



News Release

PYI COMPLETES DIVESTMENT & CAPITAL RETURN PROGRAM WITH SOLID RESULTS

Signifying Acceleration on Yangtze Port and Logistics Investment Program

FY'06 FINAL RESULTS		
	31/3/2006	31/3/2005
• Turnover	\$3,540 m	\$3,588 m
• NPAT	\$310 m	\$522 m
• EPS	22.7 ¢	38.5 ¢
• NAV/S	\$1.86	\$2.32
• DPS (special)	70.0 ¢	0 ¢
• DPS (interim)	1.5 ¢	1.5 ¢
• DPS (final)	1.5 ¢	1.5 ¢
• ROE	12%	16%
• Total Shareholder Return	+32%	+182%

9 July 2006, Hong Kong – PYI Corporation Limited (0498.HK), the bulk cargo port and infrastructure group, announced today its final results for the financial year ended 31 March 2006, with net profit of HK\$310m on turnover of HK\$3,540m. The Board also declared a final dividend of 1.5¢/share.

Commenting on this year's achievement, Dr Joseph Chow, Chairman of PYI, said, "It is pleasing to report another profitable year, during which PYI has paid a special dividend of 70¢ and an interim dividend of 1.5¢. We are delighted to declare our final dividend of 1.5¢. It is also fulfilling to report our total shareholder return of 32% for our broadened shareholder base this year. PYI has prudently completed the divestment and capital return programs and we are now totally focusing on our ports and logistics investments in the Yangtze River region."

On the Group's prospects, Deputy Chairman & Managing Director Mr Tom Lau commented, "PYI has performed well in this final stage of transformation. Other than the contributions from Paul Y. Engineering and our treasure investments, about 50% of our earnings will not be recurring. During the year, we have secured the investment of 45% in Nantong Port Group and increased our stake in Yangkou Port from 54% to 75%. Development at Yangkou Port progressed well, where preliminary engineering works are being jointly undertaken with PetroChina. These major positions in Nantong, together with our investment in an LPG river terminal in Wuhan, manifest our strong determination for full implementation of our Yangtze Strategy. They will form the backbone of our earning stream in the future."

Mr Lau added, "PYI intends to accelerate the investment program along the Yangtze River, to further strengthen our dry and liquid bulk cargo handling capabilities, to enhance our critical mass and to maximize potential synergies."

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Notes to editors

PYI Corporation Limited (0498.HK)

Based in Hong Kong, PYI Corporation Limited focuses on infrastructure investment in and operation of bulk-cargo port and logistics facilities in the Yangtze River region in China. It also engages in land and property development in association with the port investments. In addition, PYI provides comprehensive engineering and construction services through Paul Y. Engineering Group Limited (0577.HK).

Yangkou Port (75% owned)

Yangkou Port is a natural deep-sea harbour on Jiangsu's eastern coast. The project comprises mainly a harbour-front industrial and logistics park of 42 square kilometers, the 13-kilometer Yellow Sea Crossing and a 1-square kilometer man-made island, coupled with a total of 9 berths with expansion possibilities. PYI builds, owns (75%) and operates Yangkou Port, the construction of which has been under way for more than 2 years. Phase 1 completion is targeted for mid-2008. Strategically located at the mouth of the Yangtze River, Yangkou Port is ideally situated to become one of China's largest transshipment hubs, catering for rapidly growing dry and liquid bulk cargo volumes in strategic commodities such as oil & gas, coal, chemicals, minerals, agriculture, fertilizer, pulp and paper.

Nantong Port (45% owned)

Nantong Port is a major river port in the Yangtze Delta and one of China's category-one national ports open to foreign trade and an important hub port of the country. Nantong Port provides easy access to the Yangtze region by road and waterway and is an ideal hub port for cargo transshipment. In conjunction with Yangkou Port, it will provide integrated transshipment facilities, offering comprehensive and competitive services to shippers.

Hubei Minsheng LPG Terminals (100% owned)

Hubei Minsheng owns and operates the LPG river terminal, storage-tank farm, as well as a mature logistics distribution network for household, industrial and automotive sectors in Wuhan. This is the biggest LPG handling facility in mid-stream Yangtze. Its strategic position in Central China will generate a synergistic effect with Nantong and Yangkou Ports.

Paul Y. Engineering Group Limited (0577.HK)

Paul Y. Engineering is an international engineering services group serving Hong Kong, China and the international market. It has three core areas of business: management contracting, project management and facilities management. Paul Y. Engineering, being independently listed in 2005, is 65%-owned by PYI.