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**浙江滬杭甬高速公路股份有限公司**  
**ZHEJIANG EXPRESSWAY CO., LTD.**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock code: 0576)**

## **2016 THIRD QUARTERLY RESULTS ANNOUNCEMENT**

The directors (the “Directors”) of Zhejiang Expressway Co., Ltd. (the “Company”) are pleased to announce the third quarterly results of the Company and its subsidiaries (the “Group”) for the nine months ended September 30, 2016 (the “Period”).

The audit committee of the Company has reviewed the quarterly results of the Group for the Period. Set out below are the Group’s unaudited condensed consolidated statement of profit or loss and other comprehensive income, unaudited condensed consolidated statement of financial position and unaudited condensed consolidated statement of cash flows for the Period together with the comparative figures for the corresponding period of 2015:

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND  
OTHER COMPREHENSIVE INCOME**

	<b>For the nine months ended September 30,</b>	
	<b>2016</b>	<b>2015</b>
	<b>Rmb'000</b>	<b>Rmb'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited and restated)</b>
Revenue	<b>8,008,780</b>	9,381,600
Operating costs	<b>(4,320,395)</b>	(5,418,088)
Gross profit	<b>3,688,385</b>	3,963,512
Securities investment gains	<b>319,675</b>	433,752
Other income	<b>252,056</b>	226,456
Administrative expenses	<b>(66,006)</b>	(69,792)
Other expenses	<b>(30,314)</b>	(47,067)
Share of profit of associates	<b>30,177</b>	41,788
Share of profit (loss) of a joint venture	<b>6,287</b>	(21,133)
Finance costs	<b>(506,177)</b>	(453,364)
Profit before tax	<b>3,694,083</b>	4,074,152
Income tax expense	<b>(923,367)</b>	(1,042,594)
Profit for the Period	<b>2,770,716</b>	3,031,558
Other comprehensive income (loss)		
Items that may be reclassified subsequently to profit or loss:		
Available-for-sale financial assets:		
– Fair values gain (loss) during the Period	<b>28,958</b>	(4,909)
– Reclassification adjustments for cumulative gain included in profit or loss upon disposal	<b>(26,023)</b>	(410)
Exchange differences on translating foreign operations	<b>88</b>	197
Income tax relating to items that may be reclassified subsequently	<b>(734)</b>	1,330
Other comprehensive income (loss) for the Period, net of tax	<b>2,289</b>	(3,792)
Total comprehensive income for the Period	<b>2,773,005</b>	3,027,766
Profit for the Period attributable to:		
Owners of the Company	<b>2,180,971</b>	2,257,171
Non-controlling interests	<b>589,745</b>	774,387
	<b>2,770,716</b>	3,031,558
Total comprehensive income for the Period attributable to:		
Owners of the Company	<b>2,182,167</b>	2,255,461
Non-controlling interests	<b>590,838</b>	772,305
	<b>2,773,005</b>	3,027,766
Earnings per share – Basic and diluted	<b>Rmb50.22 cents</b>	Rmb51.97 cents

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at <b>September 30,</b> <b>2016</b> <i>Rmb'000</i> <b>(Unaudited)</b>	As at December 31, 2015 <i>Rmb'000</i> (Audited)
Non-current assets	<b>21,200,917</b>	19,532,288
Current assets	<b>49,596,778</b>	54,359,475
Current liabilities	<b>42,223,915</b>	42,440,986
Net current assets	<b>7,372,863</b>	11,918,489
Total assets less current liabilities	<b>28,573,780</b>	31,450,777
Non-current liabilities	<b>5,201,905</b>	9,452,128
	<b>23,371,875</b>	21,998,649
Capital and Reserves		
Share capital	<b>4,343,115</b>	4,343,115
Reserves	<b>13,359,638</b>	12,393,543
Equity attributable to owners of the Company	<b>17,702,753</b>	16,736,658
Non-controlling interests	<b>5,669,122</b>	5,261,991
	<b>23,371,875</b>	21,998,649

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the nine months ended September 30,	
	2016	2015
	Rmb'000	Rmb'000
	(Unaudited)	(Unaudited and restated)
Net cash from (used in) operating activities	2,432,567	(3,308,809)
Net cash used in investing activities	(596,757)	(73,402)
Net cash (used in) from financing activities	(2,916,694)	6,147,881
Net (decrease) increase in cash and cash equivalents	(1,080,884)	2,765,670
Cash and cash equivalents at beginning of the Period	4,983,051	3,356,563
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies	88	197
Cash and cash equivalents at end of the Period	3,902,255	6,122,430

By Order of the Board  
**Zhejiang Expressway Co., Ltd**  
**ZHAN Xiaozhang**  
*Chairman*

Hangzhou, the PRC, October 31, 2016

*As at the date of this announcement, the executive directors of the Company are: Mr. ZHAN Xiaozhang, Mr. CHENG Tao and Ms. LUO Jianhu; the non-executive directors of the Company are: Mr. WANG Dongjie, Mr. DAI Benmeng, and Mr. ZHOU Jianping; and the independent non-executive directors of the Company are: Mr. ZHOU Jun, Mr. PEI Ker-Wei and Ms. LEE Wai Tsang, Rosa.*