

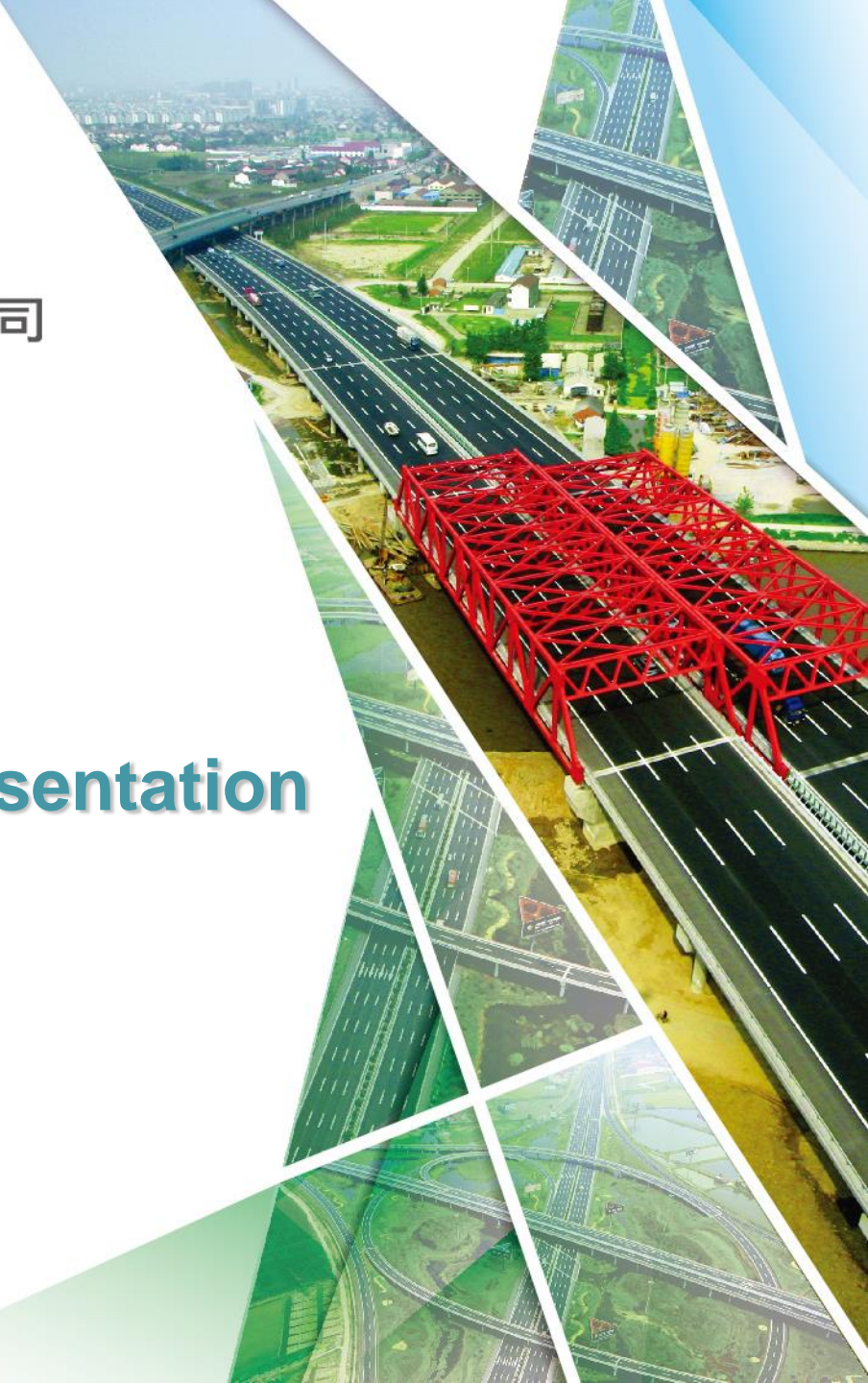


江蘇寧滬高速公路股份有限公司

Jiangsu Expressway Company Limited

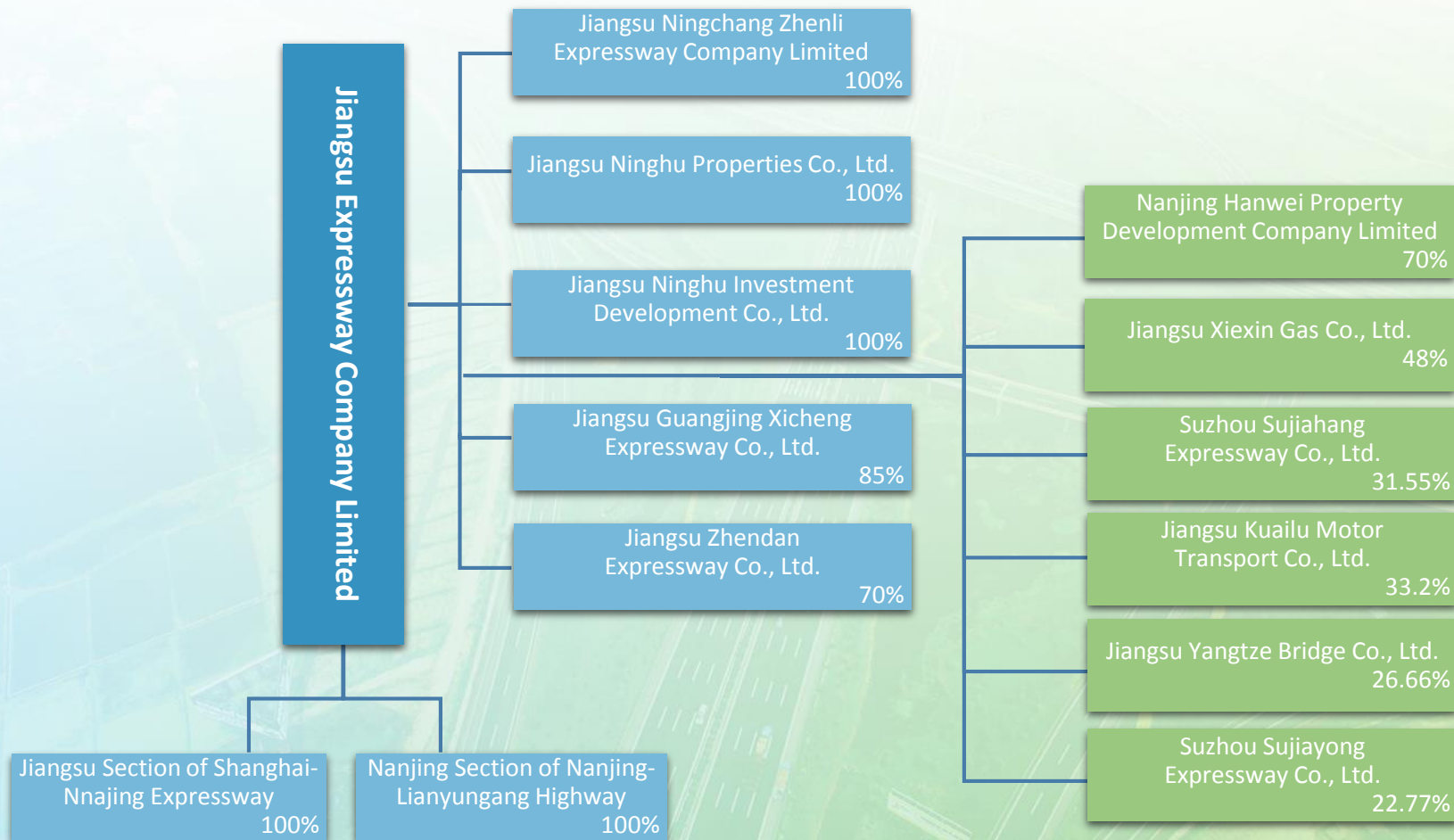
(Stock Code: 177.HK)

2016 Interim Results Presentation



Business Structure

Business Structure



Financial Highlights

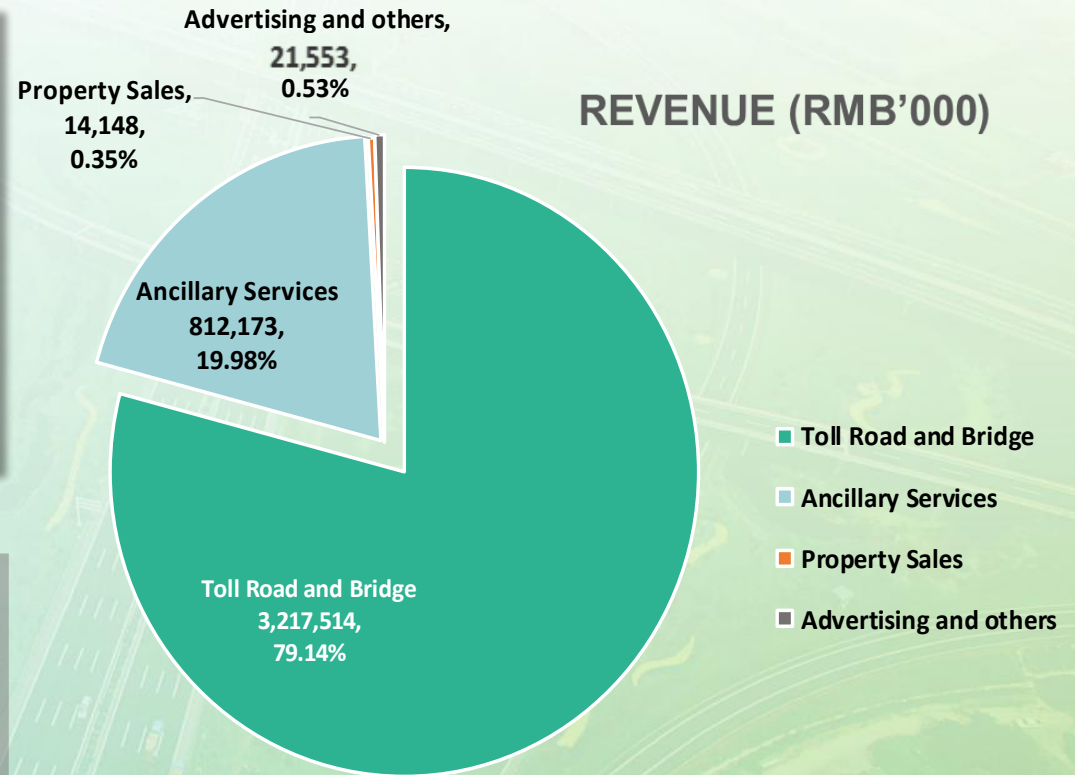
| | As at the end of the reporting period | As at the end of the previous year | Change |
|---|---------------------------------------|------------------------------------|-------------------------------------|
| Total assets | 36,213,529,953 | 36,476,039,663 | -0.72% |
| Total liabilities | 15,508,471,874 | 15,289,867,555 | 1.43% |
| Net assets attributable to shareholders of the Company | 20,016,452,701 | 20,476,159,276 | -2.25% |
| Total assets gearing ratio | 42.83% | 41.92% | Increased by 0.91 percentage points |

Operation Results

Financial Highlights

| | Jan-June 2016 (RMB) | Jan-June 2015 (RMB) | Change (%) |
|--|------------------------|------------------------|----------------------|
| Operating income | 4,065,387,855 | 4,310,667,008 | -5.69% |
| Operating costs | 1,717,903,623 | 2,054,507,543 | -16.38% |
| Net profit attributable to Shareholders of the Company | 1,559,819,318 | 1,726,699,765 | -9.66% |
| Basic earnings per share | Approximately 0.31 | Approximately 0.34 | Approximately -9.66% |
| Net profit attributable to shareholders of the Company after non-recurring profit or loss | 1,549,482,853 | 1,463,749,830 | 5.86% |

Income Distribution

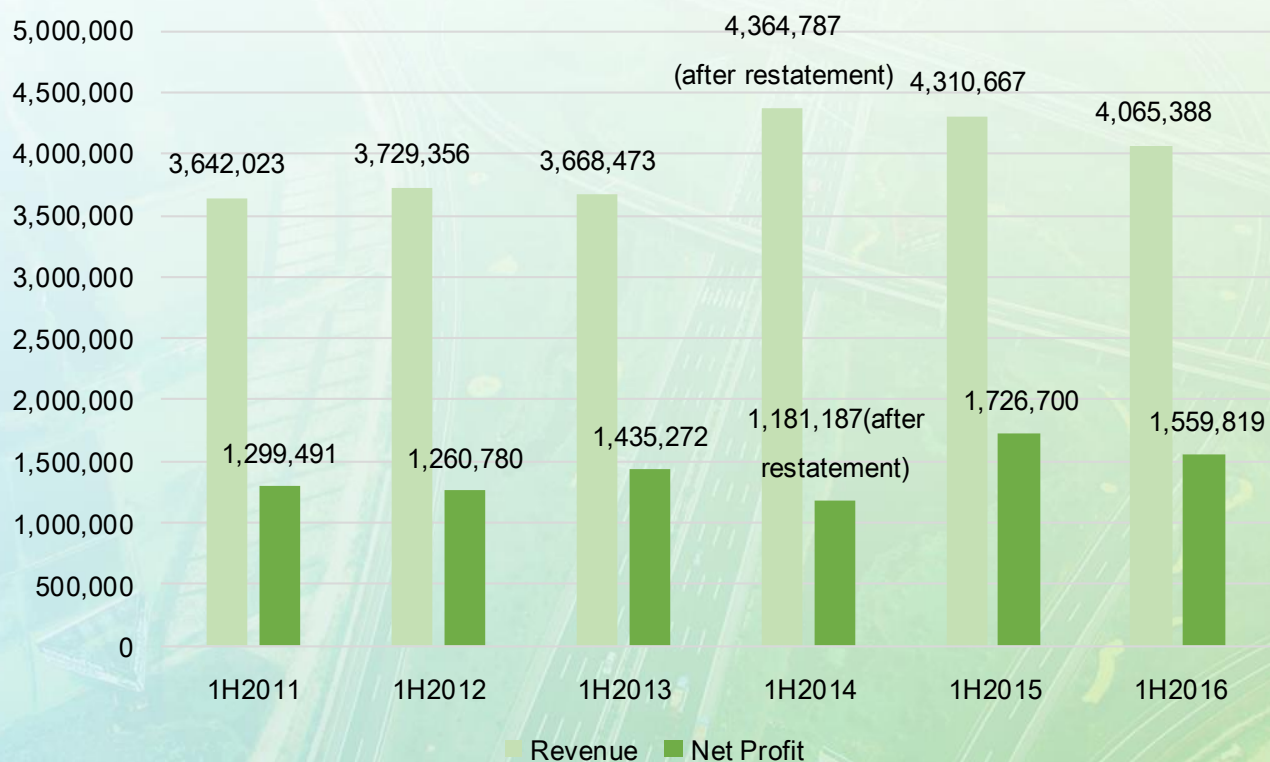


Income Distribution

Six months ended on 30 June, 2016

Financial Highlights (cont'd)

Revenue and Net Profit for 1H from 2011 to 2016 (RMB'000)



Six months ended on 30 June

Operation Review

Operation Review

| Item | Operating revenue | | Operating costs | | Gross profit margin | |
|--|----------------------------|-----------------------------------|----------------------------|-----------------------------------|----------------------|-----------------------------------|
| | Reporting period (RMB'000) | Change over the previous year (%) | Reporting period (RMB'000) | Change over the previous year (%) | Reporting period (%) | Change over the previous year (%) |
| Toll road | 3,217,513,915 | 2.84 | 931,303,989 | -6.48 | 71.06 | 2.89 |
| <i>Shanghai-Nanjing Expressway</i> | 2,224,628,709 | 1.06 | 541,371,891 | 3.80 | 75.66 | -0.65 |
| <i>Nanjing- Lianyungang Highway</i> | 12,238,481 | -5.74 | 8,320,425 | 7.36 | 32.01 | -8.31 |
| <i>Guangjing Xicheng Expressway</i> | 401,402,294 | 2.33 | 90,366,591 | 3.51 | 77.49 | -0.25 |
| <i>Ningchang Expressway and Zhenli Expressway</i> | 433,783,569 | 18.56 | 216,983,859 | 11.39 | 49.98 | 3.22 |
| <i>Xiyi Expressway and Wuxi Huantaihu Expressway</i> | 145,460,862 | 11.14 | 74,261,223 | 10.87 | 48.95 | 0.13 |
| Ancillary services | 812,173,150 | -12.44 | 797,324,297 | -13.01 | 1.83 | 0.65 |
| Property sales | 14,148,090 | -93.83 | -19,612,498 | — | 238.62 | 197.25 |
| Advertising and others | 21,552,700 | -14.78 | 8,887,835 | 14.96 | 58.76 | -10.67 |
| Total | 4,065,387,855 | -5.69 | 1,717,903,623 | -16.38 | 57.74 | 5.4 |

Toll Roads and Bridge Business

| Road/Bridge | Average daily traffic volume (vehicle / day) | | | Average daily toll revenue (RMB'000 / day) | | |
|--|---|---|------------|---|---|------------|
| | Reporting period | Corresponding period of the previous year | Change (%) | Reporting period | Corresponding period of the previous year | Change (%) |
| Shanghai-Nanjing Expressway | 84,222 | 80,081 | 5.17 | 12,223.23 | 12,161.38 | 0.51 |
| Nanjing Section of Nanjing-Lianyungang Highway | 5,081 | 4,582 | 10.87 | 67.24 | 71.74 | -6.26 |
| Guangjing Expressway | 65,671 | 61,084 | 7.51 | 769.05 | 766.45 | 0.34 |
| Xicheng Expressway | 70,454 | 63,966 | 10.14 | 1,436.45 | 1,400.76 | 2.55 |
| Jiangyin Bridge | 78,191 | 72,153 | 8.37 | 2,783.40 | 2,672.47 | 4.15 |
| Sujiahang Expressway | 57,891 | 55,093 | 5.08 | 3,331.59 | 3,156.09 | 5.56 |
| Ning Chang Expressway | 31,764 | 26,785 | 18.59 | 1,820.62 | 1,519.48 | 19.82 |
| Zhenli Expressway | 9,880 | 9,092 | 8.65 | 562.81 | 501.97 | 12.12 |
| Xiyi Expressway | 18,757 | 18,006 | 4.17 | 729.12 | 652.74 | 11.70 |
| Huantaihu Expressway | 7,252 | 6,853 | 5.81 | 70.12 | 70.34 | -0.31 |

The traffic volume of Ningchang Expressway, the main bypass roads of west section of Shanghai-Nanjing Expressway, continued to maintain good growth momentum.



| Road/Bridge | Average daily traffic volume(vehicle / day) | | | Average daily toll revenue(RMB'000 / day) | | |
|----------------------|---|---|------------|---|---|------------|
| | Reporting period | Corresponding period of the previous year | Change (%) | Reporting period | Corresponding period of the previous year | Change (%) |
| Ningchang Expressway | 31,764 | 26,785 | 18.59 | 1,820.62 | 1,519.48 | 19.82 |
| Zhenli Expressway | 9,880 | 9,092 | 8.65 | 562.81 | 501.97 | 12.12 |
| Xiyi Expressway | 18,757 | 18,006 | 4.17 | 729.12 | 652.74 | 11.70 |
| Huantaihu Expressway | 7,252 | 6,853 | 5.81 | 70.12 | 70.34 | -0.31 |

Guangjing Xicheng Expressways, Jiangyin Yangtze Bridge and Sujiahang Expressway

| | Average daily traffic volume (vehicle/day) (change%) | Average daily toll revenue (RMB'000/day) (change%) |
|-----------------------------|--|--|
| Guangjing Expressway | 65,671 (+7.51%) | 769.05 (+0.34) |
| Xicheng Expressway | 70,454 (+10.14%) | 1,436.45 (+2.55) |
| Jiangyin Bridge | 78,191 (+8.37%) | 2,783.40 (+4.15) |
| Sujiahang Expressway | 57,891 (+5.08%) | 3,331.59 (+5.56) |

Ancillary Services



During the Reporting Period, the Company's revenue from ancillary services amounted to approximately RMB812,173,000, representing a year-on-year decrease of approximately 12.44%. In particular, the sales of petroleum products amounted to approximately RMB684,199,000, accounting for approximately 84.24% of the total revenue from ancillary services.



The sales volume of oil products was influenced by the continuous decrease in truck flow of Shanghai-Nanjing Expressway. In the meanwhile, due to the decrease in price of national refined oil, the year-on-year revenue of oil products decreased by approximately 15.38%.



Revenue from other businesses including food and beverage, retail service and hindrance clearing services amounted to approximately RMB127,974,000, representing a year-on-year increase of approximately 7.56%.

Real Estate Development and Sales Business



In the first half of this year, the real estate market continues to heat up in Nanjing, Suzhou and some other area. The Group well grasped market opportunities to adjust marketing strategy timely, tried to improve the selling rate, and speed up the progress of constructions to ensure smooth delivery.



The revenue from the pre-sale of property units amounted to approximately RMB902,206,000; the carry-over revenue from sales of delivered units amounted to approximately RMB14,148,000.



Although during the Reporting Period, the presale of real estate projects is better, the sales revenue is mainly concentrated in the second half year because only few at-the-close order of Project Tongchengshijia and Project Guangmingjiezuo delivered.

Advertising and Other Businesses



During the Reporting Period, the revenue from advertising and other businesses of the Group amounted to approximately RMB 21,553,000, representing a year-on-year decrease of approximately 14.78%.



Among which, revenue from advertising business was approximately RMB17,030,000, representing a year-on-year decrease of 22.68%.



Revenue from property service fees and lease of commercial properties was approximately RMB4,523,000, representing a year-on-year increase of approximately 38.56%.

Investment Income






During the Reporting Period, the investment income of the Group amounted to approximately RMB205,887,000, representing a year-on-year decrease of approximately 25.61%, which accounted for approximately 12.82% of the Group's net profit.

| Company Name | Investment Cost (RMB'000) | Net profit Attributable to the Shareholders of the Associates (RMB'000) | Investment Income Contribution (RMB'000) | Percentage over the Company's Net Profit (%) | Year-on-year Change (%) |
|---------------------------------------|---------------------------|---|--|--|-------------------------|
| Suzhou Sujiahang Expressway Co., Ltd. | 526,091 | 223,004 | 53,834 | 3.35 | -25.82 |
| Jiangsu Yangtze Bridge Co., Ltd. | 631,159 | 235,232 | 62,713 | 3.90 | 19.43 |
| Jiangsu Yanjiang Expressway Co., Ltd. | 1,466,200 | 240,623 | 77,625 | 4.83 | 3.00 |

Operation Outlook & Development Strategy

Analysis of Operating Environment



-  In the second half of 2016, although the macroeconomic situation is still facing some downward pressure, passenger vehicle flow performance of all highways in July are better than average performance in the first half year.
-  G312 Shanghai-Nanjing Expressway terminated franchise fees in September 2015, which to some extent reduced the burden on the company's businesses and will exert an positive effects on decreasing the annual cost of fee-based businesses.
-  By a reasonable replacement and adjustment of undertaking debt of project acquisition in the second half of 2015, the Group's cost of funds decreased obviously and the pressure of financial cost will reduce significantly.

Highlights of Work in the 2nd Half of This Year

Actively promote the Group's "Thirteenth Five-Year" Development Strategy

Promote the Group's "Thirteenth Five-Year" Development Strategy and speed up the industrial structure optimization and transformation upgrading.

Seek the investment opportunities of derivatives industries and emerging industries. Gradually build up the three major business layout of infrastructure, equity investments and functional real estate.

Continue to improve road operation management and service level

Continue to innovate and upgrade in management and services, further strengthen fees management, service area management, troubleshooting clear management, command and control center management, information service management and corporate culture construction .

Promote upgrading work of service area, innovative business model, expanding business conditions and strive to achieve double upgrading of basic services function and economic benefits.

Fully use financing platform to guarantee funding

Pay close attention to changes in monetary policy and financing environment, strengthen the application of financing tools.

Broaden the financing channels, reduce financing costs and provide adequate funding for the Group's strategic development.

Thank you!