



Jiangsu Expressway Company Limited
(Hong Kong Stock Exchange Stock Code: 00177)

Intelligent



Seamless

2014

THE THIRD QUARTERLY REPORT

I. IMPORTANT NOTICE

- 1.1** The board of directors and the supervisory committee of the Company together with the directors, supervisors and the senior management thereof shall guarantee that the content of this quarterly report is true, accurate and complete and does not contain any false representations, misleading statements or material omissions, and severally and jointly accept legal responsibility for the content of this report.
- 1.2** All the directors of the Company attended the board meeting to consider the quarterly report.
- 1.3** Mr. Yang Gen Lin, Chairman of the Company, Mr. Qian Yong Xiang, Managing Director, and Ms. Yu Lan Ying, Financial Controller, warrant the truthfulness, accuracy and completeness of the financial statements in the quarterly report.
- 1.4** This quarterly report is prepared in accordance with the regulations on disclosure of information in quarterly reports for listed companies by the China Securities Regulatory Commission. This report is unaudited and will be published simultaneously in mainland China and Hong Kong.

II. MAJOR FINANCIAL DATA AND CHANGE OF SHAREHOLDERS OF THE COMPANY

2.1 Major financial data

Unit: yuan Currency: RMB

	As at the end of the reporting period	As at the end of the previous year	Increase/ decrease as at the end of the reporting period as compared to the end of the previous year (%)
Total assets	27,229,981,613	26,833,912,370	1.48
Net assets attributable to equity holders of the Company	19,736,044,892	19,596,483,889	0.71
	From the beginning of the year to the end of the reporting period (January to September)	From the beginning of the previous year to the end of the reporting period of the previous year (January to September)	Increase/decrease as compared to the corresponding period of the previous year (%)
Net cash flows from operating activities	2,322,778,340	2,403,083,148	-3.34
Operating revenue	5,976,094,263	5,642,250,008	5.92
Net profit attributable to equity holders of the Company	2,068,216,732	2,155,589,269	-4.05
Net profit attributable to equity holders of the Company after non-recurring profit/loss	2,067,136,043	2,091,447,137	-1.16
Weighted-average return on net assets (%)	10.35	10.90	Decreased by 0.55 percentage point
Basic earnings per share (RMB per share)	0.4105	0.4279	-4.07
Diluted earnings per share (RMB per share)	N/A	N/A	N/A

Non-recurring profit/loss items and amount

Unit: yuan Currency: RMB

Item	Amount for the period (July to September)	Amount from the beginning of the year to the end of the reporting period (January to September)	Explanation
Gain (loss) from disposal of non-current assets	-119,168	-915,505	
Profit and loss of changes in fair value arising from holding of trading financial assets and trading financial liabilities except for valid hedge business relevant to normal business of the company, as well as investment gain realized from disposal of trading financial assets, trading financial liabilities and financial assets available for sale	5,915,840	11,072,544	The income from short-term wealth management and the income arising from the changes in the fair value of held-for-trading financial assets
Other non-operating income and expenses other than the above items	-4,950,604	-10,526,980	
Affected income tax amount	300,808	1,200,723	
Affected minority interests (after tax)	64,454	249,907	
	<hr/>	<hr/>	
Total	<u>1,211,330</u>	<u>1,080,689</u>	

2.2 Total number of shareholders, and shareholdings of the top ten shareholders and the top ten holders of circulating shares (or holders of shares not subject to trading restrictions) as at the end of the reporting period

Unit: Share

Total number of shareholders 40,350

Shareholdings of Top Ten Shareholders

Name of shareholder (full name)	Increase or decrease during the reporting period	Number of shareholding as at the end of the period	Percentage (%)	Number of shares subject to trading restrictions	Shares pledged or frozen Status of shares	Number of shares	Nature of shareholders
Jiangsu Communications Holdings Company Limited		2,742,578,825	54.44	0	Nil		State-owned legal person
China Merchants Huajian Highway Investment Co., Ltd.		589,059,077	11.69	0	Nil		State-owned legal person
JPMorgan Chase & Co.	13,237,200	111,361,932	2.21	0	Unknown		Foreign legal person
Mondrian Investment Partners Limited	12,160,000	110,350,000	2.19	0	Unknown		Foreign legal person
Blackrock, Inc.	12,147,643	103,281,430	2.05	0	Unknown		Foreign legal person
Jiantou Zhongxin Asset Management Co., Ltd.		21,410,000	0.42	0	Unknown		Others
Guotai Junan Securities Co., Ltd.		18,198,391	0.36	0	Unknown		Others
DEUTSCHE BANK AKTIENGESELLSCHAFT		13,177,017	0.26	0	Unknown		Others
Gao Hua - HSBC - GOLDMAN, SACHS & CO.		12,425,848	0.25	0	Unknown		Others
Guotai Junan - China Construction Bank - The Hongkong and Shanghai Banking Corporation Limited		9,607,049	0.19	0	Unknown		Others

Top ten holders of shares not subject to trading restrictions

Name of shareholder	Number of circulating shares not subject to trading restrictions	Type and number of shares	
		Type	Number
Jiangsu Communications Holdings Company Limited	2,742,578,825	RMB-denominated ordinary shares	2,742,578,825
China Merchants Huajian Highway Investment Co., Ltd.	589,059,077	RMB-denominated ordinary shares	589,059,077
JPMorgan Chase & Co.	111,361,932	Oversea-listed foreign shares	111,361,932
Mondrian Investment Partners Limited	110,350,000	Oversea-listed foreign shares	110,350,000
Blackrock, Inc.	103,281,430	Oversea-listed foreign shares	103,281,430
Jiantou Zhongxin Asset Management Co., Ltd.	21,410,000	RMB-denominated ordinary shares	21,410,000
Guotai Junan Securities Co., Ltd.	18,198,391	RMB-denominated ordinary shares	18,198,391
DEUTSCHE BANK AKTIENGESELLSCHAFT	13,177,017	RMB-denominated ordinary shares	13,177,017
Gao Hua - HSBC - GOLDMAN, SACHS & CO.	12,425,848	RMB-denominated ordinary shares	12,425,848
Guotai Junan - China Construction Bank - The Hongkong and Shanghai Banking Corporation Limited	9,607,049	RMB-denominated ordinary shares	9,607,049

Details of the above shareholders who are connected to each other or acting in concert

1. The Company is not aware of the above shareholders who are connected to each other or acting in concert;
2. In respect of the shareholdings of the top ten holders of circulating shares not subject to trading restrictions, the data for overseas listed foreign shares were based on reporting by the relevant parties pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Explanations on preference shareholders with voting rights restored and the number of shares held

The Company has no preference shareholders with voting rights restored.

2.3 As at the end of the reporting period, the Company has no preference shares issued.

III. SIGNIFICANT EVENTS

3.1 Details of and reasons for material changes in the major financial statement items and financial indicators of the Company

Applicable

Not applicable

When it came to the third quarter, the Group continued to steadily carry forward all businesses as scheduled. The Group achieved operating revenue of approximately RMB2,049,327,000 for the third quarter based on the PRC Accounting Standards, representing an increase of approximately 3.83% as compared to the corresponding period of 2013.

In particular, revenue from toll business amounted to approximately RMB1,402,645,000, representing a decrease of approximately 1.09% year on year. As compared with the first half of the year, the operation of Lima Expressway led to further expansion of the diversion impact of Changning Expressway on Shanghai-Nanjing Expressway. In the third quarter, the daily average traffic volume of Shanghai-Nanjing Expressway was 74,011 vehicles, increased slightly by approximately 2.9% year on year, of which, traffic volume of passenger vehicles increased by approximately 7.05% year on year, representing a relatively stable performance; while the downtrend since the first half of the year was continued in cargo volume with a year-on-year decrease of approximately 7.33%, resulting in a decrease in toll business for the third quarter as compared with the same period last year.

As affected by the increase in sales volume of oils, the ancillary business achieved a revenue of approximately RMB593,244,000 in the third quarter, representing an increase of approximately 9.61% year on year. The property business achieved a revenue of approximately RMB42,155,000, representing an increase of 1,007.28% year on year. In the third quarter, the Phase I Project of “Shijia, One City” (同城世家) in Jurong was completed and handed over gradually, resulting in a significant increase in revenue from property business as compared with the same period last year. The development and sales of other property projects were carried out in an orderly manner as scheduled. On 29 August 2014, the Company acquired the land use right of parcel No.2 located in the central business district of new city in the south of Nanjing by submitting bids at an auction, with a land area of 17,595.02 m² and a planned plot ratio of no more than 7. The land is used for mixed commercial purpose with gross floor area of 20,000 m² allocated for serviced department. The total consideration amounted to RMB500 million. The preliminary work of the project was under progress.

In the third quarter, advertising and other business achieved a revenue of approximately RMB11,283,000, representing an increase of approximately 6.13% year on year.

In the third quarter, the operating cost of the Group amounted to RMB1,002,660,000, representing an increase of approximately 10.58% year on year. Due to the increase in sales volume of oils and property businesses, and the influence of newly appraised traffic volume forecast on changes in accounting estimates such as amortization of road operation rights and adjustment of depreciation period of certain types of fixed assets, the relevant operating cost increased accordingly to a certain extent. As affected by the increase in cost, the Group achieved an operating profit of approximately RMB964,942,000 in the third quarter, representing a decrease of approximately 0.88% year on year; while the net profit amounted to approximately RMB744,591,000, representing an increase of approximately 0.83% as compared to the corresponding period of 2013, of which, net profit attributable to equity holders of the Company amounted to approximately RMB724,206,000, representing an increase of approximately 0.54% as compared to the corresponding period of 2013.

Data of average daily traffic volumes and average daily toll revenues of roads and bridges from January to September 2014

Road/Bridge	Average daily traffic volume (vehicle/day)			Average daily toll revenue (RMB'000/day)		
	January - September	Corresponding period of the previous year	Change %	January - September	Corresponding period of the previous year	Change %
Shanghai-Nanjing Expressway	74,343	71,763	3.60	12,410.24	12,346.57	0.52
Shanghai-Nanjing Section of G312	8,988	9,013	-0.28	146.00	141.85	2.93
Nanjing Section of Nanjing-Lianyungang Highway	4,396	4,834	-9.06	84.36	95.57	-11.73
Guangjing Expressway	56,046	51,650	8.51	772.08	705.38	9.46
Xicheng Expressway	60,034	55,209	8.74	1,408.24	1,283.30	9.74
Jiangyin Yangtze Bridge	66,814	62,180	7.45	2,654.77	2,436.21	8.97
Sujiahang Expressway	51,639	47,010	9.85	3,087.72	2,806.91	10.00

From January to September 2014, the Group achieved accumulated operating revenue of approximately RMB5,976,094,000, representing an increase of approximately 5.92% as compared to the corresponding period of 2013, in which, toll revenue amounted to approximately RMB4,046,113,000, representing an increase of approximately 1.70% as compared to the corresponding period of 2013; revenue from ancillary business amounted to approximately RMB1,691,895,000, representing an increase of approximately 6.50% as compared to the corresponding period of 2013; revenue from property business amounted to approximately RMB205,108,000, representing an increase of approximately 350.65% year on year; and revenue from advertising and other businesses amounted to approximately RMB32,978,000, representing an increase of approximately 10.77% as compared to the corresponding period of 2013.

In terms of business cost, the Group recorded accumulated operating cost of approximately RMB2,960,995,000 from January to September, representing an increase of approximately 12.72% as compared to the corresponding period of 2013, in which, cost of toll business, ancillary business, property business and advertising and other businesses increased by approximately 7.85%, 7.62%, 399.18% and 4.12% year on year, respectively. As the increase in cost was higher than the growth of revenue as a whole, the Group achieved accumulated operating profit of approximately RMB2,772,848,000 from January to September, representing a decrease of approximately 1.25% as compared to the corresponding period of 2013; meanwhile the Group achieved net profit of approximately RMB2,131,027,000 from January to September, representing a decrease of approximately 3.69% as compared to the corresponding period of 2013 under the influence of changes in non-operating revenue as compared to the corresponding period of 2013, in which, net profit attributable to equity holders of the Company amounted to approximately RMB2,068,217,000, and earnings per share was RMB0.4105, representing a decrease of approximately 4.05% as compared to the corresponding period of 2013.

Details of and reasons for material changes in the major financial statement items and financial indicators as follows:-

Reasons for Material Changes in Balance Sheet Items as at 30 September 2014

Unit: RMB'000

Item	As at the end of the reporting period	As at the end of the previous year	Change	Reason
Cash and bank balances	563,198	409,177	37.64%	Increase in capital reserves in the reporting period.
Held-for-trading financial assets	40,319	20,175	99.84%	Mainly due to the increase in spot gold investment by Ninghu Investment (the subsidiary of the Company) during the reporting period.
Accounts receivable	106,011	51,444	106.07%	Increase in the allocated toll receivable within the road network during the reporting period.
Accounts payable	318,883	21,029	1,416.42%	Increase in prepayment of land-transferring fee and prepayments for oil purchase and construction of property projects during the reporting period.
Dividends receivable	33,776	4,990	576.88%	Yanjiang Company, an associated company, declared dividends during the reporting period.

Unit: RMB'000

Item	As at the end of the reporting period	As at the end of the previous year	Change	Reason
Construction in progress	219,152	127,708	71.60%	Increase in funds for engineering projects during the reporting period, including construction of information system, renovation of toll stations and interchanges.
Deferred tax assets	37,268	16,308	128.53%	Increase in deferred income tax assets resulting from consolidation of the Group's statements for internal transactions during the reporting period.
Accounts payable	528,391	371,663	42.17%	Increase in construction payable and construction cost for real estate development during the reporting period.
Tax payable	104,780	155,967	-32.82%	Decrease in tax payable as compared with the beginning of the year due to the completion of final settlement for 2013 during the reporting period.

Unit: RMB'000

Item	As at the end of the reporting period	As at the end of the previous year	Change	Reason
Interest payable	142,258	71,284	99.57%	Increase in interest payable of direct financing during the reporting period.
Other payables	33,347	174,956	-80.94%	Certain construction payments were settled during the reporting period.
Non-current liabilities due within one year	500,459	1,511	33,030.41%	Transfer of long-term private placement bonds of RMB500 million from bonds payable to non-current liabilities due within one year during the reporting period as they will become mature within one year.
Other current liabilities	500,000	1,000,000	-50.00%	Repayment of matured short-term private placement bonds during the reporting period.
Bonds payable	494,245	991,074	-50.13%	Transfer of long-term private placement bonds of RMB500 million from bonds payable to non-current liabilities due within one year during the reporting period as they will become mature within one year.

Reasons for Material Changes in Income Statement Items during the Reporting Period

Unit: RMB'000

Item	Beginning of the year to end of the reporting period	Corresponding period of last year	Change	Reason
Selling expenses	11,242	6,133	83.30%	Mainly due to the increase in relevant selling expenses resulting from the year-on-year increase in sales volume of property business.
Non-operating revenue	5,453	99,393	-94.51%	Non-operating revenue for the corresponding period of last year included the income of RMB88,764,000 gained from disposal of Zhenjiang branch of Shanghai-Nanjing Expressway.
Other comprehensive income	-14,312	28,973	—	Changes in fair value of available-for-sale financial assets held by Yangtze Bridge Co., Ltd., an associated company, during the reporting period.

Reason for Change in Cash Flow Statement Items during the Reporting Period

Unit: RMB'000

Item	Beginning of the year to end of the reporting period	Corresponding period of last year	Change	Reason
Net cash flows from investing activities	-261,916	-793,949	-67.01%	Increase in net cash flows from investing activities as compared to the corresponding period of last year due to the year-on-year decrease in net cash outflow from external investments of the Group during the reporting period.

3.2 Analysis of progress and impact of significant events and solutions

Applicable Not applicable

3.3 Undertakings made by the Company and shareholders holding more than 5% of shares, and their implementation

Applicable Not applicable

3.4 Warning and explanation in the forecast of the possible aggregate net profits from the beginning of the year to the end of the next reporting period becoming a loss or significant changes compared to the corresponding period of the previous year

Applicable

Not applicable

3.5 Impact of adoption of new accounting standards on consolidated financial statements

In 2014, the Ministry of Finance successively issued or revised a series of accounting standards. The Company adopted the above standards in the 2013 annual report and 2014 interim report, which was considered and approved at the fifteenth meeting of the seventh session of the board of directors by way of a separate resolution respectively. Please refer to the Company's announcement on changes in accounting policies dated 28 August 2014 for details.

3.5.1 Impact of changes in long-term equity investment standards on consolidated financial statements

Unit: yuan Currency: RMB

Investee	Basic information of transactions	Owner's equity attributable to shareholders of the Company as at 1 January 2013 (+/-)	As at 31 December 2013		Owners' equity attributable to shareholders of the Company (+/-)
			Long-term equity investment (+/-)	Held-for-trading financial assets (+/-)	
Jiangsu Sundian Engineering Co., Ltd. (江蘇現代路橋有限責任公司)	15% of its equity interest held by the Company	0	-7,367,500	7,367,500	0
Jiangsu Expressway Network Operation and Management Co., Ltd. (江蘇高速公路聯網營運管理有限公司)	7.24% of its equity interest held by the Company	0	-10,460,000	10,460,000	0
Jiangsu Financial Leasing Co., Ltd. (江蘇金融租賃有限公司)	10.66% of its equity interest held by the Company	0	-270,898,456	270,898,456	0
Shenzhen Ruijin Industrial Co., Ltd. (深圳瑞錦實業有限公司)	17.24% of its equity interest held by the Company	0	-2,000,000	2,000,000	0
Total		0	-290,725,956	290,725,956	0

Explanations on impact of changes in long-term equity investment standards on consolidated financial statements

According to the Amendments to Accounting Standard for Business Enterprises No. 2 — Long-term Equity Investments, the management of the Company classified the investments in which the Group did not have joint control or significant influence over the investees, which were not quoted in an active market and whose fair value could not be reliably measured, from long-term equity interest into available-for-sale financial assets, and made retrospective adjustment on financial statements of 2013. Save as the above impact, the management of the Company was of the opinion that the adoption of the standards had no material impact on financial statements of the Group.

IV. APPENDIX

Consolidated Balance Sheet

30 September 2014

Prepared by: Jiangsu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	At the end of the reporting period	At the beginning of the year
Current Assets:		
Cash and bank balances	563,198,095	409,176,746
Held-for-trading financial assets	40,318,583	20,175,395
Bills receivable	807,905	149,843
Accounts receivable	106,011,127	51,443,626
Prepayments	318,883,195	21,028,742
Dividends receivable	33,775,994	4,989,960
Other receivables	1,219,001,080	1,227,304,888
Inventories	2,980,649,779	2,844,577,736
Other current assets	179,401,802	175,082,464
	<hr/>	<hr/>
Total Current Assets	5,442,047,560	4,753,929,400
	<hr/> <hr/>	<hr/> <hr/>

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	At the end of the reporting period	At the beginning of the year
Non-current Assets:		
Available-for-sale financial assets	1,290,725,956	1,290,725,956
Long-term equity investments	4,014,812,272	3,787,359,931
Investment properties	34,386,793	35,415,146
Fixed assets	1,079,531,887	1,099,548,420
Construction in progress	219,151,679	127,708,416
Intangible assets	15,110,534,134	15,721,750,642
Long-term prepaid expenses	1,523,680	1,166,864
Deferred income tax assets	37,267,652	16,307,595
	<hr/>	<hr/>
Total Non-current Assets	21,787,934,053	22,079,982,970
	<hr/> <hr/>	<hr/> <hr/>
TOTAL ASSETS	27,229,981,613	26,833,912,370
	<hr/> <hr/>	<hr/> <hr/>
Current Liabilities:		
Short-term borrowings	3,940,000,000	3,220,000,000
Accounts payable	528,391,164	371,663,489
Receipts in advance	389,589,695	412,906,626
Employee benefits payable	1,451,752	902,085
Taxes payable	104,779,893	155,966,927
Interest payable	142,258,374	71,283,765
Dividends payable	68,678,625	62,903,610
Other payables	33,346,695	174,955,870
Non-current liabilities due within one year	500,459,432	1,510,574
Other current liabilities	500,000,000	1,000,000,000
	<hr/>	<hr/>
Total Current Liabilities	6,208,955,630	5,472,092,946
	<hr/> <hr/>	<hr/> <hr/>

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	At the end of the reporting period	At the beginning of the year
Non-current liabilities:		
Long-term borrowings	269,809,646	271,148,039
Bonds payable	494,245,301	991,074,397
Deferred income tax liabilities	2,341,107	1,369,249
Total Non-current Liabilities	<u>766,396,054</u>	<u>1,263,591,685</u>
Total Liabilities	<u>6,975,351,684</u>	<u>6,735,684,631</u>
OWNERS' EQUITY (OR EQUITY HOLDERS' EQUITY):		
Paid-in capital (or share capital)	5,037,747,500	5,037,747,500
Capital reserve	7,565,100,830	7,579,412,509
Surplus reserve	2,833,298,081	2,833,298,081
Retained profits	4,299,898,481	4,146,025,799
Total owners' equity attributable to equity holders of the Company	19,736,044,892	19,596,483,889
Minority interests	518,585,037	501,743,850
TOTAL OWNERS' EQUITY	<u>20,254,629,929</u>	<u>20,098,227,739</u>
TOTAL LIABILITIES AND OWNERS' EQUITY	<u>27,229,981,613</u>	<u>26,833,912,370</u>

Legal Representative of
the Company:
Yang Gen Lin

The accounting chief:
Qian Yong Xiang

The person-in-charge of
the accounting institution:
Yu Lan Ying

Balance Sheet of the Company

30 September 2014

Prepared by: Jiangsu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	At the end of the reporting period	At the beginning of the year
Current Assets:		
Cash and bank balances	335,895,368	220,826,123
Accounts receivable	84,617,884	45,802,206
Prepayments	289,881,196	15,691,980
Interest receivable	2,887,083	3,175,792
Dividends receivable	4,989,960	4,989,960
Other receivables	1,370,079,484	1,216,288,925
Inventories	21,726,103	20,374,149
	2,110,077,078	1,527,149,135
Total Current Assets		
Non-current Assets:		
Available for sale financial assets	1,008,915,500	1,008,915,500
Long-term equity investments	4,918,945,616	4,763,269,798
Fixed assets	902,912,274	902,823,903
Construction in progress	148,510,680	103,702,042
Intangible assets	13,681,266,777	14,228,288,066
Deferred income tax assets	4,048,559	4,048,559
Other non-current assets	1,690,000,000	1,690,000,000
	22,354,599,406	22,701,047,868
Total Non-current Assets		
TOTAL ASSETS	24,464,676,484	24,228,197,003

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	At the end of the reporting period	At the beginning of the year
Current Liabilities:		
Short-term borrowings	3,740,000,000	3,060,000,000
Accounts payable	129,451,825	76,808,330
Receipts in advance	14,309,206	3,972,672
Employee benefits payable	1,201,332	760,992
Taxes payable	86,442,751	135,218,453
Interest payable	141,560,596	70,414,988
Dividends payable	68,678,625	62,903,610
Other payables	26,697,056	145,258,608
Non-current liabilities due within one year	500,459,432	1,510,574
Other current liabilities	500,000,000	1,000,000,000
Total Current Liabilities	5,208,800,823	4,556,848,227
Non-current liabilities:		
Long-term borrowings	19,809,646	21,148,039
Bonds payable	494,245,301	991,074,397
Total Non-current Liabilities	514,054,947	1,012,222,436
Total Liabilities	5,722,855,770	5,569,070,663

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	At the end of the reporting period	At the beginning of the year
OWNERS' EQUITY (OR EQUITY HOLDERS' EQUITY):		
Paid-in capital (or share capital)	5,037,747,500	5,037,747,500
Capital reserve	7,547,660,408	7,561,972,087
Surplus reserve	2,470,793,441	2,470,793,441
Retained profits	3,685,619,365	3,588,613,312
TOTAL OWNERS' EQUITY (OR EQUITY HOLDERS' EQUITY)	18,741,820,714	18,659,126,340
TOTAL LIABILITIES AND OWNERS' EQUITY (OR EQUITY HOLDERS' EQUITY)	24,464,676,484	24,228,197,003

*Legal Representative of
the Company:*
Yang Gen Lin

The accounting chief:
Qian Yong Xiang

*The person-in-charge of
the accounting institution:*
Yu Lan Ying

Consolidated Income Statement

January - September 2014

Prepared by: Jiangu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the current period (July - September)	Amount for the corresponding period of the previous year (July - September)	Amount for the period from the beginning of the year to the end of the reporting period (January - September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
I. Total operating income	2,049,327,095	1,973,777,230	5,976,094,263	5,642,250,008
Including: Operating income	2,049,327,095	1,973,777,230	5,976,094,263	5,642,250,008
II. Total operating costs	1,182,850,593	1,086,884,370	3,496,479,470	3,103,067,127
Including: Operating costs	1,002,659,579	906,706,886	2,960,995,182	2,626,899,791
Business taxes and levies	55,405,901	51,462,778	167,556,019	146,631,734
Selling expenses	3,684,344	1,927,619	11,242,029	6,133,003
Administrative expenses	40,283,888	43,097,158	122,762,204	121,390,087
Financial expenses	80,816,881	83,689,929	233,924,036	202,012,512
Add: Gains from changes in fair value (Losses are indicated by "-")	2,049,300	3,057,908	4,432,950	3,727,888
Investment income (Losses are indicated by "-")	96,416,229	83,541,518	288,799,975	265,142,220
Including: Income from investments in associates and joint ventures	95,192,985	82,276,779	264,610,381	216,733,756

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the current period (July - September)	Amount for the corresponding period of the previous year (July - September)	Amount for the period from the beginning of the year to the end of the reporting period (January - September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
III. Operating profit (Loss is indicated by “-”)	964,942,031	973,492,286	2,772,847,718	2,808,052,989
Add: Non-operating income	1,852,953	5,574,090	5,452,995	99,392,712
Less: Non-operating expenses	6,922,725	11,925,891	16,895,480	21,956,701
Including: Losses from disposal of non-current assets	120,638	3,933,167	1,019,856	4,632,456
IV. Total profit (Total loss is indicated by “-”)	959,872,259	967,140,485	2,761,405,233	2,885,489,000
Less: Income tax expense	215,281,340	228,698,459	630,377,985	672,724,763
V. Net profit (Net loss is indicated by “-”)	744,590,919	738,442,026	2,131,027,248	2,212,764,237
Net profit attributable to owners of the Parent Company	724,206,078	720,317,707	2,068,216,732	2,155,589,269
Profit or loss attributable to minority interests	20,384,841	18,124,319	62,810,516	57,174,968
VI. Earnings per share:				
(I) Basic earnings per share	0.144	0.143	0.4105	0.4279
(II) Diluted earnings per share	—	—	—	—

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the current period (July - September)	Amount for the corresponding period of the previous year (July - September)	Amount for the period from the beginning of the year to the end of the reporting period (January - September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
VII. Other comprehensive income	13,458,040	40,080,575	-14,311,679	28,973,225
Items to be reclassified into profit or loss in subsequent accounting period when required conditions are satisfied:	13,458,040	40,080,575	-14,311,679	28,973,225
Share of other comprehensive income of investees to be reclassified into profit and loss in subsequent accounting period under the equity method when required conditions are satisfied	13,458,040	40,080,575	-14,311,679	28,973,225
Items not to be reclassified into profit or loss in subsequent accounting period:	0	0	0	0
VIII. Total comprehensive income	758,048,959	778,522,601	2,116,715,569	2,241,737,462
Total comprehensive income attributable to owners of the Parent Company	737,664,118	760,398,282	2,053,905,053	2,184,562,494
Total comprehensive income attributable to minority interests	20,384,841	18,124,319	62,810,516	57,174,968

Legal Representative of the Company:
Yang Gen Lin

The accounting chief:
Qian Yong Xiang

The person-in-charge of the accounting institution:
Yu Lan Ying

Income Statement of the Company

January to September 2014

Prepared by: Jiangsu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the current period (July - September)	Amount for the corresponding period of the previous year (July - September)	Amount for the period from the beginning of the reporting year to the end of the reporting period (January - September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
I. Operating income	1,779,834,311	1,761,267,842	5,125,719,464	5,005,875,509
Less: Operating costs	903,106,322	839,566,262	2,619,904,086	2,413,685,698
Business taxes and levies	44,334,845	44,096,382	127,985,297	122,995,378
Selling expenses				
Administrative expenses	33,904,532	35,794,991	103,286,222	99,917,265
Financial expenses	74,257,375	74,419,899	215,779,045	172,686,075
Impairment losses of assets	0	0	0	0
Add: Gains from changes in fair value (Losses are indicated by "-")				
Investment income (Losses are indicated by "-")	84,973,017	53,943,204	505,605,128	241,730,506
Including: Income from investments in associates and joint ventures	58,411,850	51,636,954	164,047,823	133,602,740

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the current period (July - September)	Amount for the corresponding period of the previous year (July - September)	Amount for the beginning of the year to the end of the reporting period (January - September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
II. Operating profit (Loss is indicated by “-”)	809,204,254	821,333,512	2,564,369,942	2,438,321,599
Add: Non-operating income	1,852,952	5,060,268	5,053,529	98,517,085
Less: Non-operating expenses	5,947,615	10,812,084	13,421,515	18,584,817
Including: Losses from disposal of non-current assets	110,215	3,824,526	336,350	3,848,036
III. Total profit (Total loss is indicated by “-”)	805,109,591	815,581,696	2,556,001,956	2,518,253,867
Less: Income tax expense	186,674,435	196,710,744	544,651,853	582,747,811
IV. Net profit (Net loss is indicated by “-”)	618,435,156	618,870,952	2,011,350,103	1,935,506,056
V. Earnings per share:				
(I) Basic earnings per share	0.1228	0.1228	0.3993	0.3842
(II) Diluted earnings per share	—	—	—	—

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the current period (July - September)	Amount for the corresponding period of the previous year (July - September)	Amount for the period from the beginning of the year to the end of the reporting period (January - September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
VI. Other comprehensive income	13,458,040	40,080,575	-14,311,679	28,973,225
Items to be reclassified into profit or loss in subsequent accounting period when required conditions are satisfied:	13,458,040	40,080,575	-14,311,679	28,973,225
Share of other comprehensive income of investees to be reclassified into profit and loss in subsequent accounting period under the equity method when required conditions are satisfied	13,458,040	40,080,575	-14,311,679	28,973,225
Items not to be reclassified into profit or loss in subsequent accounting period:	0	0	0	0
VII.Total comprehensive income	631,893,196	658,951,527	1,997,038,424	1,964,479,281

Legal Representative of the Company:
Yang Gen Lin

The accounting chief:
Qian Yong Xiang

The person-in-charge of the accounting institution:
Yu Lan Ying

Consolidated Cash Flow Statement

January to September 2014

Prepared by: Jianguo Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the period from the beginning of the year to the end of the reporting period (January- September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	6,221,471,522	6,254,103,270
Other cash receipts relating to operating activities	26,309,687	28,897,029
Sub-total of cash inflows from operating activities	6,247,781,209	6,283,000,299
Cash payments for goods purchased and service received	2,587,620,246	2,547,082,100
Increase in loans and advances to customers, net		
Cash payments to and on behalf of employees	373,711,331	342,152,371
Taxes payment	909,975,510	949,509,413
Other cash payments relating to operating activities	53,695,782	41,173,267
Sub-total of cash outflows from operating activities	3,925,002,869	3,879,917,151
Net cash flows from Operating Activities	2,322,778,340	2,403,083,148

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the period from the beginning of the year to the end of the reporting period (January- September)	Amount for the beginning of the previous year to the end of the reporting period of the previous year (January - September)
II. Cash Flows from Investing Activities:		
Cash receipts from disposals of investments	1,593,430,859	388,000,000
Cash receipts from investment income	119,268,861	156,726,029
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	10,228,397	84,036,294
Sub-total of cash inflows from investing activities	1,722,928,117	628,762,323
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	269,468,454	104,344,178
Cash payments for investments	1,715,375,478	1,318,367,432
Increase in secured loans, net		
Sub-total of cash outflows from investing activities	1,984,843,932	1,422,711,610
Net Cash Flows from Investing Activities	-261,915,815	-793,949,287
III. Cash Flows from Financing Activities:		
Cash receipts from borrowings	940,000,000	3,986,385,000
Cash receipts from issue of bonds	1,595,433,333	1,987,500,000
Sub-total of cash inflows from financing activities	2,535,433,333	5,973,885,000
Cash repayments of borrowings	2,321,521,649	5,806,533,343
Cash payments for distribution of dividends or profits or settlement of interest expenses	2,114,441,784	1,806,865,982

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
Including: Dividends and profit of minority shareholder paid by subsidiaries	45,969,329	42,272,811
Other cash payments relating to financing activities	6,311,076	3,250,812
Sub-total of cash outflows from financing activities	4,442,274,509	7,616,650,137
Net Cash Flows from Financing Activities	-1,906,841,176	-1,642,765,137
IV. Effects of Foreign Exchange Rate and Changes on Cash and Cash Equivalents	—	0
V. Net Increase in Cash and Cash Equivalents	154,021,349	-33,631,276
Add: Opening balance of cash and cash equivalents	409,176,746	686,484,787
VI. Closing Balance of Cash and Cash Equivalents	563,198,095	652,853,511

*Legal Representative of
the Company:*
Yang Gen Lin

The accounting chief:
Qian Yong Xiang

*The person-in-charge of
the accounting institution:*
Yu Lan Ying

Cash Flow Statement of the Parent Company

January to September 2014

Prepared by: Jiangsu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the period from the beginning of the year to the end of the reporting period (January- September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	5,417,109,621	5,400,495,830
Tax refunds		
Other cash receipts relating to operating activities	9,861,429	12,609,124
Sub-total of cash inflows from operating activities	5,426,971,050	5,413,104,954
Cash payments for goods purchased and service received	2,303,171,789	2,047,886,749
Cash payments to and on behalf of employees	320,899,243	280,632,101
Taxes payment	746,656,502	810,910,573
Other cash payments relating to operating activities	33,653,908	30,871,687
Sub-total of cash outflows from operating activities	3,404,381,442	3,170,301,110
Net cash flows from Operating Activities	2,022,589,608	2,242,803,844

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the period from the beginning of the year to the end of the reporting period (January- September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
II. Cash Flows from Investing Activities:		
Cash receipts from disposals of investments	850,000,000	200,000,000
Cash receipts from investment income	439,689,392	290,479,145
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	10,123,405	84,034,394
Cash receipts from other investing activities	120,000,000	620,000,000
Sub-total of cash inflows from investing activities	1,419,812,797	1,194,513,539
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	213,513,137	83,478,563
Cash paid for investments	955,015,240	1,117,107,432
Net cash paid for acquisition of subsidiaries and other operational units		
Other cash payments relating to investing activities	280,000,000	880,000,000
Sub-total of cash outflows from investing activities	1,448,528,377	2,080,585,995
Net Cash Flows from Investing Activities	-28,715,580	-886,072,456

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the period from the beginning of the year to the end of the reporting period (January-September)	Amount for the period from the beginning of the previous year to the end of the reporting period of the previous year (January - September)
III. Cash Flows from Financing Activities:		
Cash received from investors		
Cash receipts from borrowings	640,000,000	3,726,385,000
Cash receipts from issue of bonds	1,595,433,333	1,987,500,000
Sub-total of cash inflows from financing activities	2,235,433,333	5,713,885,000
Cash repayments of borrowings	2,061,521,649	5,406,533,343
Cash payments for distribution of dividends or profits or settlement of interest expenses	2,046,405,391	1,733,052,102
Other cash payments relating to financing activities	6,311,076	3,250,812
Sub-total of cash outflows from financing activities	4,114,238,116	7,142,836,257
Net Cash Flows from Financing Activities	-1,878,804,783	-1,428,951,257
IV. Effects of Foreign Exchange Rate and Changes on Cash and Cash Equivalents	0	0
V. Net Increase in Cash and Cash Equivalents	115,069,245	-72,219,869
Add: Opening balance of cash and cash equivalents	220,826,123	400,877,755
VI. Closing Balance of Cash and Cash Equivalents	335,895,368	328,657,886

Legal Representative of
the Company:
Yang Gen Lin

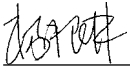
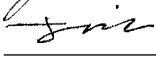
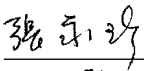
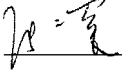

The accounting chief:
Qian Yong Xiang

The person-in-charge of
the accounting institution:
Yu Lan Ying

CONFIRMATION OPINION TO 2014 THIRD QUARTERLY REPORT BY DIRECTORS AND SENIOR MANAGEMENT

The Company's directors and senior management hereby confirm in writing that they have reviewed the quarterly report and are of the opinion that there are no false representations or misleading statements or material omissions in the contents of this report, and that they shall severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the content of this report.

Directors

Yang Gen Lin:		Zhang Yang:	
Chen Xiang Hui:		Du Wen Yi:	
Qian Yong Xiang:		Chang Yung Tsung, Alice:	
Fang Hung, Kenneth:		Zhang Er Zhen:	
Xu Chang Xin:		Gao Bo:	
Chen Dong Hua:			

Senior Management Members

Shang Hong:		Tian Ya Fei:	
Yao Yong Jia:		Li Jie:	
Wu Yi Yong:		Yu Lan Ying:	
Wang Hong Wei:			

Jiangsu Expressway Company Limited
30 October 2014