



**安徽皖通高速公路股份有限公司**  
**ANHUI EXPRESSWAY COMPANY LIMITED**

(Incorporated in the People's Republic of China with limited liability as a joint-stock limited company)  
(Stock code 995)

**2007 First Quarterly Report**

This announcement is made pursuant to Rule 13.09 of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited.

All the financial information set out in the 2007 First Quarterly Report has been prepared in accordance with the applicable PRC Accounting Standards. In accordance with the applicable rules of the Shanghai Stock Exchange of the PRC (on which the Company's A shares are listed), the 2007 First Quarterly Report of the Company and its subsidiaries will be published on 30 April 2007 in designated newspapers circulated in the PRC.

In accordance with the applicable rules of the Shanghai Stock Exchange of the People's Republic of China (the "PRC") (on which the Company's A shares are listed), a report of Anhui Expressway Company Limited (the "Company") and its subsidiaries (regarded as the "Group" combined with the Company) for the First Quarterly Report of 2007 ("the 2007 First Quarterly Report") will be published on 30 April 2007 in designated newspapers circulated in the PRC. All the financial information set out in the 2007 First Quarterly Report has been prepared in accordance with the applicable PRC Accounting Standards. The following is the main text of the 2007 First Quarterly Report:

**1. Important Notice**

- 1.1. The Board of Directors, the Supervisory Committee, Directors, Supervisors and Senior Management of the Company warrant that there are no false accounts, misleading presentations or material omissions in this report, and the directors of the Company jointly and severally accept responsibility for the truth, accuracy and completeness of the contents in this report.
- 1.2. All the directors of the Company attend the Board meeting.
- 1.3. The financial information in this report has not been audited.
- 1.4. Mr. Wang Shui, Chairman of the Company, Mr. Li Yungui, Director and General Manager of the Company and Ms. Liang Bing, Manager of Financial Department of the Company warrant the truth and completeness of the financial information in this report.

**2. Corporate Profile**

**2.1 Principal accounting data and financial indicators**

	Unit: RMB		Increase/decrease at the end of the period compared with last year (%)
	As at the end of the reporting period under review	As at the end of previous financial year	
Total assets	7,446,366,277.25	7,247,814,462.56	2.74
Shareholders' equity (excluding minority interests)	5,119,753,597.23	4,933,555,375.43	3.77
Net asset per share (excluding minority interests)	3.0868	2.9745	3.77
		From beginning of the year to the end of the reporting period	Increase/decrease compared with the same period last year (%)
Net cash flows from operating activities		282,389,321.22	49.82
Net cash flows from operating activities per share		0.1703	49.82
	Reporting period	From beginning of the year to the end of the reporting period	Increase/decrease for the reporting period compared with the same period last year (%)
Net profit attributable to the equity holders of the Company	186,198,221.80	186,198,221.80	0.27
Basic earnings per share	0.1123	0.1123	0.27
Diluted earnings per share	Not applicable	Not applicable	
Return on net assets (%)	3.64	3.64	-5.45
Return on net assets excluding extraordinary items (%)	3.64	3.64	-5.45
		Amount from beginning of the year to the end of the reporting period (RMB)	
Extraordinary items			
Net non-operating income/expenses		-56,929.70	
Effect of income tax		12,146.60	
Total		-44,783.10	

**2.2 The total number of shareholders and shareholding of the ten largest shareholders of unrestricted circulating shares of the Company at the end of the reporting period (The Share Segregation reform has been completed)**

	Unit: share
Number of shareholders at the end of the reporting period	At the end of the reporting period shareholders totaled 42,259 of which there were one state-owned shareholder, one state-owned legal person shareholder, 42,189 holders of A shares and 68 holders of H shares.)

**Shareholding of the ten largest shareholders of unrestricted circulating shares of the Company**

Name of shareholders (full name)	The number of unrestricted circulating shares	Type of shares
HKSCC NOMINEES (HONG KONG) LTD	486,253,898	Overseas-listed foreign shares
National Social Insurance Fund 108 Composition	18,000,000	Renminbi-denominated ordinary shares
Bank of China — E Fund Active Growth Securities Investment Fund	15,589,328	Renminbi-denominated ordinary shares
Morgan Stanley Investment Management Company Limited — Morgan Stanley Chinese A Shares Fund	12,899,090	Renminbi-denominated ordinary shares
National Social Insurance Fund 102 Composition	8,500,000	Renminbi-denominated ordinary shares
China Pacific Life Insurance Company Limited — Traditional — Ordinary Insurance Products	6,779,199	Renminbi-denominated ordinary shares
Agriculture Bank of China — Franklin Guohai Elastic Market Value Stock Securities Investment Fund	6,398,564	Renminbi-denominated ordinary shares
Shenyin & Wanguo — Agriculture Bank of China — BNP PARIBAS	6,141,886	Renminbi-denominated ordinary shares
ARSENTON NOMINEES LIMITED	4,802,000	Overseas-listed foreign shares
China Life Insurance (Group) Company Limited — Traditional — Ordinary Insurance Products	4,299,950	Renminbi-denominated ordinary shares

**3. Significant events**

**3.1 Significant changes of key accounting items and financial indices and the reason for the changes**

Applicable  Not applicable

1. The significant increase of cash and cash equivalents was mainly due to the cash received as toll income and overall arrangement of cash by the management;
2. The significant increase of intangible assets was mainly because that the land use rights about RMB 240 million, which was originally recorded as fixed assets in accordance with the old Enterprise Accounting Standards was presented as intangible assets in accordance to the New China accounting standards;
3. The significant decrease of tax payables was mainly due to the part payments of 2006 taxation;
4. The significant increase of net cash flows from operating activities was mainly due to the decrease of cash outflows from operating activities such as tax payments during the reporting period compared with the same period last year.

**3.2 The progress and impact of significant events and the analysis and explanation for the solutions**

Applicable  Not applicable

**3.3 Status of fulfillment of commitments undertaken by the Company, shareholders and the actual controller**

Applicable  Not applicable

1. The widening of four-lane to eight-lane of Hening Expressway with the section of Dashushan to interconnected interchange of Longxi commenced in August 2006. During the first quarter of 2007, total

investment of RMB128 million was completed and as of 31 March 2007, the accumulated investment of RMB262 million was completed for the widening works.

2. Pursuant to the Reorganization Agreement signed by the Company and Anhui Expressway Holding Corporation on 12th October 1996, AEHC has undertaken that it will not participate in any businesses or activities, which will compete against the Company either directly or indirectly.
3. Particular undertakings made by the shareholders of non-circulating shares of the Company (Anhui Expressway Holding Corporation and Huajian Transportation Economic Development Center) during the Share Segregation Reform and their implementation:
  - (1) 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;
  - (2) Within 3 years from the implementation date of the Share Segregation Reform Proposal, the Shareholders of Non-circulating Shares undertook to sell their shares, if they need to, 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;
  - (3) All Shareholders of Non-circulating Shares undertook that, during three continuous years immediately following the completion of 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;
  - (4) Shareholders of Non-circulating Shares undertook 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;
  - (5) 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.

The shareholders of the Company implemented their undertakings carefully without breach.

**3.4 Forecast of a probable loss in respect of the accumulated net profit from the beginning of the financial year to the end of the next reporting period or warning in respect of any significant changes of profit as compared with that of the corresponding period of last year and the reasons.**

Applicable  Not applicable

**3.5 Explanation of the reason for the difference between shareholders' equities at the beginning of 2007 in the balance sheet of this quarterly report and the "Difference Adjustment Table for Shareholders' equities Determined in accordance with New/Old Accounting Standards".**

Applicable  Not applicable

By Order of the Board  
**Xie Xinyu**  
Company Secretary

27 April 2007  
Hefei, Anhui, the PRC

*As at the date of this announcement, the Board comprises of: Wang Shui, Li Yungui, Tu Xiaobei, Zhang Hui, Zhang Wensheng, Li Zhanglin, Leung Man Kit, Li Mei and Guo Shan*