



Growing Hand in Hand with Hong Kong

I'm pleased to report that 2011 was another busy year for Dragages Hong Kong with six concurrent projects comprising two building works and four civil works.

Thanks to the exemplary skill of the entire team, all these projects made excellent progress. For instance, the Air Traffic Control Centre of the New Civil Aviation Department Headquarters was handed over on 9 December 2011. For the MTR Express Rail Link Contract No. 820, our TBM arrived on site in November and a launch ceremony was held in January 2012. I'm also thrilled to report that the Hong Kong West Drainage Tunnel was named Tunnelling Project of the Year at the International Tunnelling Awards held on 1 December 2011. In keeping with our commitment to sustainable development, I'm likewise proud that our Safety Training Centre has received numerous industry awards.

In early January 2012, we successfully won another landmark project – the Trade and Industry Tower in the Kai Tak Development Area. Designed to house a number of government departments, this iconic 22-storey building will set new standards for energy conservation and greening in Hong Kong. Our E&M arm, BYME, has also experienced excellent growth. In recent months it has been awarded a major contract with the Hong Kong Jockey Club, worth some HK\$500 million over three years.

It's encouraging to see that AsiaWorld-Expo and Hong Kong SkyCity Marriott Hotel have also bounced back from the global economic crisis and are both enjoying rapid growth. AsiaWorld-Expo is once again proving that it plays a pivotal role in the success of Hong Kong's exhibition and convention industry. According to an independent market research, the venue generated economic benefits worth up to HK\$13.4 billion in 2010, an increase of 25% compared to 2009. Hong Kong SkyCity Marriott Hotel has also reported an outstanding performance bolstered by strong trade-show visitors, mainly at AsiaWorld-Expo.

Moving forward, we are optimistic that the future holds great potential. The outlook for the construction industry over the next five years remains very positive, and the Government is committed to investing in infrastructure that sustains Hong Kong's economic development. You can be confident that all of us here at Dragages Hong Kong will continue working hard to maximise these opportunities and maintain our position at the forefront of Hong Kong's growth.

Nicolas Borit
Managing Director
January 2012



**AWARD OF
CONTRACT**

Dragages Hong Kong Wins Second Kai Tak Contract

Dragages Hong Kong has recently been awarded a HK\$2.04 billion contract by the Architectural Services Department for the design and construction of the Trade and Industry Tower in the Kai Tak Development Area (KTDA).

This 22-storey government office building will feature a single basement and a community hall. The full works for the contract include the design and construction of the foundation, substructure, superstructure, finishing works, building services works, landscaping works, interior design, fitting-out works, and way-finding facilities for the whole development.

In keeping with the “Green City” concept of the KTDA, heavy emphasis will be placed on energy conservation and greening, and will be certified under the Leadership in Energy and Environmental Design (LEED) certification programme.

To achieve this, the project will incorporate many of the latest energy-efficient designs and technologies. Renewable energy technologies will include a photovoltaic system, solar hot water system, solar chimney and daylight suntubes. In addition to lush landscaping on the ground floor, the covered elevated walkway and the main roof, the project will also feature vertical greening on building facades. Overall greening will account for more than 30% of the total site area. In terms of recycling and other environmental features, the project will use rainwater for landscape irrigation, and adopt an automatic refuse collection system as well as use low-emitting materials wherever appropriate. In addition, the project will be connected to the District Cooling System for air-conditioning.

When completed, the building will accommodate a government bureau and a number of departments. The total construction floor area is approximately 66,600m² and the project is scheduled for completion in 2014.



Client	Architectural Services Department of HKSAR
Site area	0.83 hectares
Construction floor area	66,600m ²
Number of storeys	22
Location	Northern area of the Kai Tak Development Area
Completion	2014

HKSAR: Hong Kong Special Administrative Region



PROJECT SPOTLIGHT

Kai Tak Cruise Terminal Building

This high-profile project reached an important new milestone in April 2011 with a Foundation Stone Laying Ceremony attended by HKSAR Chief Executive, Mr. Donald Tsang, together with six government officials and representatives of Wong Tung & Partners and Dragages Hong Kong.

Work progressed at an excellent pace throughout 2011. Concreting of the first mega size box beam of the superstructure spanning 66m was completed in August. This was a crucial moment in the project with more than 1,000m³ of concrete poured in just 11 hours. Further to the completion of all the piling works of the building in February, all the bored pile caps and H-pile caps had also been completed in November. Currently, 15 main beams have been cast, and the majority of bottom slabs and secondary beams have been precast. All first- and second-floor box beams will be completed in February 2012.

The detailed design of various aspects of the building, including substructure, architecture, building services, landscaping, façade and feature roof, are all progressing well. To facilitate discussions between our client and its end-users, a mock up room was created in September 2011 featuring a showcase of façades as well as seven modules, namely the check-in area, concourse, customs hall, immigration hall, open and cellular office, public toilets, and waiting hall.

In the months ahead, the remaining roof box beams will be completed, together with the installation of the massive secondary post-tensioned precast beams. Construction of the entire superstructure and roof structure are scheduled for completion in the second quarter of 2012. Façade installation will also start within the first quarter, and Architectural Builders Work & Finishing (ABWF) and building services works are expected to commence in February 2012.



Mega size main beams and secondary beams



MTR Express Rail Link Contract No. 821 - Shek Yam to Mei Lai Road Tunnels

Following the initial mechanical excavation of the Kwai Chung Portal, the first of some 1,200 blasts was carried out in February 2011. Excavation of the 650m-long adit excavation was completed in October 2011 and the excavation of the main tunnel commenced in November 2011.

Due to its oversized height of 14 metres, the Kwai Chung adit was excavated in split faces, namely a 10-metre top heading followed by 4-metre bench. Excavation of the heading progressed at the rate of one blast per day, representing some 550m³ per blast, six days per week. Up to 14 blasts were carried out per week for the bench excavation, achieving a progress of 85 metres in one week.

Two temporary by-passes have been excavated at the end of the adit and this T-junction is now one of the largest underground caverns ever created in Hong Kong with a span of up to 35 metres and a height of 25 metres.

To keep pace with the project's fast-track schedule, three fully automatic 3-boom jumbos, one 2-boom jumbo and a platform-bolting jumbo were deployed for construction. Mucking out of up to 4,000 tonnes per day has been made possible by using six 17-tonne PAUS and five 31-tonne dumpers. All excavated materials are being disposed off site by barge.

A 14-metre-high pre-stressed formwork is now under fabrication to pave the way for the construction of the adit lining. The design of the two main tunnel formworks, each over 200 tonnes, is also in progress.

In 2012, the project will face two key challenges, namely the excavation of more than 1,200,000 tonnes of rock, and the casting of some 150,000m³ of permanent concrete – and all achieved with only a single point of access. Meticulous planning and precise logistics will be essential to ensure success during this phase of the project.



Drill and blast operation



PROJECT SPOTLIGHT

MTR Express Rail Link Contract No. 820 - Mei Lai Road to Hoi Ting Road Tunnels

In preparation for the start of Tunnel Boring Machine (TBM) excavation, 2011 saw the completion of shaft excavation, erection of the 140-tonne and 30-tonne gantry cranes, a tower crane, a mortar plant, a slurry treatment plant and other related facilities.

Pile removal of abandoned structures and existing drainage structures is progressing well. By the end of 2011, 54 of 116 piles had been removed. The majority of piles will have been removed prior to the start of the rainy season. In parallel with this work, the re-provisioning of piles, including reinstatement works for drainage structures, is also making good progress.

Fabrications of the TBMs have been completed according to schedule. The Factory Acceptance Test (FAT) of the two TBMs took place in Nansha in September and November 2011 respectively. The first TBM, named “Iron Lady” was officially launched in January 2012.

“Iron Lady” refers to toughness and strength, and symbolises a successful journey. The name was suggested by members of the public in the Tunnel Boring Machine Naming Competition, jointly launched by the MTR Corporation and its main contractors.



Assembly of the TBM

MTR West Island Line Contract No. 703 - Sheung Wan to Sai Ying Pun Tunnels

To cope with this project’s complex geological conditions, a tailor-made Tunnel Boring Machine (TBM) is being used for the construction of both the eastbound and westbound tunnels. Measuring 6.5 metres in diameter and 70 metres in length, this TBM is first being used to construct the 592-metre uptrack tunnel. After this, it will be dismantled and fitted with a new cutter head before being used for the 217-metre downtrack tunnel.

The TBM is called “Xi Shi”, named after one of the four great beauties of ancient China and intended to symbolise the successful construction of the West Island Line. The name was selected from some 800 entries suggested by students in Western district.

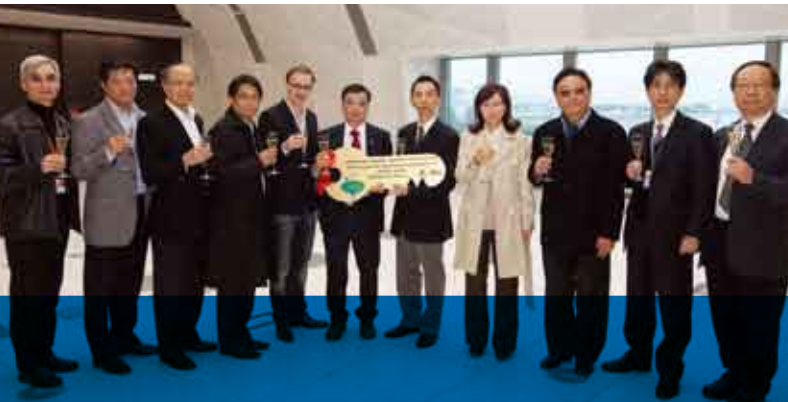
ATBM Launching Ceremony was held inside the shaft on 30 September 2011. MTR Corporation and the Dragages-Maeda-BSG Joint Venture project team attended the ceremony, which had some 100 guests in total.

Since its launch, TBM operation and segment erection have progressed smoothly. The TBM advances six to eight metres each day and, by December 2011, had advanced about 100 metres among its one-kilometre journey.

A sophisticated Cutter Head Monitoring System is one of the distinct features of this TBM, enabling the precise detection of obstructions. A number of other new technologies have also been adopted to meet the demanding requirements of the project. For instance, steel set removal is accomplished through the use of ground-freezing technology to maximise ground stability. To demolish the existing overrun tunnel, a Tunnel Dismantling Machine (TDM) will also be deployed, which is the first of its kind in the world. To prepare for the arrival of this TDM in early 2012, both light and heavy bulkhead installation together with ground treatment works have now been completed.



Ground-freezing technology



New Civil Aviation Department Headquarters

By mid-2012, all Civil Aviation Department (CAD) functional divisions will have moved into their new headquarters.

Of the three main buildings, the construction of the Air Traffic Control Centre (ATCC) building has been the biggest challenge of the project. To ensure “zero failure” of all operational centres, the redundancy and routing of all the highly technical mechanical and electrical services have been very carefully studied in both ceiling and raised floor voids. From the Facilities Building, which houses all major technical equipment for the ATCC building, a “service loop” has been implemented through a tunnel and a linkbridge to maintain constant power and air-conditioning even in the event of a single point failure.

The Airport Island’s height restrictions significantly limited the space available for ceiling and raised floor volumes. This led to very congested technical zones and created huge constraints for fulfilling all technical requirements.

A Topping-out Ceremony was held in July 2011. More than 400 guests attended, including members of the press, government officials, consular officials, industry players, consultants, and project team members. Ms. Eva Cheng (Secretary for Transport and Housing), Mr. Norman Lo (Director-General of Civil Aviation), Mrs. Marigold Lau (Director of Architectural Services), and Mr. Nicolas Borit (Managing Director of Dragages Hong Kong) officiated at the Ceremony.

After some 30 months of gruelling work, the ATCC building was completed on schedule and handed over to CAD on 9 December 2011. The second section of the project which covers the Facilities Building, Office & Training Building, and Antenna Farm, will be handed over by the end of the first quarter of 2012, two months ahead of the contractual schedule.



Handover of ATCC building in December 2011

Hong Kong West Drainage Tunnel

The project team is now facing its final round of challenges. Excavation works both underground and on the surface will soon be completed. Excavation of the 8km-long adits was completed in December 2011. It is anticipated that construction of most of the intakes will be completed by mid-2012.

Concreting works and dropshaft precast lining installation reached their peak at early 2012. In January 2012, adits cast in-situ reached a peak production of 850m³/week together with the production of 15 formworks. In total, 250 people were involved in this huge operation, and 16 transmixers and 20 locomotives were deployed. Simultaneously, permanent works for the two portals were also in progress. Meticulous logistical arrangements were vital to this success.

In total, three teams were on site to perform dropshaft precast lining installation, with four rings – each 2.5 metres high and 2.3 metres in diameter – installed per day. This important operation was executed using special baskets, which allowed us to complete the lining installation of the shafts effectively and under the safest conditions.

To keep the project on schedule, many activities have been conducted simultaneously. At all times, however, safety remains our top priority. Interfaces between different teams are constantly monitored, particularly the connections between shafts and stilling chambers, and between the tunnel and portals.

By 2012, this 11km-long drainage tunnel will be able to accommodate the flow even from a once-in-50-years storm. This world-class example of a sustainable development was recently named “Tunnelling Project of the Year” at the International Tunnelling Awards. More details of this high-profile award can be found elsewhere in this newsletter.



Dropshaft precast lining installation

Hong Kong Construction Industry Scales New Heights

Alan Donnet, our Executive Director, joined the Hong Kong Construction Association (HKCA) team for a charity climb of Mount Kinabalu in April 2011. Organised by the Lighthouse Club (LHC), the event comprised a total of 27 LHC members in seven teams. The 27 participants were a variety of shapes, sizes and levels of fitness, making this a real challenge for some team members!

At 4,095 metres, Mount Kinabalu is the highest mountain in Southeast Asia. Fighting wind, rain and altitude, the HKCA team reached the summit at 5:30am. Always up for a challenge, the team also “walked the torq” by completing the highest Via Ferrata in the world while on the way down to a well-deserved breakfast of Borneo tea, baked beans and sausages!

The Mount Kinabalu Challenge 2011 raised a record HK\$921,394.25 for the Lighthouse Club.



Success is All a Matter of Attitude



Our 4th annual Actitudes Funday was held on 10 September 2011. This year's event celebrated cultural diversity with the theme “Hop Around the World”. To help participants get into the right spirit, the day included dance and music performances as well as food and beverages from all corners of the world.

Covering 10,000 sqm, the 2011 event was double the size of previous years and featured 70 educational and game booths. In total, more than 5,000 people attended, including about 1,000 from our sponsored and partner charities, namely Doctor Pet, Families of Spinal Muscular Atrophy, Hong Chi Association for People with Mental Disabilities, Hong Kong Federation of Handicapped Youth, Hong Kong Transplant Sports Association, and The Salvation Army.

“Actitudes” is part of the sustainable development policy of Bouygues Construction. By bringing together the friends and families of our clients, subcontractors and suppliers, it aims to foster a spirit of partnership, mutual respect, education and fun. The event also provides a valuable opportunity to promote safety and environmental messages. All Dragages project sites were closed for the afternoon so staff could participate.

The day was jointly sponsored by Dragages Hong Kong Limited, BYME engineering (HK) Ltd., AsiaWorld-Expo, VSL-Intrafor and over 75 of our partners, subcontractors and consultants. We thank everyone for their generous support and look forward to seeing you again this year!



Connecting with the Community

Visit to Kwok Law Kwai Chun Home for the Elderly

Our Dragages-Maeda-BSG Joint Venture joined hands with the MTR Corporation to visit Kwok Law Kwai Chun Home for the Elderly in November. Some of the scarves distributed were hand knitted by our colleagues!



International Dragon Boat Championships

Project team members of the Hong Kong West Drainage Tunnel and MTR Express Rail Link Contract Nos. 820 and 821 took part in the Sun Life Stanley International Dragon Boat Championships in June. The team ranked No. 8 out of 48 teams in the Men's B Plate competition.



HKUST Student Visit

Some 20 students from Hong Kong University of Science and Technology visited the MTR Express Rail Link Contract No. 820 site in April.



MTR Hong Kong Race Walking

A number of team members on the MTR Express Rail Link Contract Nos. 820 and 821 and the West Island Line Contract No. 703 competed in the MTR Hong Kong Race Walking event in April.



Reaching Out to New Talent



Recruiting talent is one of our key objectives. To maximise our chances of finding and recruiting talented individuals, we participated in two job fairs in 2011. In August, we joined the Hong Kong International Airport Job Expo 2011. Co-organised by the Airport Authority Hong Kong and the Labour Department, this three-day expo offered more than 6,000 openings.

New railway projects alone will generate some 17,000 construction job opportunities over the next five years. In October, we joined the MTR Corporation's "Job Fair for the Construction Industry". The event, which was supported by 18 of the MTRC's leading contracting and engineering companies, offered more than 1,500 openings in different trades from carpenters to work foremen. Dragages Hong Kong received more than 300 applications from the two fairs.

Celebrating VIEs

The presentation ceremony for Hong Kong's first VIEs Grand Prix was held on 9 November 2011. This event was co-organised by Ubifrance Hong Kong, which supervises the local VIE programme, and French Foreign Trade Advisors (CCEF) in Hong Kong.

The 2011 awards, presented in both cash and in kind, were worth HK\$125,000. The 10 winners were chosen for their role in encouraging an exchange of opinions and cultivating business relationships with the local community. Baran Gurbuz, a VIE on our Kai Tak Cruise Terminal Building Project, was one of two recipients of the Special Panel Award.

VIE is a 1- to 2-year internship sponsored by the French government. Since the establishment of the VIE programme in 2001, more than 30,000 people have participated. In Hong Kong, more than 230 young people are currently working in 60 companies, spanning from finance to construction.



Maximising Potential through Training

By continually investing in new training opportunities, we not only maintain the high standards for which Dragages is so well known, we also inspire our people and help them reach their full potential.

Over the past few years, our Confucius Training Centre (CTC) has been working closely with company management through various training taskforce teams to identify our colleagues' training needs and provide targeted solutions that enhance each individual's strengths. In 2011 alone, more than 800 staff received training.

Two sessions of Management & Leadership Skills Training were held in Hong Kong (July) and Thailand (September). These events introduced the latest management and leadership skills being used in many global-leading organisations. The sessions also provided a valuable platform for colleagues from different functions to exchange opinions and experiences.



Working Together for a Promising Future



More than 700 staff members from Hong Kong and overseas came together to discuss “A Promising Future” at the Annual Staff Information Meeting in December 2011. The event, which was held at AsiaWorld-Expo, provided an opportunity for everyone in attendance to better understand the golden opportunities which now exist in the construction industry.

During the three-hour meeting, staff learnt more about the innovative solutions being employed in six current projects. Speakers also reviewed the outstanding performance and positive outlook for AsiaWorld-Expo, BYME and Hong Kong SkyCity Marriott Hotel. These insights were complemented by a discussion of the strategies that will allow the company to seize new opportunities for continued growth.

Highlights of the meeting included a presentation by Yves Gabriel, Chairman and CEO of Bouygues Construction, who expressed his optimism about the development of the construction industry in Hong Kong. Dragages Hong Kong is making significant contributions to the overall performance of the Group. Our projects in Hong Kong are also highly innovative, complex, fast-track and large-scale, ensuring they will become benchmarks for Bouygues Construction in Asia.

To remain strong and healthy in the midst of rapid business growth, Dragages Hong Kong will continue to emphasise safety and sustainable construction. By remaining committed to these core values, the company is confident of maintaining its market-leading competency while also taking its business to the next level.



ASIAWORLD-EXPO

AsiaWorld-Expo has once again proven its pivotal role in the success of Hong Kong's exhibition and convention industry. In January 2012, AsiaWorld-Expo was named one of the top three "Best Convention/ Exhibition Centres" in Asia at the renowned CEI Asia Industry Awards 2012 – a remarkable achievement for a venue which has only been in operation for six years. Organized by prominent MICE publication *CEI Asia magazine*, the awards are based on votes and feedback by professionals and readers from the MICE (Meetings, Incentives, Conventions and Exhibitions) industry worldwide.

The latest report by KPMG Transaction Advisory Services Limited reveals that AsiaWorld-Expo has grown steadily since 2006 with economic benefits to the local economy reaching HK\$13.4 billion in 2010, up 25% over 2009. This economic success likewise translated into significant job opportunities, with over 26,000 full-time jobs generated in 2010 alone.

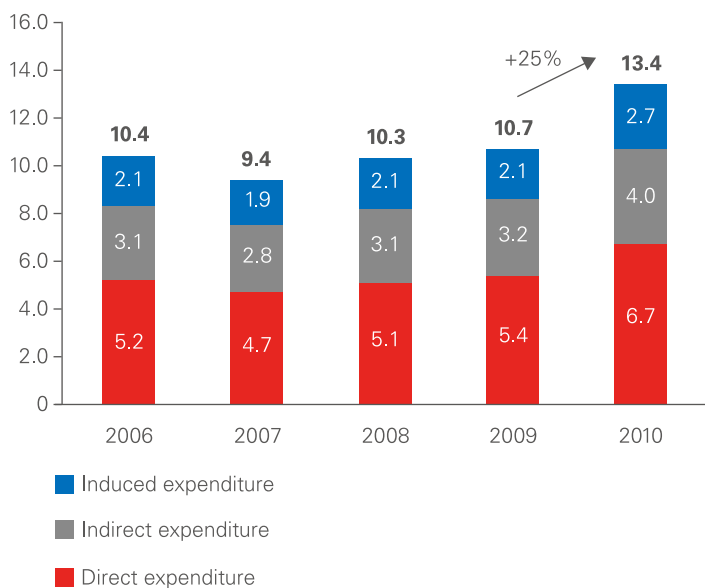
Many trade fairs have undergone significant expansion at the venue over the years. One of the highlights is the world's No. 1 fine jewellery event, the "September Hong Kong Jewellery and Gem Fair". Since expanding the fair to AsiaWorld-Expo under the innovative "One Fair, Two Venues" concept in 2009, this mammoth show has continued to grow. In 2011, it welcomed over 3,450 exhibitors and a total of 51,500 visitors.

It's not only the Jewellery Fair that has experienced healthy growth. The hugely popular "China Sourcing Fairs" have expanded from six shows in 2006 to 28 shows in 2011, and now attract over 12,800 exhibition booths and more than 120,000 international trade visitors every year.

Looking ahead, the National Government's blueprint for the Pearl River Delta (PRD) region creates unparalleled opportunities. AsiaWorld-Expo is uniquely positioned to capitalise on the developments outlined in "China's 12th 5-Year Plan". As the world's undisputed gateway to the PRD, AsiaWorld-Expo is facing the future with confidence. To supplement its business strategy for the years to come, it will launch a series of promotional activities in all PRD cities within a one-hour commute.

Exhibitions and Conferences Expenditure Effects 2006-2010

HKD billion



AsiaWorld-Expo Jan – Apr 2012 Event Calendar

Date	Event	Nature
1 January	The Church of God in Hong Kong Gathering 2012	Religious Event
5 January	Scissor Sisters Live in Hong Kong	Concert
7 January	Fashion Fest For Girls	Special Event
7-8 January	CNBLUE 2012 Asia Tour Concert Bluestorm in Hongkong	Concert
8-10 January	2012年香港護世息災念佛祈福法會	Religious Event
10 January	Simple Plan "Get Your Heart On! Tour" Live in Hong Kong 2012	Concert
15 January	Girls' Generation Tour 2012 in Hong Kong	Concert
28 January	SAT Test	Examination
1-3 February	LINC Asia Pacific 2012	Conference
18-21 February	Asia's Fashion Jewellery & Accessories Fair – March	Exhibition (Trade)
21 February	Evanescence Live in Hong Kong	Concert
25-27 February	The 10 th Hong Kong Wushu International Festival	Special Event
3 March	L'Arc~en~Ciel World Tour 2012 – Hong Kong	Concert
14 March	Duran Duran "All You Need Is Now" Tour – Live in Hong Kong	Concert
23 March	Asia Music Connection 2012	Concert
28-29 March	CARTES in Asia 2012	Exhibition (Trade) + Conference

All information is subject to change without prior notice.

HONG KONG SKYCITY MARRIOTT HOTEL



The hotel performed outstandingly in 2011, primarily due to the strong growth in trade show visitors from AsiaWorld-Expo, which is directly connected to the hotel via a footbridge. In 2011, hotel occupancy reached 82% and room rates improved significantly, by 26%, compared to 2010.

The business outlook for 2012 remains very positive. Tourism has seen robust growth in both short- and long-haul markets, particularly with China, Taiwan, Korea and Southeast Asia. The Hong Kong Government has also embarked on an aggressive international marketing campaign to promote Lantau Island as a MICE destination.

The hotel's target MICE markets include China, Singapore and India. For leisure and tour groups, short-haul guests from China and Southeast Asia remain the hotel's core focus.

In the year ahead, the hotel's marketing strategy for its facilities and F&B services will focus on mass branding to increase awareness, as well as local outreach activities targeting its immediate community, namely Lantau residents and the airline community. The hotel also has a loyalty card base numbering more than 2,000 members.

Hong Kong SkyCity Marriott Hotel is situated next to Hong Kong International Airport and AsiaWorld-Expo. For the golf enthusiast, an international standard nine-hole golf course is available on the hotel's doorstep. For the leisure traveller, popular tourist attractions such as Ngong Ping 360, the Big Buddha and Disneyland are just a few minutes away, all accessible via the hotel's complimentary shuttle service.

The hotel's strategic location, fully-fledged luxurious five-star facilities, and its service excellence put it in a unique position to be marketed as an international five-star 'business resort' where business meets pleasure.

Date	Event	Nature
12-15 April	China Sourcing Fair – Electronics & Components	Exhibition (Trade)
12-15 April	China Sourcing Fair – Security Products	Exhibition (Trade)
12-15 April	Korea Sourcing Fair – Electronics & Components	Exhibition (Trade)
20-23 April	China Sourcing Fair – Baby & Children's Products	Exhibition (Trade)
20-23 April	China Sourcing Fair – Christmas & Seasonal Products	Exhibition (Trade)
20-23 April	China Sourcing Fair – Gifts & Premiums	Exhibition (Trade)
20-23 April	China Sourcing Fair – Home Products	Exhibition (Trade)
20-23 April	China Sourcing Fair – Medical & Health Products	Exhibition (Trade)
20-23 April	China Sourcing Fair – Solar & Energy Saving Products	Exhibition (Trade)
20-23 April	India Sourcing Fair – Home Products	Exhibition (Trade)
20-23 April	Korea Sourcing Fair – Gifts & Premiums	Exhibition (Trade)
27-30 April	China Sourcing Fair – Fashion Accessories	Exhibition (Trade)
27-30 April	China Sourcing Fair – Garments & Textiles	Exhibition (Trade)
27-30 April	China Sourcing Fair – Underwear & Swimwear	Exhibition (Trade)
27-30 April	Hong Kong International Printing & Packaging Fair	Exhibition (Trade)
27-30 April	India Sourcing Fair – Garments & Accessories	Exhibition (Trade)





We're proud to report that 2011 has been a milestone year for BYME. In mid 2011, the company was awarded a three-year E&M contract by the Hong Kong Jockey Club (HKJC) for renovation and retrofitting works at both its Happy Valley and Shatin racecourses.

BYME is renowned for delivering fast-track projects on time without compromising quality. On the basis of this solid track record, the company has now developed a strong relationship with the HKJC, and has already completed the first phase of works during the HKJC's summer 2011 off-season. This small window of opportunity required the work to be completed to an exceptionally tight schedule.

BYME is also currently engaged in work at Hong Kong International Airport. Operating in a stringent environment, BYME is tasked with enhancing the chilled water system to enable improved energy efficiency. To achieve this, the company is using a number of sophisticated techniques.

Also in 2011, Hong Kong Baptist University (HKBU) renewed its MVAC maintenance contract with BYME for a further two years. BYME and HKBU are long-term working partners, with BYME responsible both for the maintenance of HKBU's facilities as well as ad hoc projects such as maximising energy efficiency. The renewed contract expands the scope of works to include fire services, plumbing and drainage.

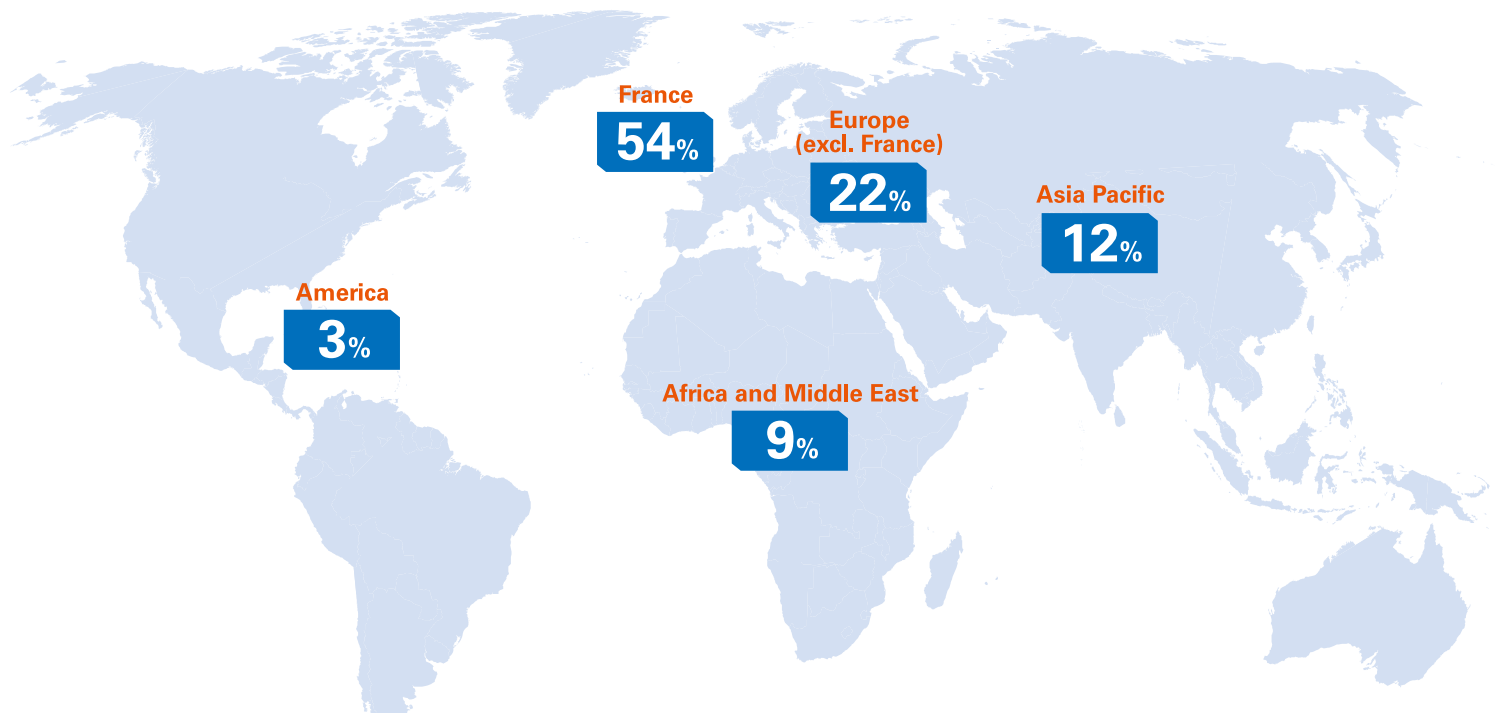
Other long-term partners include AsiaWorld-Expo, Po Lam Estate, and EMSD, covering projects both large and small. BYME has also played a role in iconic, large-scale projects such as the Kai Tak Cruise Terminal Building and the New Civil Aviation Department Headquarters.

Building on this success, BYME will continue to pursue growth while always operating in accordance with its principles of sustainability - namely, to provide clients with value-added services and the highest standards of energy efficiency.



FINANCIAL HIGHLIGHTS- 2011 TARGET SALES

Bouygues Construction - parent company of Dragages Hong Kong



9,700

million euros sales
(2011 target)

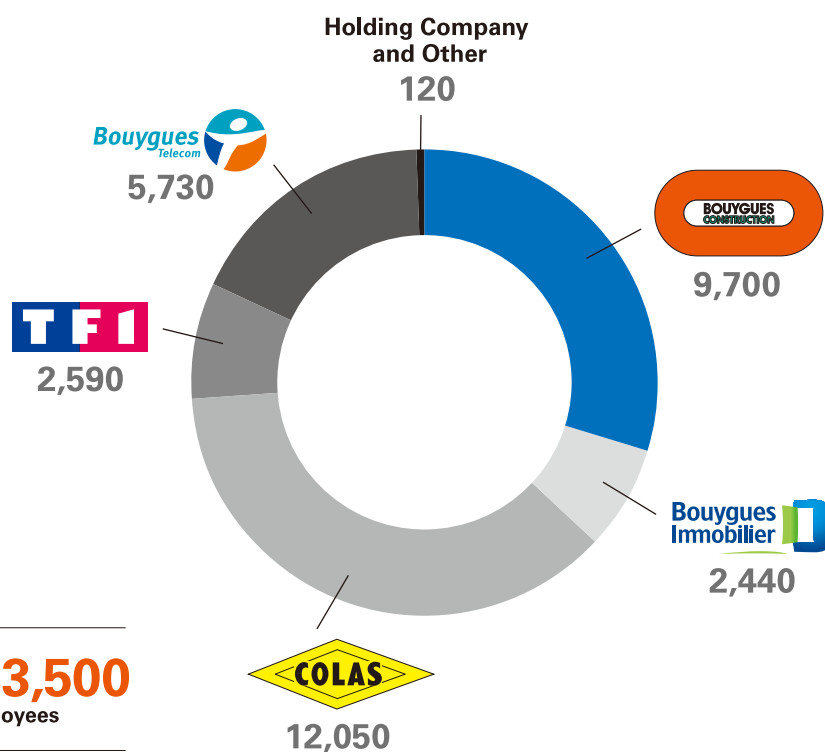
54,000

employees

www.bouygues-construction.com

Bouygues - parent company of Bouygues Construction

2011 target sales by
business area (€ million)



32,200

million euros sales*

133,500

employees

(* Intra-Group Elimination: 430)

www.bouygues.com

Safety Training Centre

A Safety Success Story

Over 3,200 people have been trained at our Safety Training Centre since it opened in February 2011, and more than 2,000 of our staff members have attended one-day mandatory safety training. In addition to staff members of Dragages Hong Kong, some 1,200 subcontractors' staff had also been trained by the end of 2011.

To cope with this demanding workload, training capacity has now been increased from 100 to 250 people per week. From January 2012, all new staff working on Dragages Hong Kong's work sites will be required to attend a one-day basic safety training course within their first seven days.

A number of special courses have also been introduced, including training for working in confined spaces (approved by the Labour Department), operating loadshifting machinery (approved by the Labour Department), rigger/ lifting operations, working at height, and hazard identification.

As part of our commitment to corporate social responsibility, we are pleased to welcome Mr. Kenneth Lee who is working full-time at the Safety Training Centre. Kenneth is a member of our partner charity – the Families of Spinal Muscular Atrophy. He is responsible for all Chinese-English translations and the preparation of training materials.



Hong Kong's First Approved Trainer for Loadshifting Machinery

New regulations became effective in March 2011 requiring all operators of loadshifting machinery to receive recognised training prior to working on a construction site. In keeping with our commitment to safety, we immediately applied to be a recognised training provider. The Labour Department granted its approval in October 2011, making Dragages the first approved trainer in Hong Kong!



The training programme comprises one day of theoretical training, one day of practical training and a detailed examination. The first training session for dumper truck operators was held in November 2011, and four candidates successfully passed the course.

Award-Winning Excellence

Our innovative Safety Training Centre has made an important contribution to both the community and the construction industry. Since its opening, the centre has been recognised with three high-profile awards.

The Hong Kong Management Award for Excellence in Training and Development - FedEx Merit Award

This high level award has been organised by the Human Resources Development Management Committee of The Hong Kong Management Association since 1990. It is the only award of its kind in Hong Kong that gives public recognition of achievements in training and development.

Hong Kong Construction Association Safety Innovation Award

This award is designed to recognise and reward efforts made by contractors in improving site safety performance.

Bouygues Batiment International Sustainability Award

This annual award from our parent company Bouygues Batiment International is open to all companies and projects worldwide. Our Safety Training Centre was selected as the winner from a total of 21 international entries.



World Health & Safety Day



All Dragages Hong Kong's civil works sites participated in the World Health & Safety Day organised by our parent company Bouygues Travaux Publics on 21 June 2011. Indeed, to emphasise the company's total commitment to safety, all of its civil work sites around the world closed for half a day to join this important campaign.

In Hong Kong, our Managing Director and respective Project Directors served as keynote speakers in an informative programme of presentations, workshops and experience sharing. Approximately 1,300 staff in Hong Kong attended the event, which promoted the 11 key safety essentials to achieving Health & Safety, and reiterated the company's "Zero Accident" approach to worksite operations.



ECOSITE Certification

The MTR Express Rail Link Contract Nos. 820 and 821 are the latest projects in Hong Kong to receive the Bouygues Construction ECOSITE label, which means that all current Dragages projects are now ECOSITE certified. The projects achieved the very impressive score of 3.16 out of a possible 4.00.

The ECOSITE label assesses the environmental impact of a project by looking at 65 elements in 11 main categories. A score of at least 2.00 in each of the 65 elements is required to attain the ECOSITE label. This rigorous assessment programme goes far beyond any of the mandatory environmental regulations applied to the construction industry, and is yet further proof of our deep commitment to environmental sustainability.

An annual re-assessment was also performed on the MTR West Island Line Contract No. 703 project, which was the first civil works project in Hong Kong to receive the ECOSITE label. The project continued to demonstrate its eco-credentials by achieving an impressive score of 3.28 out of 4.00.



MTR West Island Line Contract No. 703 - adoption of noise enclosures



Tunnelling Project of the Year

We're pleased to report that the Hong Kong West Drainage Tunnel, which is a Dragages Hong Kong joint venture with Nishimatsu, was named Tunnelling Project of the Year (US\$100 million to US\$1 billion category) at the International Tunnelling Awards held on 1 December 2011.

This highly respected award is designed to recognise and reward excellence in the tunnelling industry and offers the opportunity to showcase outstanding projects on a global platform. The event is supported by both industry players and the government. At this year's event, Mr. C.K. Hon, Director of Civil Engineering & Development for the HKSAR Government, was the keynote speaker.

The awards honour excellence and leadership in a total of 12 categories, with entries sought from across the global tunnelling market. The judging panel consists of 10 jurors, including directors of railway blue chips, university professors and chairpersons of professional bodies.

The Hong Kong West Drainage Tunnel was awarded this honour in recognition of its design and execution under difficult circumstances. Alvin Chan (West Adit Manager) and Cameron Chin (Senior Site Engineer) were also shortlisted for the "Young Tunneller of the Year" Award, with Alvin ultimately being awarded the title of "Highly Commended".

These high-level recognitions are further confirmation of Dragages Hong Kong's leadership role in the fast-track creation of one of Hong Kong's most high-profile infrastructure projects. Thus, the success is the collaborative efforts together with ARUP (supervising officer) and Drainage Services Department (client).



Quality, Safety & Environmental Awards

Project	Awards	Organiser
MTR – West Island Line – Sheung Wan to Sai Ying Pun Tunnels	Construction Safety Promotional Campaign 2011 <ul style="list-style-type: none"> • Safe Work Cycle Presentation Award – Silver Award • Best Safe Work Cycle Site – Bronze Award • Best Safety Culture Subcontractor – Bronze Award • Best Safety Culture Team – Bronze Award • Best Safety Culture Site – Merit Award • Best Safety Project Manager/ Site Agent – Merit Award 	Occupational Safety and Health Council
MTR – West Island Line – Sheung Wan to Sai Ying Pun Tunnels	Workplace Hygiene Competition 2011 <ul style="list-style-type: none"> • Contractor Worksite (Extension Project) Category – Champion 	MTR Corporation
MTR – West Island Line – Sheung Wan to Sai Ying Pun Tunnels	Quality, Safety and Environment Awards <ul style="list-style-type: none"> • Quality Category – Silver Award • Best Site Condition Award • Contractors' Supervision Award (Fatty Kok) 	MTR Corporation
MTR – West Island Line – Sheung Wan to Sai Ying Pun Tunnels	HKCA 2010 Hong Kong Construction Environmental Awards	Hong Kong Construction Association
Kai Tak Cruise Terminal Building	Good Housekeeping Competition 2011 – Merit Award	Occupational Safety and Health Council
Safety Training Centre	HKCA Construction Safety Innovation Award 2011	Hong Kong Construction Association
Safety Training Centre	Award for Excellence in Training and Development 2011 – Certificate of Merit	Hong Kong Management Association
Head Office	Site Safety Professionals Awards 2011 <ul style="list-style-type: none"> • "Recognizing Excellence in Safety" – Runner-up (Leo Tsang) 	The Lighthouse Club

