



Jiangsu Expressway Company Limited

(Hong Kong Stock Exchange Stock Code: 00177)



Jiangsu Expressway
The Caring Way

2011 First Quarterly Report

1. Important Message

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

Ms. Zhang Yang, director, did not attend the Board meeting due to other duties and had appointed Mr. Yang Gen Lin, Chairman, to vote on her behalf. Mr. Fang Hung, Kenneth, director, did not attend the Board meeting due to other duties and had appointed Ms. Cheng Chang Yung Tsung, Alice, 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 the People’s Republic of China and Hong Kong.

1.4

The financial statements in this 2011 First Quarterly Report of the Company **are unaudited but have been reviewed by the Audit Committee of the Company.**

1.5

Legal representative of the Company	Yang Gen Lin
General Manager of the Company	Qian Yong Xiang
The accounting chief	Liu Wei
The person-in-charge of the accounting institution	Yu Lan Ying

Mr. Yang Gen Lin, Chairman of the Company, Mr. Qian Yong Xiang, Director and General Manager, Madam Liu Wei, Financial Controller, and Ms. Yu Lan Ying, Manager of the Finance and Accounting Department, 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

	As at the end of the reporting period	As at the end of the previous year	Increase/(decrease) at the end of the reporting period as compared to the end of the previous year %
Total assets	24,949,162	24,897,493	0.21
Equity attributable to equity holders of the Company	18,223,220	17,563,723	3.75
Net assets per share attributable to equity holders of the Company (RMB)	3.62	3.49	3.75

	Beginning of the year to end of the reporting period (January-March)	Increase/(decrease) for the reporting period compared to the corresponding period of the previous year %
Net cash flows from operating activities	995,958	82.57
Net cash flows per share from operating activities (RMB)	0.20	82.57

	The reporting period	Beginning of the year to end of the reporting period	Increase/ (decrease) for the reporting period as compared to the corresponding period of the previous year %
Net profit attributable to equity holders of the Company	656,761	656,761	10.22
Basic earnings per share (RMB)	0.13	0.13	10.22
Basic earnings per share after non-recurring profit/loss (RMB)	0.13	0.13	10.14
Diluted earnings per share (RMB)	N/A	N/A	N/A
Weighted-average return on net assets (%)	3.67	3.67	Increased by 0.18 percentage point
Weighted-average return on net assets after non-recurring profit/loss (%)	3.66	3.66	Increased by 0.18 percentage point

Non-recurring profit/loss and amount

Unit: RMB'000

Non-recurring profit/loss	Amount from the beginning of the year to the end of the reporting period
Net loss from disposal of non-current assets	-33
Gain from disposal of held-for-trading financial assets	-1,266
Gain from change in fair value	2,383
Reversal of impairment provisions made in prior years	500
Other non-operating income and expenses, net	906
Effects of income tax	-27
Effects of minority shareholders' profit/(loss)	-8
Total	2,455

2. Basic Information of the Company

2.2 Table on the 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 the Share Segregation Reform)

Unit: share

Total number of shareholders at the end of the reporting period

As at 31 March 2011, there were a total of 53,371 shareholders whose names appeared on the register of shareholders of the Company, of whom 52,860 were domestic shareholders and 511 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
Mondrian Investment Partners Limited	95,864,000	Overseas-listed foreign shares
Ameriprise Financial Inc	62,141,000	Overseas-listed foreign shares
Ping An Property & Casualty Insurance Company of China, Ltd (中國平安財產保險股份有限公司)	21,699,609	RMB-denominated ordinary shares
Ping An Life Insurance Company of China, Ltd (中國平安人壽保險股份有限公司)	13,877,848	RMB-denominated ordinary shares
Yulong Investment Fund (裕隆證券投資基金)	7,700,000	RMB-denominated ordinary shares
Kunshan Municipal Land Development Centre (昆山市土地開發中心)	7,500,000	RMB-denominated ordinary shares
BILL & MELINDA GATES FOUNDATION TRUST	7,328,527	RMB-denominated ordinary shares
Gao Hua – HSBC – GOLDMAN, SACHS & CO. (高華–滙豐–GOLDMAN, SACHS & CO.)	6,932,583	RMB-denominated ordinary shares
Shenzhen Jifu Venture Investment Co., Ltd. (深圳吉富創業投資股份有限公司)	6,641,901	RMB-denominated ordinary shares
Jiangsu Electric Power Company (江蘇省電力公司)	6,534,627	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 were based on reporting by the relevant parties pursuant to the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

As at 31 March 2011, 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	Type of shares
Ping An Property & Casualty Insurance Company of China, Ltd (中國平安財產保險股份有限公司)	21,699,609	RMB-denominated ordinary shares
Ping An Life Insurance Company of China, Ltd (中國平安人壽保險股份有限公司)	13,877,848	RMB-denominated ordinary shares
Yulong Investment Fund (裕隆證券投資基金)	7,700,000	RMB-denominated ordinary shares
Kunshan Municipal Land Development Centre (昆山市土地開發中心)	7,500,000	RMB-denominated ordinary shares
BILL & MELINDA GATES FOUNDATION TRUST	7,328,527	RMB-denominated ordinary shares
Gao Hua – HSBC – GOLDMAN, SACHS & CO. (高華–滙豐–GOLDMAN, SACHS & CO.)	6,932,583	RMB-denominated ordinary shares
Shenzhen Jifu Venture Investment Co., Ltd. (深圳吉富創業投資股份有限公司)	6,641,901	RMB-denominated ordinary shares
Jiangsu Electric Power Company (江蘇省電力公司)	6,534,627	RMB-denominated ordinary shares
Shenyin & Wanguo Securities Co., Ltd. (申銀萬國證券股份有限公司)	6,475,000	RMB-denominated ordinary shares
National Security Fund – Portfolio 603 (全國社保基金六零三組合)	5,999,884	RMB-denominated ordinary shares

3. Significant Matters

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

✓ Applicable Not applicable

In the first quarter of 2011, the PRC's economy was growing at a moderate rate. GDP growth was approximately 9.7% year-on-year, representing a decrease of 2.2 percentage points as compared to the corresponding period of the previous year. As a result, the road and bridge assets of the Group recorded varying degrees of slowdown in traffic volume growth of trucks. In the first quarter, average daily traffic volume of trucks on Shanghai-Nanjing Expressway was 17,118 vehicles, representing a year-on-year increase of only 3.81%. Volume of passenger vehicles, in particular small passenger vehicles, continued a relatively fast growth trend due to the rapid increase in vehicle ownership and the increase in holiday trips. Average daily traffic volume of passenger vehicles reached 45,962 vehicles, representing a year-on-year increase of 15.98%, resulting in a slight change in vehicle mix. In the first quarter, the proportion of traffic volume of passenger vehicles to trucks was 72.86%:27.14%, while the proportion of trucks decreased by 2.24 percentage points year-on-year. Guangjing Expressway, Xicheng Expressway, Jiangyin Yangtze Bridge and Sujiahang Expressway also experienced the same influence as the volumes of passenger vehicles grew comparatively faster than the volumes of trucks on these roads. Meanwhile, since the Green Passage toll-free policy was implemented starting from 1 December 2010, vehicles with toll fees waived were still included in the traffic volume data without revenue contribution, resulting in a relatively large discrepancy between the growth rates of traffic volume and revenue.

The operating performance of various roads and bridges during the reporting period is as follows:

Data of average daily traffic volumes and average daily toll revenues of various roads and bridges during the period from January 2011 to March 2011:

Road/Bridge	Average daily traffic volume (vehicles/day)			Average daily toll revenue (RMB'000/day)		
	January - March	Corresponding period of the previous year	Change %	January - March	Corresponding period of the previous year	Change %
Jiangsu Section of Shanghai-Nanjing Expressway	63,080	56,121	12.40	11,537.7	10,844.3	6.39
Shanghai-Nanjing Section of G312	19,547	20,434	-4.34	307.9	307.5	0.14
Nanjing Section of Nanjing- Lianyungang Highway	5,106	5,614	-9.05	115.0	125.8	-8.58
Guangjing Expressway	45,278	37,941	19.34	660.7	575.4	14.83
Xicheng Expressway	46,716	38,624	20.95	1,170.2	1,069.0	9.46
Jiangyin Yangtze Bridge	53,449	44,396	20.39	2,208.4	2,037.0	8.41
Sujiahang Expressway	36,568	30,954	18.14	2,389.6	2,235.1	6.91

During the first quarter of 2011, according to the PRC Accounting Standards for Business Enterprises (“PRC Accounting Standards”), the Group realized a total operating revenue of approximately RMB1,733,233,000, representing an increase of approximately 11.18% as compared to the corresponding period of 2010. Of such operating revenue, toll revenue amounted to approximately RMB1,241,240,000, representing an increase of approximately 6.73% as compared to the corresponding period of the previous year. Revenue from ancillary businesses amounted to approximately RMB475,286,000, representing an increase of approximately 32.69% as compared to the corresponding period of 2010, which was mainly attributable to an increase in prices of petroleum products. Revenue from other businesses amounted to approximately RMB16,707,000, representing a decrease of approximately 55.8% as compared to the corresponding period of 2010, which was mainly attributable to a year-on-year decrease in revenue from property sales.

3. Significant Matters

Pre-sale of the property project Lot C4 at Huaqiao of subsidiary Ninghu Properties officially began on 14 January. As at 31 March, 45% of saleable area has been sold. Despite the macro-control policies promulgated by the State, the Company's property sales still managed to record satisfactory results. The relevant sales revenue will be recognized upon property delivery.

During the reporting period, total operating costs of the Group amounted to approximately RMB754,485,000 in aggregate, representing an increase of approximately 18.63% as compared to the corresponding period of 2010. Of such operating costs, costs of the toll road business increased by 6.01% year-on-year, basically remaining stable. Costs of ancillary businesses increased by 33.05% year-on-year, which was basically in line with the growth rate of revenue from ancillary businesses.

According to the PRC Accounting Standards, the Group realized an operating profit of approximately RMB877,067,000 during the reporting period, representing an increase of approximately 10.36% as compared to the corresponding period of 2010; net profit attributable to equity holders of the Company was approximately RMB656,761,000 and earnings per share was approximately RMB0.13, representing an increase of approximately 10.22% as compared to the corresponding period of 2010. Material changes in major accounting statement items and financial indicators and reasons therefor are as follows:

Reasons for Material Changes in Balance Sheet Items as at 31 March 2011

Unit: RMB'000

Item	End of the reporting period	End of the last reporting year	Change	Reason
Prepayments	10,046	692,761	-98.55%	Prepaid land grant fees of subsidiary Ninghu Properties were transferred to property development costs.
Dividend receivable	69,855	1,475	4,635.79%	Associate Yangtze Bridge Co., Ltd has passed the dividend resolution, but dividends have not been booked.
Inventories	1,587,515	872,654	81.92%	Prepaid land grant fees of subsidiary Ninghu Properties were transferred to property development costs.
Construction-in-progress	8,551	13,764	-37.87%	Some construction-in-progress was transferred to fixed assets.
Advances from customers	151,881	28,496	433.00%	The increase mainly consisted of revenue from pre-sale of subsidiary Ninghu Properties' C4 Project at Huaqiao, Kunshan.
Deferred income tax liabilities	596	317	87.68%	Increase in gain from change in fair value resulted in an increase in deferred income tax liabilities.

3. Significant Matters

Reasons for Material Changes in Income Statement Items during the Reporting Period

Unit: RMB'000

Item	Beginning of the year to end of the reporting period	Corresponding period of last year	Change	Reason
Selling expenses	818	344	137.66%	Mainly attributable to an increase in selling expenses of properties of subsidiary Ninghu Properties.
Gain from change in fair value	2,383	-756	415.17%	Gain from change in market prices of gold held by Ninghu Investment during the reporting period.
Non-operating income	2,339	4,471	-47.69%	Gain from disposal of fixed assets was comparatively larger in the corresponding period of the previous year.
Other comprehensive income	2,735	-30,326	109.02%	Change in fair value of held-for-trading financial assets held by associate Yangtze Bridge Co., Ltd.

Reason for Material Change in Cash Flow Statement Item during the Reporting Period

Unit: RMB'000

Item	Beginning of the year to end of the reporting period	Corresponding period of last year	Change	Reason
Net cash flows from operating activities	995,958	545,511	82.57%	Operating revenue increased and cash outflows from subsidiaries property businesses decreased, resulting in a significant increase in net cash flows from operating activities during the reporting period.
Net cash flows from investing activities	-14,347	-8,546	-67.87%	During the reporting period, cash received from disposal of fixed assets decreased year-on-year, while the external investment of subsidiary Ninghu Investment increased year-on-year, resulting in a year-on-year decrease in net cash flows from investing activities.
Net cash flows from financing activities	-841,254	-319,107	-163.63%	During the reporting period, the Group's borrowings decreased year-on-year, resulting in a year-on-year decrease in net cash flows from financing activities.

3.2 Analysis of progress and impact of significant events and solutions

Applicable Not applicable

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

Applicable Not applicable

3. Significant Matters

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 significant changes compared to the corresponding period of the previous year

Applicable Not applicable

3.5 Implementation of cash dividends policy during the reporting period

During the reporting period, the fifteenth meeting of the sixth session of the Board considered and approved the profit distribution scheme for 2010 – a cash dividend of RMB0.36 for every share (tax inclusive). Such profit distribution scheme is submitted for approval to the 2010 annual general meeting to be held on 11 May 2011.

By Order of the Board

Yang Gen Lin

Legal Representative of the Company

Nanjing, the PRC, 29 April 2011

As at the date of this report, directors of the Company are:

Yang Gen Lin, Qian Yong Xiang, Zhang Yang, Chen Xiang Hui, Du Wen Yi, Cheng Chang Yung Tsung, Alice, Fang Hung, Kenneth, Fan Cong Lai, Chen Dong Hua*, Xu Chang Xin* and Gao Bo**

* *Independent Non-executive Directors*

4. Appendix

4.1 Consolidated Balance Sheet

As at 31 March 2011

Unit: RMB

Item	At the end of the reporting period	At the beginning of the year
Current assets:		
Bank balances and cash	615,441,843	475,084,741
Held-for-trading financial assets	66,211,080	60,143,990
Bills receivable	92,686,450	76,671,935
Prepayments	10,046,031	692,761,080
Dividend receivable	69,855,331	1,475,051
Other receivables	47,172,311	47,202,093
Inventories	1,587,515,301	872,654,415
Total current assets	2,488,928,347	2,225,993,305
Non-current assets:		
Long-term equity investments	2,017,798,982	2,035,725,267
Investment properties	16,021,933	16,172,451
Fixed assets	1,209,276,538	1,235,365,834
Construction-in-progress	8,551,248	13,764,384
Intangible assets	19,203,215,864	19,364,946,719
Long-term deferred assets	798,053	828,681
Deferred tax assets	4,571,492	4,696,492
Total non-current assets	22,460,234,110	22,671,499,828
Total assets	24,949,162,457	24,897,493,133

4. Appendix

Unit: RMB

Item	At the end of the reporting period	At the beginning of the year
Current liabilities:		
Short-term borrowings	1,630,000,000	1,890,000,000
Accounts payable	111,201,670	108,382,469
Advances from customers	151,881,395	28,495,707
Salary payable	8,084,953	8,484,315
Taxes payable	294,431,622	252,738,736
Interests payable	33,561,767	42,265,134
Dividend payable	62,312,486	62,312,486
Other payables	82,654,558	103,347,837
Non-current liabilities due within 1 year	1,300,229,887	1,299,210,230
Total current liabilities	3,674,358,338	3,795,236,914
Non-current liabilities:		
Long-term borrowings	2,577,088,890	3,077,894,398
Bonds payable	0	0
Deferred tax liabilities	595,670	317,393
Total non-current liabilities	2,577,684,560	3,078,211,791
Total liabilities	6,252,042,898	6,873,448,705
Owners' equity (or equity holders' equity):		
Paid-in capital (or share capital)	5,037,747,500	5,037,747,500
Capital reserves	7,579,457,682	7,576,722,435
Surplus reserves	2,022,082,235	2,022,082,235
Retained profits	3,583,932,376	2,927,171,033
Total equity attributable to owners of the Company	18,223,219,793	17,563,723,203
Minority interests	473,899,766	460,321,225
Total owners' equity	18,697,119,559	18,024,044,428
Total liabilities and owners' equity	24,949,162,457	24,897,493,133

Balance Sheet of the Company

As at 31 March 2011

Unit: RMB

Item	At the end of the reporting period	At the beginning of the year
Current assets:		
Bank balances and cash	243,744,767	171,257,578
Accounts receivable	77,398,897	65,475,479
Prepayments	2,912,582	1,582,171
Dividend receivable	68,380,279	–
Other receivables	1,346,130,336	1,346,323,803
Inventories	14,719,445	12,095,632
Total current assets	1,753,286,306	1,596,734,663
Non-current assets:		
Long-term equity investments	4,122,340,080	4,139,223,226
Fixed assets	1,041,720,603	1,062,649,121
Construction-in-progress	7,004,604	13,234,685
Intangible assets	17,358,322,314	17,519,423,854
Deferred tax assets	4,433,784	4,558,784
Total non-current assets	22,533,821,385	22,739,089,670
Total assets	24,287,107,691	24,335,824,333

4. Appendix

Unit: RMB

Item	At the end of the reporting period	At the beginning of the year
Current liabilities:		
Short-term borrowings	2,340,000,000	2,490,000,000
Accounts payable	90,823,838	95,760,231
Advances from customers	7,268,807	3,987,714
Salary payable	7,919,515	8,192,758
Taxes payable	222,401,308	181,695,793
Interests payable	34,384,867	42,957,734
Dividend payable	62,312,486	62,312,486
Other payables	60,226,128	68,580,048
Non-current liabilities due within 1 year	1,300,229,887	1,299,210,230
Total current liabilities	4,125,566,836	4,252,696,994
Non-current liabilities:		
Long-term borrowings	2,577,088,890	3,077,894,398
Bonds payable	0	0
Total non-current liabilities	2,577,088,890	3,077,894,398
Total liabilities	6,702,655,726	7,330,591,392
Owners' equity (or equity holders' equity):		
Paid-in capital (or share capital)	5,037,747,500	5,037,747,500
Capital reserves	7,561,032,450	7,558,297,203
Surplus reserves	1,761,694,860	1,761,694,860
Retained profits	3,223,977,155	2,647,493,378
Total owners' equity (or equity holders' equity)	17,584,451,965	17,005,232,941
Total liabilities and owners' equity (or equity holders' equity)	24,287,107,691	24,335,824,333

4.2 Consolidated Income Statement

For the three months ended 31 March 2011

Unit: RMB

Item	The reporting period	Corresponding period of the previous year
1. Total operating revenue	1,733,232,650	1,558,976,856
Including: Operating revenue	1,733,232,650	1,558,976,856
2. Total costs of sales	905,000,625	805,196,650
Including: Costs of sales	754,485,012	635,980,518
Sales taxes and surcharges	44,015,031	41,069,951
Sales expenses	818,124	344,240
General and administrative expenses	34,710,601	34,012,838
Finance expenses	71,471,857	93,789,103
Asset impairment loss	-500,000	-
Add: Gain from changes in fair value (loss is denoted by “-”)	2,382,680	-756,000
Investment income (loss is denoted by “-”)	46,452,601	41,675,903
Including: Share of profits from associates and jointly controlled entities	47,718,747	41,690,023
3. Operating profit (loss is denoted by “-”)	877,067,306	794,700,109
Add: Non-operating income	2,338,554	4,470,820
Less: Non-operating expenses	1,465,146	1,219,976
Including: Loss from disposal of non-current assets	55,938	472,293

4. Appendix

Unit: RMB

Item	The reporting period	Corresponding period of the previous year
4. Profit before tax (Total loss is denoted by “-”)	877,940,714	797,950,953
Less: Income tax expense	207,600,830	189,507,902
5. Net profit (Net loss is denoted by “-”)	670,339,884	608,443,051
Net profit attributable to owners of the Company	656,761,343	595,866,097
Minority interests	13,578,541	12,576,954
6. Earnings per share:		
(a) Basic earnings per share	0.1304	0.1183
(b) Diluted earnings per share	N/A	N/A
7. Other comprehensive income	2,735,247	-30,325,888
8. Total comprehensive income	673,075,131	578,117,163
Total comprehensive income attributable to owners of the Company	659,496,590	565,540,209
Total comprehensive income attributable to minority interests	13,578,541	12,576,954

Income Statement of the Company

For the three months ended 31 March 2011

Unit: RMB

Item	The reporting period	Corresponding period of the previous year
1. Operating revenue	1,546,366,639	1,368,362,324
Less: Costs of sales	698,630,048	576,819,118
Sales taxes and surcharges	38,290,011	35,912,674
General and administrative expenses	28,143,480	27,701,307
Finance expenses	79,459,295	99,065,293
Asset impairment loss	-500,000	-
Add: Investment income (loss is denoted by “-”)	48,761,886	43,017,811
Including: Share of profits from associates and jointly controlled entities	48,761,886	43,017,811
2. Operating profit (loss is denoted by “-”)	751,105,691	671,881,743
Add: Non-operating income	2,292,821	4,470,820
Less: Non-operating expenses	840,771	318,611
Including: Loss from disposal of non-current assets	0	8,420
3. Profit before tax (Total loss is denoted by “-”)	752,557,741	676,033,952
Less: Income tax expense	176,073,964	158,253,875
4. Net profit (Net loss is denoted by “-”)	576,483,777	517,780,077
5. Earnings per share:		
(a) Basic earnings per share	0.1144	0.1028
(b) Diluted earnings per share	N/A	N/A
6. Other comprehensive income	2,735,247	-30,325,888
7. Total comprehensive income	579,219,024	487,454,189

4. Appendix

4.3 Consolidated Cash Flow Statement

For the three months ended 31 March 2011

Unit: RMB

Item	The reporting period	Corresponding period of the previous year
1. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	1,918,327,849	1,607,841,894
Cash received relating to other operating activities	12,508,231	8,805,713
Sub-total of cash inflows from operating activities	1,930,836,080	1,616,647,607
Cash paid for goods and services	616,970,865	771,548,545
Cash paid to and on behalf of employees	85,869,385	82,934,054
Taxes paid	215,438,275	208,002,614
Cash paid relating to other operating activities	16,599,820	8,651,215
Sub-total of cash outflows from operating activities	934,878,345	1,071,136,428
Net cash flows from operating activities	995,957,735	545,511,179
2. Cash flows from investing activities:		
Cash received from disposal of investment	58,973,780	252,800
Cash received from investment income	11,377	-
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	53,030	2,078,500
Sub-total of cash inflows from investing activities	59,038,187	2,331,300
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	10,743,536	10,624,722
Cash paid for purchase of investments	62,641,471	252,800
Sub-total of cash outflows from investing activities	73,385,007	10,877,522
Net cash flows from investing activities	-14,346,820	-8,546,222

Unit: RMB

Item	The reporting period	Corresponding period of the previous year
3. Cash flows from financing activities:		
Cash received from borrowings	90,000,000	540,000,000
Sub-total of cash inflows from financing activities	90,000,000	540,000,000
Cash paid for repayment of borrowings	850,821,935	750,845,844
Cash paid for distribution of dividends, profits or interests	80,431,878	108,260,808
Sub-total of cash outflows from financing activities	931,253,813	859,106,652
Net cash flows from financing activities	-841,253,813	-319,106,652
4. Effects of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	140,357,102	217,858,305
Add: Cash and cash equivalents at the beginning of the period	475,084,741	517,820,151
6. Cash and cash equivalents at the end of the period	615,441,843	735,678,456

4. Appendix

Cash Flow Statement of the Company

For the three months ended 31 March 2011

Unit: RMB

Item	The reporting period	Corresponding period of the previous year
1. Cash flows from operating activities:		
Cash received from sale of goods and rendering of services	1,622,098,803	1,420,500,435
Cash received relating to other operating activities	4,250,882	2,397,214
Sub-total of cash inflows from operating activities	1,626,349,685	1,422,897,649
Cash paid for goods and services	550,233,219	429,322,771
Cash paid to and on behalf of employees	66,912,305	65,595,015
Taxes paid	176,989,186	168,893,058
Cash paid relating to other operating activities	14,032,576	7,543,803
Sub-total of cash outflows from operating activities	808,167,286	671,354,647
Net cash flows from operating activities	818,182,399	751,543,002
2. Cash flows from investing activities:		
Cash received from investment income	–	–
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,000	2,078,500
Sub-total of cash inflows from investing activities	3,000	2,078,500
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	7,771,064	10,395,162
Cash paid for purchase of investments	0	330,000,000
Sub-total of cash outflows from investing activities	7,771,064	340,395,162
Net cash flows from investing activities	–7,768,064	–338,316,662

Unit: RMB

Item	The reporting period	Corresponding period of the previous year
3. Cash flows from financing activities:		
Cash received from borrowings	200,000,000	540,000,000
Sub-total of cash inflows from financing activities	200,000,000	540,000,000
Cash paid for repayment of borrowings	850,821,935	750,845,844
Cash paid for distribution of dividends, profits or interests	87,105,211	113,260,808
Sub-total of cash outflows from financing activities	937,927,146	864,106,652
Net cash flows from financing activities	-737,927,146	-324,106,652
4. Effects of foreign exchange rate changes on cash and cash equivalents		
5. Net increase in cash and cash equivalents	72,487,189	89,119,688
Add: Cash and cash equivalents at the beginning of the period	171,257,578	242,978,247
6. Cash and cash equivalents at the end of the period	243,744,767	332,097,935

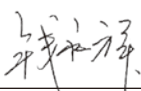
5. Confirmation Opinion to 2011 First Quarterly Report by Directors and Senior Management

The Company's directors and senior management hereby confirm in writing that they have reviewed the quarterly report for the year 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



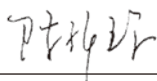
Yang Gen Lin



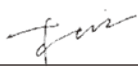
Qian Yong Xiang



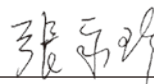
Zhang Yang



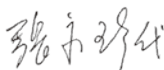
Chen Xiang Hui



Du Wen Yi



Cheng Chang Yung Tsung,
Alice



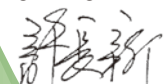
Fang Hung, Kenneth



Fan Cong Lai



Chen Dong Hua



Xu Chang Xin

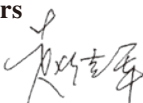


Gao Bo

Senior Management Members



Liu Wei



Zhao Jia Jun



Shang Hong



Tian Yafei



Yao Yong Jia

Jiangsu Expressway Company Limited

29 April 2011