

The background of the slide is a photograph of a multi-lane highway under construction. The road surface is light-colored concrete or asphalt, with several lanes visible. The road curves to the right. On the right side of the road, there are concrete guardrails and several orange traffic cones. In the background, there are green trees and some buildings under a clear sky.

Hopewell Highway Infrastructure Limited

合和公路基建有限公司

FY2009/10 Interim Results

2009/10 財政年度中期業績

4 February 2010

Group Messages 集團信息

- **Gathering momentum for growth**
凝聚動力，積極拓展
- **Strong & solid financial position for future investments**
具備穩健的財務實力投資新項目
- **Focus on traffic management to improve service quality and efficiency**
專注於交通管理以提升服務質素及效率
- **Quality upcoming projects to enhance shareholder value**
計劃中的優質項目將提高股東價值

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Financial Highlights 財務摘要

(HK\$'M) (港幣百萬元)	Six months ended		% change
	31.12.08	31.12.09	
Net toll revenue 淨路費收入	931	955	+3%
Net profit of toll expressways 收費高速公路淨溢利	522	533	+2%
Profit attributable to owners of the Co. 公司股東應佔溢利	579	504	-13%

- **Net toll revenue ↑ 3% because** 淨路費收入上升3%，由於

 - ◆ **PRC strong car sales and recovering economy after financial tsunami**
中國汽車銷售強勁及金融海嘯後經濟復蘇
 - → **↑ demand for passenger and freight transportation**
客貨運輸需求上升
- **Net profit of toll expressways^{N1} ↑ 2%**
收費高速公路淨溢利上升2%
- **Profit attributable to owners of the Company ↓ 13% mainly because**
公司股東應佔溢利下跌13%，主要由於

 - ◆ **↓ Interest income due to ↓ interest rate and bank balance**
息率及銀行結餘下降導致利息收入下跌

Financial Highlights (cont'd)

財務摘要(續)

	Six months ended		% change
	31.12.08	31.12.09	
EPS (HK cents) 每股溢利 (港仙)	19.50	17.01	-13%
DPS (HK cents) 每股股息 (港仙)	Interim 中期: 17	Interim 中期: 17	
	Extraordinary Special Interim: 84 非經常特別中期	Extraordinary Special Interim: - 非經常特別中期	
	Total 合計: 101	Total 合計: 17	

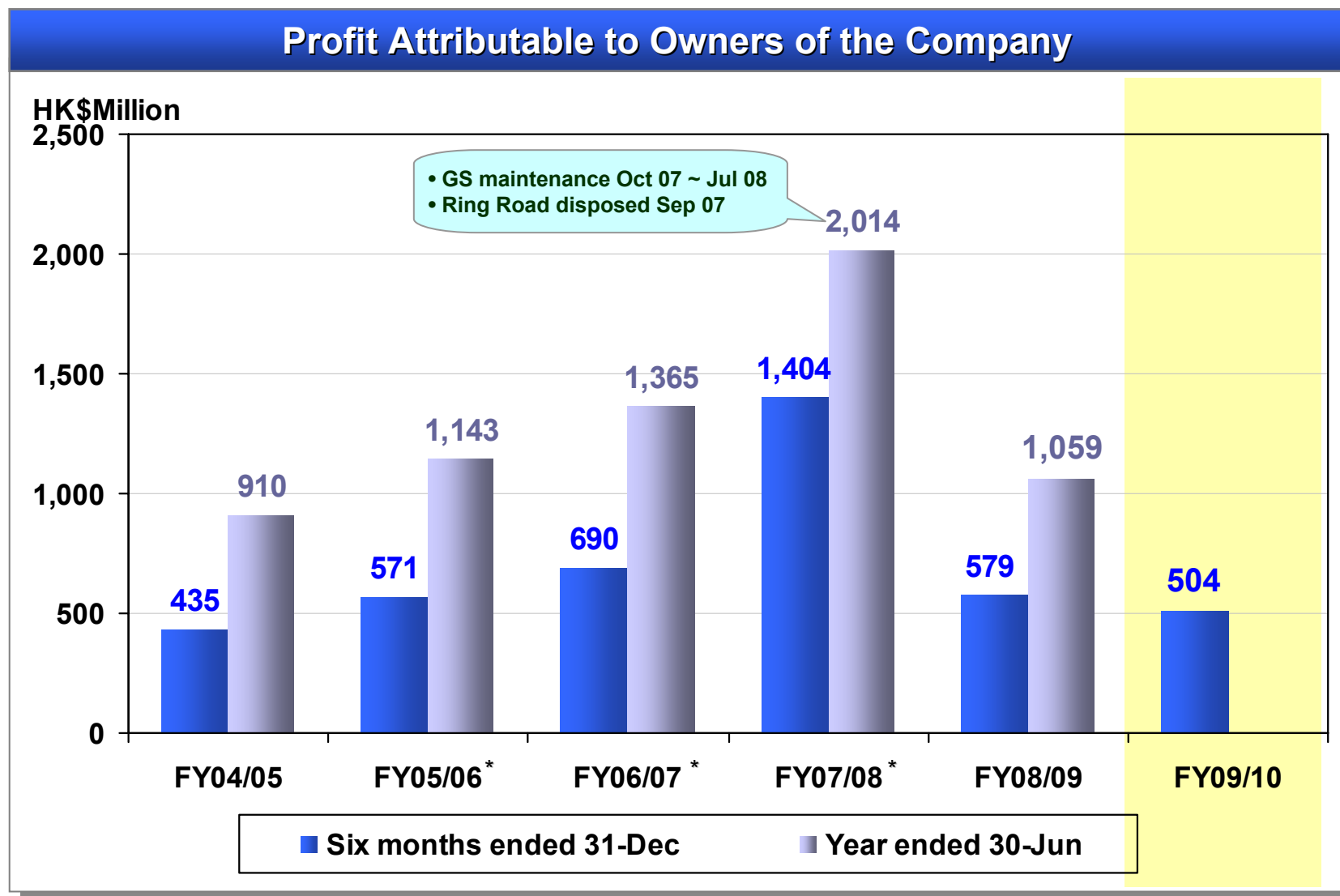
Key Highlights 摘要

- **Aggregate average daily traffic ↑ 8% to 375k vehicles**
合計日均車流量上升8%至 37.5萬架次
 - ◆ **Resilient Class 1 small cars, Classes 4 & 5 trucks recovering**
一類小車抗跌力強，四及五類貨車正在復蘇
- **GS and Phase I West recorded historical high daily traffic, recovering after financial tsunami**
金融海嘯後已逐漸復蘇，廣深高速公路和西綫 I期均錄得歷來最高的日均車流
- **Phase II West currently planned to complete before end of Jun 2010** 西綫 II期現計劃於2010年6月底前竣工
- **Phase III West started construction in Dec 2009 and planned to complete by end of 2013**
西綫 III期已於2009年12月開工及計劃於2013年底前竣工
- **HHI's net cash on hand approx. HK\$2.7 billion or \$0.91/share (excluding JV Companies)**
合和公路基建持有手頭淨現金約港幣 27億元或每股港幣 0.91元 (不包括合營企業)

HK\$'M <small>港幣(百萬元)</small>	Six months ended 31 December <small>截至12月31日止6個月</small>				% change of results <small>業績之轉變 (%)</small>
	2008		2009		
	Turnover <small>營業額</small>	Results <small>業績</small>	Turnover <small>營業額</small>	Results <small>業績</small>	
GS Superhighway <small>廣深高速公路</small>	889	510	909	515	+1%
Phase I West <small>西綫I期</small>	42	12	46	18	+50%
Net toll revenue/Net profit of toll expressways <small>收費公路之淨路費收入淨溢利</small>	931	522	955	533	+2%
Corporate results: <small>公司層面業績</small>					
Other income (incl. bank deposit interest income) <small>其他收入(包括銀行存款利息收入)</small>		110		7	
General and administrative expenses <small>一般行政費用</small>		(23)		(17)	
Finance costs <small>財務成本</small>		(14)		(9)	
Income tax expenses <small>所得稅開支</small>		(0)		(0)	
		73		(19)	
Net exchange loss <small>淨匯兌虧損</small>		(7)		(1)	
Profit for the period <small>本期溢利</small>		588		513	
Minority interests <small>少數股東權益</small>		(9)		(9)	
Profit attributable to owners of the Company <small>公司股東應佔溢利</small>		579		504	-13%

Profit Attributable to Owners of the Company

公司股東應佔溢利



Note: Figures in FY05-08 have been restated

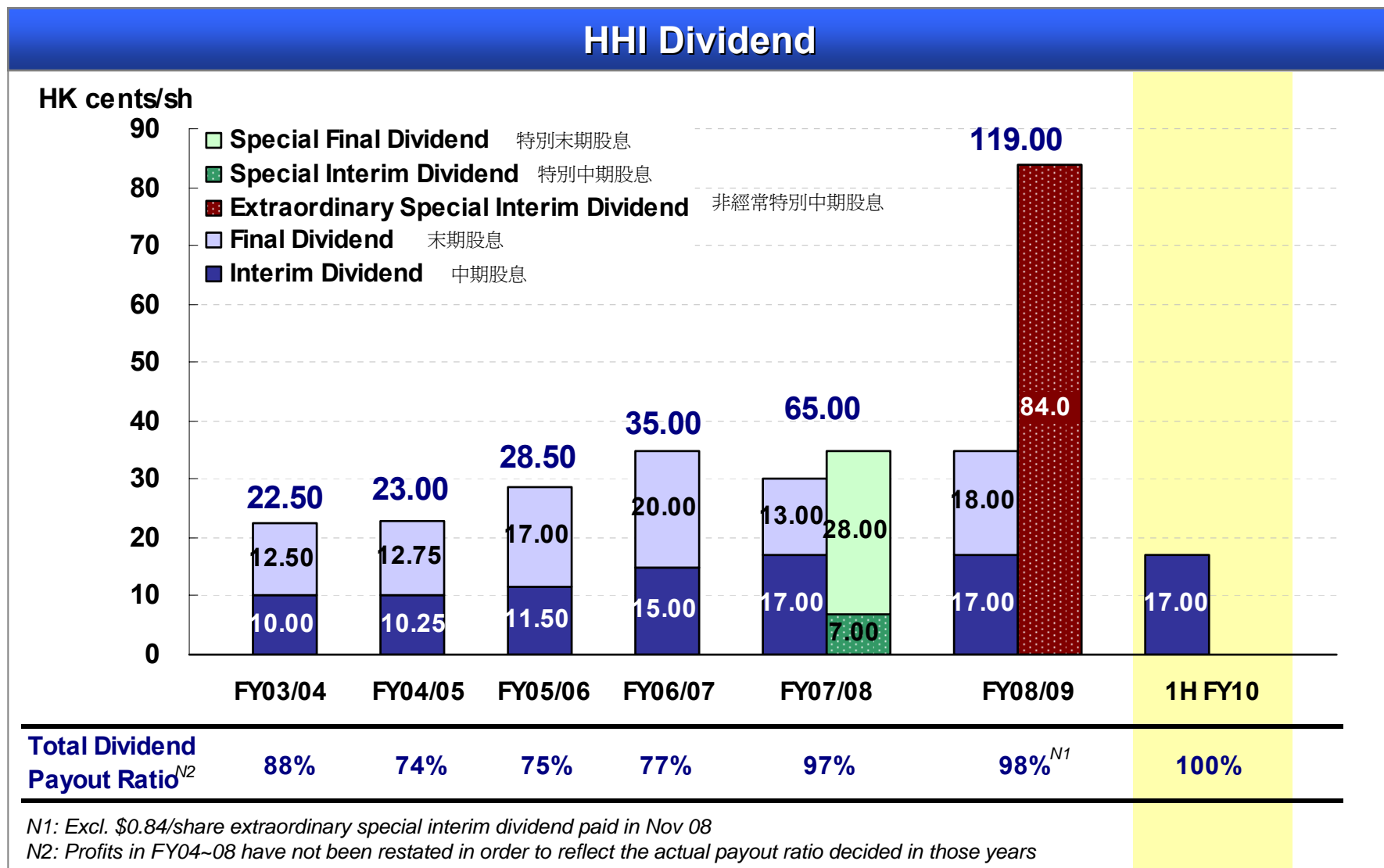
* Incl. exchange gain of \$439m, \$236m & \$146m in FY08, FY07 & FY06 respectively

HHI Dividend History 合和公路基建的股息



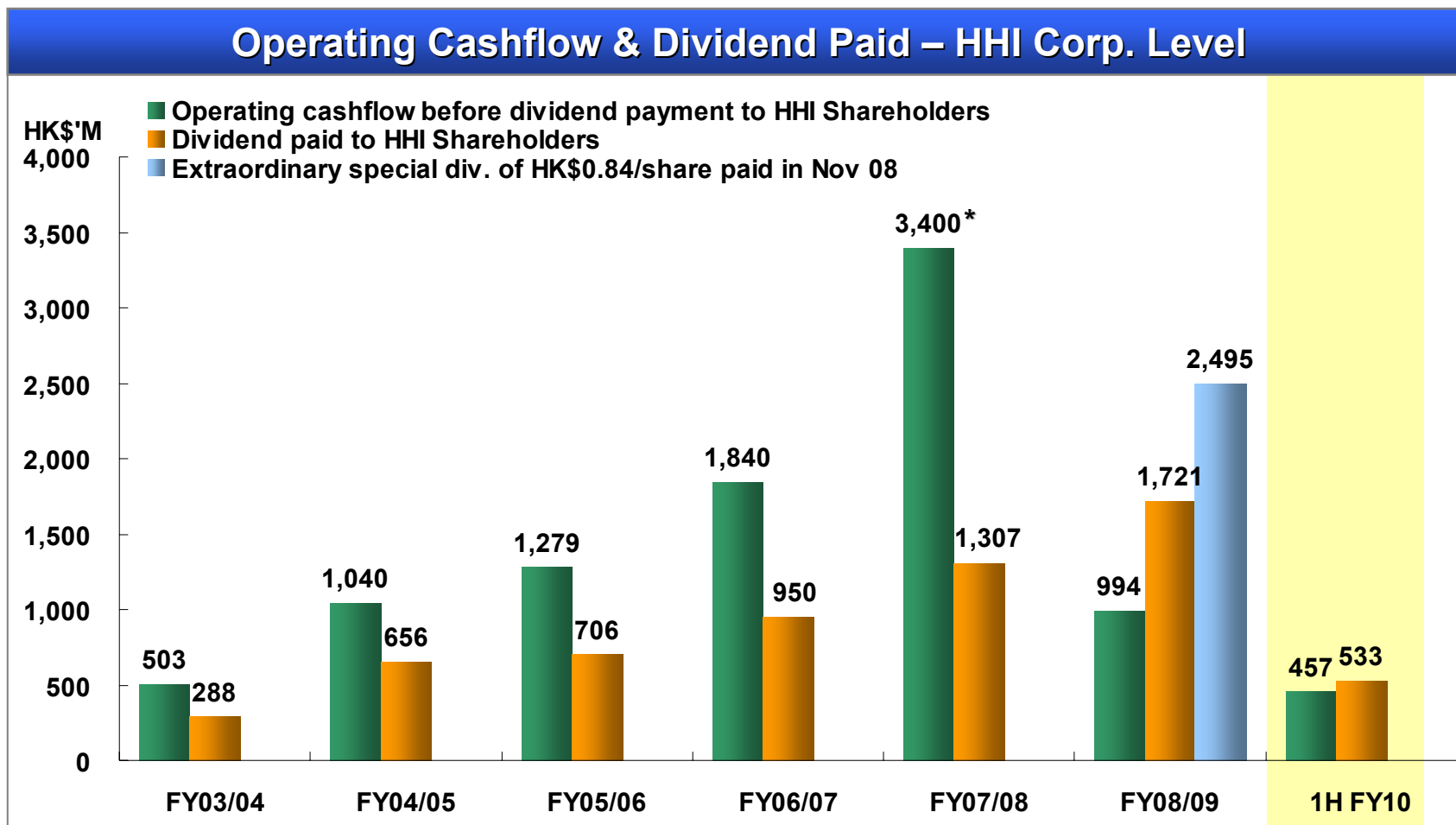
Target 100% dividend payout ratio, in light of HHI's strong financial position

由於合和公路基建的財政狀況強勁，目標派息比率為100%



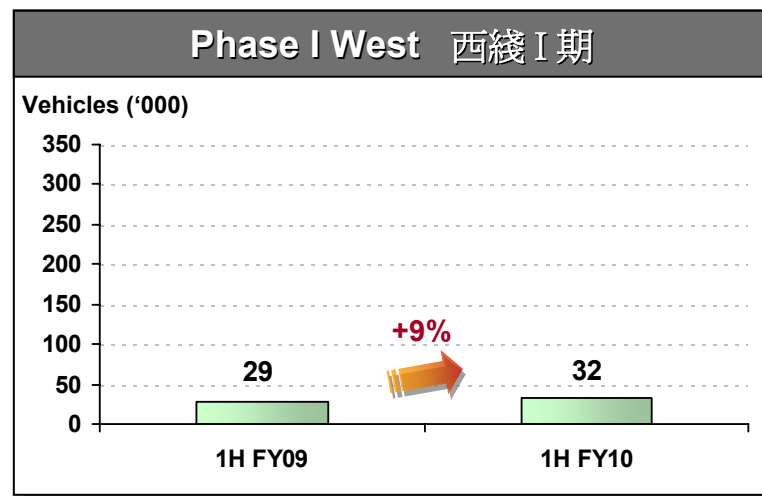
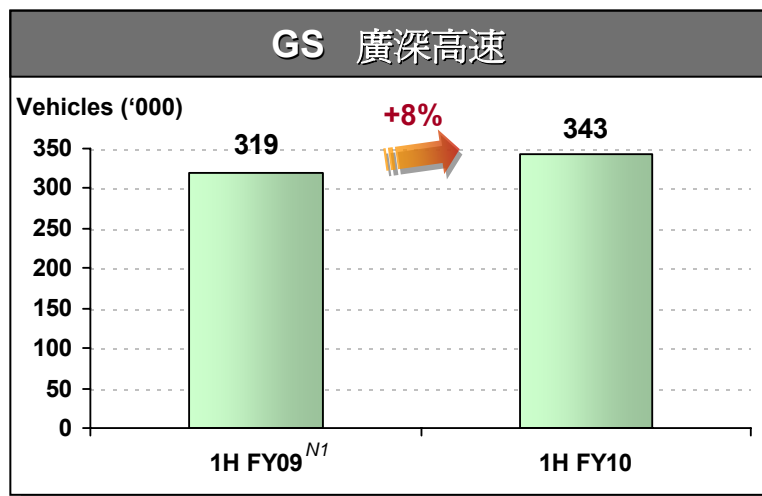
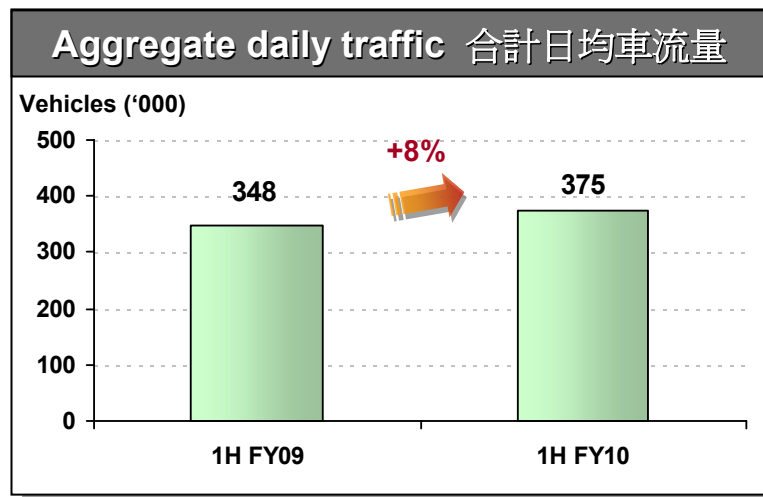
Strong Operating Cashflow 營運現金流強勁

- **100% target dividend payout sustainable** 100%目標派息比率可以持續
- **Accumulated approx. HK\$857 million from FY04 ~ 1H FY10 excl. IPO proceeds**
由2004~2010財政年度上半年累積約港幣 8.57億元 (不包括上市公開發行所得資金)



* Include cashflow of approx. \$1.6b from sale of ESW Ring Road (completed Sep 07)

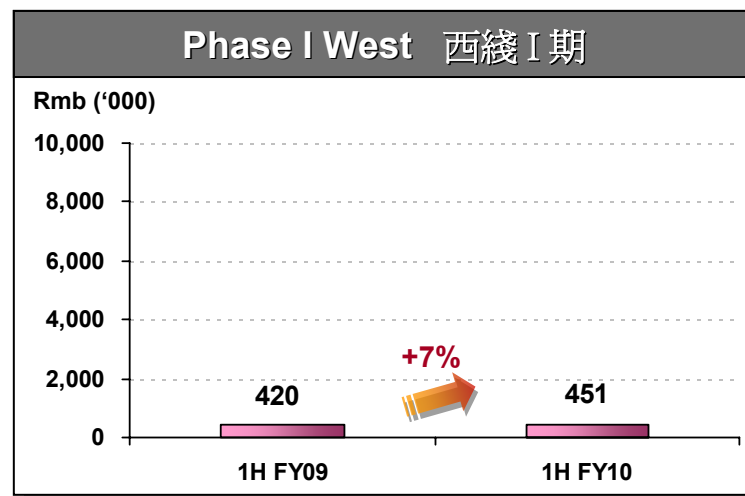
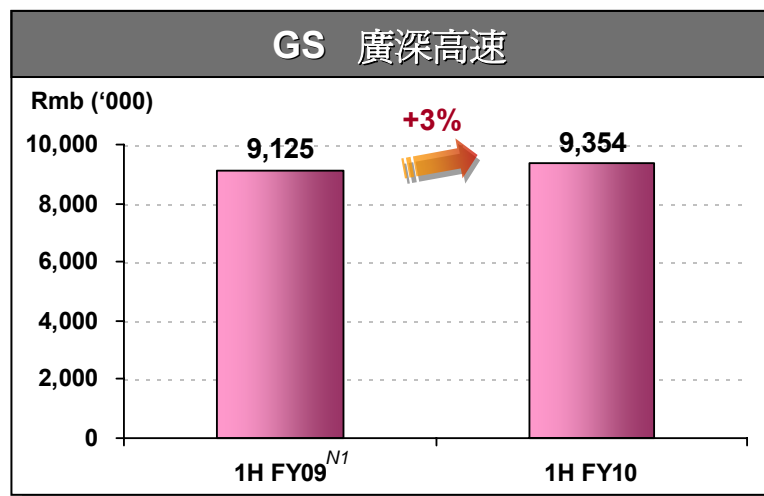
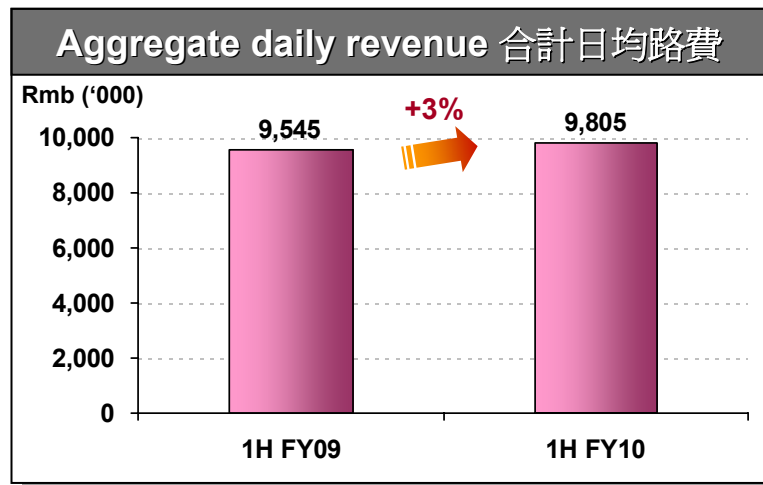
- Aggregate average daily traffic of the Group's toll expressways ↑ 8% to 375k vehicles 集團旗下的收費高速公路合計日均車流量 ↑ 8%至37.5萬架次



N1: 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 to 9 Jul 2008.

Operation Highlights 營運摘要

- Aggregate average daily toll of the Group's toll expressways ↑ 3% to Rmb9.8 million 集團旗下的收費高速公路合計日均路費收入 ↑ 3%至人民幣980萬元



N1: 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 to 9 Jul 2008.

GS Superhighway – Recovering after Financial Tsunami



in 2008 廣深高速公路 – 2008年金融海嘯後正在復蘇

Recorded historical high daily traffic 486k vehicles

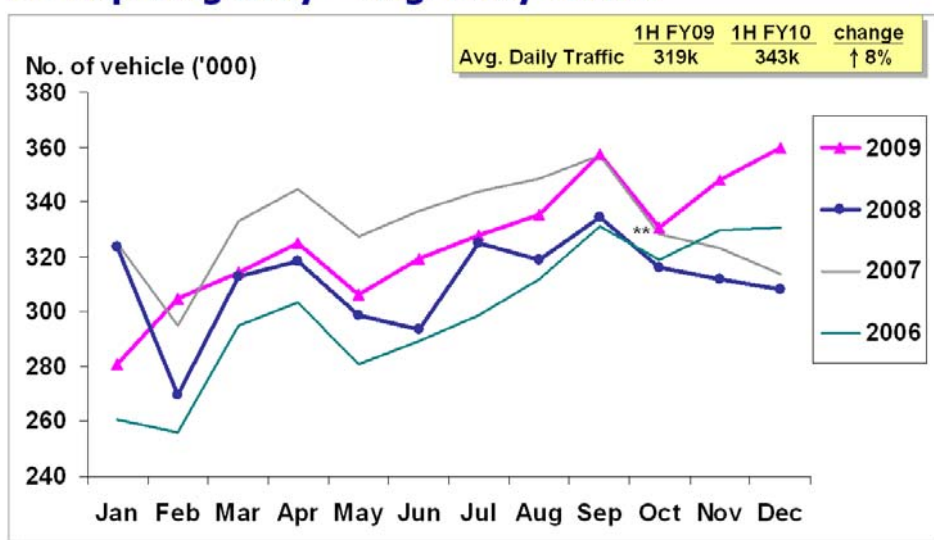
錄得歷來最高的日均車流量48.6萬架次

Toll revenue rebounding to near 2006 level

路費收入正回升至接近2006年的水平

Benefiting from PRC stimulus measures on automobiles and strong growth in passenger cars 受惠於中國刺激汽車業的措施及乘用車的強勁增長

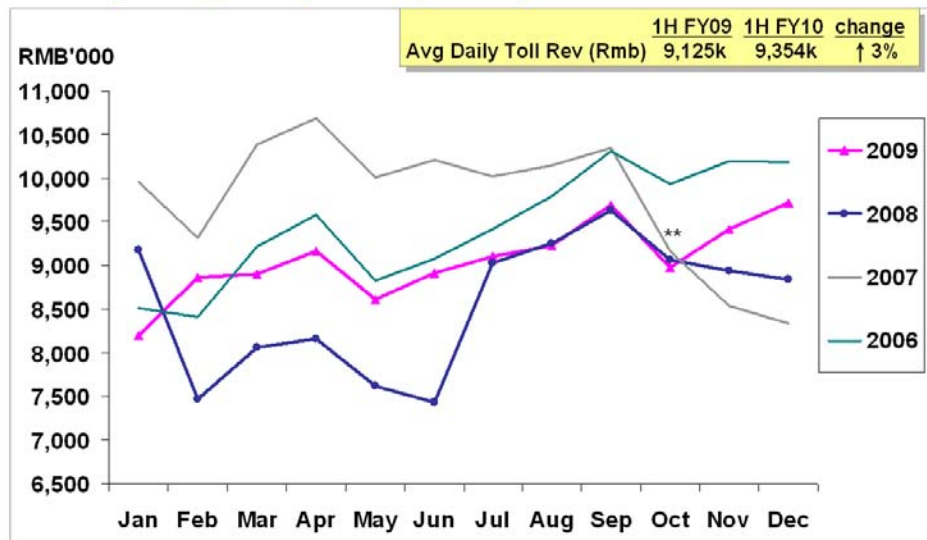
GS Superhighway – Avg. Daily Traffic



* Chinese New Year in 2009 started on 26 Jan 2009 (2008 started on 7 Feb 2008)

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

GS Superhighway – Avg. Daily Toll Revenue



* Chinese New Year in 2009 started on 26 Jan 2009 (2008 started on 7 Feb 2008)

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

GS Superhighway – Traffic & Toll Revenue of Class 1 Small Cars Reached New High

廣深高速公路：一類小車的車流及路費收入達歷史新高

- **Class 1 – resilient with strong growth in traffic and toll**

一類車抗跌力強，車流及路費收入錄得強勁的增長

- **historical high traffic & toll revenue**

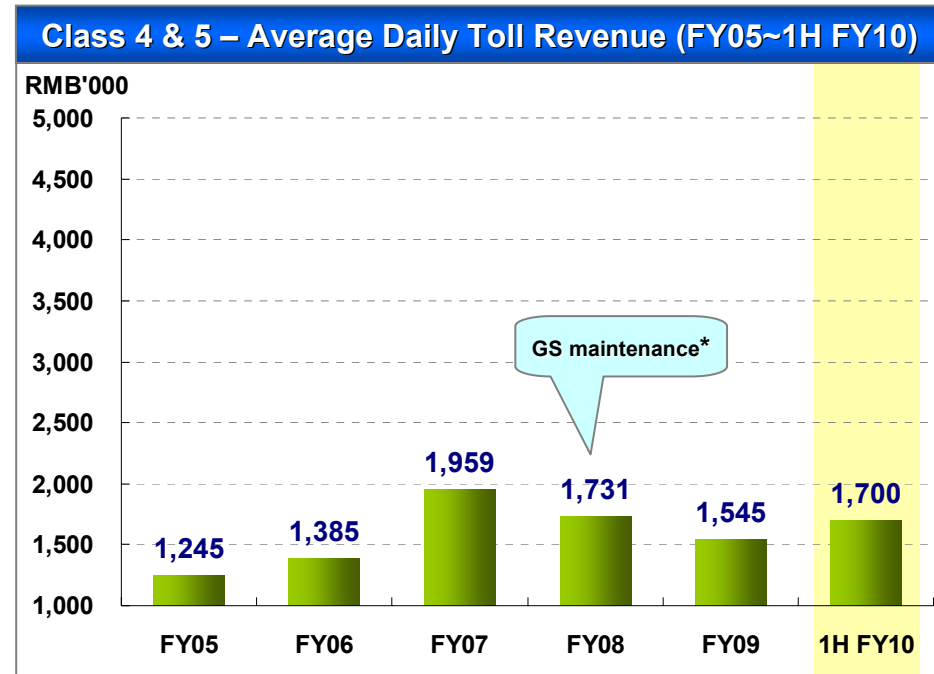
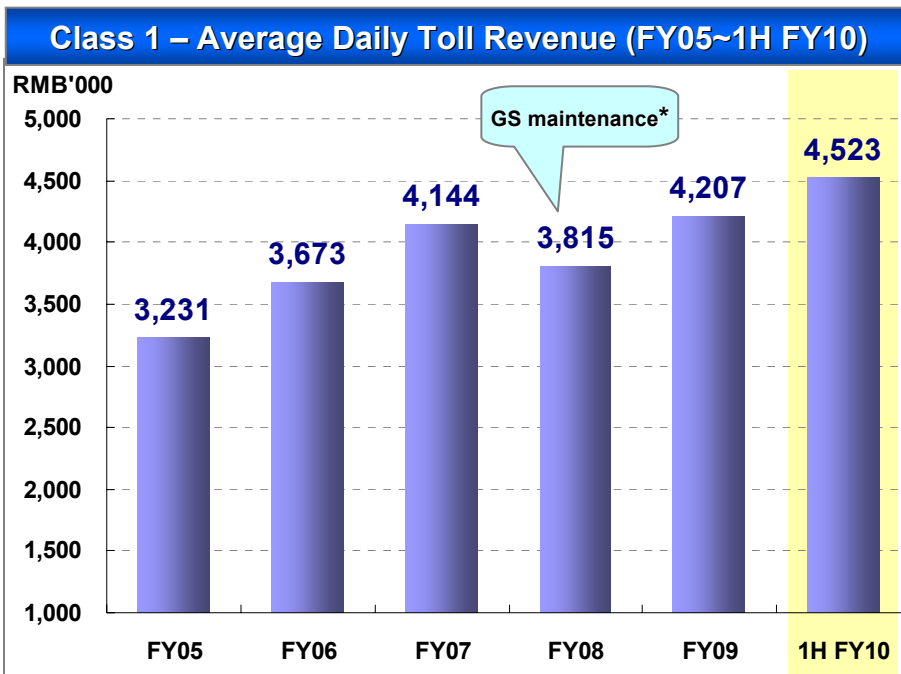
錄得歷來最高的車流及路費收入

- **Classes 4 & 5 – traffic and toll rebounded to near 2008's level from the trough**

四及五類車的車流及路費收入已從低位持續反彈至接近2008年的水平

- **benefited from the gradual improvement on Guangdong imports and exports**

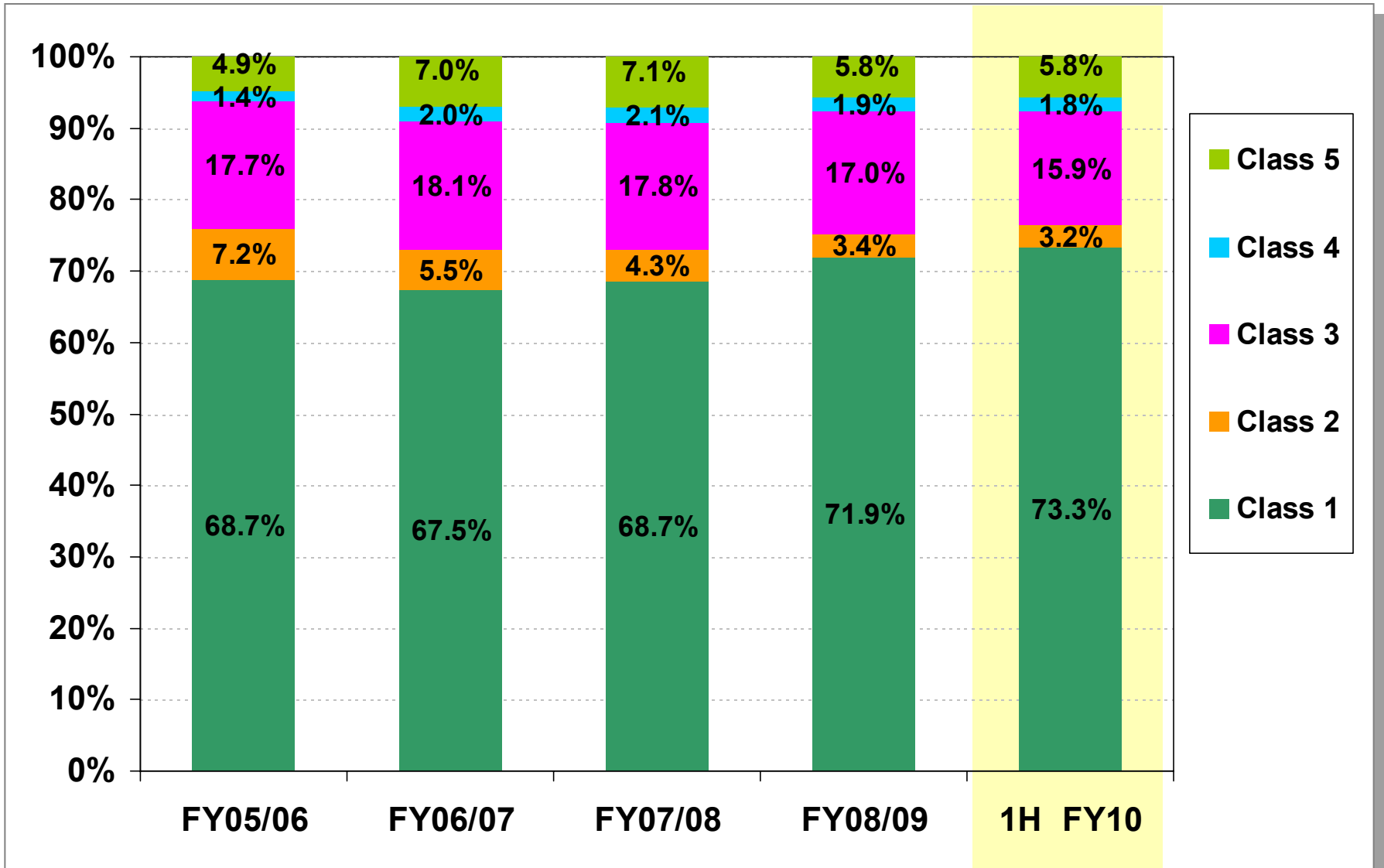
受惠於廣東省進出口貿易逐步改善



* 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



GS Superhighway – Far From Reaching Capacity

廣深高速公路 – 遠遠未達到其通行能力

Still has room to grow

仍有增長空間

During peak hours (9:00~21:00) on the busiest day (30.9.09)

在最繁忙的2009年9月30日上午9時至晚上9時的高峰時段

Overall utilization 55%^{N1}

整體使用量為55%

Only 15km (12% of total length) exceeded 80% utilization for less than 4 hours^{N1}

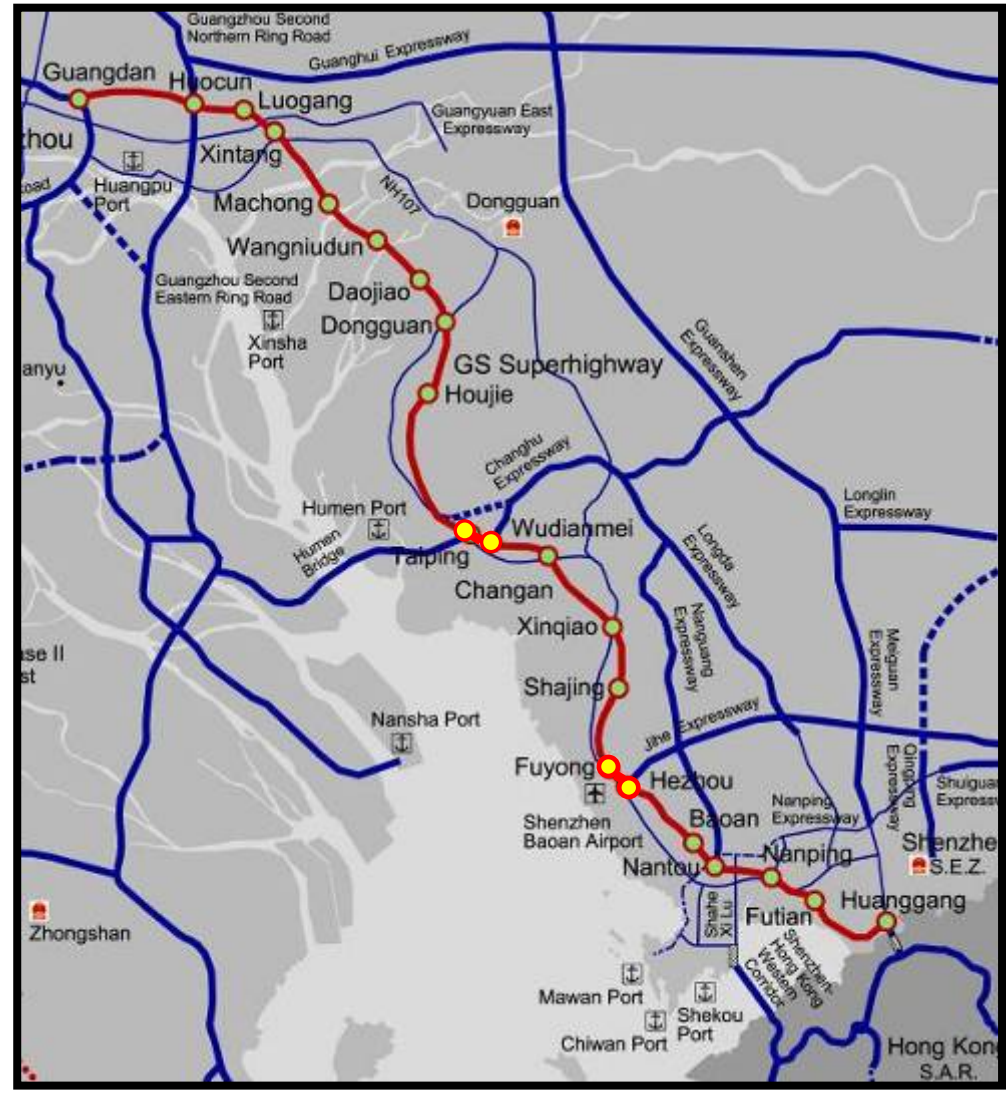
只有15公里〔為總長度的12%〕在少於4小時內，使用率超過80%

◆ **Humen Bridge and Changhu Expressway section**

虎門大橋及常虎高速公路之間的路段

◆ **Shenzhen Airport and Jihe Expressway section**

深圳機場及機荷高速公路之間的路段



N1: Based on - Traffic data in peak hours 9:00~21:00 on the busiest day (30 Sep 2009)
 - Hourly throughput capacity indicator 2,000 cars/hour/lane

Phase I West – Growing in 1H FY10

西綫 I 期：2010 財政年度上半年正在增長

Recorded historical high daily traffic and toll revenue

錄得歷來最高的日均車流量及路費收入

Growth in 1H FY10 mainly due to:

2010 財政年度上半年增長主要因為：

Robust economic growth of Foshan

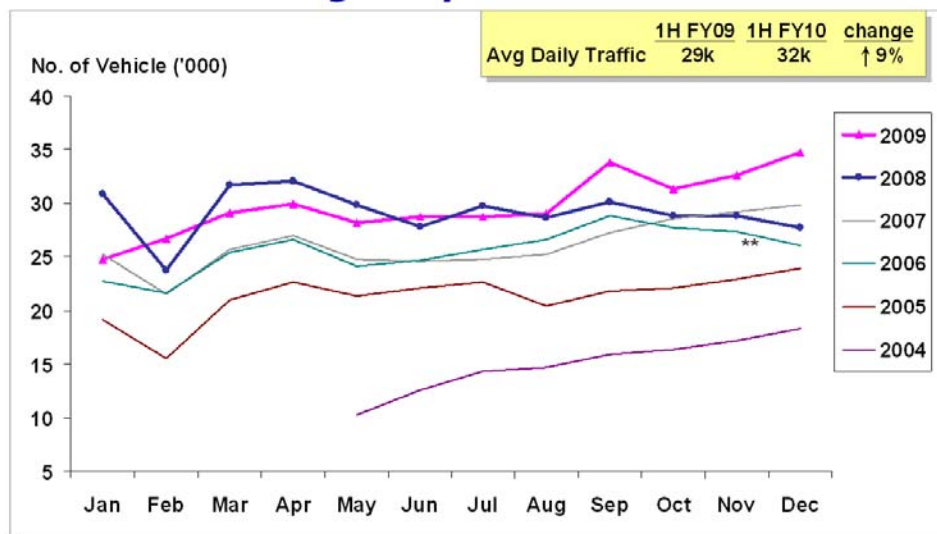
佛山強勁的經濟增長

Foshan local bridge closed for maintenance (Aug 09 ~ Mar 10)

→ trucks diverted to Phase I West

佛山地方橋樑於2009年8月至2010年3月封閉及進行維修工程，因此貨車分流至西綫 I 期

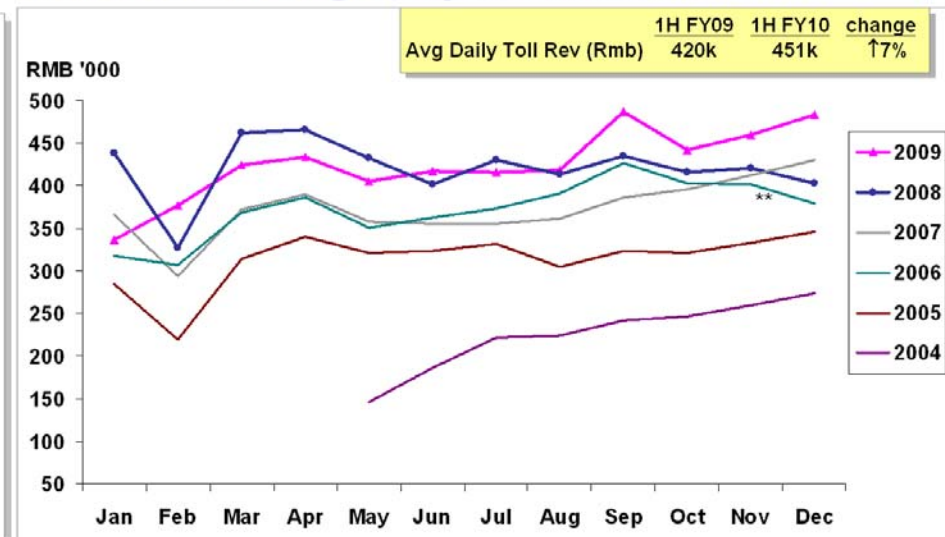
Phase I West – Avg. Daily Traffic



* Chinese New Year in 2009 started on 26 Jan 2009 (2008 started on 2 Feb 2008)

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

Phase I West – Avg. Daily Toll Revenue



* Chinese New Year in 2009 started on 26 Jan 2009 (2008 started on 7 Feb 2008)

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

Phase I West – Factors to Boost Traffic

西綫 I 期：有助增加車流的因素

● Factors expected to boost traffic:

預期有助增加車流的因素：

◆ Phase II West – planned completion before end of Jun 2010

計劃於2010年6月底前建成的西綫 II 期

◆ Foshan's strong economic growth

佛山強勁的經濟增長

◆ Guangzhou South Railway Station (Asia's largest high-speed rail station) nearby – operation started Jan 2010

鄰近之廣州南站〔亞洲最大的高速鐵路車站〕：於2010年1月開始營運

China – World’s Largest Vehicle Sales Market in 2009

2009年中國成爲世界最大汽車銷售市場

Motor Vehicle* Sales 2009

Ranking	Country	<u>2009</u> Total Vehicle Sales
1	China	13.6m
2	U.S.A.	10.6m

Motor Vehicle* Sales 2008

Ranking	Country	<u>2008</u> Total Vehicle Sales
1	U.S.A.	13,491,900
2	China	9,380,500
3	Japan	5,082,200
4	Germany	3,425,606
5	Russia	3,200,000
6	Brazil	2,820,350
7	France	2,573,713
8	U.K.	2,485,257
9	Italy	2,421,459
10	India	2,349,653

(in unit)

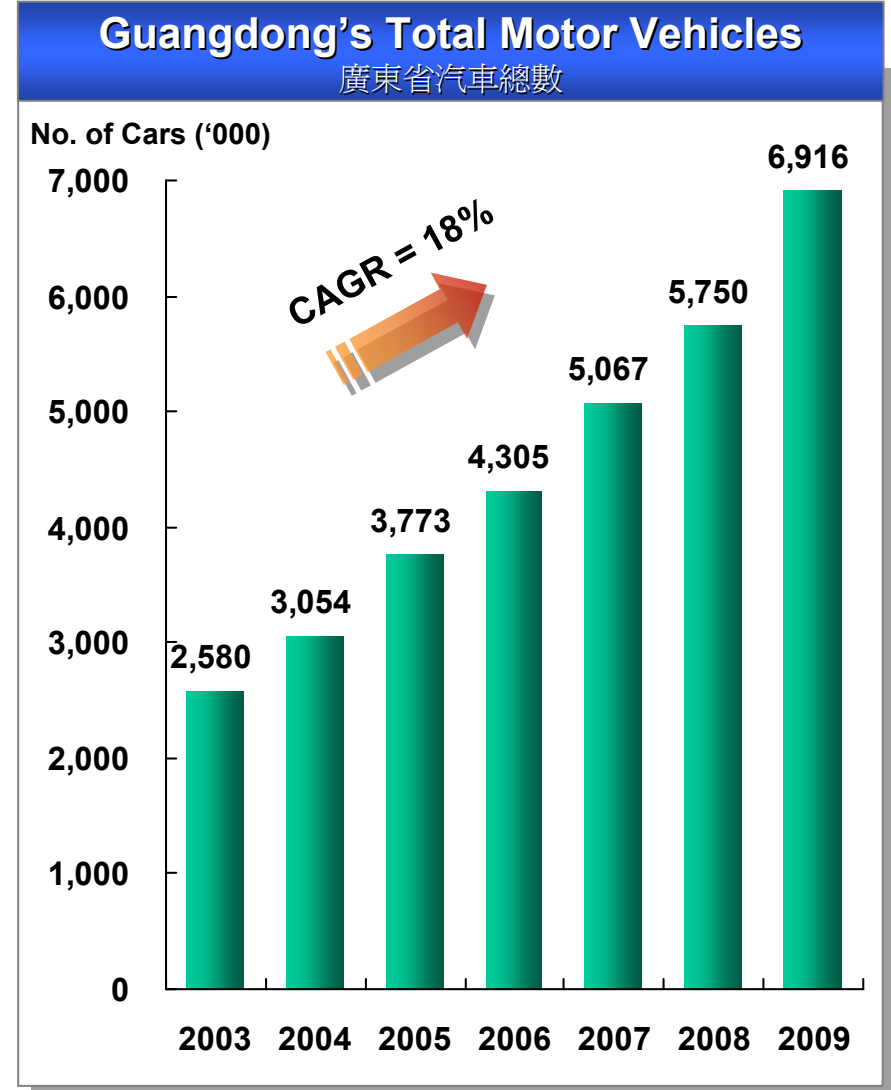
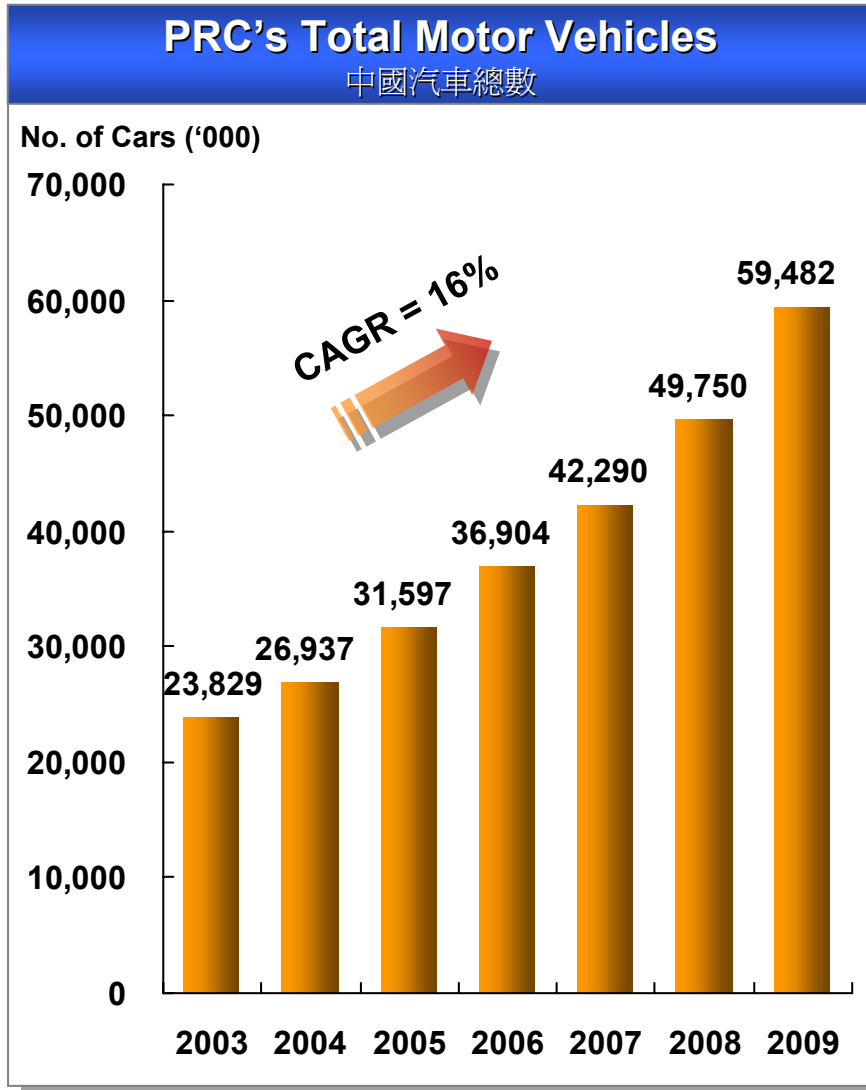
China 2008: 9.4m
(+7% yoy)

China 1994: 1.6m



Strong Growth in PRC and Guangdong Car Population

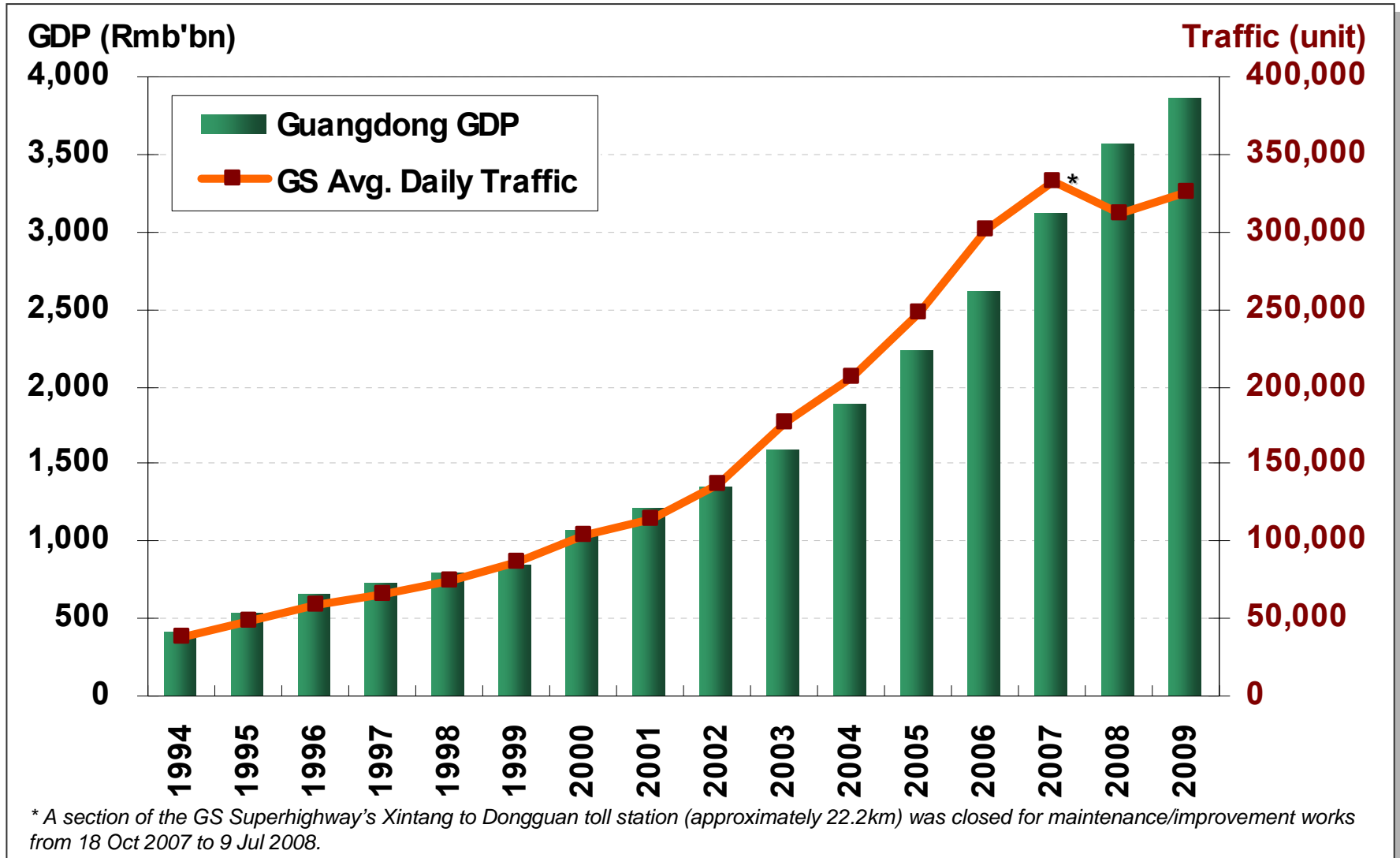
中國及廣東省汽車數目增長強勁



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

廣東省本地生產總值與廣深的車流量關係密切



Source: GD Statistical Yearbooks, PGOGP, CEIC and Company data

Measures to Lower Operating Costs & Finance Costs

減低營運成本和財務成本的措施

Operating Costs Control 控制營運成本

- **Enhance staff productivity**
提升員工生產力
- **Strengthen energy saving measures**
加強各項節能措施
- **Control administrative expenses**
控制行政開支

Finance Costs Reduction 減低財務成本

- **Refinance Phase I West loan at lower interest rate**
西綫 I期以更低利率再融資
- **Finance the payment of Phase II West construction costs by 6-month commercial bills**
西綫 II期的工程成本以6個月商業票據的方式付款

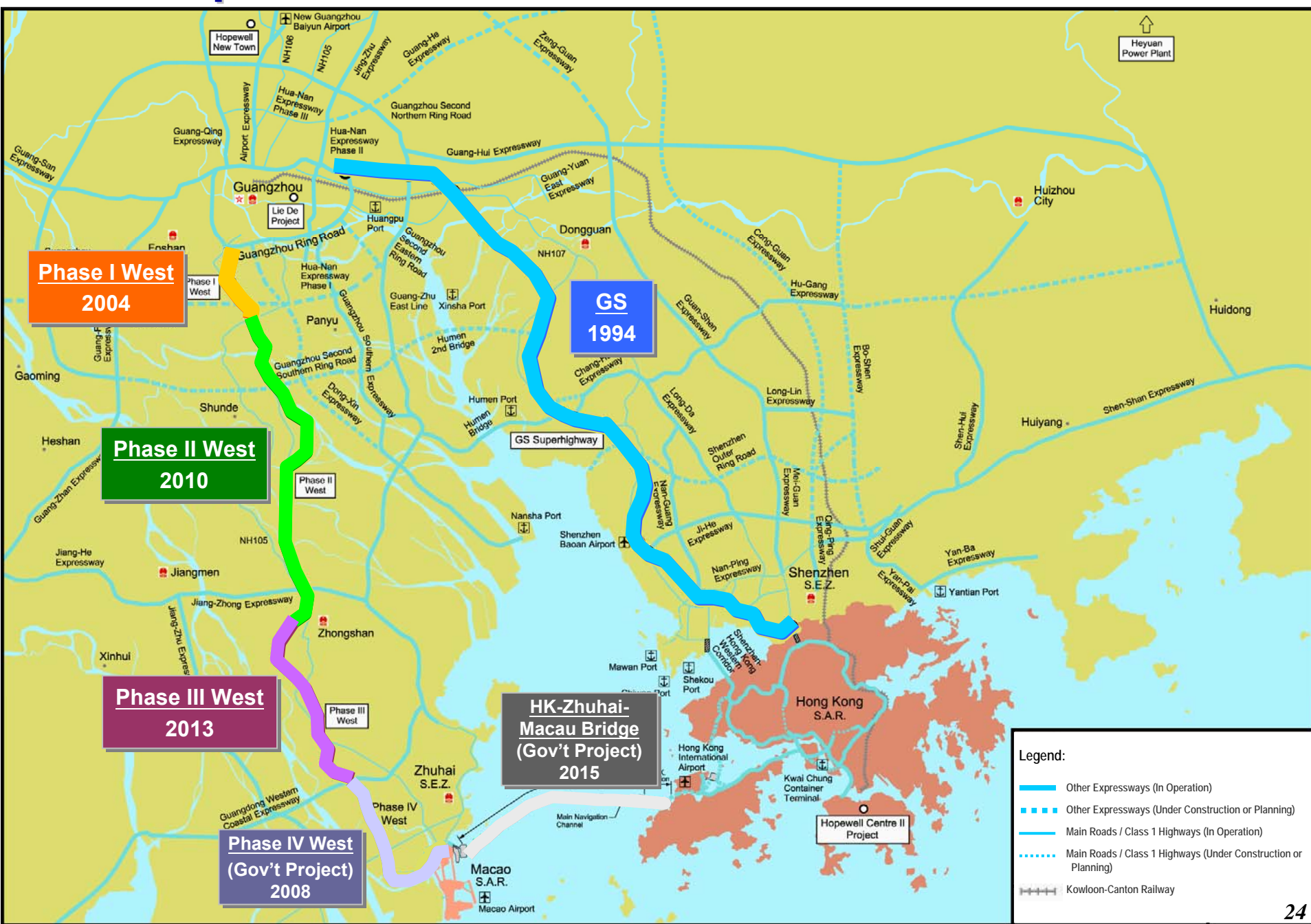
Major Projects Plan 主要項目計劃

Projects 項目	Description 描述	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 II West 西綫 II期 (HHI: 50%)	Shunde - Zhongshan expressway of approx. 46km 順德至中山約46公里的高速公路	Approx. Rmb7.2b (Equity/Debt: 35%/65%) 約人民幣 72億元 (股本 / 債務: 35%/65%)	Completion: before end of Jun 2010 完工：2010年6月底前
Phase III West 西綫 III期 (HHI: 50%)	Zhongshan - Zhuhai expressway of approx. 38km 中山至珠海約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 start: Dec 2009 工程開始：2009年12月 Completion: by end of 2013 完工：2013年底前
GS Expansion 廣深高速擴闊 (HHI: 48%)	<ul style="list-style-type: none"> ◆ Expansion from current dual 3 to dual 5 lanes 由現時雙向3車道擴闊至雙向5車道 ▪ Feasibility study in progress 可行性研究報告正在進行中 ◆ Considering expansion of busier sections (incl. section connecting Changhu Expy and Humen Bridge in Dongguan) 正考慮擴建較繁忙的路段，包括於東莞連接常虎高速及虎門大橋之間的路段 	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 完整的道路網絡-2016

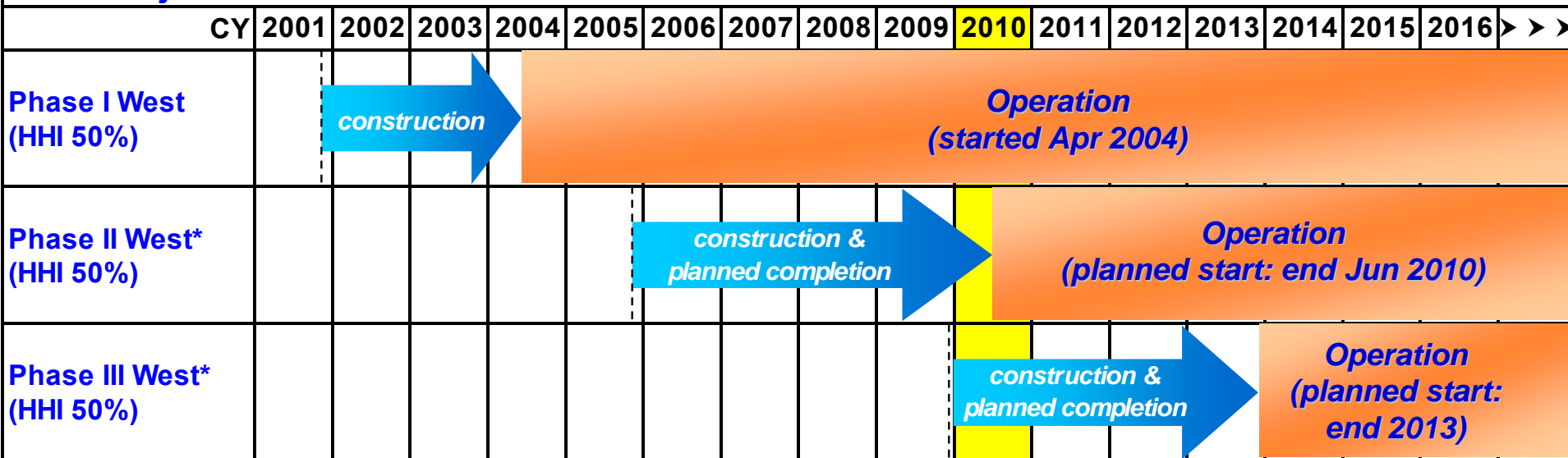


Construction Timeline 工程進度時間表

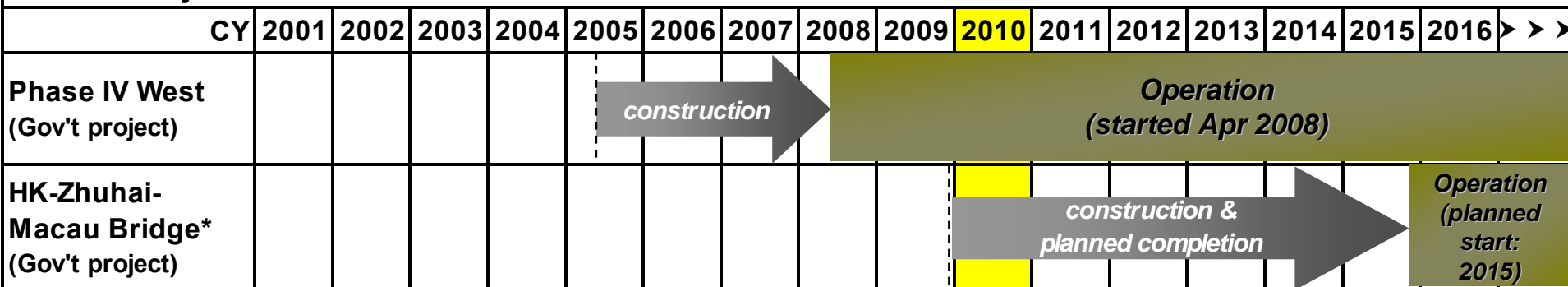
When Phases II & III West are completed, total length of toll expressways invested by HHI will be expanded by about 60% to around 220km

當西綫 II 及 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擴展60%至約220公里

HHI's Projects



Non-HHI Projects



* Present planning, subject to change

Major Projects Plan 主要項目計劃

Projects	Planned Investment ^ Rmb'm	Interest %	Equity required %	HHI's Planned Equity Portion ^ Rmb'm	HHI's Equity Portion Outstanding ^ Rmb'm	HHI's Planned Equity Injection^ Rmb'm		
						FY10	FY11	FY12
Phase II West 西綫II期	7,200 ^^	50%	35%	1,260	403	403	-	-
Phase III West 西綫III期	5,600 ^^	50%	35%	980	980	196	490	294
GS expansion 廣深高速擴闊	7,000	48% #	0%	-	-	-	-	-
Total 合計	19,800			2,240	1,383	599	490	294

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

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

^^ Subject to approval by PRC Government

● Sufficient funding for new projects from: 擁有充足資金發展新項目:

- 1) net cash of approx. \$2.7 billion on hand (approx. \$0.91 per share) as of 31 Dec 09 (excluding JV Companies)

於2009年12月31日的手頭淨現金約港幣 27億元 (約每股港幣 0.91元) (不包括合營企業)

- 2) Healthy cashflow

強勁的現金流

- 3) HK\$3.6 billion committed syndicated bank loan facility available and undrawn

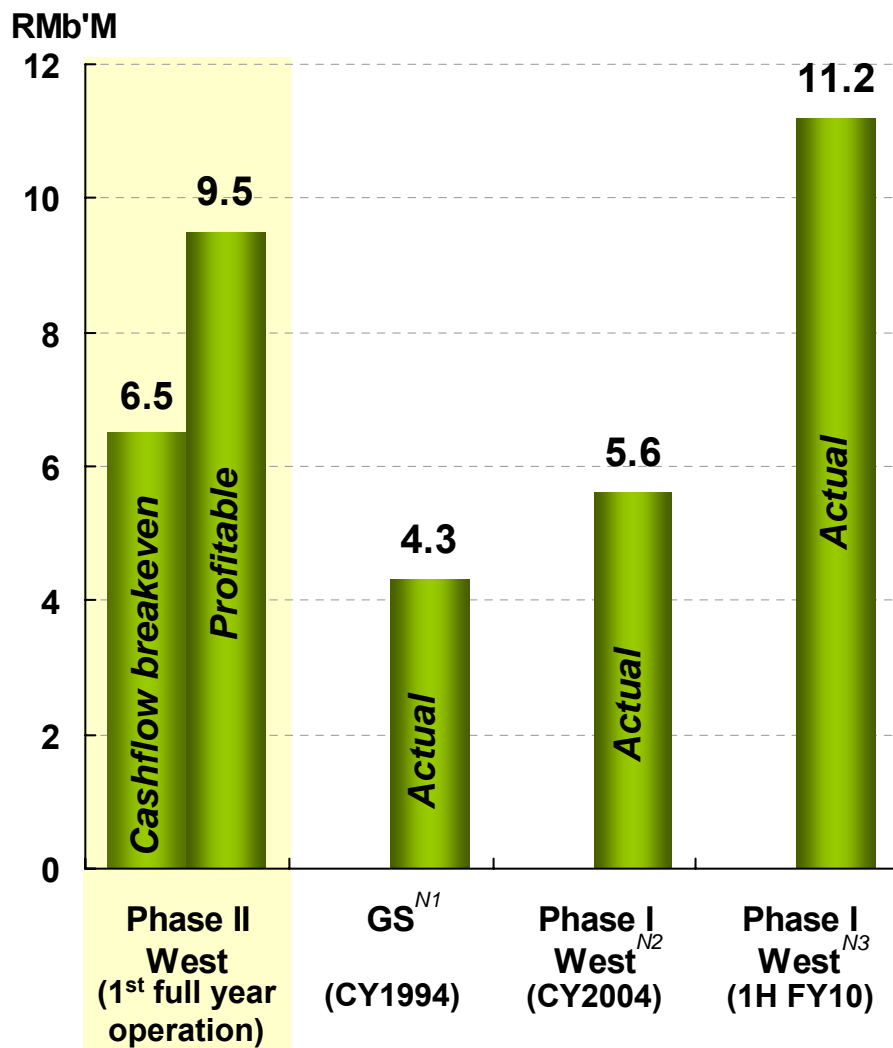
港幣36億元的已承諾銀團貸款尚未使用

Future Project: Phase II West

未來項目：西綫 II 期

Annual Toll Revenue/km

全年的每公里路費收入



N1: Annualised figure for CY94 (GS started operation on 18.7.94)

N2: Annualised figure for CY04 (Phase I West started operation on 30.4.04)

N3: Annualised figure

Highlights 簡介

- Target: cashflow breakeven in first full year of operation**
 目標: 在第一年全年營運達到現金流平衡
- Cashflow breakeven if achieve approx. Rmb6.5m/km annual toll revenue in the first full year of operation***
 假如於第一年全年營運達到全年每公里約人民幣650萬元路費收入，將可達致現金流平衡*
- Currently planned completion: before Jun 2010 end** 現計劃於2010年6月底前竣工
- Upon completion, Phases I & II West: the only expressways directly linking Guangzhou and Zhongshan**
 完工後，西綫I期及II期將是唯一的高速公路直接連接廣州至中山
- ↓ Construction material price since mid-08 and effective cost control → total costs likely lower than budgeted Rmb7.2 billion** 建築材料價格由2008年中開始下跌及有效的成本控制 → 總成本很可能低於預算的人民幣 72億元

* Based on preliminary estimation

Future Project: Phase III West

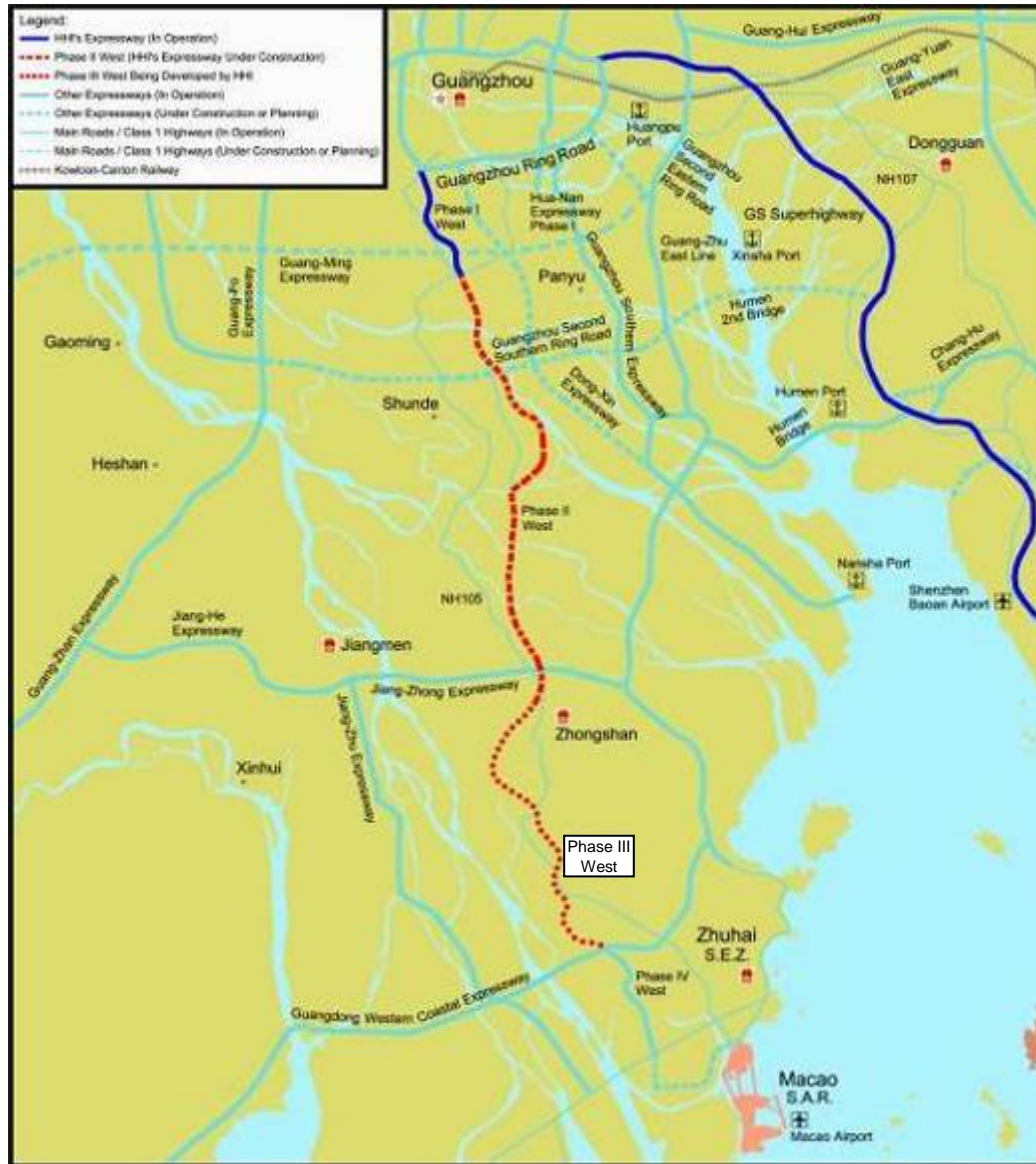
未來項目：西綫 III 期

Highlights 簡介

- **Started construction in Dec 2009**
已於2009年12月開工
- **Planned completion by end-2013**
計劃於2013年底前竣工
- **Western Delta Route: the main artery connecting Guangzhou, Foshan, Zhongshan, Zhuhai, Hengqin and Macau** 西岸幹道是連接廣州、佛山、中山、珠海、橫琴和澳門的主要幹道

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: 合營夥伴	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)
Planned Investment*[^] 計劃投資額	Approx. Rmb 5.6 billion (35% equity, HHI & PRC partner each to contribute Rmb980 million) 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)

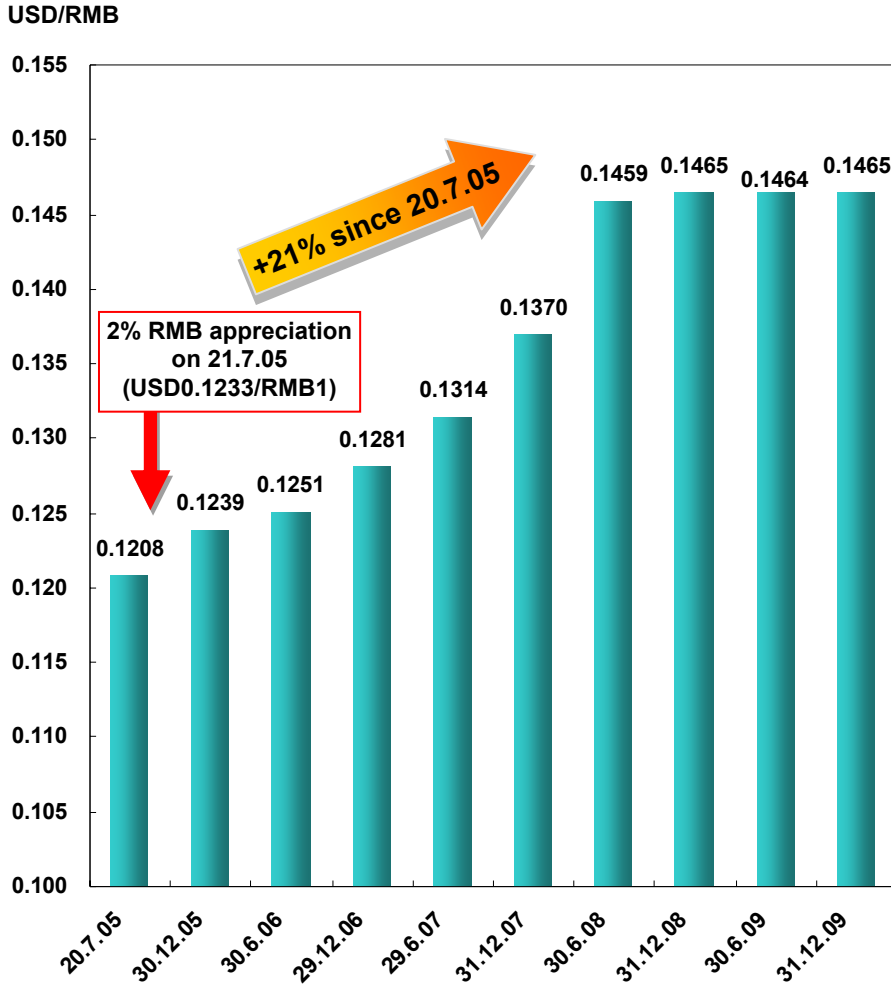


* Present planning, subject to change, incl. finance cost
[^] Subject to approval by PRC Government

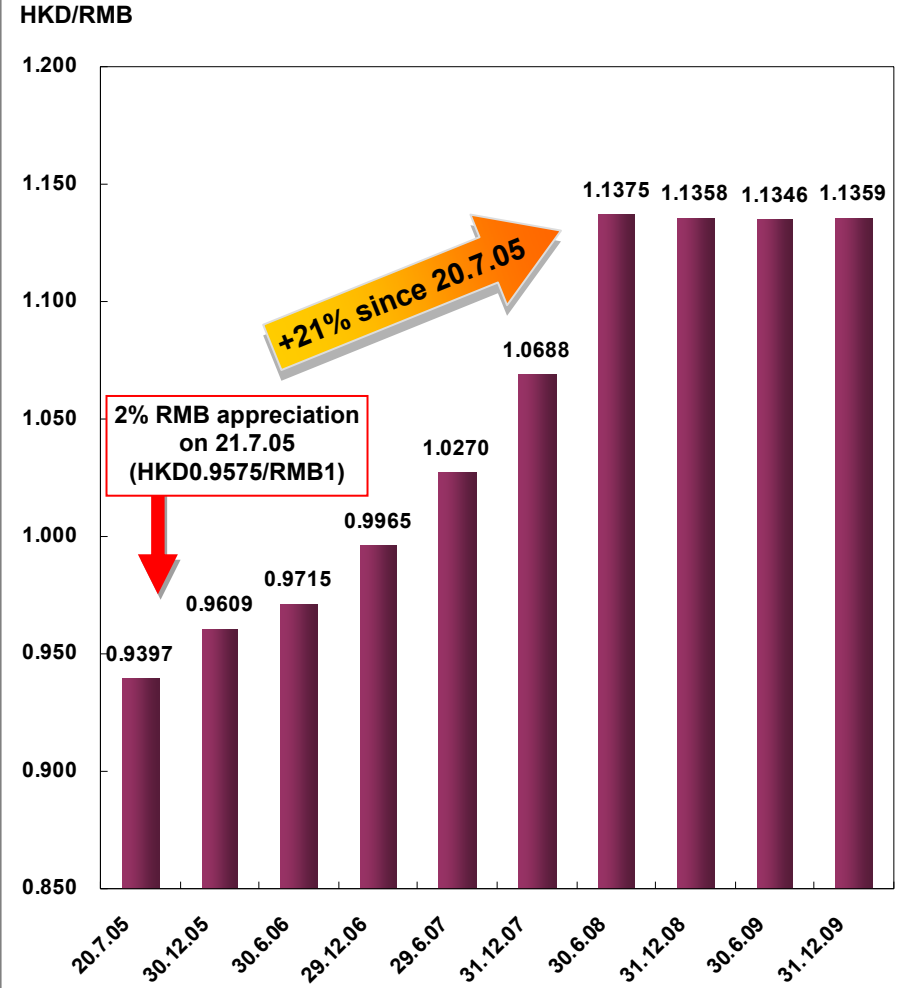
Exchange Rate Movement

匯率走勢

USD/RMB Exchange Rate



HKD/RMB Exchange Rate



Strong Net Cash Position 充裕的淨現金狀況

Cash Balance (Reported)

現金結餘 (財務報告中的)

As at 31.12.2009 (HK\$'M)	HHI
HHI Corp. Level (net cash) 合和公路基建公司層面(淨現金)	2,699
HHI Jointly Controlled Entities 合和公路基建的共同控制個體	163
Total Cash (Reported) 合計現金 (財務報告中的)	2,862

HHI Corp. Level Usable Cash Balance

合和公路基建公司層面可動用的現金結餘

As at 31.12.2009 (HK\$'M)	HHI
HHI Corp. Level usable cash 合和公路基建公司層面可動用的現金	2,699

Available Committed Banking Facilities

已承諾的銀行備用信貸額

As at 31.12.2009 (HK\$'M)	HHI
HHI Corp. Level 合和公路基建公司層面	3,600

**HHI Corp Level Total cash
+ Available Committed
Banking Facilities:
HK\$6,299 million**

Step-up of PRC Income Tax in CY2010

中國利得稅在2010年增加

● **Announced in Mar 2007 and effective from 1 Jan 2008**

於2007年3月公布及於2008年1月1日起生效

Income Tax Rate 利得稅率

	GS	GZW I	GZW II	Sino-foreign JV in PRC
CY2008	9%*	9%*	n/a	18%
CY2009	10%*	10%*	n/a	20%
CY2010	22%	11%*		22%
CY2011	24%	24%	0%*	24%
CY2012	25% (until end of JV)	25% (until end of JV)	12.5%*	25%**
CY2013				
CY2014				
CY2015				
CY2016 onwards			25% (until end of JV)	

* Enjoying tax holiday

** Previous terminal tax rate was 18%

Short Term Quotas for Cross-border Vehicles

短期跨境車輛配額

Feb 2009 2009年2月	Private Cars 私家車	Trucks 貨車	Others 其他	Total 合共
Vehicles with cross-boundary licence 持有跨境車牌的車輛	20,500	15,900	950	37,350
As a % of total registered vehicles 持有跨境車牌的車輛與香港已登記車輛的比例(%)	5%	15%	1%	6%
Registered vehicles in HK 香港已登記的車輛	383,762	108,734	82,701	575,197

- Hong Kong and PRC relevant authorities now studying to introduce a short term quota for Hong Kong private cars crossing border at Shenzhen Bay Port**
 香港和中國有關政府部門正研究，向香港私家車發出以深圳灣口岸出入境的短期過境牌照
- Target to implement in 2010**
 爭取於2010年實施
- Will benefit GS Superhighway**
 將有利廣深高速公路

Coastal Expressway – Comparable Travel Distance to GS Superhighway



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路線的中間路段

● **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**

包括連接道路至香港及廣州

◆ **Comparable to GS**

與廣深高速公路相近

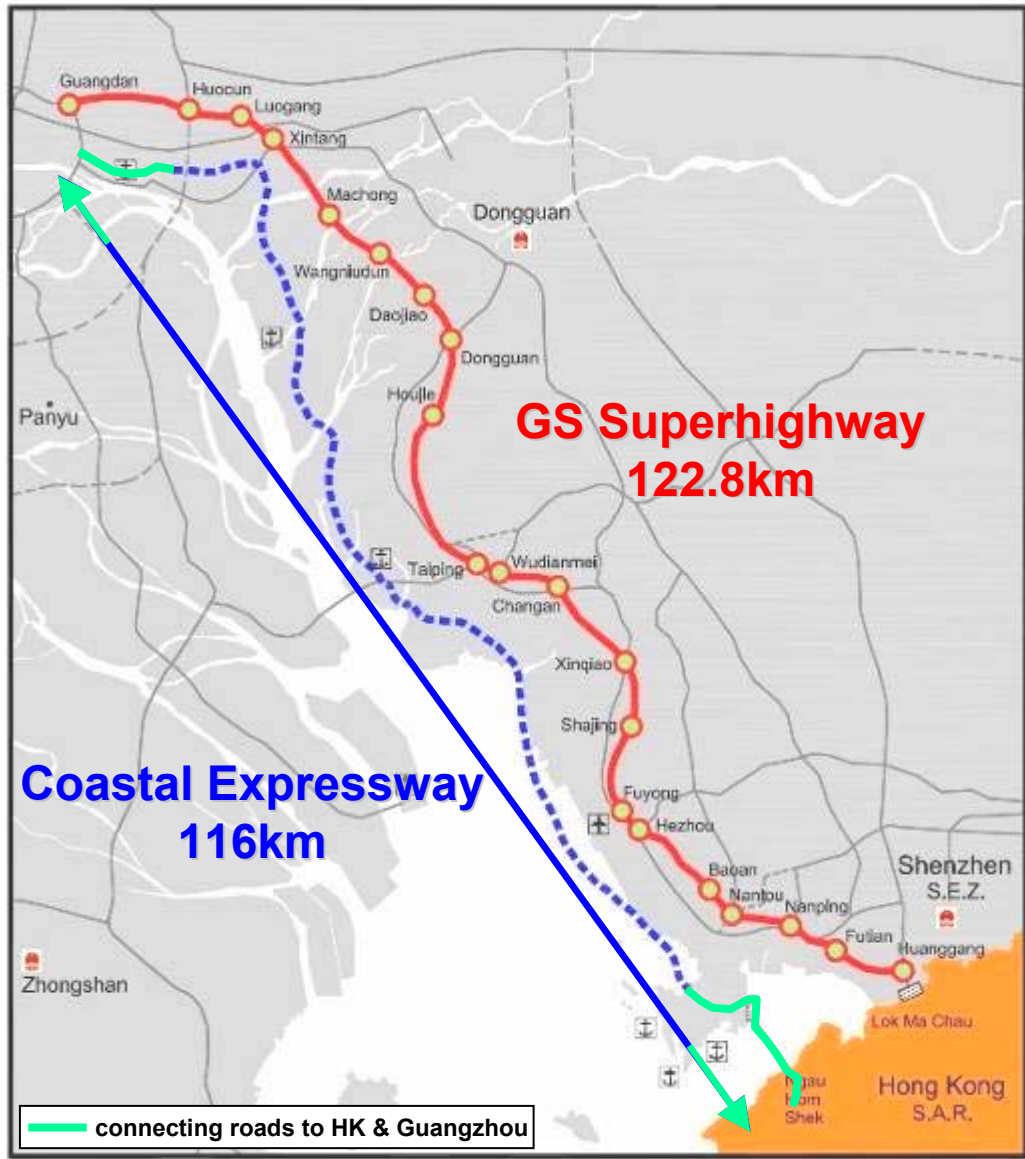
● **Completion dates*:** 完工日期* :

◆ **Guangzhou and Dongguan sections (59km): end-2010**

廣州及東莞段 (59公里)：2010年底

◆ **Shenzhen section (30km): 2012**

深圳段 (30公里)：2012年



* Source: Media reports

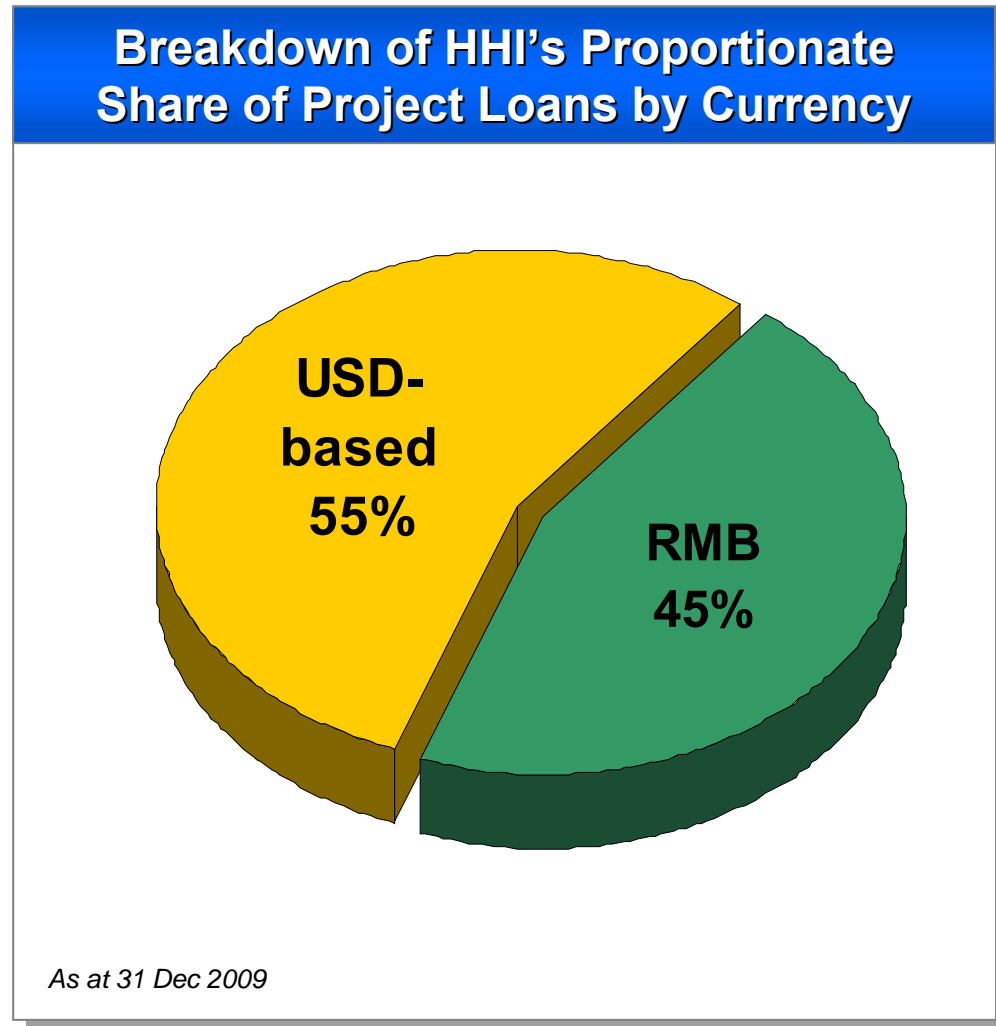
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Supplementary Information (Analyst Meeting)

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

- **USD-based loans: 55%**
 - **USD loans: 49%**
 - **HKD loans: 6%**
- **RMB loans: 45%**



Consolidated Balance Sheet Highlights

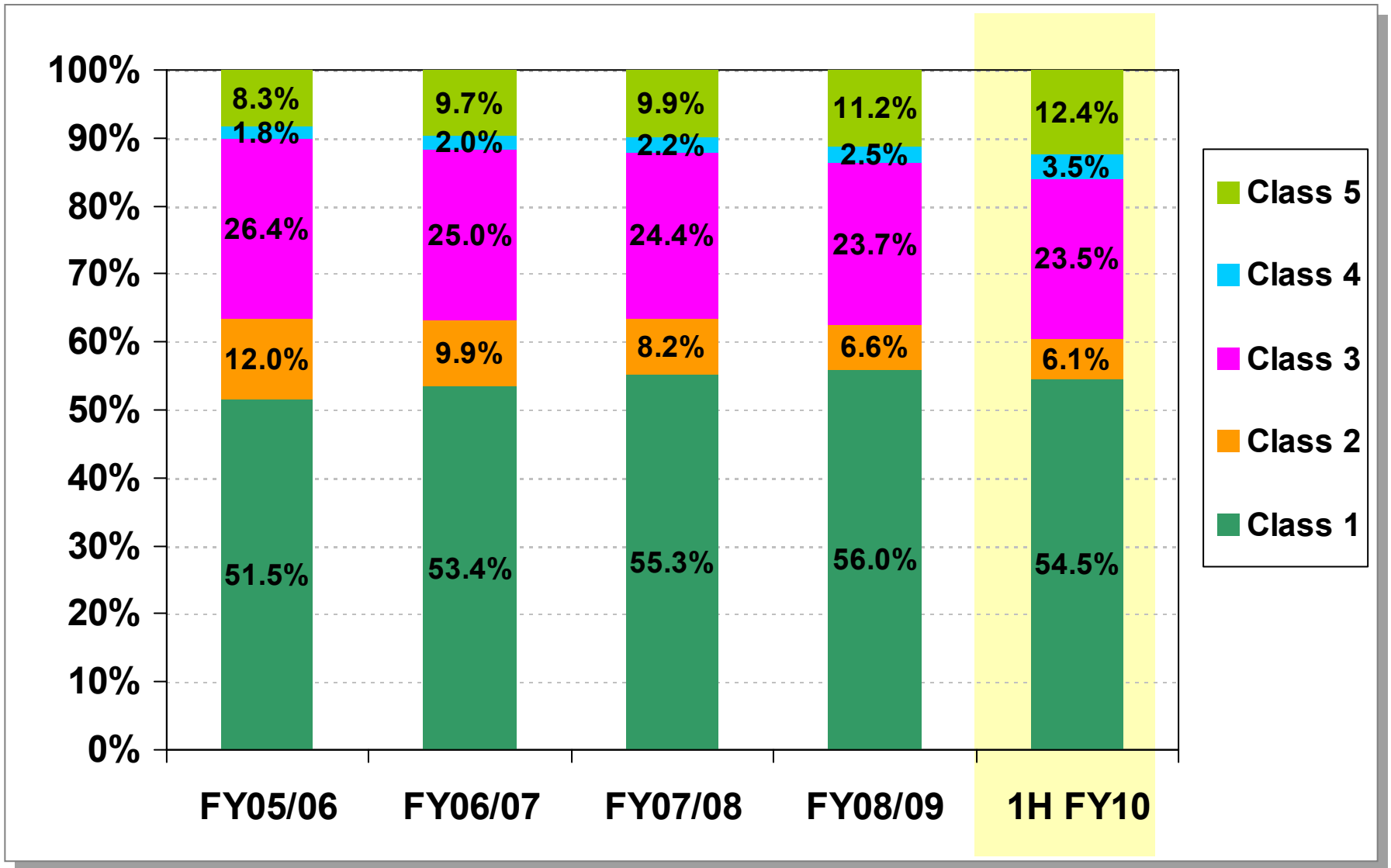
As at	30.06.09	31.12.09	As at	30.06.09	31.12.09
	HK\$'M	HK\$'M		HK\$'M	HK\$'M
Bank balances and cash ^{N1}	2,897	2,862	Prop. share of JV debt ^{N2}	5,379	5,710
HHI corp	2,775	2,699	HHI corp debt	0	0
- USD	853	0	JV debt	5,238	5,565
- HKD	1,922	2,699	- USD	2,800	2,728
JV	122	163	- HKD	332	327
			- RMB	2,106	2,510
Property & equipment	189	186	JV other debt	141	145
Concession intangible assets	11,280	11,614	Other payables	820	838
Other assets	222	262	Total liabilities	6,199	6,548
Total assets	14,588	14,924	Equity attributable to owners of the Co.	8,341	8,321
			Minority interests	48	55
			Total equity & liabilities	14,588	14,924
				30.06.09	31.12.09
Total debt / total assets				37%	38%
Net debt ^{N3} / equity attributable to owners of the Co.				30%	34%

N1: Included pledged bank deposits \$162M (31.12.09) and \$119M (30.6.09)

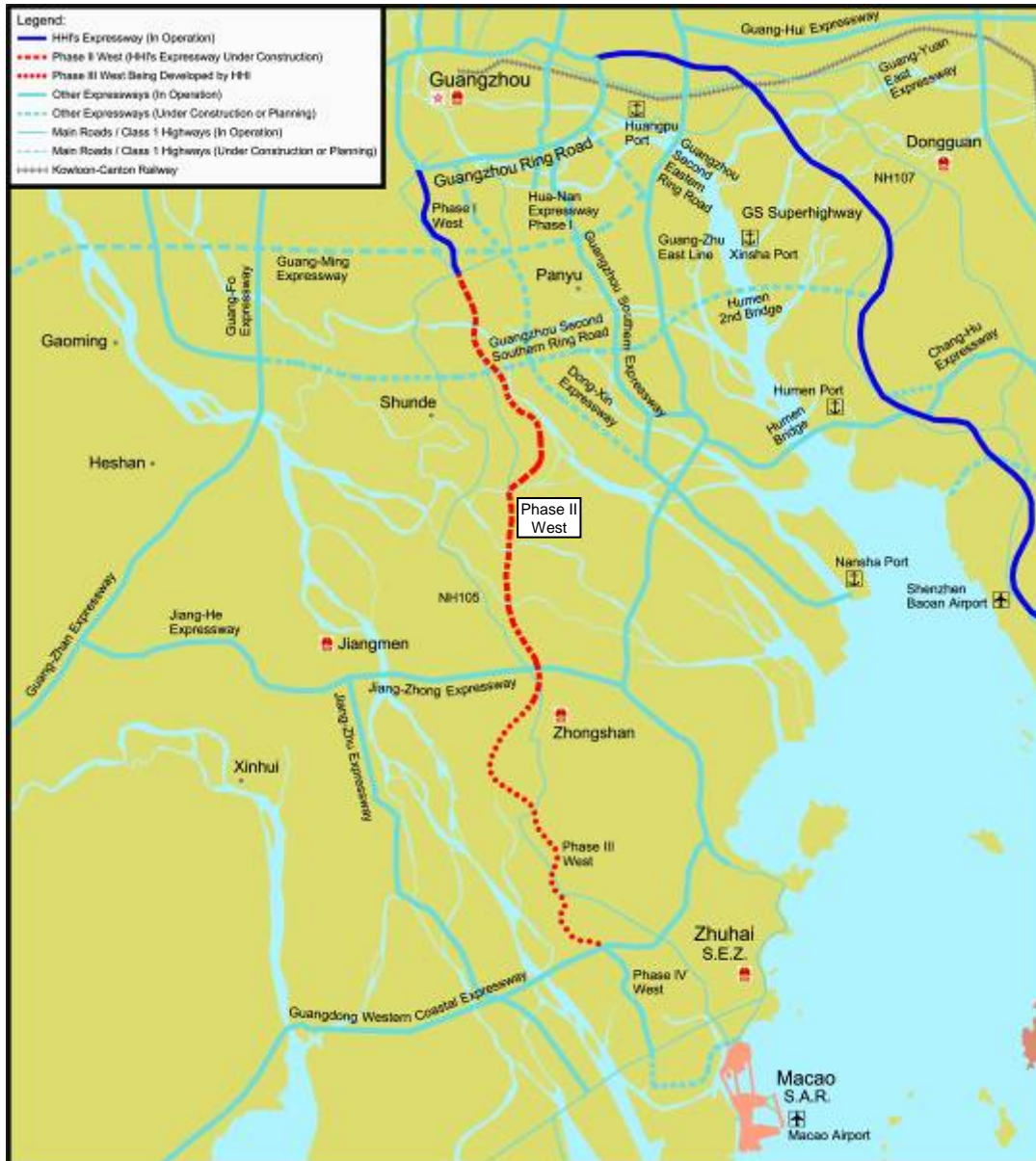
N2: HHI's proportionate share of joint venture's debts. Majority of the debt has long maturity of over 5 years

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



Future Project Phase II West



Project Description

Route:	Shunde - Zhongshan
Length:	approx. 46km
JV Partners:	Guangdong Provincial Highway Construction Co Ltd (same as GS Superhighway)
Planned Investment *^	Approx. Rmb 7.2 billion (35% equity, HHI & PRC partner each to contribute Rmb1,260 million)
Progress:	Under construction
Planned Completion	Before end Jun 2010

* Present planning, subject to change, incl. finance cost
 ^ Subject to approval by PRC Gov't

~ **End** ~