



EVERBRIGHT INTERNATIONAL ANNOUNCES 2013 ANNUAL RESULTS

**DRIVEN BY SIGNIFICANT RISE OF CONSTRUCTION SERVICE REVENUE,
OPERATING PROFIT INCREASES BY 43%
BENEFITING FROM SUPPORT OF GOVERNMENT POLICIES AND ABUNDANT CAPITAL STRENGTH,
BUSINESS DEVELOPMENT ADVANCES STEADILY**

Financial Highlights

	For the year ended 31 December		
	2013	2012	
	HK\$'000	HK\$'000	Change
Turnover	5,319,866	3,409,938	↑56%
Gross Profit	2,375,408	1,683,672	↑41%
EBITDA on recurring basis	2,217,929	1,564,705	↑42%
Operating Profit	2,127,232	1,483,202	↑43%
Profit attributable to equity shareholders	1,324,667	1,123,269	↑18%
Basic earnings per share (HK cents)	32.60	29.65	↑10%
Total dividends (HK cents)	8.5	6.0	↑42%
Cash on hand	5,814,606	2,796,509	↑108%
Total assets	23,471,047	16,583,114	↑42%
Gearing ratio	41%	48%	↓7ppt

February 27, 2014, Hong Kong – China Everbright International Limited ("Everbright International" or the "Group") (HKSE: 00257) is pleased to announce its audited annual results for the year ended 31 December 2013.

2013 is the 10th anniversary of Everbright International's move to the environmental protection business. Benefiting from continued favourable national policies and growing demand in the market, the Group's results hit another record high. During the year under review, the Group continued to advance the steady development of each business segment while actively exploring new environmental protection business areas and new districts, and achieving outstanding results.

Following the completion and commencement of operation of the Group's projects secured over the past few years, the steady progress of the projects under construction, as well as the commencement of production of the Group's equipment manufacturing centre, drove a continued growth of its overall operating efficiency. During the year under review, the Group's consolidated turnover amounted to HK\$5,319,866,000, an increase of 56% from 2012. EBITDA on recurring basis amounted to HK\$2,217,929,000, an increase of 42% from 2012. Profit attributable to equity shareholders for the year of 2013 was HK\$1,324,667,000, 18% more than that of 2012. The increase in profit on a recurring basis has completely offset the profit from discontinued operation due to the disposal of the Fuzhou Qingzhou Bridge Project in 2012. Basic earnings per share of 2013 were HK32.60 cents, HK2.95 cents more than that of 2012. The Board of Everbright International has proposed to pay a final dividend of HK5.0 cents per share. The total dividends for the year are to be HK8.5 cents per share (2012: HK6.0 cents per share).

During the year under review, the turnover from the environmental protection and alternative energy business sectors amounted to HK\$5,315,721,000, in which construction service revenue increased by 95% to HK\$3,117,580,000 as compared with 2012, accounting for 59% of the revenue; the operation service revenue increased by 20% over the prior year to HK\$1,453,755,000, accounting for 27% of the revenue; and finance income was HK\$744,386,000, accounting for 14% of the revenue.

To ensure its sustainable development, the Group proactively expands its financing channels and strengthens its capital structure. The Group signed a RMB10 billion strategic cooperation agreement with China Development Bank and secured a long-term loan facility of USD70 million from International Finance Corporation. In addition, the Group raised fund of approximately HK\$3,616,816,000 through a share placement in December 2013, which provided adequate working capital to the Group. As at 31 December 2013, the Group had cash on hand of HK\$5,814,606,000.

Mr. Chen Xiaoping, CEO of Everbright International, said, "After establishing the mainland management centre, the Group moved from Consolidation to Integration with a well-defined management mechanism, enabling the Group to expand its business, be innovative and continue a strong growth momentum. In 2013, the Group successfully secured 12 environmental protection projects, marking a record high in terms of number of projects secured compared with previous years. Besides, the Group signed strategic cooperation agreements with the municipal and provincial governments of Beijing, Nanjing, Shenzhen, Shandong, Jiangxi, Sichuan, Jiangsu and Zhuhai, facilitating the formation of a number of investments in new projects and new districts."

Environmental Energy

During the year under review, the environmental protection projects of the Group processed a total household waste of 4,423,000 tonnes, industrial and hazardous waste of 68,000 tonnes and generated a total on-grid electricity of 1,052,199,000 kWh, an increase of 19%, 51%, and 27% respectively as compared with 2012. The environmental energy projects contributed an EBITDA of HK\$1,541,318,000, an increase of 55% from 2012. The growth in profit was mainly attributable to the recognition of construction service revenue and cost savings during the year as well as the increase in the operation service revenue due to continued increase in the total processing volume of operating projects.

In terms of project expansion, during the year under review, the Group secured a total of 8 environmental energy projects, commanding a total investment of approximately RMB2.08 billion. The new projects added a total designed daily household waste processing capacity of approximately 2,300 tonnes and a total designed annual integrated processing capacity of hazardous waste of approximately 150,000 tonnes. The new projects were 4 waste-to-energy projects including Shandong Rizhao Waste-to-energy Project, Heze Waste-to-energy Project, Zhejiang Ninghai Waste-to-energy Project and Jiangsu Zhenjiang Waste-to-energy Project Phase II; and 4 hazardous waste treatment projects, including Shandong Zibo, Shouguang and Jiangsu Binhai hazardous waste treatment projects and Jiangsu Lianyungang Suzukigumi Hazardous Waste Treatment Project of which the Group has signed an agreement to acquire. As market demand continues to increase, the hazardous waste treatment business has bright prospects. The Group will seize this opportunity to expand its hazardous waste treatment business, further enhance its status in this industry and strengthen its core competitiveness.

During the year under review, the Group's construction projects were advanced steadily. The construction of the Nanjing Waste-to-energy Project, Ningbo Waste-to-energy Project and Pizhou Waste-to-energy Project was proceeded efficiently. These projects are expected to commence commercial operation in the first half of this year. The Shouguang Waste-to-energy Project and Sanya Waste-to-energy Project commenced construction in June 2013 and are advancing at a fast pace as planned.

Environmental Water

During the year under review, environmental water projects treated waste water of 526,485,000 m³, an increase of 3% as compared with 2012. The environmental water projects brought an EBITDA of HK\$660,043,000, an increase of 49% as compared with 2012. The increase in profit was mainly due to the completion of construction and commencement of commercial operation of Jinan Licheng Waste Water Treatment Project Phase II, which contributed to the construction service revenue, as well as construction cost savings recognized on completed projects.

During the year under review, the Group obtained Zhangqiu Waste Water Treatment Project and the upgrading project of Ling County Plant No. 1 Project. In addition, during the year under review, Jiangyin Reusable Water Project, Jinan Licheng Waste Water Treatment Project Phase II and Dezhou Nanyunhe Waste Water Treatment Project Phase I all commenced commercial operation.

To further accelerate the development of its environmental water business, the Group is committed to restructuring the business and enhancing its investment value. In December 2013, China Everbright Water Investments Limited ("Everbright Water Investments"), a wholly-owned subsidiary of Everbright International signed a framework agreement with HanKore Environment Tech Group Limited ("HanKore"), which is listed on the main board of the Singapore Exchange Securities Trading Limited. According to the framework agreement, Everbright International proposed to inject all the investments of its environmental water business into HanKore and in return HanKore agreed to allot and issue certain consideration shares to Everbright Water Investments. Upon completion, Everbright Water Investments will hold more than 50% of the enlarged share capital of HanKore and HanKore will become a subsidiary of Everbright International. Both sides are currently conducting due diligence investigation. Following the conclusion of the terms of the transaction and the

execution of definitive agreements, Everbright International will make further announcement to the market.

Alternative Energy

During the year under review, the Group's alternative energy projects contributed an EBITDA of HK\$146,147,000, a decrease of 29% as compared with 2012. The decrease in profit was mainly due to recognition of construction cost saving in 2012.

During the year under review, by optimizing operation management, the Group's photovoltaic energy projects reduced power consumption and thereby enhanced operation efficiency. By improving fuel quality and equipment utilization rate, and reducing auxiliary power consumption, the operational efficiency of the Dangshan Biomass Power Generation Project was enhanced. The Group officially activated the Hanshan Biomass Power Generation Project after receiving approval from the National Energy Administration Bureau and the construction started in June 2013. It is expected to be completed and commence commercial operation in 2014.

Environmental Protection Engineering

During the year under review, a total of 9 projects commenced construction, including Jinan Licheng Waste Water Treatment Project Phase II, Zhangqiu Waste Water Treatment Project, Pizhou Waste-to-energy Project Phase I, Sanya Waste-to-energy Project Phase I, Shouguang Waste-to-energy Project Phase I, Boluo Waste-to-energy Project Phase I, Guanyun Hazardous Solid Waste Treatment Project, Binhai Hazardous Solid Waste Landfill Project and Hanshan Biomass Power Generation Project. Together with the continued construction of the Nanjing Waste-to-energy Project and Ningbo Waste-to-energy Project Phase I as well as the commencement of construction of other new projects, the construction service revenue is expected to continue to provide a major source of revenue and become a new growth driver for the Group.

Environmental Protection Technology

During the year under review, the Group prioritised 8 fields for R&D, with a total budget of more than RMB20 million, and achieved substantial breakthrough in 5 major fields including waste incineration grate furnaces, leachate treatment systems, gas treatment systems, waste-to-energy control systems, biomass collection-storage-transportation systems. The Group's self-developed grate furnaces now operate in the waste-to-energy projects located in Jiangyin, Zhenjiang, Suqian and Suzhou in Jiangsu Province and have achieved a satisfactory operational performance, reaching international standards. During the year under review, the Group was granted 21 patents.

Environmental Protection Equipment Manufacturing

2013 was the first full year of operation for the Group's environmental protection equipment manufacturing business. During the year under review, the Group completed the assembly commissioning of 7 sets of incinerators and reduced the production cost significantly, thereby enhancing the market competitiveness of these products. Also, the Group achieved a breakthrough in external sales of equipment and technology, signed ash treatment equipment supply and project management contracts, and provided technology consultancy services to a number of local governments. With the Group's environmental protection business continuing to develop, the Group decided to invest in the Changzhou Equipment Manufacturing Project Phase II during the

year under review. This will include the expansion of a manufacturing plant, and the construction of an R&D facility and a technical test centre.

In addition, the Group secured the Anhui Ma'anshan Waste-to-energy Project and Hunan Yiyang Waste-to-energy Project in January of this year. These projects are an important step for the Group to expand its footprint from coastal to inland cities.

Mr. Chen Xiaoping said, "In the past decade, the Group has adhered to the principle that An Enterprise is not only a Creator of Wealth, but also the Safeguard of Environmental and Social Responsibility, with a total focus on environmental protection and alternative energy. The Group has developed a series of projects with first class quality, high standards, advanced technology and outstanding efficiency. Under the guidelines of the Construction of a Beautiful China development blueprint, market opportunities in China's environmental protection industry will further emerge. In light of this and combined with the consistent support of China Everbright Holdings Company Limited, our parent company, and the Group's abundant financial strength, we believe that Everbright International will accelerate its pace of development and continue to grow."

Mr. Chen Xiaoping continued, "In addition to focusing on the development of our environmental protection business, Everbright International is dedicated to fulfilling its corporate social responsibility commitments and joining the cause of environmental protection in China and around the world. The Group aims to help solving environmental problems in different regions, enhance the quality of the urban environment and contribute to the sustainable development of society. We will continue to work with all sectors of the community as well as all our employees to begin a new chapter in the Group's development and create long-term value and returns for our shareholders."

-End-

About China Everbright International Limited

China Everbright International Limited focuses on its core businesses in green environmental protection and alternative energy. These mainly include waste-to-energy, industrial and hazardous waste integrated treatment, biomass power generation, solar photovoltaic energy, methane-to-energy, waste water treatment, reusable water, environmental protection engineering, technological research and development, environmental protection equipment manufacturing as well as the planning and construction of environmental protection industrial parks.

For media inquiries, please contact:

China Everbright International Limited

Corporate Communications

Arlene Wong

Email: arlenewong@ebchinaintl.com

Tel: +852 2823 4877

Citigate Dewe Rogerson

Deborah Tsui/ Oscar Wang

Email: Deborah.Tsui@citigate.com.hk

Oscar.Wang@citigate.com.hk

Tel: +852 3103 0123/+852 3103 0117