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**IMPORTANT:** The Board of Directors of Jiangsu Expressway Company Limited (the "Company") confirms that there are no false representations or misleading statements contained in or material omissions from this report. The directors severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the content of this report.

Mr. Shen Chang Quan, Chairman of the Board of Directors, Mr. Chen Xiang Hui, General Manager, and Madam Liu Wei, Finance Manager, guarantee the accuracy and completeness of the financial statements in this interim report.

The financial statements in this interim report are unaudited and are prepared in accordance with Hong Kong Accounting Standards.

## I. Corporate Information

- |   |  |
|---|--|
| (1) Name of Company in Chinese:                                 | 江蘇寧滬高速公路股份有限公司   |
| Abbreviation of Chinese name:                                   | 寧滬高速   |
| Name of Company in English:                                     | Jiangsu Expressway Company Limited   |
| Abbreviation of English name:                                   | Jiangsu Expressway   |
| (2) Stock Exchange on which A Shares of the Company are Listed: | Shanghai Stock Exchange  |
| Stock Name of A Shares:   | 寧滬高速   |
| Stock Code of A Shares :  | 600377   |
| Stock Exchange on which H Shares of the Company are Listed:     | The Stock Exchange of Hong Kong Limited                                      |
| Stock Name of H Shares:   | Jiangsu Expressway   |
| Stock Code of H Shares:   | 0177   |
| Place where the Company's ADR are Listed:                       | United States  |
| Stock Name of ADR:  | JEXWW  |
| Stock Code of ADR:  | 477373104  |
| (3) Registered Address of the Company:                          | Jiangsu Communications Building,<br>69 Shigu Road, Nanjing, Jiangsu, the PRC |
| Postcode:   | 210004   |
| Website of the Company:   | <a href="http://www.jsexpressway.com">http://www.jsexpressway.com</a>        |
| E-mail Address:   | nhgs@public1.ptt.js.cn   |
| (4) Legal Representative:                                       | Shen Chang Quan  |

- (5) Secretary to the Board of Directors: Yao Yong Jia  
 Telephone: 8625-4469332  
 Securities Officers: Jiang Tao, Lou Qing  
 Telephone: 8625-4200999-4706, 4716  
 Fax: 8625-4466643  
 E-mail Address: dms@jsexpressway.com
- (6) Newspapers Designated for Regular Announcements: Shanghai Securities  
 China Securities  
 South China Morning Post  
 Hong Kong Economic Times  
 Website Designated for Regular Announcement: <http://www.sse.com.cn>  
 Regular Reports Available at: Shanghai Stock Exchange  
 528 Pudong Road South, Shanghai City  
 Hong Kong Registrars Limited  
 19/F Hopewell Centre, 183 Queen 's Road East,  
 Hong Kong  
 Jiangsu Communications Building,  
 69 Shigu Road, Nanjing, Jiangsu, the PRC
- (7) Date of Incorporation: 1st August 1992  
 Place of Incorporation: Nanjing City, Jiangsu Province  
 Registration No. Specified in the Enterprise Legal Person Business Licence: 3200001100976  
 Taxation Registration No.: 320003134762764

## II. Financial Reports

The Board of Directors of the Company is pleased to announce the condensed consolidated financial statements on the operating results of the Company and its subsidiaries (the "Group") for the six months ended 30th June 2003 (the "Reporting Period"). The Financial Statements are unaudited, but have been prepared in accordance with Hong Kong generally accepted accounting principles and standards ("HKGAAP") and reviewed by the Audit Committee of the Board of Directors of the Company.

### CONDENSED CONSOLIDATED PROFIT AND LOSS STATEMENT

For the six months ended 30th June 2003

(With comparative figures for the six months ended 30th June 2002)

	For the six months ended 30th June	
	2003 (unaudited) RMB'000	2002 (unaudited) RMB'000
Revenue, net	1,200,737	1,025,672
Operating cost	(457,966)	(381,384)
Gross profit	742,771	644,288
Administrative expenses	(38,332)	(30,821)
Other revenue from operations, net	(634)	8,564
Profit from operations	703,805	622,031
Finance income, net	10,392	6,870
Share of profits from investments under equity method	25,466	24,977
Profit before taxation and minority interests	739,663	653,878
Taxation	(236,239)	(214,743)
Profit after taxation	503,424	439,135
Minority interests	(12,901)	(9,208)
Profit attributable to shareholders	490,523	429,927
Dividend	—	—
Earnings per share		
— Basic	RMB0.0974	RMB0.0853
— Diluted	Not applicable	Not applicable

**CONDENSED CONSOLIDATED BALANCE SHEET**  
**As at 30th June 2003**  
**(With comparative figures as at 31st December 2002)**

	As at 30th June 2003 (unaudited) RMB'000	As at 31st December 2002 (audited) RMB'000
<b>ASSETS</b>		
<i>Non-current assets</i>		
Immovables, plants and equipment	11,160,318	11,276,734
Investment in associated companies	1,393,014	1,381,007
Long-term receivable, net of current portion		—
<b>Total non-current assets</b>	<b>12,553,332</b>	<b>12,657,741</b>
<i>Current assets</i>		
Inventories	22,225	7,743
Prepaid tax		—
Prepayments and other receivables	201,246	71,146
Receivables from the associated companies	0	800
Long-term receivables - current portion	0	0
Short-term investments	20,284	109,067
Cash and cash equivalents	686,463	719,611
<b>Total current assets</b>	<b>930,218</b>	<b>908,367</b>
<b>TOTAL ASSETS</b>	<b>13,483,550</b>	<b>13,566,108</b>

CONDENSED CONSOLIDATED BALANCE SHEET (Cont'd)  
As at 30th June 2003  
(With comparative figures as at 31st December 2002)

	As at 30th June 2003 (unaudited) RMB'000	As at 31st December 2002 (audited) RMB'000
<b>SHAREHOLDER'S EQUITY AND LIABILITIES</b>		
<i>Shareholders' equity</i>		
Share capital	5,037,748	5,037,748
Reserves	7,525,300	7,690,513
<b>Total shareholder's equity</b>	<b>12,563,048</b>	<b>12,728,261</b>
Minority interests	410,663	396,503
<i>Non-current liabilities</i>		
Long-term borrowings, net of current portion	67,977	61,494
Deferred tax liabilities	28,137	25,228
<b>Total non-current liabilities</b>	<b>96,114</b>	<b>86,722</b>
<i>Current liabilities</i>		
Short-term bank loans	100,000	120,000
Long-term borrowings - current portion	4,704	6,822
Payables on construction projects	50,063	58,741
Other payables and accruals	116,447	92,800
Tax payable	119,913	70,441
Dividends payable	22,598	5,818
<b>Total current liabilities</b>	<b>413,725</b>	<b>354,622</b>
<b>Total liabilities</b>	<b>509,839</b>	<b>441,344</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>13,483,550</b>	<b>13,566,108</b>

### Net current assets

Net current assets represent the unaudited total current assets less the total liabilities as at the end of 30th June 2003. As at the end of the Reporting Period, the Group's net current assets amounted to RMB420,379,000 (as at 30th June 2002: RMB159,903,000).

### Gearing ratio

Gearing ratio is obtained by dividing the unaudited total liabilities as at the end of 30th June 2003 by the shareholders' equity as at the end of 30th June 2003. As at the end of the Reporting Period, the Group's gearing ratio is 4.06% (as at 30th June 2002: 6.55%).

### Total assets less current liabilities

The amount carried forward for total assets less current liabilities has been arrived at on the basis of the unaudited total assets less current liabilities as at the end of 30th June 2003. As at the end of the Reporting Period, the Group's total assets less current liabilities was RMB13,069,825,000 (as at 30th June 2002: RMB12,774,162,000).

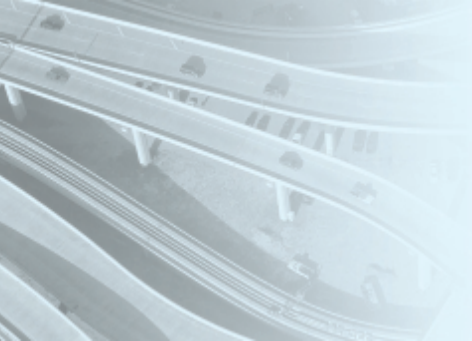
### Short-term borrowings

Short-term borrowings are unsecured and repayable within one year with interest charged at the prevailing market rates quoted by the People's Bank of China. The interest rate related to the borrowings outstanding as at 30th June 2003 was 5.04% per annum (as at 30th June 2002: 5.04%).

### Long-term borrowings

All long-term borrowings are guaranteed by Jiangsu Communications Holding Company Ltd. and comprised as follows:

	Annual interest rate	As at 30th June 2003 RMB'000	As at 31st December 2002 RMB'000
USD denominated Spain Government Loans with maturities 2007-2026	1% (2001: 1%)	41,036	41,022
USD denominated buyer's credit loans with maturities 2001-2006	6.77% (2001: 6.77%)	23,861	27,294
Total		64,897	68,316
Less: Amount repayable within one year		(4,704)	(6,822)
		60,193	61,494



### Contingent liabilities

During the Reporting Period, the Group has no contingent liabilities.

### Debts denominated in foreign currency

Apart from USD7,840,000 denominated Spain Government loans, the Group has no other debts denominated in foreign currency.

### Repayments

During the Reporting Period, the Group has not breached any terms of loans for fulfilling repayment obligation.

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the six months ended 30th June 2003

(With comparative figures for the six months ended 30th June 2002)

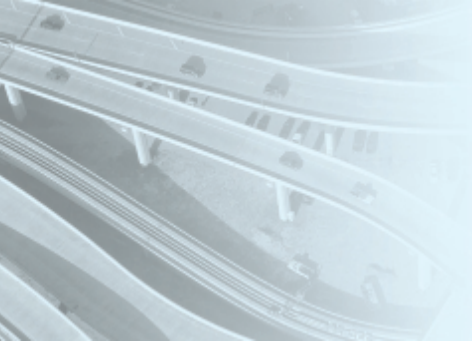
	For the six months ended 30th June	
	2003	2002
	RMB'000	RMB'000
Net cash inflow from operating activities	637,605	625,412
Net cash outflow from investing activities	(73,063)	(575,322)
Net cash outflow from financial activities (Note)	(677,406)	(286,326)
Decrease in cash and bank deposit	(112,864)	(236,236)
Opening balance of cash and bank deposit	819,611	891,934
Closing balance of cash and bank deposit	706,747	655,698

Note: The payment of dividend commenced after the Annual General Meeting in May 2003, and was largely completed before 30th June 2003. The payment interval was shorter than that of last year.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**For the six months ended 30th June 2003**  
**(With comparative figures for the six months ended 30th June 2002)**

	From 1st January to 30th June 2003					
	Share capital RMB'000	Share premium RMB'000	Statutory surplus reserve RMB'000	Statutory public welfare fund RMB'000	Unappropriated profit RMB'000	Total RMB'000
Balance as at 1st January 2003	5,037,748	5,730,454	401,631	200,816	1,357,612	12,728,261
Undistributed profit at beginning of the period	—	—	—	—	(829)	(829)
Dividends declared after 31st December 2002	—	—	—	—	(654,907)	(654,907)
Consolidated profit after taxation and minority interests	—	—	—	—	490,523	490,523
<b>Balance as at 30th June 2003</b>	<b>5,037,748</b>	<b>5,730,454</b>	<b>401,631</b>	<b>200,816</b>	<b>1,192,399</b>	<b>12,563,048</b>
	From 1st January to 30th June 2002					
	Share capital RMB'000	Share premium RMB'000	Statutory surplus reserve RMB'000	Statutory public welfare fund RMB'000	Unappropriated profit RMB'000	Total RMB'000
Balance as at 1st January 2002	5,037,748	5,730,454	293,780	146,891	1,294,661	12,503,534
Dividends declared after 31st December 2001	—	—	—	—	(629,718)	(629,718)
Consolidated profit after taxation and minority interests	—	—	—	—	429,927	429,927
<b>Balance as at 30th June 2002</b>	<b>5,037,748</b>	<b>5,730,454</b>	<b>293,780</b>	<b>146,891</b>	<b>1,094,870</b>	<b>12,303,743</b>



## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

For the six months ended 30th June 2003

(With comparative figures for the six months ended 30th June 2002  
and as at 31st December 2002)

### 1. ACCOUNTING POLICIES AND ITS PREPARATION STANDARDS

These unaudited consolidated condensed interim accounts have been prepared in accordance with the disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Hong Kong Listing Rules"), the Statement of Accounting Practice 25 (revised) "Interim financial reporting" issued by the Hong Kong Society of Accountants and HKGAAP. This represents a change in the adoption of accounting standards for the preparation of accounts from prior years when the accounts were prepared in accordance with International Accounting Standards ("IAS"). The directors of the Company believe that the accounts prepared in accordance with HKGAAP will result in accounts presentation more familiar to the Hong Kong based investors and will be more comparable to other Hong Kong listed companies with similar operations. The directors of the Company consider that there is no significant difference in the accounting treatments between adopting IAS and HKGAAP except that in the Company's balance sheet prepared in accordance with IAS, investments in subsidiaries and associated companies were accounted for using the equity method whereas under HKGAAP, they are recorded at investment cost less provision for impairment loss, and that the results of the subsidiaries and associated companies are accounted for by the Company on the basis of dividends received and receivable.

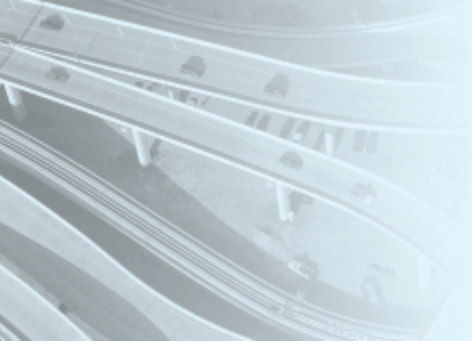
## 2. PRINCIPLES AND BASES IN THE PREPARATION OF COMBINED STATEMENTS

The principles and bases in the preparation of these condensed consolidated financial statements are consistent with those adopted in the preparation of the 2002 Annual Report.

THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS INCLUDE THE FINANCIAL STATEMENTS OF THE COMPANY AND THE FOLLOWING CONSOLIDATED SUBSIDIARIES:

Name of subsidiaries	Place and date of incorporation	Company's shareholding proportion	Registered capital RMB'000	Scope of business
Jiangsu Guangjing Xicheng Expressway Co., Ltd. ("Guangjing Xicheng")	PRC, 16th September 1997	85% (directly held)	850,000	Construction, management and operation of expressways
Nanjing Shuangshilou Hotel Co., Ltd. ("Shuangshilou")	PRC, 7th November 2001	95.05% (directly held)	1,010	Preparation and distribution of Chinese food
Jiangsu Ninghu Investment Development Co., Ltd.	PRC, 23rd September 2002	95% (directly held)	100,000	Investments in various kinds of infrastructure and industries
Jiangsu Sundian Engineering Co., Ltd.	PRC, 23rd April 2003	70% (directly held)	35,000	Construction and maintenance of roads and bridges

During the Reporting Period, the Group operated on the same framework of principal assets as before. The newly invested Jiangsu Sundian Engineering Co., Ltd., mainly engaged in road maintenance business, was accounted for in the non-core operations.



### 3. PROFIT BEFORE TAXATION AND MINORITY INTERESTS

Profit before taxation and minority interests in the condensed consolidated income statements was determined after deducting (or crediting) the following items:

	For the six months ended 30th June	
	2003	2002
	RMB'000	RMB'000
Revenue from short-term investments	(9,000)	(4,270)
Interest income	(4,645)	(9,409)
Interest expenses	3,253	2,539
Less: capitalization into immovables, plants and equipment and interest expense	—	—
Financial (income) cost	(10,392)	(6,870)
Depreciation of immovables, plants and equipment	175,101	155,904
Amortization of land use rights	17,323	15,782
Amortization of intangible assets	5,712	4,591
Depreciation and wear and tear of the assets	—	—

### 4. TAXATION

The Company and its subsidiaries and associated companies are subject to enterprise income tax ("EIT") at an applicable EIT rate of 33%.

During the Reporting Period, income tax attributable to the associated companies amounted to RMB 8,692,000, compared to RMB 8,077,000 of the corresponding period in 2002.

No Hong Kong income tax is payable by the Group as the Group has no taxable income in Hong Kong. As at 30th June 2003, the Group has no significant deferred income tax unprovided for.

### 5. EARNINGS PER SHARE, DIVIDENDS

The calculation of basic earnings per share, which amounted to RMB0.0974, was based on the unaudited consolidated net profit of approximately RMB490,523,000 for the six months ended 30th June, 2002 (corresponding period in 2002: RMB429,927,000) divided by the weighted average number of shares of 5,037,747,500 (corresponding period in 2002: 5,037,747,500 shares) in issue during the period.

Diluted earnings per share was not calculated, because no potentially dilutive shares existed.

The Board of Directors does not recommend any interim dividend for the six months ended 30th June 2003 (interim dividend for the six months ended 30th June 2002: nil).

## 6. RESERVES

Pursuant to the Company Law of the PRC and the Articles of the Company, the Company and its subsidiaries shall each set aside 10% of their respective profit after tax (after making up any losses of the previous year) (prepared in accordance with the accounting standards and accounting system of the PRC ("PRC GAAP")) for each company's statutory surplus reserve. When the balance of the statutory surplus reserve has reached 50% of each company's registered capital, no further appropriation shall be made. The statutory surplus reserve shall only be used to make up for losses of the previous year or to increase capital. After the reserve has been utilized, its balance shall not be less than 25% of each company's share capital.

No statutory surplus reserve or public welfare fund has been set aside from the profit after tax for the first half of 2003. Pursuant to the provisions of the Company's Articles, the appropriation shall be made upon the relevant to be proposed by the Board of Directors having been passed by the shareholders' annual meeting.

## 7. PREPAYMENTS AND OTHER RECEIVABLES

	As at 30th June 2003 (unaudited) RMB'000	As at 31st December 2002 (audited) RMB'000
Prepayments	85,641	11,052
Others	115,605	60,094
	<b>201,246</b>	71,146

## 8. SHARE CAPITAL

During the Reporting Period, there has been no change in the share capital of the Company.

## 9. CONNECTED TRANSACTIONS

Please refer to paragraph 5 "Material Connected Transactions" in the section of "Significant Matters" in this report.

## 10. IMPACT ON PROFIT AFTER TAX AND MINORITY INTEREST/SHAREHOLDERS' EQUITY AFTER ADJUSTMENTS BASED ON HKGAAP

The Group has prepared a set of statutory financial statements in accordance with PRC GAAP and the pertinent PRC laws and financial regulations. Differences between PRC GAAP and HKGAAP have resulted in differences between the statutory accounts prepared in accordance with PRC GAAP and those prepared in accordance with HKGAAP, which are summarized and explained as follows:

	Profit after taxation and minority interests		Shareholders' equity	
	1st January - 30th June 2003 RMB'000	1st January - 30th June 2002 RMB'000	As at 30th June 2003 RMB'000	As at 31st December 2002 RMB'000
As stated in statutory statements	463,460	407,872	14,486,340	13,613,202
Adjustments according to HK GAAP				
— Amortization of land use right	14,461	16,001	81,844	67,382
— Valuation, depreciation and amortization of immovables, plants and equipment	16,496	18,177	(1,566,336)	(1,582,832)
— Loss on disposal of staff living quarters	—	—	—	(8,237)
— Deferred taxation	(2,909)	(3,113)	(28,137)	(25,228)
— Interest on investment as at the maturity date	—	(7,077)	—	—
— Dividends proposed to be distributed in subsequent period	—	—	—	654,907
— Others	(985)	(1,933)	—	9,067
As stated in this financial report	490,523	429,927	12,973,711	12,728,261

## III. Changes in Share Capital and Profiles of Shareholders

### 1. Changes in Share Capital

During the six-month period ended 30th June 2003, there has been no change in the total number of shares or in the shareholding structure of the Company.

### 2. Number of Shareholders at the End of the Reporting Period

As at 30th June 2003, there were 14,682 shareholders registered on the register of members of the Company, among whom 13,255 were domestic shareholders and 1,427 were foreign shareholders.

### 3. Shareholding of Major Shareholders

As at 30th June 2003, the top ten shareholders of the Company recorded on the register of the Company were as follows:

Rank	Name of shareholder	Number of shares held at the end of the period (share)	Shareholding proportion in the entire share capital (%)	Category of the shares
1	Jiangsu Communications Holding Company Ltd.	2,781,743,600	55.22	Stated-owned Shares
2	Huajian Transportation Economic Development Centre	597,471,000	11.86	State-owned Legal Person Shares
3	The Capital Group Companies, Inc.	154,696,000	3.07	H Shares
4	Capital Research and Management Company	88,250,000	1.75	H Shares represented by ADR
5	Yinhe Securities Company Limited	29,815,361	0.59	A Shares
6	Huaxia Securities Company	16,660,000	0.33	Social Legal Person Shares
7	Shenyin Wanguo Securities Stock Company Limited	14,450,000	0.29	Social Legal Person Shares
8	Winner Glory Development Ltd.	12,000,000	0.24	H Shares
9	Jiangsu Xinsu Investment Management Company	8,484,000	0.17	Social Legal Person Shares
10	Jiangsu Huiyuan Real Estate Development Industrial Company	6,200,000	0.12	Social Legal Person Shares

Note: Explanation on the shareholding of the top ten shareholders:

1. The Company is not aware if the top ten shareholders of the Company are connected to each other or acting in concert;
2. During the Reporting Period, the Company has not been notified of any pledge, moratorium and trusteeship of the shares held by legal person shareholders holding more than 5 percent of the shares;
3. During the Reporting Period, none of the strategic investors or general legal persons has become one of the top ten shareholders of the Company as a result of the placing of the new shares;
4. Among the top ten shareholders of the Company, Jiangsu Communications Holding Company Ltd. holds the Company's shares on behalf of the State. The Capital Group Companies, Inc., Capital Research and Management Company and Winner Glory Development Ltd. are foreign shareholders.

#### 4. Change in Controlling Shareholder

During the Reporting Period, there has been no change in the controlling shareholder.

#### Interests of substantial shareholders discloseable under the SFO

As at 30th June 2003, the following companies other than the directors or supervisors of the Company had interests or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the Securities and Futures Ordinance ("SFO"):

- (a) Interests and short positions in the shares of the Company

#### Substantial Shareholders (as defined in the Hong Kong Listing Rules)

Name of shareholder	Number of shares held Beneficial interests	Family interests	Corporate Owner	Percentage of issued share capital (%)
Jiangsu Communications Holdings Company Ltd.	2,781,743,600	—	—	55.22 <sup>(1)</sup>
Huajian Transportation Economic Development Centre	597,471,000	—	—	11.86 <sup>(2)</sup>

Notes:

(1) Represents 100% of the state-owned shares in issue

(2) Represents 100% of the state-owned legal person shares in issue



Other shareholders as recorded in the register kept by the Company pursuant to section 336 of the SFO

Name of shareholders	Beneficial interests	Number of shares held Corporate Owner	Percentage of issued H share capital (%)
The Capital Group Companies, Inc. <sup>(1)</sup>	—	104,416,000	8.54
Capital Research and Management Company <sup>(2)</sup>	—	88,250,000	7.22

Notes:

- (1) The Capital Group Companies, Inc. reported its interests in the H Shares in the capacity as an investment manager. Its interests included that of Capital Research and Management Company.
- (2) Capital Research and Management Company's interests were in the form of the Company's ADRs which investments were managed by its funds and amounted to an equivalent of 88,250,000 H Shares, of which Smallcap World Fund, Inc. held ADRs equivalent to 79,250,000 H Shares.

- (b) Interests and short positions in underlying shares pursuant to equity derivative of the Company: Nil

Save as disclosed above, the Company had not been notified of any other person (other than a director, a chief executive (if any) or supervisor of the Company) who had an interest or short position in underlying shares of the Company pursuant to section 336 of the SFO as at 30th June 2003.

## IV. Directors, Supervisors and Senior Management

### 1. Shareholding Interests of Directors and Supervisors

As at 30th June 2003, none of the directors and supervisors of the Company has any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which are (i) required to be recorded in the register kept pursuant to section 352 of the SFO; or (ii) otherwise required to be notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

#### Directors' rights to acquire shares or debentures

At no time during the Reporting Period was the Company or any of its associated corporations (within the meaning of the SFO) a party to any arrangement to enable the directors of the Company or any of their associates (as defined in the Hong Kong Listing Rules) to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 2. Appointments and Resignations of Directors and Supervisors

During the Reporting Period, the Company has elected a new Board of Directors and a new Supervisory Committee. At the sixteenth session of the third Board of Directors meeting, Mr. Shen Chang Quan, Mr. Sun Hong Ning, Mr. Zhang Wen Sheng, Mr. Chen Xiang Hui, Ms. Fan Yu Shu, Mr. Cui Xiao Long, Mr. Wang Zheng Yi, Ms Chang Yung Tsung, Alice, Mr. Fang Keng, Mr. Hong Yin Xing and Mr. Yang Xiong Sheng were nominated as members of the fourth Board of Directors. At the eighth session of the third Supervisory Committee meeting, Mr. Zhou Jian Qiang, Mr. Zhang Cheng Yu and Ms. Ma Ning were nominated as members of the fourth Supervisory Committee. The nominations were approved at the 2002 Annual General Meeting on 15th May, 2003. Mr. Qian Yong Xiang and Mr. Wu Yu Jun were appointed as members of the Company's fourth Supervisory Committee representing the staff.

Mr. Zhou Jian Qiang and Mr. Wang Guo Gang resigned as Directors, while Mr. Zhong Zhang Wan, Mr. Jia Da Kang and Mr. Xu Yang resigned as Supervisors of the Company.

The related procedures for the appointments and resignations of the above Directors and Supervisors have been completed.

### 3. General information on the staff of the Company

As at 30th June 2003, the Company has regular staff of 2,283. During the first half of the year, the Company has paid for salaries in the total amount of RMB30,940,000. The Company has not implemented any bonus or stock option plan.

## V. Management Discussion and Analysis

### 1. ANALYSIS OF BUSINESS OPERATIONS

#### (1) General Description of Results

The Company is principally engaged in the investment, construction, operation and management of the Jiangsu section of Shanghai-Nanjing Expressway (“Shanghai-Nanjing Expressway”) and related toll expressways within Jiangsu Province. It also provides passenger transport and other ancillary services along these expressways (including refueling, catering, retailing, car repair, advertising and accommodation).

The Company, Jiangsu Guangjing Xicheng Expressway Co., Ltd. (“Guangjing Xicheng”), Nanjing Shuangshilou Hotel Co., Ltd. (“Shuangshilou”) and Jiangsu Ninghu Investment & Development Co., Ltd. (“Jiangsu Ninghu Investment”) are collectively referred to as the “Group”.

During the Reporting Period, the Group’s total operating income amounted to approximately RMB1,259,668,000 (net revenue after income-related taxation amounting to approximately RMB1,200,737,000), representing an approximately 16.88% growth compared to the corresponding period of the previous year. The Group’s profit after taxation for the Reporting Period, calculated in accordance with the PRC GAAP and reviewed by the Audit Committee of the Board of Directors of the Company, amounted to approximately RMB463,460,000. Earnings per share amounted to approximately RMB0.092, an increase of approximately 13.58% compared to the corresponding period of the previous year. The Group’s profit after taxation, calculated in accordance with Hong Kong GAAP, amounted to approximately RMB490,523,000, while earnings per share amounted to approximately RMB0.0974, an increase of 14.09% compared to the corresponding period of the previous year.

China’s economy remained strong in the first half of 2003. Although the outbreak of Severe Acute Respiratory Syndrome (“SARS”) has in some ways affected the second quarter’s GDP, it has not undermined the fast growing trend of industrial production in the PRC. In the first half of the year, the PRC still registered an approximately 8.2% growth in GDP. The economy of Jiangsu Province continued to grow, posting an approximately 13% year-on-year GDP rise for the first six months. As such, growth stability of the economy has been greatly enhanced.

During the first half of 2003, the Company not only took measures to prevent the spread of SARS, but it also completed the maintenance work of Shanghai-Nanjing Expressway with high quality and efficiency. Moreover, the Company has made steady progress in re-locating the toll stations along Nanjing-Shanghai Class 2 Highway. It has also finished the preparatory works for widening the Jiangsu section of Shanghai-Nanjing Expressway, ensuring the

expansion project could commence on full scale within this year. The Company continued to introduce various "Management Year" activities, aiming to systemize and standardize and introduce proper procedures to its management and strengthen the management foundations. Outstanding results were achieved. During such a special period, the Company's operating conditions remained satisfactory. The Company's business operations during the Reporting Period are summed up as follows:

*Unit: RMB'000*

Expressway or bridge operation	Operating income (RMB'000)	Percentage of total income (%)	Increase compared to the corresponding period of last year (%)
Jiangsu Section of Shanghai Nanjing Expressway	727,590	57.76	8.51
Jiangsu Section of Nanjing Shanghai Class 2 Highway	123,324	9.79	8.59
Nanjing Section of Nanjing-Lianyungang Expressway	26,299	2.09	1.65
Guangjing-Xicheng Expressway	157,797	12.53	23.05
Income from other operations	224,658	17.83	61.00
<b>Total</b>	<b>1,259,668</b>	<b>100</b>	<b>16.88</b>

## (2) Toll Road Operations

In the first half of 2003, the growth in the Company's toll road and bridge assets slowed down visibly, as a result of the SARS outbreak and the diversion of trucks to other expressways owing to maintenance of the eastern section of the Wuxi hub of Shanghai-Nanjing Expressway, both of which occurred in April and May. During the Reporting Period, the toll revenue registered was approximately RMB1,035,010,000, accounting for approximately 82.17% of the total revenue, up approximately 10.32% from the same period of last year.

As the maintenance work of the eastern section of Shanghai-Nanjing Expressway was successfully completed and the SARS outbreak was also brought under control in the PRC, the month of June witnessed a strong growth recovery in traffic and toll revenue for Shanghai-Nanjing Expressway, Guangjing Expressway, Xicheng Expressway and Jiangyin Yangtze Bridge.

### Average daily traffic flow (vehicle/day)

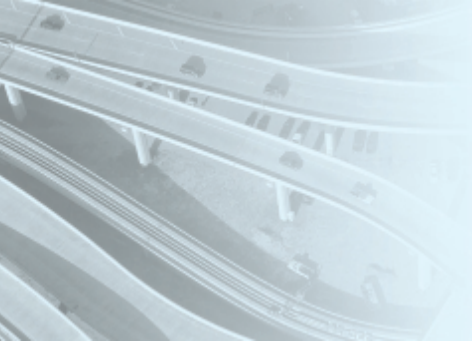
Expressway operation	January	February	March	April	May	June	Increase or decrease in comparison to the	
							January-June Average	corresponding period of the previous year
Jiangsu Section of Shanghai Nanjing Expressway	31,203	27,926	30,389	28,402	16,865	26,161	26,801	11.64
Jiangsu Section of Nanjing Shanghai Class 2 Highway	37,898	32,226	40,341	47,617	49,415	35,864	40,685	2.87
Nanjing Section of Nanjing-Lianyungang Expressway	10,512	9,334	10,043	10,393	8,523	9,779	9,768	-1.25
Guangjing Expressway	26,047	23,585	24,885	22,275	14,339	20,534	21,923	24.81
Xicheng Expressway	22,662	19,930	22,485	19,417	11,632	17,020	18,847	24.01

### Average daily toll revenue (RMB'000/day)

Expressway operation	January	February	March	April	May	June	Increase or decrease in comparison to the	
							January-June Average	corresponding period of the previous year
Jiangsu Section of Shanghai Nanjing Expressway	4,731.8	4,237.0	4,644.0	4,143.6	2,174.6	4,219.4	4,019.8	8.51
Jiangsu Section of Nanjing Shanghai Class 2 Highway	572.5	481.5	613.4	852.8	998.6	551.3	681.4	8.59
Nanjing Section of Nanjing-Lianyungang Expressway	157.6	130.6	147.7	157.8	132.7	144.4	145.3	1.65
Guangjing Expressway	449.4	402.4	435.4	385.8	239.9	351.3	377.4	23.17
Xicheng Expressway	599.9	528.5	612.1	503.6	281.0	444.9	494.7	23.06

During the Reporting Period, Jiangyin Yangtze Bridge registered an average daily traffic volume of 22,724 vehicles, and the average daily toll revenue was RMB1,076,200, up approximately 19.11% and 18.09% year-on-year respectively.

There was a strong traffic growth in the newly opened southern section of Sujiahang Expressway, with an average daily traffic volume of 21,469 vehicles and an average toll revenue of RMB705,600. It has become a new base of income growth for the Company.



### **Focused Road Maintenance at the Wuxi-Suzhou Section of Shanghai-Nanjing Expressway**

To minimize the impact of maintenance work on expressway operation, and to improve the road conditions and service whilst ensuring safe and smooth traffic, the Company undertook maintenance work for the heavily damaged 100-mile road surface of the Wuxi-Suzhou section of Shanghai-Nanjing Expressway. The maintenance work was carried out between 11th April and 30th May.

The road maintenance work adopted a solution of “one lane blocked and the other lane open for two way traffic” and separating truck traffic. Through optimization of project design and construction organization, the traffic flow was organized appropriately to minimize impact on road traffic. The investment amounted to RMB180,000,000. The road surface quality was up to requirement after the maintenance work. It paved the way for implementing the expansion project of widening the Jiangsu section of Shanghai-Nanjing Expressway on full scale during this year.

### **Re-location of Toll Stations Along Nanjing-Shanghai Class 2 Highway**

Re-location of the toll stations along Nanjing-Shanghai Class 2 Highway is now actively underway. Based on the studies of traffic conditions, new toll stations are confirmed and built. At present, construction work of all the new toll stations has been completed. Major systems for communications, security control and lighting are under testing stage, and the toll stations will commence operation upon receiving approval from the government.

### **Widening Project of Jiangsu Section of Shanghai Nanjing Expressway**

The widening project of the Jiangsu section of Shanghai-Nanjing Expressway is the focus of the Company's work for the coming few years. The project is significant for sustaining the Company's operating results, improving its service standard, enhancing its brand image, as well as reinforcing its competitiveness. The project is to expand Shanghai-Nanjing Expressway into an 8-lane dual carriageway by building two additional lanes beside either of the existing road shoulders. The widening works will be commenced later this year, and efforts will be made to speed up and complete the works by 2006 without prejudice to quality.

Feasibility report of the project has been completed. The Company is now working on the preliminarily formulated working tasks, investigation into related technological arrangement of the project, as well as application for approval in accordance with the legal procedures. Preparatory work such as works on the pilot trial section is in progress, aiming to commence full construction within this year.

### **(3) Non-core Businesses**

During the Reporting Period, revenue from non-core businesses was RMB152,357,000, an increase of approximately 30.99% compared to the corresponding period of the previous year. Profit registered for the period was RMB6,027,000. During the SARS period, in view of the customers' fear of contracting the disease, the Company has created a service environment which made the customers feel comfortable. The Company has also re-adjusted the products base and the structure of food and drinks being serviced, with a view to minimizing the loss caused by the SARS outbreak. At present, the operating conditions of all service areas and gas stations have resumed to the pre-SARS level.

### **(4) Subsidiaries and Associated Companies**

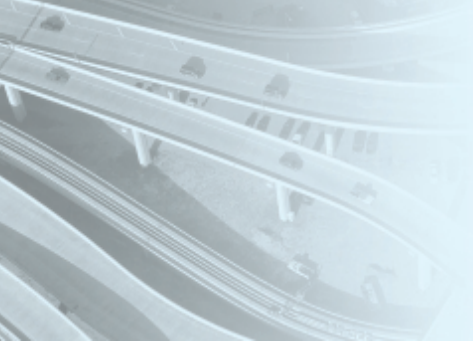
The Company's share of profits from subsidiaries and associated companies during the Reporting Period amounted to RMB104,013,000, accounting for approximately 22.44% of the Company's profit attributable to shareholders, making significant contribution to the Company's profit growth.

Among all, net profit of Jiangsu Guangjing Xicheng Expressway Co., Ltd. amounted to RMB78,669,000, contributing an investment income of RMB66,869,000 and representing approximately 14.43% of the Company's net profit. Guangjing Xicheng is a 85%-owned subsidiary of the Company, mainly responsible for the management, operation maintenance and toll collection of Guangjing Expressway and Xicheng Expressway.

### **(5) Corporate Management**

In the first half of 2003, the Company's foundation management work yielded some positive results. The integral tri-fold management system, which is based on quality, environment and work safety, has passed two internal assessments. The Company has established a scientific and regulated management system which has a self-correction mechanism. The Company has also made initial progress in computerization. Through computer network and application, the Company has accomplished office automation and improved work efficiency.

During the Reporting Period, the Company was again included in the "Top 50 Companies Listed in Shanghai/Shenzhen" with an overall 13th ranking. This reflected the Company's continued assets expansion, distinctive management quality and steady growth in operating results.



## 2. RESULTS OF PRINCIPAL OPERATIONS AND ANALYSIS OF FINANCIAL CONDITIONS

The Company has adopted a pro-active and prudent financial policy, and reviewed its financial conditions on a regular basis, while necessary adjustments have been made in a timely manner. Investment risks have been strictly controlled to ensure optimal interests for shareholders as well as the Company.

### Analysis of the Group's Operating Results

*(Unit: RMB'000)*

Item	30th June 2003	30th June 2002	% Change
Revenue, net	1,200,737	1,025,672	17.07
Operating profit	700,896	622,031	12.68
Net profit	490,523	429,927	14.09
Decrease in cash and cash equivalents	(112,864)	(236,236)	(52.22)

Main reasons for the decrease/ increase:

It is gratifying that the Group's operating assets have maintained a satisfactory growth rate in net revenue, operating profit and net profit despite the impact of SARS and large-scale maintenance work on some of the road assets of the Company. This also reflected the excellent quality of the assets and the successful management of the Company.



### Analysis of the Group's Assets Conditions

As at 30th June 2003, the Group's assets are as follows:

Item	<i>(RMB'000)</i>		
	30th June 2003	31st December 2002	% Change
Total assets	13,483,550	13,566,108	-0.61
Shareholders' equity interests	12,563,048	12,728,261	-1.30

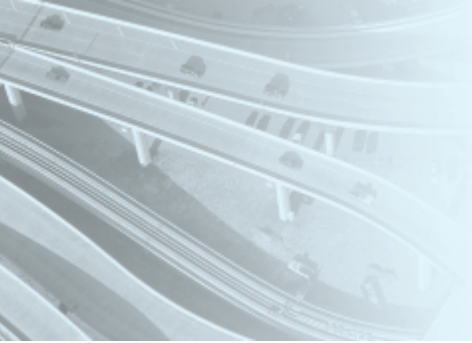
As at 30th June 2003, the capital structure of the group was as follows:

Item	Amount <i>(RMB'000)</i>
Shareholders' equity	12,563,048
Minority interests	410,663
Liabilities at fixed interest rates	164,897
Liabilities at floating interest rates	—
Interest-free liabilities	344,942
Total	13,483,550
Gearing ratio	3.78%

### Capital expenditures

During the first half of 2003, the Group has implemented planned capital expenditure of approximately RMB50,896,000, with details as follows:

Capital expenditure items	<i>(RMB'000)</i>
Project investments	50,896
Total	50,896



### Management of cash and liabilities

As an operator of toll expressways, the Group has been able to maintain a stable and healthy cash inflow from its ordinary operations, and has therefore a strong solvency position. In accordance with HK GAAP as at 30th June 2003, the net cash inflow from the Group's operating activities was RMB637,605,000, representing an increase of approximately 1.95% in comparison to the corresponding period of the previous year. The working capital amounted to RMB516,492,000. Accordingly, the Group has no cash management risk problem.

### 3. INDUSTRY ANALYSIS

The core business of the Company is transportation infrastructure, which is relatively stable and has not experienced changes as other industries. The State's highly supportive attitude towards transportation infrastructure has created a favorable environment for the operating results and steady growth of the Company.

### 4. FUTURE BUSINESS DEVELOPMENT PLAN

- (1) The Company targets to complete the early technical preparation and legal procedures for the widening of the Jiangsu section of Shanghai-Nanjing Expressway, to obtain the government's approval document and to seek to commence on full scale the construction in the second half of this year. The relevant funding plan will make use of the Company's internal funds and commercial loans.
- (2) The Company strives to obtain the government's approval document for building new toll stations along Nanjing-Shanghai Class 2 Highway, and to ensure a smooth relocation of the toll stations, as well as a stable transition and normal operation of toll fee collection.
- (3) The Company targets to complete the certification programme for quality for the tri-fold management system, with a view to enhancing the Company's quality, safety and environmental awareness, as well as the enforceability of the certification programme, so as to gradually achieve an integration of the Company's management and the certification programme.

## VI. Significant Matters

### 1. Corporate Governance in the Company

During the Reporting Period, the Company's operation has followed strictly the regulatory requirements of China Securities Regulatory Commission and The Stock Exchange of Hong Kong Limited. It has established a comprehensive management structure and a good operating system, which contributed to the healthy development of the Company.

The Company's "Three Committees" and the various special committees of the Board of Directors performed their duties in compliance with regulatory procedures, making approval and decision over the Company's business development and important matters. Members of the first Board of Directors and Supervisory Committee were elected at the 2002 Annual General Meeting. They would continue to perform faithfully their duties with integrity and diligence, helping the Company achieve strong business growth and generate better returns to shareholders.

The Company's independent directors are always concerned about safeguarding the overall interests of the Company, with special emphasis on protecting the lawful interests of minority shareholders from being prejudiced against. They furnished independent opinions on the Company's connected transactions and significant matters in an independent capacity, ensuring that the transactions are fair and the business operations are properly regulated.

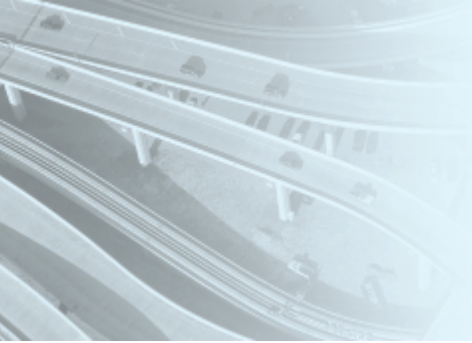
### 2. Profit Distribution Scheme and Its Implementation

The following profit distribution scheme for 2002 was approved at the sixteenth meeting of the third session of the Board of Directors held by the Company: a cash dividend of RMB1.30 (tax inclusive) for every 10 shares shall be distributed to all shareholders on the basis of 5,037,747,500 shares in issue at the end of 2002. Such scheme was reviewed and approved at the 2002 Annual General Meeting.

The Board of Directors of the Company, with authorization from the Shareholders' General Meeting, made an announcement on "Bonus Distribution and Dividend Payment" on 28th May 2003, stating that the cut-off date for the purpose of determining the entitlements of domestic shareholders was 3rd June 2003, and the ex-dividend date was 4th June 2003. Dividends for H Share shareholders were to be denominated in RMB and payable in HK Dollars, and a cash dividend of HK\$1.225 was to be payable for every 10 shares held. The closing date for registration of equity interest was 16th April 2003, and the dividend was declared on 15th May 2003.

The dividend for 2002 was paid on 10th June 2003 and the profit distribution scheme for the previous year has been implemented.

During the Reporting Period, the Board of Directors recommended not to pay an interim dividend for the six months ended in 30th June 2003.



### 3. Material Litigation or Arbitration

During the Reporting Period, the Company, its subsidiaries and associated companies was not involved in any material litigation or arbitration.

### 4. Material Acquisition and Sale of Assets

During the Reporting Period, the Company was not involved in any material acquisition, sale and restructuring of assets.

### 5. Material Connected Transactions

(1) **Principal connected parties** (as defined in the Listing Rules of the Shanghai Stock Exchange) of the Company:

<b>Name</b>	<b>Relationship with the Company</b>
Jiangsu Communications Holding Company Ltd.	Ultimate controlling shareholder of the Company
Jiangsu Guangjing Xicheng Expressway Co., Ltd.	Subsidiary of the Company
Jiangsu Ninghu Investment Development Co., Ltd.	Subsidiary of the Company
Jiangsu Sundian Engineering Co., Ltd.	Subsidiary of the Company
Nanjing Shuangshilou Hotel Co., Ltd.	Subsidiary of the Company
Jiangsu Yangtze Bridge Co., Ltd.	Associated company of the Company
Jiangsu Kuailu Bus Transportation Co., Ltd.	Associated company of the Company
Suzhou Sujiahang Expressway Co., Ltd.	Associated company of the Company
China Transportation HEAD New Technology (Shanghai) Co., Ltd.	Associated company of the Company
Jiangsu Provincial Leasing Co., Ltd.	Associated company of the Company

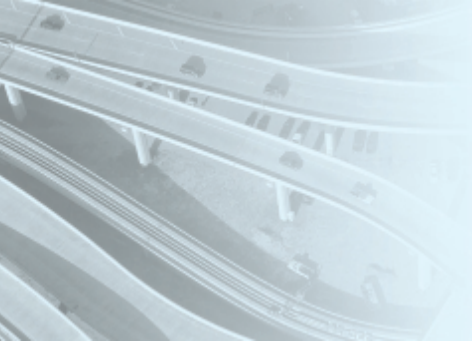
## (2) Connected Transactions

The Company's material transactions with connected parties during the Reporting Period are as follows:

### **Establishment of Jiangsu Sundian Engineering Co., Ltd.**

During the Reporting Period, the Company entered into a promoters agreement with Jiangsu Guangjing Xicheng Expressway Company Limited, a 85% owned subsidiary of the Company, on 20th March 2003 for the establishment of Jiangsu Sundian Engineering Co., Ltd. ("Jiangsu Sundian"). The Company and Guangjing Xicheng invested RMB24,500,000 and RMB10,500,000 for 70% and 30%, respectively, of the capital of Jiangsu Sundian. The contribution of the capital of Jiangsu Sundian by the Company will be by way of injection of assets and cash, which will be funded by internal resources.

The Board of Directors of the Company is of the view that, in addition to contracting for the maintenance operations and major and medium repairs of the expressways, roads and bridges under the management of the promoters, Jiangsu Sundian can take advantage of the market mechanism to further expand its business by contracting road projects from other external parties, including the paving of road surfaces of high-class highways, the installation of safety facilities and other maintenance projects. In this regard, the Company will optimize allocation of resources, enhance asset utilization and bring economies of scale to maintenance work into full pay, reducing expressway maintenance costs in an effective manner and further increasing its economic benefits.



### **Transfer of Outdoor Advertising Billboards to Jiangsu Ninghu Investment**

The Company entered into a transfer agreement on 20th March 2003 with Jiangsu Ninghu Investment, a 95% owned subsidiary of the Company, for the transfer of the Company's interests in the advertising billboards along the Shanghai-Nanjing Expressway and their related rights (including advertising operation right) at a consideration of RMB27,290,000, payable in cash.

The core business of the Company is the construction and management of certain toll roads in Jiangsu Province. Pursuant to the Company's strategy for development and in order to focus on the Company's core business and enhance its competitive strengths, the transfer of its advertising business, a non-core business of the Company, to Jiangsu Ninghu Investment, may further enhance its operating benefits and streamline the business of the Group. The terms of the asset transfer are on normal commercial terms, and the advertising price was determined with reference to the valuation of the billboards and related rights (including advertising operation right) as at 31st January 2003, as set out in an valuation report prepared by the independent valuer. The consideration is fair and reasonable and in the interest of the shareholders of the Company as a whole.

### **Road Maintenance Service Contracts with Jiangsu Sundian**

On 30th June 2003, the Company and Guangjing Xicheng entered into Maintenance Contracts with Jiangsu Sundian in respect of the repair and maintenance service of the Jiangsu section of Shanghai-Nanjing Expressway, Guangjing Expressway and Xicheng Expressway, with a duration of contract from 1st July 2003 to 31st December 2003 and estimated total contract sums not exceeding RMB100,000,000 and RMB20,000,000, respectively. The actual amounts of maintenance service fees will be determined by actual work done and according to approved scales.

The maintenance service fees were determined after arm's length negotiation and with reference to the prevailing market price for repairs and maintenance work, and will be paid from the internal resources of the Company and Guangjing Xicheng, respectively.

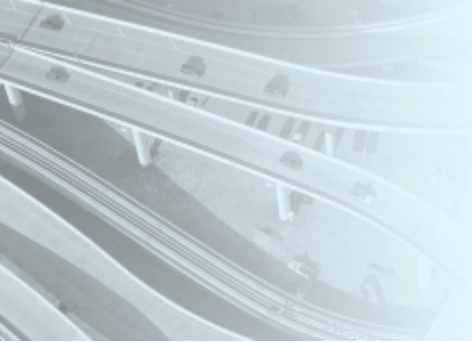
### (3) Reviews of the Independent Directors

The Board of Directors of the Company have voted according to lawful and valid procedures to approve the aforesaid connected transactions. The independent directors of the Company have reviewed the transactions and confirmed that:

- a. the transactions have been entered into by the Company in the ordinary course of its business;
- b. the transactions have been entered into either: (1) on normal commercial terms (the expression of which will be construed by reference to transactions of a similar nature and to be made by similar entities within the PRC); or (2) where there are no comparable terms, on terms that are no less favorable than terms offered to or from third parties; and
- c. the transactions are fair and reasonable so far as the shareholders of the Company are concerned.

## 6. Commitments

During the Reporting Period, there were no disclosures in press or on websites designated regarding any undertakings that may affect the operating results or financial conditions of the Company made by the Company or shareholders holding more than 5% of the shares capital of the Company.



## 7. Other Material Contracts and Their Implementation

### (1) Material trusts, subcontracting or leasing

During the Reporting Period, the Company had no material trusts, subcontracting or leasing arrangement.

### (2) Material guarantees

During the Reporting Period, the Company had not provided any guarantee to any shareholder or connected party or any other companies.

### (3) Entrusted deposits

An entrusted investment agreement entered by the Company with Suzhou Investment Company in 2002 to handle funds of RMB100,000,000 was due, and the principal was fully recovered in the Reporting Period together with an investment gain of RMB9,000,000. There are currently no plans for further entrusted financial management.

### (4) Other material contracts

During the Reporting Period, material contracts being performed by the Group include the following:

- (i) On 30th June 2003, the Company entered into Maintenance Contract with Jiangsu Sundian in respect of the repair and maintenance service of the Jiangsu section of Shanghai-Nanjing Expressway, with a duration of contract from 1st July 2003 to 31st December 2003 and an estimated total contract sum not exceeding RMB100,000,000. The actual amount of maintenance service fee will be determined by actual work done and according to approved scales.
- (ii) On 30th June 2003, Guangjing Xicheng entered into Maintenance Contract with Jiangsu Sundian in respect of the repair and maintenance service of Guangjing Expressway and Xicheng Expressway, with a duration of contract from 1st July 2003 to 31st December 2003 and an estimated total contract sum not exceeding RMB20,000,000. The actual amount of maintenance service fee will be determined by actual work done and according to approved scales.



- (iii) On 8th April 1999, the Company entered into the Contract on Management of Operation and Maintenance of Nanjing section of Nanjing-Lianyungang Expressway (which is being currently performed) with Nanjing-Lianyungang Expressway Management Office, pursuant to which the Management Office was entrusted by the Company for the management of operation and maintenance of the Nanjing Section of Nanjing-Lianyungang Expressway, for a fee equivalent to 17% of the aggregate toll revenues of the section each year.

## **8. Regulatory Sanctions**

During the Reporting Period, there was no punishment, reprimand or public censurs imposed against the Company, any of its Directors or Senior Management Officers by any regulatory authorities.

## **9. Other Significant Matters**

### **(1) Redemption, Sale and Repurchase of Shares in the Company**

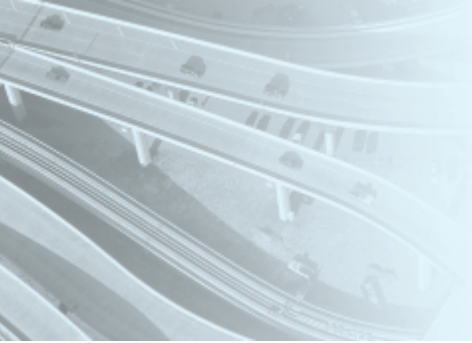
During the Reporting Reriod the Company has not purchased, sold or redeemed any of the shares in the Company.

### **(2) Pre-emptive Right to the Shares**

Under the Articles of Association and the laws of the PRC, there is no pre-emptive right arrangement pursuant to which the Company has to offer any new shares to its existing shareholders in proportion to their shareholdings.

### **(3) Trust Deposits**

As at 30th June 2003, the Company did not have any trust deposit with any financial institution in the PRC, nor did the Company experience any default of payment of its term deposit upon maturity.



#### **(4) Risks Concerning the Lending Rate and Foreign Exchange**

The Company has no material foreign exchange risks. The Company obtained a US\$9,800,000 loan from the Spanish government in 1998, with fixed interest rates and accordingly free from interest rate risk. As at 30th June 2003, the balance of the loan was US\$7,840,000. The Company currently has foreign exchange deposits of over US\$4,690,000 which basically off-sets its foreign exchange risks.

#### **(5) Pledge of the Group's Assets**

During the Reporting Period, there was not any pledge of the Group's assets.

#### **(6) Code of Best Practice**

The Board of Directors believe that the Company has fully complied with the Code of Practice as set out in Appendix 14 to the Listing Rules, and no director is aware of any situation which indicates that the Company has been in breach of or has not complied with the Code of Best Practice.

### **10. Other Information Sources**

Announcements of the Company can be found in China Securities, Shanghai Securities, Hong Kong Economic Times and South China Morning Post. Please look for details in newspapers on respective dates or browse: [www.sse.com.cn](http://www.sse.com.cn) or [www.jsexpressway.com](http://www.jsexpressway.com) .

1. 8th January 2003: Establishment of Sponsored Level I American Depositary Receipt Program
2. 20th March 2003: The Resolutions of the Sixteenth Meeting of the Third Session of the Board of Directors, the Resolutions of the Eighth Meeting of the Third Session of the Supervisory Committee and the Notice of the 2002 Annual General Meeting;
3. 20th March 2003: Connected Transactions - Proposed Establishment of Jiangsu Sundian Engineering Co., Ltd. and Proposed Transfer of Outdoor Advertising Billboards;
4. 15th May 2003: The Resolutions of the 2002 Annual General Meeting, the Resolutions of the First Meeting of the Fourth Session of the Board of Directors, and the First Meeting of the Fourth Session of the Supervisory Committee;

5. 28th May 2003: Bonus Distribution and Dividend Payment of the Company for the Year 2002;
6. 30th June 2003: Connected Transactions - Road Maintenance Service Contracts with Jiangsu Sundian Engineering Co., Ltd.

The interim report of the Company and the information required to be disclosed in accordance with clause 46 of Appendix 16 to the Hong Kong Listing Rules will be published on the website of The Stock Exchange of Hong Kong Limited: [www.hkex.com.hk](http://www.hkex.com.hk).



## VII. Documents Available for Inspection

The following documents will be available at the Secretariat Office of the Board of Directors at 27/F., Jiangsu Communications Building, 69 Shigu Road, Nanjing, PRC:-

1. Copies of the interim report under the hand of the Chairman;
2. Financial statements signed and sealed by the legal representative and the chief accounting officer of the Company;
3. All the documents disclosed in the announcements published in the designated press during the Reporting Period;
4. The Articles of Association of the Company;
5. Interim reports released in various stock exchanges;
6. Other relevant information.

By Order of the Board  
**Shen Chang Quan**  
*Chairman*  
**Jiangsu Expressway Company Limited**

15th August 2003