



招商局 亚太有限公司
CHINA MERCHANTS HOLDINGS (PACIFIC) LIMITED
(Company Registration No. 198101278D)

China Merchants Holdings (Pacific) posts 45% increase in net profit in 3Q2014

Company recognises a maiden contribution of HK\$2.8 million from newly acquired Jiurui Expressway

SINGAPORE, 6 November 2014 – Mainboard listed China Merchants Holdings (Pacific) Limited (“CMHP” or the “Group”) today announced a net profit attributable to shareholders of HK\$210.9 million for the third quarter ended 30 September 2014, up 45% from the HK\$145.8 million recorded in the previous corresponding quarter. For the first nine months of 2014, net profit attributable to shareholders increased by HK\$158.2 million or 35% to HK\$608.2 million.

Group revenue for 3Q2014 rose to HK\$528.7 million, an increase of 9% from the same quarter a year ago. The revenue growth was largely driven by the consolidation of revenue from the Jiurui Expressway which the Group acquired in September this year, revenue growth from the Yongtaiwen Expressway and higher bank interest income.

Group net profit for 3Q2014 of HK\$302.5 million was 35% higher than that of the corresponding period in 2013 principally due to a higher profit contribution from the toll road operations. After taking into account non-controlling interests, net profit attributable to shareholders increased 45% to HK\$210.9 million.

The Group’s toll roads in China continued to perform in the current quarter. Contribution to net profit attributable to shareholders by the Group’s toll road assets for 3Q2014 amounted to HK\$220 million, an increase of 48% from the HK\$148.3 million achieved a year ago. This was principally due to a higher profit contribution posted by all the toll roads 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 3Q2014, registering an increase in net profit contribution of 17% on the back of higher toll revenue achieved and lower finance costs, partially offset by higher cost of sales. Toll revenue recorded by the Yongtaiwen Expressway increased by 9% on the corresponding period last year 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.

Net profit contribution from the Beilun Port Expressway was up 8% or HK\$2.4 million despite a 3% decline in toll revenue mainly due to the receipt of a tax subsidy in the current period.

The Guiliu Expressway registered an increase in net profit contribution of 10% or HK\$3.5 million on the back of higher toll revenue achieved. Toll revenue reported by this road increased 6% 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\$37.6 million, up 3% from the HK\$36.7 million achieved in the previous corresponding period. The profit growth was lower than the toll revenue increase of 10% due to higher amortisation of toll road operating rights, partially offset by higher subsidy income recorded.

For the nine months ended 30 September 2014, the Group recorded a revenue of HK\$1.5 billion, an increase of 6% over the corresponding period of last year. Group net profit for the nine months to-date was up 27% to HK\$857 million, boosted by a higher profit contribution from the toll road operations and the recognition of an exceptional gain 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 for the year-to-date increased 35% to HK\$608.2 million.

Chairman and CEO Mr Luo Hui Lai said, "The acquisition of the Jiurui Expressway was completed on 9 September 2014 and its bank borrowings were restructured shortly thereafter which has significantly reduced its financing costs. The Group recorded a first-time contribution of HK\$2.8 million from the Jiurui Expressway in 3Q2014. I am confident that with our excellent management team who have in-depth experience in toll road development and operations managing its day to day operations, the profit contribution from this expressway will further improve."

"The stable economic growth in China should continue to underpin the Group's toll roads' traffic and toll revenue growth. We expect our toll road business to continue its growth momentum for the rest of the year, lifted by organic growth and contribution from the Jiurui Expressway," Mr Luo added.

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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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