

The directors (the “Directors”) of Zhejiang Expressway Co., Ltd. (the “Company”) are pleased to announce the unaudited consolidated operating results of the Company and its subsidiaries (collectively the “Group”) for the six months ended June 30, 2004 (the “Period”), prepared in conformity with accounting principles generally accepted in Hong Kong, with basis of preparations as stated in Note 1 to the consolidated financial statements below.

During the Period, the Group benefited from the continuing strong economic expansion of the Yangtze River Delta Region, and achieved robust business growth, a growth that was further amplified by a lower-than-usual comparison basis of the same period in 2003. Turnover for the Group grew by 34.0% to Rmb1,474.4 million while net profit from ordinary activities attributable to shareholders increased by 22.4% to Rmb602.4 million. Earnings per share for the Period was Rmb13.87 cents, representing an increase of 22.4% over the same period in 2003.

The Directors have recommended the payment of an interim dividend of Rmb4.0 cents per share in respect of the Period (same period in 2003: Rmb4.0 cents per share), subject to shareholders’ approval at the extraordinary general meeting of the Company to be held on October 12, 2004.