



## INTERIM RESULTS OF BEIJING ENTERPRISES WATER GROUP LIMITED

(Hong Kong, 30 August 2016) Beijing Enterprises Water Group Limited and its subsidiaries (Stock Code: 371, hereinafter referred to as “BEWG”, the “Company” or the “Group”) officially announces its interim results for 2016 today. Under the able leadership of the board of directors and the concerted efforts of all the employees, BEWG has achieved outstanding results with respects to its operations and development in the first half of 2016.

The Group’s major financial information for the six months ended 30 June 2016 is as follows:

Revenue grew by 36% to HK\$7,851.6 million; profit from operating activities grew by 18% to HK\$2,486.2 million; profit before tax grew by 27% to HK\$2,204.3 million; and profit for the period grew by 26% to HK\$1,751.2 million, as compared to the last corresponding period. Total assets amounted to HK\$71,536.6 million, representing an increase of 11%; total equity amounted to HK\$21,109.8 million, representing an increase of 4%; and total liabilities amounted to HK\$50,426.8 million, representing an increase of approximately 14%, as compared to the end of last year.

In addition, profit attributable to shareholders grew to HK\$1,573.9 million and basic earnings per share were HK18.08 cents, while EBITDA amounted to HK\$2,960.4 million. In recognition of the continuous support of the shareholders, the board of directors of BEWG recommended to make a interim distribution of HK5.9 cents per share to the shareholders.

Total daily design capacity for new projects secured for the first half of 2016 was 1,873,000 tons. During the period, the Group completed the entrusted operation with aggregate daily design capacity of 347,200 tons. As such, the net increase in total



daily design capacity of this period was 1,525,800 tons\*. As at 30 June 2016, the Group participated in 391 water plants either in operation or going to be operated, including 282 sewage treatment plants, 100 water distribution plants, 8 reclaimed water plants and 1 desalination plant.

Despite the increasing complexity of the overall economic environment and the more intense competition in the first half of 2016, there is more room for market development as the government has stepped up the implementation of various environmental policies, which will unleash the potential demand of the environmental protection industry. Meanwhile, the industry competition is taking a new form. Moving away from the traditional focus on securing a particular water project, enterprises are vying for a better integration of their industry chains and greater diversification in their environmental businesses. The sector is now characterised by a competition in terms of a comprehensive industry chain and resource planning, as well as a more professional and sophisticated demand for environmental products.

In the second half of the year, BEWG will continue its development approach of pursuing healthy growth, stepping up corporate reform and facilitating mutually beneficial co-operation. To exploit the opportunities brought by the PPP model and the market trends about black-and-malodorous water body treatment and sponge city, a dual business approach of urban water service and water environment renovation will be taken by consolidating its regional resources and it will achieve business growth by exploring integrated and multi-sector projects which focus on urban development and is based on a development model comprising financial-industrial integration. With respect to the new businesses, while the overseas operations will put its geographical focus on Southeast Asia, the domestic strategy will focus on the seawater desalination project in Beijing, the nationwide layout of the environmental businesses, a breakthrough in membrane technology and industrial wastewater treatment, the boost in design capacity and the development of the clean energy business.

\* The Group terminated the acquisition of Golden State Water Group Corporation with aggregate daily design capacity of 1,211,000 tons during the period which were excluded in the Group's total daily design capacity as at 30 June 2016.



In addition, the Group will further promote its internal reform and facilitate the comprehensive development of its regional division. It will bring technology into full play with a focus on the research and development of core technologies and the integration of technological resources. To strive for a sustainable development, it will strictly monitor the risks and will speed up the establishment of the financial management, corporate culture and brand promotion. In the second half of the year, the Group will fully implement its existing strategies so as to achieve yearly business goals, with the ultimate aims of providing steady and growing returns to the shareholders and creating greater value for its staff, clients and business partners as well as the society.

**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: 392). The Group strategically positions itself as a “leading professional integrated water environmental service provider”, and specialises 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 2016, please visit the Group’s website at <http://www.bewg.com.hk> for details.