MANAGEMENT DISCUSSION AND ANALYSIS

Economic Growth Continues, Our Business Operations Move Ahead Steadily. The Company's management and staff stayed focused on two major activities, namely the expansion project and operational management, and capitalised on the favourable external conditions such as the sustained rapid development of the macro economy, the upward adjustment in toll rates and the implementation of the toll-by-weight policy for goods vehicles. The Company's various operations in 2004 have been able to proceed steadily, with the expansion project obtaining milestone results.