



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

(Company Registration No. 198101278D)

China Merchants Holdings (Pacific) posts 15% rise in net profit in 1Q2016

SINGAPORE, 28 April 2016 – Mainboard listed China Merchants Holdings (Pacific) Limited (“CMHP” or the “Group”) today announced a net profit attributable to shareholders of HK\$164.1 million for the first quarter ended 31 March 2016, up 15% from the corresponding period last year.

The Group posted a revenue of HK\$634.7 million, an increase of 28% from the same quarter a year ago, largely driven by the revenue growth from the Yongtaiwen Expressway and the Beilun Port Expressway, and revenue contributions from the newly acquired expressways in Guangxi. This was partially offset by lower revenue contribution from the Jiurui Expressway.

At the pre-tax profit level, Group pre-tax profit increased 18% to HK\$352.2 million from HK\$299.1 million a year ago while at the after-tax profit level, Group net profit of HK\$254.3 million was 13% higher than that of the corresponding period in 2015. After taking into account non-controlling interests, net profit attributable to shareholders increased 15% to HK\$164.1 million.

Contribution to net profit attributable to shareholders by the Group's toll road assets for 1Q2016 (including mainly finance costs, exchange difference and other non-recurring expenses) amounted to HK\$170.7 million, an increase of 16% from HK\$147.6 million achieved a year ago.

The Yongtaiwen Expressway, Beilun Port Expressway and Guihuang Highway posted an increase in net profit contribution in 1Q2016. The toll roads profits were further

boosted by the contributions from the three new expressways in Guangxi amounting to HK\$17.8 million. The increase was offset by a lower profit contribution from the Guiliu Expressway and the Jiurui Expressway.

The Yongtaiwen Expressway continued to perform strongly in 1Q2016, registering an increase in net profit contribution of 10% on the back of the higher toll revenue registered, and lower finance costs and repairs and maintenance expenses. Toll revenue recorded by the Yongtaiwen Expressway increased 9% from a year ago driven by the continued growth in traffic volume, particularly those of goods vehicles due to the continued stable economic growth in Wenzhou municipality of Zhejiang province.

The performance of the Beilun Port Expressway improved following the completion of major upgrading works started in September 2014. Traffic volume and toll revenue recorded by the Beilun Port Expressway grew 6% and 11% respectively compared to the last corresponding period. Net profit contribution jumped 55% or HK\$10.7 million on the back of the higher toll revenue, lower repairs and maintenance expenses and administrative expenses partially offset by higher amortisation of toll road operating rights.

The Jiurui Expressway posted a net profit of HK\$4.1 million in 1Q2016, down 45% from HK\$7.4 million achieved in the previous corresponding period mainly attributable to the decline in toll revenue. Toll revenue recorded by the Jiurui Expressway was down 8% over the same period last year as the traffic volume of goods vehicles registered a decrease due to the slower economic growth in Jiangxi province.

The Guiliu Expressway achieved a net profit of HK\$34 million in 1Q2016, down 22% from HK\$43.7 million posted in the previous corresponding period mainly due to the decline in toll revenue of 9% and depreciation of RMB against HKD, partially offset by lower operating costs. Toll revenue recorded by the Guiliu Expressway was negatively impacted by major upgrading works carried out at certain sections of the road.

Toll revenue recorded by the Guihuang Highway registered a drop of 4% due to traffic diversion caused by the change in road network and the decrease in traffic volume of large goods. Despite the decrease in toll revenue, net profit contribution from the

Guihuang Highway increased 9% principally due to lower amortisation of toll road operating rights offset by the depreciation of RMB against HKD.

Executive Chairman and CEO Mr Luo Hui Lai said, "The Group delivered a commendable set of results in 1Q2016 despite the lower rate of growth of the Chinese economy. This reflects the strength and resilience of the Group's toll road business. Going forward, I am confident that our toll road business will continue to be profitable despite the challenging business environment."

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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\$25 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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