



Shenzhen International Holdings Limited 深圳國際控股有限公司

(Stock code: 00152)

【For Immediate Release】

Shenzhen International Announces 2013 Interim Results

Profit attributable to shareholders increased by 7%

Enhancing the Group's operational efficiency

Qianhai project development in progress

Financial Highlights:

- Revenue amounted to HK\$2,629 million, maintained a similar level to that of the same period of 2012.
- Profit before finance costs and tax amounted to HK\$1,799 million, an increase of 1% over the same period of 2012.
- Profit attributable to shareholders amounted to HK\$857 million, up 7% over the same period of 2012.
- Basic earnings per share amounted to HK5.21 cents, up 6% over the same period of 2012.

Hong Kong, 22 August 2013 ... **Shenzhen International Holdings Limited** (“Shenzhen International” or the “Company”) (HKEx: 00152) announced the unaudited results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 June 2013 (the “period”).

In the first half of 2013, the sluggish economic growth in China, together with the impact brought by the high operating costs and toll road policy adjustments in China, had posed certain challenges to the core business of the Group. The Group proactively met these challenges and was committed to operational efficiency enhancement and effective cost control. As a result, the Group has achieved its operating target for the first half of the year. During the period, the overall performance of the Group's core business remained steady. Revenue and profit before finance costs and tax amounted to HK\$2,629 million and HK\$1,799 million respectively, maintaining similar levels to that of the same period last year. Profit attributable to shareholders rose 7% year-on-year to HK\$857 million.

During the period, revenue generated from the Group's logistic business rose 7% to HK\$487 million as compared to the corresponding period of the previous year. Profit attributable to shareholders of the logistic business rose 28% year-on-year to HK\$90.79 million. Revenue from the Group's logistic business maintained stable growth. Benefitting from economies of scale and effective cost control, the logistic business recorded improvement in gross profit, which led to an increase in profit attributable to shareholders of the logistic business compared to the same period of the previous year. The toll road business was affected by 2 government policy adjustments, thus the Group's toll revenue inevitably declined. However, the growth in China's private car ownership and the marketing measures proactively implemented by the Group boosted the traffic volume of most of the Group's toll road projects to grow faster than expected, which helped to largely offset the negative impact brought by the policy adjustments.

In the first half of 2013, due to slow growth in the domestic aviation market and intensifying competition, China's civil aviation industry recorded a transportation loss. Shenzhen Airlines Company Limited (“Shenzhen Airlines”), an associate in which the Group owns a 49% equity interest, actively responded to the market changes through strengthened marketing efforts and with stringent cost controls, performed outstandingly among its peers and recorded operating revenue rose 4% year-on-year. Shenzhen Airlines contributed profit of HK\$101 million to the Group during the period. Meanwhile, the Group continued to dispose non-core assets, including the disposal of approximately 10.87 million CSG A shares and its equity interest in Shenzhen Capital Group during the period, recorded total gains after

tax of HK\$230 million.

Looking ahead, **Mr. Gao Lei, Chairman of Shenzhen International**, said, “Global economic conditions are expected to become stable in the second half of 2013, though uncertainty will still remain. Shenzhen International will be active in taking the appropriate measures to respond to market changes and will focus on enhancing the performance of its core business.

Shenzhen International is positive towards the growth potential in the logistic industry, and will continue to seek for investment opportunities for its “China Urban Integrated Logistics Hub” and expand its logistic network. New projects are expected to be implemented in the second half of 2013. Shenzhen International strives to build its logistic business as a key driver of the Group’s future growth.

Besides, significant progress was made in the development of the Qianhai Cooperation Zone. The Shenzhen Municipal Government officially approved the “Consolidated Plan on Qianhai Shenzhen/Hong Kong Modern Service Industry Co-operation Zone” in June 2013. The Qianhai development will focus on developing the professional service industries including financial, information services, modern logistics and technology services. According to the development plan, for lands designated for industrial or warehousing purpose to be converted to commercial, office and residential use, the original land owners can apply to the Urban Planning Land and Resources Department of Shenzhen Municipality for change in land usage if their new land rezoning development is in line with the overall Qianhai development plan. This consolidated plan demonstrates clear policy support for Shenzhen International’s land rezoning preparation in Qianhai. Recently, Director General of Qianhai Management Bureau had publicly commented that he strongly encouraged existing land owners to develop their own lands in accordance with the high standards set for the Qianhai development.

Land use rights for three plots of land located in Guiwan area of Qianhai were sold for a total consideration of RMB23.3 billion not long ago. The total land area is approximately 170,000 square metre, with plot ratios between 6.5 to 8.1 times, approximately RMB16,000 to RMB21,000 per sqm of GFA.

Shenzhen International has been closely monitoring the progress of development of the Qianhai area, and will continue to maintain sound communication with the Qianhai Management Bureau and Urban Planning Land and Resources Department of Shenzhen Municipality, so as to make progress in preparation for the Group’s land rezoning development which located in Qianhai Mawan area. To achieve this, the Group has established a project company for the Qianhai project and has set up a professional team to develop the project in cooperation with large-scale enterprises that are experienced in this area. The Group has not only signed strategic collaboration MOUs with large-scale enterprises, but also signed cross-border bilateral Renminbi loan agreements with an aggregate amount of RMB200 million with its Hong Kong-based relationship banks. The Group is well prepared for the future construction, business development and operation of the project.”

Shenzhen International Holdings Limited

Shenzhen International Holdings Limited is a company incorporated in Bermuda with limited liability and is listed on the main board of the Stock Exchange of Hong Kong. The Group is principally engaged in the investment, construction and operation of logistic infrastructure facilities, as well as providing various value-added logistic services to customers leveraging its infrastructure facilities and information services platform. Shenzhen Investment Holdings Company Limited, the controlling shareholder of the Company, is a corporation wholly-owned by Shenzhen Municipal People’s Government State-owned Assets Supervision and Administration Commission.

Shenzhen International Announces 2013 Interim Results

Encl.: Consolidated Interim Income Statement (Unaudited)

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Shenzhen International Holdings Limited
2013 Interim Results
(Prepared in accordance with Hong Kong Financial Reporting Standards)
Consolidated Interim Income Statement (Unaudited)

	For the six months ended 30 June		Increase/ decrease
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	
Revenue	2,797,125	2,856,643	-2%
Cost of sales	(1,456,472)	(1,436,136)	1%
Gross profit	1,340,653	1,420,507	-6%
Other gains – net	315,452	7,647	4025%
Other income	49,379	53,244	-7%
Distribution costs	(25,001)	(18,640)	34%
Administrative expenses	(132,031)	(136,713)	-3%
Operating profit	1,548,452	1,326,045	17%
Share of profit of joint ventures	11,288	7,681	47%
Share of profit of associates	239,535	450,348	-47%
Profit before finance costs and tax	1,799,275	1,784,074	1%
Finance income	40,716	35,031	16%
Finance costs	(405,558)	(508,513)	-20%
Finance costs – net	(364,842)	(473,482)	-23%
Profit before income tax	1,434,433	1,310,592	9%
Income tax expense	(324,858)	(247,530)	31%
Profit for the period	1,109,575	1,063,062	4%
Attributable to:			
Equity holders of the Company	857,356	804,656	7%
Non-controlling interests	252,219	258,406	-2%
	1,109,575	1,063,062	4%
Earnings per share for the profit attributable to equity holders of the Company (expressed in HK cents per share)			
– Basic	5.21	4.91	6%
– Diluted	5.19	4.91	6%
Dividend	–	–	