



Jiangsu Expressway Company Limited

(Hong Kong Stock Exchange Stock Code: 177)

Entering the Second Venture
with Steady Growth



2007 Third Quarterly Report

1. IMPORTANT

- 1.1 The board of directors (the “Board”) and its directors of Jiangsu Expressway Company Limited (the “Company”) warrant that there are no false representations or misleading statements contained in, or material omissions from, this report, and jointly and severally accept responsibility for the truthfulness, accuracy and completeness of the content of this report.
- 1.2 Mr. Fang Hung, Kenneth, independent non-executive director, did not attend the Board meeting. He had appointed Ms. Chang Yung Tsung, independent non-executive director, to vote on his behalf. Mr. Fan Cong Lai, independent non-executive director, did not attend the Board meeting. He had appointed Mr. Yang Xiong Sheng, independent non-executive director, to vote on his behalf.
- 1.3 This quarterly report is prepared in accordance with the regulations on Disclosure of Information in Quarterly Reports for Listed Companies by the China Securities Regulatory Commission. This report is published simultaneously in Hong Kong and the People’s Republic of China. All financial information set out in this quarterly report has been **prepared in accordance with PRC Accounting Standards and has been adjusted retrospectively**. Shareholders of the Company and public investors should be aware of the risks of investment when trading in shares.
- 1.4 The financial statements in this 2007 third quarterly report of the Company are **unaudited and have been reviewed by the Audit Committee of the Company**.
- 1.5 Mr. Shen Chang Quan, Chairman of the Company, Mr. Xie Jia Quan, General Manager, and Madam Liu Wei, Financial Controller, warrant the truthfulness and completeness of the financial statements in the quarterly report.

2. BASIC INFORMATION OF THE COMPANY

2.1 Major accounting data and financial indicators

Unit: RMB'000

	End of the reporting period	End of last reporting year	% increase/ (decrease) at end of the reporting period compared to end of last reporting year
Total assets	25,860,999	26,435,037	-2.17
Shareholders' equity (excluding minority interests)	15,318,000	15,039,698	1.85
Net assets per share (RMB)	3.04	2.99	1.85

	Beginning of the year to end of the reporting period	% increase/ (decrease) for the reporting period compared to the corresponding period of the previous year
Net cash flow from operating activities	2,265,965	26.84
Net cash flow per share from operating activities(RMB)	0.450	26.84

	The reporting period (July - September)	Beginning of the year to end of the reporting period (July - September)	% increase/ (decrease) for the reporting period compared to the corresponding period of the previous year
Net Profit attributable to equity holders of the Company	450,761	1,235,474	44.54
Basic earnings per share (RMB)	0.089	0.245	44.54
Basic earnings per share after deduction of non-recurring profit/loss (RMB)	0.089	0.245	44.43
Diluted earnings per share (RMB)	0.089	0.245	44.54
Return on net assets (%)	2.94	8.07	Increased by 0.83 percentage point
Return on net assets after deduction of non-recurring profit/loss (%)	2.94	8.07	Increased by 0.83 percentage point

Non-recurring profit/loss	Amount from the beginning of the year to the end of the reporting period
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Loss from disposal of fixed assets	-232
Gains from short-term investment	3,091
Other non-operating expenses, net	-1,084
Effect of income tax	-586
Total	1,189

2.3 Table of total number of shareholders as at the end of the reporting period and the top ten holders of circulating shares not subject to selling restrictions (after completion of Share Segregation Reform)

Unit: share

Total number of shareholders as at the end of the reporting period As of 30 September 2007, there were a total of 42,070 domestic and foreign shareholders whose names appeared on the register of member of the Company, of whom 41,504 were domestic shareholders and 566 were foreign shareholders.

Top ten holders of circulating shares not subject to selling restrictions

Name of shareholder	Number of shares not subject to selling restrictions held as at the end of the reporting period	Type of shares
Fidelity International Limited	134,521,987	Overseas-listed foreign shares
Halbis Capital Management (Hong Kong) Limited	86,890,000	Overseas-listed foreign shares
Newton Investment Management Ltd	85,530,000	Overseas-listed foreign shares
JPMorgan Chase & Co.	84,839,160	Overseas-listed foreign shares
Sumitomo Mitsui Asset Management Company, Limited	73,168,000	Overseas-listed foreign shares
Columbia Wanger Asset Management, L.P.	63,878,000	Overseas-listed foreign shares
Wellington Management Company, LLP	61,884,000	Overseas-listed foreign shares
Boshi Value Growth Fund (博時價值增長證券投資基金)	18,999,834	RMB-denominated ordinary shares
Boshi Emerging Growth Fund (博時新興成長股票型證券投資基金)	16,519,742	RMB-denominated ordinary shares
China Universal Growth Focus Fund (滙添富成長焦點投資基金)	16,171,715	RMB-denominated ordinary shares

In respect of the shareholdings of the top ten holders of circulating shares not subject to selling restrictions, the data for overseas listed foreign shares was based on reporting by the relevant parties pursuant to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

As at 30 September 2007, the shareholdings of the top ten holders of A shares not subject to selling restrictions:

Name of shareholder	Number of shares as at the end of the reporting period (share)	Type of shares
Boshi Value Growth Fund (博時價值增長證券投資基金)	18,999,834	RMB-denominated ordinary shares
Boshi Emerging Growth Fund (博時新興成長股票型證券投資基金)	16,519,742	RMB-denominated ordinary shares
China Universal Growth Focus Fund (滙添富成長焦點投資基金)	16,171,715	RMB-denominated ordinary shares
Boshi Theme Industry Stock Fund (博時主題行業股票證券投資基金)	13,732,254	RMB-denominated ordinary shares
Bank of Communications Schroders Blue Chip Stock Fund (交銀施羅德藍籌股票證券投資基金)	12,242,650	RMB-denominated ordinary shares
Jiangsu High Technology Investment Group Co. Ltd. (江蘇高科技投資集團有限公司)	11,700,000	RMB-denominated ordinary shares
Huaxia Bonus Mixed Open-ended Securities Investment Fund (華夏紅利混合型開放式證券投資基金)	11,199,880	RMB-denominated ordinary shares
Baokang Dynamic Asset Allocation Fund (寶康靈活配置證券投資基金)	8,800,000	RMB-denominated ordinary shares
Jiangsu Power Company (江蘇省電力公司)	6,534,627	RMB-denominated ordinary shares
江門市天創置業有限公司	6,525,463	RMB-denominated ordinary shares

3. SIGNIFICANT MATTERS

3.1 Details and reasons for substantial changes in the major financial statement items and financial indicators of the Company

Applicable Not applicable

Riding on the rapid growth of the core asset Shanghai-Nanjing Expressway, the Group achieved a substantial growth in its operating results for January-September 2007. According to the PRC Accounting Standards, the Group realized an operating revenue of approximately RMB3,931,825,000, representing an increase of approximately 34.68% as compared to the corresponding period of 2006. Net profit attributable to equity holders of the Company amounted to approximately RMB1,235,474,000, with earnings per share being approximately RMB0.245, representing an increase of approximately 43.56% as compared to the corresponding period of 2006.

As of 30 September 2007, according to the PRC Accounting Standards, total assets of the Group amounted to approximately RMB25,860,999,000 and total liabilities amounted to approximately RMB10,128,092,000. The total gearing ratio was approximately 39.16%. Minority interests amounted to approximately RMB414,907,000, while interests attributable to equity holders of the Company was approximately RMB15,318,000,000. The balance of borrowings was approximately RMB8,612,904,000. Changes in major financial indicators are as follows:

Reasons of Substantial Changes in Balance Sheet Items as of 30 September 2007

Unit: RMB'000

Item	30 September 2007	31 December 2006	Change (%)
Short-term loans	5,327,112	4,511,935	18.07
Long-term loans	3,285,792	4,436,759	-25.94
Accounts payable	984,105	1,609,495	-38.86
Tax payable	185,515	128,250	44.65
Interests payable	77,843	20,468	280.32

During the reporting period, the changes in short-term loans and long-term loans were primarily due to the Company's adjustment in borrowing term structure to achieve finance cost savings on the condition that financial security was ensured. Meanwhile, the Company also gradually repaid certain borrowing with accumulated funds from operating activities.

During the reporting period, the change in accounts payable was primarily due to the Company's gradual payment of the expenses for the expansion project with its accumulated funds from operating activities.

During the reporting period, tax payable increased by approximately RMB57,265,000 as certain income taxes incurred during the reporting period were not paid yet.

During the reporting period, interests payable increased as the trust loan obtained in November 2006 adopts the upon-maturity payment method for its interest payment.

Analysis of Reasons for Substantial Changes in Income Statement Items during the Reporting Period

Unit: RMB'000

Item	From the beginning of the year to the reporting period	Corresponding period of last year	Change (%)
Operating revenue	3,931,825	2,919,386	34.68
Operating costs	1,572,171	1,179,773	33.26
Operating profit	1,839,288	1,292,222	42.34
Profit before tax	1,837,972	1,291,085	42.36
Net profit attributable to equity holders of the Company	1,235,474	860,569	43.56
Finance costs	380,228	315,703	20.44



During the reporting period, operating results indicators for operating revenue, operating profit, profit before tax and net profit attributable to equity holders of the Company all reported increases, benefiting from the toll revenue growth of the core asset — the Jiangsu Section of Shanghai-Nanjing Expressway.

During the reporting period, operating costs increased, primarily due to the increase in traffic volume which led to an increase in depreciation charges for the fixed assets of the Jiangsu Section of Shanghai-Nanjing Expressway.

During the reporting period, finance costs increased, primarily due to the interest rate hikes by the People's Bank of China. Meanwhile, the increase in the total amount of loans was another contributing factor.

During the reporting period, the Group realized an aggregate of RMB3,886,526,000 in toll road and bridge revenue and ancillary services revenue, representing an increase of approximately 34.10% as compared to the corresponding period of 2006.

Average daily traffic volumes and average daily toll revenues of various roads and bridges during January - September 2007:

Expressway or bridge operation	Average daily traffic volume (Vehicle/ Day)	Growth over the corresponding period of last year (%)	Average daily toll revenue (RMB'000/ Day)	Growth over the corresponding period of last year (%)
Jiangsu Section of Shanghai				
- Nanjing Expressway	48,477	26.44	9,360.3	40.11
Shanghai-Nanjing Section of G312	29,338	-9.46	485.9	-15.19
Nanjing Section of Nanjing				
- Lianyungang Highway	7,460	-47.96	176.2	-38.15
Guangjing Expressway	34,393	-3.04	568.0	-10.20
Xicheng Expressway	34,971	12.50	975.0	7.89
Jiangyin Yangtze Bridge	37,570	0.90	1,902.3	-10.77
Sujiahang Expressway	21,081	15.42	1,605.8	10.29

Due to the maintenance works at Jiangyin Bridge and Xicheng Expressway's Jiangyin South Viaduct, the Company's assets Guangjing Expressway, Xicheng Expressway and Jiangyin Yangtze Bridge were closed to truck traffic from 6 August 2007 to 26 September 2007. Such traffic restrictions incurred a relatively significant impact on the three projects, leading to decreases of 25.98%, 6.98% and 27.62% in their respective average daily traffic volumes during August and September.

As some of the original truck traffic on Jiangyin Bridge switched to Runyang Bridge during the traffic control period, the trucks originally travelling between Jiangyin Bridge and the east of Wuxi now incurred an extra of approximately 100 km in their travel mileage on Shanghai-Nanjing Expressway. This further facilitated the growth in the proportion of truck traffic and in toll revenue of Shanghai-Nanjing Expressway in August and September, thereby off-setting the toll revenue decreases of the above three projects during the traffic control period. As a result of this factor, Shanghai-Nanjing Expressway had even better performance. The expressway realized a toll revenue of RMB2,555,367,000 in aggregate during January-September 2007, representing approximately 80.93% and 64.99% of the Group's toll revenue and total revenue respectively. The average daily traffic volume was 48,477 vehicles and the average daily toll revenue was RMB9,360,300, representing increases of 26.44% and 40.11% respectively over the corresponding period of last year. Of which, the proportion of truck traffic volume was approximately 33.30% and the proportion of truck traffic in average daily toll revenue was approximately 53.38%. The average daily toll revenue per vehicle was approximately RMB193.

3.2 Analysis of progress and impact of major events and their solutions

Applicable Not applicable

3.3 Undertakings made by the Company, shareholders and de facto actual controller and their implementation

Applicable Not applicable

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 undergoing significant changes compared to the corresponding period of the previous year

Applicable Not applicable

3.5 Other major events which require explanation

Applicable Not applicable

3.5.1 Disposal of properties

On 25 September 2007, the Company entered into the Property Transfer Agreement with the Jiangsu Communications Department, pursuant to which the Company sold approximately 5,929.95 m² of office space in the Jiangsu Communications Building in Nanjing to the Jiangsu Communications Department. The value of the asset as at the valuation date was RMB42,636,300. The sales price of the properties exceeded the net book value as of 31 August 2007 by approximately RMB11,712,751.69. As the Jiangsu Communications Department was one of the promoters at the Company's incorporation, it is a connected person of the Company pursuant to rule 1.01 of the Hong Kong Listing Rules. The transaction constituted a connected transaction and the Company has fulfilled the relevant reporting and disclosure requirements under rule 14A.32(1) of the Hong Kong Listing Rules.

3.5.2 Issue of the Short-term Commercial Paper Program

To optimize the Company's financing structure and reduce financing costs, the eleventh session of the fifth Board meeting considered and approved a program to issue short-term commercial papers with an aggregate amount of not exceeding RMB2 billion for a term of not more than 365 days and proposed to submit the resolution for consideration and approval at the extraordinary general meeting to be held on 28 November 2007. The said short-term commercial papers will be available for circulation and trading in the inter-bank bond market subject to approval by the People's Bank of China. The interest rate of the issue will be determined with reference to the prevailing market rates of short-term commercial papers of similar terms and in general the rate will be approximately 2 percentage points below the lending rate of the same term then announced by the People's Bank of China.

3.5.3 Change of directors and supervisors

Mr. Zhang Wensheng and Ms. Ma Ning, a director and a supervisor of the Company respectively nominated by Huajian Transportation Economic Development Centre, a substantial shareholder of the Company, have resigned as a director and a supervisor of the Company, respectively. Huajian Transportation Economic Development Centre recommended Ms. Zhang Yang and Ms. Luo Yi as a director and a supervisor of the Company, respectively. The proposal was considered and approved by the Board, the Supervisory Committee and the Nomination, Remuneration and Appraisal Committee of the Company, and will be submitted for consideration and approval at the extraordinary general meeting to be held on 28 November 2007.

3.5.4 Change of name of the registered office address

The name of the registered office address of the Company has been changed from 238 Maqun Street to 6 Maqun Road, Nanjing. The telephone and facsimile numbers of the Company, as well as the location of the registered office of the Company, remain unchanged.

4 Appendix

Balance Sheet

As at 30 September 2007

Unit: RMB

Item	Consolidated		The Company	
	At the end of the period (unaudited)	At the beginning of the period (audited)	At the end of the period (unaudited)	At the beginning of the period (audited)
Current assets:				
Bank balances and cash	793,681,612	796,874,386	642,615,000	602,181,971
Financial assets held for trading	30,675,453	37,783,600	—	—
Accounts receivable	81,685,173	58,115,844	59,724,276	28,571,831
Prepayments	21,468,282	4,377,355	4,924,268	1,094,396
Dividend receivable	5,488,956	—	57,099,956	—
Other receivables	51,680,765	30,982,959	50,600,945	30,344,898
Inventories	32,293,633	21,695,359	7,682,996	5,805,974
Total current assets	1,016,973,874	949,829,503	822,647,441	667,999,070
Non-current assets:				
Long-term equity investments	1,543,954,481	1,567,858,937	3,848,323,661	3,978,990,831
Fixed assets	21,987,375,389	22,586,828,263	19,801,539,100	20,347,517,538
Construction-in-progress	62,695,006	31,404,863	6,956,703	—
Intangible assets	1,242,141,997	1,291,102,363	1,224,497,554	1,272,860,050
Deferred tax assets	7,857,93	8,013,475	7,611,499	7,696,323
Total non-current assets	24,844,024,807	25,485,207,901	24,888,928,517	25,607,064,742
Total assets	25,860,998,681	26,435,037,404	25,711,575,958	26,275,063,812

Balance Sheet (cont'd)

As at 30 September 2007

Unit: RMB

Item	Consolidated		The Company	
	At the end of the period (unaudited)	At the beginning of the period (audited)	At the end of the period (unaudited)	At the beginning of the period (audited)
Current liabilities:				
Short-term borrowings	5,124,210,000	4,510,000,000	5,554,210,000	4,800,000,000
Accounts payable	984,105,083	1,609,494,834	981,065,521	1,598,039,528
Advances from customers	24,017,355	12,184,565	3,920,444	3,263,757
Salary payable	35,783,654	37,365,708	26,727,806	27,303,064
Taxes payable	185,515,282	128,250,402	166,336,970	102,501,615
Interests payable	77,842,634	20,467,917	77,842,634	20,467,917
Dividend payable	19,473,326	11,057,681	19,472,404	11,057,681
Other payables	188,450,519	199,997,158	127,407,284	228,615,961
Non-current liabilities				
due within 1 year	202,902,037	1,934,692	202,902,037	1,934,692
Total current liabilities	6,842,299,890	6,530,752,957	7,159,885,100	6,793,184,215
Non-current liabilities:				
Long-term borrowings	3,285,791,793	4,436,759,139	3,285,791,793	4,436,759,139
Total liabilities	10,128,091,683	10,967,512,096	10,445,676,893	11,229,943,354
Owners' equity				
(or shareholders' equity):				
Paid-up capital				
(or share capital)	5,037,747,500	5,037,747,500	5,037,747,500	5,037,747,500
Capital reserves	7,488,686,684	7,488,686,684	7,488,686,684	7,488,686,684
Surplus reserves	1,194,135,790	1,194,135,790	1,047,767,610	1,047,767,610
Retained profits	1,597,429,787	1,319,128,187	1,691,697,271	1,470,918,664
Minority interests	414,907,237	427,827,147	—	—
Owners' equity				
(or shareholders' equity)	15,732,906,998	15,467,525,308	15,265,899,065	15,045,120,458
Total liabilities and owners' equity				
(or shareholders' equity)	25,860,998,681	26,435,037,404	25,711,575,958	26,275,063,812

Consolidated Income Statement

For the nine months ended 30 September 2007

Unit: RMB

Item	The reporting period (Jul - Sep) (unaudited)	Corresponding period of the previous year (Jul - Sep) (unaudited)	Beginning of the year to the end of the reporting period (Jan - Sep) (unaudited)	Beginning of the previous year to the end of the corresponding period (Jan - Sep) (unaudited)
1. Revenue	1,418,495,185	1,089,797,192	3,931,825,403	2,919,386,172
Less: Costs of sales	578,352,503	462,155,477	1,572,170,713	1,179,772,904
Sales taxes and levies	42,286,350	29,676,353	114,581,885	86,020,632
Sales expenses	1,111,304	—	1,111,304	—
Administrative expenses	32,075,885	48,256,064	116,719,699	129,760,419
Finance costs	130,134,605	112,993,456	380,228,006	315,702,621
Impairment loss on assets	—	—	-54,145	-7,626
Add: Gain from fair value changes	3,979,365	—	2,698,416	—
Investment income	15,488,520	26,883,217	89,521,346	84,084,476
Including:				
Investment income from associates and jointly controlled entities	17,358,064	22,257,415	89,315,246	85,366,010
2. Operating profit	654,002,423	463,599,059	1,839,287,703	1,292,221,698
Add: Non-operating income	6,376,769	3,373,757	13,392,450	10,949,423
Less: Non-operating expenses	6,052,678	2,765,830	14,707,986	12,086,315
Including:				
Net loss from disposal of non-current assets	—	—	231,690	15,395
3. Profit before tax	654,326,514	464,206,986	1,837,972,167	1,291,084,806
Less: Income tax expense	197,533,075	142,264,936	575,215,547	402,410,246
4. Net profit	456,793,439	321,942,050	1,262,756,620	888,674,560
Less: Minority interests	6,031,982	10,079,269	27,282,995	28,105,738
5. Net profit attributable to equity holders of the Company	450,761,457	311,862,781	1,235,473,625	860,568,822

Income Statement of the Company

For the nine months ended 30 September 2007

Unit: RMB

Item	The reporting period (Jul - Sep) (unaudited)	Corresponding period of the previous year (Jul - Sep) (unaudited)	Beginning of the	Beginning of the
			year to the end of the reporting period (Jan - Sep) (unaudited)	previous year to the end of the corresponding period (Jan - Sep) (unaudited)
1. Revenue	1,274,688,068	934,520,416	3,451,902,406	2,466,588,415
Less: Costs of sales	511,580,991	417,183,177	1,391,557,424	1,025,134,838
Sales taxes and levies	36,127,205	24,893,616	98,360,094	72,055,126
Administrative expenses	28,812,488	44,092,859	101,736,589	117,683,478
Finance costs	135,968,851	109,869,520	394,499,861	317,825,754
Impairment loss on assets	—	—	108,780	-7,625
Add: Investment income	121,932,534	16,418,869	190,926,246	174,140,196
Including:				
Investment income from associates and jointly controlled entities	20,321,534	20,672,347	89,315,246	85,366,010
2. Operating profit	684,131,067	354,900,113	1,656,565,904	1,108,037,040
Add: Non-operating income	6,376,044	3,362,706	13,109,266	8,763,123
Less: Non-operating expenses	1,925,531	2,469,754	8,239,187	9,578,160
Including:				
Net loss from disposal of non-current assets	—	—	228,177	—
3. Profit before tax	688,581,580	355,793,065	1,661,435,983	1,107,222,003
Less: Income tax expense	176,237,565	107,370,490	483,485,351	308,884,816
4. Net profit	512,344,015	248,422,575	1,177,950,632	798,337,187
5. Net profit attributable to equity holders of the Company	512,344,015	248,422,575	1,177,950,632	798,337,187

Cash Flow Statement

For the nine months ended 30 September 2007

Unit: RMB

Item	Consolidated		The Company	
	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)
1. Cash flows from operating activities:				
Cash received from sale of goods and rendering of services	3,909,259,363	2,891,703,017	3,411,952,871	2,419,492,315
Cash received relating to other operating activities	18,816,157	15,430,528	16,664,733	12,931,095
Sub-total of cash inflows from operating activities	3,928,075,520	2,907,133,545	3,428,617,604	2,432,423,410
Cash paid for goods and services	834,928,708	566,286,560	802,635,904	501,303,988
Cash paid to and on behalf of employees	147,554,344	142,135,684	124,195,570	119,836,097
Taxes paid	637,203,134	376,526,565	522,035,138	273,949,750
Cash paid relating to other operating activities	42,423,847	35,671,526	30,045,462	25,198,157
Sub-total of cash outflows from operating activities	1,662,110,033	1,120,620,335	1,478,912,074	920,287,992
Net cash flows from operating activities	2,265,965,487	1,786,513,210	1,949,705,530	1,512,135,418
2. Cash flows from investing activities:				
Cash received from investment	42,963,511	4,573,345	—	4,573,345
Cash received from investment income	104,532,496	113,065,299	214,493,460	273,133,596
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	—	232,929	—	232,929
Sub-total of cash inflows from investing activities	147,496,007	117,871,573	214,493,460	277,939,870

Cash Flow Statement (cont'd)

For the nine months ended 30 September 2007

Unit: RMB

Item	Consolidated		The Company	
	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	674,686,127	1,162,281,991	637,201,469	1,094,484,604
Cash paid for purchase of investments	33,096,156	2,500,000	—	1,250,000
Cash paid relating to other investing activities	—	8,116	—	8,116
Sub-total of cash outflows from investing activities	707,782,283	1,164,790,107	637,201,469	1,095,742,720
Net cash flows from investing activities	-560,286,276	-1,046,918,534	-422,708,009	-817,802,850
3. Cash flows from financing activities:				
Cash received from borrowings	5,314,210,000	3,600,000,000	5,754,210,000	3,800,000,000
Sub-total of cash inflows from financing activities	5,314,210,000	3,600,000,000	5,754,210,000	3,800,000,000
Repayment of borrowings	5,651,336,579	3,257,278,437	5,951,336,579	3,257,278,437
Cash paid for distribution of dividends, profits and interests	1,371,745,406	1,004,130,056	1,289,437,913	978,005,843
Sub-total of cash outflows from financing activities	7,023,081,985	4,261,408,493	7,240,774,492	4,235,284,280
Net cash flows from financing activities	-1,708,871,985	-661,408,493	-1,486,564,492	-435,284,280
4. Net increase (decrease) in cash and cash equivalents	-3,192,774	78,186,183	40,433,029	259,048,288
Add: Cash and cash equivalents at the beginning of the period	796,874,386	1,074,057,577	602,181,971	627,127,116
5. Cash and cash equivalents at the end of the period	793,681,612	1,152,243,760	642,615,000	886,175,404

Cash Flow Statement (cont'd)

For the nine months ended 30 September 2007

Unit: RMB

Supplementary Information	Consolidated		The Company	
	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)
1. Reconciliation of net profit to cash flow from operating activities:				
Net profit	1,262,756,620	888,674,560	1,177,950,632	798,337,187
Add: Provisions for impairment loss on assets	-54,145	-7,626	—	-7,625
Fixed asset depreciation, depreciation of oil and gas assets and depreciation of productive livestock	639,046,673	552,878,279	559,555,399	480,288,990
Amortization of intangible assets	48,960,366	48,362,496	47,676,870	48,362,496
Amortization of long-term deferred expenses	—	710,834	—	—
Loss from disposal of fixed assets, intangible assets and other long-term assets (Less: gain)	231,690	—	228,177	—
Loss from fair value changes (Less: gain)	-2,698,416	—	—	—
Finance expenses (Less: gain)	385,651,713	319,321,202	398,055,328	321,444,335

Cash Flow Statement (cont'd)

For the nine months ended 30 September 2007

Unit: RMB

Supplementary Information	Consolidated		The Company	
	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)	The reporting period (unaudited)	Corresponding period of the previous year (unaudited)
Investment loss				
(Less: gain)	-89,521,346	-84,084,476	-190,926,246	-174,410,196
Decrease in deferred tax assets (Less: increase)	155,541	123,134	84,824	128,111
Decrease in inventories (Less: increase)	-3,898,526	-1,890,847	-1,877,022	-1,351,369
Decrease in receivables under operating activities (Less: increase)	-21,495,987	-39,039,314	-39,690,564	-46,818,476
Increase in payables under operating activities (Less: decrease)	46,831,304	101,464,968	-1,351,868	86,161,965
Net cash flows from operating activities	2,265,965,487	1,786,513,210	1,949,705,530	1,512,135,418
2. Net change in cash and cash equivalents				
Cash at the end of the period	793,681,612	1,152,243,760	642,615,000	886,175,404
Less: cash at the beginning of the period	796,874,386	1,074,057,577	602,181,971	627,127,116
Net increase in cash and cash equivalents (Less: decrease)	-3,192,774	78,186,183	40,433,029	259,048,288

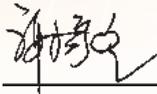
5. Confirmation Opinion on 2007 Third Quarterly Report by Directors and Senior Management

The Company's directors and senior management, hereby confirm in writing that they have reviewed the 2007 third quarterly report and are of the opinion that there are no false representations or misleading statements contained in, or material omissions from, this report; and that they shall be severally and jointly accept responsibility for the truthfulness, accuracy and completeness of the content of this report.

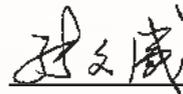
Directors



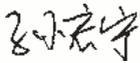
Shen Chang Quan



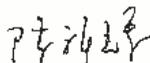
Xie Jia Quan



Zhang Wen Sheng



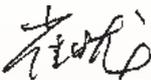
Sun Hong Ning



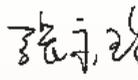
Chen Xiang Hui



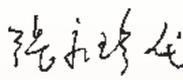
Fan Yu Shu



Cui Xiao Long



Chang Yung Tsung



Fang Hung, Kenneth

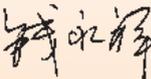


Yang Xiong Sheng



Fan Cong Lai

Senior Management Members



Qian Yong Xiang



Liu Wei



Zhao Jia Jun



Yao Yong Jia

Jiangsu Expressway Company Limited

Chairman

Shen Chang Quan

Nanjing, the PRC, 26 October 2007