Shenzhen International Holdings Limited
深圳國際控股有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 00152)

2012 ANNUAL RESULTS ANNOUNCEMENT

The Board of Directors (the "Board") of Shenzhen International Holdings Limited (the "Company") is pleased to announce the audited results of the Company and its subsidiaries (the "Group"), and its jointly controlled entities and associates for the year ended 31 December 2012 (the "Year") together with comparative figures for the year ended 31 December 2011 as follows:

Consolidated Income Statement:

		Year ended 31 December	
		2012	2011
	Note	***HK$'000***	*HK$'000*
Revenue	(3), (4)	**5,739,514**	5,581,043
Cost of sales	(7)	**(3,101,685)**	(2,839,131)
Gross profit		**2,637,829**	2,741,912
Other (losses)/gains - net	(5)	**(2,638)**	366,477
Other income	(6)	**82,841**	117,592
Distribution costs	(7)	**(42,607)**	(34,870)
Administrative expenses	(7)	**(336,758)**	(330,432)
Operating profit		**2,338,667**	2,860,679
Share of profit of jointly controlled entities		**15,223**	3,407
Share of profit of associates	(13)	**1,275,655**	582,546
Profit before finance costs and tax		**3,629,545**	3,446,632
Finance income	(8)	**73,277**	35,531
Finance costs	(8)	**(927,843)**	(679,443)
Finance costs - net	(8)	**(854,566)**	(643,912)
Profit before income tax		**2,774,979**	2,802,720
Income tax expense	(9)	**(479,409)**	(539,946)
Profit for the Year		**2,295,570**	2,262,774
Attributable to:			
Equity holders of the Company		**1,878,312**	1,745,231
Non-controlling interests		**417,258**	517,543
		2,295,570	2,262,774

Consolidated Income Statement (continued) :

	Note	Year ended 31 December 2012 HK$'000	2011 HK$'000
Earnings per share attributable to equity holders of the Company during the Year (expressed in HK cents per share)			
– Basic	(10)	**11.47**	10.66
– Diluted	(10)	**11.46**	10.65
Dividends			
Proposed final dividend of HK cents 3.74 (2011: HK cents 2.5) per ordinary share	(11)	**612,349**	409,304
Proposed special dividend : Nil (2011: HK cents 0.8 per ordinary share)	(11)	**-**	130,977

Consolidated Statement of Comprehensive Income:

	Year ended 31 December 2012 HK$'000	2011 HK$'000
Profit for the Year	**2,295,570**	2,262,774
Other comprehensive income:		
Fair value losses on available-for-sale financial assets, net of tax	**(31,623)**	(1,315,014)
Transfer of fair value gains to income statement upon disposal of available-for-sale financial assets, net of tax	**-**	(259,713)
Fair value gains on derivative financial instruments, net of tax	**10,268**	48,948
Derecognition of cash flow hedge, net of tax	**1,506**	-
Share of other comprehensive losses of an associate	**(4)**	(28)
Currency translation differences	**153,243**	942,594
Other comprehensive income/(loss) for the year, net of tax	**133,390**	(583,213)
Total comprehensive income for the year	**2,428,960**	1,679,561
Total comprehensive income attributable to:		
Equity holders of the Company	**1,955,919**	844,073
Non-controlling interests	**473,041**	835,488
Total comprehensive income for the year	**2,428,960**	1,679,561

Consolidated Balance Sheet:

	Note	As at 31 December 2012 HK$'000	2011 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**3,829,067**	4,024,897
Investment properties		**72,000**	62,900
Land use rights		**651,750**	663,930
Construction in progress		**398,468**	181,415
Intangible assets	(12)	**24,188,532**	24,386,045
Investments in associates	(13)	**5,021,531**	2,829,232
Investments in jointly controlled entities		**317,382**	319,819
Available-for-sale financial assets	(14)	**37,511**	246,879
Deferred income tax assets		**96,842**	72,609
Other non-current assets		**81,144**	953,470
		34,694,227	33,741,196
Current assets			
Inventories		**8,636**	8,413
Available-for-sale financial assets	(14)	**1,646,963**	1,488,061
Trade and other receivables	(15)	**1,165,060**	916,769
Restricted bank deposits		**2,302**	9,518
Cash and cash equivalents		**4,866,080**	3,723,557
		7,689,041	6,146,318
Assets held for sale		**-**	13,320
Total assets		**42,383,268**	39,900,834
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital and share premium		**4,952,487**	4,937,120
Other reserves		**637,250**	474,490
Retained earnings			
– Proposed dividends	(11)	**612,349**	540,281
– Others		**6,443,120**	5,262,310
		12,645,206	11,214,201
Non-controlling interests		**7,342,934**	6,934,105
Total equity		**19,988,140**	18,148,306

Consolidated Balance Sheet (continued):

	Note	As at 31 December	
		2012	2011
		HK$'000	*HK$'000*
LIABILITIES			
Non-current liabilities			
Borrowings		**14,072,020**	15,321,113
Derivative financial instruments		**36,003**	59,327
Provision for maintenance/resurfacing obligations		**243,556**	439,208
Deferred income tax liabilities		**1,547,673**	1,523,944
		15,899,252	17,343,592
Current liabilities			
Trade and other payables	(16)	**2,082,289**	2,244,671
Income tax payable		**123,412**	310,837
Provision for maintenance/resurfacing obligations		**377,447**	438,784
Borrowings		**3,897,663**	1,412,841
Derivative financial instruments		**15,065**	1,803
		6,495,876	4,408,936
Total liabilities		**22,395,128**	21,752,528
Total equity and liabilities		**42,383,268**	39,900,834
Net current assets		**1,193,165**	1,750,702
Total assets less current liabilities		**35,887,392**	35,491,898

Notes:

(1) Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). They have been prepared under the historical cost convention, as modified by the revaluation of the available-for-sale financial assets, derivative financial instruments and investment properties, which are carried at fair value.

(2) Changes in accounting policies and disclosures

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2012 have no material impact on or are not currently relevant to the Group.

(b) New and revised standards, amendments and interpretations have been issued but are not effective for the financial year beginning 1 January 2012 and have not been early adopted:

		Effective for annual periods beginning on or after
Amendment to HKAS 1	Presentation of financial statements - Presentation of items of other comprehensive income	1 July 2012
HKFRS 10	Consolidated financial statements	1 January 2013
HKFRS 11	Joint arrangements	1 January 2013
HKFRS 12	Disclosure of Interest in other entities	1 January 2013
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Transition Guidance	1 January 2013
HKFRS 13	Fair value measurement	1 January 2013
Amendment to HKAS 19	Employee benefits	1 January 2013
HKAS 27 (revised 2011)	Separated financial statements	1 January 2013
HKAS 28 (revised 2011)	Investment in associates and joint ventures	1 January 2013
Amendment to HKFRS 7	Financial Instruments: Disclosures on assets and liabilities offsetting	1 January 2013
Amendment to HKAS 32	Financial Instruments: Presentation on assets and liabilities offsetting	1 January 2014
HKFRS 9	Financial instruments	1 January 2015
Amendments to HKFRS 7 and HKFRS 9	Mandatory effective date and transition disclosures	1 January 2015

The Group has assessed the impact of the above new and revised standards, and amendments to existing standards and based on the preliminary results of assessment, the Group currently does not expect the adoption of these standards and amendments would have a significant impact on the Group's results of operations and financial position.

(2) Changes in accounting policies and disclosures (continued)

(c) Critical accounting estimates and assumptions changed during the Year:

Change in accounting estimates-Amortisation of concession intangible assets

The Group applied HK(IFRIC)-Int 12 'Service Concession arrangements' and recognised concession intangible assets under the service concession arrangements and provides amortisation thereon.

Amortisation of concession intangible assets is provided under the traffic flow amortisation method. Material adjustments may need to be made to the carrying amounts of concession intangible assets should there be a material difference between total projected traffic volume and the actual results.

The directors of the Company performed a periodic assessment of the total projected traffic volume. The Group will appoint independent professional traffic consultants to perform independent professional traffic studies and make appropriate adjustment if there is a material difference. The Group appointed an independent professional traffic consultant to reassess the aggregate future traffic volume of Longda Expressway. The Group has adjusted the amortization unit for concession intangible assets according to the revised total projected traffic volume since 1 January 2012 on prospective basis. Such change in accounting estimate has resulted in increase in profit after income tax of HK$24,481,000 for the year ended 31 December 2012 and will affect the amortization charges of the Group in the future.

(3) Segment information

The Group's operations are organised in two main business segments:

- Toll roads; and
- Logistic business.

Head office functions include corporate management functions and investment and financial activities of the Group.

The chief operating decision-maker has been identified as the board of directors. The board of directors reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

Toll roads include development, operation and management of toll highway; logistic business includes: (i) logistic parks mainly include the construction, operation and management of logistic centres; (ii) logistic services include the provision of third party logistic and logistic information services to customers; and (iii) port includes construction, operation and management of wharf and logistic centres at Xiba Port in Nanjing.

The board of directors assesses the performance of the operating segments based on a measure of operating profit.

(3) Segment information (continued)

The segment revenue and results presented to the board of directors, the chief operating decision-maker are as follows:

For the year ended 31 December 2012

	Toll roads	Logistic business				Head office functions	Total
		Logistic parks	Logistic services	Port	Subtotal		
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	4,817,383 [(a)]	494,199	310,984	116,948	922,131	-	5,739,514
Operating profit	2,173,546	174,134	4,686	42,020	220,840	(55,719)	2,338,667
Share of profit of jointly controlled entities	3,626	11,323	274	-	11,597	-	15,223
Share of profit of associates	154,810	-	2,009	-	2,009	1,118,836	1,275,655
Finance income	47,514	1,746	1,014	661	3,421	22,342	73,277
Finance costs	(801,323)	(14,172)	(112)	(24,320)	(38,604)	(87,916)	(927,843)
Profit before income tax	1,578,173	173,031	7,871	18,361	199,263	997,543	2,774,979
Income tax expense	(380,716)	(39,134)	(2,638)	-	(41,772)	(56,921)	(479,409)
Profit for the year	1,197,457	133,897	5,233	18,361	157,491	940,622	2,295,570
Non-controlling interests	(402,257)	(9,244)	(259)	(5,498)	(15,001)	-	(417,258)
Profit attributable to equity holders of the Company	795,200	124,653	4,974	12,863	142,490	940,622	1,878,312
Depreciation and amortisation	1,022,980	73,112	12,746	36,040	121,898	12,354	1,157,232
Capital expenditure							
- Additions in property, plant and equipment, construction in progress, land use rights and intangible assets	527,690	238,378	29,330	15,281	282,989	18,177	828,856
- Additions in investments in associates	-	-	-	-	-	97,266	97,266

(3) Segment information (continued)

For the year ended 31 December 2011

	Toll roads	Logistic business				Head office functions	Total
		Logistic parks	Logistic services	Port	Subtotal		
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue	4,774,303 [(a)]	457,656	251,475	97,609	806,740	-	5,581,043
Operating profit	2,337,903	140,527	12,691	30,755	183,973	338,803	2,860,679
Share of profit/(loss) of jointly controlled entities	(2,702)	6,841	(732)	-	6,109	-	3,407
Share of profit of associates	156,932	-	1,832	-	1,832	423,782	582,546
Finance income	22,550	2,172	930	885	3,987	8,994	35,531
Finance costs	(673,781)	(12,931)	(2,542)	(16,942)	(32,415)	26,753	(679,443)
Profit before income tax	1,840,902	136,609	12,179	14,698	163,486	798,332	2,802,720
Income tax expense	(421,503)	(29,530)	(2,612)	-	(32,142)	(86,301)	(539,946)
Profit for the year	1,419,399	107,079	9,567	14,698	131,344	712,031	2,262,774
Non-controlling interests	(506,268)	(5,828)	(1,038)	(4,409)	(11,275)	-	(517,543)
Profit attributable to equity holders of the Company	913,131	101,251	8,529	10,289	120,069	712,031	1,745,231
Depreciation and amortisation	938,955	76,044	11,996	30,321	118,361	11,991	1,069,307
Capital expenditure							
- Additions in property, plant and equipment, construction in progress, land use rights and intangible assets	1,007,118	170,149	17,398	183,523	371,070	17,865	1,396,053
- Additions in investments in jointly controlled entities	6,043	-	-	-	-	-	6,043

(a) The revenue from toll roads includes construction service revenue under service concession arrangements of HK$411,389,000 (2011: HK$635,574,000) for the Year.

(b) The Group has a number of customers. Revenues of approximately HK$187,782,000 (2011: HK$325,513,000) are derived from a single external customer. These revenues are attributable to construction service revenue.

(c) The Group's non-current assets are mainly located in the People's Republic of China ("PRC").

(4) Revenue

	2012	2011
	HK$'000	*HK$'000*
Toll Road		
- Toll revenue	**4,405,994**	4,138,729
- Construction service revenue under Service Concession	**411,389**	635,574
Logistic Business		
- Logistic parks	**494,199**	457,656
- Logistic services	**310,984**	251,475
- Port	**116,948**	97,609
	5,739,514	5,581,043

(5) Other (losses)/gains – net

	2012	2011
	HK$'000	*HK$'000*
Gain on disposal of available-for-sale financial assets	**-**	346,872
Fair value (losses)/gains on derivative financial instruments	**(1,506)**	1,915
Losses on disposal of property, plant and equipment	**(5,447)**	(575)
Others	**4,315**	18,265
	(2,638)	366,477

(6) Other income

	2012	2011
	HK$'000	*HK$'000*
Dividend income	**40,304**	64,752
Rental income	**25,984**	26,831
Government grants	**5,276**	20,303
Others	**11,277**	5,706
	82,841	117,592

(7) Expenses by nature

Expenses included in cost of sales, distribution costs, and administrative expenses are analysed as follows:

	2012	2011
	HK$'000	*HK$'000*
Construction cost under Service Concession	**411,389**	635,574
Provision/(reversal) for maintenance/resurfacing obligations - net	**6,281**	(320,809)
Depreciation and amortisation	**1,157,232**	1,069,307
Employee benefit expenses	**508,822**	450,767
Transportation expenses and contractors' costs	**309,346**	274,321
Rental charges	**29,609**	25,739
Other tax expenses	**192,215**	182,563
Commission, management fee and maintenance expenses for toll roads	**179,077**	393,726
Auditors' remuneration		
- Audit services	**6,509**	6,749
- Non-audit services	**3,562**	2,752
Legal and consultancy fees	**24,036**	19,931
Others	**652,972**	463,813
	3,481,050	3,204,433

(8) Finance income and costs

	2012	2011
	HK$'000	*HK$'000*
Interest income from bank deposits	**(73,277)**	(35,531)
Interest expense		
- Bank borrowings wholly repayable within 5 years	**202,161**	226,799
- Bank borrowings wholly repayable after 5 years	**381,294**	328,229
- Convertible bonds wholly repayable within 5 years	**82,192**	76,738
- Medium-term notes wholly repayable within 5 years	**44,507**	35,206
- Senior notes wholly repayable within 5 years	**72,020**	-
- Corporate bonds and other notes wholly repayable within 5 years	**120,322**	72,051
- Corporate bonds wholly repayable after 5 years	**55,046**	54,913
- Other interest expense	**45,435**	62,570
Net foreign exchange gains directly attributable to borrowings	**(45,181)**	(160,466)
Less: interest expense capitalised in construction in progress	**(29,953)**	(16,597)
	927,843	679,443
Net finance costs	**854,566**	643,912

(9) Income tax expense

Hong Kong profits tax has not been provided as the Group did not generate any assessable profits in Hong Kong during the Year. Taxes on overseas profits have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

The PRC corporate income tax charged to the income statement was calculated based on the assessable profits of the Company's subsidiaries located in the PRC of the year at a rate of 25% (2011: 24%) applicable to the respective companies.

	2012	2011
	HK$'000	*HK$'000*
Current income tax		
PRC corporate income tax	**454,665**	604,928
Deferred income tax	**24,744**	(64,982)
	479,409	539,946

(10) Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the Year.

	2012	2011
Profit attributable to equity holders of the Company (HK$'000)	**1,878,312**	1,745,231
Weighted average number of ordinary shares in issue (thousands)	**16,372,210**	16,372,173
Basic earnings per share (HK cents per share)	**11.47**	10.66

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

(10) Earnings per share (continued)

(b) Diluted (continued)

	2012	2011
	HK$'000	*HK$'000*
Profit attributable to equity holders of the Company	**1,878,312**	1,745,231
Profit used to determine diluted earnings per share	**1,878,312**	1,745,231
Weighted average number of ordinary shares in issue (thousands)	**16,372,210**	16,372,173
Adjustments – share options (thousands)	**13,631**	18,001
Weighted average number of ordinary shares for diluted earnings per share (thousands)	**16,385,841**	16,390,174
Diluted earnings per share (HK cents per share)	**11.46**	10.65

(11) Dividends

At the meeting on 28 March 2013, the Board recommended the payment of the year of 2012 final dividend of HK cents 3.74 per ordinary share. Such dividend is to be approved by the shareholders at the forthcoming Annual General Meeting. These financial statements do not reflect this as dividend payable.

	2012	2011
	HK$'000	*HK$'000*
Proposed final dividend of HK cents 3.74 (2011: HK cents 2.5) per ordinary share	**612,349**	409,304
Proposed special dividend: Nil (2011: HK cents 0.8 per ordinary share)	**-**	130,977
Proposed total dividend of HK cents 3.74 (2011: HK cents 3.3) per ordinary share	**612,349**	540,281

The Board recommended that the final dividend be satisfied wholly in the form of an allotment of scrip shares. Shareholders will be given the option of receiving the final dividend wholly in cash in lieu of such allotment, or partly in cash and partly in the form of scrip shares. The arrangement is subject to: (1) the approval of proposed final dividend at the forthcoming Annual General Meeting; and (2) The Stock Exchange of Hong Kong Limited (the "Stock Exchange") granting the listing of and permission to deal in the new shares to be issued pursuant thereto.

(12) Intangible assets

	Concession intangible assets *HK$'000*
Year ended 31 December 2011	
Opening net book amount	23,446,980
Additions	649,057
Exchange difference	1,081,731
Amortisation	(791,723)
Closing net book amount	24,386,045
Year ended 31 December 2012	
Opening net book amount	24,386,045
Additions	452,174
Exchange difference	201,183
Amortisation	(850,870)
Closing net book amount	24,188,532

Concession intangible assets represent the rights to operate the respective toll roads granted by the relevant local government authorities in the PRC to the Group. The remaining periods of rights to operate the respective toll roads are from 10 to 23 years. According to the relevant governments' approval documents and the relevant regulations, the Group is responsible for the construction of the toll roads and the acquisition of the related facilities and equipment. It is also responsible for the operations and management, maintenance and overhaul of the toll roads during the approved operating periods. The toll fees collected and collectible during the operating periods are attributable to the Group. The relevant toll roads assets are required to be returned to the local government authorities when the operating rights periods expire without any considerations payable to the Group. According to the relevant regulations, these operating rights are not renewable and the Group does not have any termination options.

(13) Investments in associates

	2012 ***HK$'000***	2011 *HK$'000*
Beginning of year	**2,829,232**	2,280,452
Transfer from other non-current assets	**875,394**	-
Additions	**97,266**	-
Share of profit of associates	**1,275,655**	582,546
Share of other comprehensive loss of an associate	**(4)**	(28)
Dividends received	**(98,011)**	(151,725)
Exchange difference	**41,999**	117,987
End of year	**5,021,531**	2,829,232

(14) Available-for-sale financial assets

	2012	2011
	HK$'000	*HK$'000*
Beginning of year	**1,734,940**	3,583,228
Additions	**-**	2,060
Net change in fair value	**(64,488)**	(1,665,254)
Disposals	**-**	(356,124)
Exchange difference	**14,022**	171,030
End of year	**1,684,474**	1,734,940
Less: non-current portion	**(37,511)**	(246,879)
Current portion	**1,646,963**	1,488,061

Available-for-sale financial assets, all denominated in RMB, include the following:

Listed securities in the PRC, at fair value (a)	**1,365,974**	1,488,061
Unlisted equity investments:		
at fair value	**280,989**	209,669
at cost less impairment		
– Cost	**61,606**	61,305
– Provision for impairment	**(24,095)**	(24,095)
	37,511	37,210
	318,500	246,879
	1,684,474	1,734,940

(a) As at 31 December 2012, listed equity investments stated at market price represent 6.42% interest (equivalent to 133,170,000 shares) in CSG Holding Co., Ltd. ("CSG").

(15) Trade and other receivables

The income from toll road operations is mainly received in cash and it usually does not maintain any trade receivable balances related to toll road operations. Accordingly, the Group does not have any specified credit period for its customers related to toll road operations. Trade receivables other than toll road income generally have credit terms of 30 to 120 days. As at 31 December 2012 and 2011, the ageing analysis of the trade receivables of the Group based on revenue recognition date is as follows:

	2012	2011
	HK$'000	*HK$'000*
0-90 days	**536,901**	304,320
91-180 days	**10,188**	38,599
181-365 days	**2,979**	2,257
Over 365 days (i)	**102,255**	238,127
	652,323	583,303

(i) Trade receivables due over 365 days mainly comprised the amount of HK$97,532,000 (2011: HK$214,797,000) arising from the Group's development and management of certain toll road projects administrated for Shenzhen Traffic and Transportation Committee.

(16) Trade and other payables

As at 31 December 2012 and 2011, the ageing analysis of the trade payables of the Group is as follows:

	2012	2011
	HK$'000	*HK$'000*
0-90 days	**77,375**	65,165
91-180 days	**741**	1,470
181-365 days	**128**	1,814
Over 365 days	**430**	3,457
	78,674	71,906

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Review

	2012 *HK$'000*	2011 *HK$'000*	Increase/ (Decrease)
Revenue (excluding construction service revenue from toll roads)	**5,328,125**	4,945,469	8%
Construction service revenue from toll roads	**411,389**	635,574	(35%)
Total Revenue	**5,739,514**	5,581,043	3%
Profit before finance costs and tax	**3,629,545**	3,446,632	5%
of which: Core Business	**3,629,545**	3,099,760	17%
Profit attributable to shareholders	**1,878,312**	1,745,231	8%
of which: Core Business	**1,878,312**	1,482,467	27%
Basic earnings per share (HK cents)	**11.47**	10.66	8%
Dividend per share (HK cents)			
Final dividend (HK cents)	**3.74**	2.50	50%
Special dividend (HK cents)	**-**	0.80	N/A
	3.74	3.30	13%

Although the slowdown in global economic growth and the adjustments of toll policies in China have put pressure to the Group's business growth, the Group's core business was able to maintain stable revenue growth in 2012, with an increase of 8% as compared to the previous year to HK$5,328 million. Profit before finance costs and tax from the Group's core business recorded a 17% increase to HK$3,630 million as compared to the previous year, while profit attributable to shareholders from the core business increased by 27% to HK$1,878 million as compared to the previous year.

Revenue from the Group's logistic business amounted to HK$922 million during the Year, representing an increase of 14% as compared with the previous year. The increase was mainly due to the growing maturity of a number of logistic centres after the cultivation period in 2011, along with the adjustment of rental charges on customers, as well as an increase in business volume of the logistic service business. At the same time, benefitted from the economies of scale and effective cost controls driving growth in gross profit of the logistic park business, thus profit attributable to shareholders from the logistic business increased by 19% to HK$142 million.

During the Year, toll revenue from the Group's toll road business increased by 6% to reach HK$4,406 million as compared to the previous year. The recognition of a revenue amounting to HK$263 million from the entrusted construction management services during the Year contributed to the growth in overall revenue. With the implementation of the unified standardisation of toll fees for all expressways in Guangdong Province (the "Standardisation Scheme") on 1 June 2012 and toll-free policy for passenger cars in key holiday periods (the "Holiday Toll-Free Scheme") during the Year, the Group's total revenue reduced by 5% in 2012 and the growth in toll revenue slowed down as a result. During the Year, net profit from the toll road business amounted to HK$795 million, representing a 13% decrease as compared to the previous year. This was mainly due to the change in accounting estimate of provision for road maintenance/resurfacing obligations resulted in a positive impact on the profit of the toll road business during the corresponding period of last year while such adjustment was not recurred during the Year, as well as the increase in operating costs and finance costs.

On 4 January 2012, the Group completed the acquisition of an additional 24% equity interest in Shenzhen Airlines Company Limited ("Shenzhen Airlines"), and increased the shareholding in Shenzhen Airlines to 49%. During the Year, Shenzhen Airlines contributed a profit of HK$1,061 million to the Group, representing an increase of 1.5 times over the corresponding period of the previous year. Shenzhen Airlines has fully offset its accumulated loss during the Year and has subsequently declared dividend to its shareholders. The Group will receive a cash dividend of HK$140 million.

With China's stock market remained weak during the Year, the Group did not dispose of any A shares of CSG while the disposal of A shares of CSG during the previous year resulted in a non-recurring gain after tax of approximately HK$263 million.

Dividend

The Board is committed to maintaining a stable dividend policy to ensure sustainable and steady returns for the Company's shareholders. The Board recommended a final dividend of HK3.74 cents (2011: final dividend of HK2.5 cents and a special dividend of HK0.8 cent) per share to shareholders. The total dividend for the Year amounted to HK$612 million (2011: HK$540 million), representing an increase of 13% as compared to the previous year.

The Board recommended that the final dividend be satisfied wholly in the form of an allotment of scrip shares. Shareholders will be given the option of receiving the final dividend wholly in cash in lieu of such allotment, or partly in cash and partly in the form of scrip shares (the "Scrip Share Scheme"). The Scrip Share Scheme is subject to: (1) the approval of the proposed final dividend at the forthcoming Annual General Meeting; and (2) the Stock Exchange granting the listing of and permission to deal in the new shares to be issued pursuant thereto. Details of the Scrip Share Scheme and the election form will be sent to shareholders of the Company on or about 29 May 2013.

International Credit Ratings and Issuance of US Dollar Senior Notes

Over the past few years, the Group has demonstrated steady and stable growth in its operating revenue and its profitability along with the enlarged scale of its assets. At the same time, the Group has continuously optimised its management and operation system so as to enhance its management capabilities and overall corporate strengths. The Company was awarded investment grade credit ratings of BBB and Baa3 by international credit rating agencies Standard & Poor's and Moody's respectively in early 2012, and a BBB investment grade credit rating by another international credit rating agency, Fitch Rating, in 2013. These credit ratings reflected the high quality assets, stable financial position, adequate cash flow and strong credit standing of the Group. On 20 April 2012, the Company successfully issued a five-year US$300,000,000 senior note with a coupon of 4.375% per annum with overwhelming market response. The issue not only demonstrated recognition of the Group's business development and profitability by the market, but also widened the Group's financing channels to facilitate its future business expansion.

Progress of the Qianhai Area Development Plan

Subsequent to the approval by the Shenzhen Municipal Government for the "Consolidated Plan on Hong Kong/Shenzhen Co-operation on Modern Service Industries in the Qianhai Area" in the first half of 2012, the Qianhai area will be developed into a new international modern service industries zone for financial services, modern logistics, information services and technology services. Towards the end of 2012, with a series of policies including favourable tax policy, cross-border Renminbi-denominated loan policy and 19 integrated pilot projects being announced, it is expected that development of the Qianhai area will speed up in 2013 and the relevant policies and projects will also be confirmed gradually.

The Group's wholly-owned Western Logistic Park is located in Qianhai Mawan area. During the Year, the Group has actively repositioned the land of Western Logistic Park and formulated respective commercial plan according to Qianhai's policies and plans and had in depth discussions with the Qianhai Management Bureau about the plan. The Group has signed strategic collaboration MOUs with several leading enterprises in 2012. Looking ahead, the Group will focus on developing high-end logistic service, supply chain information and management services, innovative supply chain finance and integrated value chains in Qianhai area.

In 2013, the Group will strengthen communications with the relevant government departments and strive to complete the process of land re-zoning and land rights affirmation of Western Logistic Park as well as actively facilitate the preparation work relating to planning, design and business development of the project.

Logistic Business

Analysis of Operating Performance

Logistic Parks

During the Year, each logistic park maintained stable business volume and rental income by business restructuring and proactively attracting new customers. The overall average occupancy rate of the logistic centres was 96% during the Year.

In 2012, the Group continued to focus on investing in and developing logistic infrastructure facilities to support its momentum of revenue growth in the future. The expansion program of Shandong Booming Total Logistic Park has been completed at the end of December 2012, with a drop-and-pull service centre occupying an operating area of 11,000 square metres commenced operation in January 2013. In addition, the construction of the new logistic centre and exhibition centre at South China Logistic Park progressed satisfactorily and is expected to be completed in the first half of 2013. Meanwhile, the Group is pushing forward the marketing work. Upon completion of the construction, operating area of the Group's logistic parks will increase by approximately 24% from 540,000 square metres to 670,000 square metres.

Ports

Nanjing Xiba Port further improved its operation efficiency after a full year operation in 2011. During the Year, the berthing capacity of Nanjing Xiba Port was increased from the original capacity of 50,000-tonnage to 70,000-tonnage, thereby expanding the range of berthing vessels and improving the efficiency of cargo transit. Subsequently, it obtained berthing permission for international vessels.

During the Year, a total of 200 vessels had berthed at Nanjing Xiba Port, with total throughput of 10.5 million tonnes which approximated to that of the previous year. In 2013, providing loading and unloading services to international vessels, charges of which are relatively higher, will be a key market development area of Nanjing Xiba Port and its profitability is expected to be further enchanced as a result.

Financial Analysis

In 2012, the logistic business recorded a steady growth in revenue and profit before finance costs and tax which amounted to HK$922 million (2011: HK$807 million) and HK$234 million (2011: HK$193 million), representing increases of 14% and 22% respectively over those of the previous year. Profit attributable to shareholders increased by 19% to HK$142 million (2011: HK$120 million), which was mainly attributable to the rise in rental income and the high occupancy rate of the logistic parks, while the economies of scale and effective operating cost control also contributed to the growth in gross profit and net profit.

Revenue and Profit attributable to shareholders of each logistic business unit

For the year ended 31 December

	Revenue		Profit attributable to shareholders	
	2012 *HK$'000*	Change over Year 2011	**2012** *HK$'000*	Change over Year 2011
Logistic Park Business				
South China Logistic Park	**168,366**	(1%)	**51,996**	11%
Western Logistic Park	**90,432**	22%	**30,880**	67%
Huatongyuan Logistic Centre	**104,213**	19%	**19,801**	23%
Nanjing Chemical Industrial Park Logistic Centre	**46,965**	(11%)	**10,329**	(19%)
Shandong Booming Total Logistic Park	**84,223**	14%	**1,752**	27%
SZ Airport Express Center*	**N/A**	N/A	**9,895**	78%
Sub-total	**494,199**	8%	**124,653**	23%
Logistic Service Business	**310,984**	24%	**4,974**	(42%)
Port Business	**116,948**	20%	**12,863**	25%
Total	**922,131**	14%	**142,490**	19%

* *SZ Airport Express Center is a jointly controlled entity and is accounted for using the equity accounting method.*

The logistic park business achieved stable growth in revenue and profit in 2012. This was mainly attributable to the growing maturity in business development of the logistic centres at logistic parks, enhancement in market expansion and the increment on rental charges as well as strict control of operating cost. Revenue of the logistic park business increased by 8% to reach HK$494 million and profit attributable to shareholders increased by 23% to reach HK$125 million as compared with those of the previous year.

During the Year, the port business recorded a revenue of HK$117 million, up 20% as compared to last year, and a profit of HK$12.86 million, representing an increase of 25% as compared to last year. Nanjing Xiba Port was at cultivation stage in the first half of 2011, and became fully operational in 2012. In the second half of 2012, it successfully unloaded 12 international vessels which had relatively higher loading and unloading charges that contributed to the growth in revenue and profit.

Revenue from the logistic service business for the Year amounted to HK$311 million, representing an increase of 24% as compared to last year, and this was mainly driven by an increase in business volume from major customers. However, profit attributable to shareholders decreased by 42% year-on-year to HK$4.97 million, this reflected an increase in labour costs, research and development costs for logistic information services products.

Toll Road Business

Analysis of Operating Performance

The operating performance of each expressway project of the Group was influenced by the economic environment, adjustments in government policies on toll in China and the conditions of the road network. During the Year:

- the implementation of the Standardisation Scheme had negative impact mainly on the operating performance of Jihe Expressway, Meiguan Expressway, Longda Expressway and Yanpai Expressway to some degree;

- toll revenue of each expressway project saw a significant decline during the implementation period of the Holiday Toll-Free Scheme as compared to the corresponding period of last year;

- changes in conditions of the road network in Shenzhen improved the operating performance of Yanpai Expressway while Nanguang Expressway, Shuiguan Expressway and Shuiguan Extension were negatively affected to some degree;

- the opening of Yilian Expressway (spanning from Fengtouling in Guangdong to Yizhang in Hunan, also known as Yifeng Expressway) in late September 2011, which connects to Qinglian Expressway, continued to drive the toll revenue and traffic volume of Qinglian Expressway to increase. However, the rapid growth in traffic volume of Qinglian Expressway was temporarily hampered as Guangqing Expressway (spanning from Guangzhou to Qingyuan), which connects to Qinglian Expressway, was under construction and extension work and it also restricted truck access on certain sections during the Year;

- maintenance and resurfacing work on Jihe East implemented in the second half of 2012 had some adverse impact on the traffic conditions and operating performance of both Jihe East and Jihe West;

- benefitting from the construction of projects in the peripheral zones, traffic volume of trucks of Yanba Expressway recorded a significant year-on-year increase.

Financial Analysis

During the Year, toll revenue of the toll road business of the Group amounted to HK$4,406 million (2011: HK$4,138 million), representing an increase of 6% over the previous year; profit before finance costs and tax amounted to HK$2,332 million (2011: HK$2,492 million), representing a decrease of 6% over the previous year. Net profit was HK$795 million (2011: HK$913 million), representing a decrease of 13% year-on-year.

The growth in toll revenue was mainly attributable to the recognition of a revenue from the entrusted construction management services of HK$263 million during the Year. However, the growth was hindered to certain extent by the adjustments of toll policies and the promulgation of policies and management measures of the central and local governments in succession. During the Year, the decline in profit was mainly due to the change in accounting estimate of provision for road maintenance/resurfacing obligations which brought positive impact to the profit in 2011 while such adjustment was not recurred for the Year, as well as the increase in operating costs and finance costs.

Longda Expressway

During the Year, Longda Expressway recorded a toll revenue of HK$580 million (2011: HK$596 million) representing a decrease of 3% as compared to the previous year. Profit before finance costs and tax amounted to HK$393 million (2011: HK$388 million), up 1% over the previous year. Earnings before interest, tax, depreciation and amortisation ("EBITDA") amounted to HK$461 million (2011: HK$491 million) representing a decrease of 6% as compared to the previous year.

Benefitting from the growth in traffic volume of class 1 vehicles, traffic volume of Longda Expressway recorded an increase over the previous year. However, the implementation of the Standardisation Scheme and Holiday Toll-Free Scheme had negative effects on toll revenue of Longda Expressway to some degree and led to a decrease in toll revenue as compared to last year. Profit before finance costs and tax recorded a slight increase over the previous year, this was due to the decrease in amortisation amount as a result of the change in accounting estimate during the Year.

Wuhuang Expressway

During the Year, Wuhuang Expressway recorded a toll revenue of HK$566 million (2011: HK$505 million), up 12% over the previous year. Profit before finance costs and tax amounted to HK$294 million (2011: HK$276 million) and EBITDA amounted to HK$399 million (2011: HK$376 million), both up 6% over the previous year.

During the Year, traffic volume and toll revenue of Wuhuang Expressway both recorded an increase over the previous year. It was mainly attributable to the launch of beacon stations, the opening of the southern section of Daguang Expressway (Huangshi to Tongshan, Hubei) in early May 2012 and the resolution to the revenue division issue on the overlapping section between Wuhuang Expressway and Edong Bridge.

Shenzhen Expressway Company Limited ("Shenzhen Expressway") and its expressway projects

Influenced by unfavourable factors such as the slowdown in macro-economic growth, the implementation of policies such as the Standardisation Scheme, and changes in traffic distribution in the road network, the growth in toll revenue of major expressway projects of Shenzhen Expressway either slowed or even declined over the previous year. During the Year, Shenzhen Expressway recorded a toll revenue of HK$3,260 million (2011: HK$3,037 million), representing an increase of 7% over the previous year, of which included the revenue from the entrusted construction management services of approximately HK$263 million recognised during the Year. Profit before finance costs and tax amounted to HK$1,645 million (2011: HK$1,828 million), representing a decrease of 10% over the previous year and the Group's share of profit in Shenzhen Expressway amounted to HK$439 million (2011: HK$558 million), representing a decrease of 21% over the previous year.

Aside from the slowdown in toll revenue growth, the decline in profit was mainly attributable to the following factors:

- the change in accounting estimate of provision for road maintenance/resurfacing obligations for 2011 resulted in a decrease in the relevant provision for that year while such adjustment was not recurred for the Year;

- construction projects of certain sections of Nanguang Expressway and Qinglian Expressway were completed in succession during the Year, together with the amortisation of extra traffic volume arising from Holiday Toll-Free Scheme, resulted in an increase in the amount of depreciation and amortisation during the Year; and

- increase in scale of borrowings and interest rates resulted in higher finance costs as compared to the previous year.

Other Investment

During the Year, total revenue of Shenzhen Airlines amounted to RMB22,225 million (HK$27,371 million) (2011: RMB20,789 million (HK$25,107 million)), representing an increase of 7% over the previous year. Net profit from operation decreased slightly as compared to the previous year. However, as there was a one-off gain of approximately RMB800 million as reversal of asset impairment this year, net profit of Shenzhen Airlines reached RMB1,851 million (HK$2,280 million) (2011: RMB1,559 million (HK$1,883 million)) and representing an increase of 19% as compared to the previous year. In addition, as the Group's equity interest in Shenzhen Airlines increased from 25% to 49%, Shenzhen Airlines contributed a profit of HK$1,061 million to the Group (2011: HK$424 million), representing an increase of 1.5 times over the previous year.

Development Focus and Outlook for the Group

The "integrated logistic hub" is a service platform centred on highway transport logistic centres, which also integrates the functions of warehousing, transfer, distribution and logistic information centre. With a logistic information platform established on the basis of existing logistic infrastructure facilities, it delivers highly efficient one-stop services to customers and business partners. In order to fully utilise the advantages of its network, the Group intends to build up a logistic network by setting up logistic hubs and nodes spread across the eastern, southern, central, northern, northeastern, southwestern and northwestern areas of China from 2013 to 2017, and aims to expand its network nationwide gradually.

In November 2012, the Group launched the investment and construction of "Shenzhen International Shenyang Modern Integrated Logistic Hub" and the construction of which is expected to commence in 2013, signifying that the Group is stepping up its efforts to implement the "integrated logistic hub" development plan. Shenyang city is an important transportation gateway to the three provinces in Northeast China. With the geographical advantages of Shenyang city and the massive local demand for highway logistic transportation in the area, the Group considers Shenyang Project a strategic foothold in the Northeast region under its "integrated logistic hub" nationwide network. The Group will actively continue its investment in "integrated logistic hub" projects in key logistic gateway cities in China and more "integrated logistic hub" projects are expected to implement in 2013. The Group will adopt diversified financing models to accelerate the expansion and development of the project investment, which is likely to enable "integrated logistic hub" to achieve investment benefit and social benefit as soon as possible.

With the ongoing urbanisation and continuous development of the Chinese economy, demand for the "integrated logistic hub" is expected to increase rapidly. The business model of "integrated logistic hub" has tremendous development potential and is expected to contribute to the revenue of the logistic business as well as help to sustain the long-term development of the Group. The Group strives to become a leading logistic infrastructure facility provider in China and to enhance returns for its shareholders.

Powered by urbanisation and the transformation and upgrading of regional economies in China, and benefitting from increasing level of automobile ownership, traffic demand in China is expected to maintain steady growth. However, government policies and management measures governing the toll road business will continue to affect the Group in 2013. As the Standardisation Scheme and Holiday Toll-free Scheme were implemented in June 2012 and on the National Day Holiday in 2012 respectively, both policies have less than one year of impact in 2012, it is expected that these policies will have a greater impact on the toll road business of the Group in 2013 and will reduce the total revenue of the Group in 2013 by approximately 10%. The Group will actively reinforcing its promotion on and upgrading the facilities of its road network, increasing traffic capacity as well as implementing a variety of marketing and management measures so as to minimise the negative impact brought by the adjustments of toll policies.

FINANCIAL POSITION

	31 December 2012 HK$ million	31 December 2011 HK$ million	Increase/ (Decrease)
Total Assets	**42,383**	39,901	6%
Total Liabilities	**22,395**	21,753	3%
Total Equity	**19,988**	18,148	10%
Net Asset Value attributable to shareholders	**12,645**	11,214	13%
Net Asset Value per share attributable to shareholders (HK dollar)	**0.77**	0.68	13%
Cash	**4,868**	3,733	30%
Bank borrowings	**9,154**	11,315	(19%)
Notes and bonds	**8,816**	5,372	64%
Total Borrowings	**17,970**	16,687	8%
Net Borrowings	**13,102**	12,954	1%
Cash inflow Generated from Operations	**3,339**	2,928	14%
Debt-asset Ratio (Total Liabilities/Total Assets)	**53%**	55%	(2%) #
Ratio of Total Borrowings to Total Assets	**42%**	42%	-
Ratio of Net Borrowings to Total Equity	**66%**	71%	(5%) #
Ratio of Total Borrowings to Total Equity	**90%**	92%	(2%) #

\# *Change in percentage points*

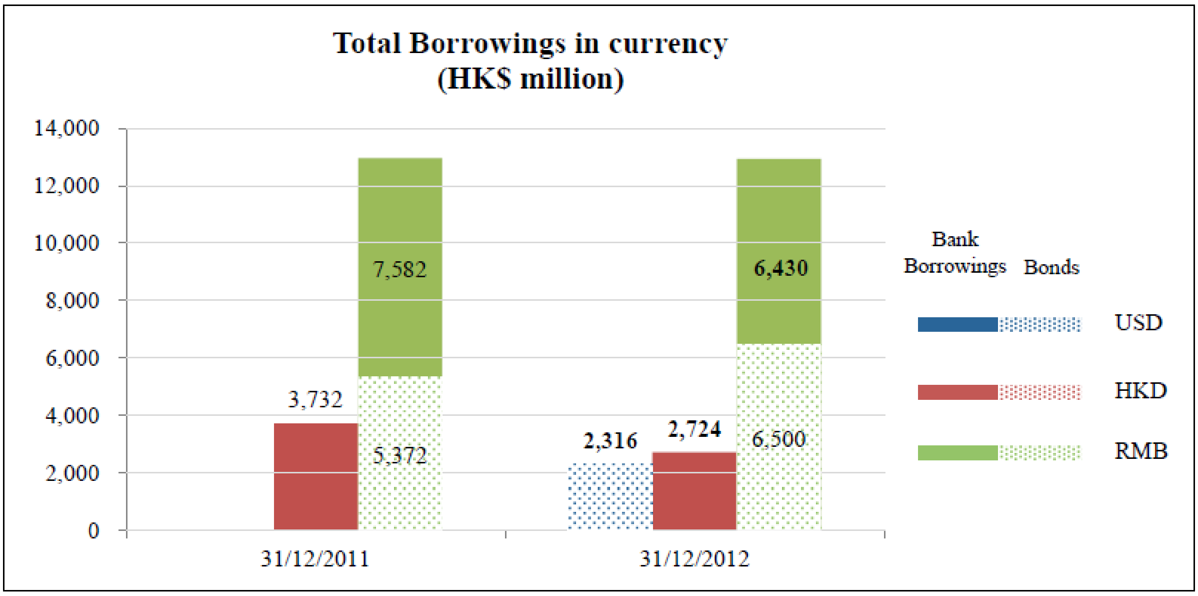
Cash Balance

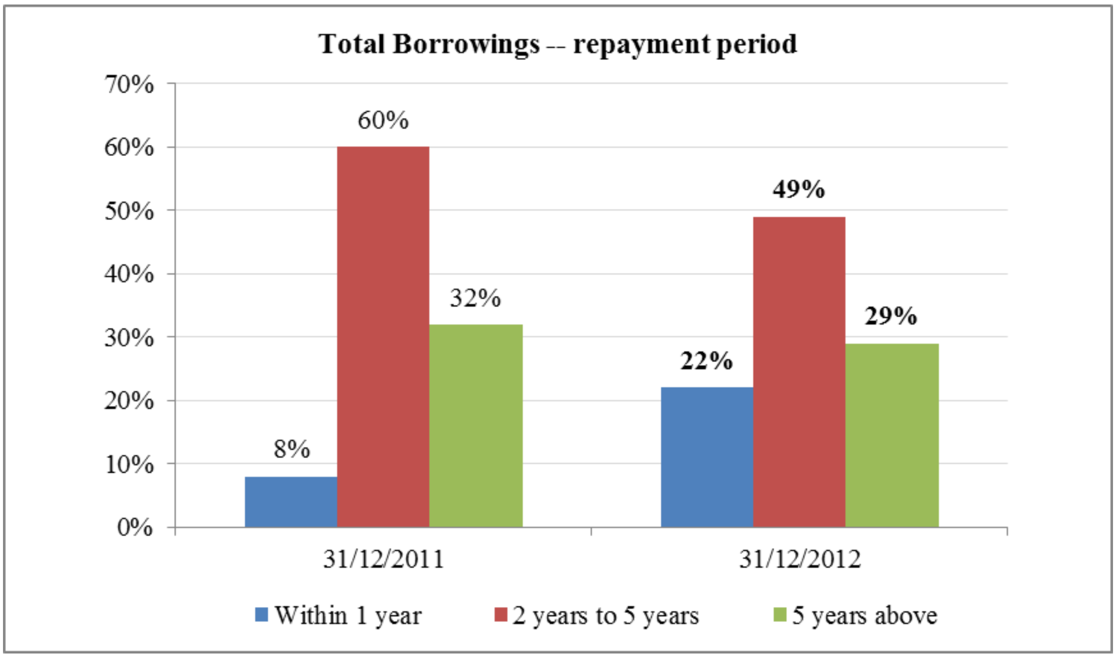
As at 31 December 2012, the cash balance held by the Group amounted to HK$4,868 million (31 December 2011: HK$3,733 million), representing a significant increase of 30% over last year. The funds raised from the Company's issuance of a five-year US$300,000,000 senior note on 20 April 2012 were applied for the repayment of certain short-term bank borrowings, with part of the funds retained for capital expenditures of the Group's core business and as general working capital. Of the cash held by the Group, almost all was denominated in Renminbi. The Group currently possesses adequate cash and a healthy level of liquidity. Based on a prudent liquidity risk management, the Group continues to maintain sufficient cash and adequate standby banking facilities to guard against liquidity risks and to provide sufficient funds for its business development and operations.

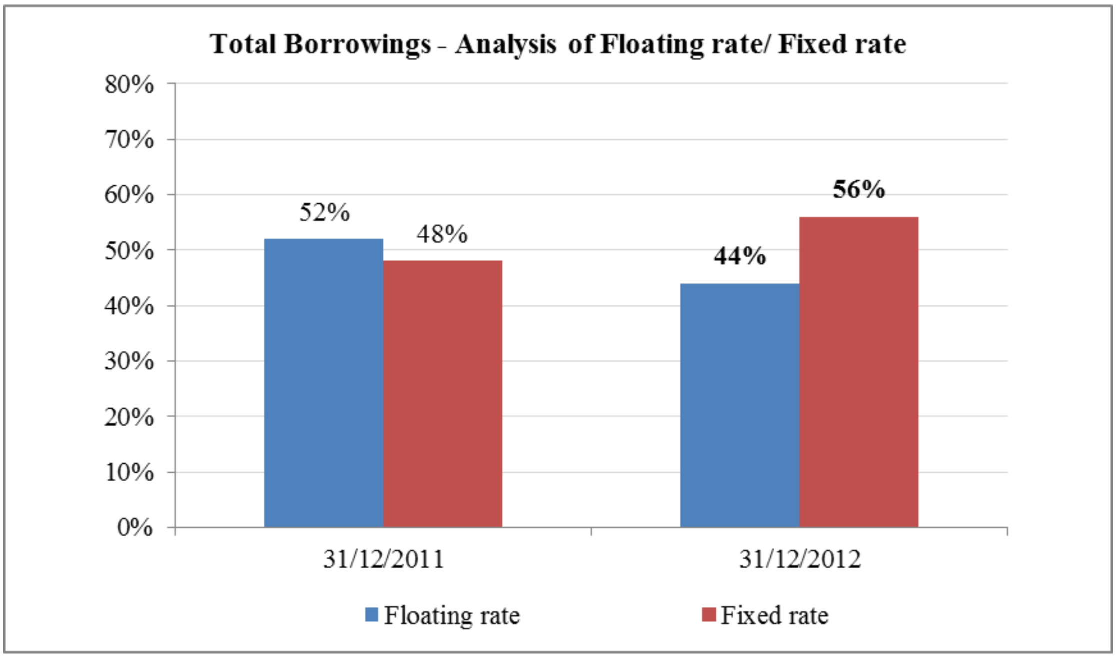
Capital Expenditure

During the Year, the Group's capital expenditures amounted to HK$1,166 million (RMB938 million), of which approximately RMB78.86 million was used to pay the remaining 10% acquisition consideration of the 24% equity interest in Shenzhen Airlines, RMB258 million was used to pay for construction of logistic park, and RMB554 million was used to pay for construction work of the Qinglian Expressway as well as the expansion of the Meiguan Expressway. Capital expenditure for 2013 is estimated to be HK$1,542 million (RMB1,240 million).

Borrowings







Bank Loans

As at 31 December 2012, the Group's total bank loans amounted to approximately HK$9,200 million (31 December 2011: HK$11,300 million), decreased by 19% as compared with those as at the end of last year, this was mainly due to the Company opened up new financing channels through the successful issuance of a five-year US$300,000,000 senior note in the market, part of the proceeds had been used to repay bank loans, thus effectively reducing the percentage of bank borrowings, and at the same time, broadened the Group's financing channels and explored different financing methods.

Notes and Bonds

On 20 April 2012, the Company issued a five-year US$300,000,000 senior note at a coupon rate of 4.375% per annum, which will be due on 20 April 2017. The notes were rated BBB– and Baa3 by Standard & Poor's and Moody's, respectively. On 20 December 2012, the Group's subsidiary Shenzhen Expressway issued Phase 1 Private Placement Note of RMB800,000,000 at a coupon rate of 5.9% per annum for a term of 3 years.

The Group issued mid to long term bonds which could replace the short term bank loans in order to reduce the pressure of repayment of short term loans, thereby optimising the Group's debt structure and fixing the financing costs.

Debt-Asset Ratio

As at 31 December 2012, the Group's debt-asset ratio was 53%, slightly decreased 2% over that of the previous year. Despite the Group's issuance of debt financing instruments has led to an increase of 8% in total borrowings, the proceeds from the financing activities after bank loan repayment were held as cash. Furthermore, the total assets value increased due to profit increased, thus bringing the overall gearing ratio to drop 2%.

Cash Flow and Financial Ratios

During the Year, cash inflow generated from operations rose 14% to HK$3,339 million, while the cash outflow for investment activities dropped 36% to HK$1,147 million, with net cash inflow generated from financing activities decreased by HK$1,579 million as compared to the same period last year. The Group's core business consistently generates stable cash flow. According to changes in the external environment and capital market conditions during the Year, the Group adjusted the pace of investment activity and captured an opportunity to raise funds from the capital market. In addition, both ratio of net borrowings to total equity and ratio of total borrowings to total equity declined as compared to those as at the end of 2011.

The Group's Financial Policy

Interest Rate Risk Management

Borrowings are a major source of interest rate risk for the Group. Bank borrowings bearing floating interest rates expose the Group to interest rate risk. To manage interest rate risk on long-term bank loans, the Company uses fixed-rate loans or interest-rate swaps to achieve economic effect of converting floating rate loans to fixed rate loans, thereby controlling interest rate risk. Under the current low interest rate environment, the Group manages the ratio of fixed rate and floating rate bank loans, striking a balance between minimizing interest expenses and volatility in interest rate hedging. The management regularly reviews the appropriate ratio of fixed rate and floating rate risks.

Exchange Rate Risk

Assets, cash flows and cash held for businesses operated by the Group are primarily denominated in Renminbi. Cash outflow, which mainly comprises cash dividend payments to shareholders, as well as interest and related expenses on bank loans and senior notes, are denominated in Hong Kong dollars and US dollars. Renminbi appreciated slightly during the Year, bringing to the Group a foreign exchange gain of HK$45.18 million. The Group closely monitors the trend of the Renminbi exchange rate, and takes measures to minimise exchange rate risks in a timely manner according to market conditions.

Strengthening Cash Flow Management

The Company's management places strong emphasis on capital planning to ensure that the Group's development needs are met and to reward shareholders with stable dividend policy. The management carries out rolling forecasts and monitors the Group's standby banking facilities and cash levels in its cash flow forecast in order to strengthen cash flow management. In view of the more challenging financial market, the Group planned its financing arrangements ahead of time in order to reduce liquidity risk. It also enables the Group to grasp the opportunity to lock up debt financing in a cost efficient manner so as to minimise the adverse impact of the volatility in the global financial markets on the Group, and to ensure that the Group has the capacity to carry out ongoing operations and business expansion in order to enhance shareholder value.

The Group currently has cash on hand and standby banking facilities of approximately HK$22,000 million. The Group's overall risk management plan is to cope with unpredictable changes in the capital market in order to maintain a high degree of flexibility to capture business opportunities. It will broaden its financing channels through different financing methods and will also ensure that it has sufficient standby banking facilities to meet future financing needs so as to minimise the adverse impact of fluctuations in the capital market on the costs of debt and liquidity.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Year.

CODE ON CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has complied with the Code Provisions set out in the "Code on Corporate Governance Practices" (effective until 31 March 2012) and the "Corporate Governance Code and Corporate Governance Report" (effective from 1 April 2012) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange save that a non-executive director of the Company and an independent non-executive director of the Company who had to handle business outside Hong Kong, and a non-executive director who had a prior-committed university meeting, were unable to attend the annual general meeting of the Company held on 18 May 2012. The Company aims to continually enhance its corporate governance practices, thereby laying a good foundation for driving the Company's development and maximising value for the shareholders of the Company.

CLOSURE OF REGISTER OF MEMBERS

To ensure the eligibility to attend and vote at the 2013 annual general meeting (the "2013 AGM") and the entitlement to the final dividend, the register of members of the Company will be closed on the following dates:

For ascertaining shareholders' right to attend and vote at the 2013 AGM:

Latest time to lodge transfers	by 4:30 p.m. on Tuesday, 14 May 2013
Book close dates	Wednesday, 15 May 2013 to Monday, 20 May 2013 (both days inclusive)
Record date	Monday, 20 May 2013

For ascertaining shareholders' entitlement to the proposed final dividend:

Latest time to lodge transfers	by 4:30 p.m. on Thursday, 23 May 2013
Book close dates	Friday, 24 May 2013 to Tuesday, 28 May 2013 (both days inclusive)
Record date	Tuesday, 28 May 2013
Final dividend payment date	on or about Wednesday, 26 June 2013

To be eligible to attend and vote at the 2013 AGM and qualified for the final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong no later than the aforementioned latest time.

OTHER INFORMATION

Before the date of this announcement, a meeting of the Audit Committee of the Company has been held with the Company's auditors for reviewing the annual results of the Group for the year ended 31 December 2012.

The figures in respect of the announcement of the Group's results for the year ended 31 December 2012 have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

This announcement and other related information of the Company's 2012 annual results will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.szihl.com).

By Order of the Board
Shenzhen International Holdings Limited
Gao Lei
Chairman

Hong Kong, 28 March 2013

As at the date of this announcement, the Board consists of Messrs. Gao Lei, Li Jing Qi, Li Lu Ning, Liu Jun and Yang Hai as executive directors, Professor Wong Yuk Shan, BBS, JP as non-executive director and Messrs. Leung Ming Yuen, Simon, Ding Xun and Nip Yun Wing as independent non-executive directors.