

TRANSPORT INTERNATIONAL HOLDINGS LIMITED 2010 ANNUAL GENERAL MEETING

At the 2010 Annual General Meeting of Transport International Holdings Limited (TIH) today (Thursday, 20 May 2010), the Group's Chairman, Sir Sze-yuen Chung, reported the financial results for 2009. For the year ended 31 December 2009 the Group's profit attributable to equity shareholders was HK\$673.5 million, an increase of 2.3% compared to HK\$658.7 million for 2008. The profit for 2009 included the non-recurrent after-tax profit of HK\$186.1 million arising from the further sales of five residential units of Manhattan Hill by Lai Chi Kok Properties Investment Limited, a wholly-owned subsidiary in the Group's Property Holdings and Development Division.

The Board has proposed an ordinary final dividend of HK\$1.05 per share and a special dividend of HK\$1.00 per share. Together with the ordinary interim dividend of HK\$0.30 per share paid on 15 October 2009, total dividends for the year will amount to HK\$2.35 per share. The aforesaid special dividend of HK\$1.00 per share for 2009 will be paid out of the profit derived from the sale of the Manhattan Hill residential units.

Sir Sze-yuen said, "In 2009, total fare revenue of the Group's franchised public bus business operated by The Kowloon Motor Bus Company (1933) Limited ("KMB") and Long Win Bus Company Limited ("LWB") increased slightly by 0.1% as compared with 2008. The increase was mainly attributed to the fare increase of 4.5% which took effect from 8 June 2008, but it was largely offset by a decrease in total ridership of 2.2% compared with 2008 due mainly to intensified competition from the railways and decreased travel demand resulting from the economic downturn and higher unemployment rate. Thanks largely to the decrease in average fuel oil prices in 2009 compared to 2008, the total operating expenses of our franchised bus operations decreased, resulting in positive earnings growth for both KMB and LWB in 2009."

Sun Bus Holdings Limited and its subsidiaries, the Group's non-franchised transport businesses, maintained steady growth in 2009. The Group's joint venture transport companies in Beijing and Shenzhen continued to perform satisfactorily.

"In the face of the rail network expansion and the rebound in fuel prices since the second half of 2009, we expect that the operating environment of KMB and LWB will become increasingly challenging in 2010 and in the years ahead. We will respond to this challenge by making improvements to the efficiency of our bus network by

reorganising routes with low demand and increasing the service on routes with growing demand,” Sir Sze-yuen said.

The sale of the residential units of the Manhattan Hill development has almost been completed, providing the Group with a net cash position. The “Manhattan Mid-town” shopping mall at Manhattan Hill, which has a total area of approximately 50,000 square feet and opened in March 2009, will continue to provide a steady income stream for the Group in the future.

At the Special General Meeting held on 21 January 2010, the shareholders of the Company approved the disposal of 50% of the Group’s interest in an industrial site at Kwun Tong and the entering of a development agreement with Sun Hung Kai Properties Limited and its subsidiary to redevelop the industrial site into commercial use for long-term investment purposes. The gain arising from this disposal of approximately HK\$489 million will be recognised in 2010, and will be used by the Group to fund the redevelopment.

Sir Sze-yuen added, “I would like to sincerely thank my fellow Board members, our dedicated management team and staff at every level for their contributions to the Group in the past year.”



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