



BCIA

Stock Code : 0694



INTERIM REPORT

2013

Beijing Capital International Airport Company Limited

(A sino-foreign joint stock limited company incorporated in the People's Republic of China)

The board of directors (the “Board”) of Beijing Capital International Airport Company Limited (the “Company”) is pleased to announce the operating results and unaudited financial results which have been reviewed by the audit committee of the Company (the “Audit Committee”) for the first half year of 2013 and the prospect of the second half year of 2013 as follows:

SUMMARY OF FINANCIAL RESULTS

(All amounts are expressed in thousands of Renminbi (“RMB”) except per share data)

	Unaudited For the six months ended 30 June 2013	2012 <i>(Restated)</i>	Change
Revenues	3,528,799	3,356,793	5.1%
Operating expenses	(2,335,355)	(2,178,936)	7.2%
EBITDA	1,975,098	1,845,375	7.0%
Profit attributable to shareholders	673,272	558,486	20.6%
Earnings per share			
— basic and diluted <i>(RMB)</i>	0.155	0.129	20.6%

	Unaudited As at 30 June 2013	Audited As at 31 December 2012 <i>(Restated)</i>	Change
Total assets	32,997,687	33,422,716	-1.3%
Total liabilities	17,404,319	18,198,917	-4.4%
Shareholders’ equity	15,593,368	15,223,799	2.4%

MANAGEMENT DISCUSSION AND ANALYSIS

In the first half year of 2013, the following changes in policy environment and certain changes in the management and operation of the Company had posed certain effects on the Company's revenue and cost structures as well as its operating performance for the reporting period:

1. The implementation of the pilot reform of levying value added tax in lieu of business tax has lessened the Company's overall tax burden;
2. Pursuant to the "Notice Regarding the Adjustment of Charging Standards of Civil Airport for International, Hong Kong and Macau Flights Operated by Domestic Airlines" issued by the Civil Aviation Administration of China and the National Development and Reform Commission (Min Hang Fa [2013] No. 3) (the "Notice"), with effect from 1 April 2013, international, Hong Kong and Macau flights operated by domestic airlines, the benchmark price of charging standards for the charging items in the aeronautical business in the mainland outbound (inbound) airports would be determined based on the benchmark price of the charging standards for flights operated by international, Hong Kong and Macau airlines, and for the non-outbound (inbound) airports in the mainland, when the destination of the passenger, cargo and mail is a international city, Hong Kong and Macau, the benchmark price of charging standards for passenger charges, security check charges on passengers and luggage, security check charges on cargo and mail would be determined based on the benchmark price of charging standards for flights operated by international, Hong Kong and Macau airlines (hereafter referred to as "uniform charging policy for international routes"), which has increased the aeronautical revenues of the Company contributed by the international, Hong Kong, Macau and Taiwan flights operated by domestic airlines;
3. In the reporting period, the Company provided certain commercial areas within the terminals to Capital Airport VIP Services Management Company Limited for providing traveller services by way of franchising instead of by way of leasing such commercial areas as it did primarily in the same period last year;
4. From 1 January 2013, Capital Airports Holding Company (the "Parent Company") entrusted the Company to operate the ground traffic centre ("GTC") assets and the Company would own the income and assume the operating costs (excluding the depreciation expenses, financial expenses and insurance expenses) during the entrustment period, and at the end of each year, the annual operating profit would be shared with the Parent Company according to the previously agreed percentages. In the same period of last year, the Parent Company enjoyed the revenues and bore costs relating to the GTC assets and the Company charged entrusted management service fees for management of GTC on behalf of the Parent Company;
5. The T3D terminal ("T3D") of Beijing Capital Airport was officially put into operation in the first half year of 2013.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Overview of aeronautical business

In the first half year of 2013, due to the combined effects of weak growth in emerging economies and global economic recovery delayed by the debt crisis in European countries, Beijing Capital Airport saw a slower growth in its aeronautical business volume as compared to previous years. In respect of international routes, there were only slight increases in aircraft movements and passenger throughput, especially due to the substantial growth in business volume in the same period of 2012, the aftermath of the political events occurring in peripheral regions since the second half year of 2012 and the negative impact of the H7N9 bird flu on travel demands at the beginning of the year.

In the first half year of 2013, the cumulative aircraft movements at the Beijing Capital Airport reached 276,768 sorties, representing an increase of 1.8% as compared with the same period of the previous year. The cumulative passenger throughput reached 40,794,167 person-times, representing an increase of 3.6% as compared with the same period of the previous year. The cumulative cargo and mail throughput reached 875,470 tonnes, representing an increase of 5.8% as compared with the same period of the previous year. Detailed information is set out in the table below:

	For the six months ended 30 June		
	2013	2012	Change
Aircraft Movements (<i>unit: sorties</i>)	276,768	271,780	1.8%
including: Domestic	216,891	212,233	2.2%
International, Hong Kong, Macau & Taiwan	59,877	59,547	0.6%
Passenger Throughput (<i>unit: person-times</i>)	40,794,167	39,381,780	3.6%
including: Domestic	31,417,728	30,184,580	4.1%
International, Hong Kong, Macau & Taiwan	9,376,439	9,197,200	1.9%
Cargo and mail throughput (<i>unit: tonnes</i>)	875,470	827,366	5.8%
including: Domestic	488,466	459,104	6.4%
International, Hong Kong, Macau & Taiwan	387,004	368,262	5.1%

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Aeronautical revenues

	Unaudited For the six months ended 30 June		
	2013 RMB'000	2012 RMB'000	Change
Passenger charges	789,501	767,079	2.9%
Aircraft movement fees and related charges	715,555	672,276	6.4%
Airport fee (Note 1)	519,188	500,709	3.7%
Total aeronautical revenues	2,024,244	1,940,064	4.3%
less: Business tax and levies (Note 2)	3,770	64,022	-94.1%
Aeronautical revenues, net of business tax and levies	2,020,474	1,876,042	7.7%

Note 1: Pursuant to the "Notice regarding the Issuance of Levy and Utilisation Methods of Civil Aviation Development Fund" issued by the Ministry of Finance of the PRC, with effect from 1 April 2012, the former airport construction fee and fundamental infrastructure construction fund have been combined into the Civil Aviation Development Fund. The airport fee for 2013 represents the Civil Aviation Development Fund receivable by the Company, while the airport fee for 2012 included the airport construction and management fee and Civil Aviation Development Fund receivable by the Company.

Note 2: In the reporting period, due to the implementation of the pilot reform of levying value added tax in lieu of business tax, the regulations of value added tax applied to the aeronautical revenues of the Company and no business tax had to be levied.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Aeronautical revenues (Continued)

In the first half year of 2013, the total aeronautical revenues of the Company were RMB2,024,244,000, representing an increase of 4.3% as compared with the same period of the previous year.

In the first half year of 2013, revenues from passenger charges were RMB789,501,000, representing an increase of 2.9% as compared with the same period of the previous year, which is slightly lower than the growth rate of the passenger throughput due to a slowdown in the growth of international, Hong Kong, Macau and Taiwan passenger throughput.

In the first half year of 2013, revenues from aircraft movement fees and related charges were RMB715,555,000, representing an increase of 6.4% as compared with the same period of the previous year and outpacing the growth rate of aircraft movements, which was mainly due to the increase in fees from international routes since April 2013 as a result of the uniform charging policy for international, Hong Kong, Macau and Taiwan routes operated by domestic airlines. Meanwhile, the higher proportion of large airliners is another driver for the rise in aircraft movement fees and related charges.

In the first half year of 2013, the airport fee revenue was RMB519,188,000, representing an increase of 3.7% as compared with the same period of the previous year, which was substantially in line with the growth rate of the passenger throughput.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Non-aeronautical revenues

	Unaudited For the six months ended 30 June		
	2013	2012	Change
	RMB'000	RMB'000	
Concessions	1,015,095	978,121	3.8%
including: Advertising	423,623	414,028	2.3%
Retailing	417,565	412,726	1.2%
Restaurants and food shops	57,371	53,125	8.0%
Ground handling	54,232	66,358	-18.3%
VIP services	38,118	6,734	466.1%
Others	24,186	25,150	-3.8%
Rentals	408,507	400,431	2.0%
Car parking fees	77,675	27,610	181.3%
Others	3,278	10,567	-69.0%
Total non-aeronautical revenues	1,504,555	1,416,729	6.2%
less: Business tax and levies (Note 3)	44,188	88,881	-50.3%
Non-aeronautical revenues, net of business tax and levies	1,460,367	1,327,848	10.0

Note 3: In the reporting period, due to the implementation of the pilot reform of levying value added tax in lieu of business tax, the regulations of value added tax applied to concessions (other than the concessions from restaurants and food shops) and rental income from movable tangible property of the Company and no business tax had to be levied.

In the first half year of 2013, the total non-aeronautical revenues of the Company were RMB1,504,555,000, representing an increase of 6.2% as compared with the same period of the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Non-aeronautical revenues (Continued)

In the first half year of 2013, the concession revenues of the Company were RMB1,015,095,000, representing an increase of 3.8% as compared with the same period of the previous year. Among which, affecting from the policy of levying value added tax in lieu of business tax and the slowdown of the growth of business, in the first half of 2013, the concession revenues from advertising reached RMB423,623,000, representing an increase of 2.3% as compared with the same period of the previous year; the concession revenues from retailing reached RMB417,565,000, representing a slight increase of 1.2% as compared with the same period of the previous year. The concession revenues from restaurants and food shops were RMB57,371,000, representing an increase of 8.0% as compared with the same period of the previous year, which mainly resulted from the increase in passenger throughput and the consumption ratio. From 1 June 2012, the Company adopted a franchise business model for the commercial areas previously leased to Capital Airport VIP Services Management Company Limited, and accordingly recorded concession revenues from VIP services of RMB38,118,000 in the first half of 2013, representing an increase of 466.1% as compared with the same period of the previous year, which was mainly because such income was recognized for June only in the same period of the previous year. The concession revenues from ground handling service were RMB54,232,000, representing a decrease of 18.3% as compared with the same period of the previous year, which was mainly because the Company reached agreement with airline companies undertaking relevant business in respect of revenues of previous years and recognized such revenues in the same period of the previous year. Other concession revenues were RMB24,186,000, representing a decrease of 3.8% as compared with the same period of the previous year.

In the first half year of 2013, the rental revenues of the Company were RMB408,507,000, representing an increase of 2.0% as compared with the same period of the previous year.

In 2013, the Company was entrusted to operate the GTC assets, which, coupled with the increase in vehicle traffic, led to an increase in revenues. In the first half of 2013, the car parking service fee of the Company was RMB77,675,000, representing an increase of 181.3% as compared with the same period of the previous year.

In the first half year of 2013, the other revenues of the Company were RMB3,278,000, representing a 69.0% drop as compared with the same period of the previous year. The other revenues mainly represent the service charges for handling documents at the terminals. As there were changes to the GTC operating model, the Company did not have any entrusted management service revenue from GTC during the reporting period.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Operating expenses

	Unaudited For the six months ended 30 June		
	2013 RMB'000	2012 RMB'000 (Restated)	Change
Depreciation and amortisation	776,003	756,379	2.6%
Repair and maintenance	300,145	272,588	10.1%
Utilities and power	291,368	296,789	-1.8%
Staff costs	256,234	237,048	8.1%
Aviation safety and security guard costs	234,768	190,340	23.3%
Operating contracted services	123,596	113,307	9.1%
Greening and environmental maintenance	103,686	95,233	8.9%
Real estate and other taxes	80,754	74,052	9.1%
Rental expenses	50,692	43,130	17.5%
Other costs	118,109	100,070	18.0%
Total operating expenses	2,335,355	2,178,936	7.2%

In the first half year of 2013, the total operating expenses of the Company were RMB2,335,355,000, representing an increase of 7.2% as compared with the same period of the previous year.

In order to improve passenger handling capacity of the domestic waiting area, the T3D was officially put into operation in the first half year of 2013, which resulted in corresponding increases of expenses in connection with the operation of T3D of the Company such as the repair and maintenance expenses, the aviation safety and security guard costs and the operating contracted services costs during the reporting period.

In the first half year of 2013, the depreciation and amortisation expenses of the Company were RMB776,003,000, representing an increase of 2.6% as compared with the same period of the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Operating expenses (Continued)

In the first half year of 2013, the repair and maintenance expenses of the Company were RMB300,145,000, representing an increase of 10.1% as compared with the same period of the previous year, mainly due to corresponding increase in relevant expenses upon the commencement of operation of the systems and facilities and equipments of T3D during the reporting period.

In the first half year of 2013, the utilities and power expenses of the Company were RMB291,368,000, representing a decrease of 1.8% as compared with the same period of the previous year, mainly due to the shorter duration of heat and cold supply during the reporting period.

In the first half year of 2013, the staff costs of the Company were RMB256,234,000, representing an increase of 8.1% as compared with the same period of the previous year.

In the first half year of 2013, the aviation safety and security guard costs of the Company were RMB234,768,000, representing an increase of 23.3% as compared with the same period of the previous year, mainly as a result of the increase in labour costs for hiring aviation safety and security guard since the second half of 2012.

In the first half year of 2013, the operating contracted services costs of the Company were RMB123,596,000, representing an increase of 9.1% as compared with the same period of the previous year. Apart from the increase in relevant costs due to the commencement of operation of T3D, another contributing factor to the increase in operating contracted services costs is that the Parent Company has entrusted the Company to operate GTC and the operation cost of which was assumed by the Company since 1 January 2013.

In the first half year of 2013, the greening and environmental maintenance expenses of the Company were RMB103,686,000, representing an increase of 8.9% as compared with the same period of the previous year, mainly due to the increase in relevant costs arising from the commencement of operation of T3D.

In the first half year of 2013, the real estate and other taxes of the Company were RMB80,754,000, representing an increase of 9.1% as compared with the same period of the previous year, mainly due to the GTC real estate tax assumed by the Company during the reporting period as compared to nil of such tax in the same period of the previous year.

MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Operating expenses (Continued)

In the first half year of 2013, the rental expenses of the Company were RMB50,692,000, representing an increase of 17.5% as compared with the same period of the previous year.

In the first half year of 2013, the other costs of the Company were RMB118,109,000, representing an increase of 18.0% as compared with the same period of the previous year.

Other Items in the Statement of Comprehensive Income

For the six months ended 30 June 2013, other income of the Company was RMB581,000, which mainly included the government subsidies for certain fixed assets which were received by the Company in previous years and transferred from deferred income to other income according to the depreciation of the assets, other income for the same period last year was RMB57,856,000, mainly including the proceeds from disposal of the warehouse assets in the north district by the Company and the government subsidies received by the Company during then reporting period.

For the six months ended 30 June 2013, the net finance costs of the Company after deducting finance income were RMB247,493,000.

For the six months ended 30 June 2013, the income tax expense of the Company was RMB224,883,000.

PROSPECT FOR THE SECOND HALF YEAR OF 2013

In the second half year of 2013, the global economy remains weak as a whole and the domestic economy keeps slowing down, which continues to restrain the overall development of the aviation industry. Beijing Capital Airport has entered into a stage of relatively modest growth in traffic volume. By further expanding the market and supplementing operational resources, Beijing Capital Airport is expected to maintain steady growth in air traffic volumes in the second half of the year.



PROSPECT FOR THE SECOND HALF YEAR OF 2013 *(Continued)*

As preliminary indicated by recent traffic statistics, following the relatively low-speed feeble growth in the first half of the year, the international business of Beijing Capital Airport shows signs of stabilization at the beginning of the second half of the year and its traffic volume began to rebound. However, it remains uncertain as to the growth of the overall traffic volume of Beijing Capital Airport given the impact of special weather and other external environment factors, to which the Company will pay sustained attention.

In the second half year of 2013, the Company will continue to advance the strategic objective of hub airport construction, deepen cooperation through the hub-platform with airlines and airline alliances, step up efforts for marketing in the aviation market and keep expanding routes networks. In terms of supplementing operational resources, by commencing operation of T3D, the operational pressure of Beijing Capital Airport was timely relieved. The Company will also continue to push forward the retrofitting of Terminal Two as scheduled to further improve the facilities capacity of Beijing Capital Airport.

In the second half year of 2013, the Company will persistently strengthen security management and air-ground coordination, and further enhance its overall operating efficiency and service quality.

In the second half year of 2013, the Company will continue deepening the concept of refined management, improving the mix of varieties and brands, promoting the replenishment of commercial resources, and developing potential business value by optimizing the general commercial layout and business planning, so as to continuously increase commercial income.

With the commencement of operation of T3D, and based on the relevant arrangements under the T3D assets leasing agreement reached between the Company and the Parent Company, the Company will face more pressure in terms of operating expenses in the second half than in the first half of the year. Nevertheless, the Company will ensure profit growth by adhering to strict cost controls.

The preliminary approvals work in respect of the construction of Beijing New Airport entered the last critical phase in the second half year of 2013. The Company will continue to comprehensively track the progress of this project, with relevant research and assessments to be actively carried out, in order to make prudent decisions about the desirable tactics to be taken for the Beijing New Airport project.

INTERIM DIVIDENDS

The Board of the Company resolved to distribute the interim dividends of RMB0.0466 per share for the six months ended 30 June 2013, amounting to the total sum of approximately RMB201,819,000 (the interim dividends distributed for 2012: RMB0.04 per share, amounting to a total sum of approximately RMB173,236,000).

Pursuant to the Company's articles of association, dividends payable to holders of domestic shares will be paid in RMB, while dividends payable to holders of H shares will be paid in Hong Kong dollar. The dividends payable in Hong Kong dollar will be calculated basing on the average exchange rate of RMB to Hong Kong dollar published by the People's Bank of China over a period of one calendar week prior to the declaration of the dividends. During such period (from 12 August 2013 to 16 August 2013), the average exchange rate of RMB to Hong Kong dollar was HK\$1.00 = RMB0.79546. Accordingly, the amount of the interim dividends for each H share of the Company for the six months ended 30 June 2013 is HK\$0.05858.

The register of members of the Company will be temporarily closed from Thursday, 12 September 2013 to Tuesday, 17 September 2013 (both days inclusive), during which period no transfer of shares will be registered. The interim dividends are expected to be paid on or before Thursday, 31 October 2013, to the shareholders whose names appear on the register of members on Tuesday, 17 September 2013.

The Company has appointed Bank of China (Hong Kong) Trustees Limited as the receiving agent (the "Receiving Agent") which will receive the 2013 interim dividend declared from the Company on behalf of the holders of H shares. The 2013 interim dividend will be paid by the Receiving Agent on or before 31 October 2013 and the dividend warrants will be posted by the H share registrar of the Company, Hong Kong Registrars Limited, by ordinary mail to the holders of H shares who are entitled to receive the dividend at their own risk.

In order to be qualified for the payment of the interim dividends, holders of H shares whose transfers have not been registered are requested to deposit the transfer documents together with the relevant share certificates to the Company's H share registrar: Hong Kong Registrars Limited at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 11 September 2013.

INTERIM DIVIDENDS *(Continued)*

Pursuant to the “Enterprise Income Tax Law of the People’s Republic of China” and the “Rules for the Implementation of the Enterprise Income Tax Law of the People’s Republic of China”, both implemented in 2008, and the “Notice of Withholding and Payment of Enterprise Income Tax Regarding China Resident Enterprise Paying Dividend to Non-Resident Enterprise Holders of Overseas H Shares” (No.897 GSH[2008]) issued by China’s State Administration of Taxation on 6 November 2008, the Company is obliged to withhold and pay enterprise income tax at the rate of 10% when distributing the 2013 interim dividend to the non-resident enterprise H share shareholders whose names appear on the register of members for H shares of the Company on the relevant record date, i.e. 17 September 2013 (the “Record Date”). For the holders of the H shares (the “H Shareholders”) who are registered in the name of non-natural person registered shareholders (including HKSCC (Nominees) Limited, other corporate nominees, trustees, or other organisations or groups which shall be treated as “non-resident enterprise” shareholders) on the register of members for H shares of the Company on the Record Date, the Company will distribute the 2013 interim dividend, after withholding and paying enterprise income tax of 10%.

The Company will withhold and pay enterprise income tax on behalf of its non-resident enterprise shareholders strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Company’s register of members on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the shareholders or any disputes over the mechanism of the above withholding and payment.

Based on the Company’s consultations with the relevant PRC tax authorities, for all natural persons whose names are registered on the register of members for H shares of the Company, being a foreign investment enterprise, on the Record Date, no income tax will be required to be withheld and paid by the Company.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2013, the Company had total cash and cash equivalents amounting to RMB1,890,390,000, while the cash and cash equivalents of the Company amounted to RMB1,818,404,000 as at 31 December 2012.

In the reporting period, the Company repaid bank borrowings RMB7,500,000,000 by new borrowings RMB6,500,000,000 and internal cash flow RMB1,000,000,000. As at 30 June 2013, the Company's short-term bank borrowings were RMB3,000,000,000; the non-current and current portions of long-term bank borrowings were RMB3,490,000,000 and RMB10,000,000 respectively; loans from the Parent Company were RMB3,083,446,000; bonds payable were RMB4,887,965,000.

As at 30 June 2013, the current ratio of the Company was 54.96%, and that as at 31 December 2012 was 30.47%. Such ratios were computed by dividing the total current assets by total current liabilities as at those respective dates.

As at 30 June 2013, the liability-to-asset ratio of the Company was 52.74%, and that as at 31 December 2012 was 54.45%. Such ratios were computed by dividing the total amount of liabilities by the total assets as at those respective dates.

In the first half year of 2013, the Company's net cash generated from operating activities amounted to RMB1,681,412,000, representing a decrease of 2.8% as compared with the same period of the previous year.

In the first half year of 2013, net cash used in investing activities amounted to RMB118,273,000, while net cash generated from investing activities amounted to RMB64,003,000 in the same period of 2012, mainly because of the cash of RMB187,600,000 received by the Company from disposal of the Company's warehouse assets in north district in the same period of the previous year.

In the first half year of 2013, the Company's net cash used in financing activities amounted to RMB1,490,387,000, representing a decrease of 1.5% as compared with the same period of the previous year.

CHARGE ON ASSETS

During the six months ended 30 June 2013, there was no material charge on the assets of the Company.

MERGER, ACQUISITION AND DISPOSAL

During the six months ended 30 June 2013, the Company had no merger, acquisition or disposal.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company has not purchased, sold or redeemed any of its shares during the six months ended 30 June 2013.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

The Company's businesses are principally denominated in RMB, except for part of non-aeronautical revenues, and purchases of certain equipment, goods and materials which are received or paid in US dollars. Dividends payable to the H Shareholders of the Company are declared in RMB and payable in HK dollars.

According to the overall plan of the acquisition of the Phase III Assets*, as at 30 June 2013, the Company assumed the US dollar-denominated borrowings (USD418,121,310) from the European Investment Bank related to the Phase III Assets and the interest thereof. Accordingly, the fluctuation of the RMB exchange rate against the US dollar will affect the financial results of the Company.

* In 2008, the Company acquired the airfield assets (including runway base courses, runway wearing courses, taxiways, road non-asphalt layers, road asphalt layers, aprons and tunnels, lighting and other airfield facilities), Terminal Three of the Beijing Capital Airport ("T3"), T3 related assets, roads within the airport area, the driverless electric train system, commercial areas and other relevant equipment, machinery and facilities and the land use rights of the land on which T3 and other related constructions are situated (collectively the "Phase III Assets").

During the reporting period, the Company had not carried out any foreign currency hedging activities.

As at 30 June 2013, the assets and liabilities of the Company denominated in US dollars included cash and cash equivalents of approximately RMB52,251,000 (as at 31 December 2012: RMB44,507,000), trade and other receivables of approximately RMB19,824,000 (as at 31 December 2012: RMB16,661,000), trade and other payables of approximately RMB5,714,000 (as at 31 December 2012: RMB5,735,000), and loans from the Parent Company of approximately RMB2,583,446,000 (as at 31 December 2012: RMB2,705,398,000).

EXPOSURE TO FLUCTUATIONS IN INTEREST RATES

The total amount of the non-current portion and current portion of the Company's loans from the Parent Company is RMB3,083,446,000, which includes the loans from the European Investment Bank which was assumed from the Parent Company at an interest rate of six-month LIBOR plus 0.4% and the corporate bonds from the Parent Company at an interest rate with reference to published interbank repo rate issued by China Foreign Exchange Trading Centre & National Interbank Funding Centre. The bank borrowings of the Company totaled RMB6,500,000,000 and their interest rates were referenced to the benchmark interest rates announced by the People's Bank of China. As such, any change in LIBOR and adjustment in interest rates of the People's Bank of China will affect the interest expenses and financial results of the Company.

MATERIAL INVESTMENT, MATERIAL INVESTMENT PLAN AND MATERIAL FINANCING PLAN

During the reporting period, there was no material investment, material investment plan and material financing plan.

CONTINGENT LIABILITIES

The Company had no other significant contingent liabilities as at 30 June 2013.

EMPLOYEES AND EMPLOYEES' WELFARE

1. As at 30 June 2013, the number of employees of the Company was as follows, together with the comparative figures for the same date in the previous year:

	As at 30 June 2013	As at 30 June 2012
Number of employees	1,615	1,576

The remuneration policy of employees of the Company is determined by the management based on market practice. A position performance-based salary regime is adopted on the basis of position value and centred on performance evaluation. The remuneration system, under dynamic management, is competitive externally and fair internally, and fulfills concurrent growth in the employees' income and the Company's profit as well as concurrent increase in remuneration of labour and labour productivity.

EMPLOYEES AND EMPLOYEES' WELFARE (Continued)

2. Employees' basic medical insurance and commercial medical insurance

With effect from 1 January 2003, the Company and its certain subsidiaries have implemented the regulations of basic medical insurance in accordance with the requirements of the Beijing Municipal Government. According to the regulations, the Company pays the basic medical insurance and mutual insurance for large sum medical expenses for its employees at 9% and 1%, respectively, of the average monthly salaries of its employees in the previous year.

In addition, the Company may on a voluntary basis provide supplemental medical insurance benefits to its employees on certain amount within 4% of the average monthly salaries of its employees in the previous year. Meanwhile, the Company no longer pays cash medical subsidies or medical compensations to its employees.

MATERIAL LITIGATION OR ARBITRATION

The Company was not involved in any material litigation or arbitration during the reporting period.

ENTRUSTED DEPOSITS AND OVERDUE FIXED DEPOSITS

As at 30 June 2013, the Company did not have any entrusted deposits or uncollected fixed deposits upon maturity placed with any financial institutions or any other entities.

CAPITAL STRUCTURE AND CHANGES

1. Capital Structure

As at 30 June 2013, the total number of issued share capital of the Company was 4,330,890,000 shares, including:

	Number of shares	Percentage to total issued share capital
Domestic shares	2,451,526,000	56.61%
H shares	1,879,364,000	43.39%

2. Interests and short position of substantial shareholders and other persons

As at 30 June 2013, the interests and long positions and short positions held by the following persons, other than directors or supervisors of the Company, as recorded in the register required to be kept by the Company under Section 336 of the Securities of Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO") were as follows:

Name of substantial shareholder	Class of shares	Number of shares interested	Capacity	Percentage of Shareholding to the relevant class	Percentage to the total issued shares
Capital Airports Holding Company (note 1)	Domestic shares	2,451,526,000 (L)	Beneficial owner	100%	56.61%
Government of Singapore Investment Corporation Pte Ltd (note 2)	H shares	413,896,000 (L)	Investment Manager	22.02%	9.56%
BlackRock, Inc. (note 3)	H shares	129,260,878 (L) 304,000 (S)	Interest of corporation controlled by the substantial shareholder	6.87% 0.01%	2.98% 0.01%
The Northern Trust Company (ALA) (note 4)	H shares	0 (L) 411,728,738 (P)		0.00% 21.91%	0.00% 9.51%

(L) = Long Position

(S) = Short Position

(P) = Lending Pool

CAPITAL STRUCTURE AND CHANGES *(Continued)*

2. Interests and short position of substantial shareholders and other persons *(Continued)*

Notes:

1. Capital Airports Holding Company was incorporated in the PRC, and is the controlling shareholder of the Company.

Mr. Dong Zhiyi, an executive director and the Chairman of the Board, is the General Manager of Capital Airports Holding Company.

Mr. Chen Guoxing, a non-executive director of the Company, is the Deputy General Manager of Capital Airports Holding Company.

Mr. Gao Shiqing, a non-executive director of the Company, is the Deputy General Manager of Capital Airports Holding Company.

Mr. Yao Yabo, a non-executive director of the Company, is the Deputy General Manager of Capital Airports Holding Company.

Mr. Zhang Musheng, a non-executive director of the Company, is the Deputy General Manager of Capital Airports Holding Company.

2. The registered office of Government of Singapore Investment Corporation Pte Ltd is in Singapore.
3. The registered office of BlackRock, Inc. is in New York, the US.
4. The registered office of The Northern Trust Company (ALA) is in Chicago, the US.

SHORT POSITION IN SHARES

According to the register required to be kept by the Company under Section 336 of the SFO, as at 30 June 2013, there were no other people or substantial shareholders holding any short positions in the shares and underlying shares of the Company save as disclosed above.

Save as disclosed above, the register required to be kept under section 336 of the SFO showed that the Company had not been notified of any other interests or short positions in the shares and underlying shares of the Company as at 30 June 2013.

INTERESTS AND SHORT POSITIONS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVES AND THEIR SECURITIES TRANSACTIONS

As at 30 June 2013, none of the directors or the supervisors or the chief executives of the Company had any interests or short positions in any shares, any underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of SFO) as recorded in the register of the Company required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange of Hong Kong Limited (“Hong Kong Stock Exchange”) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”). None of the directors, the supervisors and the chief executives of the Company, or their associates had been granted or had exercised any such rights during the six months ended 30 June 2013.

AUDIT COMMITTEE

The Audit Committee was established on 10 January 2000. On 15 June 2011, the fifth session of the Board of the Company reappointed the members of the Audit Committee whose term will expire on the date of the 2013 annual general meeting. At present, the Audit Committee is composed of four independent non-executive directors, namely, Mr. Liu Guibin (chairman of the Audit Committee, PRC Certified Public Accountant and one of the first group of senior members (practicing) of CICPA), Mr. Japhet Sebastian Law, Mr. Wang Xiaolong and Mr. Jiang Ruiming. External auditors are invited to attend the Audit Committee meetings regularly and they can communicate with the Audit Committee individually, as they deem necessary.

The Audit Committee fulfils its supervisory responsibility as delegated by the Board through examining matters relating to financial reporting, internal control procedures, and considering auditing issues. The Audit Committee shall meet at least twice a year to review auditors’ reports, the status of the Company’s audits, internal auditing reports, and the interim and annual accounts of the Company prior to making recommendation to the Board for approval.

The Audit Committee is responsible for the review and evaluation of the Company’s internal control system and risk management level.

The Audit Committee has reviewed the Company’s condensed interim financial information for the six months ended 30 June 2013, as well as the accounting principles and policies adopted by the Company. The Audit Committee considers that the disclosure of the financial information in the unaudited condensed interim financial information and in the interim report complies with the applicable accounting standards and the relevant requirements of the Listing Rules and the laws of Hong Kong.

CORPORATE GOVERNANCE AND COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company adhered to good corporation governance level. The Company confirms that it has complied with all the provisions set out in the Corporate Governance Code set out in Appendix 14 of the Listing Rules (the "Code") for the six months ended 30 June 2013 except for the Code provision in relation to the matter set out below.

In respect of Code provision A.6.7 of the Code, the Company held its 2012 annual general meeting on 28 June 2013. Save as Mr. Chen Guoxing, Mr. Zhang Musheng and Mr. Liu Eng Boon were absent from the meeting due to other business commitment, all other members of the Board attended the meeting. Matters considered at the meeting included five regular matters and one special matter and all resolutions were smoothly passed at the meeting. After the meeting, the Company dispatched the meeting minutes to all members of the Board to keep the absent directors informed about the proposals resolved during the meeting.

COMPLIANCE WITH THE MODEL CODE

The Company has formulated "the Code for Securities Transactions by Directors and Staff" at terms no less exacting than the required standard of the Model Code. For the six months ended 30 June 2013, the Company strictly implemented the Code for Securities Transactions by Directors and Staff.

Having made specific enquiries to the directors, supervisors and chief executives of the Company, the Company has confirmed that each of them has complied with the Model Code during the six months ended 30 June 2013.

BOARD OF DIRECTORS

The fifth session of the Board of the Company was established on 15 June 2011 and elected by the Company's shareholders at the annual general meeting and will end on the date of the annual general meeting of the Company for 2013.

The fifth session of the Board of the Company consists of eleven directors, including two executive directors, five non-executive directors and four independent non-executive directors (Mr. Yam resigned with effect from 21 March 2013 since he had to devote more time in his other businesses). There were four committees under the Board, including the Strategy Committee, the Audit Committee, the Remuneration and Evaluation Committee and the Nomination Committee.

The members of the Board are as follows:

Mr. Dong Zhiyi	Chairman, executive director
Mr. Zhang Guanghui	General Manager, executive director
Mr. Chen Guoxing	Non-executive Director
Mr. Gao Shiqing	Non-executive Director
Mr. Yao Yabo	Non-executive Director
Mr. Zhang Musheng	Non-executive Director
Mr. Lau Eng Boon	Non-executive Director
Mr. Japhet Sebastian Law	Independent Non-executive Director
Mr. Wang Xiaolong	Independent Non-executive Director
Mr. Jiang Ruiming	Independent Non-executive Director
Mr. Liu Guibin	Independent Non-executive Director



INTERIM BALANCE SHEET

AS AT 30 JUNE 2013

	Note	Unaudited As at 30 June 2013 RMB'000	Audited As at 31 December 2012 RMB'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	7	28,851,398	29,490,286
Land use rights		690,940	699,092
Intangible assets		30,790	40,505
Investment in a jointly controlled entity		52,492	52,911
Deferred income tax assets		32,605	—
Other non-current assets	8	59,838	54,160
		29,718,063	30,336,954
Current assets			
Inventories		125,192	125,185
Trade and other receivables	8	1,264,042	1,142,173
Cash and cash equivalents		1,890,390	1,818,404
		3,279,624	3,085,762
Total assets		32,997,687	33,422,716

INTERIM BALANCE SHEET (Continued)

AS AT 30 JUNE 2013

	Note	Unaudited As at 30 June 2013 RMB'000	Audited As at 31 December 2012 RMB'000 (Restated)
EQUITY			
Capital and reserves			
Share capital	9	4,330,890	4,330,890
Share premium		5,055,425	5,055,425
Capital and other reserves	10(a)	619,858	627,761
Statutory and discretionary reserves	10(b)	2,889,582	2,655,065
Retained earnings		2,697,613	2,554,658
Total equity		15,593,368	15,223,799
LIABILITIES			
Non-current liabilities			
Long-term bank borrowings	13	3,490,000	—
Bonds payable	14	4,887,965	4,885,832
Deferred income tax liabilities		—	15,268
Retirement benefit obligations		116,197	109,187
Deferred income		11,621	12,202
Loans from Parent Company	15	2,931,479	3,050,804
		11,437,262	8,073,293

INTERIM BALANCE SHEET (Continued)

AS AT 30 JUNE 2013

	Note	Unaudited As at 30 June 2013 RMB'000	Audited As at 31 December 2012 RMB'000 (Restated)
Current liabilities			
Trade and other payables	12	2,612,104	2,160,383
Interest payable		111,434	226,234
Short-term bank borrowings	13	3,000,000	—
Current income tax liabilities		74,902	78,603
Current portion of long-term bank borrowings	13	10,000	7,500,000
Current portion of retirement benefit obligations		6,650	5,810
Current portion of loans from Parent Company	15	151,967	154,594
		5,967,057	10,125,624
Total liabilities		17,404,319	18,198,917
Total equity and liabilities		32,997,687	33,422,716
Net current liabilities		(2,687,433)	(7,039,862)
Total assets less current liabilities		27,030,630	23,297,092

The notes on pages 30 to 60 form an integral part of these condensed interim financial statements.

INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2013

		Unaudited	
		For the six months	
		ended 30 June	
	<i>Note</i>	2013	2012
		RMB'000	RMB'000
			<i>(Restated)</i>
Revenues			
Aeronautical	6	2,024,244	1,940,064
Non-aeronautical	6	1,504,555	1,416,729
		3,528,799	3,356,793
Business tax and levies			
Aeronautical		(3,770)	(64,022)
Non-aeronautical		(44,188)	(88,881)
		(47,958)	(152,903)
Operating expenses			
Depreciation and amortisation		(776,003)	(756,379)
Repairs and maintenance		(300,145)	(272,588)
Utilities and power		(291,368)	(296,789)
Staff costs		(256,234)	(237,048)
Aviation safety and security guard costs		(234,768)	(190,340)
Operating contracted services		(123,596)	(113,307)
Greening and environmental maintenance		(103,686)	(95,233)
Real estate and other taxes		(80,754)	(74,052)
Rental expenses		(50,692)	(43,130)
Other costs		(118,109)	(100,070)
		(2,335,355)	(2,178,936)
Other income	16	581	57,856

INTERIM STATEMENT OF COMPREHENSIVE INCOME

(Continued)

FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Note	Unaudited For the six months ended 30 June 2013 RMB'000	2012 RMB'000 (Restated)
Operating profit		1,146,067	1,082,810
Finance income	17	54,654	4,727
Finance costs	17	(302,147)	(346,276)
		(247,493)	(341,549)
Share of post-tax (loss)/profit of a jointly controlled entity		(419)	2,848
Profit before income tax		898,155	744,109
Income tax expense	18	(224,883)	(185,623)
Profit for the period		673,272	558,486
Other comprehensive (loss)/income			
Item that will not be reclassified subsequently to profit or loss			
Remeasurements of retirement benefit obligations		(7,903)	3,440
Other comprehensive (loss)/income for the period, net of tax		(7,903)	3,440
Total comprehensive income for the period		665,369	561,926
Earnings per share, basic and diluted (RMB)	19	0.155	0.129
Dividends			
Interim dividend declared	11	201,819	173,236

The notes on pages 30 to 60 form an integral part of these condensed interim financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2013

	Unaudited						
	Note	Share capital RMB'000	Share premium RMB'000	Capital and other reserves RMB'000	Statutory and discretionary reserves RMB'000	Retained earnings RMB'000	Total equity RMB'000
Balance at 1 January 2013, as previous reported		4,330,890	5,055,425	621,520	2,661,587	2,613,359	15,282,781
Adoption of IAS 19 (Amendment) Employee benefits (note 3)		–	–	6,241	(6,522)	(58,701)	(58,982)
Balance at 1 January 2013, restated		4,330,890	5,055,425	627,761	2,655,065	2,554,658	15,223,799
Total comprehensive income for the period		–	–	(7,903)	–	673,272	665,369
2012 final dividend		–	–	–	–	(295,800)	(295,800)
Transfer to statutory and discretionary reserves	10(b)	–	–	–	234,517	(234,517)	–
Balance at 30 June 2013		4,330,890	5,055,425	619,858	2,889,582	2,697,613	15,593,368
Representing:							
Share capital and reserves		4,330,890	5,055,425	619,858	2,889,582	2,495,794	15,391,549
2013 interim dividend declared	11	–	–	–	–	201,819	201,819
Balance at 30 June 2013		4,330,890	5,055,425	619,858	2,889,582	2,697,613	15,593,368
Balance at 1 January 2012, as previous reported		4,330,890	5,055,425	552,650	2,321,530	2,211,151	14,471,646
Adoption of IAS 19 (Amendment) Employee benefits (note 3)		–	–	(1,107)	(4,170)	(37,532)	(42,809)
Balance at 1 January 2012, restated		4,330,890	5,055,425	551,543	2,317,360	2,173,619	14,428,837
Total comprehensive income for the period		–	–	3,440	–	558,486	561,926
2011 final dividend		–	–	–	–	(257,082)	(257,082)
Cash contribution from the Parent Company	10(a)	–	–	68,870	–	–	68,870
Transfer to statutory and discretionary reserves		–	–	–	222,799	(222,799)	–
Balance at 30 June 2012, restated		4,330,890	5,055,425	623,853	2,540,159	2,252,224	14,802,551
Representing:							
Share capital and reserves		4,330,890	5,055,425	623,853	2,540,159	2,078,988	14,629,315
2012 interim dividend declared		–	–	–	–	173,236	173,236
Balance at 30 June 2012, restated		4,330,890	5,055,425	623,853	2,540,159	2,252,224	14,802,551

The notes on pages 30 to 60 form an integral part of these condensed interim financial statements.

INTERIM STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2013

		Unaudited	
		For the six months	
		ended 30 June	
	<i>Note</i>	2013	2012
		RMB'000	RMB'000
Net cash from operating activities		1,681,412	1,729,584
Net cash (used in) / from investing activities	22	(118,273)	64,003
Net cash used in financing activities	22	(1,490,387)	(1,513,847)
Net increase in cash and cash equivalents		72,752	279,740
Cash and cash equivalents at 1 January		1,818,404	948,542
Effect of exchange rate changes		(766)	115
Cash and cash equivalents at 30 June		1,890,390	1,228,397

The notes on pages 30 to 60 form an integral part of these condensed interim financial statements.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2013

1. GENERAL INFORMATION

Beijing Capital International Airport Company Limited (the "Company") was incorporated as a joint stock company with limited liability in the People's Republic of China (the "PRC") on 15 October 1999 and has been listed on The Stock Exchange of Hong Kong Limited since 1 February 2000. The Company is majority owned by Capital Airports Holding Company, a state-owned enterprise established in the PRC ("CAHC" or the "Parent Company") under the control of the Civil Aviation Administration of China ("CAAC").

The Company is principally engaged in the ownership and operation of the international airport in Beijing ("Beijing Capital Airport") and the provision of related services. The address of its registered office is Capital Airport, Beijing, the PRC.

This condensed interim financial information is presented in RMB unless otherwise stated. This condensed interim financial information was approved by the Board of Directors for issue on 22 August 2013.

This condensed interim financial information has not been audited.

2. BASIS OF PREPARATION

This condensed interim financial information for the six months ended 30 June 2013 has been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting". This condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2012, which have been prepared in accordance with the International Financial Reporting Standards ("IFRS").

As at 30 June 2013, the current liabilities of the Company exceeded the current assets by approximately RMB2,687,433,000 (as at 31 December 2012: RMB7,039,862,000). Given the debt obligations and working capital requirements, management has thoroughly considered the Company's available sources of funds as follows:

- The Company's continuous net cash inflow from operating activities; and
- Unutilised long-term banking facilities of RMB15.5 billion.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

2. BASIS OF PREPARATION *(Continued)*

Based on the above considerations, the Board of Directors is of the opinion that the Company has sufficient available financial resources to meet or refinance its working capital requirements as and when they fall due. As a result, the condensed interim financial information of the Company for the six months ended 30 June 2013 have been prepared on a going concern basis.

3. ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2012, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(1) *New and revised standards and amendments and interpretation to standards which are effective in 2013 and adopted by the Company*

Except the following set out below, none of new and revised standards and amendments and interpretation to standards which are effective in 2013 and adopted by the Company is expected to have a significant effect on the unaudited condensed interim financial statements of the Company.

IAS 19 'Employee benefits' amends the accounting for employment benefits. The Company has applied the standard retrospectively in accordance with the transition provisions of the standard. The impact on the Company will be to immediately recognise all past service costs; to recognise the actuarial gains and losses from experience adjustments and changes in actuarial assumptions in other comprehensive income of equity; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

3. ACCOUNTING POLICIES (Continued)

(1) New and revised standards and amendments and interpretation to standards which are effective in 2013 and adopted by the Company (Continued)

The effect of adopting IAS 19 (Amendment) is as follows:

	As at 30 June 2013, before adoption of IAS 19 (Amendment) RMB'000	Adoption of IAS 19 (Amendment) RMB'000	As at 30 June 2013 RMB'000
Deferred income tax assets	13,357	19,248	32,605
Other assets	32,965,082	—	32,965,082
Total assets	32,978,439	19,248	32,997,687
Share capital	4,330,890	—	4,330,890
Share premium	5,055,425	—	5,055,425
Capital and other reserves	621,520	(1,662)	619,858
Statutory and discretionary reserves	2,896,104	(6,522)	2,889,582
Retained earnings	2,747,175	(49,562)	2,697,613
Total equity	15,651,114	(57,746)	15,593,368
Retirement benefit obligations	39,203	76,994	116,197
Other liabilities	17,288,122	—	17,288,122
Total liabilities	17,327,325	76,994	17,404,319

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

3. ACCOUNTING POLICIES (Continued)

(1) New and revised standards and amendments and interpretation to standards which are effective in 2013 and adopted by the Company (Continued)

	As at 31 December 2012, as previously reported RMB'000	Adoption of IAS 19 (Amendment) RMB'000	As at 31 December 2012, as restated RMB'000
Total assets	33,422,716	—	33,422,716
Share capital	4,330,890	—	4,330,890
Share premium	5,055,425	—	5,055,425
Capital and other reserves	621,520	6,241	627,761
Statutory and discretionary reserves	2,661,587	(6,522)	2,655,065
Retained earnings	2,613,359	(58,701)	2,554,658
Total equity	15,282,781	(58,982)	15,223,799
Deferred income tax liabilities	34,929	(19,661)	15,268
Retirement benefit obligations	30,544	78,643	109,187
Other liabilities	18,074,462	—	18,074,462
Total liabilities	18,139,935	58,982	18,198,917

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

3. ACCOUNTING POLICIES *(Continued)*

(1) New and revised standards and amendments and interpretation to standards which are effective in 2013 and adopted by the Company *(Continued)*

	For the six months ended 30 June 2013, before adoption of IAS 19 (Amendment) RMB'000	Adoption of IAS 19 (Amendment) RMB'000	For the six months ended 30 June 2013 RMB'000
Staff costs	(268,420)	12,186	(256,234)
Profit before income tax	885,969	12,186	898,155
Income tax expense	(221,837)	(3,046)	(224,883)
Profit for the period	664,132	9,140	673,272
Other comprehensive loss, net of tax	–	(7,903)	(7,903)
Total comprehensive income for the period	664,132	1,237	665,369

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

3. ACCOUNTING POLICIES *(Continued)*

(1) New and revised standards and amendments and interpretation to standards which are effective in 2013 and adopted by the Company *(Continued)*

	For the six months ended 30 June 2012, as previously reported RMB'000	Adoption of IAS 19 (Amendment) RMB'000	For the six months ended 30 June 2012, as restated RMB'000
Staff costs	(209,000)	(28,048)	(237,048)
Profit before income tax	772,157	(28,048)	744,109
Income tax expense	(192,635)	7,012	(185,623)
Profit for the period	579,522	(21,036)	558,486
Other comprehensive income, net of tax	—	3,440	3,440
Total comprehensive income for the period	579,522	(17,596)	561,926

(2) New standards and amendments to standards not yet effective for the financial year beginning 1 January 2013 and have not been early adopted by the Company

There are certain new standards and amendments to standards which have been issued but are not yet effective for the year beginning 1 January 2013 and have not been early adopted by the Company in the unaudited condensed interim financial information. Management is currently assessing their related impact to the Company.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

4. ESTIMATES

The preparation of interim financial information 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 expense. Actual results may differ from these estimates.

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

5. FINANCIAL RISK MANAGEMENT

All aspects of the Company's financial risk management objectives and practices were consistent with those disclosed in the annual financial statements for the year ended 31 December 2012.

6. REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Strategy Committee which is appointed out of the directors by the Board of Directors. This committee reviews the Company's internal reporting in order to assess performance and allocate resources.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

6. REVENUE AND SEGMENT INFORMATION *(Continued)*

The Company runs a single business of operating and managing an airport and provision of related services in the PRC and resources are allocated based on what is beneficial to the Company in enhancing the value as a whole rather than any special unit. The Strategy Committee considers the performance assessment of the Company should be based on the results of the Company as a whole. Therefore, management considers there to be only one operating segment under the requirement of IFRS 8.

Analysis of revenue by category	For the six months ended 30 June	
	2013 RMB'000	2012 RMB'000
Aeronautical:		
Passenger charges	789,501	767,079
Aircraft movement fees and related charges	715,555	672,276
Airport fee <i>(note a)</i>	519,188	500,709
	2,024,244	1,940,064
Non-aeronautical:		
Concessions	1,015,095	978,121
Rentals	408,507	400,431
Car parking fee	77,675	27,610
Others	3,278	10,567
	1,504,555	1,416,729
Total revenues	3,528,799	3,356,793

As the Company is domiciled in the PRC from where all of its revenue from external customers for the six months ended 30 June 2013 and 2012 are derived and in where all of its assets are located, no geographical segment information is shown.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

6. REVENUE AND SEGMENT INFORMATION *(Continued)*

- (a) Airport fee represents civil airport management and construction fee and Civil Aviation Development Fund (the "Airport Fee"). Pursuant to the "Notice regarding the Issuance of Levy and Utilisation Methods of Civil Aviation Development Fund" issued by Ministry of Finance of the People's Republic of China on 17 March 2012, with effect from 1 April 2012 to 31 December 2015, the civil airport management and construction fee has been converted to the Civil Aviation Development Fund which is imposed on passengers at the same rate of the previously charged civil airport management and construction fee.

Accordingly, the Company recognised the Airport fee revenue using the same rate of previously recognised civil airport management and construction fee.

7. PROPERTY, PLANT AND EQUIPMENT

	For the six months ended 30 June	
	2013	2012
	RMB'000	RMB'000
Opening net book value as at 1 January	29,490,286	30,660,155
Additions	111,002	62,953
Depreciation	(749,890)	(732,631)
Closing net book value as at 30 June	28,851,398	29,990,477

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

7. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

As at 30 June 2013, buildings with net book value of RMB276,110,000 (as at 31 December 2012: RMB280,935,000) are situated on parcels of allocated land owned by the Parent Company. These parcels of land are occupied by the Company at nil consideration. As at 30 June 2013, buildings and terminal with a net book value of RMB9,058,389,000 (as at 31 December 2012: RMB9,179,635,000) are situated on parcels of land which had been acquired from the Parent Company as part of the acquisition of the Phase III Assets*. As at the date of approval of the condensed interim financial information, the Company is in the process of applying for the building ownership certificates of these buildings.

As at 30 June 2013, taxiways and structures with net book value of RMB1,217,925,000 (as at 31 December 2012: RMB1,253,472,000) are situated on parcels of allocated land owned by the Parent Company and another party. These parcels of land are occupied by the Company at nil consideration.

- * In 2008, the Company acquired the airfield assets, Terminal Three of Beijing Capital Airport (T3), T3 related assets, roads within airport area, the driverless electric train system, commercial areas and other relevant equipment, machinery and facilities and the land use rights of the land on which T3 and other related constructions are situated (collectively the "Phase III Assets"). As at 30 June 2013, the Parent Company is in the process of applying and obtaining the land use rights certificates from the Beijing Municipal Bureau of Land and Resource.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

8. TRADE AND OTHER RECEIVABLES

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Trade receivables		
– CAHC and its fellow subsidiaries <i>(Note 23(a))</i>	211,658	210,192
– a jointly controlled entity <i>(Note 23(a))</i>	31	112
– third parties	1,055,591	856,597
	1,267,280	1,066,901
Less: Provision for impairment	(36,065)	(30,627)
	1,231,215	1,036,274
Bill receivable		
– third parties	–	14,079
Dividends receivable		
– a jointly controlled entity <i>(Note 23(a))</i>	3,230	3,230
Prepayments and other receivables		
– CAHC and its fellow subsidiaries and related parties <i>(Note 23(a))</i>	64,303	130,401
– third parties	25,132	12,349
	89,435	142,750
Total trade and other receivables	1,323,880	1,196,333
Less: Non-current portion	(59,838)	(54,160)
Current portion	1,264,042	1,142,173

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

8. TRADE AND OTHER RECEIVABLES (Continued)

The ageing analysis of the trade receivables is as follows:

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Less than 3 months	845,682	702,370
4 - 6 months	70,784	47,981
7 - 12 months	75,334	71,024
1 - 2 years	141,427	141,239
2 - 3 years	74,858	75,323
Over 3 years	59,195	28,964
	1,267,280	1,066,901

The credit terms given to trade customers are determined on an individual basis with normal credit period mainly between 1 to 3 months.

9. SHARE CAPITAL

	Number of ordinary shares <i>(thousands)</i>	H-Shares of RMB1.00 each RMB'000	Domestic Shares of RMB1.00 each RMB'000	Total RMB'000
Registered, issued and fully paid:				
As at 31 December 2012 and 30 June 2013	4,330,890	1,879,364	2,451,526	4,330,890

The Domestic shares rank pari passu, in all material respects, with H shares except that all dividends in respect of H shares are declared in RMB and paid in HK dollar. In addition, the transfer of Domestic shares is subject to certain restrictions imposed by the PRC law.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

10. RESERVES

(a) Capital and other reserves

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000 <i>(Restated)</i>
Capital reserve — contributions from CAHC <i>(note i)</i>	621,520	621,520
Other reserve — remeasurements of retirement benefit obligations	(1,662)	6,241
Total	619,858	627,761

- (i) Capital reserve represents equity contributions from CAHC in cash to which CAHC is fully entitled.

In accordance with CAAC's instruction, this amount is to be accounted for as capital reserve of the Company and it is not to be distributed as dividend. In future, when the Company increases its share capital, the capital reserve may be converted into shares of the Company to be held by CAHC, provided appropriate conditions are met. The conversion is however subject to obtaining prior approval from the relevant government authorities and shareholders.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

10. RESERVES (Continued)

(b) Statutory and discretionary reserves

In accordance with the relevant laws and regulations of the PRC and the Articles of Association of the Company, when distributing the net profit of each year, the Company shall set aside 10% of its profit after taxation (based on the Company's local statutory financial statements) for the statutory surplus reserve fund (except where the reserve balance has reached 50% of the Company's registered capital), and, at the discretion of the Board of Directors, to the discretionary surplus reserve fund. These reserves cannot be used for purposes other than those for which they are created and are not distributable as cash dividends.

Pursuant to the shareholders' resolution in the Annual General Meeting on 28 June 2013, the profit appropriation of RMB234,517,000 to the discretionary surplus reserve fund for the year ended 31 December 2012 was recorded in this condensed interim financial information for the six months ended 30 June 2013.

11. DIVIDENDS

	For the six months ended 30 June	
	2013	2012
Dividend proposed		
Interim dividend (RMB'000)	201,819	173,236
Interim dividend per share (RMB)	0.0466	0.04

A dividend of RMB295,800,000 that relates to the year ended 31 December 2012 (for the year ended 31 December 2011: RMB257,082,000) has been approved in the Annual General Meeting on 28 June 2013.

The interim dividend for the six months ended 30 June 2013 was proposed at the Board of Directors meeting held on 22 August 2013. This proposed dividend is not reflected as a dividend payable in the condensed interim financial information, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2013.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

12. TRADE AND OTHER PAYABLES

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Payables to the Parent Company (Note 23(a))	261,792	70,238
Payables to CAHC's fellow subsidiaries (Note 23(a))	688,285	536,852
Payables to a jointly controlled entity of the Company (Note 23(a))	126,420	122,667
Payables to third parties		
— Construction payable	396,436	438,839
— Deed taxes in respect of the acquisition of the Phase III assets	312,578	312,578
— Repairs and maintenance charges payable	181,900	179,766
— Payroll and welfare payable	150,795	151,819
— Dividend payable	128,361	—
— Deposits received	59,155	48,440
— Other tax payable	46,131	48,483
— Sub-contracting charges payable	34,546	25,980
— Greening and environmental maintenance charges payable	33,111	27,284
— Accounts payable for purchases	17,296	23,590
— Housing subsidy payable to employees	10,673	10,885
— Other payables	164,625	162,962
	2,612,104	2,160,383

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

12. TRADE AND OTHER PAYABLES *(Continued)*

The ageing analysis of trade and other payables is as follows:

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Less than 3 months	859,078	958,088
4 - 6 months	608,700	129,223
7 - 12 months	325,281	165,356
Over 12 months	819,045	907,716
	2,612,104	2,160,383

13. BANK BORROWINGS

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Short-term <i>(note a)</i>	3,000,000	—
Long-term, non-current portion <i>(note b)</i>	3,490,000	—
Long-term, current portion <i>(note b)</i>	10,000	7,500,000
	6,500,000	7,500,000

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

13. BANK BORROWINGS *(Continued)*

Movements in borrowings are analysed as follows:

	For the six months ended 30 June	
	2013 RMB'000	2012 RMB'000
Opening amount as at 1 January	7,500,000	7,500,000
Proceeds of new borrowings	6,500,000	—
Repayments of borrowings	(7,500,000)	—
Closing amount as at 30 June	6,500,000	7,500,000

- (a) This loan is denominated in RMB and unsecured. The interest rate is referenced to published loan interest rate issued by People's Bank of China. The principle amount is repayable in May 2014.
- (b) This loan is denominated in RMB and unsecured. The interest rate is referenced to published loan interest rate issued by People's Bank of China. According to the repayment schedule of the principal amount, RMB5,000,000 will be paid semi-annually commencing on 20 November 2013 through 20 November 2015 and the remaining balance of RMB3,475,000,000 will be payable on 20 May 2016.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

14. BONDS PAYABLE

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Principal amount	4,900,000	4,900,000
Bond issuance cost	(25,650)	(25,650)
Proceeds received	4,874,350	4,874,350
Accumulated amortisation amounts of bond issuance cost	13,615	11,482
	4,887,965	4,885,832

On 5 February 2010, the Company issued bonds with an aggregate principal amount of RMB4,900,000,000 with maturity periods of 5 and 7 years, respectively.

The bonds are unsecured, guaranteed by the Parent Company and interest-bearing at 4.45% and 4.65% per annum. The interest is payable annually and the principal amounts are repayable in 2015 and 2017, respectively.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

15. LOANS FROM PARENT COMPANY

As part of the acquisition of the Phase III Assets, the Company entered into agreements with the Parent Company to assume the following long-term borrowings which were previously obtained by the Parent Company with same terms. The borrowings were not reassigned into the name of the Company.

	Loans previously obtained by the Parent Company from		Total
	European Investment Bank <i>(note a)</i> RMB'000	Domestic financial institutions <i>(note b)</i> RMB'000	
As at 30 June 2013			
Loans from the Parent Company	2,583,446	500,000	3,083,446
Less: current portion	(151,967)	—	(151,967)
	2,431,479	500,000	2,931,479
As at 31 December 2012			
Loans from the Parent Company	2,705,398	500,000	3,205,398
Less: current portion	(154,594)	—	(154,594)
	2,550,804	500,000	3,050,804

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

15. LOANS FROM PARENT COMPANY *(Continued)*

	For the six months ended 30 June	
	2013	2012
	RMB'000	RMB'000
Opening amount as at 1 January	3,205,398	4,570,116
Drawdown of borrowings	—	8,406
Repayments of borrowings	(75,695)	(970,082)
Currency translation differences	(46,257)	10,384
Closing amount as at 30 June	3,083,446	3,618,824

- (a) This loan is denominated in the US dollar, unsecured and interest bearing at LIBOR plus 0.4% per annum. The interest is payable semi-annually. The principal amount is repayable by instalments semi-annually commencing on 15 December 2010 with maturity through 15 June 2030.
- (b) This loan is denominated in RMB and unsecured. The interest rate is referenced to published inter-bank repo rates issued by China Foreign Exchange Trading Center & National Interbank Funding Center and repriced every half yearly. The interest is payable semi-annually.

16. OTHER INCOME

	For the six months ended 30 June	
	2013	2012
	RMB'000	RMB'000
Government subsidies	581	2,817
Gain on disposal of assets held for sale	—	55,039
	581	57,856

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

17. FINANCE INCOME/(COSTS)

	For the six months ended 30 June	
	2013 RMB'000	2012 RMB'000
Finance income:		
Exchange gain	45,126	—
Interest income	9,528	4,727
	54,654	4,727
Finance costs:		
Exchange loss	—	(10,268)
Interest for bank borrowings wholly repayable within 5 years	(166,380)	(163,042)
Interest for bonds payable wholly repayable within 5 years	(113,237)	(113,767)
Interest for loans from the Parent Company		
— Wholly repayable within 5 years	(12,022)	(42,732)
— Not wholly repayable within 5 years	(9,301)	(15,078)
Bank charges	(1,207)	(1,389)
	(302,147)	(346,276)
Net finance costs	(247,493)	(341,549)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

18. INCOME TAX EXPENSE

The Company is subject to corporate income tax at a rate of 25% (2012: 25%) on its taxable income as determined in accordance with the relevant PRC income tax rules and regulations.

	For the six months ended 30 June	
	2013	2012
	RMB'000	RMB'000
		<i>(Restated)</i>
Current tax	270,122	181,705
Deferred income tax	(45,239)	3,918
	224,883	185,623

19. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of 4,330,890,000 ordinary shares in issue during the six-month periods.

Diluted earnings per share equals basic earnings per share as there were no potential dilutive ordinary shares outstanding during the six-month periods.

	For the six months ended 30 June	
	2013	2012
		<i>(Restated)</i>
Profit attributable to owners of the Company <i>(RMB'000)</i>	673,272	558,486
Basic earnings per share <i>(RMB per share)</i>	0.155	0.129

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

20. CONTINGENCIES

The Directors of the Company understand that certain residents living in the vicinity of Beijing Capital Airport have made complaints to the Beijing Municipal Government of the aircraft engine noise created by approaching and departing aircrafts, and requested relocation and/or compensation. The Directors of the Company also understand that the relevant government authorities have been involved in resolving these complaints.

As at 30 June 2013, the outcome was still pending. Any potential financial impact to the Company, if any, will depend on the final resolution of these complaints with the parties involved. Based on advice of legal counsel, the Directors are of the opinion that the final amounts (if any) will be insignificant to the Company, therefore, no provision has been made in this condensed interim financial information.

21. COMMITMENTS

Capital commitments

Capital commitments primarily relate to the construction of and the equipment to be installed at the airport terminals and other airport facilities upgrading projects. The Company had the following outstanding capital commitments not provided for in the condensed interim financial information as at 30 June 2013:

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Authorised but not contracted for	375,888	183,495
Contracted but not provided for	486,445	480,614
	862,333	664,109

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

21. COMMITMENTS (Continued)

Operating lease commitments – where the Company is the lessee

As at 30 June 2013, future aggregate minimum lease payments under non-cancellable operating leases payable to the Parent Company are as follows:

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Not later than 1 year	44,346	52,507
Later than 1 year and not later than 5 years	144,744	144,744
Later than 5 years	523,506	541,599
	712,596	738,850

Operating lease arrangements – where the Company is the lessor

As at 30 June 2013, the future minimum lease payment receivables under non-cancellable operating leases for buildings are as follows:

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Not later than 1 year	522,564	507,630
Later than 1 year and not later than 5 years	281,667	196,732
	804,231	704,362

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

21. COMMITMENTS (Continued)

Concession income arrangements

As at 30 June 2013, the future minimum concession income receivable under non-cancellable agreements in respect of the operating rights of retailing, advertising, restaurant and food shops, VIP service and other businesses are as follows:

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Not later than 1 year	1,166,255	1,186,368
Later than 1 year and not later than 5 years	595,027	1,115,501
	1,761,282	2,301,869

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

22. SUPPLEMENTARY INFORMATION TO CONDENSED STATEMENT OF CASH FLOWS

Cash flows (used)/provided in investing and financing activities included the following:

	For the six months ended 30 June	
	2013 RMB'000	2012 <i>RMB'000</i>
Investing activities		
Purchase of property, plant and equipment	(189,712)	(122,344)
Proceeds from sale of property, plant and equipment	70,000	187,600
Purchase of intangible assets	(6,875)	(5,941)
Interest received	8,314	4,688
	(118,273)	64,003
Financing activities		
Repayment of long-term borrowings	(7,500,000)	—
Drawdown of short-term borrowings	3,000,000	—
Drawdown of long-term borrowings	3,500,000	—
Interest paid	(414,692)	(456,036)
Repayment of loans from the Parent Company	(75,695)	(970,082)
Dividends paid	—	(156,599)
Cash contribution from the Parent Company	—	68,870
	(1,490,387)	(1,513,847)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

23. RELATED PARTY TRANSACTIONS

The Company is controlled by CAHC. The Directors of the Company consider CAHC, which is a PRC state-owned enterprise under the control of CAAC, to be the ultimate holding company.

CAHC itself is a state-owned enterprise and is controlled by the PRC government, which also owns a significant portion of the productive assets in the PRC. In accordance with IAS 24, "Related Party Disclosure", government-related entities and their subsidiaries, directly or indirectly controlled, jointly controlled or significantly influenced by the PRC government are also defined as related parties of the Company. On that basis, related parties include CAHC and its subsidiaries (other than the Company), other government-related entities and their subsidiaries, other entities and corporations in which those government-related entities are able to control or exercise significant influence and key management personnel of the Company and CAHC as well as their close family members.

The Company is part of a larger group of companies under CAHC and has extensive transactions and relationships with members of the CAHC group. The Directors of the Company consider that the transactions between the Company and the members of the CAHC group are activities in the ordinary course of business.

A significant portion of the Company's business activities are conducted with state-owned enterprises. Sale of services to these state-owned enterprises are at state-prescribed prices which are similar to prices to other customers. The Company considers that these sales are activities in the ordinary course of business. In this connection, the Company has significant trading balances with state-owned enterprises in the ordinary course of business which have similar terms of repayments as balances with third parties.

In addition, a large portion of the Company's bank deposits/bank borrowings were held at/borrowed from state-owned financial institutions in accordance with the terms as set out in the respective agreements or as mutually agreed between the parties concerned at prevailing market terms and rates.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

23. RELATED PARTY TRANSACTIONS (Continued)

For the purpose of the related party transaction disclosures, the Directors of the Company believe that meaningful information in respect of related party transactions has been adequately disclosed.

Other than the transactions as disclosed in the respective notes, the following is a summary of significant transactions carried out with related parties in the ordinary course of business.

(a) Balances with related parties

As at 30 June 2013, balances with related parties comprised of:

	As at 30 June 2013 RMB'000	As at 31 December 2012 RMB'000
Trade and other receivables from CAHC and its fellow subsidiaries and related parties (Note 8 and i)	275,961	340,593
Trade and other receivables to a jointly controlled entity of the Company (Note 8 and i)	3,261	3,342
Deposit placed with a subsidiary of CAHC (note ii)	284,879	302,148
Trade and other payables to CAHC (Note 12 and i)	261,792	70,238
Trade and other payables to a jointly controlled entity of the Company (Note 12 and i)	126,420	122,667
Trade and other payables to CAHC's fellow subsidiaries (Note 12 and i)	688,285	536,852
Interest payable to the Parent Company	10,091	11,972
Loans from the Parent Company (Note 15)	3,083,446	3,205,398

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

23. RELATED PARTY TRANSACTIONS *(Continued)*

(a) Balances with related parties *(Continued)*

- (i) The amounts due from and to CAHC and its fellow subsidiaries and related parties and the Company's jointly controlled entity are unsecured and interest free and repayable within the next twelve months, except for the non-current portion of trade and other receivables from CAHC and its fellow subsidiary.
- (ii) The deposits were entered into in accordance with the terms as set out in the respective agreements. The interest rates were set at prevailing market rates.



NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Continued)

For the six months ended 30 June 2013

23. RELATED PARTY TRANSACTIONS (Continued)

(b) Transactions with related parties

	For the six months ended 30 June	
	2013 RMB'000	2012 RMB'000
Transactions with CAHC and its fellow subsidiaries		
Revenues:		
Concessions	944,205	892,568
Rentals	17,604	60,403
Management service fee	–	6,730
Expenses:		
Provision of utilities and power	289,966	295,420
Provision of aviation safety and security guard services	225,381	189,267
Provision of certain sanitary services, baggage cart management services and greening and environmental maintenance services	97,349	90,004
Provision of accessorial power and energy services	52,144	56,097
Rental expense	49,612	41,321
Provision of airfield maintenance services	3,373	2,885
Provision of beverage services	1,466	1,664
Provision of airports guidance services	–	7,127
Provision of employee canteen services	–	1,848
Provision of maintenance services and consultation services	–	1,000
Interest charges on loans from the Parent Company	21,323	57,810
Other:		
Provision of construction services	44,790	25,876
Transactions with the jointly controlled entity of the Company		
Concessions	65	33
Provision of terminal maintenance services	145,131	153,002
Provision of construction services	4,367	2,232

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS *(Continued)*

For the six months ended 30 June 2013

23. RELATED PARTY TRANSACTIONS *(Continued)*

(b) Transactions with related parties *(Continued)*

These transactions of revenues and expenses in nature conducted based on terms as set out in the underlying agreements, based on statutory rates or market prices or actual cost incurred, or as mutually agreed between the Company and the parties in concern.

(c) Key management personnel compensation

	For the six months ended 30 June	
	2013 RMB'000	2012 RMB'000
Salaries, allowances and other benefits	5,173	4,502

GENERAL INFORMATION OF THE COMPANY

BOARD OF DIRECTORS

Executive Directors

Dong Zhiyi *(Chairman)*

Zhang Guanghui *(General Manager)*

Non-executive Directors

Chen Guoxing

Gao Shiqing

Yao Yabo

Zhang Musheng

Lau Eng Boon

Independent Non-executive Directors

Japhet Sebastian Law

Wang Xiaolong

Jiang Ruiming

Liu Guibin

Audit Committee

Liu Guibin *(Chairman)*

Japhet Sebastian Law

Wang Xiaolong

Jiang Ruiming

Evaluation and Remuneration Committee

Japhet Sebastian Law *(Chairman)*

Wang Xiaolong

Jiang Ruiming

Liu Guibin

GENERAL INFORMATION OF THE COMPANY *(Continued)*

Nomination Committee

Jiang Ruiming *(Chairman)*
Japhet Sebastian Law
Wang Xiaolong
Liu Guibin
Dong Zhiyi
Zhang Guanghui

Strategy Committee

Dong Zhiyi *(Chairman)*
Zhang Guanghui
Chen Guoxing
Gao Shiqing
Yao Yabo
Zhang Musheng
Wang Xiaolong

LEGAL REPRESENTATIVE

Mr. Dong Zhiyi

COMPANY SECRETARY

Mr. Shu Yong

AUDITOR

PricewaterhouseCoopers



GENERAL INFORMATION OF THE COMPANY *(Continued)*

REGISTERED ADDRESS

Capital Airport, Beijing, the People's Republic of China

PRINCIPAL ADDRESS OF BUSINESS IN HONG KONG

21/F, Gloucester Tower, the Landmark,
15 Queen's Road Central, Hong Kong

INVESTORS RELATION DEPARTMENT

Secretariat to the Board

E-mail address: ir@bcia.com.cn
Fax number: 8610 6450 7700
Website: www.bcia.com.cn

SHARE REGISTRAR AND TRANSFER OFFICE

Hong Kong Registrars Limited

1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

SHARE INFORMATION

Name of H shares: Beijing Airport
Stock code: 0694

PRICE AND TURNOVER HISTORY

Year	Price per share		Turnover of share <i>(in millions)</i>
	High <i>(HK\$)</i>	Low <i>(HK\$)</i>	
2013			
January	6.63	5.55	96.6
February	7.00	6.42	83.3
March	6.47	6.04	141.8
April	5.75	5.43	105.5
May	5.70	5.31	136.9
June	5.35	5.16	108.0
2012			
July	5.31	4.64	125.4
August	5.50	5.08	76.6
September	5.46	4.83	120.2
October	5.38	4.98	106.5
November	5.55	4.93	69.4
December	5.91	4.31	75.1

