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江蘇寧滬高速公路股份有限公司
JIANGSU EXPRESSWAY COMPANY LIMITED

(Incorporated in the People's Republic of China as a joint-stock limited company)

(Stock Code: 00177)

2015 Third Quarterly Report

1. IMPORTANT NOTICE

- 1.1 The board (the “**Board**”) of directors and the supervisory committee of Jiangsu Expressway Company Limited (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 Ms. Zhang Yang, a director of the Company, did not attend the Board meeting for the consideration of this quarterly report due to other business engagements and has appointed Ms. Hu Yu, a director of the Company, to vote on her behalf.
- 1.3 Mr. Qian Yong Xiang, a legal representative of the Company, Ms. Yu Lan Ying, the accounting chief, and Ms. Ren Zhuo Hua, the person-in-charge of the accounting department, warrant the truthfulness, accuracy and completeness of the financial statements contained in the quarterly report.
- 1.4 This third quarterly report of the Company covering the period from 1 July 2015 to 30 September 2015 (the “**Reporting Period**”) is unaudited.

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

2.1 Major financial data

	<i>Unit: yuan Currency: RMB</i>		
	As at the end of the Reporting Period	As at the end of the previous year (restated)	Increase/decrease as at the end of the Reporting Period as compared to the end of the previous year (%)
Total assets	37,345,100,558	37,481,617,108	-0.36
Net assets attributable to equity holders of the Company	20,380,508,129	21,015,980,062	-3.02
	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) (restated)	Increase/decrease as compared to the corresponding period of the previous year (%)
Net cash flows generated from operating activities	3,209,221,187	2,885,400,017	11.22
	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) (restated)	Increase/decrease as compared to the corresponding period of the previous year (%)
Operating revenue	6,656,431,986	6,673,990,738	-0.26
Net profit attributable to equity holders of the Company	2,467,109,226	1,845,439,561	33.69
Net profit attributable to equity holders of the Company after non-recurring profit/loss	2,192,245,301	1,842,823,898	18.96
Weighted-average return on net assets (%)	11.12	8.57	Increased by 2.55 percentage points
Basic earnings per share (<i>RMB per share</i>)	0.4897	0.3663	33.69
Diluted earnings per share (<i>RMB per share</i>)	N/A	N/A	N/A

Non-recurring profit/loss items and amount

Applicable Not Applicable

Unit: yuan Currency: RMB

Item	Amount for the Reporting Period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)	Explanation
Gains or losses from disposal of non-current assets	-828,563	-1,460,452	
Government grants included in gains or losses for the current period (except for government grants which are closely related to enterprise normal business, conformed to requirements of State policy, and granted continuously according to certain standardised amounts or quotas)	0	500,000	Special fund for safety production received
Net profits or losses for the period of subsidiaries from the enterprises combinations under common control from the beginning of the Reporting Period to the date of combination	0	-79,247,505	Net profits or losses for the period from the beginning of the Reporting Period to the date of combination generated from merger and acquisition of Jiangsu Ningchang Zhenli Expressway Company Limited (江蘇寧常鎮溧高速公路有限公司) (“Ningchang Zhenli Company”) and Jiangsu Xiyi Expressway Company Limited (江蘇錫宜高速公路有限公司)
Profit and loss of changes in fair value arising from holding of trading financial assets and trading financial liabilities, as well as investment gain realized from disposal of trading financial assets, trading financial liabilities and financial assets available for sale, except for valid hedge business relevant to normal business of the company	-6,847,227	28,356,131	
Reversal of impairment provision for accounts receivable which were tested for impairment losses individually	0	-100,518	Provisions for bad debts
Other non-operating income and expenses other than the above items	18,756,399	10,881,444	Include the compensation for the land use right of the borrow pit received by the Company
Other profit or loss items conforming with the definition of non-recurring profit or loss	0	309,960,925	After the debt transfer of Ningchang Zhenli Company, a subsidiary of the Company, it has a turnaround from loss to profit making and the profit can be used to make up losses in the prior 5 years, which was eligible for recognizing deferred income tax assets and a one-off income tax reduction
Gain or loss from shareholder's loans	4,661,693	20,246,011	
Affected income tax amount	-3,935,576	-14,605,654	
Affected minority interests (after tax)	107,264	333,543	
Total	11,913,990	274,863,925	

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
(number of H shareholders: 451 inclusive) 33,674

Shareholdings of Top Ten Shareholders

Name of shareholder (full name)	Number of shares held as at the end of the Reporting Period		Number of shares subject to trading restrictions	Shares pledged or frozen		Nature of shareholders
	Percentage (%)			Status of shares	Number of shares	
Jiangsu Communications Holding Company Limited	2,742,578,825	54.44	0	Nil	0	State-owned legal person
China Merchants Huajian Highway Investment Co., Ltd.	589,059,077	11.69	0	Nil	0	State-owned legal person
Mondrian Investment Partners Limited	128,128,000	2.54	0	Unknown	0	Foreign legal person
BlackRock, Inc.	108,482,084	2.15	0	Unknown	0	Foreign legal person
JPMorgan Chase & Co.	85,278,935	1.69	0	Unknown	0	Foreign legal person
Commonwealth Bank of Australia	74,467,930	1.52	0	Unknown	0	Foreign legal person
The Bank of New York Mellon Corporation	62,710,698	1.24	0	Unknown	0	Foreign legal person
Morgan Stanley Investment Management Inc. – Morgan Stanley China A Share Fund	47,359,600	0.94	0	Unknown	0	Others
Wei Zhao Qi (魏兆琪)	24,567,539	0.49	0	Unknown	0	Domestic natural person
Jiantou Zhongxin Asset Management Co., Ltd.	21,410,000	0.43	0	Unknown	0	Others

Shareholdings of 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 Holding 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
Mondrian Investment Partners Limited	128,128,000	Oversea-listed foreign shares	128,128,000
BlackRock, Inc.	108,482,084	Oversea-listed foreign shares	108,482,084
JPMorgan Chase & Co.	85,278,935	Oversea-listed foreign shares	85,278,935
Commonwealth Bank of Australia	74,467,930	Oversea-listed foreign shares	74,467,930
The Bank of New York Mellon Corporation	62,710,698	Oversea-listed foreign shares	62,710,698
Morgan Stanley Investment Management Inc. – Morgan Stanley China A Share Fund	47,359,600	RMB-denominated ordinary shares	47,359,600
Wei Zhao Qi (魏兆琪)	24,567,539	RMB-denominated ordinary shares	24,567,539
Jiantou Zhongxin Asset Management Co., Ltd.	21,410,000	RMB-denominated ordinary shares	21,410,000
Illustration on the connected relationship or act-in-concert arrangement with respect to the above shareholders	(1)	The Company is not aware of the existence of related relationship or act-in-concert arrangement with respect to the above shareholders;	
	(2)	During the Reporting Period, there were no related parties, strategic investors of the Company nor normal legal persons becoming the top ten shareholders because of placing of new shares;	
	(3)	The number of shares of H shareholders is based on the record of the register kept according to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).	
Illustration on the preference shareholders with voting rights restored and the shareholding thereof	Nil		

2.3 Total number of preference shareholders, and shareholdings of the top ten preference shareholders and the top ten holders of preference shares not subject to trading restrictions as at the end of the Reporting Period

Applicable Not Applicable

3. 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 Company and its subsidiaries (collectively, the “Group”) continued to steadily carry forward all businesses as scheduled. The Group achieved total operating revenue of approximately RMB2,345,765,000 for the third quarter based on the PRC accounting standards, representing an increase of approximately 1.58% as compared to the corresponding period of 2014.

In particular, revenue from toll business amounted to approximately RMB1,716,274,000, representing an increase of approximately 3.84% year on year. In the third quarter, the daily average traffic volume of Shanghai-Nanjing Expressway was approximately 78,926 vehicles, increased by approximately 6.64% year on year, of which, traffic volume of passenger vehicles increased by approximately 10.57% year on year, continuing its admirable performance, while traffic volume of cargo vehicles decreased by approximately 4.57%, which had narrowed down as compared with the first half of the year (in particular, the decrease in the traffic volume of cargo vehicles along the western section of Shanghai-Nanjing Expressway was narrowed down from approximately 12.24% for the first half of the year to 6.54% as impacted by the diversion of Ningchang Expressway), resulting in a positive increase in toll revenue of 1.20% year-on-year for the third quarter.

The revenue from the ancillary business in the third quarter amounted to approximately RMB485,772,000, representing a decrease of approximately 19.4% year on year, as the sales volume of oil products remained basically unchanged year on year following the downward adjustment to the retail price of oil products. Upon delivery of the “Tongcheng Guangming Jiezu” (同城•光明捷座) project under the property business in this quarter, the Company recorded a carry-over revenue of approximately RMB132,865,000, representing an increase of 215.18% year on year. Advertising and other businesses achieved revenue of approximately RMB10,854,000, representing a decrease of approximately 6.23% year on year, mainly attributable to a slight decrease in advertising business year on year.

In the third quarter, the operating cost of the Group amounted to approximately RMB1,175,704,000, representing an increase of approximately 0.9% year on year; the operating profit amounted to approximately RMB937,350,000, representing an increase of approximately 4.16% year on year; the net profit attributable to equity holders of the Company amounted to approximately RMB740,409,000, representing an increase of approximately 11.47% as compared to the corresponding period of last year.

Data of average daily traffic volume and average daily toll revenues of roads and bridges from January to September 2015

Road/Bridge	Average daily traffic volume (vehicle/day)			Average daily toll revenue (RMB'000/day)		
	Corresponding		Change %	Corresponding		Change %
	January - September	period of the previous year		January - September	period of the previous year	
Shanghai-Nanjing Expressway	79,692	74,343	7.20%	12,405.09	12,410.24	-0.04
Shanghai-Nanjing Section of G312	7,470	8,988	-16.89%	134.23	146.00	-8.06
Nanjing Section of Nanjing-Lianyungang Highway	4,599	4,396	4.62%	72.96	84.36	-13.52
Guangjing Expressway	61,585	56,046	9.88%	794.48	772.08	2.90
Xicheng Expressway	64,775	60,034	7.90%	1,431.77	1,408.24	1.67
Jiangyin Yangtze Bridge	73,080	66,814	9.38%	2,787.34	2,654.77	4.99
Sujiahang Expressway	55,428	51,639	7.34%	3,151.31	3,087.72	2.06
Ningchang Expressway	26,526	18,879	40.51%	1,586.60	1,176.78	34.83
Zhenli Expressway	9,205	8,613	6.87%	523.62	545.87	-4.08
Xiyi Expressway	18,420	17,343	6.21%	730.15	674.60	8.23
Wuxi Huantaihu Expressway	6,869	6,563	4.66%	75.41	68.00	10.90

From January to September 2015, the Group achieved accumulated operating revenue of approximately RMB6,656,432,000, representing a decrease of approximately 0.26% as compared to the corresponding period of 2014, in which, toll revenue amounted to approximately RMB4,844,915,000, representing an increase of approximately 2.67% as compared to the corresponding period of 2014; revenue from ancillary business amounted to approximately RMB1,413,288,000, representing a decrease of approximately 17.63% as compared to the corresponding period of 2014; revenue from property business amounted to approximately RMB362,085,000, representing an increase of approximately 76.53% year on year; and revenue from advertising and other businesses amounted to approximately RMB36,144,000, representing an increase of approximately 6.18% as compared to the corresponding period of 2014.

In terms of business cost, the Group recorded accumulated operating cost of approximately RMB3,230,212,000 from January to September 2015, representing a decrease of approximately 5.14% as compared to the corresponding period of 2014, in which, cost of toll business, property business and advertising and other businesses increased by approximately 5.25%, 26.33% and 23.69% year on year, respectively, except for the ancillary business the cost of which decreased by approximately 17.68% year on year as affected by the decline in price of oil products.

The Group recorded accumulated operating profit of approximately RMB2,847,923,000 from January to September 2015, representing an increase of approximately 11.84% as compared to the corresponding period of 2014. The Group achieved net profit attributable to equity holders of the Company of approximately RMB2,467,109,000 from January to September 2015, and earnings per share of approximately RMB0.4897, representing an increase of approximately 33.69% as compared to the corresponding period of 2014, due to the one-off recognition of deferred income tax upon acquisition of the subsidiary Ningchang Zhenli Company in the first half of the year. Net profit attributable to equity holders of the Company after non-recurring profit/loss was approximately RMB2,192,245,000, representing an increase of approximately 18.96% year on year.

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

Reasons for Material Changes in Balance Sheet Items as at 30 September 2015

Unit: yuan Currency: RMB

Item	As at the end of the Reporting Period	As at the end of the previous year (restated)	Change (%)	Reason
Cash and bank balances	416,963,793	726,415,172	-42.60	The cash and bank balances at the end of the Reporting Period decreased as compared with the beginning of the Reporting Period due to the higher utilization efficiency of capital at the Group level as a result of optimization, adjustment and allocation of capital resource within the Group.
Bills receivable	1,396,565	2,518,000	-44.54	Decrease in the bank acceptance notes held by Jiangsu Ninghu Investment Development Co., Ltd. (江蘇寧滬投資發展有限責任公司) (“Ninghu Investment”), a subsidiary of the Company, as compared with the beginning of the year.
Accounts receivable	159,508,636	117,813,088	35.39	Increase in the toll receivable within the road network as compared with the beginning of the year.
Prepayments	34,204,111	266,879,166	-87.18	Transfer of land premium prepaid for Lot No. 2, South Nanjing New Town to a project company in the Reporting Period.
Interest receivable	12,600,000	0	–	Increase in interest on borrowings due from equity holders of Nanjing Hanwei Property Development Company Limited (南京瀚威房地產開發有限公司) (“Hanwei Company”) during the Reporting Period.
Construction in progress	743,355,160	258,800,371	187.23	Mainly due to the capital injection for construction of Zhendan Expressway project in the Reporting Period.

Item	As at the end of the Reporting Period	As at the end of the previous year (restated)	Change (%)	Reason
Deferred income tax assets	373,464,056	49,806,472	649.83	Mainly due to the deferred income tax assets recognized by Ningchang Zhenli Company in the Reporting Period as the profit generated from the debt transfer of Ningchang Zhenli Company, a subsidiary of the Company, can be used to make up for losses in the prior years, which was eligible for recognition of deferred income tax.
Other non-current assets	300,000,000	0	-	The shareholder borrowings provided by the Company to Hanwei Company, the project company for Lot No. 2 of South Nanjing New Town.
Short-term borrowings	9,750,000,000	6,005,000,000	62.36	Increase in short-term borrowings due to the adjustment to the debt structure by the Company.
Interest payable	91,146,542	163,805,922	-44.36	Decrease in interest payable as compared with the beginning of the year due to payment of principal and interests under the direct financing upon maturity in the Reporting Period.
Dividends payable	99,467,760	68,678,625	44.83	Increase in dividends payable to minority shareholders by subsidiaries as compared with the beginning of the Reporting Period.
Other payables	98,574,386	58,896,322	67.37	Mainly due to the increase in the unpaid fee for the overall development.
Non-current liabilities due within one year	126,576,082	1,029,826,457	-87.71	Repayment of part of non-current liabilities due within one year in the Reporting Period.
Other current liabilities	0	500,000,000	-100	Repayment of certain short-term private placement products due in the Reporting Period.
Long-term borrowings	2,452,101,916	6,172,708,646	-60.28	Adjustment to the debt structure by the Company in the Reporting Period.
Bonds payable	2,468,238,141	494,603,286	399.03	Issuance of RMB2 billion interim bills during the Reporting Period.
Deferred income tax liabilities	10,569,818	1,275,048	728.97	Mainly due to the increase in deferred income tax liabilities of Jiangsu Ninghu Properties Co., Ltd. (江蘇寧滬置業有限責任公司) (“Ninghu Properties”), a subsidiary of the Company.

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

Unit: RMB

Item	Beginning of the year to end of the Reporting Period	Corresponding period of last year (restated)	Change (%)	Reason
Selling expenses	7,819,867	11,242,029	-30.44	Mainly due to the year on year decrease in advertising expenses and commission for property projects of Ninghu Properties, a subsidiary of the Company.
Gain on changes of fair value	2,888,866	4,432,950	-34.83	Mainly due to the decrease in profit or loss measured at fair value in the period for the held-for-trading financial investments held by Ninghu Investment, a subsidiary of the Company.
Investment income	393,953,379	288,799,975	36.41	Mainly due to the increase in the dividends from the available-for-sale financial assets in the Reporting Period and increase in investment income from redemption of part of funds by Ninghu Investment, a subsidiary of the Company.
Non-operating revenue	35,359,077	10,974,065	222.21	Mainly due to the compensation received in the Reporting Period by the Company for the land use rights of borrow pits.
Non-operating expenses	25,438,086	19,142,217	32.89	Mainly due to increase in repair expenses for the damaged roads during the Reporting Period.

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

Unit: RMB

Item	Beginning of the year to end of the Reporting Period	Corresponding period of last year (restated)	Change (%)	Reason
Net cash flows from investing activities	-1,607,430,794	-299,368,482	436.94	Significant increase in payment of investment for acquisition projects and payment for the expressway construction projects in the Reporting Period, which resulted in a considerable increase in net outflow from investing activities year on year.

3.2 Analysis of progress and impact of significant events and solutions

Applicable Not Applicable

On 6 September 2015, the Company received a document from Jiangsu Provincial Government which required removal of Dai Jiamen Toll Station, Benniu Toll Station, Wangting Toll Station and Gunan Toll Station along the Shanghai-Nanjing Section of G312 National Highway as well as early termination of toll road operation rights (including the removed toll stations in 2012) to Shanghai-Nanjing Section of G312 with the toll road operation term ended on 15 September 2015. The Company will receive relevant economic compensation for the early termination in compliance with relevant requirements, and hand over management and maintenance rights to Shanghai-Nanjing Section of G312 in accordance with related laws and regulations.

In 2014, toll revenue from the above four removed toll stations on Shanghai-Nanjing Section of G312 accounted for approximately 0.67% of the Company's total consolidated operating income. The early termination of toll road operation rights to Shanghai-Nanjing Section of G312 had no material impact on the Company's principal business and operating income.

The issues relating to economic compensation for the early termination of toll road operation rights to Shanghai-Nanjing Section of G312 and the hand-over of management and maintenance rights are currently under discussion and will be otherwise disclosed upon finalization.

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

Applicable Not Applicable

Background of undertakings	Types of undertakings	Party making undertakings	Contents of undertakings	Time and term of undertakings	Any term of performance	Strictly performed in timely manner	If not performed timely, describe the specific reasons	If not performed timely, describe plans in next steps
						or not		
Other undertakings	Others	Communications Holding Company Limited (“Communications Holding”)	In the process of equity acquisition of Ningchang Zhenli Company, the Company and Communications Holding entered into a profit compensation agreement, Communications Holding has, in respect of the compensation period, guaranteed Ningchang Zhenli Company’s profit before tax and financial expenses after deducting non-recurring profits and losses, such that it shall not be less than RMB230,434,300 in 2015, not less than RMB269,083,700 in 2016 and not less than RMB299,931,100 in 2017. Such guaranteed amounts are consistent with the profits before tax and financial expenses of Ningchang Zhenli Company after deducting non-recurring profits and losses set out in the “Asset Valuation Report.”	2015 to 2017	Yes	Yes	N/A	N/A
Other undertakings	Others	Communications Holding	In order to duly resolve the issue regarding the compensation for the removal of two toll stations and toll points on Shanghai-Nanjing Section of G312 and pursuant to the spirit of the Suzhengfu [2012] No.115 documentation and relevant minutes, Communications Holding will compensate the Company on behalf of the governmental authorities for an amount calculated on the basis of the net asset value of the toll road operation right corresponding to the toll stations and toll points removed, as audited by a qualified third party, and the said amount shall be paid in cash.	N/A	No	Yes	N/A	N/A

Background of undertakings	Types of undertakings	Party making undertakings	Contents of undertakings	Time and term of undertakings	Any term of performance	Strictly performed in timely manner or not	If not performed	If not performed
							describe the specific reasons	describe plans in next steps
Other undertakings	Others	Communications Holding	<p>1. Communications Holding will not reduce the number of the Company's shares during the six-month period from 9 July 2015 to 8 January 2016;</p> <p>2. Communications Holding will, pursuant to the requirements of the "Notice on Matters Pertaining to the Increase in Shareholdings in a Listed Company by its Majority Shareholders and Directors, Supervisors and Senior Management" (Zheng Jian Fa [2015] No. 51) (《關於上市公司大股東及董事、監事、高級管理人員增持本公司股票相關事項的通知》(證監發[2015]51號文)) issued by the China Securities Regulatory Commission, take opportunities to increase its shareholdings in the Company based on the market conditions and to the extent permitted by laws and regulations;</p> <p>3. Communications Holding will, as always, continuously support the Company's operation to further enhance the Company's core competitiveness and bring positive returns to the investors.</p>	9 July 2015 to 8 January 2016	Yes	Yes	N/A	N/A

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

4. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet

30 September 2015

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 (restated)
Current Assets:		
Cash and bank balances	416,963,793	726,415,172
Financial assets at fair value through profit or loss	29,569,131	38,951,822
Bills receivable	1,396,565	2,518,000
Accounts receivable	159,508,636	117,813,088
Prepayments	34,204,111	266,879,166
Interests receivable	12,600,000	0
Dividends receivable	4,989,960	4,989,960
Other receivables	1,153,796,085	1,224,608,058
Inventories	3,221,418,165	3,091,938,748
Other current assets	191,085,921	231,636,482
Total Current Assets	<u>5,225,532,367</u>	<u>5,705,750,496</u>

Item	At the end of the Reporting Period	At the beginning of the year (restated)
Non-current Assets:		
Available-for-sale financial assets	1,293,818,457	1,313,185,957
Long-term equity investments	4,407,932,075	4,174,591,269
Investment properties	33,263,169	34,284,836
Fixed assets	1,674,144,932	1,802,660,953
Construction in progress	743,355,160	258,800,371
Intangible assets	23,287,633,463	24,136,118,565
Long-term prepaid expenses	5,956,879	6,418,189
Deferred income tax assets	373,464,056	49,806,472
Other non-current assets	300,000,000	0
	<hr/>	<hr/>
Total Non-current Assets	32,119,568,191	31,775,866,612
	<hr/> <hr/>	<hr/> <hr/>
TOTAL ASSETS	37,345,100,558	37,481,617,108
	<hr/> <hr/>	<hr/> <hr/>
Current Liabilities:		
Short-term borrowings	9,750,000,000	6,005,000,000
Accounts payable	734,720,294	767,569,197
Receipts in advance	289,037,406	375,468,301
Employee benefits payable	5,059,987	5,624,993
Taxes payable	107,837,394	102,377,617
Interest payable	91,146,542	163,805,922
Dividends payable	99,467,760	68,678,625
Other payables	98,574,386	58,896,322
Non-current liabilities due within one year	126,576,082	1,029,826,457
Other current liabilities	0	500,000,000
	<hr/>	<hr/>
Total Current Liabilities	11,302,419,851	9,077,247,434
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Item	At the end of the Reporting Period	At the beginning of the year (restated)
Non-current liabilities:		
Long-term borrowings	2,452,101,916	6,172,708,646
Bonds payable	2,468,238,141	494,603,286
Deferred income tax liabilities	10,569,818	1,275,048
Deferred income	35,232,226	36,199,929
	<u>4,966,142,101</u>	<u>6,704,786,909</u>
Total Non-current Liabilities	<u>4,966,142,101</u>	<u>6,704,786,909</u>
	<u>16,268,561,952</u>	<u>15,782,034,343</u>
Total Liabilities	<u>16,268,561,952</u>	<u>15,782,034,343</u>
OWNERS' EQUITY:		
Share capital	5,037,747,500	5,037,747,500
Capital reserve	10,446,662,340	11,511,362,341
Other comprehensive income	65,351,940	188,889,048
Surplus reserve	2,927,043,693	2,927,043,693
Retained profits	1,903,702,656	1,350,937,480
	<u>20,380,508,129</u>	<u>21,015,980,062</u>
Total owners' equity attributable to equity holders of the Company	<u>20,380,508,129</u>	<u>21,015,980,062</u>
Minority interests	<u>696,030,477</u>	<u>683,602,703</u>
TOTAL OWNERS' EQUITY	<u>21,076,538,606</u>	<u>21,699,582,765</u>
TOTAL LIABILITIES AND OWNERS' EQUITY	<u>37,345,100,558</u>	<u>37,481,617,108</u>

*Legal Representative of
the Company:*

Qian Yong Xiang

The accounting chief:

Yu Lan Ying

*The person-in-charge of
the accounting department:*

Ren Zhuo Hua

Balance Sheet of the Company

30 September 2015

Prepared by: Jiangsu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	At the end of Reporting Period	At the beginning of the year
Current Assets:		
Cash and bank balances	142,588,776	238,658,010
Accounts receivable	97,331,309	80,125,072
Prepayments	15,681,167	257,152,125
Interest receivable	15,439,167	3,175,792
Dividends receivable	4,989,960	4,989,960
Other receivables	1,600,254,766	1,519,681,070
Inventories	19,548,349	20,995,413
Non-current assets due within one year	0	150,000,000
Total Current Assets	1,895,833,494	2,274,777,442
Non-current Assets:		
Available-for-sale financial assets	1,005,230,000	1,008,915,500
Long-term equity investments	13,014,356,116	5,217,907,838
Fixed assets	909,498,303	953,515,356
Construction in progress	264,759,056	208,246,561
Intangible assets	12,948,766,098	13,475,809,444
Deferred income tax assets	4,024,527	4,024,527
Other non-current assets	1,990,000,000	1,540,000,000
Total Non-current Assets	30,136,634,100	22,408,419,226
TOTAL ASSETS	32,032,467,594	24,683,196,668

Item	At the end of Reporting Period	At the beginning of the year
Current Liabilities:		
Short-term borrowings	9,015,000,000	3,340,000,000
Accounts payable	201,664,551	238,350,163
Receipts in advance	16,449,472	7,759,002
Employee benefits payable	896,253	987,091
Taxes payable	74,859,265	76,760,557
Interest payable	67,295,721	76,831,045
Dividends payable	69,467,760	68,678,625
Other payables	37,895,733	31,829,823
Non-current liabilities due within one year	101,576,082	500,826,457
Other current liabilities	0	500,000,000
Total Current Liabilities	9,585,104,837	4,842,022,763
Non-current liabilities:		
Long-term borrowings	918,101,916	19,708,646
Bonds payable	2,468,238,141	494,603,286
Total Non-current Liabilities	3,386,340,057	514,311,932
Total Liabilities	12,971,444,894	5,356,334,695
OWNERS' EQUITY:		
Share capital	5,037,747,500	5,037,747,500
Capital reserve	7,029,103,032	7,482,952,651
Other comprehensive income	46,926,708	170,463,816
Surplus reserve	2,518,873,750	2,518,873,750
Retained profits	4,428,371,710	4,116,824,256
TOTAL OWNERS' EQUITY	19,061,022,700	19,326,861,973
TOTAL LIABILITIES AND OWNERS' EQUITY	32,032,467,594	24,683,196,668

*Legal Representative of
the Company:*

Qian Yong Xiang

The accounting chief:

Yu Lan Ying

*The person-in-charge of
the accounting department:*

Ren Zhuo Hua

Consolidated Income Statement

January –September 2015

Prepared by: Jiangsu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the Reporting Period (July- September)	Amount for the corresponding period of the previous year (July- September) (restated)	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) (restated)
I. Total operating income	2,345,764,978	2,309,203,704	6,656,431,986	6,673,990,738
Including: Operating income	2,345,764,978	2,309,203,704	6,656,431,986	6,673,990,738
II. Total operating costs	1,517,174,476	1,507,784,484	4,205,351,071	4,420,799,312
Including: Operating costs	1,175,704,329	1,165,258,473	3,230,211,872	3,405,243,938
Business taxes and levies	71,699,930	64,315,765	201,491,740	191,436,669
Selling expenses	4,249,577	3,684,344	7,819,867	11,242,029
Administrative expenses	51,851,206	47,839,543	145,603,937	141,898,785
Financial expenses	213,669,434	226,686,359	620,123,137	670,977,891
Impairment losses of assets	0	0	100,518	0
Add: Gains from changes in fair value (Losses are indicated by “-”)	-8,412,071	2,049,300	2,888,866	4,432,950
Investment income (Losses are indicated by “-”)	117,171,711	96,416,229	393,953,379	288,799,975
Including: Income from investments in associates and joint ventures	100,975,175	95,192,985	298,382,369	264,610,381

Item	Amount for the Reporting Period (July- September)	Amount for the corresponding period of the previous year (July- September) (restated)	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) (restated)
III. Operating profit (Loss is indicated by “-”)	937,350,142	899,884,749	2,847,923,160	2,546,424,351
Add: Non-operating income	31,071,303	7,036,623	35,359,077	10,974,065
Including: Gains from disposal of non-current assets	26,898	1,469	74,898	104,543
Less: Non-operating expenses	12,643,468	7,510,271	25,438,086	19,142,217
Including: Losses from disposal of non-current assets	855,461	434,925	1,535,350	1,334,143
IV. Total profit (Total loss is indicated by “-”)	955,777,977	899,411,101	2,857,844,151	2,538,256,199
Less: Income tax expense	191,205,574	215,281,340	321,436,756	630,377,985
V. Net profit (Net loss is indicated by “-”)	764,572,403	684,129,761	2,536,407,395	1,907,878,214
Net profit attributable to owners of the Company	740,409,461	664,252,821	2,467,109,226	1,845,439,561
Profit or loss attributable to minority interests	24,162,942	19,876,940	69,298,169	62,438,653

Item	Amount for the Reporting Period (July- September)	Amount for the corresponding period of the previous year (July- September) (restated)	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) (restated)
VI. Net other comprehensive income after tax	-99,151,206	13,458,040	-123,537,108	-14,311,679
Net other comprehensive income after tax attributable to owners of the Company	-99,151,206	13,458,040	-123,537,108	-14,311,679
(1) Other comprehensive income that will not be reclassified to the profit and losses	0	0	0	0
(2) Other comprehensive income that will be reclassified to the profit and losses	-99,151,206	13,458,040	-123,537,108	-14,311,679
1. The attributable share of other comprehensive income that will be reclassified to the profit and losses under equity method	-99,151,206	13,458,040	-123,537,108	-14,311,679
Net other comprehensive income after tax attributable to minority interests	0	0	0	0
VII. Total comprehensive income	665,421,197	697,587,801	2,412,870,287	1,893,566,535
Total comprehensive income attributable to owners of the Company	641,258,255	677,710,861	2,343,572,118	1,831,127,882
Total comprehensive income attributable to minority interests	24,162,942	19,876,940	69,298,169	62,438,653

Item	Amount for the Reporting Period (July- September)	Amount for the corresponding period of the previous year (July- September) (restated)	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) (restated)
VIII.Earnings per share				
(I) Basic earnings per share	0.1470	0.1319	0.4897	0.3663
(II) Diluted earnings per share	-	-	-	-

For the business combination under common control effected in the current Reporting Period, the net profit recognized by the merged party before the combination was RMB-79,247,505, and the net profit recognized by the merged party in the previous period was RMB-141,102,569.

*Legal Representative of
the Company:*
Qian Yong Xiang

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

Ren Zhuo Hua

Income Statement of the Company

January –September 2015

Prepared by: Jiangsu Expressway Company Limited

Unit: yuan Currency: RMB Type of Audit: Unaudited

Item	Amount for the current Reporting 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. Operating income	1,673,439,888	1,779,834,311	4,810,617,753	5,125,719,464
Less: Operating costs	863,516,684	903,106,322	2,381,595,737	2,619,904,086
Business taxes and levies	43,213,615	44,334,845	123,605,379	127,985,297
Selling expenses	0	0	0	0
Administrative expenses	37,501,851	33,904,532	102,636,910	103,286,222
Financial expenses	176,857,758	74,257,375	313,345,661	215,779,045
Impairment losses of assets	0	0	0	0
Investment income (Losses are indicated by “-”)	93,401,662	84,973,017	828,930,624	505,605,128
Including: Income from investments in associates and joint ventures	62,508,593	58,411,850	185,111,458	164,047,823
II. Operating profit (Loss is indicated by “-”)	645,751,642	809,204,254	2,718,364,690	2,564,369,942
Add: Non-operating income	30,066,074	1,852,952	33,176,162	5,053,529
Including: Gains from disposal of non-current assets	14,850	1,469	42,050	93,210
Less: Non-operating expenses	9,291,739	5,947,615	18,350,566	13,421,515
Including: Losses from disposal of non-current assets	0	110,215	643,503	336,350

Item	Amount for the current Reporting 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. Total profit	666,525,977	805,109,591	2,733,190,286	2,556,001,956
Less: Income tax expense	151,004,346	186,674,435	507,298,782	544,651,853
IV. Net profit (Net loss is indicated by “-”)	515,521,631	618,435,156	2,225,891,504	2,011,350,103
V. Net other comprehensive income after tax	-99,151,206	13,458,040	-123,537,108	-14,311,679
(1) Other comprehensive income that will not be reclassified to the profit and losses	0	0	0	0
(2) Other comprehensive income that will be reclassified to the profit and losses	-99,151,206	13,458,040	-123,537,108	-14,311,679
1. The attributable share of other comprehensive income that will be reclassified to the profit and losses under equity method	-99,151,206	13,458,040	-123,537,108	-14,311,679
VI. Total comprehensive income	416,370,425	631,893,196	2,102,354,396	1,997,038,424
VII. Earnings per share				
(I) Basic earnings per share	0.1023	0.1228	0.4418	0.3993
(II) Diluted earnings per share	-	-	-	-

*Legal Representative of
the Company:*
Qian Yong Xiang

*The person-in-charge of
the accounting chief: the accounting department:*
Yu Lan Ying Ren Zhuo Hua

Consolidated Cash Flow Statement

January to September 2015

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) (restated)
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	7,376,669,076	6,984,218,050
Other cash receipts relating to operating activities	67,317,627	33,079,656
Sub-total of cash inflows from operating activities	7,443,986,703	7,017,297,706
Cash payments for goods purchased and service received	2,776,275,337	2,644,437,911
Cash payments to and on behalf of employees	502,332,805	473,345,755
Taxes payment	881,432,101	938,647,466
Other cash payments relating to operating activities	74,725,273	75,466,557
Sub-total of cash outflows from operating activities	4,234,765,516	4,131,897,689
Net cash flows from Operating Activities	3,209,221,187	2,885,400,017

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) (restated)
II. Cash Flows from Investing Activities:		
Cash receipts from disposals of investments	866,329,875	1,593,430,859
Cash receipts from investment income	187,936,695	119,268,861
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	74,075,570	10,256,117
Other cash receipts relating to investing activities	0	0
Sub-total of cash inflows from investing activities	1,128,342,140	1,722,955,837
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	561,848,226	306,948,841
Cash paid for investments	2,123,924,708	1,715,375,478
Other cash payments relating to investment activities	50,000,000	0
Sub-total of cash outflows from investing activities	2,735,772,934	2,022,324,319
Net Cash Flows from Investing Activities	-1,607,430,794	-299,368,482

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) (restated)
III. Cash Flows from Financing Activities:		
Cash received from investors	121,680,000	0
Including: cash received by subsidiaries from minority shareholders' investment	121,680,000	0
Cash receipts from borrowings	9,311,000,000	4,600,000,000
Cash receipts from issue of bonds	9,268,194,657	1,595,433,333
Other cash receipts relating to investment activities	0	0
Sub-total of cash inflows from financing activities	18,700,874,657	6,195,433,333
Cash repayments of borrowings	17,991,722,357	6,066,404,115
Cash payments for distribution of dividends or profits or settlement of interest expenses	2,632,865,579	2,518,768,565
Including: dividends paid to minority shareholders by subsidiaries	49,250,395	45,969,329
Other cash payments relating to financing activities	2,618,453	6,311,076
Sub-total of cash outflows from financing activities	20,627,206,389	8,591,483,756
Net Cash Flows from Financing Activities	-1,926,331,732	-2,396,050,423
IV. Effects of Foreign Exchange Rate and Changes on Cash and Cash Equivalents		
V. Net Increase in Cash and Cash Equivalents	-324,541,339	189,981,112
Add: Opening balance of cash and cash equivalents	708,621,647	523,544,443
VI. Closing Balance of Cash and Cash Equivalents	384,080,308	713,525,555

*Legal Representative of
the Company:*
Qian Yong Xiang

*The person-in-charge of
The accounting chief: the accounting department:*
Yu Lan Ying Ren Zhuo Hua

Cash Flow Statement of the Company
January to September 2015

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	5,574,384,488	5,417,109,621
Other cash receipts relating to operating activities	44,834,014	9,861,429
Sub-total of cash inflows from operating activities	5,619,218,502	5,426,971,050
Cash payments for goods purchased and service received	2,319,977,086	2,303,171,789
Cash payments to and on behalf of employees	334,715,351	320,899,243
Taxes payment	663,380,116	746,656,502
Other cash payments relating to operating activities	31,611,323	33,653,908
Sub-total of cash outflows from operating activities	3,349,683,876	3,404,381,442
Net cash flows from Operating Activities	2,269,534,626	2,022,589,608

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	0	850,000,000
Cash receipts from investment income	733,926,059	439,689,392
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	74,048,640	10,123,405
Other cash receipts relating to investing activities	360,000,000	120,000,000
Sub-total of cash inflows from investing activities	1,167,974,699	1,419,812,797
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	117,143,547	213,513,137
Cash paid for investments	924,113,612	955,015,240
Other cash payments relating to investing activities	560,000,000	280,000,000
Sub-total of cash outflows from investing activities	1,601,257,159	1,448,528,377
Net Cash Flows from Investing Activities	-433,282,460	-28,715,580

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 receipts from borrowings	6,945,000,000	640,000,000
Cash receipts from issue of bonds	9,268,194,657	1,595,433,333
Sub-total of cash inflows from financing activities	16,213,194,657	2,235,433,333
Cash repayments of borrowings	15,931,541,197	2,061,521,649
Cash payments for distribution of dividends or profits or settlement of interest expenses	2,211,356,407	2,046,405,391
Other cash payments relating to financing activities	2,618,453	6,311,076
Sub-total of cash outflows from financing activities	18,145,516,057	4,114,238,116
Net Cash Flows from Financing Activities	-1,932,321,400	-1,878,804,783
IV. Effects of Foreign Exchange Rate and Changes on Cash and Cash Equivalents		
V. Net Increase in Cash and Cash Equivalents	-96,069,234	115,069,245
Add: Opening balance of cash and cash equivalents	238,658,010	220,826,123
VI. Closing Balance of Cash and Cash Equivalents	142,588,776	335,895,368

*Legal Representative of
the Company:*
Qian Yong Xiang

*The person-in-charge of
the accounting chief: the accounting department:*
Yu Lan Ying Ren Zhuo Hua

4.2 Auditing Report

Applicable Not Applicable

Jiangsu Expressway Company Limited
30 October 2015

By Order of the Board
Jiangsu Expressway Company Limited
Yao Yong Jia
Secretary to the Board

Nanjing, the PRC, 30 October 2015

As at the date of this announcement, directors of the Company are:

Qian Yong Xiang, Chen Xiang Hui, Du Wen Yi, Zhang Yang, Hu Yu, Ma Chung Lai, Lawrence, Zhang Er Zhen, Ge Yang*, Zhang Zhu Ting*, Chen Liang*.*

* *Independent non-executive directors*