



Dr. Fu Yuning 傅育寧博士

*China Merchants Holdings
(International) Company Limited
Recorded a 25% Increase in
Consolidated Net Profit to
HK\$878 Million*

I am pleased to present the 2000 Annual Report and the audited accounts for the year ended 31 December 2000 (the “Current Year”) of China Merchants Holdings (International) Company Limited (the “Company”) and its subsidiaries (the “Group”).

**招商局國際有限公司
錄得綜合純利
增加25%至港幣
八億七仟八佰萬元**

本人謹此欣然提呈招商局國際有限公司（「本公司」）及其附屬公司（「本集團」）二零零零年年報及截止至二零零零年十二月三十一日止年度（「本年度」）之已審核帳項。

RESULTS FOR THE YEAR

The Group recorded a consolidated profit after tax and minority interests of HK\$878,000,000 for the Current Year, representing an increase of 24.6% over the corresponding figure of HK\$704,500,000 in 1999. Turnover for the Current Year was HK\$1,381,900,000, representing an increase of 2.5% as compared with that of HK\$1,348,500,000 in 1999. Earnings per share for the Current Year was HK42.94 cents, representing an increase of 20% compared with that of HK35.81 cents in 1999.

DIVIDENDS

The Board of Directors will recommend a final dividend of HK8.0 cents per share at the forthcoming Annual General Meeting. Together with the interim dividend of HK5.0 cents per share paid during the Current Year, a total dividend of HK13.0 cents per share was paid out in the Current Year, representing an increase of 18.2% and a dividend payout ratio of 30.4% as compared with that of HK11.0 cents in 1999. Upon approval at the forthcoming Annual General Meeting, dividend will be paid on 19 July 2001 to shareholders who are registered on the Register of Members on 18 June 2001.

REVIEW FOR THE YEAR

In 2000, Hong Kong's economy began to bottom out and has started to gain steady ground on its recovery. China's GDP has maintained a stable growth with rising commodity prices, increasing demand and growing import and export volumes, which collectively indicate an improving macroeconomic environment in the mainland. At the same time, the charter fees for the international oil tanker market have also shown a large margin of rise. Under the advantageous business environment, the Group has adopted a series of effective measures to strengthen management in its various business operations and to upgrade its competitiveness and to enlarge its market share. Through a series of acquisitions of high quality assets by the Group, adjustments of assets ownership structure, improving of the assets quality as well as reduction of operational risk, the Group was able to achieve satisfactory result.

全年業績

本集團於本年度之除稅及少數股東權益後之綜合溢利為港幣八億七仟八百萬元，與一九九九年之除稅及少數股東權益後之綜合溢利港幣七億零四百五十萬元相比較，增長了24.6%；本年度之營業額為港幣十三億八仟一百九十萬元，與一九九九年之營業額港幣十三億四仟八佰五十萬元相比較，增長了2.5%；本年度之每股盈利為港幣42.94仙，與一九九九年之每股盈利港幣35.81仙相比較，增長了20%。

股息

董事會擬於即將召開之股東週年大會上建議派發末期股息每股港幣八仙，連同已在年內派發的中期股息每股港幣五仙，全年每股派息合共港幣十三仙，與上年度股息每股港幣十一仙相比，增長了18.2%，派息率為30.4%。待股東在股東週年大會通過後，股息將於二零零一年七月十九日派發予於二零零一年六月十八日名列股東名冊上之股東。

全年回顧

二零零零年，香港的經濟明顯好轉，經濟處於恢復性增長中，內地的宏觀經濟形勢也明顯好轉，物價回升，需求增大，進出口大幅增長，中國的國內生產總值維持穩定增長率，國際油輪市場的租金也有較大的增幅，面對這一有利的市場環境，本集團積極採取有力措施，加強對各項業務的管理，提高核心競爭力，拓展市場份額，特別是通過不斷收購優質資產、調整產業結構、改善資產質量、降低經營風險，使本集團取得了較好的業績。

The increase in the consolidated profit in 2000 was attributable to two sources. Firstly, the Company's unremitting effort in exploring the market and in strengthening the management of the undergoing investment projects under an advantageous business environment has brought in relatively handsome profit. Secondly, a series of acquisitions and new investment projects have made considerable profit contributions. In January 2000, the Group acquired a 20.8% interest in China Merchants Shekou Holdings Co. Ltd. ("Shekou Holdings"). In February 2000, the Group acquired a 20% interest in Shenzhen Kaifeng Terminal Limited ("Kaifeng Terminal") through the joint venture with Modern Terminals Limited ("MTL"). In June 2000, the Group completed two acquisitions, namely a 13% interest in each of Western Harbour Tunnel Company Limited ("Western Harbour Tunnel") and Hong Kong Tunnel and Highways Management Company Limited ("Tunnel Management Co") and a 60% interest in Zhejiang Yuyao Expressway and at the same time disposed a 15.25% interest in China Southern Glass Holding Co. Ltd.. In July 2000, the Group successfully tendered for Berth No.8 of Shenzhen Mawan Port together with Shenzhen Chiwan Wharf Holdings Limited. In October 2000, the Group completed the acquisition of a 49% interest in Zhangzhou China Merchants Port Co. Ltd. ("Zhangzhou Terminal"). The above acquisitions projects all came in line with the Group's core assets and have not only generated profits for the Group, but have also enhanced the Group's port and toll road assets, thus laying a strong foundation for the Group's future development.

SHARE CAPITAL AND CONVERTIBLE BONDS

In April 1999, CMHI Caymans Inc., a wholly-owned subsidiary of the Company, issued guaranteed convertible bonds with a total value of US\$70,000,000 due in 2004. During the Current Year, a total value of US\$760,000 of the said bonds have been converted into shares of the Company. The Group has further issued 53,540,000 new shares for acquisition of assets and 175,000 shares upon the exercise of share options by the directors during the Current Year. The Company's issued share capital increased from HK\$199,520,000 at the end of 1999 to HK\$205,000,000 at the end of the Current Year. The net assets value increased from HK\$9,262,100,000 at the end of last year to HK\$10,200,600,000 at the end of the Current Year, representing an increase of 10.1%.

二零零零年綜合溢利增長主要來自兩方面：一方面是原有的投資項目面對有利的市場時機，積極開拓，並加強管理，盈利貢獻有較大的增加；另一方面是本年度本集團收購和投資了一些新項目，增加了盈利貢獻，二零零零年一月收購了招商局蛇口控股股份有限公司（「蛇口控股」）的20.8%權益，二零零零年二月與現代貨箱碼頭有限公司（「現代貨箱碼頭」）成立合營公司收購了深圳凱豐碼頭有限公司（「凱豐碼頭」）的20%權益，二零零零年六月收購了香港西區海底隧道有限公司（「西隧」）與香港隧道及公路管理有限公司（「隧道管理公司」）各13%的權益，同時出售了中國南玻集團股份有限公司的15.25%權益，二零零零年六月收購了浙江余姚公路的60%權益，二零零零年七月與深圳赤灣港航股份有限公司成功競得深圳媽灣港8號泊位，二零零零年十月完成收購漳州招商局碼頭有限公司（「漳州碼頭」）的49%權益。這些收購項目均是與本集團核心產業相關的，加強了港口與收費公路資產的實力，不僅增加了本集團盈利，也為本集團今後的發展打下了堅實的基礎。

股本及可換股債券

一九九九年四月，本公司之全資附屬公司CMHI Caymans Inc.發行了七仟萬美元之有擔保可換股債券，該等債券將於二零零四年到期。在本年度上述債券其中合共七十六萬美元已轉換為本公司股份。本年度本集團因收購資產而增發了五仟三百五十四萬股新股，另有董事行使認股權認購股份十七萬五仟股。本公司已發行股本由去年底港幣一億九仟九百五十二萬元增加到本年底的港幣二億零五百萬元，資產淨值由去年底港幣九十二億六仟二佰一十萬元，增加到本年底的港幣一佰零二億零六十萬元，增加10.1%。

PROSPECTS

Although the U.S. economy has started to slowdown, we believe that the Hong Kong economy is still in the stage of recovery and steady growth. The economy in mainland China will continue to develop. With the PRC's possible entry into the World Trade Organisation in 2001, the Group will, by virtue of its tremendous strength and reputable credibility, continue to strengthen the operation and management of its current businesses, to actively acquire high quality assets and boost investments in its core businesses. At the same time, the Group will put its rich port resources into full use and will vigorously develop port logistics business related to its existing businesses so as to cultivate new growth base for its profits. The Board of Directors considers that in 2001, the Group will focus on the development of port business and logistics business. The port business will maintain a decent growth rate and the logistics business will progress as planned. The risk on income guarantee arrangement of toll roads has been substantially reduced in 1999 and 2000. The strong economic growth, the ever increasing construction of expressways for land transportation and the increasing use of container for cargo transportation, will all be attributable to the steady profit growth and cash inflow of the port business and logistics business.

On behalf of the Board of Directors, I would like to express my sincere thanks to all the staff, shareholders and the general public for their contributions, their trust and their support to the Group.

Fu Yuning

Chairman

Hong Kong, 19 April 2001

前 景 與 展 望

雖然美國經濟增長已開始放緩，但我們相信香港經濟仍會處於復甦性增長中，內地經濟將持續增長，而且中國在二零零一年內有望加入世界貿易組織。本集團將藉著雄厚的實力和良好的信譽，繼續加強現有業務的經營管理，積極收購優質資產加大對現有核心業務的投資，同時將充份利用本集團豐富的港口資源大力發展與現有業務相關之港口物流業務以形成新的盈利增長點。展望二零零一年，董事會認為：港口業務和物流業務是本集團重點發展的產業，港口業務將保持良好增長勢頭，物流業務會按計劃取得進展；而收費公路的擔保回報風險在一九九九年至二零零零年已基本消化，隨著經濟的發展、運輸高速公路化和貨物運輸集裝箱化，這一業務的盈利和現金貢獻都將取得穩定的增長。

最後，本人謹代表董事會向所有支持本集團發展的員工、股東和各界人士致以衷心的謝意。

傅育寧

主席

香港，二零零一年四月十九日