

Project Review



Guangdong Province

- Provincial Highway 268 Zhongshan Shiqi-jiangmen Highway
- Foshan Guangzhou-Sanshui Expressway
- National Highway 324 Luoding-Chonghua Highway
- Jieyang Highway Network
- Shenzhen Airport-Heao Expressway, Eastern Section

Jiangsu Province

- Suzhou-Shanghai Airport Highway
- Provincial Highway 211 Changzhou-Caoqiao Highway

Guangxi Zhuang Autonomous Region

- Yulin City Ring Roads
- Yulin-Gongguan Highway, Yulin Section

Shanxi Province

- National Highway 108 Yuci Dongchangshou-Qixian Dongguan Highway
- Taiyuan Yuci Highway
- National Highway 108 Yuci City Bypass
- Provincial Highway Huanggu Route Xiaodian Fenhe Bridge
- Provincial Highway 104 Taiyuan Ximing-Gujiao Highway

Henan Province

- National Highway 311 and Provincial Highway 01 Xuchang-Nanyang Highway

Anhui Province

- Provincial Highway 307 Bengbu Huaihe Bridge Highway
- Provincial Highway 307 Bengbu Huaiyuan-Mengcheng Highway
- National Highway 206 Hefei-Huainan Highway
- Bengbu Chaoyanglu Huaihe Highway Bridge
- Hefei-Yeji Highway

Hebei Province

- National Highway 307 Shijiazhuang-Jinzhou Highway
- National Highway 309 Handan-Guantao Highway

Hunan Province

- Changsha-Yiyang Expressway

Guangdong Province

Situated in the southern part of China with an area of 178,000 km², Guangdong province has a population of 72.7 millions. Acting as China's gateway to the world, Guangdong is China's most developed province and attracted most foreign investment. In 1999, Guangdong achieved a GDP growth of 9.4%, reached RMB 846.4 billion.

Up to 2000, a total of 103,000 km of highway had been operated in Guangdong, which included 1,200 km of expressway and 5,400 km of Class I highway. Road King possesses five highway projects with total mileage of 247.5 km in the province and shares a major portion of 23% in Road King's projects.



Provincial Highway 268 Zhongshan Shiqi-Jiangmen Highway ("Qijiang Highway")

Project Summary

Grade	: Class II Highway, 4 lanes
Project Mileage	: 26.5 kilometers
Project Total Investment	: RMB 141.67 million
Interest owned by the Group	: 75%
JV Period	: 20 years
JV Expiry Date	: 11 January 2014

As a major route linking Jiangmen to Zhuhai, Qijiang highway recorded an average daily traffic flow of 12,370 mixed vehicles equivalent to a 9.7% increase against last year. The annual toll income amounted to RMB 31.67 million. This rise was due to the improvement of highway condition after expansion works completed.

Foshan Guangzhou-Sanshui Expressway ("Guangsan Expressway")

Project Summary

Grade	: Expressway, 4 lanes
Project Mileage	: 52 kilometers
Project Total Investment	: RMB 900 million
Interest owned by the Group	: 35%
JV Period	: 25 years
JV Expiry Date	: 19 June 2018

Depression of light industrial in Foshan hindered the growth in 2000, annual toll income of Guangsan expressway flattened at RMB 137.5 million and average daily traffic recorded 3% up to 26,925 mixed vehicles. A reversion of the trend in coming years is expected.

Project Review

National Highway 324 Luoding-Chonghua Highway ("Luochong Highway")

Project Summary

Grade	: Class I Highway, 6 lanes
Project Mileage	: 35 kilometers
Project Total Investment	: RMB 290.4 million
Interest owned by the Group	: 61%
JV Period	: 20 years
JV Expiry Date	: 20 July 2014

Luochong Highway is a major route connecting Guangdong to Guangxi and Yunnan. During 2000, Luochong Highway had a substantial traffic growth of 8.4% and average daily traffic amounted to 9,665 mixed vehicles. Annual toll income was recorded RMB 30.64 million. The upgrading works of Rongxian-Cenxi section of National Highway 324 was on schedule, which is expected to bring up traffic on Luochong Highway again upon its completion.

Shenzhen Airport-Heao Expressway, Eastern Section ("Jihe Expressway")

Project Summary

Grade	: Expressway, 6 lanes
Project Mileage	: 23.3 kilometers
Project Total Investment	: RMB 1,300 million
Interest owned by the Group	: 45%
JV Period	: 30 years
JV Expiry Date	: 4 October 2026

Traffic flow and revenue for Jihe Expressway achieved a higher record in 2000 as a result of the completion of western section of Jihe Expressway in mid 1999. Average daily traffic of the expressway mounted to 23,970 mixed vehicles, a 33% growth compared with last year. Toll revenue boosted up 35.6% to RMB 133.3 million for the year. It is anticipated that performance of expressway will be continuously promising in coming future.

Jieyang Highway Network

Project Summary

Grade	: Class I / Class II Highway 4 lanes / 6 lanes
Project Mileage	: 110.7 kilometers
Project Total Investment	: RMB 979.75 million
Interest owned by the Group	: 50%
JV Period	: 30 years
JV Expiry Date	: 20 February 2025

Remark : JV expiry date of Jieshan Highway is 3 November 2024.

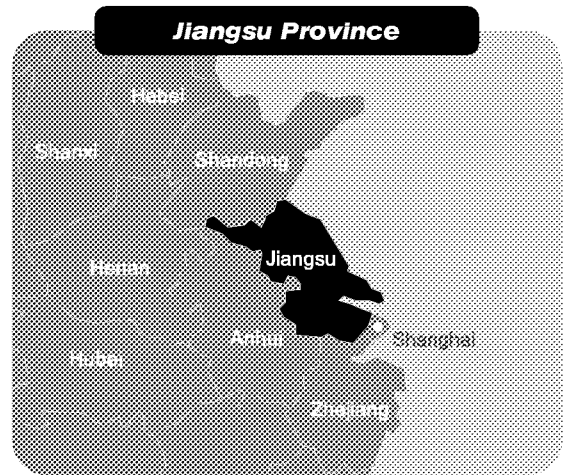
Affected by stagnant economy and prolonged smuggling inspection of Chaozhou and Shantou region during the year, average daily traffic of Jieyang Highway Network slightly dropped to 27,736 mixed vehicles with annual toll revenue of RMB 97.07 million. Performance of the highway is expected to improve with the rebound of the regional economy in coming years.

Project Review

Jiangsu Province

Jiangsu, an eastern China province, is one of the wealthiest provinces among the nation with an area of 102,600 km² and has a population of 72.13 millions in 1999. Major industrial activities included machinery, electronic, chemicals and automobile, owned a large market shares in China. GDP of the province climbed up 10.1% in total of RMB 769.8 billion, which ranked the second among the nation in 1999.

Jiangsu government actively developed its highway network during past years, a total of 28,000 km of highway had been operated at the end of 2000, which included 1100 km of expressway and 2,200 km of Class I highway. The province recorded 16.8% annual growth on length of expressway and class I highway during the period from 1996 to 2000. There are two Road King projects in Jiangsu province, with a total length amounts to 78.9 km.



Project Review

Suzhou-Shanghai Airport Highway ("Airport Highway")

Project Summary

Grade	: Super Class II Highway, 4 lanes
Project Mileage	: 52.8 kilometers
Project Total Investment	: RMB 387 million
Interest owned by the Group	: 50%
JV Period	: 23 years
JV Expiry Date	: 15 December 2017

With effective measures taken, traffic flow for the highway increased 6.1% from last year and average daily traffic was 11,395 mixed vehicles. Annual toll revenue sustained at the level of RMB 38.60 million. Since many multinational enterprises have established their headquarters in several national economic development zones of Suzhou, the accelerating economic development of the region will further boom up traffic flow for the highway.

Provincial Highway 211 Changzhou-Caoqiao Highway ("Changcao Highway")

Project Summary

Grade	: Class I Highway, 4 lanes
Project Mileage	: 26.1 kilometers
Project Total Investment	: RMB 249 million
Interest owned by the Group	: 60.24%
JV Period	: 20 years
JV Expiry Date	: 28 March 2016

Changcao Highway is a major access from Changzhou to Hangzhou. Both traffic flow and toll revenue of the highway resembled that in last year. Average daily traffic was 4,981 mixed vehicles while annual toll revenue was RMB 22.15 million.