



**HPH  
TRUST**

***Your Preferred Port-of-Call***

**2012 Financial Results  
Presentation for the period ended  
30 June 2012**

# Disclaimer



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This presentation should be read in conjunction with, and figures herein are based on, the results of Hutchison Port Holdings Trust (“HPH Trust”) for the period ended 30 June 2012 in the SGXNET announcement.

This presentation may contain forward-looking statements that involve risks and uncertainties. Such forward-looking statements and financial information involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements expressed or implied by such forward-looking statements and financial information. Such forward-looking statements and financial information are based on numerous assumptions regarding our present and future business strategies and the environment in which we will operate in the future. As these statements and financial information reflect our current views concerning future events, these statements and financial information necessarily involve risks, uncertainties and assumptions. Actual future performance could differ materially from these forward-looking statements and financial information. You are cautioned not to place undue reliance on these forward-looking statements, which are based on the current view of Hutchison Port Holdings Management Pte. Limited, a trustee-manager of HPH Trust, of future events.

The issue managers for the initial public offering and listing of HPH Trust were DBS Bank Ltd., Deutsche Bank AG, Singapore Branch, and Goldman Sachs (Singapore) Pte. The issue managers for the initial public offering assume no responsibility for the contents of this presentation.

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# 1 Key Highlights

# Key Highlights

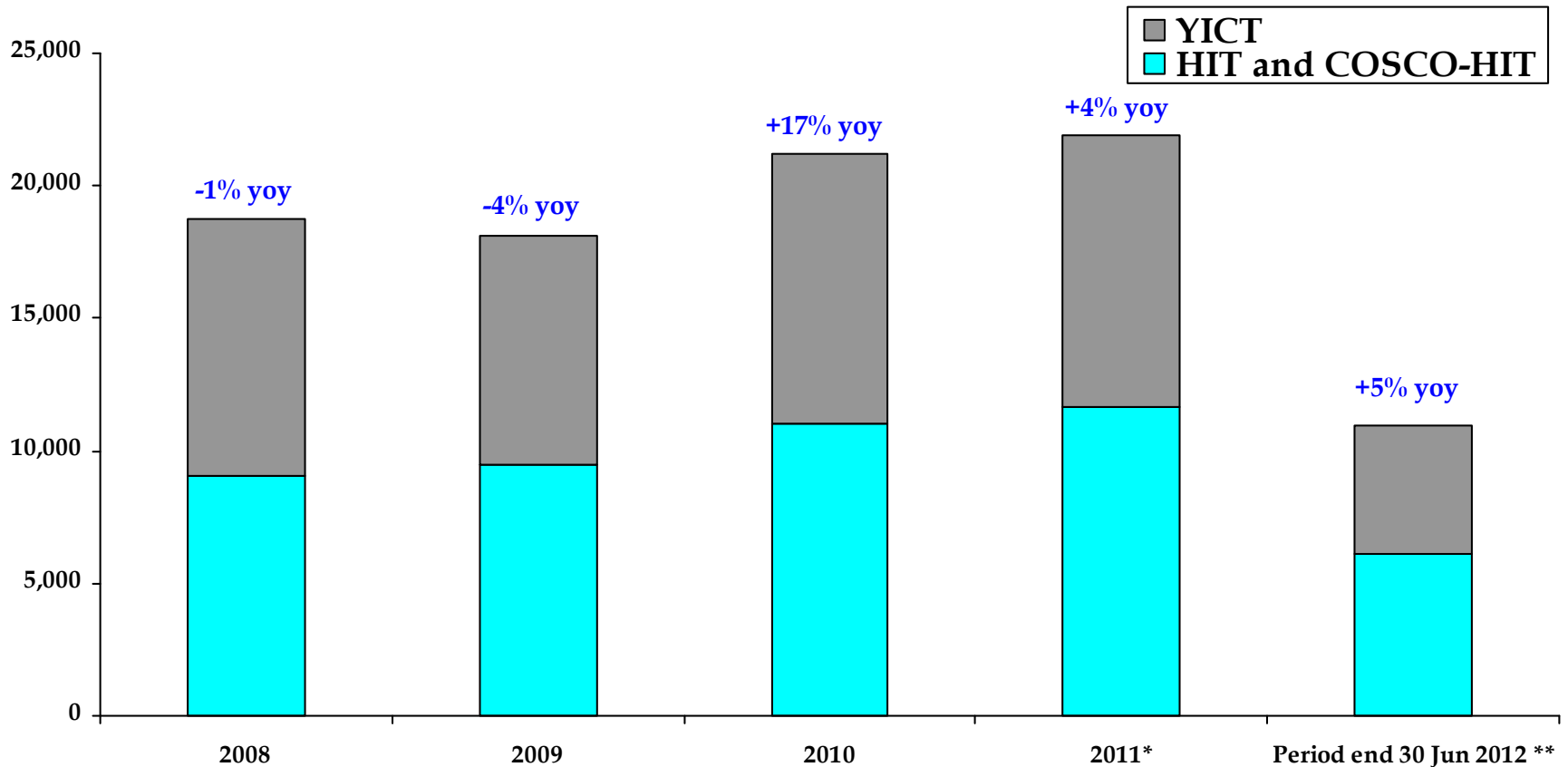


- HPH Trust ports' throughput had a 5% yoy growth, despite the challenging business environment
- 2012 interim Distribution Per Unit ("DPU") for the period from 1 January 2012 to 30 June 2012 is 24.05 HK cents, aligns with the Prospectus projection
- Revenue and other income was 7% below the Prospectus projection as the demand on US and EU trade had been weak since 2011
- NPAT was 8% below the Prospectus projection due to lower throughput. NPAT attributable to unitholders was 6% below the Prospectus projection

## 2 Business Review for the Period Ended 30 June 2012

# Key Business Update

Throughput Volume (TEU in thousand)



\* 2011 throughput volume is on full year basis (i.e. include the throughput volume before listing) for comparison purpose.

\*\* The yoy percentage is compared to same period in 2011.

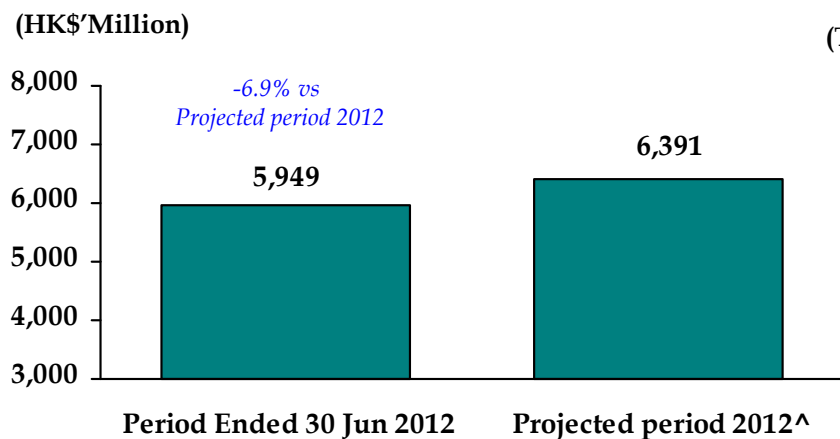
## 3 Key Financial Performance



# Key Financial Highlights



## Revenues



## Throughput

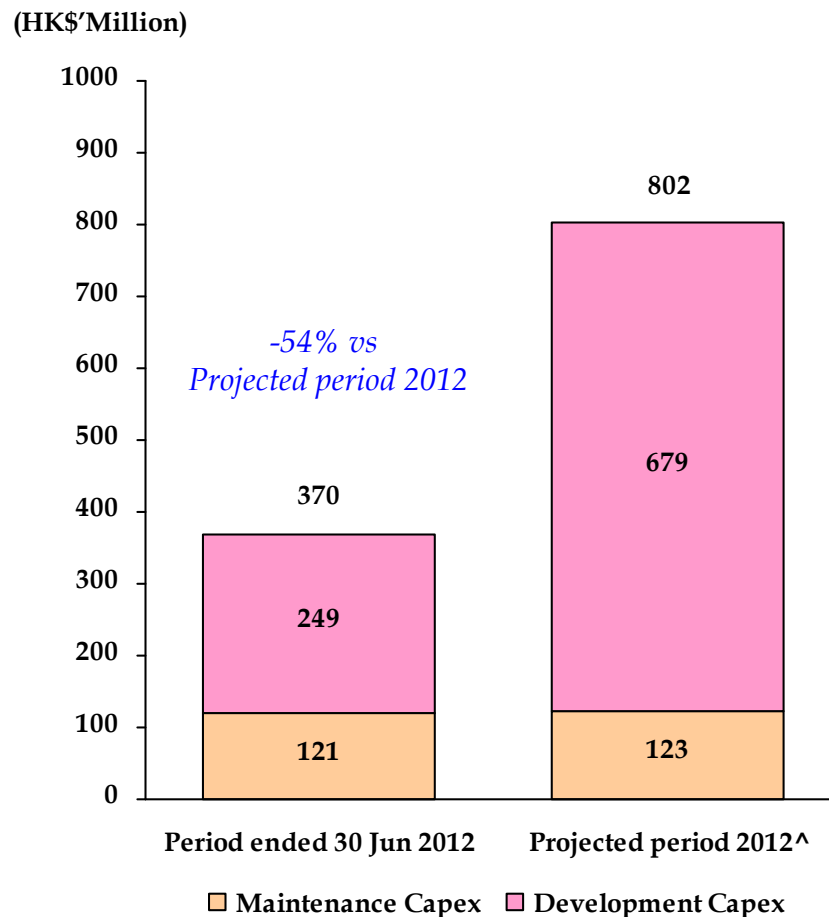


^ The Projection figures formed part of the Projection Year 2012 figures disclosed in the Prospectus

# Key Financial Highlights



## Total Capex



^ The Projection figures formed part of the Projection Year 2012 figures disclosed in the Prospectus

# Key Financial Highlights

## *Financial Position*



As at 30 June 2012  
HK\$ Million

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Short Term Debt	\$32.6
Long Term Debt	\$29,260.3
Total Consolidated Debt	\$29,292.9
Total Consolidated Cash	\$6,604.6

# Unaudited Financial Results of HPH Trust for the period ended 30 June 2012 against Prospectus



(HK\$'Million)	1 January to 30 June 2012		% variance
	<u>Actual</u>	<u>Projection</u> <sup>(N1)</sup>	<u>Fav/(Unfav)</u>
<b>Revenue and other income</b>	<b>5,949.4</b>	<b>6,390.8</b>	<b>(7%)</b>
Cost of services rendered	(2,052.1)	(2,139.4)	4%
Staff costs	(132.6)	(143.6)	8%
Depreciation and amortisation	(1,373.3)	(1,458.5)	6%
Other operating income	13.1	22.2	(41%)
Other operating expenses	(334.4)	(324.4)	(3%)
Management fees	(9.9)	(9.9)	0%
Trust expenses	(65.7)	(73.5)	11%
<b>Total operating expenses</b>	<b>(3,954.9)</b>	<b>(4,127.1)</b>	<b>4%</b>
Operating profit	1,994.5	2,263.7	(12%)
Interest and other finance costs	(300.7)	(365.1)	18%
Share of profits/(losses) after tax of Associated Cos/JCE	87.0	74.3	17%
<b>Profit before tax</b>	<b>1,780.8</b>	<b>1,972.9</b>	<b>(10%)</b>
Taxation	(190.0)	(245.1)	22%
<b>Profit after tax</b>	<b>1,590.8</b>	<b>1,727.8</b>	<b>(8%)</b>
<b>Profit after tax attributable to non-controlling interests</b>	<b>(547.7)</b>	<b>(615.9)</b>	<b>(11%)</b>
<b>Profit after tax attributable to unitholders of HPH Trust</b>	<b>1,043.1</b>	<b>1,111.9</b>	<b>(6%)</b>

N1 The Projection figures formed part of the Projection Year 2012 figures disclosed in the Prospectus

There are no material differences between HKFRSs and IFRSs and no material adjustments are required to restate the financial statements of HPH Trust in accordance with IFRSs

# Unaudited Financial Results of HPH Trust for the quarter ended 30 June 2012 against Prospectus



1 April to 30 June 2012

(HK\$'Million)	<u>Actual</u>	<u>Projection <sup>(N1)</sup></u>	<u>% variance Fav/(Unfav)</u>
<b>Revenue and other income</b>	<b>3,113.2</b>	<b>3,374.2</b>	<b>(8%)</b>
Cost of services rendered	(1,053.5)	(1,103.3)	5%
Staff costs	(65.6)	(70.2)	7%
Depreciation and amortisation	(686.0)	(730.3)	6%
Other operating income	11.6	21.0	(45%)
Other operating expenses	(182.3)	(165.1)	(10%)
Management fees	(5.1)	(5.0)	(2%)
Trust expenses	(34.0)	(36.6)	7%
<b>Total operating expenses</b>	<b>(2,014.9)</b>	<b>(2,089.5)</b>	<b>4%</b>
Operating profit	1,098.3	1,284.7	(15%)
Interest and other finance costs	(148.6)	(181.9)	18%
Share of profits/(losses) after tax of Associated Cos/JCE	45.2	38.0	19%
<b>Profit before tax</b>	<b>994.9</b>	<b>1,140.8</b>	<b>(13%)</b>
Taxation	(103.7)	(145.1)	29%
<b>Profit after tax</b>	<b>891.2</b>	<b>995.7</b>	<b>(10%)</b>
<b>Profit after tax attributable to non-controlling interests</b>	<b>(310.9)</b>	<b>(343.2)</b>	<b>(9%)</b>
<b>Profit after tax attributable to unitholders of HPH Trust</b>	<b>580.3</b>	<b>652.5</b>	<b>(11%)</b>

N1 The Projection figures formed part of the Projection Year 2012 figures disclosed in the Prospectus

*There are no material differences between HKFRSs and IFRSs and no material adjustments are required to restate the financial statements of HPH Trust in accordance with IFRSs*

# Unaudited Financial Results of HPH Trust for the period ended 30 June 2012 against Last Year



(HK\$'Million)	1 January to 30 June		
	2012 <u>Actual</u>	2011 <u>Actual</u> <sup>(N1)</sup>	% variance <u>Fav/(Unfav)</u>
<b>Revenue and other income</b>	<b>5,949.4</b>	<b>3,399.9</b>	<b>75%</b>
Cost of services rendered	(2,052.1)	(1,130.8)	(81%)
Staff costs	(132.6)	(71.1)	(86%)
Depreciation and amortisation	(1,373.3)	(784.7)	(75%)
Other operating income	13.1	50.8	(74%)
Other operating expenses	(334.4)	(191.0)	(75%)
Management fees	(9.9)	(5.6)	(77%)
Trust expenses	(65.7)	(34.5)	(90%)
<b>Total operating expenses</b>	<b>(3,954.9)</b>	<b>(2,166.9)</b>	<b>(83%)</b>
Operating profit	1,994.5	1,233.0	62%
Interest and other finance costs	(300.7)	(151.1)	(99%)
Share of profits/(losses) after tax of Associated Cos/JCE	87.0	58.9	48%
<b>Profit before tax</b>	<b>1,780.8</b>	<b>1,140.8</b>	<b>56%</b>
Taxation	(190.0)	(136.4)	(39%)
<b>Profit after tax</b>	<b>1,590.8</b>	<b>1,004.4</b>	<b>58%</b>
<b>Profit after tax attributable to non-controlling interests</b>	<b>(547.7)</b>	<b>(350.7)</b>	<b>56%</b>
<b>Profit after tax attributable to unitholders of HPH Trust</b>	<b>1,043.1</b>	<b>653.7</b>	<b>60%</b>

N1 The period is from 25 Feb 2011 (date of constitution of HPH Trust) to 30 June 2011

There are no material differences between HKFRSs and IFRSs and no material adjustments are required to restate the financial statements of HPH Trust in accordance with IFRSs

# Unaudited Financial Results of HPH Trust for the quarter ended 30 June 2012 against Last Year



(HK\$'Million)	1 April to 30 June		
	2012 <u>Actual</u>	2011 <u>Actual</u>	% variance <u>Fav/(Unfav)</u>
<b>Revenue and other income</b>	<b>3,113.2</b>	<b>2,935.2</b>	<b>6%</b>
Cost of services rendered	(1,053.5)	(977.2)	(8%)
Staff costs	(65.6)	(60.8)	(8%)
Depreciation and amortisation	(686.0)	(665.2)	(3%)
Other operating income	11.6	37.4	(69%)
Other operating expenses	(182.3)	(151.3)	(20%)
Management fees	(5.1)	(4.9)	(4%)
Trust expenses	(34.0)	(29.2)	(16%)
<b>Total operating expenses</b>	<b>(2,014.9)</b>	<b>(1,851.2)</b>	<b>(9%)</b>
Operating profit	1,098.3	1,084.0	1%
Interest and other finance costs	(148.6)	(127.9)	(16%)
Share of profits/(losses) after tax of Associated Cos/JCE	45.2	52.1	(13%)
<b>Profit before tax</b>	<b>994.9</b>	<b>1,008.2</b>	<b>(1%)</b>
Taxation	(103.7)	(121.8)	15%
<b>Profit after tax</b>	<b>891.2</b>	<b>886.4</b>	<b>1%</b>
<b>Profit after tax attributable to non-controlling interests</b>	<b>(310.9)</b>	<b>(308.6)</b>	<b>1%</b>
<b>Profit after tax attributable to unitholders of HPH Trust</b>	<b>580.3</b>	<b>577.8</b>	<b>0%</b>

*There are no material differences between HKFRSs and IFRSs and no material adjustments are required to restate the financial statements of HPH Trust in accordance with IFRSs*

# Statement of Financial Position as at 30 June 2012



	<u>HK\$'Million</u>
<b>ASSETS</b>	
<b>Non-Current assets</b>	
Fixed assets	26,608.0
Projects under development	1,037.0
Leasehold land and land use rights	45,585.3
Railway usage rights	16.0
Customer relationships	8,008.3
Goodwill	41,629.0
Associated companies	135.5
Jointly controlled entities	2,583.9
Investments	811.3
Deferred tax asset	9.0
<b>Total non-current assets</b>	<u>126,423.3</u>
<b>Current assets</b>	
Cash and cash equivalents	6,604.6
Trade and other receivables	2,986.0
Inventories	141.0
<b>Total current assets</b>	<u>9,731.6</u>



# Statement of Financial Position as at 30 June 2012 (cont'd)



	<u>HK\$'Million</u>
<b>Current liabilities</b>	
Trade and other payables	6,850.7
Bank loans	32.6
Current tax liabilities	258.7
<b>Total current liabilities</b>	<u>7,142.0</u>
<b>Net current assets</b>	<u>2,589.6</u>
<b>Total assets less current liabilities</b>	<u>129,012.9</u>
<b>Non-current liabilities</b>	
Bank loans	29,062.6
Pension obligations	252.6
Deferred tax liabilities	12,135.6
<b>Total non-current liabilities</b>	<u>41,450.8</u>
<b>Net assets</b>	<u>87,562.1</u>
<b>EQUITY</b>	
Units in issue	68,539.8
Reserves	(451.4)
<b>Net assets attributable to unitholders</b>	<u>68,088.4</u>
Non-controlling interests	19,473.7
<b>Total equity</b>	<u>87,562.1</u>

# Cashflow Statement for the period ended 30 June 2012



1 January to 30 June 2012

HK\$'Million

## Operating activities

Cash generated from operations	2,190.0
Interest and other finance costs paid	(240.3)
Tax paid	(285.1)
<b>Net cash from operating activities</b>	<b>1,664.6</b>

## Investing activities

Purchase of fixed assets and additions to projects under development	(370.2)
Proceeds on disposal of fixed assets	2.8
Dividends received from investments	2.1
Dividends received from associated companies and jointly controlled entities	98.3
Interest received	56.0
<b>Net cash used in investing activities</b>	<b>(211.0)</b>

## Financing activities

Repayment of bank loans	(16.3)
Distribution to unitholders of HPH Trust	(2,037.9)
Distribution to non-controlling interests	(685.3)
<b>Net cash used in financing activities</b>	<b>(2,739.5)</b>

## Net decrease in cash and cash equivalents

Cash and cash equivalents at beginning of the period	7,890.5
Cash and cash equivalents at end of the period	<b>6,604.6</b>

# Cashflow Statement for the quarter ended 30 June 2012



1 April to 30 June 2012

HK\$'Million

## Operating activities

Cash generated from operations	783.2
Interest and other finance costs paid	(119.2)
Tax paid	(91.0)
<b>Net cash from operating activities</b>	<b>573.0</b>

## Investing activities

Purchase of fixed assets and additions to projects under development	(144.4)
Proceeds on disposal of fixed assets	2.3
Dividends received from investments	2.1
Dividends received from associated companies and jointly controlled entities	90.9
Interest received	18.0
<b>Net cash used in investing activities</b>	<b>(31.1)</b>

## Financing activities

Repayment of bank loans	(15.1)
<b>Net cash used in financing activities</b>	<b>(15.1)</b>

## Net change in cash and cash equivalents

Cash and cash equivalents at beginning of the period	6,077.8
Cash and cash equivalents at end of the period	6,604.6

## 4 Outlook and Prospects

# Outlook and Prospects

## *Overview*



- US economic recovery is gaining momentum but remains fragile. The Euro-zone debt crisis continues and with European governments pushing hard on austerity measures, the demand on manufacturing and consumer goods is expected to remain weak
- Economies of the emerging markets continue to grow. International transshipment along with trade routes such as the Far East, the Middle-East, Africa, Central and South America and Oceania continue to expand and are expected to outperform the US and Europe trades
- China's economic outlook remains positive. The central bank cut interest rates in June and July to support GDP growth and further stimulus is expected in the coming months
- Shipping lines continue to reduce costs by deploying more mega vessels, entering into more vessel sharing agreements and consolidating traffic in larger ports. All of these measures are expected to benefit HPH Trust's ports given their superior infrastructure, natural deep water channels, long contiguous berths and scale of operations
- The Trustee-Manager is confident that HPH Trust will respond promptly and effectively to any challenges, given its strong fundamentals