



招商局 亚太有限公司
CHINA MERCHANTS HOLDINGS (PACIFIC) LIMITED

(Company Registration No. 198101278D)

China Merchants Holdings (Pacific) posts 20% increase in net profit in FY2014

Proposes final dividend of 3.5 Singapore cents per share

Proposes bonus share issue to shareholders on the basis of one bonus share for every twenty existing ordinary shares

SINGAPORE, 27 February 2015 – Mainboard listed China Merchants Holdings (Pacific) Limited (“CMHP” or the “Group”) today announced a strong set of results for the year ended 31 December 2014 (“FY2014”).

Group revenue for FY2014 rose by 7% from HK\$1,886.3 million in FY2013 to HK\$2,019.5 million in FY2014 largely driven by the consolidation of revenue from the Jiurui Expressway which the Group acquired in September last year, revenue growth from the Yongtaiwen Expressway and higher bank interest income.

Group net profit for FY2014 of HK\$1,059.6 million was 18% higher over the corresponding period in FY2013. The profit growth was attributable to a higher profit contribution from the toll road operations and the recognition of an exceptional gain of HK\$66.3 million from the disposal of the Group’s property development business in April 2014. After taking into account non-controlling interests, net profit attributable to shareholders increased 20% to HK\$739.4 million.

The Group’s toll road business turned in a strong performance in FY2014. Contribution to net profit attributable to shareholders by the Group’s toll road assets for FY2014 amounted to HK\$701.8 million, an increase of 23% from the HK\$571.3 million achieved

a year ago. This was principally due to a higher profit contribution from the Yongtaiwen Expressway, Guiliu Expressway and Guihuang Highway as well as the recognition of deferred income and effective interest income on compensation receivable from the relocation of certain toll stations along the Guihuang Highway. Higher interest income and exchange gain and the recognition of negative goodwill arising from the acquisition of the Jiurui Expressway also boosted the Group's net profit.

The Yongtaiwen Expressway performed strongly in FY2014. It registered an increase in net profit contribution of 13% from HK\$295 million in FY2013 to HK\$333.3 million in FY2014 on the back of higher toll revenue achieved and lower finance costs, partially offset by higher cost of sales and income tax. Toll revenue recorded by the Yongtaiwen Expressway increased by 7% from a year ago driven by higher traffic flow arising from the economic growth in Wenzhou municipality of Zhejiang province and the increase in the traffic volume of goods vehicles following the opening of Jiashao Bridge to traffic.

Toll revenue registered by the Beilun Port Expressway was down 4% due to major upgrading works on certain sections of the expressway, the change in road network arising from the opening of Jiaoshao Bridge and traffic diversion from a newly opened competing road. The Beilun Expressway achieved a net profit of HK\$103 million, down 12% or HK\$13.6 million due to the lower toll revenue registered and higher cost of sales, partially offset by lower finance costs.

The Guiliu Expressway registered an increase in net profit contribution of 5% or HK\$7.7 million on the back of higher toll revenue achieved. Toll revenue reported by this expressway increased 5% due to the growth in traffic volume, improvement in the road network and the continued increase in vehicle ownership.

The Guihuang Highway posted a net profit of HK\$134.2 million, up 8% from the HK\$123.9 million achieved a year ago. The profit growth was due to higher toll revenue and toll road related income achieved and higher subsidy income recorded which was partially offset by higher amortisation of toll road operating rights.

The acquisition of the Jiurui Expressway was completed on 9 September 2014. This newly acquired expressway posted a net profit of HK\$12.3 million in FY2014.

Commenting on the Group's results, Chairman and CEO Mr Luo Hui Lai said, "I am pleased with our performance in 2014. Our core business of toll road operations turned in a strong performance led by continued growth of our toll road portfolio and contribution from the newly acquired Jiurui Expressway."

"The overall outlook for our toll road operations in China remains positive, supported by the economic growth in China and the continued increase in vehicle ownership. We expect our toll road business to continue to grow in FY2015, lifted by organic growth and full-year contribution from the Jiurui Expressway. In the year ahead, we will continue to pursue growth from within the portfolio as well as external growth by way of selective acquisitions of quality toll road assets to further enlarge the Group's toll road portfolio and earnings," Mr Luo added.

After taking into consideration the year's strong financial performance and cash requirements for future acquisitions, the Board has proposed a final dividend of 3.5 Singapore cents per share. Together with the interim dividend of 3.5 Singapore cents per share paid last year, this will bring the total dividend for the year to 7.0 Singapore cents per share. The Board has a long-term commitment to an annual dividend payout ratio of at least 50% of underlying net profit.

To reward shareholders for their loyalty and continuing support for the Company, the Directors is also proposing a bonus issue of new ordinary shares ("Bonus Shares") in the capital of the Company on the basis of one (1) bonus share credited as fully paid for every twenty (20) existing ordinary shares held by the shareholders of the Company ("Proposed Bonus Issue"). The Proposed Bonus Issue will increase the accessibility of investing in the Company to more investors, thereby encouraging trading liquidity and greater participation by investors and broadening the shareholder base of the Company.

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About China Merchants Holdings (Pacific) Limited (www.cmhp.com.sg)

China Merchants Holdings (Pacific) Limited (“CMHP”) is a significant toll road operator listed on the Main Board of the SGX-ST. It has total assets in excess of HK\$15 billion and is well-positioned to ride on growth prospects of the PRC’s economic growth. As a subsidiary of China Merchants Group Limited, it is able to capitalise on the strong track record, reputation and network of the China Merchants Group to expand its toll road business and seek attractive investment opportunities overseas.

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