

Guangxi Zhuang Autonomous Region

Guangxi Zhuang Autonomous Region located in southern China with an area of 236,661 km² and a population of 47.1 millions in 1999. Its proximity to Yunnan, Vietnam and Guangdong brings Guangxi to be the transportation hub in southwestern China. GDP generated by the province in 1999 was RMB 195.3 billion, a 8.3% growth compared with 1998.

A total of 53,000 km of highways had been built up to year 2000, which included 810 km of expressways and 440 km of Class I highways. Road King has two projects in the province with a total mileage of 66 km.



Yulin City Ring Roads

Project Summary

Grade	: Class I /Class II Highway, 4 lanes / 6 lanes
Project Mileage	: 27 kilometers
Project Total Investment	: RMB 248.91 million
Interest owned by the Group	: 70%
JV Period	: 25 years
JV Expiry Date	: 13 November 2021

For the year 2000, average daily traffic and annual toll income for Yulin City Ring Roads was 4,309 mixed vehicles and RMB 11.79 million respectively. Toll adjustment application for three toll stations was approved in January 2001. Average increase was about 20%.

Yulin-Gongguan Highway, Yulin Section ("Yugong Highway")

Project Summary

Grade	: Class I /Class II Highway, 2 lanes/ 4 lanes
Project Mileage	: 39 kilometers
Project Total Investment	: RMB 203.8 million
Interest owned by the Group	: 70%
JV Period	: 25 years
JV Expiry Date	: 13 November 2021

Yugong Highway is a section of provincial highway and accesses to Beihai port, the major port of Guangxi. Performance of Yugong Highway maintained for 2000. Average daily traffic was 6,965 mixed vehicles. Annual toll income was RMB 11.64 million. Toll adjustment application for two toll stations was approved in January 2001. Average increase was about 20%.

Project Review

Shanxi Province

Shanxi province was known as the energy and raw materials base in China. Coal, pig iron and electric power form the backbone of provincial economy. China shares one-third of the coal production in the world, and Shanxi is the largest coal supplier of China, accounting for one-third of the total amount. GDP of the province reached RMB 150.7 billion in 1999.

At the end of 2000, a total of 55,000 km of highway had been operated, which included 520 km of expressway and 610 km of Class I highway. Road King invested in five highways and bridges with a combined length of 118.6 km in the province.



National Highway 108 Yuci Dongchangshou-Qixian Dongguan Highway ("Dongguan Highway")

Project Summary

Grade	: Class I Highway, 4 lanes
Project Mileage	: 38 kilometers
Project Total Investment	: RMB 247 million
Interest owned by the Group	: 65%
JV Period	: 20 years
JV Expiry Date	: 25 November 2016

Due to the enhancement of toll collection management and measures taken on diversion road, average daily traffic rebounded to 4,402 mixed vehicles, grew 17.7%. Annual toll income jumped by 9.1% to RMB 10.53 million. Looking ahead, the provincial economy is expected to improve with the recovery of coal industry. Traffic on this section of national highway will definitely be benefited.

Taiyuan-Yuci Highway ("Taiyu Highway")

Project Summary

Grade	: Super Class I Highway, 4 lanes/ 6 lanes
Project Mileage	: 17 kilometers
Project Total Investment	: RMB 208.53 million
Interest owned by the Group	: 65%
JV Period	: 23 years
JV Expiry Date	: 15 May 2020

Taiyu Highway is the southern exit of Shanxi's provincial capital - Taiyuan city and the direct access to Taiyuan Airport. Average daily traffic surged to 14,538 mixed vehicles although annual toll income dropped to RMB 21.69 million as a result of the completion of Taiyuan Southern Ring Road.

National Highway 108 Yuci City Bypass ("Yuci City Bypass")

Project Summary

Grade	: Class I Highway, 4 lanes
Project Mileage	: 16.6 kilometers
Project Total Investment	: RMB 166.03 million
Interest owned by the Group	: 65%
JV Period	: 23 years
JV Expiry Date	: 15 May 2020

As the western ring road of Yuci city, one of the developed city in Shanxi province, average daily traffic of Yuci City Bypass is basically maintained, recorded 3,206 mixed vehicles. Annual toll income was RMB 8.36 million.

Provincial Highway 104 Taiyuan Ximing-Gujiao Highway ("Taigu Highway")

Project Summary

Grade	: Class II Highway, 3 lanes
Project Mileage	: 41.5 kilometers
Project Total Investment	: RMB 226.2 million
Interest owned by the Group	: 60%
JV Period	: 23 years
JV Expiry Date	: 31 October 2020

Taigu Highway is a major link between Gujiao, the coal mining city and Taiyuan city. In 2000, average daily traffic of Taigu Highway rose 11.0% to 6,577 mixed vehicles while annual toll income was up 6.7% to RMB 12.32 million. The increase was a result of the gradual recovery of coal industry.

Provincial Highway Huanggu Route Xiaodian Fenhe Bridge ("Xiaodian Fenhe Bridge")

Project Summary

Grade	: Class I Highway, 4 lanes
Project Mileage	: 5.5 kilometers
Project Total Investment	: RMB 65.3 million
Interest owned by the Group	: 25%
JV Period	: 20 years
JV Expiry Date	: 31 May 2019

Xiaodian Fenhe Bridge started collecting toll in June 1999. Performance on this highway was under expectation due to the problem of large portion of monthly ticket and non-toll vehicles. Average daily traffic recorded 2,265 mixed vehicles and toll income was RMB 3.15 million during the period.

Project Review

Henan Province

Henan province, located at the central point of China with 167,000 km² in area and 93.87 millions in population in 1999, possesses abundant agricultural and mineral resources. The economy of Henan province showed a distinctive improvement in current year, GDP of the province in 1999 had up 8.1% to RMB 457.6 billion and was mainly contributed by industrial production. Owing to its geographical advantage, the province becomes the transportation hub in the region.

A total of 64,000 km of highway had been operated at the end of 2000, which included 500 km of expressway. Road King owns one project in this province.



National Highway 311 and Provincial Highway 01 Xuchang-Nanyang Highway ("Xunan Highway")

Project Summary

Grade	: Class I Highway, 4 lanes
Project Mileage	: 80 kilometers
Project Total Investment	: RMB 410 million
Interest owned by the Group	: 50%
JV Period	: 23 years
JV Expiry Date	: 5 January 2020

Benefited from high economic growth of the province and an upward toll adjustment of about 35% in February 2000, annual toll revenue of Xunan Highway boosted 40.9% to RMB 94.24 million and average daily traffic reached 19,579 mixed vehicles for the year. With further toll management measures implemented for coming years, persistent growth for the highway is anticipated.

Project Review