



News Release

PYI Completed Disposal of 50.1% Interest in Yangkou Port

(1 June 2011, Hong Kong) – Bulk cargo port and infrastructure group **PYI Corporation Limited** (“PYI”) (0498.HK) announced that the disposal of 50.1% interest in Yangkou Port was completed on 26 May 2011. 50% of the consideration in the aggregate sum of RMB753.5 million has been satisfied by the purchaser. After deduction of PRC tax and levy in the sum of RMB106.5 million, the net sum of RMB647.0 million was received in cash in Hong Kong on 11 May 2011.

The remaining 50% of the consideration will be payable by instalments, as to 10% (RMB150.7 million) on 31 December 2011, 20% (RMB301.4 million) on 31 December 2012, and 20% (RMB301.4 million) on 31 December 2013. Such deferred consideration carries interest at the RMB lending rate as announced by the People’s Bank of China and it is secured by a share charge on all the sale interest in favour of PYI. The written consent from lenders of the syndicated loan of RMB960 million to Yangkou Port to cancel the relevant corporate guarantee given by PYI as security is expected to be issued before end of August 2011.

Mr. Tom Lau, Managing Director of PYI, said, “We are pleased with completion of this transaction, which is an ideal step taken to further realize our investment value and accumulated unrealized profit in Yangkou Port into cleared RMB funds in Hong Kong. With our strengthened financial positions, the Board may consider a possible return of capital to and/or share repurchase from the PYI shareholders in due course.”

On 31 January 2011, PYI entered into a conditional agreement with Rudong County Ritai Infrastructure Development and Investment Co., Ltd., for the disposal of 50.1% interest in Yangkou Port at a consideration of RMB1,507 million. Upon completion, PYI’s equity interest in Yangkou Port decreased from 60% to 9.9% and Yangkou Port ceased to be a subsidiary of PYI.

For more details, please refer to the announcements issued by PYI:

To download the announcement issued by PYI on 1 June 2011, please click [here](#).

To download the announcement issued by PYI on 1 February 2011, please click [here](#).

To download the announcement issued by PYI on 29 December 2009, please click [here](#).

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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 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 (0577.HK). For more information about PYI, please visit www.pyicorp.com.

Yangkou Port (9.9% 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 30 sq km, the 12.6 km Yellow Sea Crossing and a 1.4 sq km man-made island connected to 29 berths in the deep draft port district. Strategically located near the mouth of the Yangtze River, Yangkou Port is ideally situated to become one of China's largest trans-shipment hubs for dry and liquid bulk cargoes. PYI builds, owns and operates Yangkou Port. The port has declared soft opening in October 2008. For more information, please visit www.yangkouport.com.