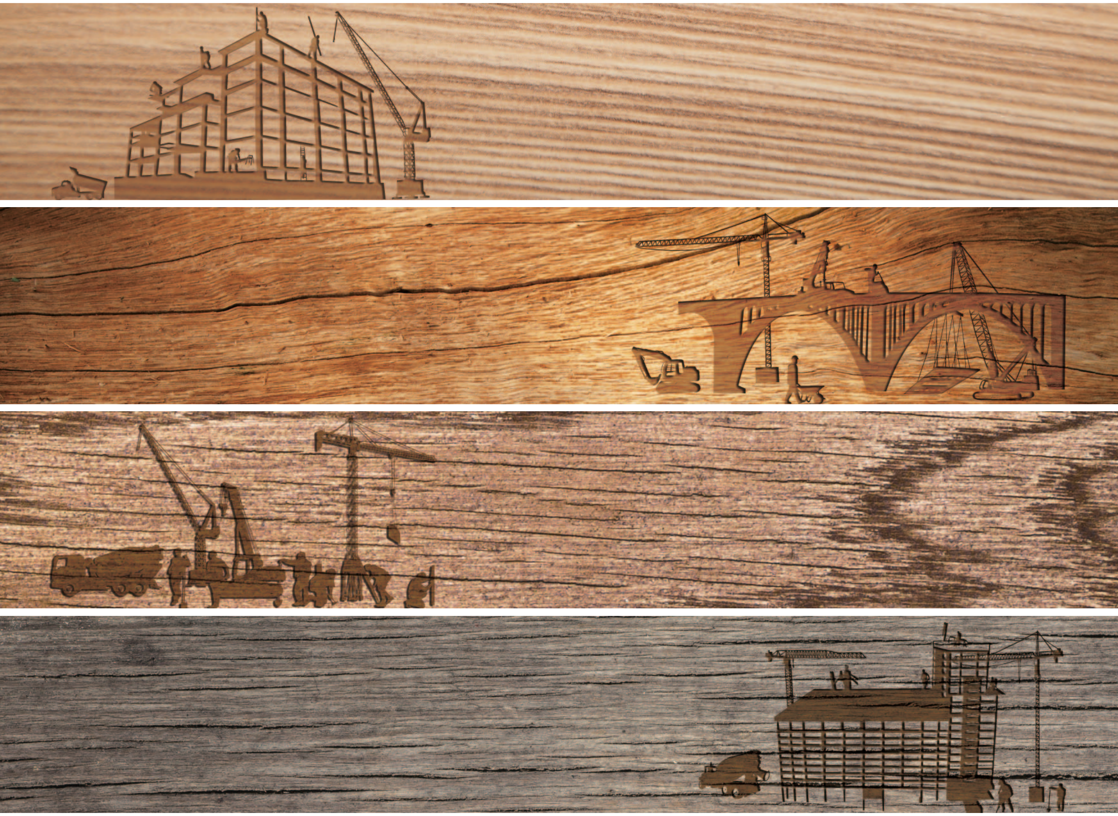
中國建築國際集團有限公司

CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

Stock Code 股份代號：03311



慎微篤行　精築致遠

Exercise caution in details and implementation
Build a strong foundation to seek greater success

Interim Report 2013 中期報告

目錄

Contents

Corporate Structure

中國建築國際集團有限公司
CHINA STATE CONSTRUCTION INTERNATIONAL HOLDINGS LIMITED

- **HONG KONG**
  - Building Construction
  - Civil Engineering Works
  - Foundation Engineering Works
  - Mechanical and Electrical Engineering Works
  - Other Construction Related Business
- **MACAU**
  - Building Construction
  - Civil Engineering Works
  - Foundation Engineering Works
  - Mechanical and Electrical Engineering Works
  - Other Construction Related Business
- **MAINLAND CHINA**
  - Road & Bridge Investments
  - Generation and Supply of Heat and Electricity
  - "Build – Transfer" and "Build – Operate – Transfer" Projects
  - Pre-cast Structures Production
  - Project Consultancy Services
- **OVERSEAS**
  - Building Construction
  - Curtain Wall System*

* Operate through a listed subsidiary, Far East Global Group Limited.

Board of Directors and Committees

Board of Directors

Chairman and Non-executive Director
Kong Qingping*

Executive Directors
Zhou Yong**
(Vice-chairman and Chief Executive Officer)
Tian Shuchen
Zhou Hancheng
Pan Shujie
Hung Cheung Shew

Non-executive Director
Li Jian

Independent Non-executive Directors
Raymond Ho Chung Tai
Adrian David Li Man Kiu
Raymond Leung Hai Ming
Lee Shing See

Committees

Audit Committee
Raymond Ho Chung Tai *(Chairman)*
Adrian David Li Man Kiu
Raymond Leung Hai Ming
Lee Shing See

Remuneration Committee
Adrian David Li Man Kiu *(Chairman)*
Raymond Ho Chung Tai
Raymond Leung Hai Ming
Lee Shing See

Nomination Committee
Lee Shing See *(Chairman)*
Raymond Ho Chung Tai
Adrian David Li Man Kiu
Raymond Leung Hai Ming

Notes:

* Mr. Kong Qingping resigned as Non-executive Director of the Company and ceased to be Chairman of the Company with effect from 15 August 2013.

** Mr. Zhou Yong ("Mr. Zhou") appointed as Chairman of the Company with effect from 15 August 2013. Following the new appointment, Mr. Zhou acts as Executive Director, Chairman and Chief Executive Officer of the Company.

Corporate Information

Authorized Representatives
Kong Qingping
Zhou Yong

Company Secretary
Tse Sui Ha

Principal Share Registrar and Transfer Office
Royal Bank of Canada Trust
Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office
Tricor Standard Limited
26/F., Tesbury Centre
28 Queen's Road East
Hong Kong

Registered Office
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

Head Office and Principal Place of Business in Hong Kong
28th Floor, China Overseas Building
139 Hennessy Road, Wanchai
Hong Kong

Auditor
PricewaterhouseCoopers

Legal Advisor
Mayer Brown JSM

Principal Bankers
Agricultural Bank of China Limited
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd.
BNP Paribas Hong Kong Branch
China Construction Bank Corporation
China Development Bank Corporation
Hang Seng Bank Limited
Standard Chartered Bank
(Hong Kong) Limited
The Bank of East Asia, Limited
The Hongkong and Shanghai
Banking Corporation Limited
Wing Lung Bank, Limited

Stock Code
03311

Website
www.csci.com.hk

Financial Calendar
Closure of Register of Members
18 September 2013 to
19 September 2013
(both days inclusive)

2013 Interim Dividend Payable
30 September 2013

Chairman's Statement

Strengthening Management and Innovative Investment

Results

The Group's unaudited profit attributable to the owners of the Company for the six months ended 30 June 2013 was HK$1,173 million, representing an increase of 32.2% as compared with the same period of last year. The revenue was HK$10,896 million, representing an increase of 21.6% as compared with the same period of last year. Earnings per share was HK30.17 cents, representing an increase of 22.0% as compared with the same period of last year.

Dividend Payment

The Board declared the payment of an interim dividend of HK9.00 cents per share for period ended 30 June 2013, representing an increase of 28.6% as compared with the same period of last year.

Review of Operation

In the first half of 2013, the global economic growth remained slow. With the establishment of the operation principle of "Strengthening Management and Innovative Investment", the Group focused on reinforcing the management standard of construction in Hong Kong and Macau, infrastructure investment in Mainland China and overseas curtain wall business. Besides, innovative investment models were adopted for infrastructure investment in Mainland China while new overseas business models were explored in response to market changes.

Market Overview

The construction industry in Hong Kong and Macau remained strong with the support of government projects. However, the shortage of resources was as serious as that of last year. The economic growth in Mainland China has slowed down and the government marco-economic control policy has focused more on structural growth and efficiency. New urbanisation will be the next driving force for succeeding economic growth. In the overseas market, the curtain wall business of the Group in North America remained stable.

Chairman's Statement (Continued)

Review of Operation (Continued)

Market Overview (Continued)

1. *Hong Kong and Macau*

   Upon further implementation of the Ten Mega Infrastructure Projects in Hong Kong, a number of large-scale and outsize civil engineering projects as well as building construction projects commenced. The Group realised a significant growth in its business in the first half of the year. It was awarded a number of major projects, including the Proposed Residential Development at TPTL 200 & 201 Pak Shek Kok, Tai Po, New Territories; the Design and Construction of Fire Services Training School cum Driving Training School at Pak Shing Kok, Area 78, Tseung Kwan O and the civil engineering project of the Central-Wan Chai Bypass — Tunnel (Slip Road 8 Section). The operation of all projects in progress was smooth and steady with all key construction works progressing on schedule.

   The construction market in Macau was robust due to the commencement of major hotel and government projects. In the first half of the year, the Group was awarded the Section 1 & 2 of Public Housing in Ilha Verde, the largest government project in Macau with a contract value of HK$1,892 million. Leveraging our expertise and resources in Hong Kong and Macau, we won the Proposed MGM Cotai Project for MGM Grand Paradise in May with a contract value of HK$10,484 million, the highest contract value for projects ever undertaken independently by the Company which is scheduled to commence in early of 2014.

Chairman's Statement (Continued)

Review of Operation (Continued)

Market Overview (Continued)

2. *Mainland China*

In Mainland China, the progress of infrastructure investments and affordable housing projects of the Group was satisfactory. The Group secured the construction works of Zhenjiang Jingkou District Affordable Housing and Phase 2 of Wenzhou Lucheng District Affordable Housing during the period. The Group and China Construction Seventh Engineering Division have also entered into a contract for the joint development of the road related build-transfer ("BT") project in Zhengzhou. The fourth payment for the early repurchase of Wuxian Highway Reconstruction and Shahu Passageway Project was received from the Wuhan government. The building related BT Projects in Tianjin and Chongqing Hechuan Relocation Housing and Public Rental Housing Projects were also repurchased as scheduled during the period, demonstrating once again the sound financial standing of the local governments of the places where the Group invested and its effective risk management. The operation of Shanxi Yangquan Yangwu Expressway (Yangquan to Yuxian section) build-operate-transfer ("BOT") project further improved and the operating income recorded a stable increase.

At the beginning of the year, the Group consolidated its business structure in Mainland China for strategic development. All businesses in Mainland China were operated under the central management of China State Construction International Investments (China) Limited ("CSCIICL"). The new professional management platform was established to manage the investment and operation of infrastructure projects. It was also responsible for the coordination of the operations in Shanxi and Shenyang Huanggu to fully capitalise on its specialised operation.

Chairman's Statement (Continued)

Review of Operation (Continued)

Market Overview (Continued)

3. *Overseas Market*

Far East Global Group Limited ("FEG") has been consolidated in the Group for a year which made improvements in the coordination of regional businesses, management structure, design capability and productivity as well as the purchasing process and contract management. In particular, FEG successfully marked its foothold in Australia and will explore further in order to access more opportunities in overseas markets. On 31 May 2013, FEG was selected to be a constituent of Hong Kong Index under the Global Small Cap Indices of Morgan Stanley Capital International, indicating the sustainability and the recognition of FEG in the capital market. In regard to Dubai Construction Project, the Group focused on business administration and settlements for those projects completed in prior years and the relevant risks were under control.

Corporate Governance

The Group strictly complied with the laws and regulations. With effective monitoring by the Board and enhanced communication with the investors, the relevant information was released in a timely manner to enhance investors' knowledge and understanding of the Company for further enhancement of its corporate governance standards. The Group established an all-round organisational structure and optimised corporate governance to regulate its business operations. The Group also promptly adjusted its strategies in line with market changes to better capitalise on the function and role of each dedicated decision-making team of the Group. The Group also improved the regional and specialised management capabilities of each business unit.

Chairman's Statement (Continued)

Review of Operation (Continued)

Risk Management

The Group adhered to the "Three Centralisations" management of human resources, financial resources and material resources by the headquarters to ensure efficient project operation, avoidance of management loopholes, optimal internal communication and effective risk prevention. As such, the project management of the Group were strengthened. A risk management team consisted of executive directors of the Company, heads of functional departments and project managers conducted comprehensive monitoring on the project risks. Procurement and allocation of bulk materials and equipment were under centralised management of the Group for cost reduction, effective transfer of pricing risk and minimised inventory and turnover.

As for its investment business in Mainland China, the Company sought business opportunities with various local governments those were strong financial standing, stable and balanced financial income stream and economic developments relatively active. Relatively high buffers were set for project initiation, guarantees and pledges. The Company constantly monitored the financial conditions of Employers and strictly executed the contractual payment terms to enhance the security of the receivable to be settled.

CSCIICL has established an investment return warning system for regular monitoring based on actual conditions. During project selection, construction and operation, it conducted strictly preliminary evaluation, procedural monitoring and follow-ups. In the first half of the year, the Guidelines on Risk Management of BT Projects and the Administrative Measures on BT Project Monitoring were introduced to specify the functions and roles of risk monitoring.

Chairman's Statement (Continued)

Review of Operation (Continued)

Financial Management

The Group continued to strengthen its financial resources and optimise its debt structure. As at 30 June 2013, the Group had bank and deposits balances of HK$12,812 million and total borrowings of HK$17,133 million, and a net gearing ratio of 28.5%. In the first half of 2013, the proceeds of the Group through financing were substantial, with total drawdown of bank loans of HK$3,896 million. The Group has committed but unutilised credit facilities of HK$13,789 million, reflecting its healthy financial conditions to meet the need of its future business development.

Human Resources Management

The focuses of its human resources management were optimised deployment of senior management, staff qualification enhancement and implementation of regional management based on the business scale and features of different regions. The Group explored the reasonable division of functions and authority between headquarters and subordinate units and reformed target incentive scheme. It attached importance on the stability of personnel and stepped up training efforts. The recruitment of talents for investment business in Mainland China was supported by Hong Kong and Macau and allowed the development of independent training of the relevant individual company so as to establish a competent, efficient and professional management team.

Chairman's Statement (Continued)

Review of Operation (Continued)

Capital Operation

In the first half of 2013, the Group received investment grade ratings from Standard & Poor's (BBB-), Moody's (Baa3) and Fitch (BBB-). The Group issued five-year guaranteed notes of US$500 million, which was the first debt financing of the Group since its listing and was well received by the capital market. As such, the financing channel of the Group was expanded. During the period, the RMB capital of CSCIICL was increased by an amount equivalent to US$290 million which enhanced the financial strength of its investment platform in Mainland China. As at the end of May, the Group entered into agreements with Skyjoy Assets Management Limited and other partners for the early redemption of convertible bonds of HK$200 million issued in 2010 with the total redemption money received amounting to HK$304 million.

Social Responsibility

The Group actively participated in community affairs and charitable deeds to contribute to the society. After the Sichuan Ya'an earthquake on 20 April this year, the Company encouraged employees to make donation and raised over HK$500,000. The Group took the initiative to introduce extensive measures for minimising energy consumption and carbon emission and environmental-friendly construction technologies. Shenzhen Hailong Construction Products Company Limited explored the application of prefabrication technology on affordable housing projects and adopted innovative and industrialised cooperation models of residential housing construction, which created synergies and acted as a leading role model in the industry. The Group also maintained excellent safety management system. The incentive scheme constant innovation significantly reduced the number of accidents to a record low, placing the Group in an advanced position in the industry.

Chairman's Statement (Continued)

Review of Operation (Continued)

Key Awards

The Group received a number of important awards during the first half of 2013. For instance, in the annual election of the best listed companies in Asia organised by Institutional Investor, the Group was ranked top in all award categories for the infrastructure industry, namely Best Chief Executive Officer, Best Chief Financial Officer, Best Investor Relation Officer and Best Listed Company in Investor Relations. It was also ranked second in the Most Respected Company (Asia).

In addition, with its outstanding ethical and environmental-friendly projects in Hong Kong, it received Considerate Contractors Site Award for eight projects and Outstanding Environmental Management and Performance Award for three projects in the 2012 award ceremony of the Considerate Contractors Site Award Scheme jointly organised by the Development Bureau of the HKSAR and Construction Industry Council.

Business Prospects

In the second half of 2013, the international economic environment will remain complicated. Despite the temporary alleviation of the European debt crisis, the macroeconomic economic, fiscal and financial conditions of the heavily indebted countries in the Eurozone will remain fragile. The Group will closely monitor the influence of the global economy on the economic trend of Mainland China with effective business strategies and be prudent in order to safeguard healthy operation.

Market Outlook

In the second half of 2013, various large projects in Hong Kong and Macau will be launched, with continuous features of "High Degree of Difficulty with Tensed Resources Supply".

Chairman's Statement (Continued)

Business Prospects (Continued)

Market Outlook (Continued)

Despite the slowdown in the economic growth of Mainland China, the construction of affordable housing will remain robust. According to 2013 national construction mission for the urban affordable housing project of Mainland China, it is targeted to complete 4.70 million units and to commence the construction of 6.30 million units. To fulfill the target, the relevant ministries and commissions under the State Council will provide further support for the construction of affordable housing with additional funds and land supply.

The proportion of investment in traditional infrastructure, including railway, highway and ports, to the total investment in fixed assets will further decline. The new urbanisation will focus on improving the urban living standard and enhancing infrastructure capacity in order to cope with the expansion of temporary and registered urban population. Investment in municipal infrastructure of affordable housing, city transportation, science, education, culture, and healthcare as well as environment protection will become the major focus of this round of urbanisation.

The overseas curtain wall markets, especially in North America, will become stable in the second half of this year. With the soaring number of proposed domestic skyscraper construction projects in Mainland China, the domestic curtain wall market will confront with strong supply and demand, fierce competition and low profit margin. The Hong Kong curtain wall market will remain stable, while the Macau curtain wall market will become prosperous as a number of large hotels are under construction.

Operation Strategies

Committed to the operation strategy of "Cost-effective Competition and High-quality Management", the Group endeavours to achieve the strategic transformation from a single business contractor to an integrated international contractor with comprehensive development in both construction and relevant investments, so as to further strengthen its corporate value and competitiveness.

Chairman's Statement (Continued)

Business Prospects (Continued)

Operation Strategies (Continued)

In respect of construction projects in Hong Kong and Macau, the Group intends to bid for projects of large scale or premium quality or commissioned by the government for better profit, economy of scale and publicity. In respect of project management, in the face of the booming market and the increasing number of projects under the shortage of manpower and material as well as higher complexity, the Group will further review its remuneration and welfare system and enhance the satisfaction of its employees so as to alleviate the high demand for human resources.

In respect of investment in Mainland China infrastructure, the Group will continue the principle of "Focus on developing the market and managing the operation in the top priority" and grasp opportunities to expand its businesses into areas such as prefabricated building construction, environment protection, water conservancy, redevelopment of old cities as well as preliminary development of land by adhering to the principle of market-oriented operations. The new business model will focus on the division of project implementation processes. The Group will also accelerate the implementation progress while maintaining project quality in order to adopt the principle of "Early input and the output process". By making investment at the early stage to accelerate the completion progress of constructions, project profitability can be ensured.

In respect of investment locations, the Group will focus on our projects on hand by diligence and care with extensive investments by capitalising on the advantages of the local management team and social resources. Taking into account the heavy reliance of its investment on regional resources, it will also get to know the specific needs of different cities through research and understand the overall situations of Employers through intensive negotiation so as to develop its competitive edges and take advantage of favourable conditions for formulating a more efficient investment model.

Chairman's Statement (Continued)

Business Prospects (Continued)

Operation Strategies (Continued)

In respect of certain projects which are stepping into repurchase stage, the Group will make preliminary arrangement to facilitate the repurchase and submit the repurchase application to the government three to six months ahead of schedule. It establish an investment collection responsibility system as one of the assessment indicators and complete the warning system to identify risks at an earlier stage. In addition, the Group will also learn from the experience of the projects under construction as reference for similar projects in the future.

Operation Management

The Group adopts a horizontal matrix management structure of three levels, namely the management, the heads of departments and the project operation division, which significantly simplified the communication process. The management is responsible for the decision-making and comprehensive risk management. Leveraging the information and technical support provided by the heads of departments and incorporating the "5+3" project management model (i.e. coordinated management over the five elements, namely progress, quality, cost, safety and environmental protection, and the three systems, namely flow guarantee system, procedure guarantee system and responsibility guarantee system), the project operation division is the first executor of project operation risk control.

Company Mission

The Group is dedicated to its core value of "Exercise Caution in Details and Implementation; Build a Strong Foundation to Seek Greater Success" and adheres to the principle of "A Trusted Brand Growing through Diligence and Care". It will carry out people-orientated and scientific management. Based on its corporate philosophy of "Committed Team-building; Perseverance; Ambition for Success; Strict Self-discipline and Conscious Devotion", the Group will offer excellent value-of-money products and services and fulfill its responsibilities as a corporate citizen. Its ultimate goal is to build an evergreen business regime with optimised competitiveness and shareholder's value.

Chairman's Statement (Continued)

Appreciation

I would like to take this opportunity to express my gratitude to the Board for its brilliant leadership, to the shareholders for their strong support, and to the community for their enthusiastic help, and last but not least, to our staff for their dedicated efforts.

By Order of the Board
China State Construction International Holdings Limited
Kong Qingping
Chairman and Non-executive Director

Hong Kong, 14 August 2013

Management Discussion and Analysis

Overall Performance

For the six months ended 30 June 2013, the Group recorded aggregate revenue of HK$11,858 million, which included the contribution from joint ventures for HK$962 million. The unaudited profit attributable to the owners of the Company increased by 32.2% to HK$1,173 million as compared with the corresponding period of last year. The basic earnings per share were increased by 22.0% from HK24.73 cents to HK30.17 cents this period. The Board of Directors declared an interim dividend per share of HK9.00 cents, the dividend payout ratio will be approximately 30%.

The Group continued strengthening its strategy of development of dual-core businesses of construction and infrastructure investment. During the period under review, both sectors have demonstrated impressive results in both performance and growth. As a result, the Group's total assets have grown approximately 28.4% during the period to reach HK$47,793 million. Through careful financial control, the Group was able to maintain a healthy financial position with current assets at HK$28,346 million as of 30 June 2013, representing almost 1.92 times of the current liabilities. The equity attributable to the owners of the Company was approximately HK$14,826 million, representing an increase of 9.7% as compared to 31 December 2012.

Revenue and Gross Profit

(a) Construction and Infrastructure Investment Business (excluding FEG Group)

During the period under review, the Group carried on construction and related businesses as major businesses in Hong Kong, Macau and Overseas while the Group engaged in both construction and infrastructure investment business in Mainland China. For analysis purpose, Far East Global Group ("FEG Group") is currently managed by a separate management team and thus is considered as a distinct business unit of the Group. During the current period, the Group's major segments continued to deliver impressive results in all three key performance indicators: new projects awarded, revenue and segment results.

Management Discussion and Analysis
(Continued)

Revenue and Gross Profit (Continued)

(a) Construction and Infrastructure Investment Business (excluding FEG Group) (Continued)

Hong Kong, Macau and Overseas

(1) Construction — Hong Kong

Owing to the roll out of the major infrastructure projects in the region, Hong Kong's construction industry has been thriving. Being one of the largest construction contractors in the local market, the Group has tapped the market opportunities and recorded a steady growth in revenue of approximately 2.9% to HK$4,723 million for the period under review (corresponding period in 2012: HK$4,592 million). Despite the general rise in material and labour costs, by effective cost control system and sophisticated tender policy, the Group has managed to maintain its gross profit ratio at approximately 7.1% (corresponding period in 2012: 7.0%).

(2) Construction — Macau

Backed by public construction and mega casino projects, Macau construction sector market continues to flourish. During the period under review, this sector has recorded a stable revenue of approximately HK$395 million (corresponding period in 2012: HK$391 million). Owing to the successful completion of a major housing project in the region, the gross profit from this sector rose to approximately HK$92 million (corresponding period in 2012: HK$22 million).

(3) Construction — Overseas

The Overseas segment represented mainly the construction projects in United Arab Emirates. During the period under review, there is certain progress in the negotiation with employers for those completed projects.

Management Discussion and Analysis
(Continued)

Revenue and Gross Profit (Continued)

(a) Construction and Infrastructure Investment Business (excluding FEG Group) (Continued)

Mainland China

Our businesses in Mainland China continued to be one of the key revenue and profit drivers of the Group. During the period under review, this segment continued delivering relatively steady growth in revenue and gross profit contribution of approximately 36.9% and 43.3% respectively. In addition, riding on the favorable government policy, the Group continued to expand its presence of its affordable housing and infrastructure investment businesses in new geographical locations in Mainland China. Owing to successful execution and completion of the existing projects, the Group recorded a promising result during the period under review.

(1) Investment and Construction of Affordable Housing Projects

During the period under review, the scale of the Group's affordable housing business expanded steadily. On top of those projects already in progress since last year, the Group has commenced the construction works of new projects in Wenzhou and Zhenjiang during the period under review. In addition, the Group successfully completed and handed over to its Build-Transfer ("BT") customers several sub-phases of its projects in Tianjin and Chongqing. As a result, revenue from this sector reported a tremendous rise of approximately 56.5% to HK$1,958 million (corresponding period in 2012: HK$1,251 million). With the rising interest earned on the expanding BT projects portfolio, segment profit contribution from this sector has recorded a dramatic increase of approximately 156% to approximately HK$387 million (corresponding period in 2012: HK$151 million) during the period under review.

Management Discussion and Analysis
(Continued)

Revenue and Gross Profit (Continued)

(a) Construction and Infrastructure Investment Business (excluding FEG Group) (Continued)

Mainland China (Continued)

(2) Construction — Others

As a few traditional construction projects were completed during the period, the revenue from this sector increased rapidly by 84.0% to approximately HK$974 million (corresponding period in 2012: HK$530 million). The gross profit from this sector was approximately HK$156 million (corresponding period in 2012: HK$133 million).

(3) Investment and Construction of Infrastructure Projects

As a major infrastructure investment and operation platform for China State Construction Engineering Corporation Limited to participate in infrastructure investment and operation in Mainland China, the Group continued participating in investments in its infrastructure businesses portfolio including the BT, Build-Operate-Transfer (“BOT”) and Transfer-Operate-Transfer (“TOT”) arrangements of various transport infrastructure facilities and direct ownership of a thermoelectric plant.

For the six months ended 30 June 2013, the investment portfolio has recorded a steady growth in both revenue and gross profit to HK$2,043 million (corresponding period in 2012: HK$1,854 million) and HK$495 million (corresponding period in 2012: HK$379 million) respectively.

(i) The construction of the two toll road projects in Shanxi, namely the Class 1 Highway from Yangquan to Niangziguan, Shanxi Province and the Shanxi Wuyu Expressway continued to contribute a satisfactory result to the Group during the period.

Management Discussion and Analysis
(Continued)

Revenue and Gross Profit (Continued)

(a) Construction and Infrastructure Investment Business (excluding FEG Group) (Continued)

Mainland China (Continued)

(3) Investment and Construction of Infrastructure Projects (Continued)

(ii) During the period under review, the Group continued its participation in the investment of two TOT projects in Nanchang and various BT infrastructure projects in Wuhan and Taiyuan. Revenue contribution from infrastructure investment projects remained at a stable level of approximately HK$81 million (corresponding period in 2012: HK$82 million) during the period under review. With a number of new BT projects commenced by the end of June 2013, it is expected to see an improvement in the second half of the year.

(iii) Shanxi Yangquan Yangwu Expressway (Yangquan to Yuxian section) continued to gain popularity in the region. With the increase in traffic volume, toll fee received for the period rose significantly by 81.0% to approximately HK$86 million (corresponding period in 2012: HK$48 million).

(iv) With the continuous expansion of supply network in recent years, revenue from the supply of heat and electricity and the provision of connection services recorded a steady year-on-year growth of approximately 14.3% to HK$330 million during the period under review (corresponding period in 2012: HK$289 million). The construction works of the Thermal Power Plant Phase V in Shenyang is in progress. The completion of this new facility will provide extra production capacity to cater for future demand in the region.

During the period, the Group has been continuously searching for new investment opportunities with better payback periods and stable return. Details of new investments is set out in the section under the heading “Major business development”.

Management Discussion and Analysis (Continued)

Revenue and Gross Profit (Continued)

Far East Global Group Limited — Facade Contracting

In March 2012, the Group completed the acquisition of additional equity interests in Far East Global Group Limited and thereafter the result of FEG Group was fully incorporated in the Group's consolidated financial statements. Since the acquisition, the new management has dedicated its effort to improving its structure and further and enhancing its strength and synergy with our Group. We expected the management's effort will yield a significant contribution in revenue and profit to the Group in the future.

Investment Income

The Group has recorded a significant increase in the investment income of approximately 70.3% to HK$366 million (corresponding period in 2012: HK$215 million) which is mainly attributable to the dramatic expansion of the scale of BT projects in various affordable housing and infrastructure projects as a result of which the relevant interest received and receivable significantly increased to approximately HK$244 million (corresponding period in 2012: HK$102 million).

Administrative Expenses

For the six months ended 30 June 2013, administrative expenses increased by 38.2% to HK$421 million (corresponding period in 2012: HK$304 million) which is mainly the result of the expansion in the new operation regions in Mainland China and the consolidation of the full period of FEG Group in 2013 while the administrative expenses of FEG Group were only consolidated for three months in the corresponding period last year.

Management Discussion and Analysis
(Continued)

Share of Profits of Joint Ventures

The Group operates with joint venture partners for the construction business and infrastructure investment projects. During the period, share of profits after tax from the joint ventures increased to approximately HK$231 million (corresponding period in 2012: HK$226 million). Share of profits was mainly derived from the joint venture investment in Nanjing No.2 Yangtze River Bridge.

Finance Costs

During the period ended 30 June 2013, finance costs incurred by the Group was approximately HK$369 million (of which HK$184 million was capitalised in the qualifying assets), representing an increase of approximately 140.0% as compared with the corresponding period in 2012. The increase was mainly due to the increase in borrowings. The finance costs charged to the profit for the current period increased by approximately 67.7% to approximately HK$185 million (corresponding period in 2012: HK$110 million).

Earnings Per Share

For the six months ended 30 June 2013, basic earnings per share increased by 22.0% to HK30.17 cents (corresponding period in 2012: HK24.73 cents). The calculation of the basic earnings per share is based on the profit for the period attributable to owners of the Company of HK$1,173 million (corresponding period in 2012: HK$887 million) and on the weighted average number of 3,887,837,000 (corresponding period in 2012: 3,586,829,000) ordinary shares in issue during the period. The increase in the weighted average number of issued shares in the period was the result of the issuing 300,000,000 ordinary shares via top-up share placement in July 2012.

Management Discussion and Analysis
(Continued)

Corporate Finance

The management and control of the Group's financial, capital management and external financing functions are centralised. The Group has been adhering to the principle of prudent financial management by maintaining a reasonable level of cash and a debt structure suitable to the Group's current and future business development.

Financial Position of the Group

(a) *Bank Balances and Cash*

As at 30 June 2013, the Group had bank balances and cash, including pledged bank deposits and deposits with financial institutions, of HK$12,812 million (31 December 2012: HK$6,719 million). The portfolio of the currencies of bank deposits is listed as follows:

	30 June 2013 %	31 December 2012 %
Hong Kong Dollars	**30**	30
Renminbi	**44**	63
Macao Patacas	**7**	2
United States Dollars	**19**	3
Canadian Dollars	**–**	1
United Arab Emirates Dirhams	**–**	1

The bank deposits outside Hong Kong are mainly for the local use of the subsidiaries in various regions outside Hong Kong. During the period, the Group has no financial instruments for currency hedging purpose.

Management Discussion and Analysis
(Continued)

Corporate Finance (Continued)

Financial Position of the Group (Continued)

(b) *Borrowings*

The Group has endeavored to maintain a suitable debt structure that can meet the Group's business development and operating requirement. In order to achieve this target, the Group is constantly seeking new financing sources that can improve the Group's debt structure.

During the period, the Group has successfully issued US$500 million 5-Year Guaranteed Notes with a coupon rate of 3.125% ("Notes"). The Notes have been rated Baa3/BBB-/BBB- by Moody's, S&P and Fitch, respectively and were listed in the Hong Kong Stock Exchange Limited. The Notes were well recognised by the market with approximately four times over issue. The successful launch of the first bond also opened up another low-cost and stable financing source available for the Group's future development.

In addition, the Group has drawn down various new term loans, revolving loans, project loans or syndicated loans of an aggregate amount of approximately HK$3,896 million.

As at 30 June 2013, the total borrowings of the Group (including the Notes) was HK$17,133 million of which, approximately 37.4%, 39.4%and 22.8% of the balances were denominated in Hong Kong dollars, Renminbi and US dollars respectively. Most of the bank borrowings were bearing interest at floating rates with reference to either HIBOR or PBOC reference rate while the Notes bear fixed interest rate.

Management Discussion and Analysis
(Continued)

Corporate Finance (Continued)

Financial Position of the Group (Continued)

(b) Borrowings (Continued)

The table sets out the maturities of the Group's total borrowings as at 30 June 2013 and 31 December 2012 with details as follows:

	30 June 2013 HK$'million	31 December 2012 HK$'million
Bank and other borrowings		
On demand or within one year	**155**	48
More than one year but not exceeding two years	**3,439**	71
More than two years but not more than five years	**4,851**	6,608
More than five years	**4,833**	3,318
Total bank and other borrowings	**13,278**	10,045
Unsecured guaranteed notes payable	**3,855**	–
Total borrowings	**17,133**	10,045

As at 30 June 2013, the Group had net borrowings of HK$4,321 million (31 December 2012: HK$3,326 million) and the Group's net gearing ratio was 28.5% (31 December 2012: 24.7%). This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the consolidated statement of financial position) less cash and cash equivalents. As at 30 June 2013, unutilised loans and working capital facilities of HK$6,948 million and guarantee and other facilities of HK$6,841 million are available for the Group to support its future business development.

Management Discussion and Analysis (Continued)

Corporate Finance (Continued)

Major Business Development

The Group search cautiously for valuable construction and investment projects in order to strengthen its presence in each major segment and enhance the value of the Company. During the period under review, the Group has achieved the following significant milestones in business expansion:

(i) In January 2013, the Group secured contract of the affordable housing BT project in Jingkou District, Zhenjiang, Jiangsu Province with a contract value of approximately HK$1.63 billion.

(ii) In April 2013, the Group secured another contract of the affordable housing BT project of Phase II of affordable housing construction in Lucheng District, Wenzhou, Zhejiang Province. The contract value is about HK$4.53 billion. In June 2013, the Group secured the Phase III of the same project with the contract value of this phase of about HK$4.47 billion.

(iii) In May 2013, the Group formed joint ventures with subsidiaries of China State Construction Engineering Corporation Limited, the company's intermediate holding company, for infrastructure BT projects in Wuhan and Zhengzhou.

(iv) In May 2013, the Group's joint venture in Zhengzhou was awarded the BT contracts of alternations of S323 Highway Xinmi Juncture to Zhang's Village in Dengfeng and construction of western extension of Zhongyuan Road Fast Lane (Shangjie Luba Slope to Gongyi S327 Section). The attributable contract value is about HK$4.86 billion.

(v) In May 2013, the Group reached agreement with Skyjoy Assets Management Limited to make early redemption of the investment in the convertible bond of HK$200 million that the Group invested in 2010. A total sum of HK$304 million was received upon the redemption representing a satisfactory return to the Group's investment.

Management Discussion and Analysis
(Continued)

Corporate Finance (Continued)

Major Business Development (Continued)

(vi) During the period under review, the Group took the advantage of booming construction markets in Hong Kong and Macau and has secured a number of prominent projects such as the Design and Construction of Fire Services Training School cum Driving Training School at Pak Shing Kok, Area 78, Tseung Kwan O, the civil engineering project of the Central — Wan Chai Bypass — Tunnel (Slip Road 8 Section).

(vii) During the period under review, the Group continued the construction of the Phase V of Shenyang Huanggu Thermal Power Plant to increase the production capacity for new supply zone.

Financial Risk Factors and Financial Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk.

There has been no change in major risk factors that may significantly affect the Group's business nor any change in risk management policies since the last year end. This interim report does not include all financial risk management information and disclosures required in the annual report of the Company for the year ended 31 December ("2012 Annual Report"), and should be read in conjunction with the relevant disclosures in the 2012 Annual Report.

During the period under review, the Group continued to step up its efforts in risk management and control. On the principles of stability, sustainability, high efficiency and low risk in the Group's business expansion and operation, a balance will be achieved among risks, resources and business exploration to ensure smooth operation of each segment.

Unaudited Condensed Consolidated Income Statement

	Notes	Six months ended 30 June 2013 HK$'000	Six months ended 30 June 2012 HK$'000
Group revenue	6	**10,896,216**	8,957,737
Costs of sales		**(9,522,700)**	(7,952,906)
Gross profit		**1,373,516**	1,004,831
Investment income	8	**366,006**	214,910
Other income and other gains, net		**77,526**	54,469
Gain on fair value changes of investment in convertible bonds		**–**	26,000
Administrative expenses		**(420,599)**	(304,255)
Distribution and selling expenses		**(1,980)**	(3,503)
Other operating expenses		**(51,254)**	(42,278)
Share of profits of			
Joint ventures		**231,236**	225,999
Associates		**7,607**	6,965
Finance costs	9	**(184,578)**	(110,058)
Profit before tax	10	**1,397,480**	1,073,080
Income tax expense	11	**(237,589)**	(183,634)
Profit for the period		**1,159,891**	889,446
Profit/(loss) for the period attributable to:			
Owners of the Company		**1,172,796**	886,956
Non-controlling interests		**(12,905)**	2,490
		1,159,891	889,446
Earnings per share (HK cents)	13		
Basic		**30.17**	24.73
Diluted		**29.72**	24.33
Group revenue		**10,896,216**	8,957,737
Share of revenue of joint ventures		**962,356**	1,529,983
		11,858,572	10,487,720

Unaudited Condensed Consolidated Statement of Comprehensive Income

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Profit for the period	**1,159,891**	889,446
Other comprehensive income/(loss)		
Items that may be reclassified to profit and loss		
(Loss)/gain on fair value changes of available-for-sale investments, net of tax	**(11,744)**	44,380
Release of investment revaluation reserve to income statement upon acquisition of a subsidiary	**–**	(21,625)
Exchange differences on translation of foreign operations	**151,919**	(43,574)
Other comprehensive income/(loss) for the period, net of tax	**140,175**	(20,819)
Total comprehensive income for the period, net of tax	**1,300,066**	868,627
Total comprehensive income/(loss) attributable to:		
Owners of the Company	**1,315,399**	866,465
Non-controlling interests	**(15,333)**	2,162
	1,300,066	868,627

Condensed Consolidated Statement of Financial Position

	Notes	30 June 2013 HK$'000 (unaudited)	31 December 2012 HK$'000 (audited)
Non-current Assets			
Property, plant and equipment	14	2,234,823	2,190,951
Investment properties		39,568	40,044
Interests in infrastructure project investments		1,081,891	915,049
Prepaid lease payments		184,180	182,291
Interests in joint ventures		2,697,384	2,735,493
Interests in associates		43,763	36,156
Concession operating rights		5,830,438	5,501,701
Deferred tax assets		25,239	–
Trademark, project backlogs and licenses		239,573	252,551
Goodwill		577,664	577,664
Available-for-sale investments		501,341	497,861
Investment in convertible bonds		–	296,827
Amounts due from investee companies		373,510	361,471
Trade and other receivables	15	5,617,440	3,186,846
		19,446,814	16,774,905

Condensed Consolidated Statement of Financial Position (Continued)

	Note	30 June 2013 HK$'000 (unaudited)	31 December 2012 HK$'000 (audited)
Current Assets			
Interests in infrastructure project investments		**11,352**	8,506
Inventories		**229,552**	185,374
Properties held for sale		**158,744**	158,608
Amounts due from customers for contract work		**7,117,071**	5,458,682
Trade and other receivables	15	**6,232,253**	6,559,777
Deposits and prepayments		**760,517**	523,278
Amount due from immediate holding company		**4,552**	–
Amount due from an intermediate holding company		**203,635**	–
Amounts due from joint ventures		**168,068**	149,130
Amounts due from fellow subsidiaries		**638,977**	633,822
Amount due from a related company		**–**	26,939
Tax recoverable		**8,947**	15,054
Pledged bank deposits		**291**	1,291
Deposits with financial institutions		**4,673**	516
Bank balances and cash		**12,807,201**	6,716,913
		28,345,833	20,437,890

Condensed Consolidated Statement of Financial Position (Continued)

	Note	30 June 2013 HK$'000 (unaudited)	31 December 2012 HK$'000 (audited)
Current Liabilities			
Amounts due to customers for contract work		**1,862,561**	1,219,729
Trade payables, other payables and accruals	16	**6,787,166**	6,498,270
Deposits received and advances from customers		**1,602,067**	1,138,919
Amount due to immediate holding company		**–**	16,019
Amounts due to an intermediate holding company		**737,290**	132,692
Amounts due to joint ventures		**814,582**	655,667
Amounts due to fellow subsidiaries		**1,948,538**	2,136,175
Amounts due to an associate		**33,495**	33,495
Current tax payables		**789,356**	594,570
Borrowings		**154,893**	48,780
Obligations under finance leases		**1,082**	1,158
		14,731,030	12,475,474
Net Current Assets		**13,614,803**	7,962,416
Total Assets less Current Liabilities		**33,061,617**	24,737,321

Condensed Consolidated Statement of Financial Position (Continued)

	Note	30 June 2013 HK$'000 (unaudited)	31 December 2012 HK$'000 (audited)
Capital and Reserves			
Share capital	17	97,219	97,186
Share premium and reserves		14,728,297	13,412,638
Equity attributable to owners of the Company		14,825,516	13,509,824
Non-controlling interests		327,811	343,144
Total Equity		15,153,327	13,852,968
Non-current Liabilities			
Borrowings		13,122,397	9,996,359
Guaranteed notes payable		3,855,422	–
Deferred income		532,217	520,791
Deferred tax liabilities		393,831	362,265
Obligations under finance leases		4,423	4,938
		17,908,290	10,884,353
		33,061,617	24,737,321

Unaudited Condensed Consolidated Statement of Changes in Equity

	Attributable to owners of the Company											
	Share capital HK$'000 (note 17)	Share premium HK$'000	Special reserve HK$'000 (note a)	Capital redemption reserve HK$'000 (note b)	Share options reserve HK$'000	Investment revaluation reserve HK$'000	Translation reserve HK$'000	Statutory reserve HK$'000 (note c)	Retained profits HK$'000 (note d)	Total HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 January 2012	89,668	5,895,009	(1,473,655)	337	3,181	(16,654)	517,308	68,146	4,407,012	9,490,352	6,724	9,497,076
Total comprehensive income/(loss) for the period	–	–	–	–	–	22,755	(43,246)	–	886,956	866,465	2,162	868,627
Transactions with owners												
Disposal of partial interest in a subsidiary (note (a)(ii))	–	–	33,527	–	–	–	–	–	–	33,527	23,302	56,829
Acquisition of a subsidiary	–	–	–	–	–	–	–	–	–	–	306,041	306,041
Issue of ordinary shares upon exercise of share options	18	183	–	–	(43)	–	–	–	–	158	–	158
2011 final dividend paid	–	–	–	–	–	–	–	–	(251,072)	(251,072)	–	(251,072)
At 30 June 2012	89,686	5,895,192	(1,440,128)	337	3,138	6,101	474,062	68,146	5,042,896	10,139,430	338,229	10,477,659
At 1 January 2013	**97,186**	**8,117,395**	**(1,440,128)**	**337**	**3,138**	**55,930**	**592,542**	**75.350**	**6,008,074**	**13,509,824**	**343,144**	**13,852,968**
Total comprehensive income/(loss) for the period	**–**	**–**	**–**	**–**	**–**	**(11,710)**	**154,313**	**–**	**1,172,796**	**1,315,399**	**(15,333)**	**1,300,066**
Transactions with owners												
Issue of ordinary shares upon exercise of share options	**33**	**339**	**–**	**–**	**(79)**	**–**	**–**	**–**	**–**	**293**	**–**	**293**
Transfer of Statutory reserve	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**7,782**	**(7,782)**	**–**	**–**	**–**
At 30 June 2013	**97,219**	**8,117,734**	**(1,440,128)**	**337**	**3,059**	**44,220**	**746,855**	**83,132**	**7,173,088**	**14,825,516**	**327,811**	**15,153,327**

Unaudited Condensed Consolidated Statement of Changes in Equity (Continued)

Notes:

(a) Special reserve arose from:

(i) The balances of special reserve brought forward from 1 January 2012 arose from the combinations of China State Construction Engineering (Hong Kong) Limited, Zetson Enterprises Limited and its subsidiaries, China Construction Engineering (Macau) Company Limited and its subsidiaries, China Overseas Insurance Limited, China Overseas Insurance Services Limited, COHL (Macao) Commercial and Industrial Company Limited, 深圳中海建築有限公司 and its subsidiaries, China Overseas Public Utility Investment Limited and its subsidiaries, Fuller Sky Enterprises Limited, Value Idea Investments Limited, 陽泉市陽五高速公路投資管理有限公司 and China Overseas Technology Holdings Limited and its subsidiaries ("COTHL") under common control. The amount represents excess of considerations paid over the share capital of the acquired companies net of distribution to the former shareholders in prior years.

(ii) In March 2012, the Group acquired control over Far East Global Group Limited ("FEG") which then became the Group's subsidiary. Subsequent to the acquisition, a wholly-owned subsidiary of the Company, disposed an aggregate of 45,500,000 shares at a price of HK$1.26 per share through private placing to certain independent investors. As a result, the Group's shareholding in FEG was reduced from 76.2% to 74.1%. The partial disposal did not result in a loss of control and was thus accounted for as an equity transaction. Accordingly, the excess of approximately HK$34 million, representing the difference between the cash consideration received for the disposal of partial interest in FEG of approximately HK$57 million and carrying amount of the net assets of FEG of approximately HK$23 million, was credited to the special reserve.

(b) Capital redemption reserve represented the amount by which the Company's issued share capital was diminished on cancellation of the ordinary shares repurchased.

(c) Statutory reserve of the Group represents general and development fund reserve applicable to Mainland China and overseas subsidiaries which were established in accordance with the relevant regulations.

(d) Included in the retained profits as at 30 June 2013 were 2012 final dividends of approximately HK$350 million which were distributed in July 2013.

Unaudited Condensed Consolidated Statement of Cash Flow

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Net cash used in operating activities	**(1,236,249)**	(925,374)
Net cash generated from/(used in) investing activities	**628,580**	(440,585)
Net cash generated from financing activities	**6,616,518**	1,306,863
Increase/(decrease) in cash and cash equivalents	**6,008,849**	(59,096)
Cash and cash equivalents at the beginning of the period	**6,716,913**	5,457,812
Effect of foreign exchange rate changes	**81,439**	23,949
Cash and cash equivalents at 30 June	**12,807,201**	5,422,665
Analysis of the balances of cash and cash equivalent		
Bank balances and cash	**12,807,201**	5,422,665

Note: The net cash used in operating activities included net cash outflows of administrative expenses amounting to approximately HK$401 million (corresponding period in 2012: HK$284 million). Excluding the net expenditure for the build-transfer ("BT") and build-operate-transfer ("BOT") projects amounting to approximately HK$2,232 million (corresponding period in 2012: HK$1,464 million), the net cash generated from operating activities for the period was approximately HK$996 million (corresponding period in 2012: HK$539 million).

Notes to the Condensed Financial Statements

(1) General Information

The principal activities of China State Construction International Holdings Limited (the "Company") and its subsidiaries (together, the "Group") are the construction business, project consultancy services, supply of heat and electricity, provision of connection services, infrastructure project investments, toll road operation, trading of precast structures, building materials and asphalts' and facade contraction business.

The Company is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "SEHK") with effect from 8 July 2005. Its immediate holding company is China Overseas Holdings Limited ("COHL") (incorporated in Hong Kong) and its intermediate holding company and its ultimate holding company are China State Construction Engineering Corporation Limited ("CSCECL"), a joint stock company with its shares listed on the Shanghai Stock Exchange, and China State Construction Engineering Corporation ("CSCEC"), respectively, both of which are established in the People's Republic of China ("PRC") and controlled by the PRC Government. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the interim report.

(2) Basis of Preparation

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with Hong Kong Accounting Standard ("HKAS") 34, Interim Financial Reporting, issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Notes to the Condensed Financial Statements (Continued)

(3) Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2012.

In the current interim period, the Group has applied, for the first time, the following new or revised standards, amendments or interpretation ("new or revised HKFRSs") issued by the HKICPA.

Amendments to HKFRS 1	Government Loans
Amendments to HKFRS 7	Financial instruments: Disclosures — Offsetting Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurements
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine
Annual Improvements Project	Annual Improvements 2009–2011 Cycle

Notes to the Condensed Financial Statements (Continued)

(3) Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs") (Continued)

The application of the above new or revised HKFRSs has had no material effect on the Group's results and financial position, except for certain disclosures in respect of amendments to HKAS 1 and HKFRS 13.

The Group has not early adopted the following new and revised standards, amendments or interpretation that have been issued but are not yet effective.

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-financial Assets[1]
Amendments to HKFRS 7 and HKFRS 9	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[2]
HKFRS 9	Financial Instruments[2]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities[1]
HK(IFRIC) — Int 21	Levies[1]

1 Effective for annual periods beginning on or after 1 January 2014
2 Effective for annual periods beginning on or after 1 January 2015

The Group is in progress of assessing the impact of these new or revised standards, amendments and interpretations, certain of which may be relevant to the Group's operations and may give rise to changes in disclosure and remeasurement of certain items in the condensed consolidated financial statements.

Notes to the Condensed Financial Statements (Continued)

(4) Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparation these condensed consolidated interim financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2012.

(5) Financial Risk Management Estimates

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk.

There has been no change in major risk factors that may significantly affect the Group's business nor any change in risk management policies since the last year end. This interim report does not include all financial risk management information and disclosures required in the annual report of the Company for the year ended 31 December ("2012 Annual Report"), and should be read in conjunction with the relevant disclosures in the 2012 Annual Report.

During the period under review, the Group continued to step up its efforts in risk management and control. On the principles of stability, sustainability, high efficiency and low risk in the Group's business expansion and operation, a balance will be achieved among risks, resources and business exploration to ensure smooth operation of each segment.

Notes to the Condensed Financial Statements (Continued)

(6) Group Revenue

Group revenue/turnover represents the revenue arising from construction contracts, project consultancy services, supply of heat and electricity, provision of connection services, infrastructure project investments, toll road operation, sales of precast structures, building materials and asphalts, facade contracting business and machinery leasing and insurance contracts.

As part of the Group's performance evaluation, management also monitor the operating activities carried out by its joint ventures. The analysis of the Group's share of revenue of joint ventures and the share of results of joint ventures are regularly provided to the management. As a result, management believe that additional disclosure of the Group's share of revenue of joint ventures, together with the share of results of joint ventures, enable readers to better understand how management oversees the results and performance of the joint ventures in the reportable segments.

Notes to the Condensed Financial Statements (Continued)

(6) Group Revenue (Continued)

An analysis of the Group revenue is as follows:

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Revenue from construction contracts	**8,955,016**	7,681,874
Revenue from construction contracts under service concession arrangements	**269,546**	261,380
Revenue from project consultancy services	**119,023**	131,182
Revenue from supply of heat and electricity	**319,006**	280,802
Revenue from provision of connection services	**11,383**	8,252
Revenue from infrastructure project investments	**81,129**	81,891
Toll revenue	**86,461**	47,766
Sales of precast structures, building materials and asphalts	**185,706**	88,497
Revenue from facade contracting business	**786,441**	326,451
Revenue from machinery leasing, insurance contracts and others	**82,505**	49,642
	10,896,216	8,957,737

(7) Segmental Information

The Group's reportable segments, based on information reported to the chief operating decision maker for the purposes of resources allocation and performance assessments, include (i) the Group's share of revenue and results of joint ventures, and (ii) geographical locations where the Group's subsidiaries operate, namely Hong Kong, Mainland China, Macau and Overseas (mainly in the United Arab Emirates ("UAE") and India).

Notes to the Condensed Financial Statements (Continued)

(7) Segmental Information (Continued)

In March 2012, the Group completed the acquisition of additional equity interests in Far East Global Group Limited ("FEG"), a limited liability company incorporated in the Cayman Islands and listed on the Main Board of The Stock Exchange of Hong Kong Limited. Since then, FEG and its subsidiaries (together, the "FEG Group") became subsidiaries of the Group. Since the FEG Group is currently managed by a separate business team, the chief operating decision maker regards FEG Group as a distinct reportable segment and assesses its performance based on its overall result.

Segment revenue and results for the six months ended 30 June 2013 and 2012 are as follows:

	Segment revenue		Gross profit/(loss)		Segment result	
	2013 HK$'000	2012 HK$'000	**2013 HK$'000**	2012 HK$'000	**2013 HK$'000**	2012 HK$'000
Reportable segments						
Hong Kong	**4,723,192**	4,592,256	**336,464**	321,782	**304,339**	261,581
Mainland China	**4,975,533**	3,634,506	**886,718**	618,683	**971,835**	628,011
Macau	**394,576**	390,626	**92,173**	22,474	**142,739**	79,090
Overseas	**16,474**	13,898	**(1,912)**	(6,828)	**5,077**	4,051
FEG Group	**786,441**	326,451	**60,073**	48,720	**(14,375)**	6,990
Consolidated total	**10,896,216**	8,957,737	**1,373,516**	1,004,831	**1,409,615**	979,723
Share of revenue/results of joint ventures	**962,356**	1,529,983			**231,236**	225,999
	11,858,572	10,487,720			**1,640,851**	1,205,722
Unallocated corporate expenses					**(80,338)**	(88,073)
Non-recurring investment income, other income and other gains, net					**13,938**	32,524
Gain on fair value changes of investment in convertible bonds					**–**	26,000
Share of profits of associates					**7,607**	6,965
Finance costs					**(184,578)**	(110,058)
Profit before tax					**1,397,480**	1,073,080

Notes to the Condensed Financial Statements (Continued)

(8) Investment Income

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Interest income on:		
Bank deposits	**33,106**	17,274
Debt securities	**3,672**	1,858
Imputed interest on amounts due from investee companies	**12,039**	6,861
Loan receivables	**2,163**	12,717
Amounts due from customers for contract work and trade receivables	**241,489**	88,989
	292,469	127,699
Release of investment revaluation reserve to income statement upon acquisition of a subsidiary	**–**	21,625
Gain on disposal of convertible bonds	**7,525**	–
Dividend income from:		
Listed available-for-sale investments	**179**	33
Unlisted available-for-sale investments	**65,833**	65,553
	366,006	214,910

Notes to the Condensed Financial Statements (Continued)

(9) Finance Costs

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Interest on bank loans wholly repayable within five years	**104,031**	57,331
Interest on bank loans not wholly repayable within five years	**146,501**	76,342
Interest on guaranteed notes wholly repayable within five years	**32,451**	–
Interest on loans from intermediate holding company	**–**	10,284
Finance leases charge	**157**	19
Others	**85,588**	9,644
Total finance costs	**368,728**	153,620
Less: Amounts capitalised in concession operating rights	**(30,962)**	(10,284)
Amounts capitalised in amounts due from customers for contract work	**(147,447)**	(33,278)
Amounts capitalised in construction in progress	**(5,741)**	–
	184,578	110,058

Notes to the Condensed Financial Statements (Continued)

(10) Profit Before Tax

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Profit before tax has been arrived at after charging:		
Depreciation	**57,347**	64,269
Amortisation of concession operating rights	**70,239**	69,372
Amortisation of trademark and projects backlogs	**12,978**	14,400

Notes to the Condensed Financial Statements (Continued)

(11) Income Tax Expense

	Six months ended 30 June	
	2013 **HK$'000**	2012 HK$'000
Current tax:		
Hong Kong	**35,387**	27,737
Other jurisdictions	**180,222**	136,350
	215,609	164,087
(Over)/under provision in prior years:		
Hong Kong	**(555)**	(4,595)
Other jurisdictions	**11,393**	1,193
	10,838	(3,402)
Deferred tax:		
Current period	**11,142**	22,949
Income tax expense for the period	**237,589**	183,634

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the current and last periods. Income taxes arising in other jurisdictions are calculated at the rates prevailing in the relevant jurisdictions.

Notes to the Condensed Financial Statements (Continued)

(12) Dividends

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Dividends recognised as distributions during the period	**–**	251,072

In July 2013, the Company distributed 2012 Final dividends of HK9.00 cents per share, amounting to approximately HK$349,987,000.

The Board declared the payment of an interim dividend of 2013 of HK9.00 cents per share (2012: HK7.00 cents).

Notes to the Condensed Financial Statements (Continued)

(13) Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	Six months ended 30 June	
	2013	2012
	HK$'000	HK$'000
Earnings		
Earnings for the purposes of basic and diluted earnings per share	**1,172,796**	886,956

	2013	2012
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**3,887,837**	3,586,829
Effect of dilutive potential ordinary shares in respect of share options	**58,102**	58,491
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**3,945,939**	3,645,320

Notes to the Condensed Financial Statements (Continued)

(14) Property, Plant and Equipment

During the period, the Group incurred approximately HK$155,365,000 (corresponding period in 2012: HK$115,335,000) on the additions to property, plant and equipment.

(15) Trade and Other Receivables

The following is an aging analysis of trade receivables net of allowance for doubtful debts presented based on invoice date or progress certification date at the end of the reporting period:

	30 June 2013 HK$'000	31 December 2012 HK$'000
Trade receivables, net of allowance for doubtful debts, aged		
0–30 days	**3,388,322**	3,057,374
31–90 days	**1,301,456**	1,480,183
Over 90 days	**5,208,172**	3,144,168
	9,897,950	7,681,725
Retention receivables	**1,585,162**	1,631,834
Other receivables	**366,581**	433,064
Trade and other receivables	**11,849,693**	9,746,623
Current portion	**(6,232,253)**	(6,559,777)
Non-current portion (note)	**5,617,440**	3,186,846

Notes to the Condensed Financial Statements (Continued)

(15) Trade and Other Receivables (Continued)

Note: The balances were mainly attributable to certain affordable housing projects in Mainland China. The balances are secured by certain assets of the customers as collaterals and interest bearing in accordance with the relevant contract terms. The total amount of the receivable for affordable housing is expected to be fully received from 2014 to 2017, with approximately HK$1,367,616,000 to be received in 2014, HK$2,203,306,000 in 2015, HK$1,257,590,000 in 2016 and HK$788,928,000 in 2017. As a result, they are classified as non-current.

Amounts of HK$4,490,902,000 (31 December 2012: HK$2,635,616,000) were included in the receivables aged over 90 days, which were attributable to the affordable housing projects and were not due in accordance with the contracts.

Retention receivables are interest-free and recoverable at the end of the retention period of individual construction contracts ranging from 1 to 2 years. At 30 June 2013, the amount of retention receivables expected to be recovered after more than one year was approximately HK$1,023,035,000 (31 December 2012: HK$1,011,908,000).

Except for the receivable arising from construction contracts which are billed and immediately payable in accordance with the terms of the relevant agreements, the Group generally allows an average credit period of not exceeding 90 days (2012: 90 days) to its customers and the retention receivables are recoverable upon the expiry of defect liability period of construction.

Notes to the Condensed Financial Statements (Continued)

(16) Trade Payables, Other Payables and Accruals

An analysis of trade payables, other payables and accruals, including the aging analysis of trade payables, presented based on the invoice date, is as follows:

	30 June 2013 HK$'000	31 December 2012 HK$'000
Trade payables, aged		
0–30 days	**3,004,186**	2,926,735
31–90 days	**1,062,788**	1,131,480
Over 90 days	**464,285**	449,273
	4,531,259	4,507,488
Retention payables	**1,629,816**	1,450,127
Other payables and accruals	**626,091**	540,655
	6,787,166	6,498,270

Other payables included in the trade payables, other payables and accruals amounted to approximately HK$603,227,000 (31 December 2012: HK$518,191,000), which comprise primarily staff cost, other tax and other operating expenses payables.

The average credit period on trade and construction cost payables is 60 days (2012: 60 days). The Group has financial risk management policies in place to ensure that all payables are paid within the credit time-frame. At 30 June 2013, the amount of retention payables expected to be due after more than one year was approximately HK$721,893,000 (31 December 2012: HK$708,624,000).

Notes to the Condensed Financial Statements (Continued)

(17) Share Capital

	Number of Shares	Amounts HK$'000
Authorised:		
Ordinary shares of HK$0.025 each as at 30 June 2012 and 30 June 2013	60,000,000,000	1,500,000
Issued and paid up:		
Balance as at 1 January 2012	3,586,743,521	89,668
Issue of ordinary shares upon exercise of share options	703,862	18
Balance as at 30 June 2012	3,587,447,383	89,686
Issue of ordinary shares on placement	300,000,000	7,500
Balance as at 31 December 2012	3,887,447,383	97,186
Issue of ordinary shares upon exercise of share options	1,297,268	33
Balance as at 30 June 2013	3,888,744,651	97,219

Notes to the Condensed Financial Statements (Continued)

(18) Commitments

At 30 June 2013 and 31 December 2012, the Group had the following commitments contracted but not provided for in the consolidated financial statements.

	30 June 2013 HK$'000	31 December 2012 HK$'000
Contracted but not provided for construction in progress for property, plant and equipment	**335,512**	109,323

Notes to the Condensed Financial Statements (Continued)

(19) Related Party Transactions

(a) The Group had the following significant transactions with its intermediate holding company, fellow subsidiaries, associate and joint ventures during the period under review as follows:

Transactions	Six months ended 30 June	
	2013 HK$'000	2012 HK$'000
Fellow subsidiaries		
Security service payment	10,581	11,887
Revenue from construction contracts	237,198	177,122
Project consultancy service income	14,934	21,647
Design consultancy fee charge	11,523	–
Construction costs	168,595	287,011
Associate		
Purchase of construction materials	54,295	95,790
Joint ventures		
Revenue from construction contracts	23,010	84,531
Purchase of materials	49,513	24,551
Sales of building materials	26,336	61,616
Intermediate holding company		
Construction costs	1,008,413	205,555
Interest expenses	–	10,284

Notes to the Condensed Financial Statements (Continued)

(19) Related Party Transactions (Continued)

(b) Transactions with other entities in Mainland China

Certain of the Group's business are operated in an economic environment currently predominated by entities directly or indirectly owned, controlled or significantly influenced by the PRC government. In addition, the Group is itself part of a larger group of companies under CSCEC which is controlled by the PRC Government.

Apart from transactions with its intermediate holding company, fellow subsidiaries, associate and joint ventures of the Group, the Group has transactions with other state-controlled entities including but not limited to the following:

- Revenue from construction contracts
- Investment income
- Finance costs

These transactions are conducted in the ordinary course of Group's business on terms comparable to those with other entities that are not state-controlled.

Certain of the Company's subsidiaries had entered into various transactions with state-controlled entities, including general banking facilities transactions with certain banks and financial institutions which are state-controlled entities, in its ordinary course of business. In view of the nature of those banking transactions, the directors are of the opinion that separate disclosure would not be meaningful.

Other Information

Interim Dividend

The Board declared an interim dividend of HK9.00 cents per share (2012: HK7.00 cents per share) to shareholders whose names appear on the register of members of the Company on Thursday, 19 September 2013. The interim dividend will be payable on Monday, 30 September 2013.

Closure of Register of Members

The register of members of the Company will be closed and no transfer of shares will be registered from Wednesday, 18 September 2013 to Thursday, 19 September 2013, both days inclusive, for the purpose of determining shareholders' entitlement to the interim dividend.

In order to qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates, must be lodged for registration with the Company's Hong Kong Branch Share Registrar, Tricor Standard Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Hong Kong, not later than 4:00 p.m. on Tuesday, 17 September 2013.

Share Capital

The Company's total issued share capital as at 30 June 2013 was 3,888,744,651 ordinary shares of HK$0.025 each ("Shares").

During the reporting period, the Company issued 1,297,268 new Shares pursuant to the Company's Share Option Scheme.

Other Information (Continued)

Directors' Interest in Shares and Underlying Shares

As at 30 June 2013, the interests of the Directors and their associates in the shares and underlying shares of the Company and its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") (the "Model Code"), were as follows.

As at 30 June 2013, Mr. Kong Qingping, Mr. Zhou Yong, Mr. Tian Shuchen, Mr. Zhou Hancheng, Mr. Pan Shujie and Mr. Hung Cheung Shew held 3,060,400; 2,273,780; 3,300,000; 2,605,138; 167,471 and 581,584 shares of the Company respectively. In addition, Mr. Kong Qingping, Mr. Zhou Yong, Dr. Raymond Ho Chung Tai, Mr. Adrian David Li Man Kiu, Dr. Raymond Leung Hai Ming and Mr. Lee Shing See held 3,288,848; 959,247; 913,569; 913,569; 913,569 and 913,569 share options of the Company respectively. All the shares and share options held by the directors are in the capacity of beneficial owners.

Other Information (Continued)

Directors' Interest in Shares and Underlying Shares (Continued)

As at 30 June 2013, Mr. Kong Qingping and Mr. Hung Cheung Shew held 3,935,760 and 107,095 shares in China Overseas Land & Investment Limited ("COLI", an associated corporation of the Company) respectively. In addition, Mr. Kong Qingping held 1,359,334 share options of COLI. All the shares and share options held by the directors in the capacity of beneficial owners. The date of grant, exercise price and exercise period of the share options of COLI is 18 June 2004; HK$1.118 and 18 June 2005 to 17 June 2014 respectively.

As at 30 June 2013, Mr. Hung Cheung Shew held 30,000 shares in Far East Global Group Limited (a non-wholly owned subsidiary of the Company). All the shares held by the director are in the capacity of beneficial owner.

As at 30 June 2013, Mr. Li Jian held 330,000 shares in China State Construction Engineering Corporation Limited (an intermediate holding company of the Company). All the shares held by the director are in the capacity of beneficial owner.

Save as disclosed above, as at 30 June 2013, none of the Directors nor their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations.

Other Information (Continued)

Directors' Interest in Shares and Underlying Shares (Continued)

As at 1 January 2013, Mr. Kong Qingping, Mr. Zhou Yong, Mr. Zhou Hancheng, Mr. Zhang Yifeng, Dr. Raymond Ho Chung Tai, Mr. Adrian David Li Man Kiu, Dr. Raymond Leung Hai Ming and Mr. Lee Shing See held 3,288,848; 959,247; 639,498; 61; 913,569; 913,569; 913,569 and 913,569 share options of the Company respectively. During the reporting period, Mr. Zhou Hancheng exercised 639,498 share options of the Company. 61 share options of the Company held by Mr. Zhang Yifeng were re-classified to employees category. All the share options held by the directors are in the capacity of beneficial owners. As at 1 January 2013, the outstanding share options of the Company under the category of directors, employees and consultants are 8,541,930; 32,231,315 and 19,098,611 respectively. During the reporting period, 639,498 and 657,770 share options of the Company were exercised under the category of directors and consultants respectively. As at 30 June 2013, the outstanding share options under the category of directors, employees and consultants are 7,902,371; 32,231,376 and 18,440,841 respectively. The share options were granted on 14 September 2005 and the exercise price per share option is HK$0.2254 (The exercise price per option on 14 September 2005 was HK$1.03. The exercise price was adjusted to HK$0.99 immediately after the completion of open offer on 10 September 2007. The exercise price was adjusted to HK$0.2475 immediately after the share subdivision approved on 12 June 2008. The exercise price was adjusted to HK$0.2345 immediately after the completion of rights issue on 1 September 2009. The exercise price was adjusted to HK$0.2254 immediately after the completion of rights issue on 16 May 2011). The vesting period is from 14 September 2005 to 13 September 2010 (both days inclusive) and the exercise period is from 14 September 2006 to 13 September 2015 (both days inclusive). 20% can be exercised annually ("Limit") from 14 September 2006. Unexercised portion of the Limit (if any) can be exercised in the remaining exercise period and will not be included in calculating the Limit of the relevant year. It can be fully exercised from 14 September 2010 to 13 September 2015 (both days inclusive). No share options were granted, cancelled and lapsed during the period.

Other Information (Continued)

Directors' Interest in Shares and Underlying Shares (Continued)

During the reporting period, an aggregate of 1,297,268 share options of the Company were exercised. The date of exercise of the share options, the total number of share options exercised on each date and the weighted average closing price of the Company's shares immediately before each of the exercise date were 16 April 2013 and 30 May 2013; 657,770 and 639,498; and HK$10.2953 and HK$10.7182.

Save as the share options disclosed above, at no time during the six months ended 30 June 2013 was the Company, its holding company, or any of its subsidiaries or fellow subsidiaries, a party to any arrangements to enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Substantial Shareholders

As at 30 June 2013, the register of substantial shareholders maintained by the Company under Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests in the issued share capital of the Company:

Long positions of substantial shareholders in the shares of the Company

Name of shareholder	Capacity	Number of ordinary shares held	Total	% of shares in issue[1]
China Overseas Holdings Limited[2] ("COHL")	Beneficial owner	2,218,813,659	2,218,813,659	57.06
China State Construction Engineering Corporation Limited[3] ("CSCECL")	Interest of a controlled corporation/ beneficial owner	2,218,813,659	2,218,813,659	57.06
China State Construction Engineering Corporation[4] ("CSCEC")	Interest of a controlled corporation/ beneficial owner	2,218,813,659	2,218,813,659	57.06

Other Information (Continued)

Substantial Shareholders (Continued)

Long positions of substantial shareholders in the shares of the Company (Continued)

Notes:

1. The percentage has been adjusted based on the total number of ordinary shares of the Company in issue as at 30 June 2013 (i.e. 3,888,744,651 ordinary shares).

2. Amongst the total number of 2,218,813,659 Shares held by COHL, 2,122,675,308 Shares was held as beneficial owner while the balance of 96,138,351 Shares was interests of controlled corporations.

3. COHL is a direct wholly-owned subsidiary of CSCECL, thus CSCECL is deemed by the SFO to be interested in 2,218,813,659 Shares directly owned by COHL.

4. CSCECL is a subsidiary of CSCEC, thus CSCEC is deemed by the SFO to be interested in 2,218,813,659 Shares indirectly owned by CSCECL.

Save as disclosed above, as at 30 June 2013, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company.

Purchase, Sale or Redemption of the Company's Listed Securities

During the six months ended 30 June 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

Corporate Governance

During the six months ended 30 June 2013, the Company complied with all the code provisions of Corporate Governance Code (the "Code") as set out in Appendix 14 of the Listing Rules except code provisions A.6.7 (independent non-executive directors and other non-executive directors should attend general meetings) and E.1.2 of the Code (chairman of the board should attend the annual general meeting).

Other Information (Continued)

Corporate Governance (Continued)

Mr. Kong Qingping, Chairman and Non-executive Director; and Mr. Li Jian, Non-executive Director, both due to other business engagement were unable to attend the annual general meeting of the Company which held on 6 June 2013 ("AGM"). Mr. Zhou Yong, Vice-chairman and Chief Executive Officer, chaired the AGM to ensure effective communication with shareholders of the Company at such meeting. All the independent non-executive directors attended the AGM and were available to answer questions and developed a balanced understanding of the views of the shareholders.

Director's Securities Transactions

The Company has adopted a code on securities transactions by directors (the "Securities Code") on terms no less exacting than the required standard set out in the Model Code. After making enquiries by the Company, all directors confirmed that they have complied with the Securities Code during the six months ended 30 June 2013.

Disclosure Pursuant to Rule 13.22 of the Listing Rules

As at 30 June 2013, the Group's financial assistance to certain affiliated companies exceeded the assets ratio of 8 per cent. A combined balance sheet of the affiliated companies as at 30 June 2013 is set out below:

	HK$'000
Non-current assets	12,959
Current assets	1,136,803
Current liabilities	(1,521,987)
Net liabilities	(372,225)
Reserves	(372,225)
Total Equity	(372,225)

As at 30 June 2013, the Group shared the accumulated losses of these unincorporated affiliated companies amounted to HK$117,314,931.

Other Information (Continued)

Review of Interim Report by Audit Committee

The Group's unaudited interim results for the six months ended 30 June 2013 have been reviewed by the Audit Committee which comprises four Independent Non-executive Directors.

Changes in Directors' Information

Changes in Directors' information since the date of the 2012 Annual Report are set out below:

Mr. Hung Cheung Shew

- With effect from 1 August 2013, the monthly salary of Mr. Hung Cheung Shew was changed from HK$155,700 to HK$160,400.

Dr. Raymond Ho Chung Tai SBS, MBE, S.B. St. J., JP

- Ceased to be Chairman of Infrastructure Development Advisory Committee of Hong Kong Trade Development Council.

Mr. Adrian David Li Man Kiu JP

- Appointed as a member of the International Advisory Board of Abertis Infraestructuras, S.A., a company listed in Spain.
- Retired as Chairman of the VTC's Banking and Finance Industry Training Board.

Mr. Lee Shing See GBS, OBE, JP

- Appointed as Vice Chairman of the CreateSmart Initiative Vetting Committee of The Hong Kong SAR Government.
- Ceased to be member of Environmental Impact Assessment Appeal Board Panel.

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