



INTERIM RESULTS OF BEIJING ENTERPRISES WATER GROUP LIMITED

(Hong Kong, 28 August 2014) Beijing Enterprises Water Group Limited and its subsidiaries (stock code: 371) (hereinafter referred to as “BEWG”, the “Company” or the “Group”) has officially announced its interim results for the year of 2014 today. Under the due leadership of the board of directors of the Company together with the dedicated efforts of all the employees, the Group has once again achieved substantial great results with regard to its operation and development for the first half of 2014.

The Group’s major financial data for the six months ended 30 June 2014 are as follows:

Revenue grew by approximately 38% to HK\$3,815.5 million; profit from operating activities grew by approximately 38% to HK\$1,422.8 million; profit before tax grew by approximately 44% to HK\$987.6 million; profit for the period grew by approximately 50% to HK\$796.9 million, as compared to last period. Total assets amounted to HK\$49,158.2 million, representing an increase of approximately 11% as compared to the end of last year; total equity amounted to HK\$17,520.9 million, representing an increase of approximately 10% as compared to the end of last year; and total liabilities amounted to HK\$31,637.3 million, representing an increase of approximately 12% as compared to the end of last year.

In addition, profit attributable to shareholders grew to HK\$714.0 million, and basic earnings per share was HK 8.31 cents, while EBITDA amounted to HK\$1,588.6 million. In recognition of the continuous support of the shareholders, the board of BEWG recommended to make an interim distribution of HK 3 cents per share to its shareholders.

With respect to project investments in the first half 2014, the Group obtained a net increase in water designed capacity of 1.45 million tons/day, including an additional water distribution design capacity of 0.88 million tons/day, an additional reclaimed water treatment design capacity of 0.09 million tons/day, and an additional sewage treatment design capacity of 0.48 million tons/day. As at 30 June 2014, the Group participates in 301 water plants either in operation or going to operate in the future, including 234 sewage treatment plants, 61 water distribution plants, 5 reclaimed water plants and 1 seawater desalination plants.

With respect to the water environmental industry in the second half 2014, it has gradually attracted more attention from the capital market whatsoever either those kinds of water environmental infrastructure with stable and safety in its counter-cyclical characteristic, or those kinds of technology innovative enterprises with asset-light and high-growth natures which are in line with the strategic emerging industry development policy. It has entered into a stage of



in-depth development in water environmental protection industry. At the same time, those emerging businesses namely sludge treatment and disposal, industrial wastewater, solid waste sludge and supply of membrane materials are to be grown rapidly. The water environmental protection enterprises usher in a golden stage of its development.

Facing opportunities and challenges, the Group continues to position itself strategically toward a “leading integrated water environment service provider”, and further strengthen our capacity in expansion of traditional water business and merger and acquisition of water projects in the second half year. In order to maintain our two principal businesses, namely the traditional water business and water environmental treatment going forward hand in hand, the Group maintains the steady growth of the traditional water business while speeds up the exploring of the water environmental treatment business in those developed areas. At the same time, we will proactively nurture those investments in seawater desalination, industrial wastewater, the sludge solid water treatment, technology business as well as small town sewage treatment and membrane materials emerging markets. As a result, it will form a complete industrial layout by such diversification within the water environmental protection industry.

Meanwhile, the Group will continue to strengthen the building of its management and control systems and enhance overall corporate management. The Group continues to uphold the business philosophy of “identifying authority, divisional approval, having own responsibility, enhancing coordination, and evaluating performance” so as to further improve its management and control and enhance operating efficiency. The Group will not only further streamline its top level management structure, but also perfect its management control system and corporate structure. We accelerate the implementation of strategic planning initiatives, persist to promote corporate culture through institutional reform and innovative model as our strategy, thereby keep on perfecting the functions of each operating unit as well as optimize the management of the business so as to accelerate development for the sustainable growth in the Company’s business.

About Beijing Enterprises Water Group Limited (0371HK)

The Company was incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited. The ultimate holding company of the Company is Beijing Enterprises Holdings Limited (stock code: 0392). The Group strategically positions itself as a “leading integrated water service system and solution provider”, and specializes in the water service and environmental protection industries with waste water treatment as its core business segment.

For more information and the interim results announcement for the six months ended 30 June 2014, please visit the Group’s website at: <http://www.bewg.com.hk>