

**For immediate release****NWS Holdings increases investment for the expansion of Tangjin Expressway**

(24 August 2011, Hong Kong) NWS Holdings Limited (“NWS Holdings” or the “Group”; Hong Kong stock code: 659) announced that its indirect wholly-owned subsidiary Grace Crystal Limited (“Grace Crystal”) entered into a capital increase agreement (the “Capital Increase Agreement”) with Tianjin Expressway Group Co., Ltd (“Tianjin Expressway Group”) on 24 August 2011, pursuant to which the total investment amount and registered capital of Tianjin Xinzhan Expressway Company Limited (“Tianjin Xinzhan”) which is engaged in the construction and management of Tangjin Expressway (Tianjin North Section) (“Tangjin Expressway”) will be increased by RMB3,657.23 million and RMB1,219.10 million respectively.

Strategically situated at Binhai New Area of Tianjin Municipality which is experiencing rapid development and economic growth, the 60.67-km long Tangjin Expressway experienced a CAGR (Compound Annual Growth Rate) growth of 21% in traffic flow between FY2006 and FY2011. The current average daily traffic flow is approaching to the saturation capacity of 50,000 vehicles. An expansion from four driving lanes to six driving lanes will increase the designed capacity to 75,000 vehicles.

It is anticipated that expansion of Tangjin Expressway will strengthen its competitiveness with better road condition and also enhance the operation efficiency of Tianjin Xinzhan. NWS Holdings believes that together with the national development plan of the Bohai Rim Economic Zone in which Tangjin Expressway is located, the expansion can capture the high economic growth trend of the region. Tangjin Expressway being one of the major toll expressway projects of NWS Holdings, expansion of it is expected to generate a reasonable return and healthy cash flow to the Group in the long run.

Pursuant to the Capital Increase Agreement, the total investment amount of Tianjin Xinzhan will be increased from RMB3,300.00 million to RMB6,957.23 million and the registered capital will be increased from RMB1,320.00 million to RMB2,539.10 million. Grace Crystal will contribute 60% of the capital increase in the registered capital of Tianjin Xinzhan, being RMB731.46 million (approximately HK\$881.28 million) in cash while Tianjin Expressway Group will contribute 40%, which is RMB487.64 million (approximately HK\$587.52 million) in cash. Upon completion of the capital increase, the equity interest held by Grace Crystal and Tianjin Expressway Group in Tianjin Xinzhan will remain the same at 60% and 40% respectively.

Page 1 of 2

**新創建集團有限公司 NWS Holdings Limited***(incorporated in Bermuda with limited liability)*

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## 新創建 NWS

NWS Holdings' Roads portfolio currently comprises 21 roads, bridge and related projects in Hong Kong and Mainland China including Guangdong, Guangxi, Shanxi, Zhejiang and Tianjin. Altogether these road projects cover a total length of approximately 721 km.

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*This press release is also available at the Group's website ([www.nws.com.hk](http://www.nws.com.hk)).*

### **NWS Holdings Limited**

NWS Holdings Limited ("NWS Holdings", Hong Kong stock code: 659), the infrastructure and service flagship of New World Development Company Limited (Hong Kong stock code: 17), embraces businesses in Hong Kong, Mainland China and Macau. Its **Infrastructure** portfolio includes Roads, Energy, Water and Ports & Logistics projects. Its **Services** division comprises Facilities Management (*the management of Hong Kong Convention and Exhibition Centre and Free Duty*), Construction & Transport (*Hip Hing Construction and bus and ferry services*) and Strategic Investments (*Newton Resources, Tricor, Haitong and securities investments*).

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Photo 1: Tangjin Expressway is one of the major AOP contributors to the Infrastructure Division of the Group



Page 2 of 2