



[FOR IMMEDIATE RELEASE]

**Zhejiang Expressway Announces 2015 First Quarterly Results
Profit Attributable to Owners of the Company Reached Rmb630.50 Million**

(Hong Kong, May 18, 2015) – Zhejiang Expressway Co., Ltd. (“Zhejiang Expressway” or the “Company”) (HKEx code: 576; LSE code: ZHEH; ADR code: ZHEXY) today announced the unaudited consolidated operating results of the Company and its subsidiaries (collectively the “Group”) for the three months ended May 31, 2015 (the “Period”).

During the Period, revenue of the Group increased 22.4% year-on-year to Rmb2,470.40 million. Profit attributable to owners of the Company amounted to Rmb630.50 million, representing an increase of 23.0%. Basic and diluted earnings per share were Rmb14.52 cents (the corresponding period in 2014: Rmb11.80 cents).

Mr. Zhan Xiaozhang, Chairman of Zhejiang Expressway said, “The Group’s three expressways maintained solid organic growth in traffic volume, with strong growth rates recorded in January and February though growth rate fell back somewhat in March. In addition, we are delighted to see that while the Group’s Zheshang Securities is accelerating the development of each business segment, it has been focusing on major undertakings, building up businesses with competitive strengths, exploring innovative businesses, adjusting and optimizing its diversified business structure, and constantly working to streamline its income and profit structure.”

Business Review

During the Period, as Zhejiang Province’s economy steadily improved, traffic volume on the Group’s expressways continued to witness decent organic growth. In addition, there was active trading volume in the domestic stock market. As a result, income from the Group’s overall operations increased 23.4% year-on-year. Total income reached Rmb2,564.89 million, of which Rmb1,054.50 million was generated from the three major expressways operated by the Group, representing an increase of 5.0% year-on-year and 41.1% of the total income; Rmb439.69 million was from the Group’s toll road-related businesses, representing a decrease of 24.7% year-on-year and 17.2% of the total income; and Rmb1,070.70 million was from the securities business of the Group, representing an increase of 118.2% year-on-year and 41.7% of the total income.

Regarding the road operations, the Group’s three expressways recorded different growth rates because they are located in different regions. Among these expressways, the Jinhua Section of the Ningbo-Jinhua Expressway continued to see robust organic growth in traffic volume as a result of the rapid economic development in Yiwu and nearby regions, as well as a rapid increase in small truck ownership in Yiwu. During the period, the average daily traffic volume in full-trip equivalents along the Shanghai-Hangzhou-Ningbo Expressway was 45,080 during the Period, representing an increase of 5.8% year-on-year. In particular, the average daily traffic volume in full-trip equivalents along the Shanghai-Hangzhou section of the Shanghai-Hangzhou-Ningbo Expressway was 42,586, representing an increase of 2.5% year-on-year, and that along the Hangzhou-Ningbo Section was 47,023, representing an increase of 8.4% year-on-year. Average daily traffic volume in full-trip equivalents along the Shangsang Expressway was 25,442, representing an increase of 12.3% year-on-year. Average daily traffic volume in full-trip equivalents along the Jinhua Section of the Ningbo-Jinhua Expressway was 17,181, representing an increase of 15.6% year-on-year.

As for the toll road-related business operations, due to the impact from the temporary closure of the Bei'an Service Area to the north of the Hangzhou Bay Bridge for renovation as well as increased competition from new service areas nearby, the income from service areas (excluding gas stations) along the Group's expressways did not have significant change compared to that of last year. In addition, the Group's external road maintenance projects brought additional income; however, continuous cuts to the price of domestic refined oil products negatively affected overall income of the Group's toll road-related businesses. During the Period, income from toll road related operations was Rmb439.69 million, representing a decrease of 24.7% year-on-year.

With regard to the securities business, the average brokerage commission rate for the Company's subsidiary Zheshang Securities saw a continuous downward trend as a result of intensified competition in the securities industry and relaxed controls on commissions. However, total trading volume on the Shanghai and Shenzhen stock markets increased 244.7 % year-on-year due to the revival of a bullish domestic securities market. During the Period, the brokerage business of Zheshang Securities saw a substantial increase in trading volume and posted a year-on-year increase of 147.3% in brokerage commission income. During the Period, Zheshang Securities' total operating income was Rmb 1,070.70 million, representing an increase of 118.2% year-on-year, of which brokerage commission income rose 103.5% year-over-year to Rmb713.01 million, and interest income from the securities business was Rmb357.69 million, representing an increase of 155.1%. Moreover, securities investment gains of Zheshang Securities included in the condensed consolidated statements of profit or loss and other comprehensive income of the Group was Rmb74.46 million during the Period (corresponding period of 2014: gains of Rmb17.41 million).

Outlook

Currently, China's economy is moving into a "new normal" as it downshifts from rapid growth to fast albeit more moderate growth. It is anticipated that the Group's toll road business, which is closely tied to the macro-economic development, will see steady growth in total traffic volume in the first half of 2015, but the rate of organic growth is expected to slow down.

Meanwhile, Zheshang Securities will pay close attention to new market policies, and seek new profit drivers through continuously innovating its business. In addition, while remained focused on reinforcing cost and risk controls, Zheshang Securities will look to push forward its listing process on the Shanghai Stock Exchange and promote a sustainable and healthy development of its various lines of businesses.

Chairman Zhan concluded, "At present, the Company is actively developing its strategic transformation plan. We will pay close attention to change in the business environment and relevant policies to adjust its business strategies in a timely manner based on the Company's needs, and will continue to improve the Company's core expressway business and optimize the securities and finance business. The Group will strive to find suitable investment projects with manageable risks and nurture management capabilities in our diversified operations in order to support the long-term and sustainable development of the Company, creating value for shareholders."

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About Zhejiang Expressway Co., Ltd

Established in 1997, Zhejiang Expressway Co., Ltd. (HKEx code: 576; LSE code: ZHEH; ADR code: ZHEXY) is regarded by the Zhejiang Provincial Government as its main enterprise for investment, development, operation, maintenance and management of high-grade roads in Zhejiang Province. The Company and its subsidiaries have concession rights to operate the Shanghai-Hangzhou-Ningbo Expressway and the Shangsang Expressway for a period of 30 years, as well as the Jinhua Section of the Ningbo-Jinhua Expressway for a period of 25 years. The Company and its subsidiaries also carry out certain ancillary businesses such as automobile servicing, operation of gas stations and billboard advertising along expressways, as well as the securities business.

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