



長江實業
Cheung Kong Holdings



長江基建
Cheung Kong Infrastructure

[Press Release]

CKI-led Joint Venture Acquires Off-airport Car Park Business in Canada

(28 May, 2014 – Hong Kong) A joint venture led by Cheung Kong Infrastructure Holdings Limited (“CKI”) has entered into an agreement for the acquisition of assets and the related land holdings of the Park’N Fly business, the leading off-airport car park provider in Canada.

The joint venture consists of CKI and Cheung Kong (Holdings) Limited (“CKH”), each owning a 50% interest.

Park’N Fly provides off-airport car park solutions in Toronto, Montreal, Edmonton and Ottawa. It also conducts an off-airport car park business in Vancouver through a joint venture and licenses its brand name to the Halifax International Airport Authority (“HIAA”) for use of HIAA’s off-airport car park.

Park’N Fly is the largest off-airport car park company in Canada, and the only national operator.

The joint venture will first acquire the operations in Toronto, Montreal, Edmonton and Ottawa, as well as the license agreement with HIAA. The consideration of the transaction is around C\$347.6 million (approximately HK\$2.482 billion). Completion of the transaction is currently expected to take place in mid-July, 2014.

Subsequent to the signing of this purchase agreement, discussions for the joint venture to also acquire the Vancouver business will be conducted, which the parties hope to close concurrently with the acquisition of the Toronto, Montreal, Edmonton and Ottawa businesses.

The Toronto operation caters to passengers using the Toronto Pearson International Airport, Canada's busiest airport which accounts for 29% of the total air passenger traffic in the country, facilitating over 34 million passengers annually. According to Statistics Canada, the air passenger traffic of this airport had a historical CAGR of 2.7% from 1990 to 2013.

Park'N Fly offers three tiers of off-airport car park service – economy, self-park and valet – to business and leisure travelers. In addition, 24 hour shuttle transportation ensures fast and easy transfer between the airports and the parking lots.

Commenting on the acquisition, Mr. H L Kam, Group Managing Director of CKI, said, “We are pleased to have the opportunity to acquire a business which fits well into our transportation infrastructure portfolio and is situated in a country whose business environment we are familiar with.”

CKI has an extensive transportation portfolio of toll roads and bridges in China, spanning approximately 280 kilometres. In Canada, the Chairman of CKH, Mr. Li Ka-shing, and the Cheung Kong Group have had investments in the country for around 40 years. Current businesses in Canada include Husky Energy, six electricity generation plants, as well as nutraceutical company, Santé Naturelle A. G., and drug research company, WEX Pharmaceuticals.

“Park'N Fly has been in operation for over 40 years, and has a strong history of revenue growth. It is poised to deliver immediate profit contribution and stable income to CKI,” continued Mr. Kam.

“The future of Park'N Fly is promising. It is expected that Park'N Fly will continue to benefit from the consistent growth of the country's air passenger traffic and deliver stable returns,” added Mr. Kam.

Mr. Kam, who is also the Deputy Managing Director of CKH, said, “CKH has vast experience in land-related initiatives around the world. The investment in Park'N Fly will see us leverage the strengths and expertise of different Cheung Kong Group member companies to embrace new growth opportunities,” expressed Mr. Kam.

“With our strong financial platform which is characterised by ample cash as well as a low gearing, CKI will continue to explore new investment opportunities which will further expand our investment portfolio, enrich our revenue streams and strengthen our returns,” Mr. Kam concluded.

As at 31st December, 2013, CKI had cash on hand of HK\$5,958 million, while gearing remained low with a net debt to net total capital ratio of 8%.

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Park'N Fly's Operations Acquired by CKI-led Joint Venture

長江基建牽頭之合營公司收購的Park'N Fly業務

