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:

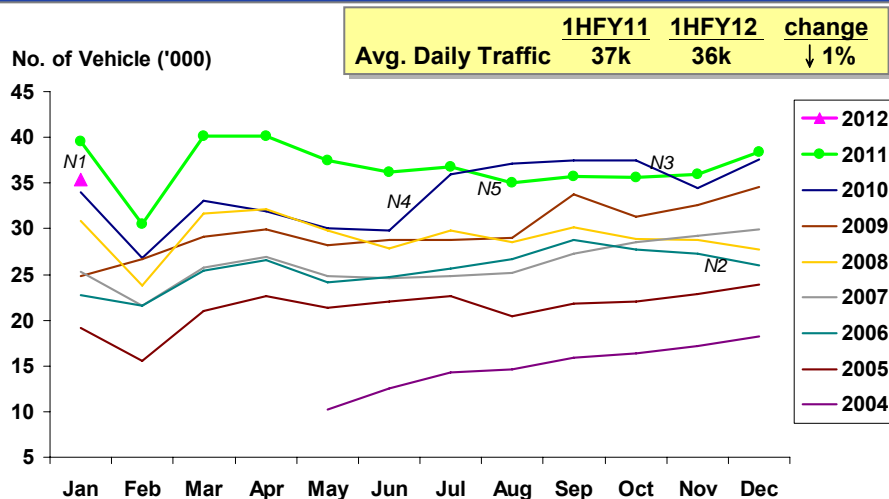
擴寬工程完成後：

- Travelling speed has increased
行車速度提升
- No. of accidents fell
交通事故減少
- ↑ traffic along the widened section
行經擴寬路段的車流量增加

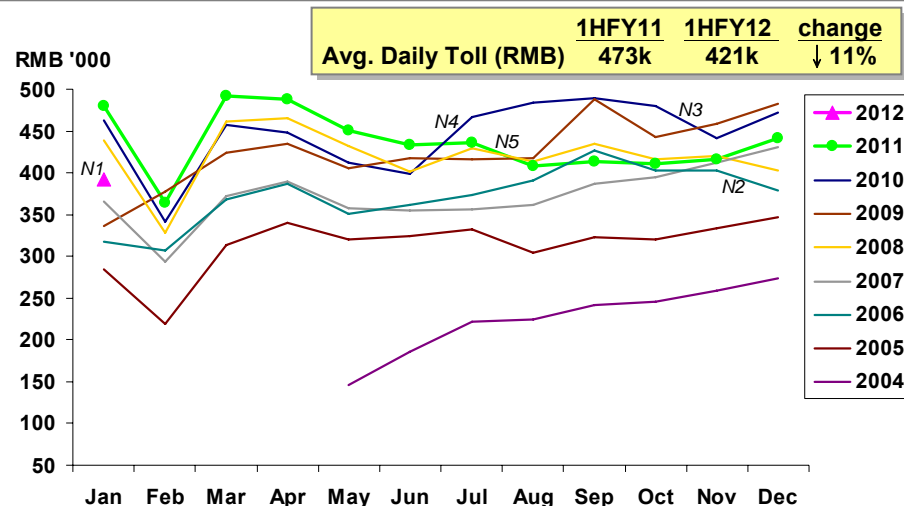


- Traffic and toll revenue in 1H FY12 fell due to**
 2012財政年度上半年的車流量及路費收入下跌，由於
 - Intensified traffic restrictions for Yajisha Bridge repair works on Guangzhou ESW Ring Road since mid-Jul 2011** 自2011年7月中，東南西環高速的丫髻沙大橋進行維修工程期間，交通管制變得嚴謹
- Yajisha Bridge repair works completed 26 Dec 2011 – Phase I West’s average daily toll revenue & traffic returned to RMB448k & 39k vehicles in 7-20 Feb 2012 respectively**
 丫髻沙大橋維修工程已在2011年12月26日完工 — 西綫I期的日均路費收入及車流量在2012年2月7日至20日期間，已分別返回人民幣44.8萬元及3.9萬架次的水平
- Potential traffic restriction for trucks on Guangzhou Ring Road under study**
 當局正研究對行駛廣州環城高速的貨車實施交通管制

Phase I West – Average Daily Traffic



Phase I West – Average Daily Toll Revenue



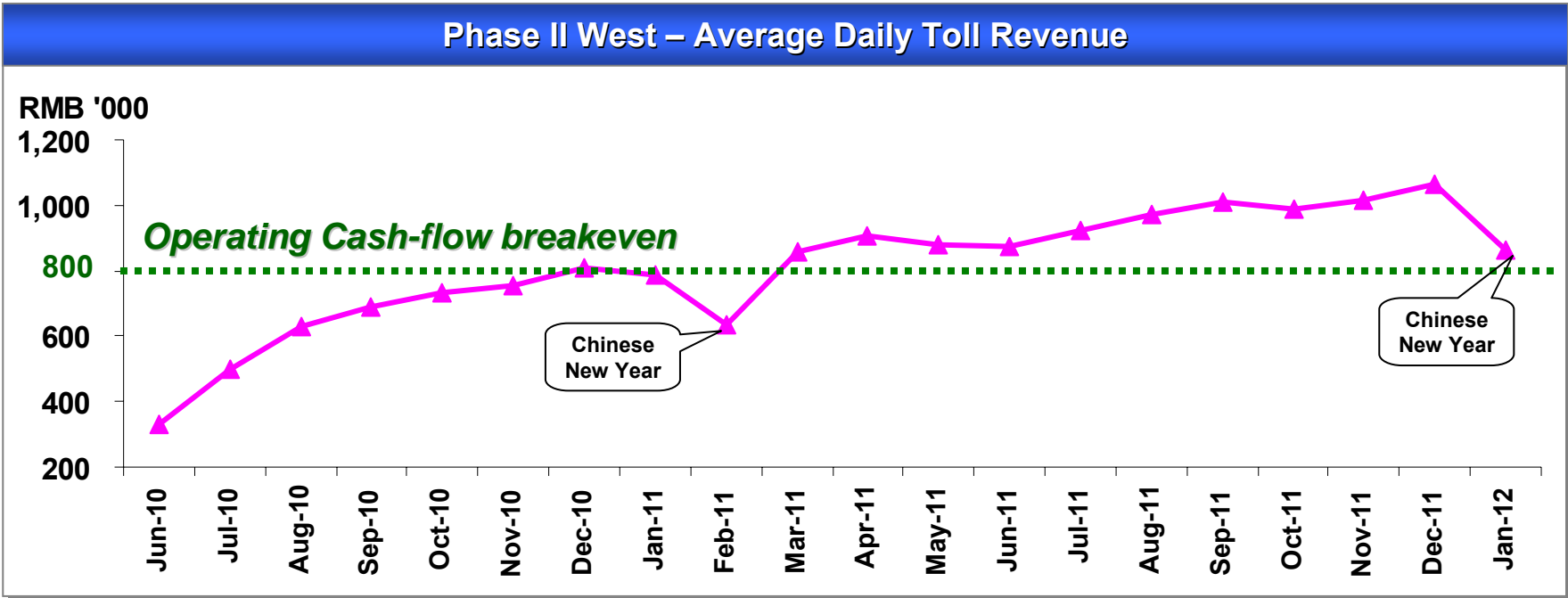
N1: Chinese New Year in 2012 started on 23 Jan 2012 (2011 started on 3 Feb 2011)
 N2: Growth slowed because of opening of a local toll-free road in Foshan parallel to Phase I West in Nov 2006
 N3: 2010 Traffic restriction for Asian Games in Guangzhou (Nov 2010)
 N4: Phase II West commenced operation on 25 Jun 2010
 N5: Traffic restriction for Yajisha Bridge on ESW Ring Road maintenance Jan 2010 – Dec 2011 (intensified since mid Jul 2011)

Phase II West

– Achieved Operating Cash-flow Breakeven Target

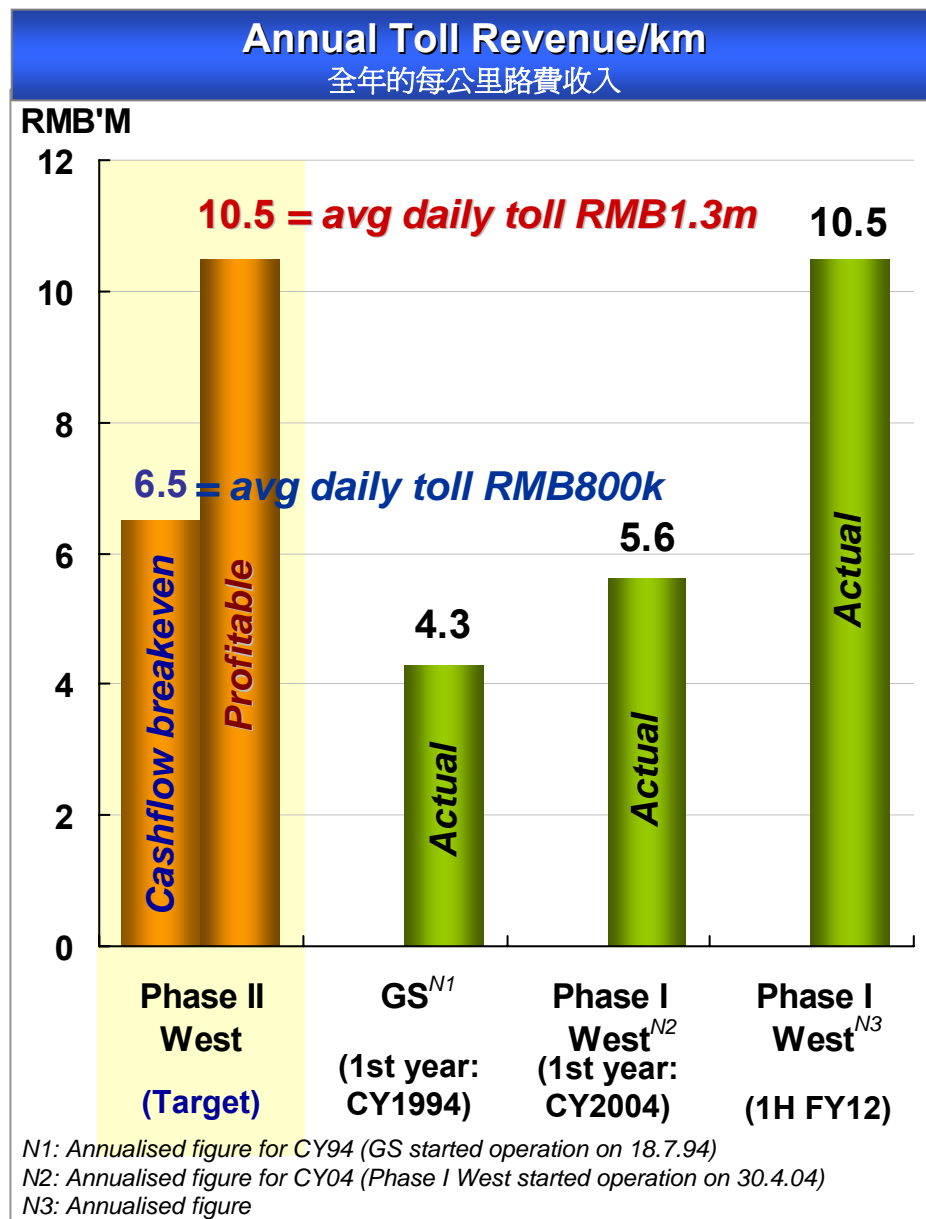
西綫II期：達到營運現金流收支平衡的目標

- **Opened 25 Jun 2010**
於2010年6月25日開通
- **In 2H FY11, achieved operating cash-flow breakeven (after interest expense payment) target in 1st year of operation**
在2011財政年度下半年已達到營運現金流收支平衡 (計及利息支出) 的首年營運目標
 - ◆ **i.e. RMB800k average daily toll revenue**
即日均路費收入達人民幣80萬元



Phase II West – Profitability Study

西綫II期：盈利能力研究



Highlights 重點

- Target: achieve net profit in 2014**
目標在2014年錄得淨盈利

 - 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 1Q 2013**
加上西綫 III 期在2013年第1季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

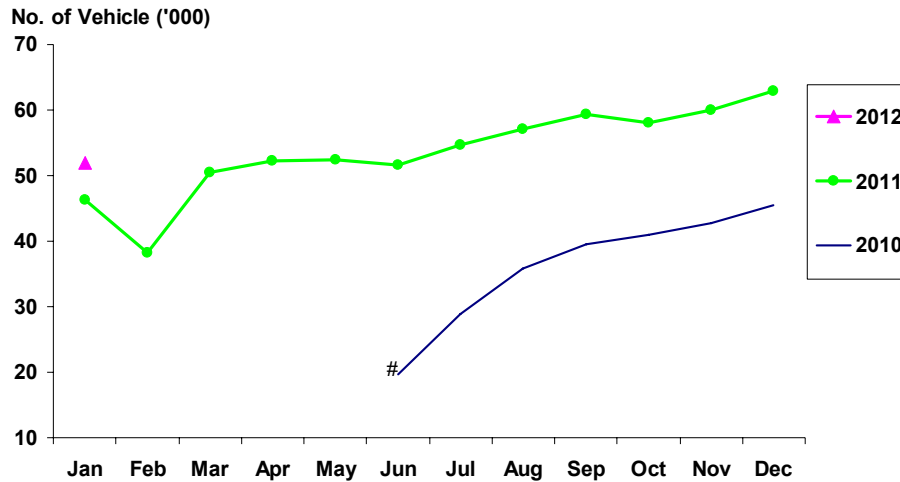
西綫II期

● Traffic and toll revenue continued to grow

車流量及路費收入持續增長

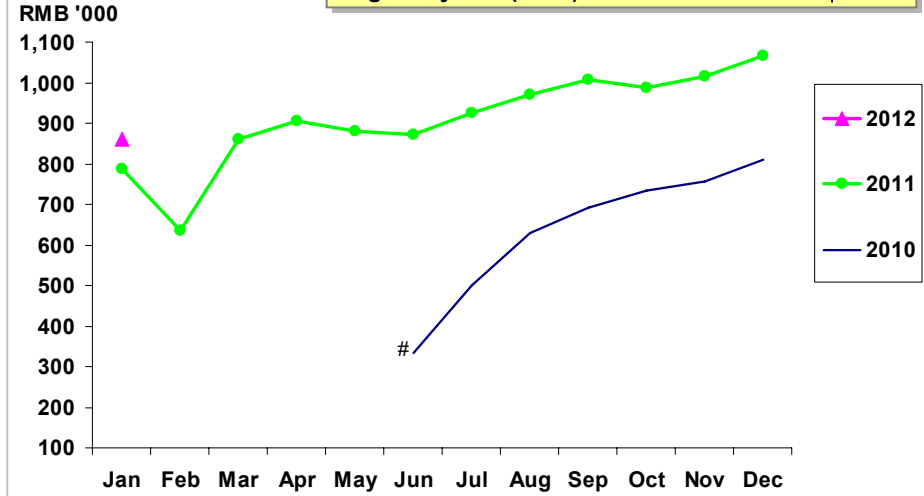
Phase II West – Average Daily Traffic

	1HFY11	1HFY12	change
Avg. Daily Traffic	39k	59k	↑ 51%



Phase II West – Average Daily Toll Revenue

	1HFY11	1HFY12	change
Avg. Daily Toll (RMB)	686k	995k	↑ 45%



* Chinese New Year in 2012 started on 23 Jan 2012 (2011 started on 3 Feb 2011)

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 West completion (1Q 2013)
西綫 III 期完工 (2013年第1季)

- 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 West traffic

有助增加西綫 II 期的車流量

- Connection to Xiaolan Highway (via Phase II West southern end)

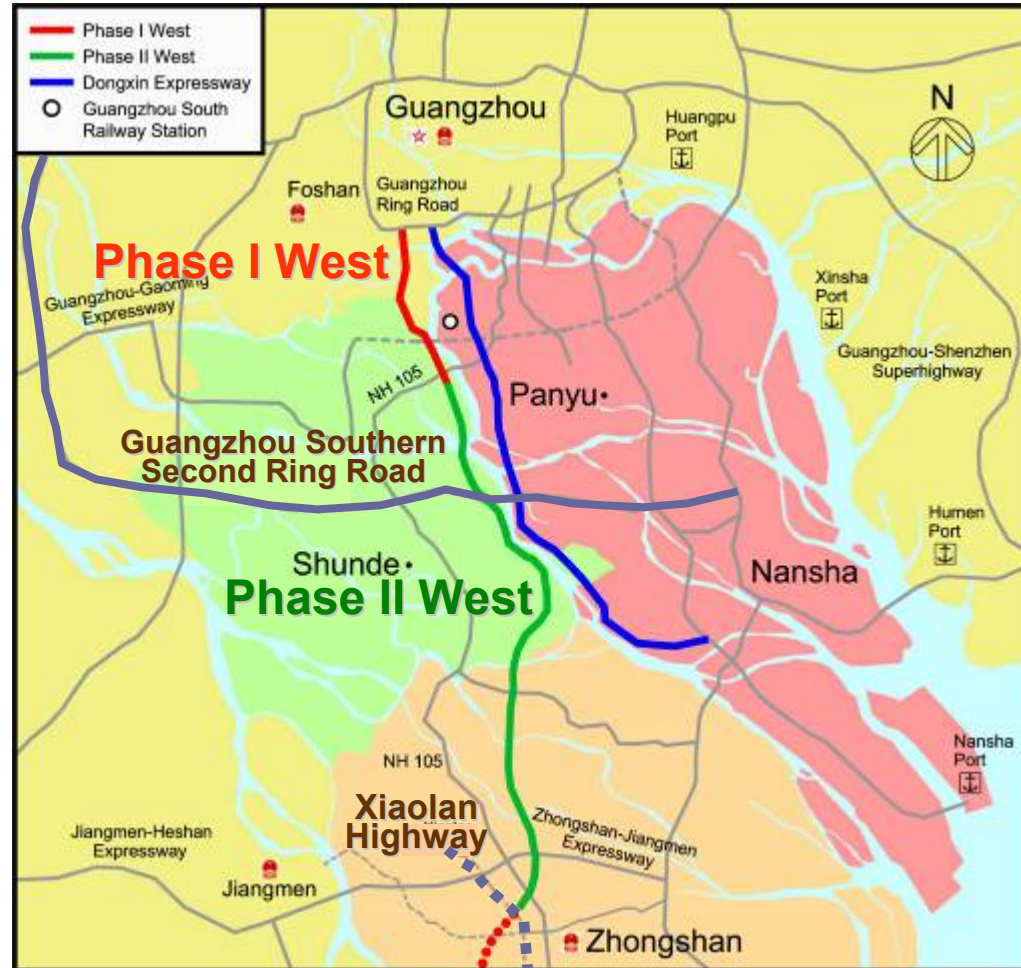
小欖公路的连接 (經由西綫 II 期南面末段)

- Planned opening in Apr 2012

計劃在2012年4月開通

- Faster link to downtown Zhongshan

更快地連接至中山市中心



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 in 1Q 2013**
計劃於2013年第1季完工
- **Adequately funded 資金充足**
- **HHI injected RMB1,226m for Phase III West development as of 31 Dec 2011 (Equity: RMB696m; Shareholder's loan: RMB530m)**
在2011年12月31日，合和公路基建已投入人民幣12.26億元以發展西綫III期項目 (股本：人民幣6.96億元；股東貸款：人民幣5.3億元)

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
計劃投資額	(35% equity, HHI & PRC partner each to contribute RMB980 million) 約人民幣56億元 (其中股本佔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 RMB530 million for Phase III West development (as of 31.12.2011)**

在2011年12月31日已提供人民幣5.3億元予西綫 III 期項目發展

- **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比，將由18%輕微上升至26%

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

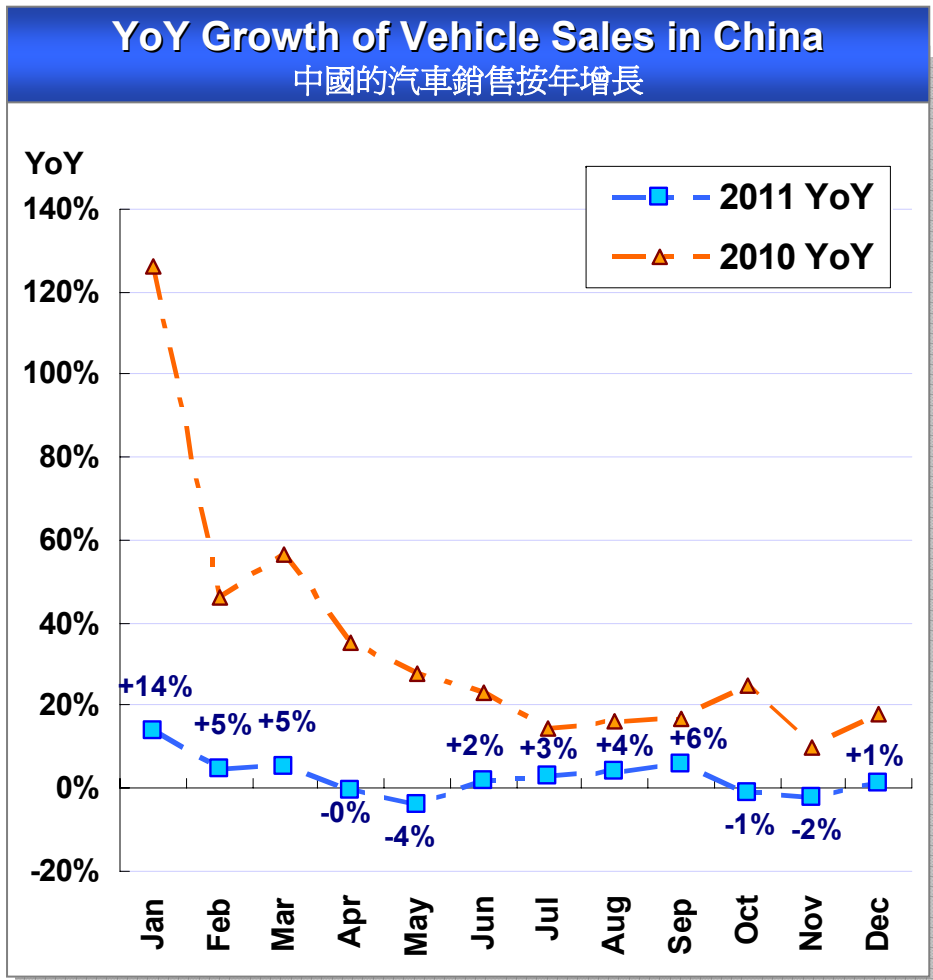
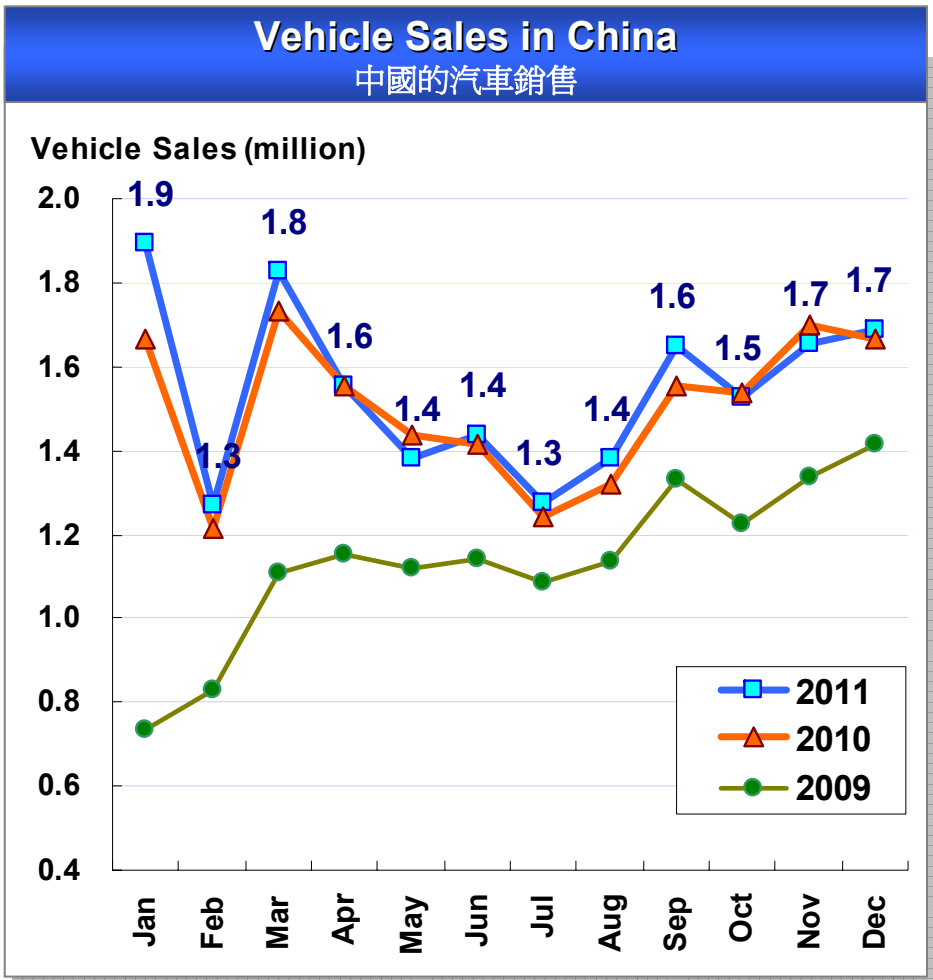
珠江三角洲西岸幹道項目強勁的基本因素保持不變

Vehicle Sales in China

中國的汽車銷售

Total vehicle sales in China reached 18.5 million vehicles in 2011 (+3% yoy)

在2011年，中國的總汽車銷售達1,850萬輛 (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 2011



中國在2011年是世界最大汽車銷售市場

● **China has been the world’s largest vehicle sales market since 2009**

自2009年起，中國已是世界最大的汽車銷售市場

Motor Vehicle* Sales 2011

Ranking	Country	2011 Total Vehicle Sales
1	China	18.5m
2	U.S.A.	13.0m



Motor Vehicle* Sales 2010

Ranking	Country	2010 Total Vehicle Sales ('M)
1	China	18.1
2	U.S.A.	11.8
3	Japan	5.0
4	Brazil	3.5
5	India	3.0
6	Germany	2.9
7	France	2.3
8	Russia	2.1
9	U.K.	2.0
10	Italy	2.0

China 2011: 18.5m
(+3% yoy)

China 1994: 1.6m

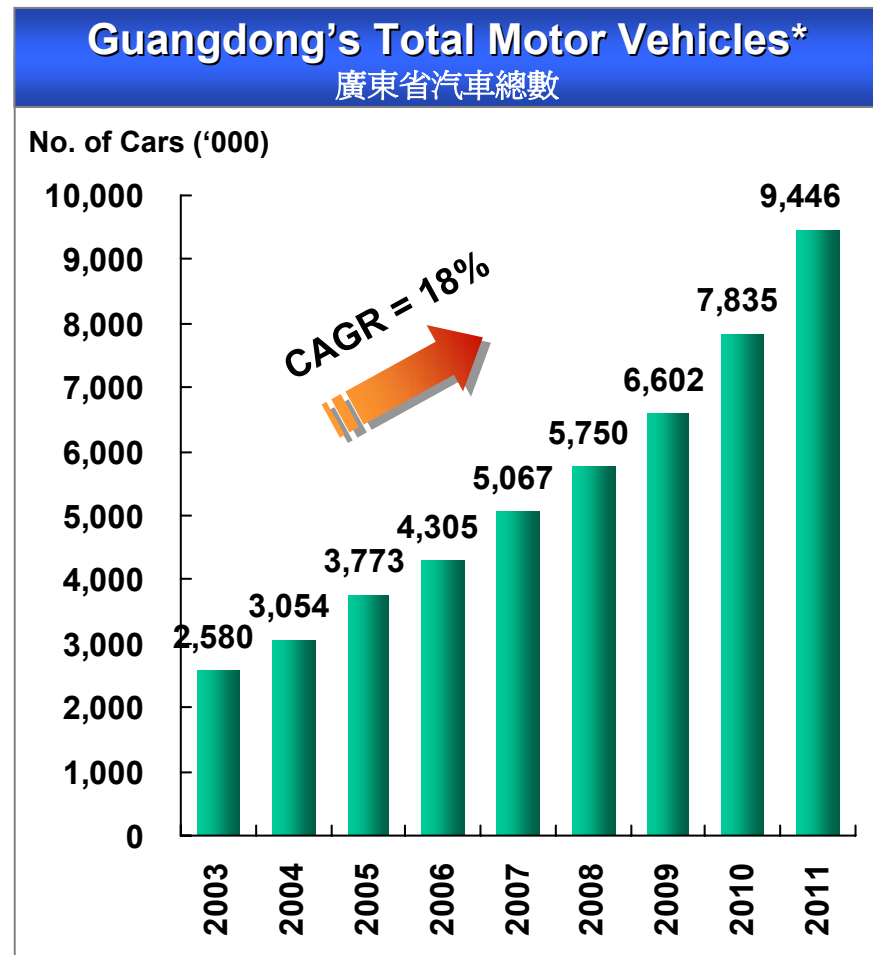
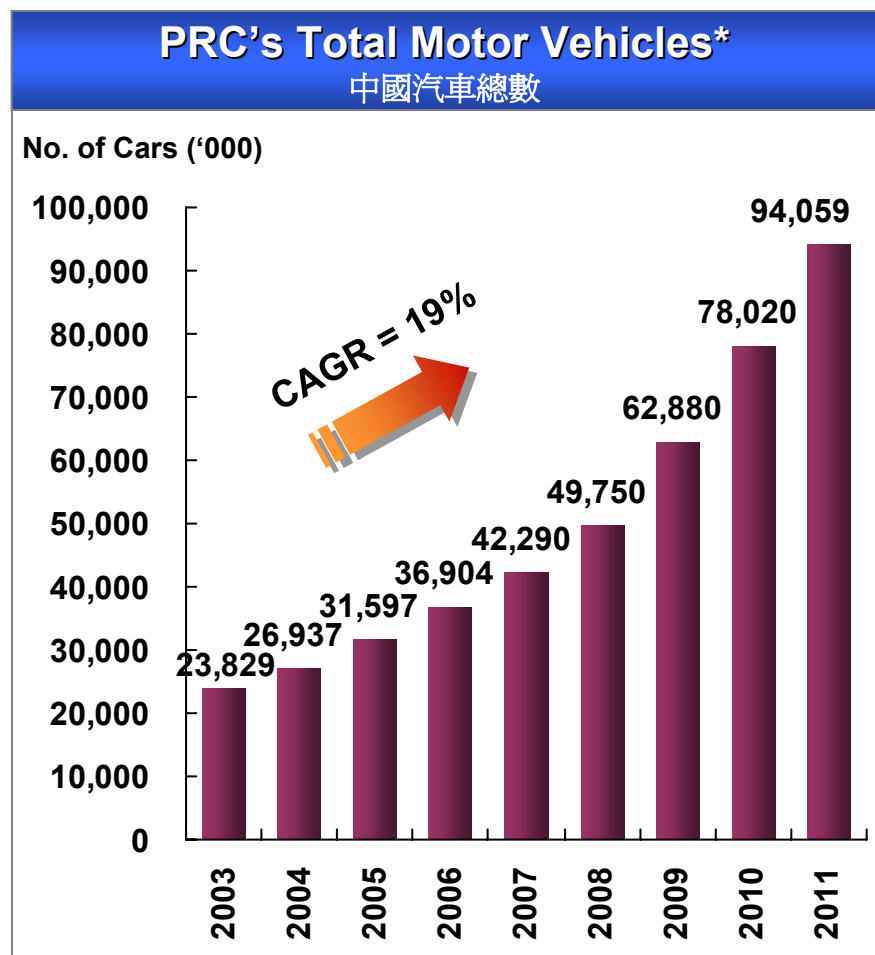
* Incl. passenger & commercial vehicles but excl. motorcycles
Source: CEIC , Thomson Reuters & various car manufacturer associations

Steady Growth in PRC & Guangdong Car Population **HWI**

中國及廣東省汽車數目增長穩健

Driven mainly by small car sales

主要由小車銷售帶動



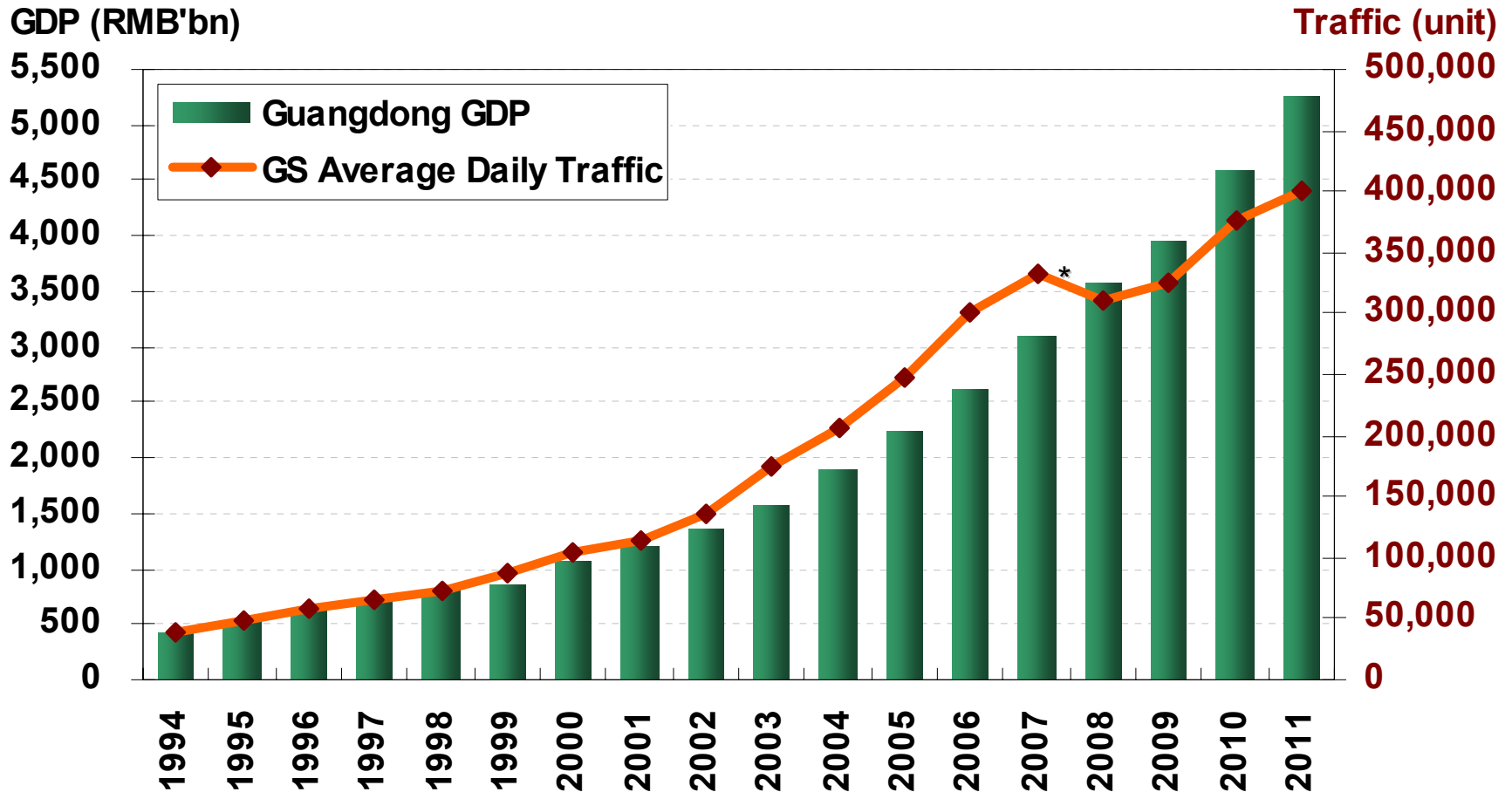
* Incl. passenger & commercial vehicles but excl. motorcycles & truckers

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

GS Traffic and Guangdong GDP



* A section of the GS Superhighway's Xintang to Dongguan toll station (approximately 22.2km) was closed for maintenance/improvement works from 18 Oct 2007 to 9 Jul 2008.

Measures to Lower Operating Costs and Enhance Operational Efficiency

減低營運成本及提高經營效率的措施

● Automatic card-issuing machines

自動發卡機

◆ Installed in around 1/3 of total entry lanes of GS

已安裝在廣深高速約1/3入口車道

● Electronic Toll Collection (“ETC”) lanes

電子不停車收費車道

◆ Installed 31 extra ETC lanes on GS in 1H FY12

在2012財政年度上半年，廣深高速新安裝了 31條電子不停車收費車道

◆ Total ETC lanes on GS: 68 (as of 20.2.12)

在2012年2月20日，廣深高速共設置68條電子不停車收費車道

● Control operating expenses

控制營運開支

● Actively studying toll-by-weight

積極研究計重收費

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

■ **Help to fill funding gap for Phase III West and broaden financing sources**

有助填補西綫 III 期項目的融資空缺及進一步拓闊融資渠道

● **HHI and GS provide financial support to GZW given tight PRC credit market**

由於內地信貸市場收緊，合和公路基建及廣深高速合營企業為西綫項目提供財務支持

■ **Shareholder's loans from HHI to Phase III West – RMB530m provided as of 31.12.2011**

合和公路基建提供股東貸款予西綫 III 期項目：在2011年12月31日共提供人民幣5.3億元

■ **Intercompany borrowing from GS to Phase II West – RMB731m provided as of**

31.12.2011 廣深高速合營企業提供公司貸款予西綫 II 期項目：在2011年12月31日共提供人民幣7.31億元

■ **Phase II West can borrow additional project loans and repay GS after approval for increasing total project cost is obtained**

西綫 II 期在獲得增加總項目成本的批准後，便可借入額外的項目貸款並可償還予廣深高速

● **Exploring opportunities for PRC JV Cos. to issue RMB bonds in HK**

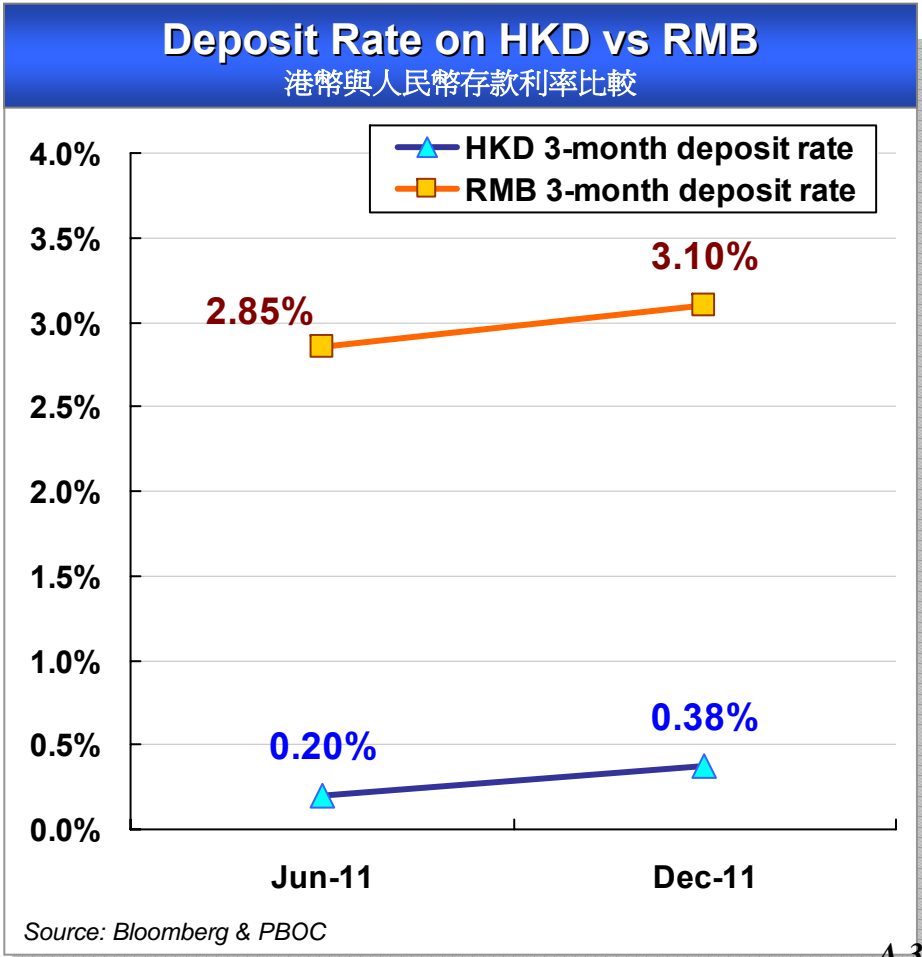
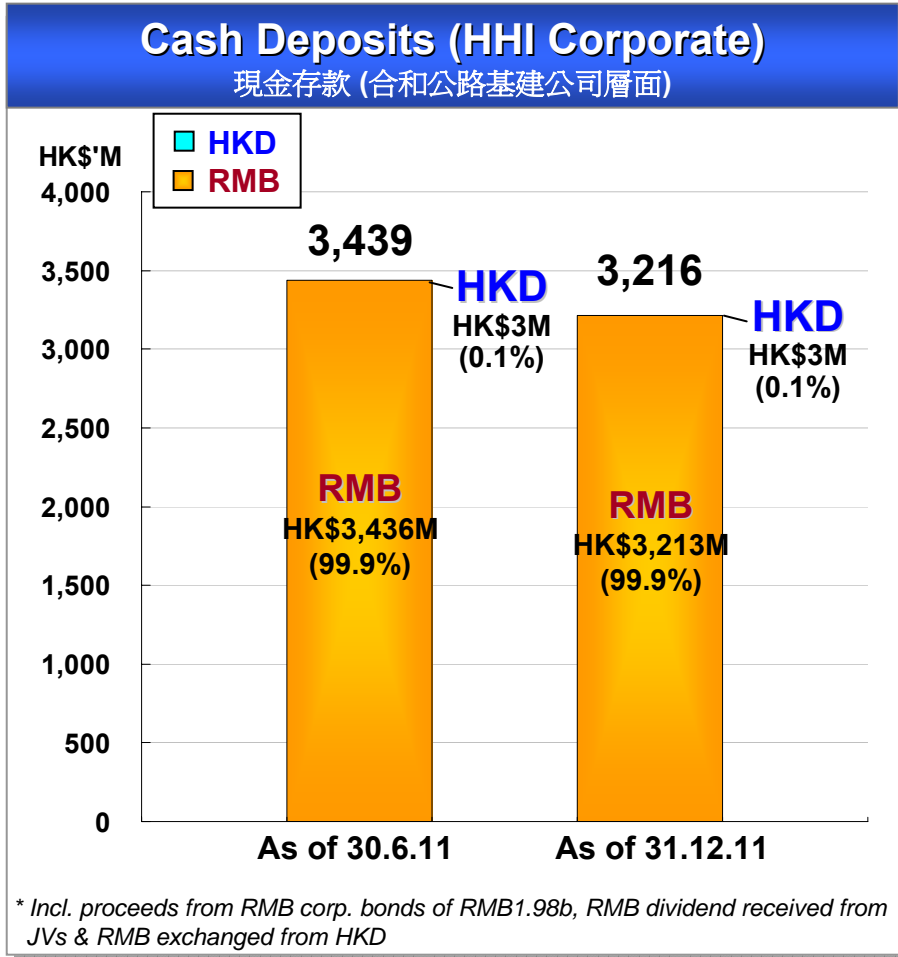
為中國合營企業公司在香港發行人民幣債券探索機會

■ **Help lower finance costs**

有助減低財務成本

Cash Management 現金管理

- RMB cash deposits to match RMB-based operations**
 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 1.8% (1HFY11) to 3.2% (1HFY12)** 人民幣的存款利率較高：財資收益率由2011財政年度上半年的1.8%，提升至2012財政年度上半年的3.2%
- RMB for development of PRC projects**
 以人民幣發展在中國的項目

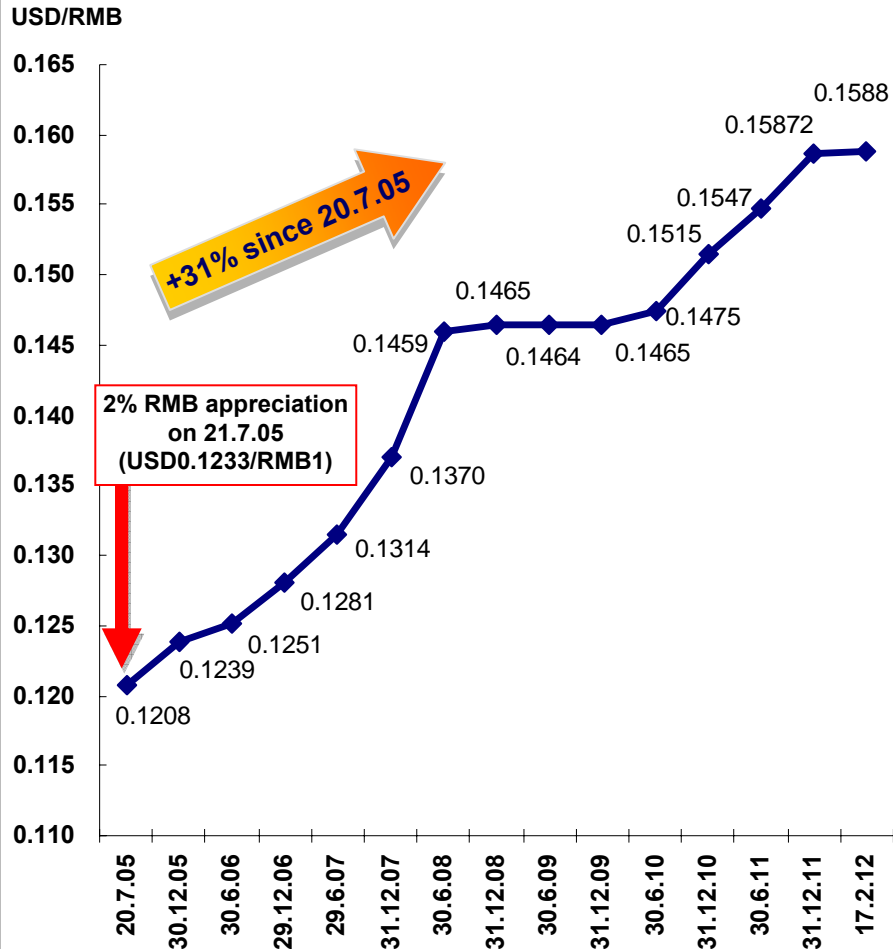


Exchange Rate Movement

匯率走勢

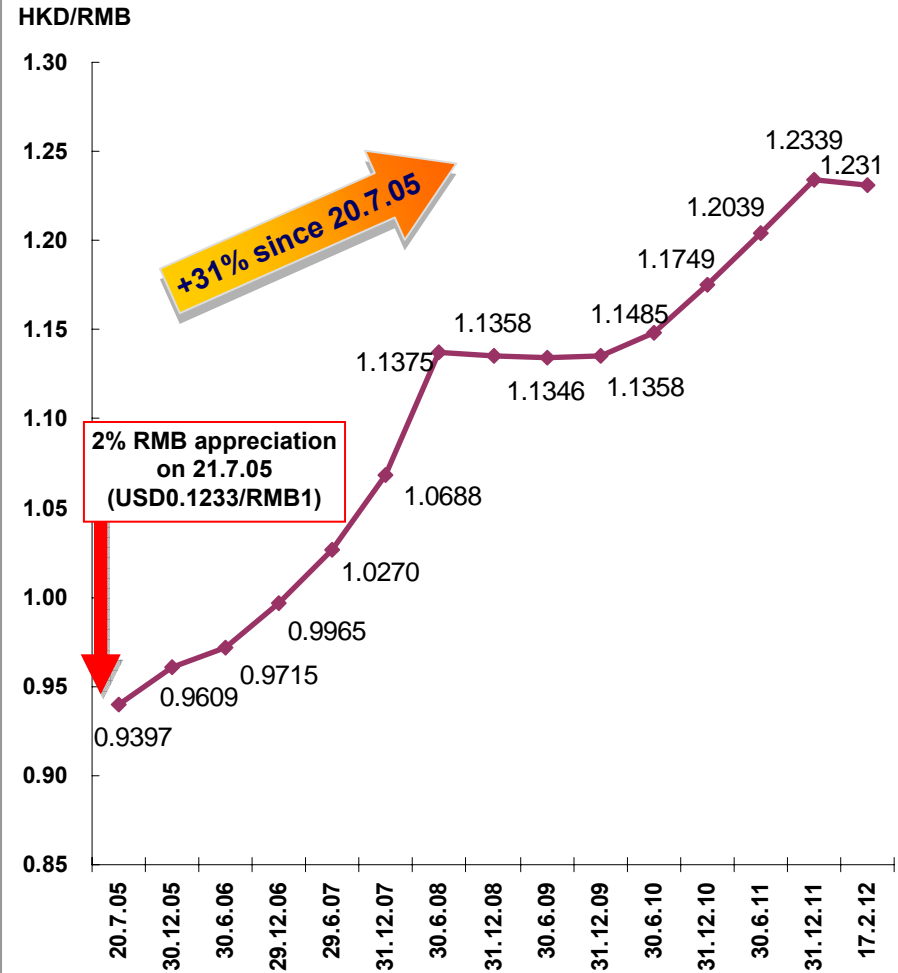
USD/RMB Exchange Rate

美元兌人民幣的匯率



HKD/RMB Exchange Rate

港元兌人民幣的匯率



Source: Bloomberg

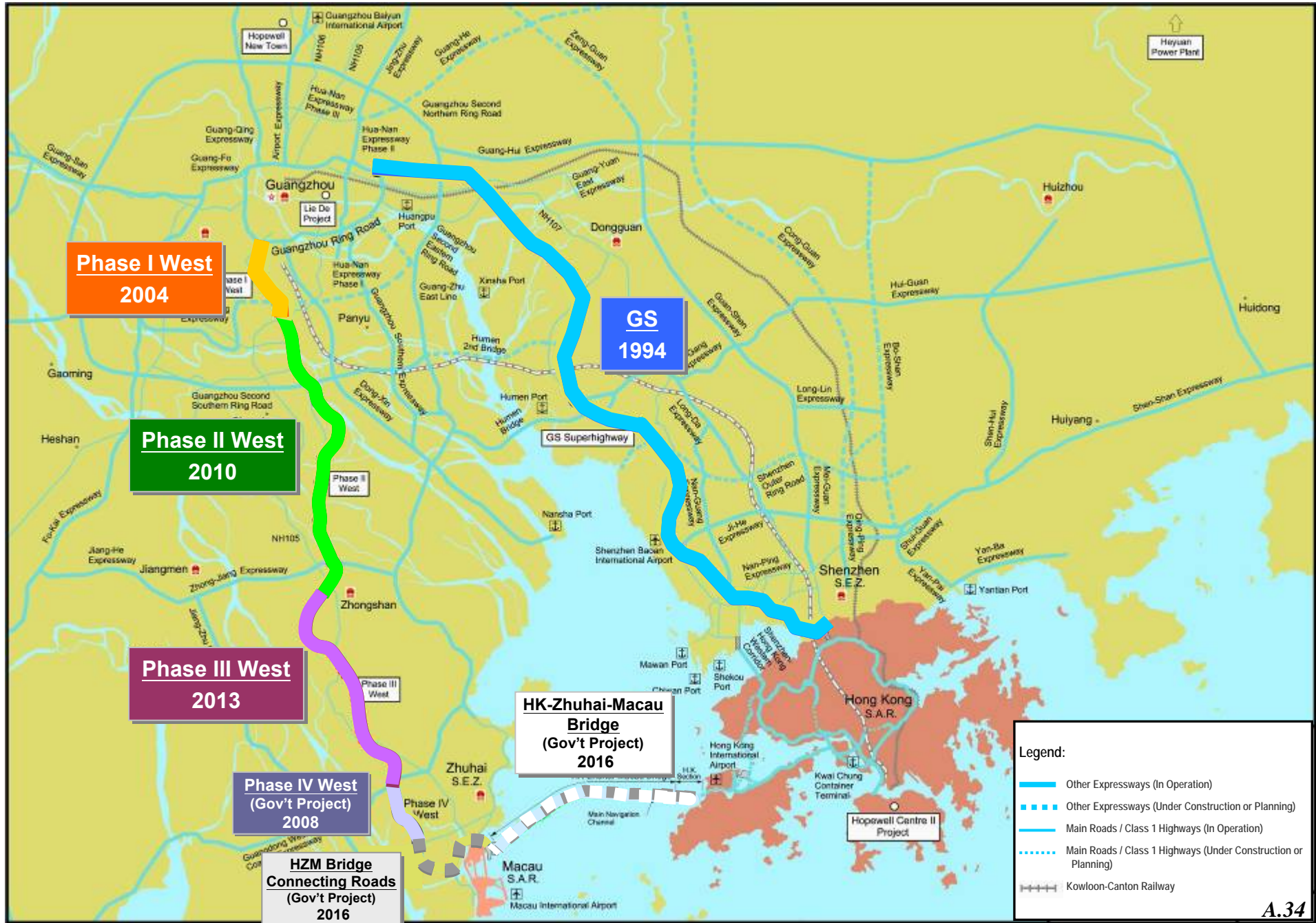
Major Projects Plan

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: 1Q 2013 完工：2013年第1季
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

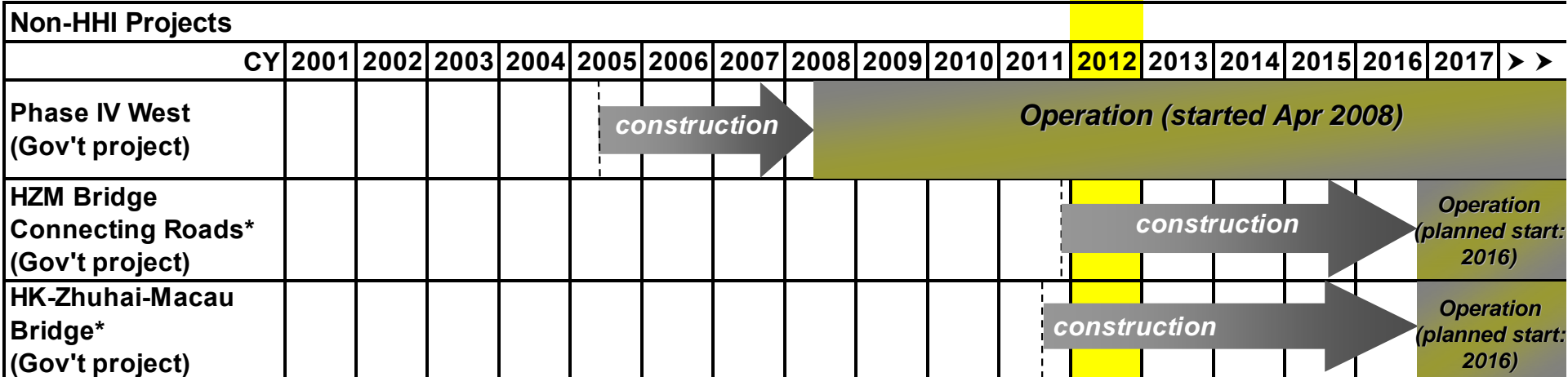
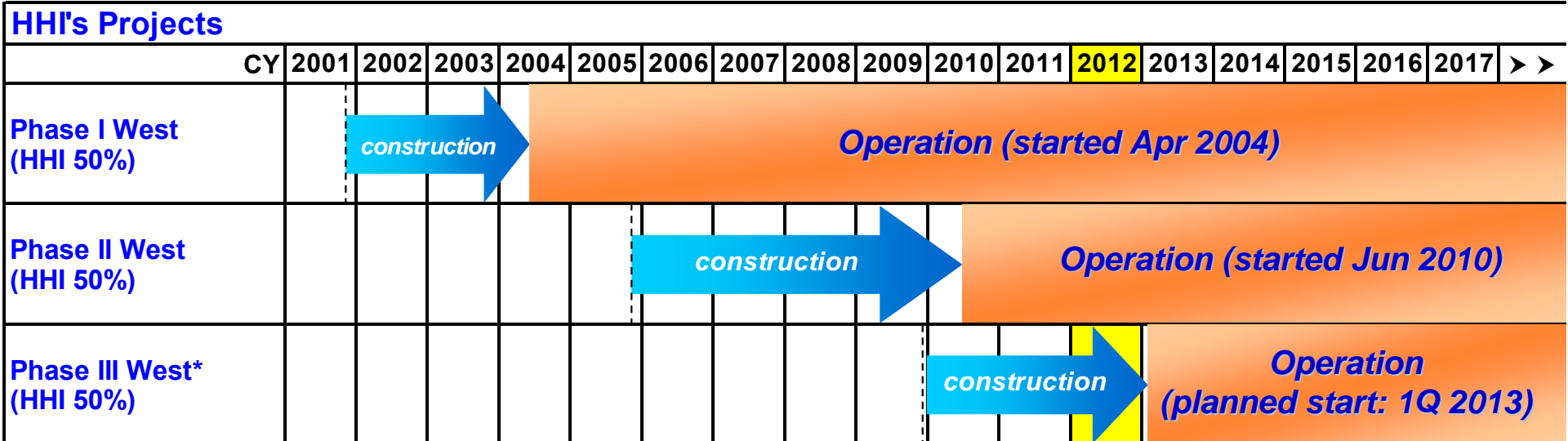
Present planning, subject to change



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 1H FY12 RMB'm	HHI's Equity Portion Outstanding ^{N1} RMB'm	HHI's Planned Equity Injection ^{N1} RMB'm	
							2H FY12	FY13
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	200	284	284	-
GS expansion 廣深高速擴寬	7,000	48% ^{N3}	0%	-	-	-	-	-
Total 合計	19,600			2,240	200	687	284	403

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

● Funding for new projects from: 發展新項目的資金來自:

- 1) Total cash of approx. RMB2.6 billion (or HK\$3.2 billion) at HHI corporate level (excluding JV companies) as of 31 Dec 2011**
在2011年12月31日，合和公路基建公司層面 (不包括合營企業公司) 的合計現金約人民幣26億元 (或相等於港幣32億元)
- 2) Healthy cash-flow**
強勁的現金流
- 3) Plans to leverage when needed e.g. RMB corporate bonds**
當有需要時計劃提高槓桿比率，例如發行人民幣企業債券
- 4) HHI signed \$300m revolving banking facilities in Jan 2012**
於2012年1月合和公路基建簽訂港幣3億元的循環銀行貸款

* Based on exchange rate RMB1 = HKD1.233 (Dec-11)

Step-up of PRC Income Tax[^]

中國利得稅的增加

- Rise in GS income tax rate from 24% (2011) to 25% (2012)**

廣深高速的利得稅率上升，由2011年24%上升至2012年25%

- Rise in Phase I West income tax rate from 24% (2011) to 25% (2012)**

西綫 I 期的利得稅率上升，由2011年24%上升至2012年25%

Income Tax Rate	GS Superhighway	Phase I West	Phase II West	Sino-foreign JV in PRC
CY2008	9% [*]	9% [*]		18%
CY2009	10% [*]	10% [*]		20%
CY2010	22%	11% [*]		22%
CY2011	24%	24%	0% [*]	24%
CY2012				
CY2013				
CY2014	25% (until end of JV)	25% (until end of JV)	12.5% [*]	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

Source: 國務院關於實施企業所得稅過渡優惠的通知，HHI

Ad Hoc Quotas for Cross-border Vehicles

跨境車輛的一次性特別配額

- Hong Kong announced on 13 Feb 2012 the launch of first phase Ad-hoc Quota Trial Scheme for cross-border private cars**
 香港於2012年2月13日宣佈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
- Application will start on 30 Mar 2012**
 於2012年3月30日開始接受申請
- First batch of HK private cars (5 seats or less) can drive into Guangdong via Shenzhen Bay Port from end Apr 2012, with a maximum stay of 7 days**
 首批香港私家車(五座位或以下)可在2012年4月底經深圳灣口岸前往廣東省，容許逗留最多7天
- Might benefit GS Superhighway**
 或有利廣深高速公路

31 Dec 2011 2011年12月31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	24,380	14,950	1,090	40,420
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%	13%	1%	6%
Licensed vehicles in Hong Kong 香港已領牌的車輛	434,843	111,164	84,274	630,281

Source: Transport Department, Newspaper

Coastal Expressway

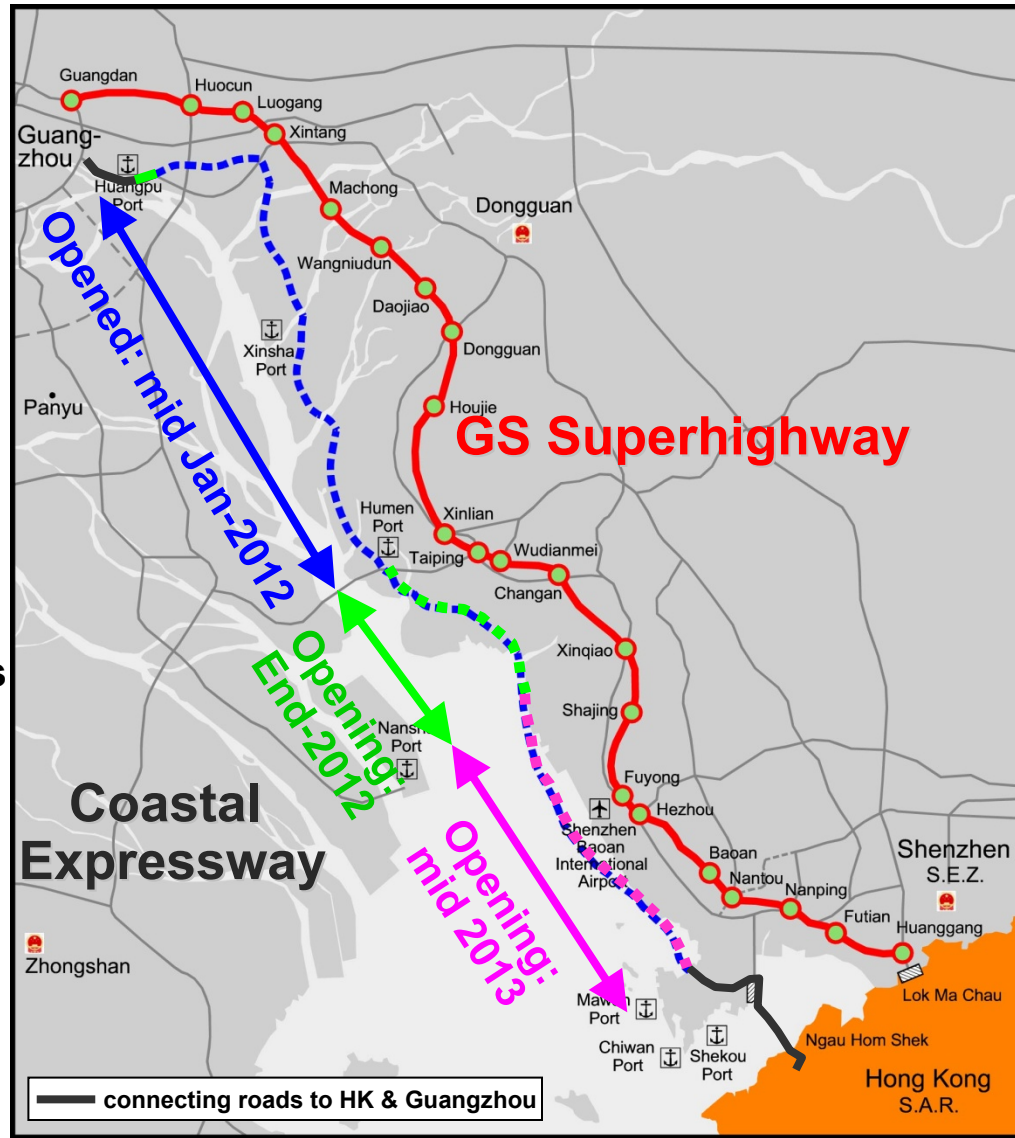
沿江高速公路

- **Completion dates***: 完工日期
 - ◆ **Guangzhou to Dongguan (59km): 41km opened in mid Jan 2012**
 廣州至東莞段 (59公里) : 其中41公里已在2012年1月中開通
 - ◆ **Remaining Guangzhou to Dongguan (18km): end-2012**
 廣州至東莞段 (餘下的18公里) : 2012年底
 - ◆ **Shenzhen section (30km): mid 2013**
 深圳段 (30公里) : 2013年中

- **Coastal Expressway connects ports along PRD's eastern coast**
 沿江高速連接沿珠江三角洲的東岸港口
 - ◆ **Mainly serves trucks destined for ports**
 主要服務以港口為目的地的貨車

- **GS is competitive**
 廣深高速具有競爭性

- **Immaterial impact to GS from partial opening (41km)**
 分段通車(41公里)對廣深高速的影響輕微



* Source: Media reports

Guangdong's Toll Roads Special Clean-up Implementation Proposal (“Tariff Proposal”)

廣東省收費公路專項清理工作實施方案（“路費標準方案”）

- **Jun 2011: 5 State Departments (Ministry of Transport, National Development & Reform Commission, Ministry of Finance, Ministry of Supervision and State Council Office for Correcting Malpractice) joint 1-year campaign**
 2011年6月：五個國家部門（交通部、國家發展和改革委員會、財政部、監察部及國務院糾正行業不正之風辦公室）聯合為期一年規範化整治

 - ◆ **To promote healthy development of toll road industry**
 為促進收費公路行業健康發展

- **Notice of Tariff Proposal Promulgation received in Feb 2012 from JV Partner***
 在2012年2月從合營企業伙伴收到路費標準方案的通知

- **As of 23 Feb 2012, 於2012年2月23日**

 - ◆ **No change in toll rates of HHI's expressways**
 合和公路基建旗下的高速公路的路費沒有改變
 - ◆ **Uncertain if the Tariff Proposal will be implemented**
 尚未確定路費標準方案會否實施

- **HHI will closely monitor the matters and actively negotiate with the relevant PRC authorities**
 合和公路基建正了解相關的詳情，並將積極與中國政府有關部門商討

- **Further details will be announced when progress is made**
 如有進一步的詳情將再作公布

~ End of Presentation ~



Supplementary Information (Analyst Meeting)

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

按貨幣種類劃分的合和公路基建按比例分佔之項目貸款

As at 31 Dec 2011,

在2011年12月31日

● USD-based loans: 29%

以美元為基礎計算的貸款：29%

■ USD loans: 26%

美元貸款：26%

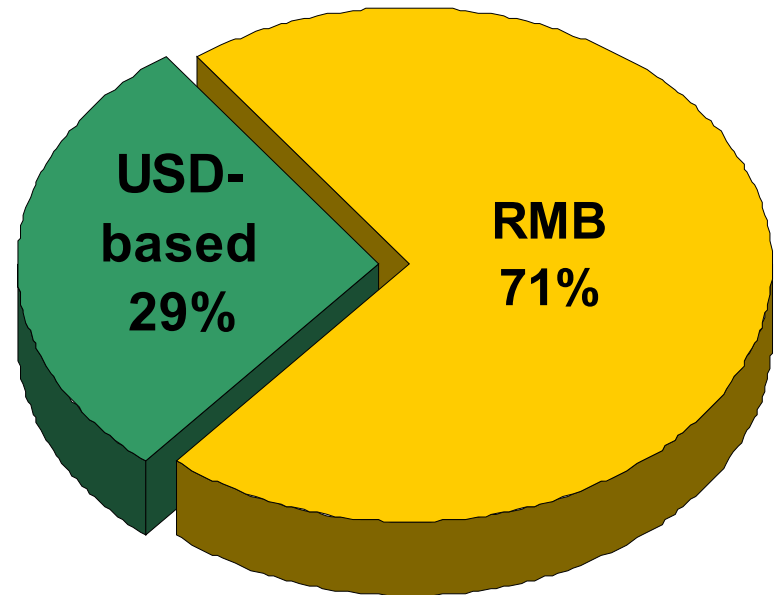
■ HKD loans: 3%

港元貸款：3%

● RMB loans: 71%

人民幣貸款：71%

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	30.6.11 HK\$'M	31.12.11 HK\$'M	As at	30.6.11 HK\$'M	31.12.11 HK\$'M
Bank balances and cash ^{N1}	3,802	3,580	Prop. share of JV debt ^{N2}	6,412	6,837
HHI corp	3,439	3,216	JV debt	6,180	6,573
- USD	0	0	- USD	2,498	2,398
- HKD	3	3	- HKD	306	298
- RMB	3,436	3,213	- RMB	3,376	3,877
JV	363	364	JV other debt	232	265
S/H loan to Phase III West (RMB530m)	608	654	Interco loan (RMB731M)	410	451
less: Elimination on prop. consolidation	(304)	(327)	less: Elimination	(394)	(433)
Net shareholder's loan to JV	304	327	Net loan amount	16	18
Property & equipment	326	349	HHI RMB corporate bonds	2,384	2,441
Concession intangible assets	14,337	15,538	HHI HKD short term bank loan	25	46
Other assets	353	336	Other payables	1,411	1,658
Total assets	19,122	20,130	Total liabilities	10,248	11,001
			Equity attributable to owners of the Co.	8,814	9,064
			Minority interests	60	65
			Total equity & liabilities	19,122	20,130
				30.6.11	31.12.11
Total debt / total assets				46%	46%
Net debt ^{N3} / equity attributable to owners of the Co.				57%	63%

N1: Included pledged bank deposits \$291M (31.12.11) and \$295M (30.6.11)

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

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**

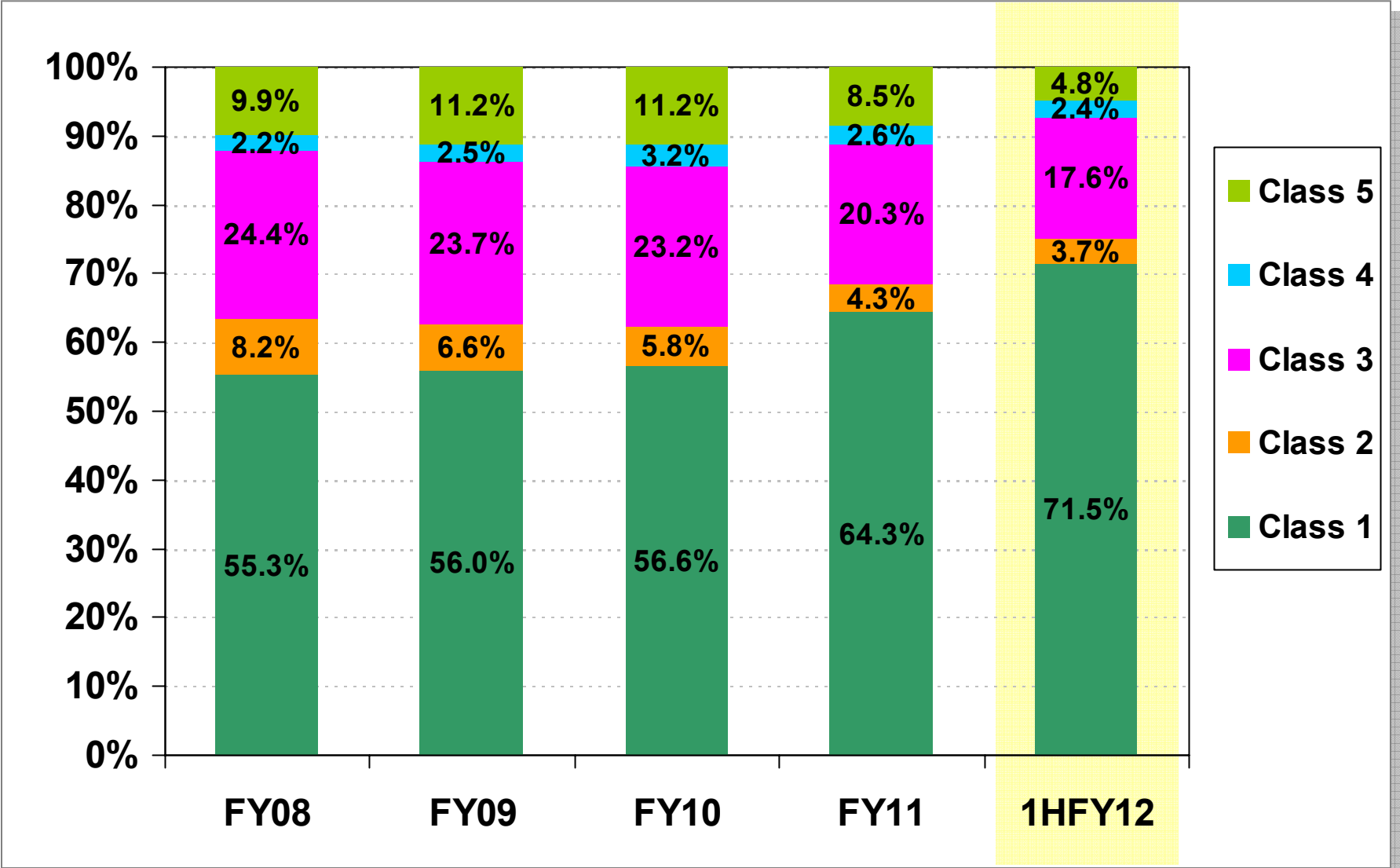
有助進一步拓闊合和公路基建及合營企業的融資渠道

◆ **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

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



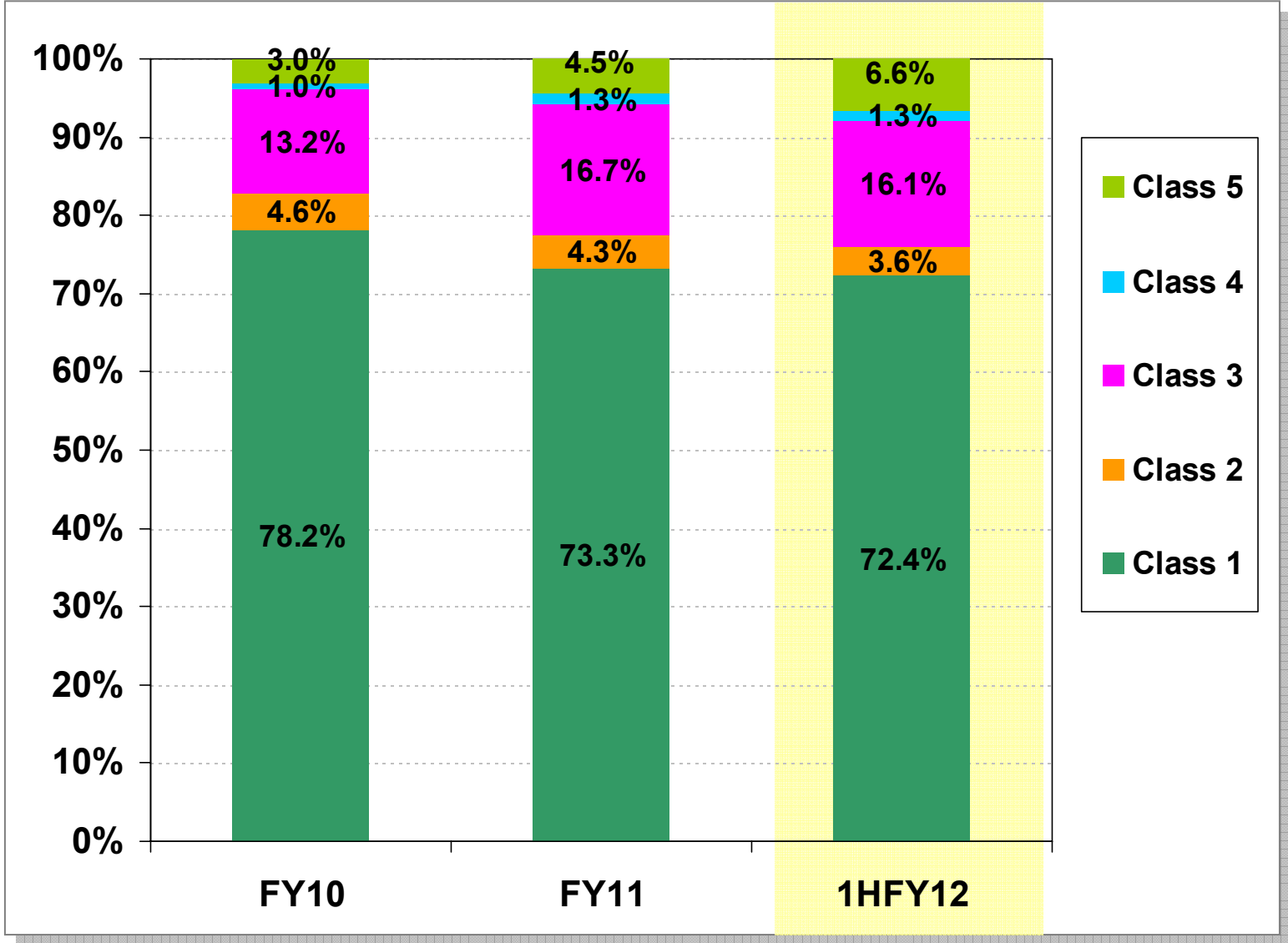
Project Description 項目詳情

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

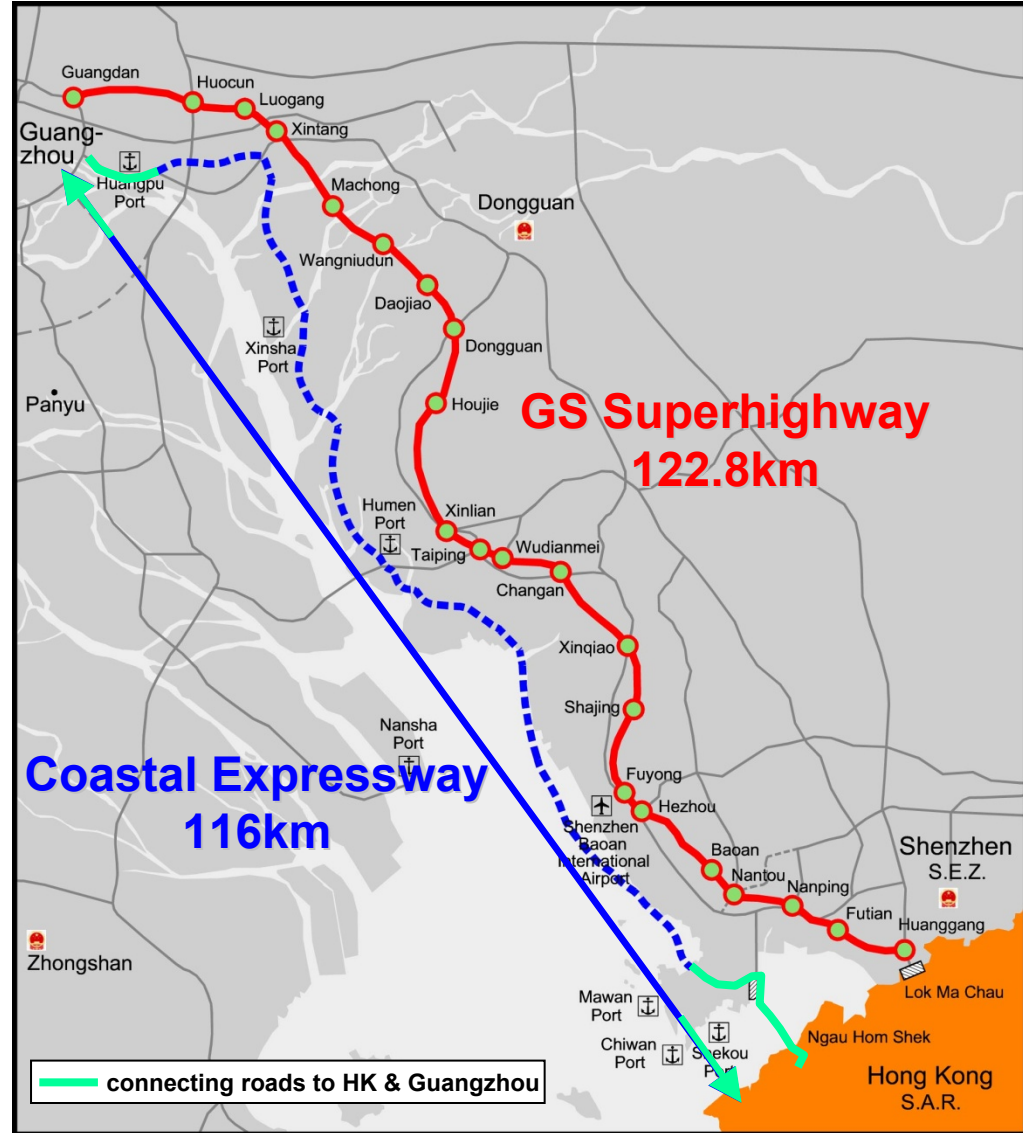
經沿江高速公路行駛：約116公里

◆ Including connecting roads to HK and Guangzhou

包括接駁路至香港及廣州

◆ Similar to GS

與廣深高速公路相若



~ **End** ~