

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1,Q2, & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1.(a) An income statement and statement of comprehensive income or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Income Statement

		Group		
		First quarter ended 31 March		
		2016	2015	Change
		HK\$'000	HK\$'000	%
Revenue	(i)	634,672	494,274	28
Cost of sales		(256,192)	(218,704)	17
Gross profit	(i)	378,480	275,570	37
Other operating income	(ii)	4,076	8,463	(52)
Administrative expenses	(iii)	(23,665)	(21,165)	12
Other operating expenses		(7)	(2)	250
Finance costs	(iv)	(68,547)	(32,989)	108
Subsidy income	(v)	5,269	5,707	(8)
Share of results of joint ventures, net of tax	(vi)	56,619	63,519	(11)
Profit before tax from continuing operations		352,225	299,103	18
Income tax expense	(vii)	(97,920)	(74,401)	32
Profit from continuing operations, net of tax		254,305	224,702	13
Profit for the period		254,305	224,702	13
Attributable				
Owners of the Company		164,058	142,259	15
Non-controlling interest		90,247	82,443	9
		254,305	224,702	13

Consolidated Statement Of Comprehensive Income

	Group		
	First quarter ended 31 March		
	2016	2015	Change
	HK\$'000	HK\$'000	%
Profit for the period	254,305	224,702	13
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Translation differences arising on consolidation	73,282	(55,336)	N.M.
Total items that may be reclassified to profit or loss, representing other comprehensive income for the period	73,282	(55,336)	N.M.
Total comprehensive income for the year	327,587	169,366	93
Attributable to:			
Owners of the Company	222,632	96,171	131
Non-controlling interests	104,955	73,195	43
	327,587	169,366	93

N.M.: Not Meaningful

Acquisition of three expressways located in Guangxi Zhuang Autonomous Region, namely Guixing Expressway, Guiyang Expressway and Yangping Expressway (together the "three Guangxi Expressways").

On 23 June 2015, three directly wholly-owned subsidiaries of the Company entered into three conditional sale and purchase agreements to acquire 100 per cent equity interests in Guangxi Guixing Expressway Investment and Construction Co., Ltd. (the "Guixing Target"), Guangxi Guiwu Expressway Guiyang Section Investment and Construction Co., Ltd. (the "Guiyang Target") and Guangxi Huatong Expressway Co., Ltd. (the "Yangping Target"). Guixing Target owns the rights to operate the Guilin - Xing'an Expressway ("Guixing Expressway"). Guiyang Target owns the rights to operate the Guilin - Yangshuo Expressway ("Guiyang Expressway"). Yangping Target owns the rights to operate the Yangshuo - Pingle Expressway ("Yangping Expressway").

Pursuant to the sale and purchase agreement in relation to the acquisition of Yangping Expressway, the acquisition of Yangping Expressway was completed on 23 September 2015 and the financial results of Yangping Expressway have been consolidated to the Group's accounts as a subsidiary since then.

Pursuant to the sale and purchase agreement in relation to the acquisition of Guixing Expressway, the acquisition of Guixing Expressway was completed on 16 October 2015 and the financial results of Guixing Expressway have been consolidated to the Group's accounts as a subsidiary since then.

Pursuant to the sale and purchase agreement in relation to the acquisition of Guiyang Expressway, the acquisition of Guiyang Expressway was completed on 16 October 2015 and the financial results of Guiyang Expressway have been consolidated to the Group's accounts as a subsidiary since then.

Notes to Income Statement

The Group currently operates eight toll roads, they are Yongtaiwen Expressway, Beilun Port Expressway, Jiurui Expressway, three Guangxi Expressways, Gui Liu Expressway and Gui Huang Highway. Yongtaiwen Expressway, Beilun Port Expressway, Jiurui Expressway, three Guangxi Expressways are accounted for as subsidiaries and contribute most of the Group revenue. Gui Liu Expressway and Gui Huang Highway are accounted for as joint ventures using the equity method. Toll revenue from these joint ventures is not included in Group revenue and contribution from them is mainly recognised below the operating level.

(i). Group revenue and gross profit for the period ended 31 March 2016 increased 28% and 37% respectively compared to the same period of previous year. The increase in Group revenue was largely attributable to the consolidation of three Guangxi Expressways within the period, the revenue growth of Yongtaiwen Expressway, and the revenue growth of Beilun Port Expressway, offset by contribution decrease from Jiurui Expressway. Group gross profit was up mainly due to aforesaid increased revenue contribution and lower increase of cost of sales against revenue increase.

(ii). Other operating income decreased mainly due to lower deferred income and effective interest income on other receivables relating to compensation granted by local government authorities as a result of the relocation and removal of certain toll stations along Gui Huang Highway (Please refer to the announcement dated 23 January 2014 for details).

(iii). Administrative expenses increased mainly due to the consolidation result of three Guangxi Expressways.

(iv). Finance costs increased mainly due to higher bank borrowing amount and higher USD interest rate offset by lower interest recognised against convertible bonds.

(v). Subsidy income is granted by the Sino joint venture partner of Gui Huang joint ventures from 1 January 2001 to 31 December 2015 in accordance to the original joint venture agreement and is extended to 31 October 2017 subsequently according to the supplemental contract signed in December 2013 in view of the reduction of concession period by six years for Gui Huang Class 1 Highway (Please refer to the Company's announcement dated 20 December 2013 for further details). Subsidy income is calculated based on 40% of the non-cash expenses (mainly depreciation and amortisation charges) of the joint ventures.

(vi). Share of results of joint ventures relates to the contributions from the Group's two toll roads, namely Gui Liu Expressway and Gui Huang Highway. The details are set out in item 8.

(vii). Income tax expense include current tax and deferred tax, current tax increased as the result of higher income tax expense registered by Yongtaiwen Expressway and Beilun Port Expressway, while increased deferred tax come from Jiurui Expressway and the consolidation result of three Guangxi Expressways.

(ix) Additional disclosures

	Group		
	First quarter ended 31 March		
	2016	2015	Change
	HK\$'000	HK\$'000	%
Interest income*	8,790	1,958	349
Amortisation of intangible assets**	(163,185)	(131,046)	25
Depreciation of property, plant and	(5,339)	(5,939)	(10)
(Loss)/Gain on disposal of property, plant and equipment	(2)	4	N.M.
Foreign exchange gain/(loss)****	(2,820)	(2,860)	(1)

N.M.: Not Meaningful

*Interest income increased due to higher fixed deposit savings amount and higher fixed deposit saving interest rate.

**Amortisation expenses increased mainly due to consolidation of three Guangxi Expressways.

***Depreciation of property, plant and equipment decreased mainly attribute to one major equipment at Beilun Port Expressway did not record depreciation in Q1 2016 as it was fully depreciated in the year of 2015.

****Foreign exchange loss arose from the depreciation of RMB against Hong Kong dollar.

1.(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

		Group		Company	
		As at 31/03/2016	As at 31/12/2015	As at 31/03/2016	As at 31/12/2015
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
ASSETS					
Current assets					
Cash and cash equivalents		2,353,223	2,143,557	527,200	1,062,778
Trade and other receivables	(i)	212,354	238,073	1,122,848	1,124,969
Inventories		1,103	907	-	-
Total current assets		2,566,680	2,382,537	1,650,048	2,187,747
Non-current assets					
Property, plant and equipment		427,199	427,316	2,639	2,741
Intangible assets		20,745,657	20,798,599	-	-
Interests in subsidiaries		-	-	12,326,545	12,319,906
Interests in joint ventures		1,631,519	1,584,545		
Club membership		376	376	376	376
Total non-current assets		22,804,751	22,810,836	12,329,560	12,323,023
Total assets		25,371,431	25,193,373	13,979,608	14,510,770
LIABILITIES AND EQUITY					
Current liabilities					
Trade and other payables	(ii)	2,341,841	2,096,405	24,736	31,817
Interest-bearing liabilities	(iii)	675,135	3,556,497	646,117	3,525,247
Dividend payable	(iv)	-	149,609	-	149,609
Income tax payable	(v)	327,531	261,510	-	-
Total current liabilities		3,344,507	6,064,021	670,853	3,706,673
Non-Current liabilities					
Interest-bearing liabilities	(iii)	8,308,933	5,757,041	5,011,824	2,477,516
Deferred income		131,478	135,336	-	-
Deferred tax liabilities		1,101,671	1,079,720	-	-
Total non-current liabilities		9,542,082	6,972,097	5,011,824	2,477,516
Capital, reserves and non-controlling interests					
Share capital		7,861,501	7,861,501	7,861,501	7,861,501
Share option reserve		200	200	200	200
Statutory reserve		243,138	239,291	-	-
Currency translation reserve		(138,383)	(197,443)	-	-
Reserve on consolidation		(78,930)	(78,930)	-	-
Capital reserve		15,234	15,234	15,234	15,234
Accumulated profits		1,865,967	1,706,242	419,996	449,646
Equity attributable to owners of the company		9,768,727	9,546,095	8,296,931	8,326,581
Non-controlling interests		2,716,115	2,611,160	-	-
Total equity		12,484,842	12,157,255	8,296,931	8,326,581
Total liabilities and equity		25,371,431	25,193,373	13,979,608	14,510,770

Notes to the balance sheet

(i) Trade and other receivables decreased mainly due to decrease of recognition of compensation receivable in respect of the relocation of toll stations along Gui Huang Highway.

(ii) Trade and other payables increased mainly due to increased operating cost on accrual basis and advance received from external parties.

(iii) Overall interest bearing liabilities decreased due to repayment of revolving term loan in Q1 2016. Current interest-bearing liabilities decreased as well as non current interest-bearing liabilities increased as a result of drawdown of club loan amount to USD350 million to replace bridge loan with same amount.

(iv) Dividend payable decreased due to dividends was paid to the substantial shareholder - Eastern Overseas Limited.

(v) Income tax payable increased due to provision for income tax increase by Yongtaiwen Expressway.

(vi) As at 31 March 2016, total current assets of the Group amounted to HK\$2,566.7 million and total current liabilities of the Group amounted to HK\$3,344.5 million, which resulted in a negative working capital of HK\$777.9 million. The improvement compared to the amount as at 31 December 2015 was mainly due to drawdown of 5 years club loan and repayment of revolving term loan.

1.(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 31/03/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	675,135	-	3,556,497

Amount repayable after one year

As at 31/03/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
HK\$'000	HK\$'000	HK\$'000	HK\$'000
-	8,308,933	-	5,757,041

Details of any collateral

Not applicable.

1.(c) A statement of cash flows (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

		Group	
		First quarter ended 31 March	
		2016	2015
		HK\$'000	HK\$'000
OPERATING ACTIVITIES			
Profit before tax from continuing operations		352,225	299,103
Adjustments for:-			
Depreciation of property, plant and equipment		5,339	5,939
Amortisation of intangible assets		163,185	131,046
(Gain)/Loss on disposal of property, plant and equipment		2	(4)
Interest expense		64,594	22,038
Interest income		(8,790)	(1,958)
Amortisation of loan arrangement fee		3,054	5,297
Interests on convertible bonds		1,145	5,654
Amortisation of deferred income		(3,857)	(6,225)
Effective interests on compensation receivable		(492)	(2,970)
Exchange differences		(8,316)	7,134
Share of results of joint ventures		(56,619)	(63,519)
Operating cash flows before movements in working capital		511,470	401,535
Inventories		(183)	(93)
Trade and other receivables		25,723	(46,897)
Trade and other payables		261,643	116,896
Cash generated from operations		798,653	471,441
Income taxes paid		(17,419)	(8,220)
Net cash generated from operating activities	(i)	781,234	463,221
INVESTING ACTIVITIES			
Interest received		10,773	4,873
Purchase of property, plant and equipment		(23,137)	(62,341)
Proceeds from disposal of property, plant and equipment		-	5
Net cash used in investing activities		(12,364)	(57,463)
FINANCING ACTIVITIES			
Interest paid		(66,652)	(27,455)
Issue of shares under share option scheme		-	2,470
Proceeds from bank loans		2,714,075	-
Repayment of bank loans		(3,019,700)	(66,568)
Long term loan's financing related fees paid		(48,830)	-
Dividends paid to owners of the Company		(149,609)	-
Net cash generated from/(used in) financing activities	(ii)	(570,716)	(91,553)
Net increase/(decrease) in cash and cash equivalents		198,154	314,205
Cash and cash equivalents at beginning of the period		2,143,557	1,049,178
Net effect of exchange rate changes in the balance of cash held in foreign currencies		11,512	(4,374)
Cash and cash equivalents at end of the period		2,353,223	1,359,009

(i) Increased net cash generated from operating activities is mainly due to increase of group revenue.

(ii) Increased net cash used in financing activities is mainly due to payment of more interest, payment of revolving term loan in Q1 2016, payment of financing fee related to USD350 million club loan, and payment of dividend to the substantial shareholder - Eastern Overseas Limited.

- 1.(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity

The Group	Share capital HK\$'000	Share option reserve HK\$'000	Statutory reserve HK\$'000	Currency translation reserve HK\$'000	Reserve on consolidation HK\$'000	Capital reserve HK\$'000	Accumulated profits HK\$'000	Attributable to owners of the Company HK\$'000	Non-Controlling Interests HK\$'000	Total equity HK\$'000
At 1 January 2016	7,861,501	200	239,291	(197,443)	(78,930)	15,234	1,706,242	9,546,095	2,611,160	12,157,255
Total comprehensive income for the period	-	-	-	58,574	-	-	164,058	222,632	104,955	327,587
Transfer from accumulated profits	-	-	3,847	-	-	-	(3,847)	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-
Issue of ordinary shares upon conversion of convertible bonds	-	-	-	-	-	-	-	-	-	-
At 31 March 2016	7,861,501	200	243,138	(138,869)	(78,930)	15,234	1,866,453	9,768,727	2,716,115	12,484,842

The Group	Share capital HK\$'000	Share option reserve HK\$'000	Statutory reserve HK\$'000	Currency translation reserve HK\$'000	Reserve on consolidation HK\$'000	Capital reserve HK\$'000	Accumulated profits HK\$'000	Attributable to owners of the Company HK\$'000	Non-Controlling Interests HK\$'000	Total equity HK\$'000
At 1 January 2015	3,804,616	1,513	201,154	483,068	(78,930)	55,036	1,907,606	6,374,063	2,555,731	8,929,794
Total comprehensive income for the period	-	-	-	(46,088)	-	-	142,259	96,171	73,195	169,366
Transfer from accumulated profits	-	-	4,356	-	-	-	(4,356)	-	-	-
Share options exercised	2,802	(332)	-	-	-	-	-	2,470	-	2,470
Issue of ordinary shares upon conversion of convertible bonds	97,687	-	-	-	-	(6,483)	-	91,204	-	91,204
At 31 March 2015	3,905,105	1,181	205,510	436,980	(78,930)	48,553	2,045,509	6,563,908	2,628,926	9,192,834

The Company	Share capital HK\$'000	Share option reserve HK\$'000	Capital reserve HK\$'000	Accumulated profits HK\$'000	Total equity HK\$'000
At 1 January 2016	7,861,501	200	15,234	449,646	8,326,581
Total comprehensive income for the period	-	-	-	(29,650)	(29,650)
Share options exercised	-	-	-	-	-
Issue of ordinary shares upon conversion of convertible bonds	-	-	-	-	-
At 31 March 2016	7,861,501	200	15,234	419,996	8,296,931

The Company	Share capital HK\$'000	Share option reserve HK\$'000	Capital reserve HK\$'000	Accumulated profits HK\$'000	Total equity HK\$'000
At 1 January 2015	3,804,616	1,513	55,036	700,844	4,562,009
Total comprehensive income for the period	-	-	-	(43,200)	(43,200)
Share options exercised	2,802	(332)	-	-	2,470
Issue of ordinary shares upon conversion of convertible bonds	97,687	-	(6,483)	-	91,204
At 31 March 2015	3,905,105	1,181	48,553	657,644	4,612,483

- 1.(d)(ii). Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

During the three-month period ended 31 March 2016, there were no conversion of the Company's convertible bonds.

As at 31 March 2016, the total number of unexercised options under the share option scheme was 2,205,000 (31 December 2015: 2,205,000).

The Company has the following convertible bonds which remain outstanding as at 31 March 2016:

Principal Amount Outstanding	Maturity Date	Conversion price per share
HK\$150,000,000	6 November 2017	S\$0.776

As at 31 March 2016, assuming all the convertible bonds are fully converted based on the conversion price, the number of new ordinary shares to be issued would be 30,512,379 (31 December 2015: 30,512,379), representing approximately 1.70% (31 December 2015: 1.70%) of the issued share capital of the Company.

- 1.(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year**

The total number of issued shares as at 31 March 2016 comprised 1,794,524,100 ordinary shares (31 December 2015: 1,794,524,100).

- 1.(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on**

Not applicable.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The figures have not been audited or reviewed by the Company's auditors.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed under item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those applied for the audited financial statements for the year ended 31 December 2015.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

The Group adopted all the applicable new and revised Singapore Financial Reporting Standards ("FRS") including related Interpretations ("INT FRS"), that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016. The adoption of the new and revised FRS and INT FRS did not give rise to any adjustments to the opening balances of the accumulated profits of the Group and of the Company for the prior and current periods or to changes in comparatives.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group	
	First quarter ended 31 March	
	2016	2015
Earnings per ordinary share for the year after deducting any provision for preference share dividends:-		
(a) Based on weighted average number of ordinary shares in issue (in HK cents)*	9.14	12.81
(b) On a fully diluted basis (in HK cents)*	9.07	11.97

* Comparative figures for EPS have been adjusted retrospectively for the bonus issue of shares.

The Group's basic and diluted earnings per share is calculated based on the weighted average number of ordinary shares in issue of the Company as follows:

	First quarter ended 31 March	
	2016	2015
	('000)	('000)
Weighted average number of ordinary shares in issue, used in the calculation of basic earnings per share	1,794,524	1,110,243
Weighted average number of ordinary shares in issue, used in the calculation of diluted earnings per share	1,826,546	1,255,414

* Comparative figures for EPS have been adjusted retrospectively for the bonus issue of shares.

The weighted average number of ordinary shares used in the calculation of diluted earnings per share has been adjusted for the dilutive effect of conversion of share options, bonus issue and convertible bonds.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on; and (b) immediately preceding financial year.

	Group		Company	
	31/03/2016	31/12/2015	31/03/2016	31/12/2015
Net asset value per ordinary share based on issued share capital as at the end of the period reported on (HK\$) *	HK\$5.44	HK\$5.32	HK\$4.62	HK\$4.64

* Comparative figures for NAV have been adjusted retrospectively for the bonus issue of shares.

The net asset value per ordinary share of the Group and of the Company as at 31 March 2016 is calculated based on the net assets of the Group and of the Company as at 31 March 2016 respectively, and the number of ordinary shares in issue of 1,794,524,100 shares of the Company as at 31 March 2016.

The net asset value per ordinary share of the Group and of the Company as at 31 December 2015 is based on the net assets of the Group and of the Company as at 31 December 2015 respectively, and the number of ordinary shares in issue of 1,794,524,100 shares of the Company as at 31 December 2015.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Revenue

	Revenue		
	First quarter ended 31 March		
	2016	2015	Change
	HK\$'000	HK\$'000	%
CONTRIBUTION			
Toll road operations	628,326	494,153	27
Others/corporate	6,346	121	5,145
Total Group Revenue	634,672	494,274	28

Group revenue in Q1 2016 grew 28% to HK\$634.7 million from HK\$494.3 million recorded in the same period of last year. The revenue grew 35% excluding currency translation. The revenue growth was largely attributable to the consolidation of revenue contribution from three Guangxi Expressways acquired in September 2015 and October 2015 respectively, and revenue growth of Yongtaiwen Expressway and Beilun Port Expressway as a result of traffic flow increase, and partially offset by lower revenue contribution from Jiurui Expressway.

Yongtaiwen Expressway, Beilun Port Expressway, Jiurui Expressway and three Guangxi Expressways contributed 62.8%, 14.4%, 3.2% and 18.5% of the total Group revenue respectively in Q1 2016.

Toll revenue generated from Yongtaiwen Expressway increased by 9.0% to RMB321.8 million in Q1 2016 from RMB295.3 million recorded in Q1 2015 as a result of traffic flow registered rose 9.2% to 3.05 million vehicles in Q1 2016 from 2.80 million vehicles in Q1 2015. The increase was mainly come from increase of heavy vehicles traffic flow which driven by the stable economic growth in Wenzhou.

Toll revenue from Beilun Port Expressway increased 10.5% to RMB77.5 million compared to RMB70.1 million recorded in Q1 2015 as traffic flow was recovered from completion of major upgrading work started in September 2014 and the stable regional economic growth.

Toll revenue from Jiurui Expressway decreased 8.0% to RMB17.2 million in Q1 2016 compared to RMB18.7 million recorded in Q1 2015, which was mainly due to the decrease in revenue from heavy vehicles as a result of slower economic growth in Jiangxi, and the decrease in revenue from heavy vehicles exceeded passenger cars revenue increase.

The three Guangxi Expressways contributed RMB101.7 million toll revenue in total for Q1 2016. Guixing Expressway, Guiyang Expressway and Yangping Expressway recorded RMB45.9 million, RMB38.0 million and RMB17.8 million toll revenue respectively.

Profitability

	Profit after tax		
	First quarter ended 31 March		
	2016	2015	Change
	HK\$'000	HK\$'000	%
CONTRIBUTION			
Toll road operations	260,897	230,027	13
Others/corporate	(6,592)	(5,325)	(24)
Net profit for the period	254,305	224,702	13
Profit attributable to owners of the Company	164,058	142,259	15

The Group net profit for Q1 2016 increased HK\$29.6 million or 13% to HK\$254.3 million mainly due to consolidation result of three Guangxi Expressways, and profit increase from Yongtaiwen Expressway and Beilun Port Expressway, offset by lower profit contribution from Jiurui Expressway, lower contribution from Joint Ventures and depreciation of RMB against HK\$ compared with Q1 2015.

Profit attributable to equity holders of the Company in Q1 2016 was HK\$164.1 million, a increase of 15% compared to that of the previous year. EPS and diluted EPS were 9.14 HK cents and 9.07 HK cents respectively as compared to Q1 2015 adjusted EPS 12.81 HK cents and adjusted diluted EPS 11.97 HK cents after considering bonus issue of shares.

Net profit contribution from Yongtaiwen Expressway in Q1 2016 increased HK\$15.9 million or 9.5% to HK\$184.2 million mainly due to higher toll revenue achieved, lower maintenance cost and lower finance costs recorded , partially offset by higher amortisation of toll road operating right. The increase was 14.6% excluding currency translation.

Net profit contribution from Beilun Port Expressway in Q1 2016 increased HK\$10.7 million or 54.9% to HK\$30.2 million mainly due to higher toll revenue recorded, lower accrual of repair and maintenance costs and lower administrative expenses incurred, partially offset by higher amortisation of toll road operating right. The increase was 67.1% excluding currency translation effects.

Net profit contribution from Jiurui Expressway dropped 44.6% to HK\$4.1 million in Q1 2016 compared to Q1 2015, or dropped 40.4% excluding currency translation effects.

Net profit contribution from three Guangxi Expressways recorded HK\$17.8 million in Q1 2016.

Share of results of Gui Liu joint ventures in Q1 2016 decreased by HK\$9.7 million or 22.2% to HK\$34.0 million compared to Q1 2015, mainly attributable to lower operational profit from Gui Liu Joint ventures and depreciation of RMB against HK\$. Toll revenue from Gui Liu Expressway decreased 9.4% to RMB145.5 million in Q1 2016, which was mainly due to diversion of traffic flow caused by upgrading work carried out at a larger parts of the road.

Share of results of Gui Huang joint ventures in Q1 2016 increased by HK\$2.8 million or 14.2% to HK\$22.6 million compared to Q1 2015, mainly attributable to lower amortisation cost recorded by Gui Huang Highway offset by lower toll revenue recorded in Q1 2016 and depreciation of RMB against HK\$. The decrease in toll revenue was mainly due to slowdown of regional economic growth in Guizhou Province and the decrease in traffic flow of heavy vehicles using the Gui Huang Highway.

Other businesses posted a loss of HK\$6.6 million in Q1 2016 compared to a loss of HK\$5.3 million in Q1 2015. The higher loss was mainly due to higher exchange loss derived from depreciation of RMB, higher legal cost in relation to drawdown of USD350 million club loan facility.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

There has been no significant variance in the operating performance of the Group as compared to previous statement.

10. **A commentary at the date of this announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

The Group's toll road business will be continuously influenced by the economic growth of China, and may be affected by fluctuations in the RMB exchange rate and by interest rates, but the Group is expected to remain profitable .

11. **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. ***If no dividend has been declared/recommended, a statement to that effect***

Not applicable.

13. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No IPT mandate has been obtained by the Group.

14. **Confirmation by the Board**

We, Luo Hui Lai and Jiang Yan Fei, being two directors of China Merchants Holdings (Pacific) Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the Q1 2016 financial results to be false or misleading, in all material respects.

15. **Confirmation pursuant to Rule 720(1) of the Listing Manual**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Lim Lay Hoon
Lynn Wan Tiew Leng
Company Secretaries
28/04/2016