

In this annual report, unless the context otherwise requires, the following expressions have the following meanings:

GENERAL TERMS

“BVI”	British Virgin Islands
“CCA”	Comprehensive Co-operation Agreement – an agreement signed between the Group and/or its parent company and various City or Provincial Governments indicating the parties’ dedication towards a scheme of co-operation
“Company” or “NWI”	New World Infrastructure Limited
“GDP”	gross domestic product
“Group”	NWI and its subsidiaries
“HK”	Hong Kong
“HK\$” or “HK dollar”	the lawful currency of Hong Kong
“Hong Kong Stock Exchange” or “HKSE”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“MI”	Ministry of Information and Industry of PRC
“MS”	Microsoft, a computer software company in United States of America
“Municipality”	a municipality responsible directly to the Central Government; currently, there are four municipalities of this type in China being Beijing, Shanghai, Tianjin and Chongqing
“NASDAQ”	National Association of Securities Dealers Automated Quotation
“NWD”	New World Development Company Limited
“New World Group”	NWD and its subsidiaries
“PRC”	People’s Republic of China
“RMB” or “Rmb” or “Renminbi”	the lawful currency of the PRC
“SAR”	Special Administrative Region – a status granted to Hong Kong and Macau to own an independent governmental and legislative system and to enjoy a degree of autonomy from the PRC government under the principle of “one country, two systems”
“SEZ” or “Special Economic Zones”	as part of China’s economic reform programme, the PRC Government, in order to attract foreign investment, authorised the creation of special economic zones, which offer incentives to foreign businesses, including favourable tax treatment and land use fees
“US\$” or “USD” or “US dollar”	the lawful currency of the United States of America
“WTO”	World Trade Organisation

Glossary of Terms

FINANCIAL TERMS

“Allowable Debt”	Total Debt of the Company plus contingent liabilities arising out of the Company’s guarantees for loans
“Attributable Operating Profit” or “AOP”	Profit available for appropriation before head office items
“Earnings/(Loss) per Share” or “EPS/LPS”	$\frac{\text{Profit/(Loss) Attributable to Shareholders}}{\text{Weighted average number of shares in issue during the year}}$
“Equity”	Shareholders’ funds plus mandatorily convertible bonds
“Head Office Overheads to Attributable Operating Profit”	$\frac{\text{Head office overheads}}{\text{AOP}}$
“Interest Coverage”	$\frac{\text{Profit before interest and taxation}}{\text{Interest expense}}$
“IRR”	Internal rate of return
“Net Assets”	Total assets less total liabilities and minority interests
“Net Assets per Share”	$\frac{\text{Net Assets}}{\text{Number of shares as at year end plus number of shares to be issued on conversion of mandatorily convertible bonds}}$
“Net Total Debt”	Total Debt less cash and bank balances of the Group
“Net Total Debt to Equity”	$\frac{\text{Net Total Debt}}{\text{Equity}}$
“Profit Attributable to Shareholders”	Profit available for appropriation less interest on mandatorily convertible bonds
“Total Assets to Total Liabilities”	$\frac{\text{Total assets}}{\text{Total liabilities}}$
“Total Debt”	Total bank and other borrowings less loans from minority shareholders

TECHNICAL TERMS

“ASIC”	Application Specific Integrated Circuit
“Broadband”	A transmission channel that has a bandwidth greater than a voice-grade line of 3KHz, usually T-1 and above. A broadband line can carry numerous voice, video and data channels simultaneously through digital or analogue signals
“Build-Operate-Transfer”	“Build-Operate-Transfer” projects, where investors are invited to build a project, operate it for a specified period and then transfer the assets which are the subject of the project to the government (in the case of the Hong Kong Projects) and to the PRC joint venture parties (in the case of the PRC Projects) free of charge
“CAGR”	compound annual growth rate
“CATV”	Community Antenna Television, also known as “cable TV”
“e-commerce”	electronic commerce
“GPRS”	General Packet Radio Service, an upgrade to existing GSM networks that uses packet switching rather than circuit switching which allows always-on connection
“GSM”	Global cellular system for mobile communications, a digital mobile cellular telephone system operating in the 900 MHz frequency band based on digital transmission and cellular network architecture with roaming
“ICP”	Internet Content Provider
“IPO”	initial public offering
“Internet”	a global collection of interconnected data communications networks accessible by subscribers worldwide
“IT”	Information Technology
“LAS-CDMA”	Large Area Synchronised Code Division Multiple Access technology
“ODM”	Original Design and Manufacture
“PC”	Personal computer
“Set-top box”	A compact interface device that at-home subscribers use to select channels, convert compressed signals or interact with a visual communications network
“SMS”	Short message system
“STK”	Subscriber Identity Module Toolkit
“Tenth Five-Year Plan”	the plan proposed by the Central Committee of the Chinese Communist Party and reported to the Fourth Session of the Chinese National People’s Congress in relation to the economic and social development of the PRC for the years 2001 to 2005
“VoD”	Video on Demand
“WAP”	Wireless Application Protocol
“3G”	Third-generation

MEASUREMENTS

“CBM” or “m ³ ”	cubic metre
“FEU” or “FEUs”	forty-foot equivalent units, equal to 2 TEUs
“GW”	gigawatt(s), equal to 1,000MW
“GWh”	gigawatt hour(s), equal to 1,000 MWh
“Kbps”	One thousand bits per second
“km”	kilometre(s)
“kW”	kilowatt(s), equal to 1,000 watts
“kWh”	kilowatt hour(s), a unit of measurement of electric energy consumption, which is equal to the work done by one kilowatt of electric power in one hour
“Mbps”	One million bits per second
“MHz”	Megahertz, a unit of measure of frequency; 1 MHz is equal to one million cycles per second
“MW”	megawatt(s), equal to 1,000kW
“TEU” or “TEUs”	twenty-foot equivalent unit – a standard of measurement used in container transport for expressing the volume of the trade and the capacity of container ships, and for other statistical purposes, as well as for freight quotations. It is based on the dimensions of a cargo container of 20 feet long x 8 feet wide x 8 feet 6 inches high with a maximum load of approximately 9 tonnes
“Tonnes”	a standard of measurement, equal to 1,000 kg
“Tons”	a standard of measurement used in the water sector, 1 ton is equal to the weight of 1m ³ of water
“TWh”	tetrawatt hour(s), equal to 1,000 GWh

TECHNICAL STANDARDS AND DESIGNS OF DIFFERENT CLASSES OF ROADS IN THE PRC

	Vehicular highways			General roads		
	Expressways	Class 1	Class 2	Class 2	Class 3	Class 4
Maximum design speed level (kilometres/hour)	120	100	80	80	60	40
Width of the road lane (metres)	2x7.5	2x7.5	2x7.5	9.0	7.0	3.5
Width of the foundation (metres)	28.0	26	24.5	12.0	8.5	6.5
Surface grading	Top	Top	Top	Top/secondary	Secondary/medium	Medium/low

The specifications of the different grades of road surface are as follow:

Surface grading**Specifications**

Top	– Asphalt concrete; cement concrete
Secondary	– Asphalt mixed with gravel; asphalt and gravel blended on-site; processed asphalt surface
Medium	– Aggregate or gravel (mixed with clay); half-blocked stone; or other kinds of pebble
Low	– Strengthened pebble; or other strengthened or modified materials

Source: *Highway Engineering Standard JTJ 01-97 Ministerial Standard of the Ministry of Communications of the PRC.*