



## News Release

### **PYI Invests RMB149 Million for 51% Stake in Yichang Port Group**

(3 September 2008, Hong Kong) – **PYI Corporation Limited** (00498.HK), a bulk cargo port and infrastructure operation group, announced that it has entered into a conditional agreement to invest in **Yichang Port Group** in Hubei Province. Upon completion, PYI will hold a 51% equity stake in Yichang Port Group.

Under the agreement, PYI will invest RMB149 million (HK\$170 million), by way of cash injection of RMB114 million into Yichang Port Group for implementation of its expansion plans and a RMB35 million premium payment made to the existing shareholder of Yichang Port Group. Yichang Port Group will restructure its assets, involving removal of non-performing assets, re-registration of relevant assets and properties, rationalization and rectification of overdue tax liabilities and re-registration of employee benefits scheme etc. Upon completion of the asset restructure and prior to the cash injection by PYI, the net asset value of Yichang Port Group will be RMB109 million.

Yichang Port Group is a 100% state owned enterprise incorporated in the PRC. It is principally engaged in transport logistics and properties investments, providing transportation, cargo loading and discharging, storage, shipping agent, cargo agent, port logistics and port equipment rental services in Yichang Port, which is situated on the Yangtze River near the Three Gorges Dam in Yichang, Hubei Province. It is one of the eight largest ports on the Yangtze River.

**Mr. Chen Fayi, Chairman of Yichang Port Group**, said, “The collaboration enables us to leverage on the experience and track records of PYI in investment and operation of Nantong Port and Yangkou Port, in order to make Yichang a hub port of the Three Georges Dam region. Synergized operation among ports along Yangtze River, as well as enhanced competitiveness of Yichang Port will benefit the overall economic development of the region.”

**Mr. Tom Lau, Managing Director of PYI**, said, “We treasure this opportunity in Yichang Port, which is a key trans-shipment hub that connects upstream and the rest of the Yangtze. The joint venture is an important step of PYI in delivering our Yangtze Strategy. This will be an earning accretive investment for PYI. We are confident in implementing our logistics network in all reaches of the Yangtze River in order to generate sustainable returns to our shareholders in the long run.”

For more details about the agreement, please [click here](#) to download the announcement issued by PYI Corporation Limited on 3 September 2008.

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#### **Notes to editors:**

##### **About PYI Corporation Limited (00498.HK)**

Based in Hong Kong, PYI Corporation Limited focuses on infrastructure investment in and the operation of bulk cargo port and logistics facilities in the Yangtze River region of China. It also engages in land and property development in association with port facilities. In addition, PYI provides comprehensive engineering and property-related services through Paul Y. Engineering Group Limited (00577.HK). For more information about PYI, please visit [www.pyicorp.com](http://www.pyicorp.com).

**About Yichang Port and Yichang Port Group**

Yichang Port is a hub port located at the middle and upper reaches of the Yangtze River. Yichang Port Group is the leading port and terminal operator at Yichang Port, who owns the shoreline of 11 km and engages in bulk cargo and containers handling, storage, shipping agency, travel, commerce, logistics and property, etc. Throughput of bulk cargo of Yichang Port Group was over 7 million tonnes and that of containers was 31,000 TEUs in 2007.