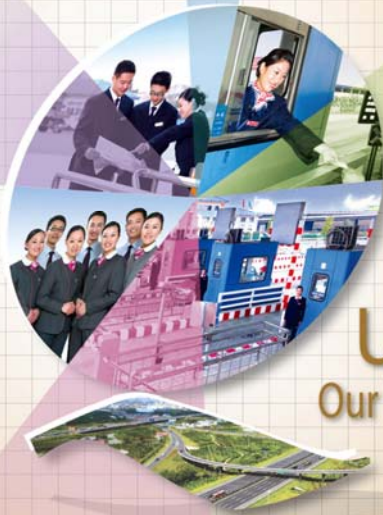




江蘇寧滬高速公路股份有限公司
Jiangsu Expressway Company Limited

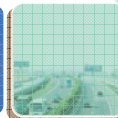
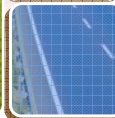


2010
Interim Results

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Agenda

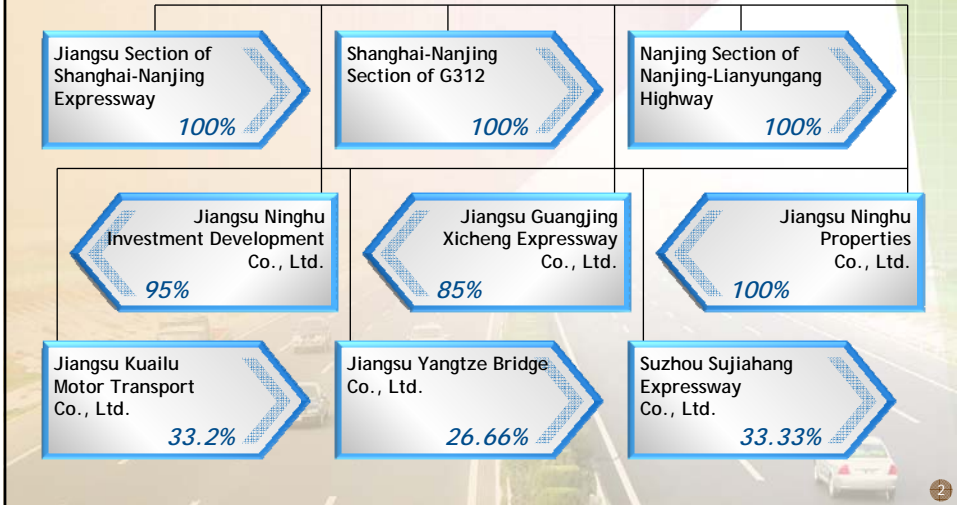
- Business Structure
- Financial Highlights
- Review of Operations
- Outlook



Business Structure



江蘇寧滬高速公路股份有限公司
Jiangsu Expressway Company Limited



Financial Highlights



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Financial Highlights



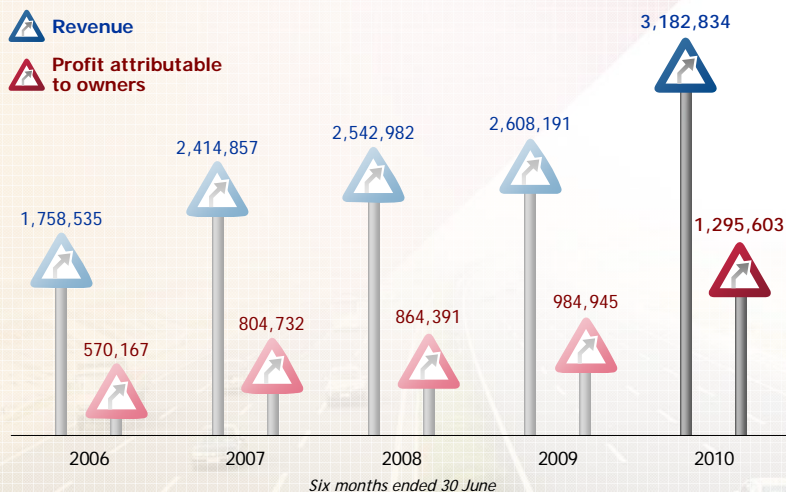
	2010	2009
	Six months ended 30 June	
	(RMB '000)	(RMB '000)
Revenue	3,182,834	2,608,191
Cost of sales	(1,370,526)	(1,155,773)
Gross profit	1,812,308	1,452,418
Other income	27,383	10,541
Administrative expenses	(45,704)	(47,882)
Finance costs	(184,902)	(197,334)
Shares of profits of associates	112,487	91,013
Changes in fair value of held-for-trading investments	4,293	3,545
Gain on disposal of a subsidiary	—	—
Profit before tax	1,726,495	1,312,301
Income tax expense	(400,554)	(301,463)
Profit for the period	1,325,941	1,010,838
Attributable to:		
Equity holders of the Company	1,295,603	984,945
Non-controlling shareholders	30,338	25,893
Earnings per share attributable to equity holders of the Company		
— Basic (RMB per share)	RMB0.26	RMB0.20

* Under HKFRS

Financial Highlights (Cont'd)



Revenue and Profit (RMB '000)



* Under HKFRS

Reasons for Growth

Economic environment

China's economic growth recovered quite well, with a GDP growth of 11.1% in 1H 2010 (+3.7p.pt.YOY)

Transportation demand grew steadily as domestic economy improved

Government policies

The conducive effect of the new Toll-by-Weight standards continued to be felt; road sections achieved growth to varied extents on per vehicle revenue

Cost control

Carried out effective control on operational costs; finance costs continued to drop as a result of diverse financing channels

Investment gain

Investment gain from associates rose substantially by 43.01%



Revenue Breakdown

Shanghai-Nanjing Expressway

Shanghai-Nanjing Section of G312

Nanjing Section of Nanjing-Lianyungang Highway

Guangjing-Xicheng Expressway

Ancillary Services

Other Operations



Six months ended 30 June



Financial Status of the Group



	As at 30 June 2010	As at 31 Dec 2009	Change
	(RMB '000)	(RMB '000)	(%)
Total assets	23,952,955	24,203,842	-1.04
Total liabilities	8,447,215	8,289,408	1.90
Shareholders' equity attributable to equity holders of the Company	15,045,987	15,464,208	-2.74
Gearing ratio	35.27%	34.25%	—

* Under HKFRS

Review of Operations



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Operating Performance Review



Items	Operation revenue		Operating cost		Gross margin	
	Reporting Period	Change YOY	Reporting Period	Change YOY	Reporting Period	Change YOY
	(RMB '000)	(%)	(RMB '000)	(%)	(%)	
Toll road operations	2,414,403	21.07	574,783	8.75	76.19	+2.69p.pt.
Shanghai-Nanjing Expressway	2,014,812	23.19	378,222	11.93	81.23	+1.89p.pt.
Shanghai-Nanjing Section of G312	60,615	-8.54	114,552	-3.74	-88.98	-9.42p.pt.
Nanjing Section of Nanjing-Lianyungang Highway	24,053	41.40	11,166	30.52	53.57	+3.86p.pt.
Guangjing Xicheng Expressways	314,923	14.37	70,843	12.36	77.50	+0.40p.pt.
Ancillary services	783,705	53.48	752,999	54.16	3.92	-0.42p.pt.
Other operations	70,365	-59.67	33,310	-73.75	52.66	+25.39p.pt.
Total	3,268,473	21.99	1,361,092	18.99	58.36	+1.05p.pt.

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Operating Performance Review (Cont'd)



Road / Bridge	Average daily traffic volume (vehicle / day)			Average daily toll revenue (RMB '000 / day)		
	Reporting period	Same period of last year	Change	Reporting period	Same period of last year	Change
			(%)			(%)
Shanghai-Nanjing Expressway	55,829	49,348	13.13	11,131.6	9,036.2	23.19
Shanghai-Nanjing Section of G312	21,252	22,342	-4.88	334.9	366.2	-8.54
Nanjing Section of Nanjing-Lianyungang Highway	5,700	4,872	16.99	132.9	94.0	41.40
Guangjing Expressway	37,232	33,994	9.53	596.7	541.7	10.16
Xicheng Expressway	38,901	35,913	8.32	1,143.2	979.6	16.70
Jiangyin Yangtze Bridge	43,829	39,408	11.22	2,083.9	1,860.7	12.00
Sujiahang Expressway	32,516	28,481	14.16	2,359.9	2,001.1	17.93

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Shanghai-Nanjing Expressway



- Total toll revenue: RMB 2,014,403,000
(83.4% of total toll revenue)
- Average daily toll revenue: RMB 11,131,600
(+23.19%)
- Average daily traffic volume: 55,829 vehicles
(+13.13%)
- Trucks traffic volume: +22.46
Passenger vehicles traffic volume: +9.3%
Both trucks' actual traffic volume and as a proportion of total traffic increased:



	Proportion of traffic volume		Proportion of toll revenue	
	1H 2010	1H 2009	1H 2010	1H 2009
Passenger vehicles	68.4%	70.8%	46.2%	51.5%
Trucks	31.6%	29.2%	53.8%	48.5%

Average daily full-trip revenue per vehicle: RMB199.4 (+8.9%)

Shanghai-Nanjing Section of G312



- While traffic volume and toll revenue continued to drop, the drop rate has slowed significantly
- Daily traffic volume: 21,252 vehicle (-4.88%)
- Daily toll revenue: RMB 334,900 (-8.54%)



Nanjing-Lianyungang Highway



- Diversions to nearby road network have stabilized; operating condition has gradually improved since July 09
- The parallel Ninghuai Expressway increased toll standards for trucks, thereby causing diversions to N-L Highway of which proportion of truck traffic increased by 10p.pt. YOY
- Daily traffic volume:
5,700 vehicles (+16.99%)
- Daily toll revenue:
RMB 132,900 (+41.40%)

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Guangjing Xicheng Expressways and Jiangyin Yangtze Bridge



- Traffic diversions by Sutong Bridge have stabilized, all 3 road sections had good operating performance during the period



Average daily traffic volume

37,232 vehicles
(+9.53%)

38,901 vehicles
(+8.32%)

43,829 vehicles
(+11.22%)

Average daily toll revenue

RMB 596,700
(+10.16%)

RMB 1,143,200
(+16.70%)

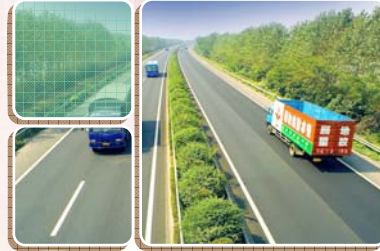
RMB 2,083,900
(+12.00%)

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Sujiahang Expressway



- Performance continuously boosted by the opening of Sutong Bridge
- Average daily traffic volume: 32,516 vehicles (+14.16%)
- Average daily toll revenue: RMB 2,359,900 (+17.93%)



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Ancillary Services



- Ancillary services revenue: RMB 783,705,000 (+53.48%)
- Substantial increase in sales revenue of petroleum products owing to increases in both sales volume and prices
- Increase in revenue of catering and retailing owing to an increase in traffic volume of parked vehicles at service areas as a result of boosted expressway traffic



RMB 698,880,000 (+57.64%)



RMB 84,825,000 (+26.08%)

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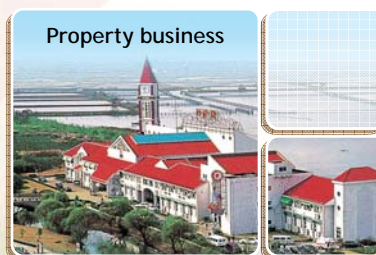
Other Operations



- Other operations' revenue: RMB 70,365,000 (-59.67%)
- Jiangsu Ninghu Investment Development (95% interest)
 - Engages in roadside advertising business and other industrial investments
 - Revenue decreased substantially for its property business due to sales of the Kun Shan Properties Project approaching completion



RMB 24,927,000 (+13.45%)



RMB 45,438,000 (-70.20%)

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Other Operations (Cont'd)



• Jiangsu Ninghu Properties (100% Interest)

- Still in preliminary development stage, not yet contributing revenue or profit
- Progress of 3 projects successfully bid in 2009:
 - Huaqiao core business district in Kunshan: Applying for land use certificate for certain lots; Lot C4 commenced works
 - Xinshi Road, Canglang District, Suzhou: Applying for construction approval, entering the construction drawings design stage
 - Hongyan Community, Baohua Town, Jurong City: Completed the tendering for planning design proposals
- Won another bid on Jurong 02/03 lots in Jan 2010:
 - Total consideration: RMB113.8 million
 - Total lot area: 50,567 sq.m.



Total area under development: 534,696 sq.m.
Total land investment: RMB1.585 billion

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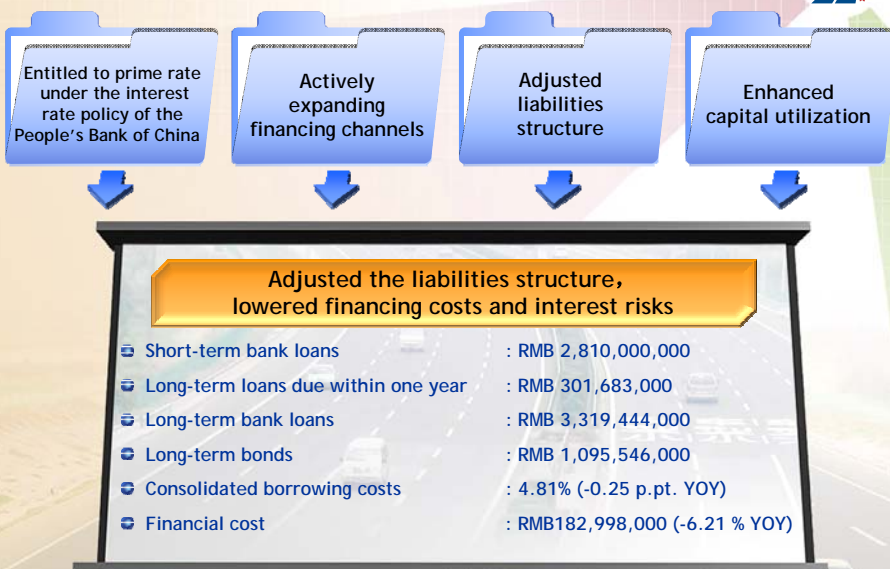
Investment Income

- Total investment income realized: RMB130,157,000 (+43.01%)
- Investment income contributed by associates: RMB 112,487,000 (+23.59%), contributing 8.66% of the Company's net profit


Company name	Net Profit	Contribution of investment income	Proportion to net profit of the Company
	(RMB '000)	(RMB '000)	(%)
Suzhou Sujiahang Expressway Co., Ltd.	156,340	52,108	4.01
Jiangsu Kuailu Motor Transport Co., Ltd.	6,488	4,369	0.34
Jiangsu Yantze Bridge Co., Ltd.	214,554	57,200	4.40

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Financing Activities



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Outlook

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Outlook

Operating Environment in 2H 2010



- State's macro control policies will continue to promote stability and continuity
- Vehicle consumption policies will bring growth to car ownership
- Nearby road networks will be stable owing to no new competing roads
- Impact of the Shanghai-Nanjing Inter-city Rail, opened in July 2010, will remain to be seen
- Conducive effect of Shanghai Expo on traffic volume is relatively stable
- Growth in 2H2010 will slow

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Outlook (Cont'd)



- Leverage the Group's experience in toll road construction and management
- Timely integrate the Group's assets to raise the overall profitability of assets
- Capitalize on market opportunities and seek suitable opportunities to expand the principal business



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Thank You!

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