

SHAREHOLDERS AND THE CHANGE OF SHARE CAPITAL

I. SUMMARY OF CHANGES IN SHARE CAPITAL BY THE END OF THE REPORTING PERIOD

1. Change of Share Capital

(Unit: 10 thousand shares)

		Before changes		Allotment	Increases (+) or Decreases (-)				After changes	
		Number of shares	Percentage (%)		Bonus	Transfer from reserves	Others	Sub-total	Number of shares	Percentage (%)
I.	Unlisted shares	91,560	55.20						91,560	55.20
1.	Promoter's shares	91,560	55.20						91,560	55.20
	Including:									
	State-owned Shares	53,874	32.48						53,874	32.48
	Domestic legal person shares	37,686	22.72						37,686	22.72
	Overseas legal person shares									
	Others									
2.	Subscribed legal person shares									
3.	Employees shares									
4.	Preference shares or others									
II.	Listed shares	74,301	44.80						74,301	44.80
1.	Renminbi-denominated ordinary shares	25,000	15.07						25,000	15.07
2.	Domestic-listed foreign shares									
3.	Overseas-listed foreign shares	49,301	29.73						49,301	29.73
4.	Others									
III	Total shares	165,861	100						165,861	100

Notes: During the reporting period, the total share capital and the share capital structure are unchanged.

2. Events after the Reporting Period

The Share Segregation Reform Proposal was approved at the relevant shareholders' meeting of the A share market convened on 27 February 2006: The Holders of Non-circulating Shares proposed to allocate 2 Non-circulating Shares and RMB4.35 to each A Shares Shareholder for every 10 A Shares held by Holders of A Shares at the close of business on the Reform Proposed Record Date (17 February 2006), in exchange for the consent of A Shares Shareholders on the conversion of all Non-circulating Shares into A Shares. The Share Segregation Reform Proposal was approved by the State-owned Assets Supervision and Administration Commission of the People's Government of Anhui Province (Wan Guo Zi Chan Quan Han [2006] No.50), the Ministry of Commerce of the PRC (Shang Zi Pi [2006] No. 844) and Shanghai Stock Exchange (Shang Zheng Shang Zi [2006] No.188). The Share Segregation Reform Proposal is completed on 31 March 2006 and the trading in the A Share was resumed on 3 April 2006. The original non-circulating shares was changed to restricted circulating shares.

After the implementation of Share Segregation Reform Proposal, although the share capital of the Company keeps unchanged, the share capital structure of the Company changed. There are total of 865.60 million restricted circulating shares, of which Anhui Expressway Holding Corporation holding 518.581 million shares, representing 31.27% of total share capital reduced from the original 32.48%, Huanjian Center holding 347.019 million shares, representing 20.92% of total share capital reduced from the original 22.72%. There are total of 300 million unrestricted circulating shares, representing 18.09% of total share capital increased from the original 15.07%

All Shareholders of Non-circulating Shares of the Company undertook: 1. Within twelve months from the day of granting listing status to the Non-circulating Shares of the Company held by them, they would not trade or transfer such shares, and that, within twelve and twenty four months, respectively, subsequent to the aforesaid period, the numbers of the originally Non-circulating Shares subsequently listed for trading on the stock exchange would not exceed five per cent and ten per cent, respectively, of the total number of shares of the Company; 2. The Shareholders of Non-circulating Shares have undertaken to pay relevant expenses arising from the Share Segregation Reform proportional to the respective percentages of the Company's Non-circulating Shares held by them immediately prior to the implementation of the Share Segregation Reform; 3. Within 3 years from the implementation date of the Share Segregation Reform Proposal, the Shareholders of Non-circulating Shares will sell their shares with the price not less than RMB8.28 (such price to be calculated on an ex-rights basis if dividends distribution, allotment of shares and capitalization of capital reserve are implemented); The proceeds from any sale by Shareholders of Non-circulating Share in breach of such undertaking shall be reverted to the Company's account for the benefit of all shareholders of the Company; 4. All Shareholders of Non-circulating Shares undertook that, during three continuous years immediately following the completion of



SHAREHOLDERS AND THE CHANGE OF SHARE CAPITAL

implementation of the Reform Proposal, they should propose at the annual general meeting of the Company that the Company's dividends distributable in cash shall not be less than 60% of the period available for distribution to the shareholders for the corresponding periods and undertook to vote for such resolutions at the annual general meeting; 5. Shareholders of Non-circulating Shares undertakes that, upon the completion of this Share Segregation Reform, they will make recommendation for formulation of long term incentive scheme, including the share incentive scheme, to the Board of Directors of the Company. Such long-term incentive scheme will be implemented by Board of Directors in accordance with the relevant regulation of the State or upon approval by the general meeting of shareholders; 6. In the future, Anhui Expressway Holding Corporation will continue to support the Company to purchase good-quality road assets owned by Anhui Expressway Holding Corporation, as always, pay attention to protect shareholders' interests.

II. ISSUE OF SHARES AND LISTING

1. The Company was incorporated in August 1996. With the approval of Ti Gai Sheng [1996] No.112 issued by the State System Reform Commission and Zheng Wei Fa [1996] No.31 issued by the State Council Securities Commission respectively, on 31 October, 1996, the Company issued 493,010,000 H Shares which were listed on The Stock Exchange of Hong Kong Limited on 13 November 1996 with the short name of "Anhui Expressway" and stock code of "0995".
2. With the approval of Zheng Jian Fa Zi [2002] No. 124 issued by the China Securities Regulatory Commission, the Company issued 250,000,000 A Shares with a nominal value of RMB1.00 each at the issue price of RMB2.20 per share on 23 December 2002 by way of placing at fixed prices to secondary market investors.
3. With the approval of Shang Zheng Shang Zi [2002] No. 197 issued by Shanghai Stock Exchange, the Company issued 250,000,000 A Shares to public shareholders, which were listed on Shanghai Stock Exchange on 7 January 2003 with the short name of "Wantong Expressway" and the stock code of "600012".

SHAREHOLDERS AND THE CHANGE OF SHARE CAPITAL

III. SHAREHOLDERS

- As at the end of the reporting period, the total number of shareholders, the ten largest shareholders and the ten largest shareholders of circulating shares of the Company were as follows:

Unit: share

The total number of shareholders

The total number of shareholders of the Company was 25,097, out of which there were one state-owned shareholder, one state-owned legal person shareholder, 25,020 A shareholders and 75 H shareholders.

The ten largest shareholders of the Company

Name of Shareholders	Nature of shareholders	Percentage	Total holding shares	Number of non-circulating shares	Shares pledged or locked-up
Anhui Expressway Holding Corporation	State-owned shareholders	32.48%	538,740,000	538,740,000	No
HKSCC NOMINEES LIMITED (agent)	Overseas shareholders	29.31%	486,133,898		Not clear
Huajian Transportation Economic Development Center	State-owned shareholders	22.72%	376,860,000	376,860,000	No
Jiashi Service Growth Industry Securities Investment Fund	Others	1.62%	26,861,471		Not clear
National Social Insurance Fund-108 Composition	Others	0.89%	14,702,107		Not clear
Boshi Theme Industry Stock Securities Investment Fund	Others	0.70%	11,665,648		Not clear
Jiashi Growth and Gaining Securities Investment Fund	Others	0.60%	9,974,589		Not clear
Boshi Selective Stock Securities Investment Fund	Others	0.59%	9,744,839		Not clear
Jingshunchangcheng—Selective Stock Securities Investment Fund	Others	0.39%	6,400,609		Not clear
National Social Insurance Fund-102 Composition	Others	0.38%	6,261,880		Not clear

SHAREHOLDERS AND THE CHANGE OF SHARE CAPITAL

The ten largest shareholders of circulating shares of the Company

Name of shareholders	The Number of circulating shares	Type of shares
HKSCC NOMINEES LIMITED (agent)	486,113,898	Overseas-listed foreign shares
Jiashi Service Growth Industry Securities Investment Fund	26,861,471	Renminbi-denominated ordinary shares
National Social Insurance Fund-108 Composition	14,702,107	Renminbi-denominated ordinary shares
Boshi Theme Industry Stock Securities Investment Fund	11,665,648	Renminbi-denominated ordinary shares
Jiashi Growth and Gaining Securities Investment Fund	9,974,589	Renminbi-denominated ordinary shares
Boshi Selective Stock Securities Investment Fund	9,744,839	Renminbi-denominated ordinary shares
Jingshunchangcheng—Selective Stock Securities Investment Fund	6,400,609	Renminbi-denominated ordinary shares
National Social Insurance Fund-102 Composition	6,261,880	Renminbi-denominated ordinary shares
CITIC Classics Portfolio Securities Investment Fund	5,471,605	Renminbi-denominated ordinary shares
HuabaoXingye Multi-strategy Increase Securities Investment Fund	5,188,360	Renminbi-denominated ordinary shares

Explanations of connected relationship between the above-mentioned shareholders and consistent action

There are no connected relationship between the State-owned Shareholders and the State-owned legal person Shareholders in the above chart, The second and fifth shareholders of circulating shares are under the management of Jiashi Funds Management Company Limited; The fourth and sixth shareholders of circulating shares are under the management of Boshi Funds Management Company Limited; The connected relationship amongst other shareholders cannot be ascertain, nor be known whether they belong to the consistent action stipulate in “Provisions on Information disclosure Management of Shareholders’ Shareholding changes of Listed Companies.

SHAREHOLDERS AND THE CHANGE OF SHARE CAPITAL

Notes: According to the shareholders' register provided by HKSCC NOMINEES LIMITED, H Shares held by which represented the holding of many clients.

Person who have interests of short positions disclosable under divisions 2 and 3 of Part XV of the Securities and Futures Ordinance.

As at 31 December 2005, so far is known to, or can be ascertained after reasonable enquiry by the Directors, the persons who were, directly or indirectly, interested or had short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities of Futures Ordinance, was directly or indirectly, to be interested in 5% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meeting of any member of the Group were set out as follows:

Names	At end of period (shares)	Increases or decreases during period	Type of shares	As a % of total capital	Pledged or locked-up
Anhui Expressway Holding Corporation	538,740,000 (L)	0	State-owned shares	32.48%	No
Huajian Transportation Economic Development Center	376,860,000 (L)	0	State-owned legal person shares	22.72%	No

Names	At end of period (shares)	Increases or decreases during period	Type of shares	As a % of total H shares	Pledged or locked-up
Invesco Asia Limited in its capacity as manager/adviser of various accounts	41,556,000 (L)	Not clear	H Shares	8.43%	No Clear
Commonwealth Bank of Australia	39,428,000 (L)	Not clear	H Shares	8.00%	Not clear
Sumitomo Life Insurance Company	34,684,000 (L)	Not clear	H Shares	7.04%	Not clear
Colonial First State Group Ltd	33,358,000 (L)	Not clear	H Shares	6.77%	Not clear
Colonial Holding Company (No.2) Pty Limited	33,358,000 (L)	Not clear	H Shares	6.77%	Not clear
Colonial Holding Company Pty Ltd.	33,358,000 (L)	Not clear	H Shares	6.77%	Not clear
Colonial Ltd	33,358,000 (L)	Not clear	H Shares	6.77%	Not clear
First State Investment Managers (Asia) Ltd	33,358,000 (L)	Not clear	H Shares	6.77%	Not clear
First State Investments (Bermuda) Ltd	33,358,000 (L)	Not clear	H Shares	6.77%	Not clear
The Colonial Mutual Life Assurance Society Ltd	33,358,000 (L)	Not clear	H Shares	6.77%	Not clear
First State (Hong Kong) LLC	32,166,000 (L)	Not clear	H Shares	6.52%	Not clear
First State Investments (Hong Kong) Limited	30,712,000 (L)	Not clear	H Shares	6.23%	Not clear
First State Investments (Singapore)	30,608,000 (L)	Not clear	H Shares	6.21%	Not clear
First State Investments Holdings (Singapore) Limited	30,608,000 (L)	Not clear	H Shares	6.21%	Not clear

SHAREHOLDERS AND THE CHANGE OF SHARE CAPITAL

Names	At end of period (shares)	Increases or decreases during period	Type of shares	As a % of total capital	Pledged or locked-up
JPMorgan Chase & Co.	29,796,000 (L) 29,796,000 (P)	Not clear	H Shares	6.04% 6.04%	Not clear
JPMorgan Chase Bank, N.A.	29,796,000 (L) 29,796,000 (P)	Not clear	H Shares	6.04% 6.04%	Not clear
Sumitomo Mitsui Asset Management Company, Limited	26,678,000 (L)	Not clear	H Shares	6.02%	Not clear

L = Long Position

P = Lending Pool

Save as disclosed herein, the Directors are not aware of any person who was, directly or indirectly, interested or had short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance was directly or indirectly, to be interested in 5% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meetings of any member of the Group, or any options in respect of such capital as at 31 December 2005.

2. The controlling shareholder of the Company

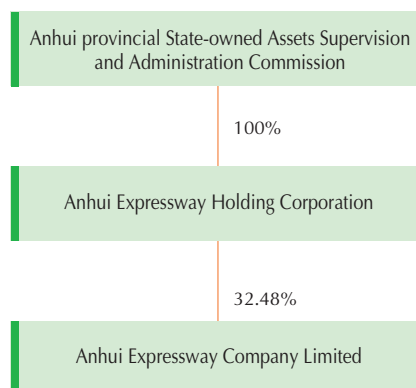
During the reporting period, the controlling shareholder of the Company was unchanged, its basic information is as follows:

Name:	Anhui Expressway Holding Corporation ("AEHC")
Legal representative:	Wang Shui
Date of establishment:	23 April 1993
Registered capital:	RMB1,890,000,000
Nature of company:	State-owned enterprise
Business scope:	Highway construction, planning, design, control, technical consultation and ancillary service.

SHAREHOLDERS AND THE CHANGE OF SHARE CAPITAL

3. Information of the real controller of the controlling shareholder of the Company

The controlling shareholder of the Company—Anhui Expressway Holding Corporation is a state-owned enterprise and is under the control of Anhui provincial State-owned Assets Supervision and Administration Commission.



4. Other legal person shareholders who hold more than 10% of the share capital as at of the reporting period

Name:	Huajian Transportation Economic Development Center ("Huajian Center")
Legal representative:	Fu Yuning
Date of establishment:	18 December 1993
Registered capital:	RMB500,000,000
Nature of company:	State-owned enterprise
Business scope:	Huajian Center is principally engaged in the comprehensive development and contracting construction of roads, wharves, harbors and sea-lanes; development, research and production of new technologies, new products and new materials for transportation infrastructure facilities and sales of products; sales of building materials, mechanical and electrical equipment, automobiles (except cars) and fittings, hardware and daily necessities; economic information consultation and personnel training.

5. No pre-emptive rights exist in the jurisdiction in which the Company is incorporated.

6. Sufficiency of public float

Based on information that is publicly available to the Company and within the knowledge of the Directors of the Company, the Directors confirm that the Company had maintained during the year the amount of public float as required under the Listing Rules.