



Your Preferred Port-of-Call

**2015 Financial Results
Presentation for the Year Ended
31 December 2015**

Disclaimer

This presentation should be read in conjunction with, and figures herein are based on, the results of Hutchison Port Holdings Trust (“HPH Trust”) for the year ended 31 December 2015 in the SGXNET announcement.

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

Table of Contents

- 1 Key Highlights
- 2 Outlook and Prospects
- 3 Business Review for the Year Ended 31 December 2015
- 4 Key Financial Performance

1 Key Highlights

Key Highlights

- Despite weak market outlook, HPH Trust achieved stable fourth quarter and full year results as management focused primarily on tariffs and costs improvements. Management remains cautious on expected cargo volume for 2016 given the soft global trade outlook and will continue to focus on improvements to tariffs and costs
- 2015 full year throughput of HPH Trust's deep-water ports was 1% below last year. YICT's throughput grew by 4% yoy, which outperformed Shenzhen's throughput growth of 1%. Combined throughput of HIT, COSCO-HIT and ACT dropped only 6% yoy, despite throughput of Hong Kong was down 9% yoy
- Outbound cargoes to the US showed an upward trend in full year but lost momentum in the fourth quarter of 2015. The decline in outbound cargoes to Europe continued but showed some improvements in the fourth quarter of 2015. Throughput growth of YICT was mainly driven by US, transshipment and empty cargoes but was offset by Europe decline. HIT's throughput drop was mainly due to weaker transshipment and intra-Asia cargoes

Key Highlights

- Revenue and other income was HK\$12,612.8 million, about the same as last year
- During the fourth quarter of 2015, Hutchison Port Holdings Limited (“HPH”) divested its interest in Zhuhai International Container Terminals (Jiuzhou) Limited (“Jiuzhou”), one of the river ports in which the Group has an economic benefit. The Group received its share of the consideration from HPH for cessation of the economic benefits amounted to approximately HK\$347.2 million and recognised a gain of approximately HK\$155.5 million in the same quarter. The Group has fully recovered the original investment value
- 2015 full year NPAT was 119% above last year and NPAT attributable to unitholders was 110% above last year
- Without the gain of HK\$155.5 million arising from cessation of Jiuzhou’s economic benefits and additional depreciation due to change of an accounting estimate in 2015, the goodwill impairment of HK\$19.0 billion and the net gain of HK\$243.8 million arising from the disposal of 60% effective interest in ACT in 2014, 2015 full year NPAT was HK\$2,914.9 million, 6% above last year. NPAT attributable to unitholders was HK\$1,609.9 million, 3% above last year
- 2015 full year Distribution Per Unit (“DPU”) is 34.40 HK cents

2 Outlook and Prospects

Outlook and Prospects



Overview

- The volume of containers handled by HPH Trust is affected materially by the economic performance of the US and Europe
- Outbound cargoes to the US were flat in the fourth quarter of 2015. High inventory level affected shipments in the quarter. The US Federal Reserve raised interest rates for the first time in nearly a decade in December 2015, in response to the strengthening US economy. We anticipate a stable US economic outlook for 2016 and a mild increase in US outbound cargoes
- The European economies continued to be weak in 2015 which resulted in a fall in outbound cargoes compared with 2014. Management does not anticipate a material improvement in 2016
- HPH Trust's performance is also dependent on the outcomes of structural changes occurring in the container shipping industry. To achieve cost advantages, improve efficiency and strengthen overall competitiveness, leading container shipping companies continue to add mega-vessels to their fleets, form alliances and broaden vessel-sharing schemes. HPH Trust's natural deep-water channels and unparalleled mega-vessel handling capabilities position it to be the preferred port of call for mega-vessels and HPH Trust is expected to benefit from these developments

Outlook and Prospects



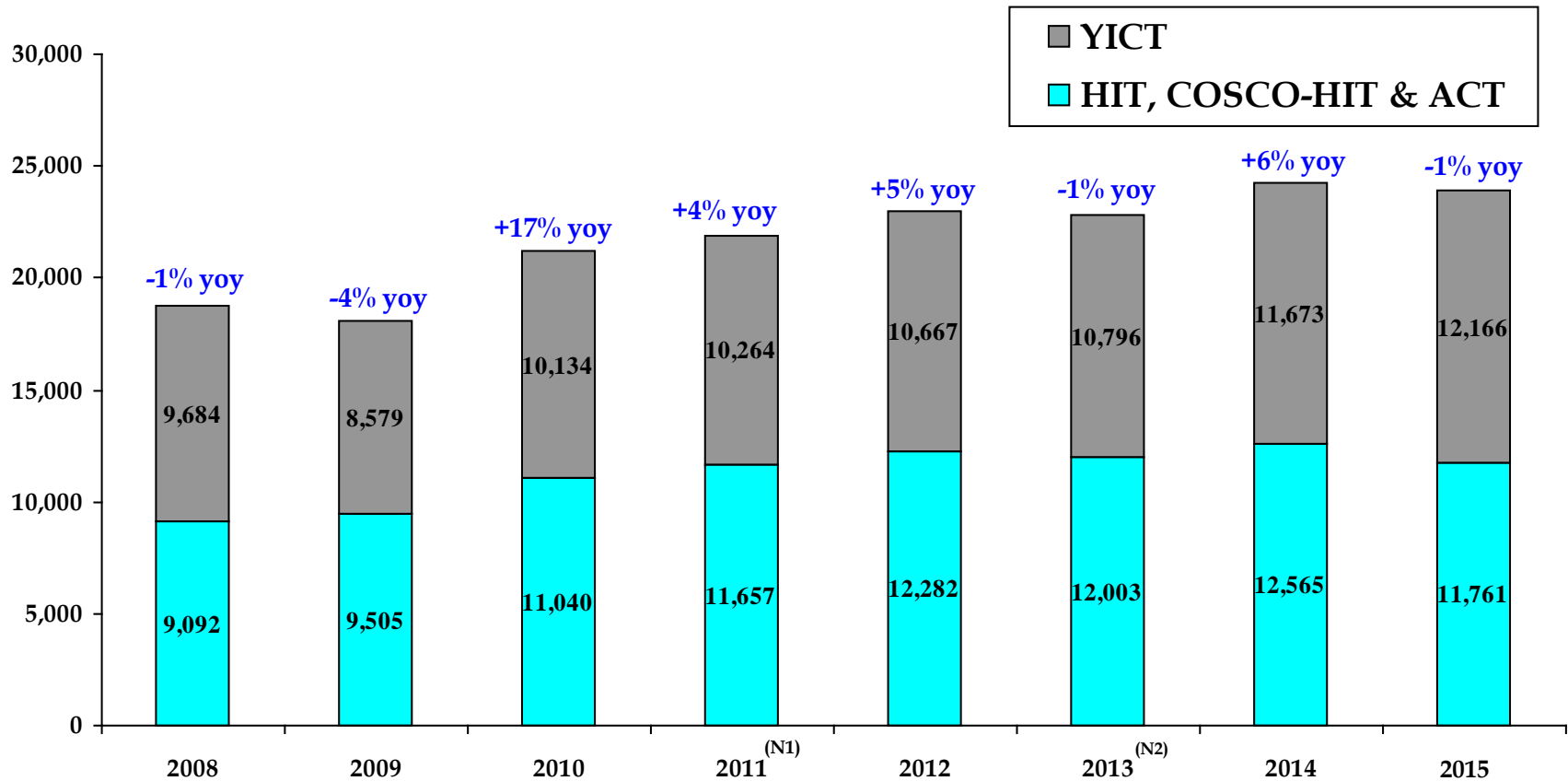
Overview

- Given the soft global trade outlook, management remains cautious on expected cargo volume for 2016 and will continue to focus on improvements to tariffs and costs
- The Trustee-Manager is confident that HPH Trust will respond promptly and effectively to any challenges, given its strong fundamentals

3 Business Review for the Year Ended 31 December 2015

Key Business Update

Throughput Volume (TEU in thousand)



N1 2011 throughput volume is on full year basis (i.e. include the throughput volume before listing) for comparison purpose

N2 Includes throughput volume of ACT from 7 March 2013, the date of acquisition

4 Key Financial Performance

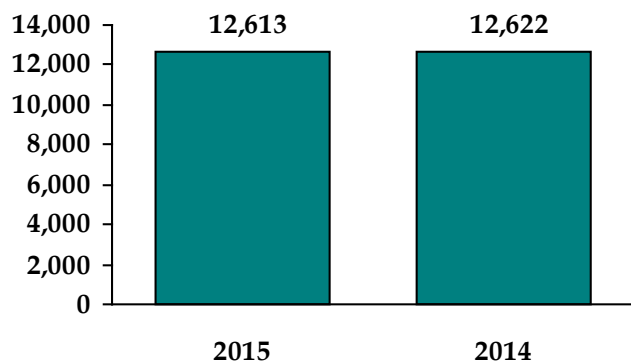
Key Financial Performance

Revenue and other income

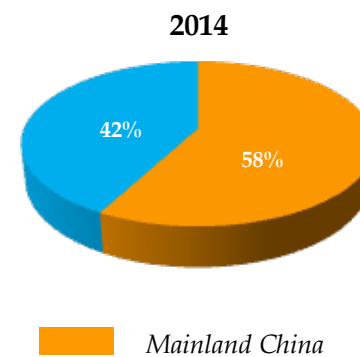
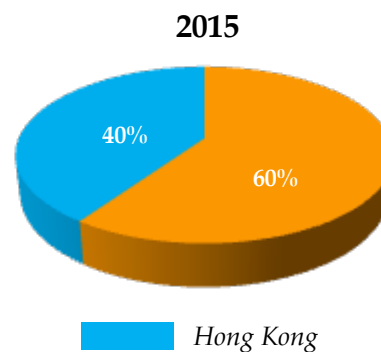
For the year ended 31 December 2015

(HK\$ Million)

0% yoy



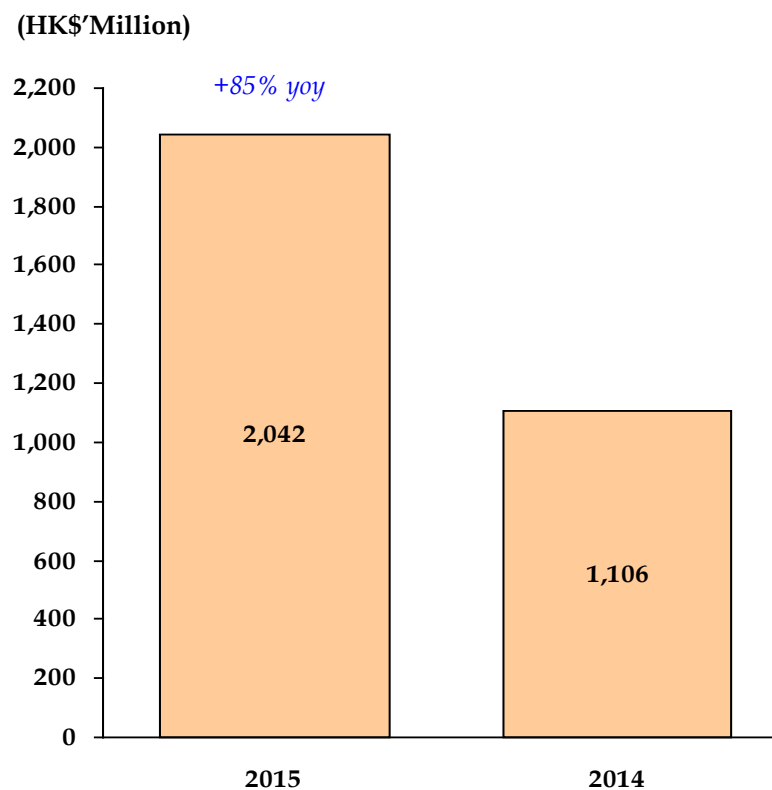
Segment Information



Key Financial Performance

Total Capex

For the year ended 31 December 2015



Key Financial Performance

Financial Position



At 31 December 2015
HK\$'Million

| | |
|-------------------------|------------|
| Short Term Debt | \$8,927.2 |
| Long Term Debt | \$24,220.0 |
| Total Consolidated Debt | \$33,147.2 |
| Total Consolidated Cash | \$6,840.8 |

Key Financial Performance

Distribution



| | For the period from 1 January 2015 to 30 June 2015 | For the period from 1 July 2015 to 31 December 2015 |
|---|--|---|
| Distribution Amount | HK\$1,367.6 million | HK\$1,629.0 million |
| Distribution Per Unit (“DPU”) | 15.70 HK cents | 18.70 HK cents |
| DPU for the year ended 31 December 2015 | 34.40 HK cents | |
| 2015 distribution – yield (%) | 9.3% (at US\$0.475 market price on 20 January 2016) | |
| Ex-distribution date | 11 February 2016 | |
| Books closure date | 5:00p.m. 15 February 2016 | |
| Payment of distribution | 24 March 2016 | |

Financial Results of HPH Trust for the Year Ended 31 December 2015 against Last Year



| (HK\$ Million) | 1 January to 31 December | | |
|--|--------------------------|---------------------------------------|----------------------------------|
| | 2015 <u>Actual</u> | 2014 <u>Actual</u> ^(N1) | % variance <u>Fav/(Unfav)</u> |
| Revenue and other income | 12,612.8 | 12,622.2 | - |
| Cost of services rendered | (4,575.1) | (4,814.2) | 5% |
| Staff costs | (306.6) | (305.2) | - |
| Depreciation and amortisation | (2,789.6) | (2,805.3) | 1% |
| Other operating income | 76.5 | 78.3 | (2%) |
| Other operating expenses | (789.2) | (859.4) | 8% |
| Total operating expenses | (8,384.0) | (8,705.8) | 4% |
| Operating profit | 4,228.8 | 3,916.4 | 8% |
| Interest and other finance costs | (624.2) | (586.2) | (6%) |
| Share of profits/(losses) after tax of Associated Cos/JVs | 141.0 | 138.6 | 2% |
| Profit before tax | 3,745.6 | 3,468.8 | 8% |
| Taxation | (830.7) | (730.9) | (14%) |
| Profit after tax and normalisation (a) | 2,914.9 | 2,737.9 | 6% |
| Impairment of goodwill | - | (19,000.0) | 100% |
| Net gain from the disposal of ACT | - | 243.8 | (100%) |
| Gain from cessation of Jiuzhou's economic benefits | 155.5 | - | N/A |
| Additional depreciation due to change of an accounting estimate | (25.8) | - | N/A |
| Profit/(loss) after tax (b) | 3,044.6 | (16,018.3) | 119% |
| Profit after tax attributable to non-controlling interests after normalisation (c) | (1,305.0) | (1,173.7) | 11% |
| Profit after tax attributable to non-controlling interests before normalisation (d) | (1,299.7) | (1,173.7) | 11% |
| Profit after tax attributable to unitholders of HPH Trust after normalisation (a) - (c) | 1,609.9 | 1,564.2 | 3% |
| Profit/(loss) after tax attributable to unitholders of HPH Trust before normalisation (b) - (d) | 1,744.9 | (17,192.0) | 110% |

N1 On 13 March 2014, HPH Trust entered into a strategic partnership with COSCO Pacific Limited and China Shipping Terminal Development (Hong Kong) Company Limited through their investment of 40% and 20% respectively, of effective equity and loan interests in ACT. Subsequent to the transaction, ACT has changed from being a wholly-owned subsidiary to a joint venture with 40% effective interest held by HPH Trust. Accordingly, its results are reported under "Share of profits/(losses) after tax of Associated Cos/JVs", instead of being consolidated into each line item of HPH Trust's consolidated income statement as previously recorded

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

Financial Results of HPH Trust for the Quarter Ended 31 December 2015 against Last Year



| (HK\$ Million) | 1 October to 31 December | | |
|--|--------------------------|-----------------------|----------------------------------|
| | 2015 <u>Actual</u> | 2014 <u>Actual</u> | % variance <u>Fav/(Unfav)</u> |
| Revenue and other income | 3,034.7 | 3,191.8 | (5%) |
| Cost of services rendered | (1,049.5) | (1,223.4) | 14% |
| Staff costs | (74.6) | (76.0) | 2% |
| Depreciation and amortisation | (697.6) | (704.2) | 1% |
| Other operating income | 48.1 | 48.5 | (1%) |
| Other operating expenses | (202.4) | (209.5) | 3% |
| Total operating expenses | (1,976.0) | (2,164.6) | 9% |
| Operating profit | 1,058.7 | 1,027.2 | 3% |
| Interest and other finance costs | (156.8) | (147.5) | (6%) |
| Share of profits/(losses) after tax of Associated Cos/JVs | 33.2 | 25.6 | 30% |
| Profit before tax | 935.1 | 905.3 | 3% |
| Taxation | (214.4) | (206.0) | (4%) |
| Profit after tax and normalisation (a) | 720.7 | 699.3 | 3% |
| Impairment of goodwill | - | (19,000.0) | 100% |
| Gain from cessation of Jiuzhou's economic benefits | 155.5 | - | N/A |
| Additional depreciation due to change of an accounting estimate | (15.6) | - | N/A |
| Profit/(loss) after tax (b) | 860.6 | (18,300.7) | 105% |
| Profit after tax attributable to non-controlling interests after normalisation (c) | (330.6) | (309.3) | 7% |
| Profit after tax attributable to non-controlling interests before normalisation (d) | (327.3) | (309.3) | 6% |
| Profit after tax attributable to unitholders of HPH Trust after normalisation (a) - (c) | 390.1 | 390.0 | - |
| Profit/(loss) after tax attributable to unitholders of HPH Trust before normalisation (b) - (d) | 533.3 | (18,610.0) | 103% |

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

Statements of Financial Position as at 31 December 2015 and 31 December 2014



| (HK\$'Million) | 2015 | 2014 |
|------------------------------------|-----------|-----------|
| ASSETS | | |
| Non-current assets | | |
| Fixed assets | 24,480.8 | 25,040.0 |
| Projects under development | 2,966.2 | 2,332.0 |
| Leasehold land and land use rights | 41,269.8 | 42,554.8 |
| Railway usage rights | 13.9 | 15.0 |
| Customer relationships | 6,838.6 | 7,172.8 |
| Goodwill | 22,629.0 | 22,629.0 |
| Associated companies | 161.3 | 154.4 |
| Joint ventures | 3,898.5 | 4,150.3 |
| Other non-current assets | 1,272.1 | 798.4 |
| Deferred tax assets | 12.7 | 12.9 |
| Total non-current assets | 103,542.9 | 104,859.6 |
| Current assets | | |
| Cash and cash equivalents | 6,840.8 | 7,798.8 |
| Trade and other receivables | 3,723.4 | 3,318.2 |
| Inventories | 123.5 | 133.8 |
| Total current assets | 10,687.7 | 11,250.8 |

Statements of Financial Position as at 31 December 2015 and 31 December 2014 (cont'd)



| (HK\$'Million) | 2015 | 2014 |
|--|------------------|------------------|
| Current liabilities | | |
| Trade and other payables | 7,295.0 | 6,941.0 |
| Bank and other debts | 8,911.2 | 8,190.2 |
| Current tax liabilities | 312.7 | 487.1 |
| Total current liabilities | <u>16,518.9</u> | <u>15,618.3</u> |
| Net current liabilities | <u>(5,831.2)</u> | <u>(4,367.5)</u> |
| Total assets less current liabilities | <u>97,711.7</u> | <u>100,492.1</u> |
| Non-current liabilities | | |
| Bank and other debts | 24,082.3 | 25,491.2 |
| Pension obligations | 200.3 | 144.1 |
| Deferred tax liabilities | 11,204.7 | 11,442.9 |
| Other non-current liabilities | 56.8 | 19.7 |
| Total non-current liabilities | <u>35,544.1</u> | <u>37,097.9</u> |
| Net assets | <u>62,167.6</u> | <u>63,394.2</u> |
| EQUITY | | |
| Units in issue | 68,553.8 | 68,553.8 |
| Reserves | (25,953.7) | (24,237.4) |
| Net assets attributable to unitholders of HPH Trust | <u>42,600.1</u> | <u>44,316.4</u> |
| Non-controlling interests | 19,567.5 | 19,077.8 |
| Total equity | <u>62,167.6</u> | <u>63,394.2</u> |

Statements of Cash Flows for the Year Ended 31 December 2015 and 31 December 2014



| (HK\$' Million) | <u>1 January to 31 December 2015</u> | <u>1 January to 31 December 2014</u> |
|---|--|--|
| Operating activities | | |
| Cash generated from operations | 6,778.5 | 6,668.9 |
| Interest and other finance costs paid | (568.1) | (511.0) |
| Tax paid | (1,225.7) | (760.8) |
| Net cash from operating activities | <u>4,984.7</u> | <u>5,397.1</u> |
| Investing activities | | |
| Purchase of fixed assets, projects under development, leasehold land & land use rights | (2,042.0) | (1,106.0) |
| Proceeds on disposal of fixed assets | 13.1 | 6.1 |
| Dividends received from investments | 35.6 | 56.7 |
| Dividends received from associated companies and joint ventures | 137.7 | 141.7 |
| Interest received | 73.1 | 85.7 |
| Repayment of loans by joint ventures | 241.8 | 3.2 |
| Proceeds on cessation of economic benefit of an investment | 347.2 | - |
| Proceeds on disposal of subsidiary companies | - | 2,411.3 |
| Net cash (used in)/from investing activities | <u>(1,193.5)</u> | <u>1,598.7</u> |
| Financing activities | | |
| New borrowings | 14,013.3 | 10,800.0 |
| Repayment of borrowings | (14,642.4) | (10,972.7) |
| Upfront debt transaction costs and facilities fees of borrowings | (69.8) | (7.8) |
| Capital contribution from non-controlling interests | 345.3 | - |
| Distributions to unitholders of HPH Trust | (3,310.2) | (3,571.6) |
| Dividends to non-controlling interests | (1,085.4) | (1,263.6) |
| Net cash used in financing activities | <u>(4,749.2)</u> | <u>(5,015.7)</u> |
| Net changes in cash and cash equivalents | (958.0) | 1,980.1 |
| Cash and cash equivalents at beginning of the year | 7,798.8 | 5,818.7 |
| Cash and cash equivalents at end of the year | <u>6,840.8</u> | <u>7,798.8</u> |

Statements of Cash Flows for the Quarter Ended 31 December 2015 and 31 December 2014



| (HK\$'Million) | <u>1 October to 31 December 2015</u> | <u>1 October to 31 December 2014</u> |
|---|--|--|
| Operating activities | | |
| Cash generated from operations | 1,816.5 | 1,896.7 |
| Interest and other finance costs paid | (139.1) | (139.8) |
| Tax paid | (337.6) | (104.7) |
| Net cash from operating activities | <u>1,339.8</u> | <u>1,652.2</u> |
| Investing activities | | |
| Purchase of fixed assets, projects under development, leasehold land and land use rights | (325.0) | (265.4) |
| Proceeds on disposal of fixed assets | 1.3 | 3.1 |
| Dividends received from investments | - | 39.9 |
| Dividends received from associated companies and joint ventures | 44.7 | 42.7 |
| Interest received | 9.2 | 13.3 |
| Repayment of loans by joint ventures | 0.8 | 2.2 |
| Proceeds on cessation of economic benefit of an investment | 347.2 | - |
| Net cash from/(used in) investing activities | <u>78.2</u> | <u>(164.2)</u> |
| Financing activities | | |
| Repayment of borrowings | (146.0) | (135.1) |
| Upfront debt transaction costs and facilities fees of borrowings | (0.8) | - |
| Dividends to non-controlling interests | (209.0) | - |
| Net cash used in financing activities | <u>(355.8)</u> | <u>(135.1)</u> |
| Net changes in cash and cash equivalents | 1,062.2 | 1,352.9 |
| Cash and cash equivalents at beginning of the quarter | <u>5,778.6</u> | <u>6,445.9</u> |
| Cash and cash equivalents at end of the quarter | <u>6,840.8</u> | <u>7,798.8</u> |