



INTERIM RESULTS

The Board of directors (the “Board”) of Anhui Expressway Company Limited (the “Company”) is pleased to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30th June 2001. The unaudited financial statements as set out in the interim results were reviewed by the audit committee of the Company.

Set out below are the unaudited condensed consolidated financial statements (prepared in accordance with the International Accounting Standards) of the Group for the first six months of 2001, together with comparative figures for the corresponding period in 2000.

CONDENSED CONSOLIDATED STATEMENT OF INCOME

	Note	For the six months ended 30th June,	
		2001 RMB'000 (Unaudited)	2000 RMB'000 (unaudited)
Revenue, net		268,594	192,234
Operating costs		(86,018)	(54,195)
Gross profit		182,576	138,039
Administrative expenses		(21,901)	(17,367)
Other operating income, net		1,125	2,247
Profit from operations		161,800	122,919
Finance income, net		4,306	4,293
Share of profit from an associate		–	27,771
Profit before taxation and minority interests	9	166,106	154,983
Income tax expense	10	(31,960)	(22,892)
Profit after taxation but before minority interests		134,146	132,091
Minority interests		59	(841)
Net profit for the period		134,205	131,250
Dividends	11	42,258	–
Earnings per share	12		
– Basic		RMB 0.0953	RMB 0.0932
– Diluted		Not applicable	Not applicable

The accompanying notes are an integral part of these condensed consolidated financial statements.

**CONDENSED CONSOLIDATED BALANCE SHEET**

As of 30th June, 2001 (with comparatives as of 31st December, 2000)

	<i>Note</i>	As of 30th June, 2001 RMB'000 (Unaudited)	As of 31st December, 2000 RMB'000 (audited)
ASSETS			
Non-current assets			
Property, plant and equipment, net		4,010,390	3,938,908
Land use rights		559,204	563,624
Intangible assets		6,600	7,920
Investment in an associate		900	—
Total non-current assets		4,577,094	4,510,452
Current assets			
Inventories		9,546	3,997
Trade receivables	3	2,072	3,457
Due from holding company	13	1,902	—
Prepayments and other receivables	4	31,922	76,638
Short-term investment		46,800	—
Cash on hand and bank deposits		392,735	286,781
Total current assets		484,977	370,873
Total assets		5,062,071	4,881,325

**CONDENSED CONSOLIDATED BALANCE SHEET (Cont'd)**

		As of 30th	As of 31st
	<i>Note</i>	June, 2001	December,
		RMB'000	2000
		(Unaudited)	(audited)
EQUITY AND LIABILITIES			
Capital and reserve			
Share capital	5	1,408,610	1,408,610
Reserves	6	1,932,833	1,826,800
Total equity		3,341,443	3,235,410
Minority interests		188,349	187,800
Non-current liabilities			
Long-term payable to holding company	7	743,478	934,299
Long-term payable to a minority shareholder	7	317,011	317,011
Other long-term payables		630	630
Deferred tax liabilities		104,619	95,509
Total non-current liabilities		1,165,738	1,347,449
Current liabilities			
Short-term loan		100,000	—
Other payables and accruals	8	117,153	78,690
Provision for taxes		20,348	24,823
Due to holding company	13	129,040	7,153
Total current liabilities		366,541	110,666
Total equity and liabilities		5,062,071	4,881,325

The accompanying notes are an integral part of these condensed consolidated financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	For the six months ended 30th June,	
	<i>Note</i>	
	2001 RMB'000 (Unaudited)	2000 RMB'000 (unaudited)
Net cash generated from operating activities	199,549	106,729
Net cash used in investing activities	(165,423)	(14,129)
Net cash generated from (used in) financing activities	71,828	(19,728)
NET DECREASE IN CASH ON HAND AND BANK DEPOSITS	105,954	72,872
CASH ON HAND AND BANK DEPOSITS AT BEGINNING OF PERIOD	286,781	300,757
CASH ON HAND AND BANK DEPOSITS AT END OF PERIOD	392,735	373,629

The accompanying notes are an integral part of these condensed consolidated financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

From 1st January, 2001 to 30th June, 2001 (unaudited)

	Share Capital Note 5	Share Premium Note 6(a)	Statutory Surplus Reserve Fund Note 6(b)	Statutory Public Welfare Fund Note 6(c)	Discretionary Surplus Reserve Fund Note 6(c)	Unappropriated profits Note 6(d)	Total Equity
RMB'000							
Balance at 1st January, 2001	1,408,610	1,170,499	56,662	54,265	695	544,679	3,235,410
Dividends declared after 31st December, 2000	-	-	-	-	-	(28,172)	(28,172)
Net profit for the period	-	-	-	-	-	134,205	134,205
Balance at 30th June, 2001	<u>1,408,610</u>	<u>1,170,499</u>	<u>56,662</u>	<u>54,265</u>	<u>695</u>	<u>650,712</u>	<u>3,341,443</u>

From 1st January, 2000 to 30th June, 2000 (unaudited)

	Share Capital Note 5	Share Premium Note 6(a)	Statutory Surplus Reserve Fund Note 6(b)	Statutory Public Welfare Fund Note 6(c)	Discretionary Surplus Reserve Fund Note 6(c)	Unappropriated profits Note 6(d)	Total Equity
RMB'000							
Balance at 1st January, 2000	1,408,610	1,170,499	38,692	36,879	111	409,787	3,064,578
Dividends declared after 31st December, 1999	-	-	-	-	-	(56,344)	(56,344)
Net profit for the period	-	-	-	-	-	131,250	131,250
Balance at 30th June, 2000	<u>1,408,610</u>	<u>1,170,499</u>	<u>38,692</u>	<u>36,879</u>	<u>111</u>	<u>484,693</u>	<u>3,139,484</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

