2013 INTERIM RESULTS ANNOUNCEMENT

CMHI's Interim Profit Up 10.2% Led by Cost-Efficiency Improvement Measures and Higher Container Volume as Overseas Operations Roll Out

- Container throughput handled rose 11.8% year-on-year to 32.66 million TEUs
- Bulk cargo volume handled rose 8.8% to 177 million tonnes
- Profit attributable to equity holders amounted to HKArticleContent,935 million (1H 2012: HKArticleContent,756 million), or a 10.2% year-on-year increase
- Profit attributable to equity holders derived from ports operation amounted to HKArticleContent,906 million (1H 2012: HKArticleContent,655 million), or a 15.2% year-on-year increase
- Ports operation recorded an EBITDA of HK$4,776 million (1H 2012: HK$4,418 million), an increase of 8.1% year-on-year
- Basic earnings per share was 77.67 HK cents (1H 2012: 70.97 HK cents), up 9.4% year-on-year
- Proposed interim dividend was 22 HK cents (1H 2012: 22 HK cents), implying payout ratio of 28.7%

The Board of Directors (the "Board") of China Merchants Holdings (International) Company Limited (the "Company", HKSE Code: 0144) is pleased to announce the interim results of the Company and its subsidiaries (the "Group") for the period ended 30 June 2013.

Dr. Fu Yuning, Chairman of the Board, said, "With contributions from overseas operations flowing in, container volume handled by the Group during the first half of 2013 reached 32.66 million TEUs, up 11.8% year-on-year. While the pressure on the Group＊s operations resulted from the weak economic recovery momentum globally continued to prevail, through implementing cost-effective control measures alongside growing contributions from the new operations overseas, the Group has, yet again, shown resilience in its core ports business by recording a profit attributable to equity holders of HKArticleContent,935 million during the period, up 10.2% year-on-year, within which HKArticleContent,906 million was derived from the Group's ports operation, up 15.2% year-on-year."

The Group recorded revenue (Note 1) of HK$20,131 million for the six months ended 30 June 2013, down 4.4% on a year-on-year basis. Profit attributable to equity holders amounted to HKArticleContent,935 million, an increase of 10.2% over the same period of last year, which translates into basic earnings per share of 77.67 HK cents, up 9.4% year-on-year.

Revenue generated from the Group's core ports operation amounted to HK$9,571 million, up 5.2% year-on-year. Ports operations recorded an EBITDA (Note 2) totaling HK$4,776 million, representing a year-on-year increase of 8.1%, and an EBIT (Note 3) of HK$3,523 million, a growth of 10.4% over the same period last year.

China International Marine Containers (Group) Co., Ltd. ("CIMC") recorded a profit attributable to equity holders of RMB552 million, down 40.9% year-on-year. EBIT it contributed to the Group amounted to HK$429 million, down 20.6% year-on-year.

To reward shareholders for their continuing support, the Board proposed an interim dividend of 22 HK cents per share, representing a dividend payout ratio of 28.7%. As always, shareholders may elect to receive the dividend in cash or by way of scrip dividend.

Container volume grew 11.8%, with gain from overseas contribution

During the first half of 2013, the weak growth in global trade velocity and China's foreign trade showing consecutively downwards trends have stressed the Company's ports business. However, efforts directed by the Group in refining and upgrading its management system and in pursuing various key initiatives on various fronts while pushing for rolling out internationally have enabled the Company to achieve notable growth amid such adverse external operating environment.

During the first half of the year, the Group handled 32.66 million TEUs, with a year-on-year growth of 11.8%. Bulk cargo volume handled rose by 8.8% year-on-year to 177 million tonnes. Container throughput handled by the Group＊s Mainland China ports increased 6.0% over that for the same period of last year. Performance of the Group's key ports is shown in the table below.

Table ㄩ Throughput Volume of CMHI's Ports in First Half of 2013

Region	Port	1H13 Throughput (000' TEU)	Year-on-year change (%)
Mainland China	West Shenzhen	5,621	-1.2%
	Chu Kong River Trade Terminal	591	8.3%
	SIPG	16,326	2.9%
	Ningbo Daxie	1,035	10.0%
	Tianjin Five Continents	1,162	10.8%
	Qingdao	2,749	44.2%
	Zhanjiang Port Group	159	10.9%
	Zhangzhou Port	276	32.0%
	CMHI Total in Mainland China	27,9 19	6.0%
HK and Taiwan	Hong Kong (MTL & CMCS)	2,761	3.0%
	Kao Ming Terminal, Kaohsiung	538	-
Overseas	Nigeria	213	10.1%
	Djibouti	334	-
	Terminal Link	899	-
CMHI Total		32,664	11 . 8%

Successfully completed various overseas acquisitions, expanding global footprint
The Group has always aimed towards becoming one of the world's leading global port operators and investors. Since the latter part of 2012 to the first half of 2013, the Group has achieved significant breakthrough in overseas expansion, having successfully signed and/or completed a number of acquisitions, thus ensuring contributions to the growth of the Company's ports business.

In June 2013, the Group has, upon all conditions fulfilled, completed the acquisition from CMA CGM, the world's third largest liners, 49% equity stake in Terminal Link SAS, pursuant to an agreement signed in January 2013. This acquisition expands the Company's footprint from Asia and Africa to Europe and North America.

The 85%-owned Colombo International Container Terminal in Sri Lanka, which has a total investment of US$ 500 million, commenced operation on 1 July, marking the officiating in the country of a deep-sea terminal capable of handling the world＊s largest vessels, thus positioning Sri Lanka as one of the key hubs within the South Asia region.

Port de Djibouti in Djibouti, East Africa, which the Company acquired in early 2013, has already started to contribute to the Group's throughput volume, while Tin-Can Terminal at Lagos of Nigeria delivered a container volume growth of 10.1% year-on-year. Combined with the assets mentioned above, has resulted in the Group's overseas-derived container throughput total 1.44mn TEUs during the first half of 2013, surpassing the first 1 million TEUs milestone. Kao Ming Container Terminal in Kaohsiung, Taiwan, in which the Group invested by the end of 2012, also contributed throughput of 0.54 million TEUs.

Solidify leading position in China by prioritizing its effort on efficiency improvement
Along with the achievements made in the expanding overseas, the Group's position as a leading operator in the Mainland China has been further anchored, by means of facilitating managerial upgrades, encouraging technological innovation, implementing cost control measures and refining the positioning of its ports.

The Group's ports maintained its leading position in Mainland China during the first half of the year, with container throughput rose by 6.0% year-on-year, or 4 percentage points above the growth rate of foreign trade-derived container throughput handled by Mainland China's port, to 27.92 million TEUs. Core competitiveness of the Group's port operations has been further elevated, with the Group's container terminals at Shekou and Chiwan, Shenzhen, being listed by the Ministry of Transport of China as a demonstration unit with a green and low-carbon port theme, and, in terms of technology advancement, the refinement of management system and innovative development.

Ongoing effort has been made in the construction of homebase port in West Shenzhen Port Zone. The completion of the Group's acquisition of a 25% stake in Shenzhen Chiwan Wharf Holdings Limited in April 2013, which has since enabled the Group to fully control and consolidate the management and operation of West Shenzhen Port Zone, has facilitated the implementation of the 24-hour cross terminal transference operation across the entire West Shenzhen Port Zone. Besides, the Group has, on the one hand, participated in the construction of "National Container Sea-rail Inter-modal Transportation Network Application Demonstration Project", a data-collaboration project that run in six selected nationwide sea-rail inter-modal transportation paths, including those in South China, with a aim of exploring and developing a refined model of data collaboration in a multi-modal network with unified information protocol, and on the other, launched the pilot feeder services in 2012, which now covers a number of river terminals including those at Zhongshan, Huangpu and Foshan, stemmed from the already-operating South China barge alliance, as a means to extend the sourcing reach-out of the West Shenzhen Port Zone.

Meanwhile, efforts made by the Group investing in the Mainland China continued to bear fruit, including the agreement to form a joint venture between the Group, Qingdao Port Group, COSCO Pacific and IMC Group for the purpose of investing in the already-built iron ore terminals located in Dongjiakou, Qingdao, which is capable of accommodating the world's largest bulk vessels, thus enabling the Company to deliver quality logistics service to the Shandong Province and the nearby areas, as well as the strengthening of the strategic ties between the Group and its business partners.

In order to strengthen the management of various ports, the Group has initiated the development of the second phase of an operational refinement platform, which aims to establish an efficient management reporting and assessment mechanism, thus providing management tools that enable performance assessment in an accurate, timely and efficient manner. Meanwhile, an innovation and development committee has been formed, so as to encourage innovation from the aspects of technology and technical process, management and business model, in order to promote innovative management and ensure competitiveness of ports.

Continuing improving performance by bonded and cold chain logistics
In first half of 2013, the Group's bonded logistics and cold chain operation has seen phenomenal growth by recording revenue of HK$417 million (up 6.4% year-on-year) and EBIT of HK$147 million (up 47.0% year-on-year) (for comparison purpose, the prior period figures have been presented on the basis that China Nanshan Development (Group) Incorporation and its subsidiaries were not consolidated).

In terms of improving utilization rate of the deployment on resources, optimizing the scale of business, and developing new businesses, China Merchants Bonded Logistics Co., Ltd. ("CMBL"), Qingdao bonded logistics park and Tianjin Haitian bonded logistic park have all shown noticeable achievements. Capitalizing on the development opportunities in association with the Qianhai Corporation Zone, CMBL has actively explored new businesses, driving a robust growth in its cargo volume handled and expansion of its customs declaration business, and hence a sustainable growth in its operating results. Driven by an ever-increasing utilization rate, the Qingdao Logistics Park has recorded steady growth in its operation. Leveraging on the preferential policies in the Dongjiang Bonded Port Zone, the performance of Tianjin Haitian Logistics Park has shown growth amid the unfavorable external environment, thanks to its introduction of new businesses.

Supported by the backbone of a cold chain network, China Merchants Americold Holdings

Company Limited and China Merchants Americold Logistics Company Limited have increased their efforts in developing the cold chain market, lifting the efficiency in resource deployment, further optimizing the business structure, as well as taking leaps in the expansion of new market. During the first half of 2013, CMAC has, through its 12 cold storages in major cities in Mainland China and Hong Kong, focused on the establishment of a platform for cold chain services, thereby increasing utilization rate for its warehouses by 10 percentage points year-on-year, with revenue growing in tandem, among which the operating performance of South China Cold Storage Facilities in West Shenzhen and Harbin Storage Facilities were exceptional.

Better second-half performance expected as contribution from overseas projects expands

Looking into the second half of the year, it is expected that growth in both global economy and international trade will remain soft, with challenges posed to global ports industry by the stagnant recovery of the US economy, the lack of solid signs of rebound of the Euro Zone, the need for the Japanese economic structure to undergo structural consolidation albeit some short-term benefits from a significant depreciation of its currency, the pressure on China's foreign trade activities as a result of a growth slowdown in Chinese economy amid a gradual appreciation of Renminbi, and the sluggish growth demonstrated by developing economies. Nevertheless, with the completion and commencement of operation of the Group's green-field projects and the contribution from the newly-acquired operating assets, it is anticipated that the Group will deliver a better set of results in terms of business volume and operating profit during the second half of the year, as compared to the first half.

Going forward to the second half of 2013, based upon the portfolio already established, the Group will continue dedicating its effort to steadily expand its overseas portfolio, with an aim of seeking returns of its shareholders sustainably and giving back to the society as always. The Group will seek to enhance its resource efficiency and profitability by pursuing opportunities identified in Mainland China as the Chinese economy continues to evolve, exercising full control and consolidation of the management and operation of West Shenzhen Port Zone, capitalizing on the potential benefits from more efficient use of the Group's assets, and strengthening the synergies built on the Group's global port network through optimization of resources.

Dr. Fu Yuning reiterated, " 2013 is a challenging year for the ports industry. During the six months just past, despite operating under the unfavorable external environment, the Group's core ports operation still succeeded to deliver satisfactory performance. Going into the second half of the year when we expect the business environment to continue to remain challenging, we will ensure execution of our strategies on all fronts through clearly identifying the conditions prevailing and making considered decisions. We will continue to expand both our domestic and international markets in parallel, and to seek to capture the opportunities offered by the fast-changing market while encouraging at all times integrated collaboration among our overseas and domestic units. We remain confident in the Group's future development, stemmed from our experience in port management gained and core competence established over the years."

Note 1 :	Including revenues of the Company and its subsidiaries, and its share of revenues of associates and joint ventures.
Note 2 :	Earnings before net interest expenses, taxation, depreciation and amortisation, unallocated income less expenses and non-controlling interests ("Defined Earnings") for the Company and its subsidiaries, and its share of Defined Earnings of associates and joint ventures.
Note 3 :	Earnings before net interest expenses, taxation, unallocated income less expenses and non-controlling interests ("Adjusted Earnings") for the Company and its subsidiaries, and its share of Adjusted Earnings of associates and joint ventures.