Hopewell Highway Infrastructure Limited
合 和 公 路 基 建 有 限 公 司*
(incorporated in the Cayman Islands with limited liability)
Stock Codes: 737 (HKD counter) and 80737 (RMB counter)

FINAL RESULTS FOR THE YEAR ENDED 30 JUNE 2013

FINANCIAL HIGHLIGHTS
(in million RMB dollars, unless otherwise stated)

For the year ended 30 June	2012	**2013**	% Change
Net toll revenue	1,949	**1,803**	-7%
Profit attributable to owners of the Company	836	**601**	-28%
EPS (RMB cents)	28.23	**19.75**	-30%
Interim DPS (RMB cents/HK cents)	14.70/18.00	**10.00/12.3394**	-32%
Final DPS (RMB cents/HK cents)	12.95/16.00	**9.00/11.3122**	-31%
Special final DPS (RMB cents/HK cents)	-	**10.00/12.5691**	-
Total DPS (RMB cents/HK cents)	27.65/34.00	**29.00/36.2207**	+5%
Net Assets per share (RMB) (as of 30 June)	2.46	**2.46**	-

CHAIRMAN'S STATEMENT

I am pleased to report the Group's results for the financial year ended 30 June 2013. The Group's net toll revenue fell by approximately 7% to RMB1,803 million during the year under review, compared to the previous year. This was mainly due to a year-on-year decline of approximately 13% in the toll revenue of the GS Superhighway following the implementation of the Guangdong Province Toll Roads Special Clean-up Implementation Proposal ("**Tariff Proposal**") in June 2012 and the Holiday Toll-free Policy. However, that decline was partly offset by strong growth in the toll revenue of Phase II West and the new revenue contribution from Phase III West, which opened on 25 January 2013. The Group's net profit from its toll road projects decreased by 28% from RMB809 million to RMB581 million. Meanwhile, the profit attributable to owners of the Company declined by 28%, from RMB836 million to RMB601 million. Basic earnings per share for the year decreased by 30% from the previous year's HK34.55 cents (equivalent to RMB28.23 cents) to RMB19.75 cents.

* *For identification purpose only*

Final Dividend and Special Final Dividend

The Board has proposed a final dividend of RMB9 cents (equivalent to HK11.3122 cents at the exchange rate of RMB1:HK$1.25691) per share plus a special final dividend of RMB10 cents (equivalent to HK12.5691 cents at the exchange rate of RMB1:HK$1.25691) per share for the year ended 30 June 2013. Together with an interim dividend of RMB10 cents per share that has already been paid, the total dividends for the year will amount to RMB29 cents per share. This represents an increase of 5% on the last financial year's total dividends of HK34 cents (equivalent to approximately RMB28 cents) per share. Excluding the special final dividend of RMB10 cents per share, the Company's total dividends for this year represents a payout ratio of 97% of the Company's profit attributable to owners of the Company and will be 1% lower than that of the previous year.

Subject to shareholders' approval at the 2013 Annual General Meeting to be held on Monday, 21 October 2013, the proposed final dividend and special final dividend will be paid on Monday, 25 November 2013 to shareholders who were registered at the close of business on Friday, 25 October 2013.

If the proposed final dividend and special final dividend are approved by the shareholders at the 2013 Annual General Meeting, it will be payable in cash in RMB or HK Dollars, or a combination of these currencies, at the exchange rate of RMB to HKD as published by The People's Bank of China on Tuesday, 20 August 2013 and shareholders will be given the option of electing to receive the final dividend and special final dividend in either RMB or HK Dollars or a combination of RMB and HK Dollars.

To make the dividend election, shareholders should complete the Dividend Election Form (if applicable) and return it to the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on Wednesday, 13 November 2013. **If no dividend election is made by a shareholder, such shareholder will receive the final dividend and special final dividend in HK Dollars.**

Closure of Register

To ascertain shareholders' entitlement to the proposed final dividend and special final dividend, the Register of Members of the Company will be closed for one day on Friday, 25 October 2013, if and only if the proposed final dividend and special final dividend is approved by the shareholders at the 2013 Annual General Meeting. No transfer of shares of the Company will be effected on the aforementioned book-close date. To qualify for the proposed final dividend and special final dividend, all transfers of share ownership, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 24 October, 2013.

To ascertain shareholders' eligibility to attend and vote at the 2013 Annual General Meeting to be held on Monday, 21 October 2013, the Register of Members of the Company will be closed from Tuesday, 15 October 2013 to Monday, 21 October 2013, both days inclusive, during which period no transfer of shares of the Company will be effected. In order to qualify to attend and vote at the 2013 Annual General Meeting, all transfers of share ownership, accompanied by relevant share certificates, must be lodged with the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Friday, 11 October 2013.

Financial Status

The Group's proportionate share of the aggregate net toll revenue of its expressway projects for the year ended 30 June 2013 fell by approximately 7% year-on-year, from RMB1,949 million to RMB1,803 million.

Financial Year	2012	**2013**	% Change
GS Superhighway (at JV company level)			
Average Daily Traffic (No. of vehicles '000)	402	**427**	+6%
Average Daily Toll Revenue (RMB '000)	9,910	**8,651**	-13%
Phase I West (at JV company level)			
Average Daily Traffic (No. of vehicles '000)	38	**42**	+13%
Average Daily Toll Revenue (RMB '000)	435	**453**	+4%
Phase II West (at JV company level)			
Average Daily Traffic (No. of vehicles '000)	61	**79**	+30%
Average Daily Toll Revenue (RMB '000)	1,028	**1,303**	+27%
Phase III West (at JV company level)			
Average Daily Traffic (No. of vehicles '000)	-	**14***	N/A
Average Daily Toll Revenue (RMB '000)	-	**291***	N/A

** Phase III West opened on 25 January 2013. Average daily figures are based on the period from 25 January 2013 to 30 June 2013.*

In accordance with the Group's financing strategy and against the backdrop of credit-tightening in the PRC, the Group raised a total of RMB1.98 billion by issuing two tranches of RMB corporate bonds in July 2010 and May 2011 respectively. Most of the proceeds from these corporate bonds were used to finance the development of Phase III West and for interim financing of Phase II West. The first tranche of corporate bonds, valued at RMB1.38 billion, matured on 13 July 2012. The second tranche, valued at RMB600 million, will mature on 18 May 2014. In May 2012, the Company obtained a term loan facility in an aggregate amount of RMB1,000 million and a revolving credit facility in an aggregate amount of RMB600 million for a tenure of three years for the repayment of the first tranche of RMB1.38 billion corporate bonds and for the Group's general working capital. In October, 2012, the Company placed 120 million RMB-traded shares on the Stock Exchange, the net proceeds from which were approximately RMB375 million. These are being used for the Group's general working capital. In June 2013, the Group obtained a further revolving loan facility for HK$200 million and a term loan facility for HK$100 million to finance its general working capital requirements.

As at 30 June 2013, the Group's bank balances and cash on hand (excluding JV companies) amounted to RMB1,480 million, nearly all of this was denominated in RMB. The Group's net cash on hand (excluding JV companies) amounted to RMB278 million after netting off the Company's RMB corporate bonds and the Group's bank loans. Most of the Group's cash is placed in deposits denominated in RMB in order to earn higher interest income. The Group will continue to strengthen its treasury management and evaluate the options available for it to improve the yields on its substantial cash deposit portfolio.

Most of the Group's cash inflow for the year was derived from dividends received from the GS Superhighway JV, whereas its major cash outflow was the payment of dividends to the Company's shareholders. The Group will continue to optimise its balance sheet, improve its cash flow and strengthen its financial position.

Business Review

During the year under review, the low interest rate environment continued to support the global economic recovery and stabilise financial markets. However, progress remained slow in restoring the global economy to sustainable growth. Whereas the world's other leading economies shrank or remained stagnant, China continued to be the main contributor to global GDP growth. China's GDP grew by a steady 7.8% in 2012, in line with the government's target growth rate; and its total trade volume continued to rise to a historical high level. China remained the world's largest market for the sale of domestic vehicles for the fourth consecutive year. According to the media, more than one million vehicles were newly registered in Guangdong Province during 2012. The national car sale market showed signs of regaining its growth momentum, increasing by 12% with more than 10 million vehicles sold in the first half of 2013. These factors will enhance the economic momentum of the PRC and Guangdong province in particular, and they will in turn benefit the Group's expressways.

The Group's proportionate share of the aggregate net toll revenue of its expressway projects fell by approximately 7% year-on-year to RMB1,803 million. This was mainly due to a decline in the toll revenue of the GS Superhighway of approximately 13% year-on-year since the implementation of the Tariff Proposal and Holiday Toll-free Policy. However, that was partly offset by the strong growth of Phase II West's toll revenue and the expanded revenue base, which now includes Phase III West.

The Group's aggregate EBIT of toll expressways (excluding an exchange gain on the GS Superhighway JV's US Dollar and HK Dollar loans and related income tax expenses) declined by 18% year-on-year, from RMB1,333 million to RMB1,092 million.

During the year under review, the aggregate average daily traffic volume on the GS Superhighway and the Western Delta Route increased by about 12% to 561,000 vehicles year-on-year, while their aggregate average daily toll revenue decreased by about 6% to RMB10.7 million. The overall toll revenue of the two expressways decreased from RMB4,163 million to RMB3,844 million during the year, mainly due to the fall in the toll revenue of the GS Superhighway. However, the impact of the Tariff Proposal on the GS Superhighway stabilised within two months since its implementation. After an initial drop, the average daily toll revenue picked up from RMB8.3 million in June 2012 to around RMB9 million in June 2013, despite the subsequent implementation of Holiday Toll-free Policy. In June 2013, a year after the Tariff Proposal and Holiday Toll-free Policy's implementation, both the average daily toll revenue and average daily traffic volume of the GS Superhighway started to grow again by 8% year-on-year. On the other hand, not only Holiday Toll-free Policy had slight impact on Phase I West and Phase II West, the Tariff Proposal's impact was insignificant as both of them have been implementing the new tariff since they opened.

Phase I West recorded stable growth and Phase II West maintained strong growth during the year under review. Traffic on Phase I West has rebounded since the lifting of restriction measures at Yajisha Bridge in December 2011. The average daily toll revenue of Phase II West has exceeded RMB1.4 million since January 2013 (except during the months when the Holiday Toll-free Policy was in force). In July 2013, Phase II West achieved its profit breakeven target of an average daily toll revenue of RMB1.5 million for the first time.

Phase III West commenced operation on 25 January 2013, thus extending the Group's toll revenue base. Completion of all three phases of the Western Delta Route has added fresh momentum to the growth of its toll revenue and traffic and created synergy among Phase I West, Phase II West and Phase III West. The traffic and toll revenue of Phase III West reached 18,000 vehicles and RMB376,000 in July 2013. The Group expects that Phase III West may achieve cash flow breakeven (when its average daily toll revenue reaches RMB850,000) within the next two years.

Prospects

Despite the slow pace of the global economy's recovery, the GDP of China and Guangdong grew by 7.6% and 8.5% respectively in the first half of 2013. The PRC Central Government currently targets a GDP growth of over 7% for 2013 to maintain labour market stability. The national car sales volume maintained its growth momentum during the first half of 2013. According to the latest statistics, car sales increased by 12%, with over 10 million vehicles sold in the first half of 2013. Class 1 small car traffic in Guangdong continued to increase, due to the continuous increase of passenger car sales. The toll revenue of the GS Superhighway has been rebounding since the implementation of the Tariff Proposal and Holiday Toll-free Policy, and there is still room for further growth in its traffic.

According to the latest media reports, the entire Coastal Expressway will be completed by the end of September 2013. The Group will continue to monitor the Expressway's progress. At the same time, the Group believes the GS Superhighway will remain competitive.

The opening of Phase III West marks the completion of the entire Western Delta Route, which has become the main artery of a regional expressway network that covers the most prosperous cities on the PRD's western bank, including Guangzhou, Foshan, Zhongshan and Zhuhai. It will also offer direct access to the Hengqin State-level Strategic New Zone, Macau and Hong Kong via its connection with the HZM Bridge, which is expected to be completed by the end of 2016.

Hengqin in Zhuhai has become China's third State-level Strategic New Zone and is being positioned as a new growth hub focusing on the development of business services, tourism, technological research and the cultural sector. Preferential treatment has been put in place in its Free Trade Zone to attract investment, and numerous key development projects, including commercial landmarks, hotels and tourist attractions, will be completed in the coming few years. The Western Delta Route will thus benefit from the increase in passenger flows and demand for transportation brought about by the development of Zhuhai as well as the closer economic integration among cities in the PRD region.

The Company was the first listed company in the world to offer both RMB-traded shares and HKD-traded shares under the "Dual Tranche, Dual Counter" model. This has increased the average daily trading volume of the Company's shares and broadened its shareholder base. In addition, it helps to increase the Group's funding sources and its ability to raise long-term capital in RMB, thus benefitting the development of the Group's PRC projects. The Group will continue to explore various financing and investment options as they become available as a result of RMB's internationalisation.

Changes of Directors and Committee Members

Mr. Philip Tsung Cheng FEI ceased to be an Independent Non-Executive Director, the chairman and a member of the Audit Committee of the Company upon his retirement from the Board at the conclusion of the 2012 Annual General Meeting. Mr. Kojiro NAKAHARA resigned as an Independent Non-Executive Director and a member of the Audit Committee of the Company with effect from 30 June 2013. I would like to take this opportunity to thank Mr. Philip Tsung Cheng FEI and Mr. Kojiro NAKAHARA for their valuable contribution to the Company during their tenures of office.

Mr. Yuk Keung IP has been appointed as the chairman of the Audit Committee of the Company in place of Mr. Philip Tsung Cheng FEI with effect from 18 October 2012.

Professor Chung Kwong POON has been appointed as a member of the Audit Committee of the Company in place of Mr. Kojiro NAKAHARA with effect from 30 June 2013.

Appreciation

I would like to take this opportunity to thank the Group's Managing Director, my fellow Directors, the management team and all staff members for their hard work, dedication and commitment during the past year. I would also like to thank all our shareholders, financiers and business partners for their continuous support and confidence in the Group, with contributed greatly towards the Group's success during the past year.

Sir Gordon Ying Sheung WU GBS, KCMG, FICE
Chairman

Hong Kong, 20 August 2013

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the year under review, the aggregate average daily traffic volume on the GS Superhighway, Phase I West and Phase II West increased by 10% to 548,000 vehicles, whereas their aggregate average daily toll revenue decreased by 8% to RMB10.4 million. The decline in toll revenue was mainly attributable to a fall in the toll revenue of the GS Superhighway following the implementation of the Tariff Proposal in June 2012, as well as the Holiday Toll-free Policy, but it has been partly offset by the strong growth of Phase II West's toll revenue. With the opening of Phase III West on 25 January 2013, the Group's four projects collected a total of RMB3,844 million in toll revenue during the year under review.

The average daily toll revenue of the GS Superhighway fell by 13% to RMB8.7 million during the year under review, due to the implementation of the Tariff Proposal and Holiday Toll-free Policy. The average daily traffic on the GS Superhighway grew by 6% year-on-year to 427,000 vehicles. The traffic of Classes 3, 4 and 5 vehicles grew even more strongly, by 12% year-on-year, compared to a 4% year-on-year growth in Class 1 small cars, due to greater price sensitivity.

Phase I West recorded stable growth and Phase II West maintained strong growth during the year under review. The average daily traffic volume and average daily toll revenue of Phase I West grew by 13% and 4% respectively, amounting to 42,000 vehicles and RMB453,000. The average daily traffic and average daily toll revenue of Phase II West during the year under review were 79,000 vehicles and RMB1,303,000, representing growth of 30% and 27% respectively. The average daily toll revenue of Phase II West has exceeded RMB1.4 million since January 2013 (except during the months when the Holiday Toll-free Policy was in force). In July 2013, Phase II West achieved its profit breakeven target of an average daily toll revenue of RMB1.5 million for the first time.

The Group's revenue base was further enlarged when Phase III West commenced operation on 25 January 2013. Between its opening and 30 June 2013, Phase III West recorded an average daily traffic of 14,000 vehicles and an average daily toll revenue of RMB291,000. The traffic and toll revenue of Phase III West has grown continuously, reaching 18,000 vehicles and RMB376,000 in July 2013. Its synergy with Phase I West and Phase II West has added fresh momentum to the growth of their toll revenue and traffic as well. Since its completion, the entire Western Delta Route's total toll revenue accounted for 18% of the Group's proportionately shared aggregate toll revenue, compared to 13% in FY12.

Based on the annual toll revenues of the GS Superhighway, Phase I West and Phase II West and their expenses during their first year of operation, the Group expects that Phase III West may achieve operating cash flow breakeven (after taking interest expense payments into account) within the next 2 years, after its average daily toll revenue reaches RMB850,000, which is equal to an annual toll revenue of RMB8.2 million per km.

Toll Road Policies

Guangdong Tariff Proposal

The tariff rate for all expressways in Guangdong has been standardised since the implementation of the Tariff Proposal on 1 June 2012. Despite the drop in the GS Superhighway's toll revenue, the policy's impact on the GS Superhighway stabilised within 2 months since its implementation, and it is in line with the estimate set out in the voluntary joint announcement issued by the Company and HHL on 31 May 2012. The average daily toll revenue of the GS Superhighway has been picking up again since the drop, increasing from RMB8.3 million in June 2012, to around RMB9 million in June 2013. In June 2013, one year after the Tariff Proposal's implementation, the average daily toll revenue and average daily traffic of the GS Superhighway had both regained positive year-on-year growth amounting to 8%. Average daily traffic volume and average daily toll revenue maintained the uptrend, rising 9% and 7% year-on-year to 475,000 vehicles and RMB9.4 million in July 2013 respectively. From 1 to 14 August 2013, average daily traffic volume and average daily toll revenue rose approximately 7% and 6% year-on-year to 469,000 vehicles and RMB9.4 million respectively. On the other hand, the impact of the Tariff Proposal on Phase I West and Phase II West was insignificant, as both have implemented the new tariff since they opened.

Holiday Toll-free Policy

As the Company announced on 14 August 2012, the State Council issued the Notice Regarding the Holiday Toll-free Policy ("Notice") on 2 August 2012. The Notice stipulates that small passenger vehicles with 7 or fewer seats should be entitled to use relevant toll roads free of charge during the four major statutory holidays, namely Lunar New Year, Ching Ming Festival, Labour Day and National Day, as well as the prescribed rest days immediately before and/or after these statutory holidays. During the year under review, the GS Superhighway, Phase I West and Phase II West implemented this policy for a total of 21 days. Small cars with 7 or fewer seats were exempted from toll charges on the Group's expressways during the aforesaid periods. Comparing the statistics for FY13 with the relevant statutory holidays in FY12, the aggregate annual toll revenues of the GS Superhighway, Phase I West and Phase II West were reduced by about 3% as a result of the policy, which was in line with the figures disclosed in the announcement dated 14 August 2012. During the year under review, Phase III West also implemented the Holiday Toll-free Policy except for the National Day holidays as it was opened on 25 January 2013.

Regulation on the Administration of Toll Roads (Amendment Proposal)

On 8 May 2013, the Ministry of Transport proposed amendments to the existing Regulation on the Administration of Toll Roads and invited opinions from the public and other relevant industries. Among other matters, the draft amendments include proposed compensation terms for the operators of toll roads affected by losses of revenue as a result of the Central Government's implementation of the toll-free policy in the form of an extension of their toll collection periods. The Company will closely monitor the latest developments concerning the amendments.

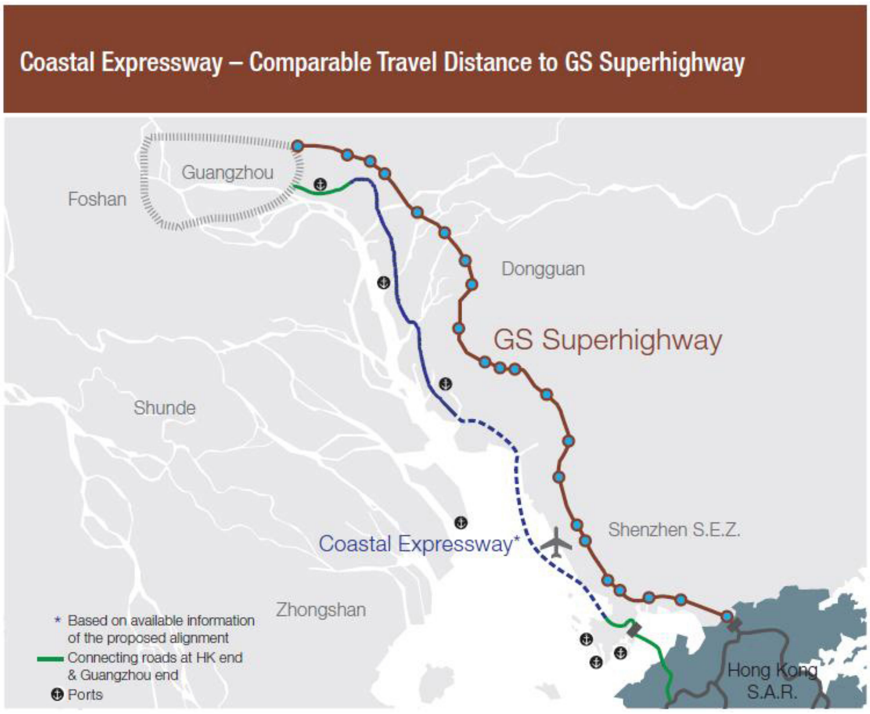
Partial Opening of a Parallel Road

A 41-km stretch of the 59-km Guangzhou-Dongguan section of the Coastal Expressway has been open for more than one-and-a-half years since mid-January 2012. During the year under review, the average daily traffic volume of the GS Superhighway increased by 6%. The impact of the opening of this section of the Coastal Expressway on the GS Superhighway's traffic has been minimal.

According to the latest media reports, both the remaining 18-km of the Coastal Expressway's Guangzhou-Dongguan section and the 30-km Shenzhen section are scheduled for completion by the end of September 2013 and hence the Coastal Expressway will be fully completed. The Group will continue to monitor its progress.

There are two misconceptions concerning the GS Superhighway and the Coastal Expressway. The first is that the travelling distance between Hong Kong and Guangzhou via the GS Superhighway is longer than via the Coastal Expressway. The second is that the GS Superhighway's tariff is higher than that of the Coastal Expressway. If one includes the connecting roads at both ends of the Coastal Expressway (i.e. the Hong Kong-Shenzhen Western Corridor and the connecting roads to Hong Kong's highway networks and to Guangzhou Ring Road), the total travelling distance from Hong Kong to Guangzhou via the GS Superhighway or the Coastal Expressway differs by about 5%. More specifically, when one compares the entire length of the Coastal Expressway (from its starting point to its ending point) with that of the corresponding section of the GS Superhighway (i.e. the section between Huochun and Nantou), the travelling distances via both routes are also nearly the same. Moreover, the tariff rate for all expressways in Guangdong with 6 or more lanes has been the same since the Tariff Proposal's implementation in June 2012. Thus, there is no difference between the tariff rates of the GS Superhighway and the Coastal Expressway.

In fact, the GS Superhighway remains a more competitive option for road users. Its strategic geographical location offers convenient access to populous downtown areas and major expressways, whereas the Coastal Expressway is designed mainly to connect ports along the eastern shore of the PRD and to serve trucks destined for them. Thus, they attract different target customers. Together with Guangdong's continuous economic growth, the Group believes the GS Superhighway will maintain its leading position as the main traffic artery on the eastern bank of the PRD region.



Operating Environment

Economic Development

During the first half of 2013, the national GDP of China and Guangdong recorded steady growth of 7.6% and 8.5% respectively. National car sales showed signs of regaining their growth momentum, with sales increasing by 12% to more than 10 million vehicles in the first half of 2013. The healthy development of Guangdong's economy and the national car sales market will benefit the Group's expressways.

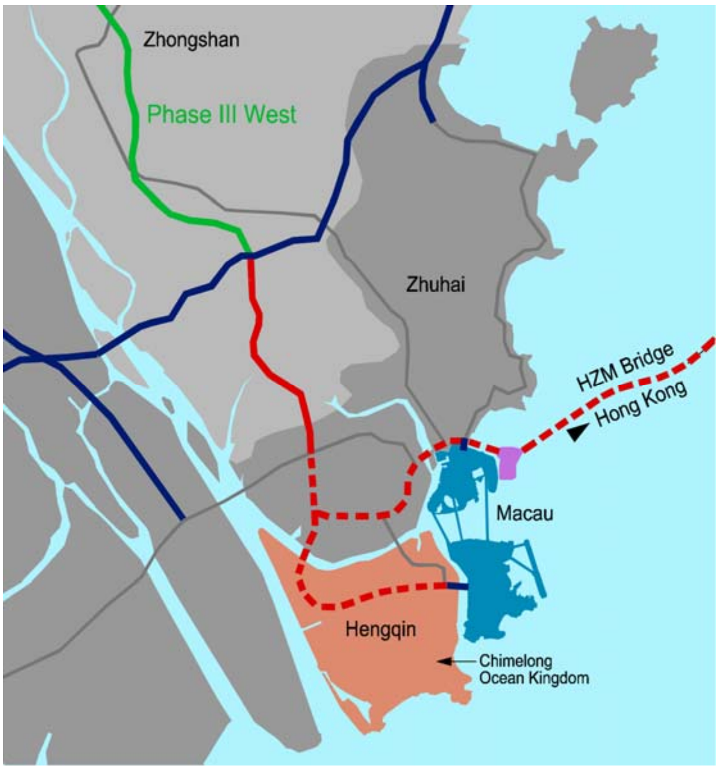
The economies of the three main cities on the western shore of the PRD region, namely Foshan, Zhongshan and Zhuhai continued to grow healthily. Their GDP increased by 9.5%, 9.5% and 9.8% respectively during the first half of 2013, all exceeding the national growth rate of 7.6%. Foshan is the third-largest economy in Guangdong Province, following Guangzhou and Shenzhen, with a GDP amounting to RMB671 billion in 2012. Meanwhile, a number of key logistics hubs, industrial bases, commercial centres and tourist spots will be developed near the Zhongshan section of the Western Delta Route under the Zhongshan's Twelfth Five-year Plan. These will create greater demand for transportation and bring new traffic to the Western Delta Route. In addition, the expressways connecting to the Western Delta Route in Zhuhai pass through the Nanping Science and Technology Industrial Park and Zhuhai Free Trade Zone, whose gross output value of industrial enterprises exceeded RMB80 billion in 2012. This adds another positive factor to the growth of traffic and the toll revenue of the Western Delta Route.

Hengqin Development

Hengqin in Zhuhai has become China's third State-level Strategic New Zone after Shanghai's Pudong District and Tianjin's Binhai area. It is being positioned as a new growth hub focusing on the development of business services, tourism, technological research and the cultural sector. Preferential treatment has been put in place in its Free Trade Zone to attract investment, and numerous key development projects, including commercial landmarks, hotels and tourist attractions, will be completed there in the coming few years. For instance, the first phase of Chimelong Ocean Kingdom, one of Hengqin's signature projects, is scheduled to open by the end of 2013. According to the media, this will be a world-class marine park with resorts and hotels facilities that will aim to attract more than 20 million tourists a year from around the world. Its opening and future expansion will further boost tourism in Hengqin and Zhuhai. The Western Delta Route, being the most direct and the shortest expressway from Guangzhou to Hengqin, will benefit from the increase in passenger flows and the demand for transportation created by the region's development.

The HZM Bridge

According to the media, construction of the HZM Bridge is progressing according to schedule and will be completed by the end of 2016. It will be connected with the expressway network in Zhuhai and the Western Delta Route, providing access to Macau, Hong Kong and the main cities on the western shore of the PRD. Its opening will further foster the region's economic integration and development and spur the growth of traffic on the Western Delta Route.



Guangdong Province Toll Integration

According to the Guangdong Provincial Government's requirements, the province's 4 toll integration sub-districts namely the Eastern, Western, Northern and Central Districts, in which the GS Superhighway and Western Delta Route are located, are planned to be integrated into a unified toll network by the end of 2013. That means all adjacent expressways in Guangdong are physically connected, and every vehicle travelling on expressways in Guangdong will only need to take one entry ticket at an expressway's entrance and pay all the toll charges for its entire trip at any other expressway's exit, without needing to stop when it travels on a series of connecting expressways. The toll revenues collected by all the expressways in Guangdong will be settled via Guangdong Unitoll Collection Incorporated ("Guangdong Unitoll"), which is the clearing house that centralises and manages toll data on a daily basis, by means of the toll integration settlement network. The GS Superhighway JV and the West Route JV will invest about RMB65 million in total to upgrade their toll systems and facilitate the implementation of the Guangdong toll integration. This capital investment will depreciate over 8 years. The integration measures will boost the efficiency of the province's toll expressways by shortening the time spent on collecting tolls and thus help to smooth the flow of traffic.

Toll-by-weight Scheme

As part of the Guangdong Provincial Government's plan to implement full toll integration, the toll-by-weight scheme will be implemented for trucks on all expressways in the Central District by October 2013, following its implementation in the Northern District in 2009 and the Eastern and Western Districts in 2011.

With reference to other toll integration sub-districts of Guangdong, the toll charges for passenger cars will be unaffected, and the tariff rates for Classes 3, 4 and 5 commercial trucks will remain unchanged at RMB1.2, RMB1.8 and RMB2.1 per km respectively under the toll-by-weight scheme. Preferential arrangements will be made for fully unloaded and lightly-loaded trucks, for which the tariff rate will be one class lower. An additional toll based on the ratio of overloaded weights will be charged for overloaded trucks, whereas the standard tariff rate will be applicable to normally-loaded trucks. In the experience of expressways in other toll integration sub-districts in Guangdong, the toll revenues collected from trucks usually increased following the implementation of the toll-by-weight scheme. Given the comparatively small proportion of trucks that use the GS Superhighway and the Western Delta Route, its impact on their toll revenues may be neutral.

To implement the toll-by-weight scheme in accordance with the official schedule, the GS Superhighway JV and West Route JV will install additional weighing equipment at 38 and 12 toll lanes respectively, increasing the total number of lanes with weighing equipment to 68 and 20 respectively. The total investment cost for this will be less than RMB20 million, which will be depreciated over 8 years. The implementation of the toll-by-weight scheme is expected to help reduce the number of overloaded trucks and lower the damages these cause to the Group's expressways.

Mutual Recognition of Annual Tickets

Nine cities in the PRD Region – Guangzhou, Shenzhen, Zhuhai, Dongguan, Zhongshan, Foshan, Huizhou, Jiangmen and Zhaoqing – began to recognise each other's annual tickets at the end of December 2012. That means vehicles bearing an annual ticket issued by one of the nine cities no longer need to pay a fee when they cross the boundaries between them. The change is expected to lower overall transportation costs and increase the traffic on roads within the PRD region, thereby boosting inter-city traffic along the GS Superhighway and the Western Delta Route.

Truck restriction in Guangzhou

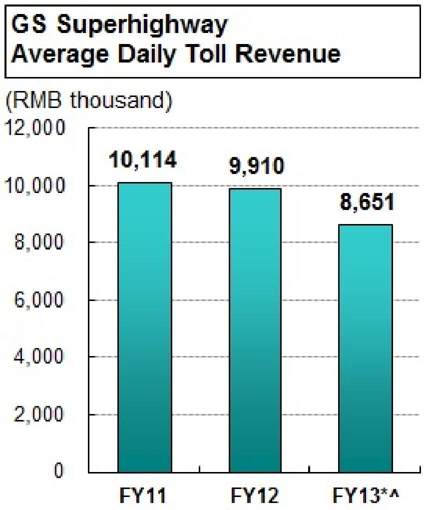
In December 2012, the Guangzhou Municipal Government announced the implementation of restrictions on trucks that are not registered in Guangzhou and which weigh 15 tons or above. Such vehicles have been prohibited from travelling on the Guangzhou Ring Road between 07:00 and 20:00 for a one-year period starting 10 January 2013. The measure had insignificant impact on the Group's expressways during the past 6 months.

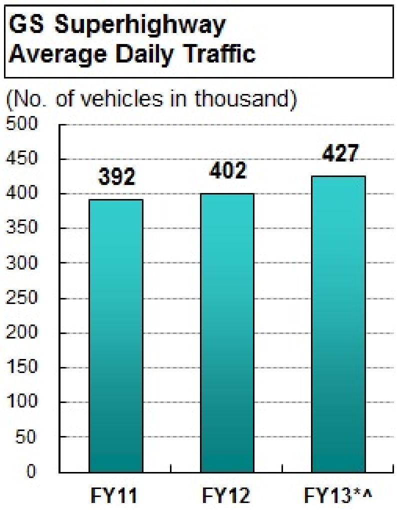
Launch of the First RMB-traded Share Placing Under the "Dual Tranche, Dual Counter" Model

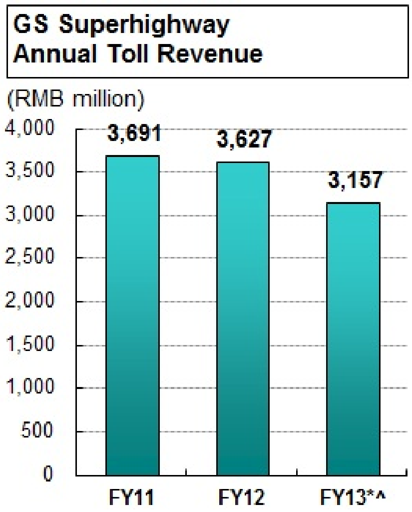
Responding to the market's strong interest in HHI's shares and RMB investment products, HHI placed 120,000,000 RMB-traded new Shares at RMB3.22 (the "Placing") on the Stock Exchange on 29 October 2012, under stock code 80737. Thus it became the first listed company in the world to offer both RMB-traded Shares and HKD-traded Shares under the "Dual Tranche, Dual Counter" model. This increased the average daily trading volume of the Company's shares by 96% during the 9 months following the pioneering Placing (from 25 October 2012 to 24 July 2013) compared to the preceding 9 months (from 26 January 2012 to 22 October 2012) and it broadened the Company's shareholder base. Moreover, the Placing has helped to expand the Company's sources of funds and it has raised long-term capital in RMB, which will benefit the Company's development of PRC projects. The net proceeds of approximately RMB375 million from the Placing are being used for the Group's general working capital.

Guangzhou-Shenzhen Superhighway

The GS Superhighway is the main expressway connecting the PRD region's three major cities – Guangzhou, Dongguan, Shenzhen and Hong Kong. During the year under review, its average daily toll revenue decreased by 13% year-on-year to RMB8.7 million, whereas its total toll revenue amounted to RMB3,157 million. Meanwhile, its average daily traffic volume increased by 6% to 427,000 vehicles. One full year after the implementation of the Tariff Proposal in June 2012 and Holiday Toll-free Policy, both the average daily traffic volume and average daily toll revenue of the GS Superhighway had returned to positive growth of 8% in June 2013.







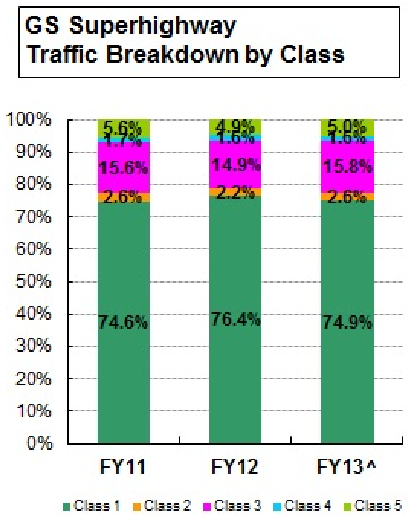
* *Tariff cut was implemented since 1 June 2012*

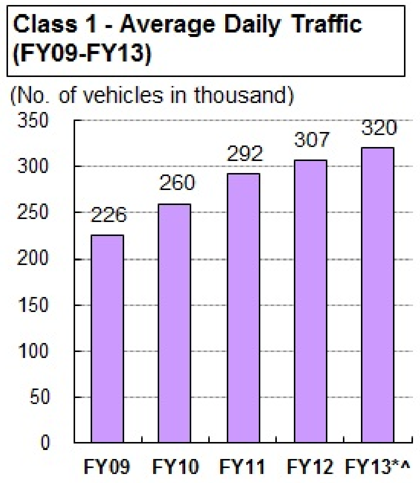
^ *Holiday Tol1-free Policy was implemented since 2 August 2012 for 21 days during the year under review.*

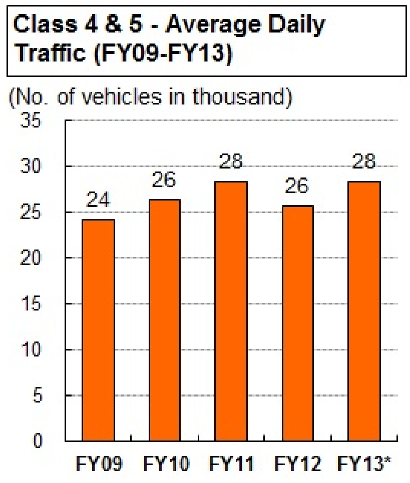
The impact of the Tariff Proposal on the toll revenue of the GS Superhighway stabilised within two months since its implementation on 1 June 2012. After an initial drop, the GS Superhighway's average daily toll revenue recovered from RMB8.3 million in June 2012 to around RMB9 million in June 2013, despite the subsequent implementation of Holiday Toll-free Policy. The average toll revenue per vehicle per km fell by 10%, from RMB0.87 to RMB0.79, mainly due to the reduced tariff rate for vehicles in Classes 2 to 5.

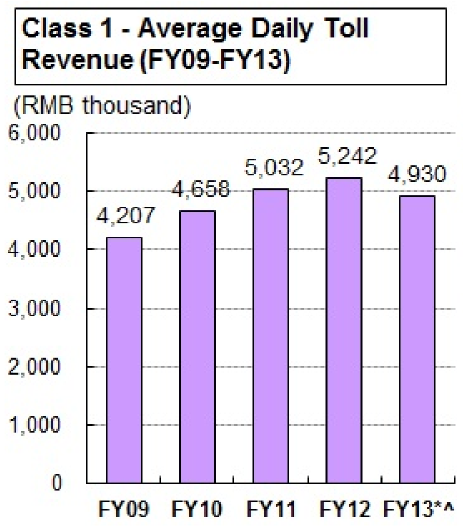
The average daily traffic of all classes of vehicles on the GS Superhighway grew during the year under review. The unremitting growth of passenger car sales in Guangdong led to a continuous increase in Class 1 small car traffic, which reached a historical high level, accounting for 74.9% of the GS Superhighway's total traffic volume and contributing 57% to its total toll revenue. The decrease in its average daily toll revenue by 6% to RMB4.9 million during the year under review was mainly due to the implementation of the Holiday Toll-free Policy, which exempted small cars with 7 or fewer seats from toll charges. Moreover, the average travelling distance of Class 1 small cars also decreased.

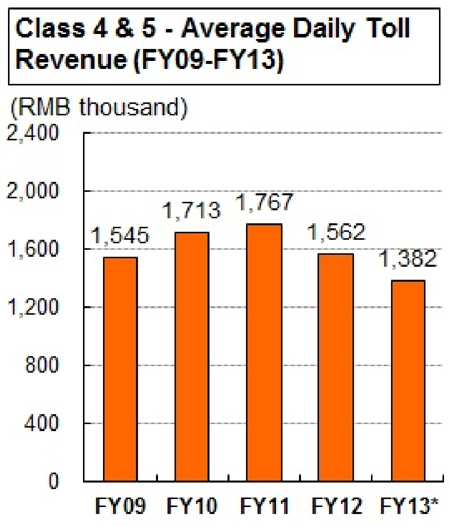
The average daily traffic volume of Classes 4 and 5 commercial trucks continued to grow, due to greater price sensitivity in response to the tariff cut implemented on 1 June 2012. However, the tariff cut also led to a fall in the average daily toll revenue by 12% to RMB1.4 million.







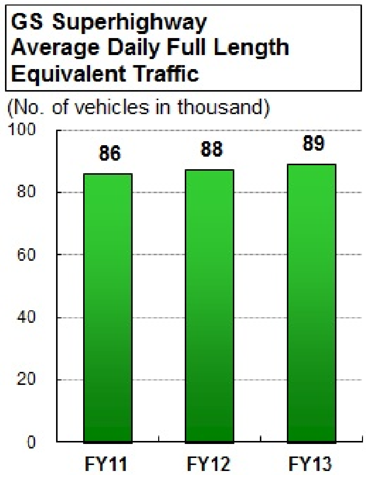




* *Tariff cut was implemented since 1 June 2012*

^ *Holiday Tol1-free Policy was implemented since 2 August 2012 for 21 days during the year under review.*

During the year under review, the average daily full-length equivalent traffic volume for the GS Superhighway increased by 2% year-on-year to 89,000 vehicles, which was similar to the previous year's level. This indicates there is still room for traffic to grow on the GS Superhighway.



As mentioned earlier in the section headed "Partial Opening of a Parallel Road", the 41-km Guangzhou-Dongguan section of the Coastal Expressway opened in mid-January 2012. But its impact on the GS Superhighway has been minimal over the past 18 months. The average daily traffic volume on the GS Superhighway increased by 6% year-on-year during the year under review. The GS Superhighway is comparable in length and it charges the same tariff rate as the Coastal Expressway. However, the two have different target customers, and the GS Superhighway offers a number of competitive advantages, such as convenient access to populous downtown areas, well-equipped facilities, and high-quality services. Together with the GS Superhighway's efficient patrol and rescue team and the continuous growth of Guangdong's economy, these factors lead the Group to believe that the GS Superhighway will maintain its leading position as the main traffic artery on the eastern bank of the PRD region. According to the latest media reports, the entire Coastal Expressway will be completed by the end of September 2013.

A new interchange on the Changhu Expressway, which directly connects to the GS Superhighway at Xinluen, was opened in January 2013. The new connection provides an alternative entry/exit point for by-pass traffic between the GS Superhighway's Taiping interchange and Changhu Expressway, and it has helped to ease traffic congestion on the section between the Taiping and Wudianmei interchanges during peak hours.

Shenzhen Baoan International Airport will be expanded by the opening of a new passenger terminal located near the Hezhou interchange in late 2013. The Hezhou interchange has been temporarily closed for reconstruction from January to October 2013, in order to facilitate the construction of a smooth and convenient connection road with the new passenger terminal. During this period, vehicles travelling to and fro the Hezhou interchange needed to enter and exit via adjacent interchanges of the GS Superhighway. The temporary closure of the Hezhou interchange has a minimal impact on the GS Superhighway. As soon as the reconstruction is completed, the Hezhou interchange will become the most convenient hub for traffic between downtown Shenzhen and Shenzhen Baoan International

Shenzhen Baoan International Airport, and the GS Superhighway will benefit from the increased volume of passengers and freight arising.

The outer beam of a river bridge near the Machong interchange underwent repair between April and July 2013, after an over-height vessel accidentally hit it in April 2013. During this period, traffic was slightly affected. The repair was completed on 25 July 2013.

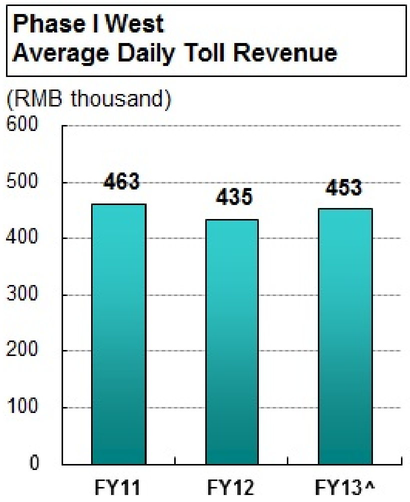
The GS Superhighway JV has been making incessant progress in increasing its operational efficiency and its ability to cope with increasing traffic by installing automated equipment. Around 60% of all the toll lanes at entrances to the GS Superhighway are either installed with ETC or automatic card-issuing machines. This makes it the expressway with the highest number of ETC lanes in Guangdong. Also the automated equipment helps to maintain the number of toll collectors at a reasonable level and regulate the GS Superhighway JV’s operating costs.

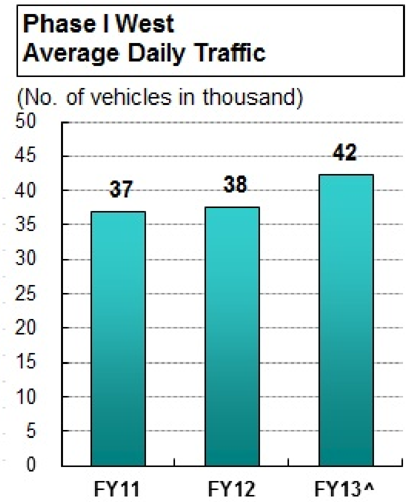
The GS Superhighway JV has also made great efforts to protect the environment. Energy-saving LED lights have been installed at all of its toll plazas, and the installation of LED lights along its entire main alignment was completed in May 2013. These measures help to reduce its energy consumption.

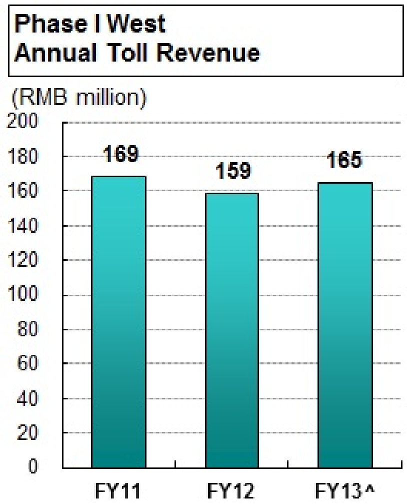
Phase I of the Western Delta Route

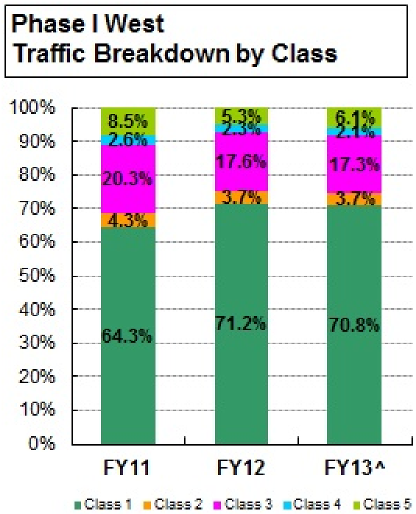
A 14.7-km closed expressway with a total of 6 lanes in dual directions, Phase I West connects with the Guangzhou East-South-West Ring Road to the north, and Phase II West and National Highway 105 at Shunde to the south. Phase I West and Phase II West form the main expressway between Guangzhou and downtown Zhongshan, and they have reduced the traveling time between the two cities from one hour via local roads to approximately 30 minutes. As the northern part of the Western Delta Route, Phase I West’s synergy with Phase II West and Phase III West as well as the on-going economic growth of Foshan will continue to drive the growth of its traffic volume and toll revenue.

The traffic volume and toll revenue of Phase I West grew steadily, mainly due to a rise in the number of Class 1 small cars using it. Its average daily traffic volume increased by 13% year-on-year to 42,000 vehicles, whereas its average daily toll revenue increased by 4% to RMB453,000. Its total toll revenue amounted to RMB165 million during the year under review.



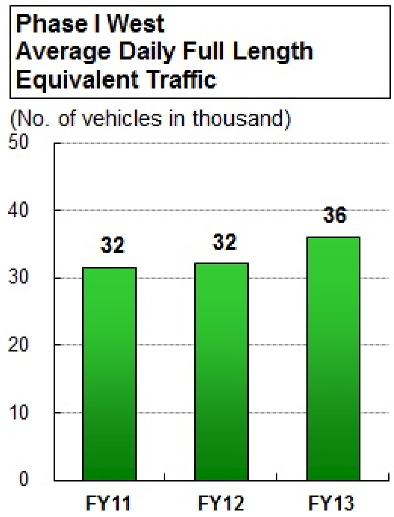






^ *Holiday Tol1-free Policy was implemented since 2 August 2012 for 21 days during the year under review.*

The traffic and toll revenue for Class 1 small cars continued to grow. These accounted for 70.8% of Phase I West's total traffic volume. Meanwhile, the traffic and toll revenue for Classes 4 and 5 vehicles also picked up after traffic restriction measures that prohibited trucks over 15 tons from using Yajisha Bridge on the Guangzhou East-South-West Ring Road were lifted at the end of December 2011. However, they did not return to the levels seen before the restriction measures were imposed. That was mainly due to the removal of the toll station on National Highway 105 near Phase I West's Bijiang interchange in January 2012, and the fact that the section of National Highway 105 between Guangzhou and Bijiang has become toll-free since then. Some trucks that previously used Phase I West to travel to and fro Guangzhou may have diverted to National Highway 105. The rebound in the traffic and toll revenue of Classes 4 and 5 vehicles caused the average toll revenue per vehicle per km of Phase I West to increase by 1%, from RMB0.8 to RMB0.81 year-on-year. The average daily full-length equivalent traffic on Phase I West amounted to 36,000 vehicles, which represents a growth of 12%.



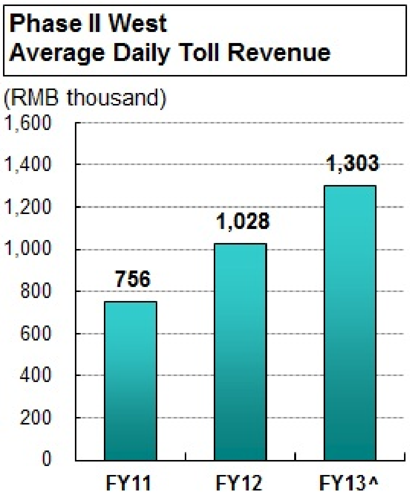
In December 2012, the Guangzhou Municipal Government announced the imposition of restrictions on trucks not registered in Guangzhou and weighing 15 tons or above. These have been prohibited from travelling on the Guangzhou Ring Road between 07:00 and 20:00 for one year commencing 10 January 2013. The impact of this measure on Phase I West has been minimal. The Guangzhou Municipal Government is also currently considering the imposition of other traffic restrictions on vehicles not registered in Guangzhou during busy hours. However, the date and details of their implementation have not yet been announced. The Group will continue to monitor the situation, and it believes the impact on Phase I West will be minimal.

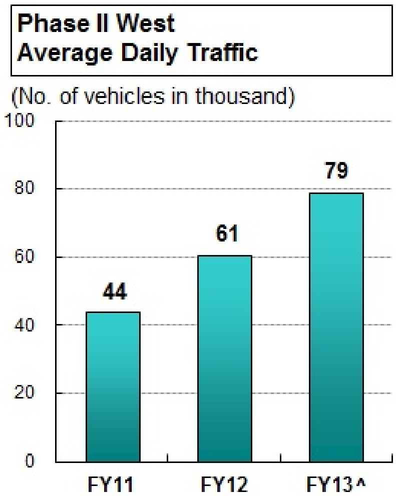
Phase II of the Western Delta Route

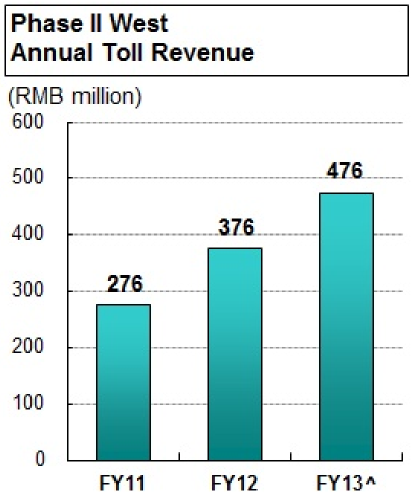
A 45.5-km closed expressway with a total of 6 lanes in dual directions, Phase II West is connected to Phase I West at Shunde to the north and Phase III West at Zhongshan to the south. It is also interconnected with National Highway 105, Guangzhou Southern Second Ring Road and the Jiangmen-Zhongshan Expressway, and it has a direct connection to downtown Zhongshan at its southern end. Moreover, the opening of Phase III West on 25 January 2013 means the entire Western Delta Route has now been completed. The synergy between Phase II West and Phase III West will further boost the growth of the traffic volume on Phase II West, as well as its toll revenue.

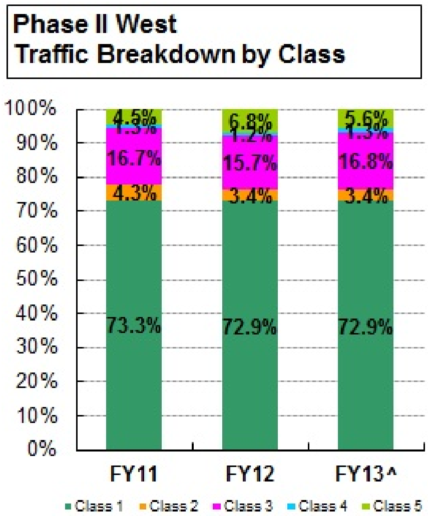
In addition, the Guangdong Provincial Government granted its approval for Phase II West’s 25-year toll collection period during the year under review.

The traffic volume and toll revenue of Phase II West have continued to grow strongly ever since it opened in June 2010. During the year under review, its average daily traffic volume rose by 30% to 79,000 vehicles, whereas its average daily toll revenue grew by 27% to RMB1,303,000. Its total toll revenue for the year amounted to RMB476 million. Class 1 small cars were the main contributors, accounting for 72.9% of the total traffic volume. The average toll revenue per vehicle per km remained at the previous year’s level of RMB0.79, whereas the average daily full-length equivalent traffic on Phase II West amounted to 35,000 vehicles, representing a year-on-year growth of 27%.

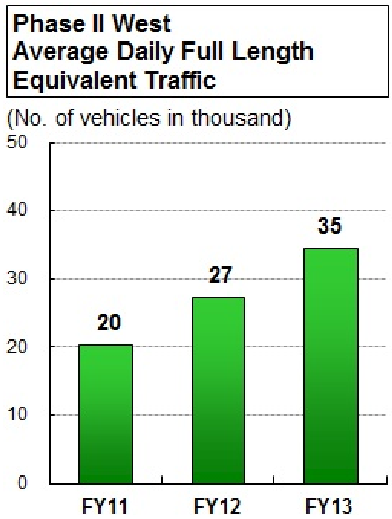




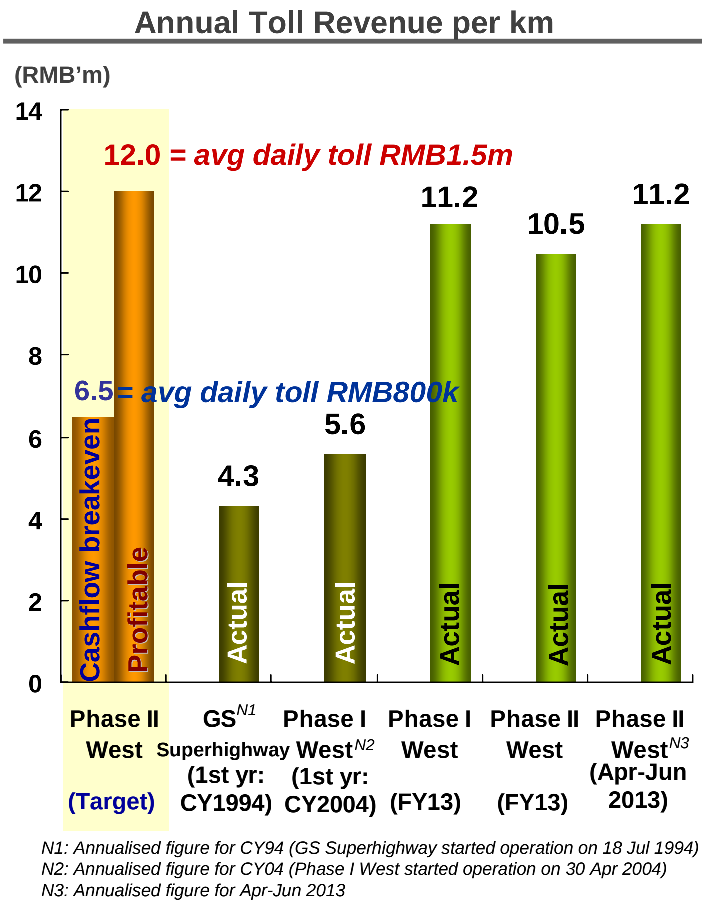




^ *Holiday Tol1-free Policy was implemented since 2 August 2012 for 21 days during the year under review.*



By the second half of FY11, Phase II West's toll revenue had achieved the Group's target of achieving operating cash flow breakeven (after taking interest expense payments into account) i.e. average daily toll revenue of RMB800,000 during its first year of operation. In fact, Phase II West continued to exceed this target, recording a net cash inflow from operations and after taking interest expense payments into account, plus a 27% increase in EBITDA, during the year under review. Its average daily toll revenue has exceeded RMB1.4 million since January 2013 (except during the months when the Holiday Toll-free Policy was in force). In July 2013, the average daily toll revenue of Phase II West achieved its RMB1.5 million profit breakeven level for the first time.



The relevant PRC authorities are currently processing the West Route JV's application to increase the investment in Phase II West to RMB7,200 million. Once approval for this has been obtained, additional registered capital can be injected into the West Route JV by the PRC partner and the Company on a 50:50 basis and additional project bank loans can be borrowed. To settle the outstanding project payments for Phase II West and to use its internal resources efficiently, the Company advanced shareholder's loans for a total of RMB1,000 million to the West Route JV in December 2012 and January 2013, as interim financing for Phase II West. This enabled the West Route JV to repay in December 2012 the intercompany borrowings of RMB731 million that the GS Superhighway JV had previously provided, together with the interest incurred. The remaining outstanding project payments of not more than RMB500 million may be funded by the Company's shareholder's loan.

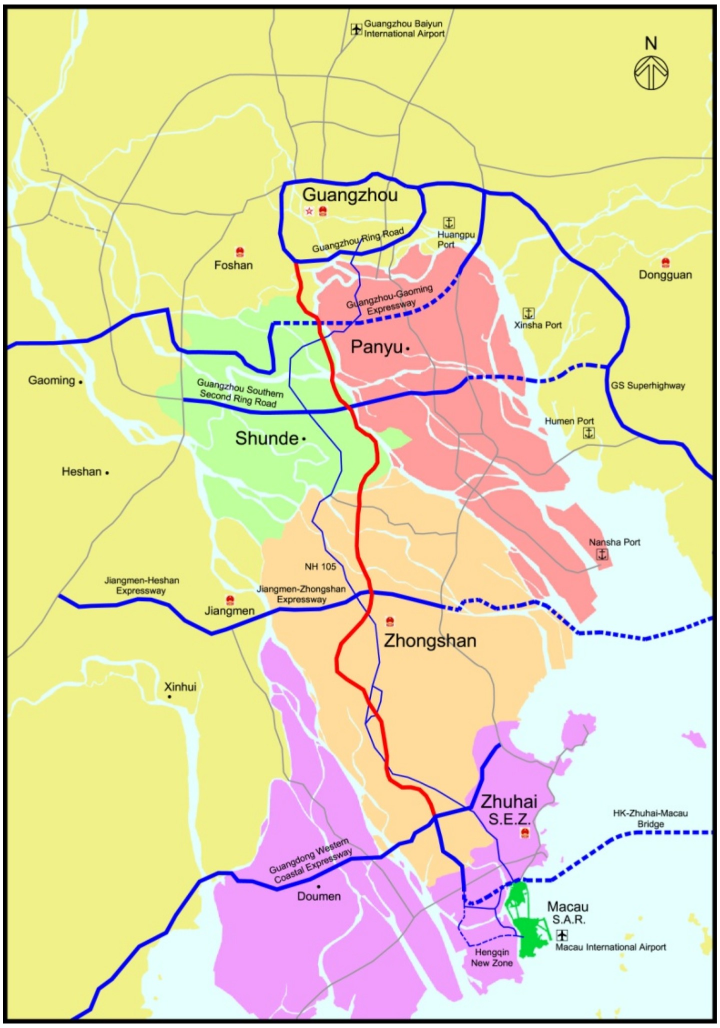
Phase III of the Western Delta Route

Phase III West commenced operation on 25 January 2013, earlier than originally scheduled. It is a 37.7-km closed expressway with a total of 6 lanes in dual directions. Connected to Phase II West at Zhongshan to the north, it extends southwards to link with the Zhuhai expressway network, thus providing direct access to Hengqin (the State-level Strategic New Zone) in Zhuhai, Macau, and the HZM bridge, which is under construction. It also provides the most direct and convenient expressway link between the city centres of Zhongshan and Zhuhai.

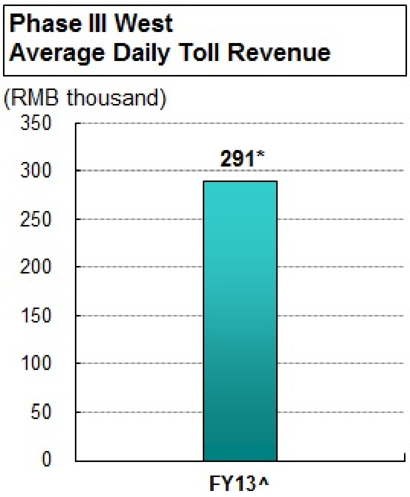
Phase III West – A Direct Route Connecting Town Centres of Zhongshan and Zhuhai

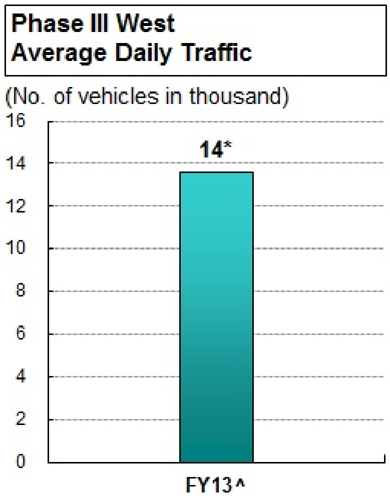
The opening of Phase III West marks the completion of the entire Western Delta Route, which has a total length of 97.9 km. It provides new momentum for the Group's revenue growth and it increases the total length of toll expressways in which the Company has invested by 20% to around 220 km. The Western Delta Route forms the only expressway artery in the regional expressway network on the western bank of the PRD region, and links its most prosperous and populous cities, including Guangzhou, Foshan, Zhongshan and Zhuhai. It will also offer direct access to the Hengqin State-level Strategic New Zone, Macau and Hong Kong via its connection with the HZM Bridge, which is planned to open by the end of 2016. The Western Delta Route has also substantially reduced the traveling time between Guangzhou and Zhuhai from more than 2 hours via existing local roads to approximately one hour. Moreover, running along the central axis, being the heart of the western bank of the PRD region, the Western Delta Route is well connected with the region's expressway network, including the Guangzhou Ring Road, Guangzhou-Gaoming Expressway, Guangzhou Southern Second Ring Road, Zhongshan-Jiangmen Expressway, Western Coastal Expressway, and the expressway that will link Hengqin and the HZM Bridge. It will thus help to stimulate the region's economic integration and growth.

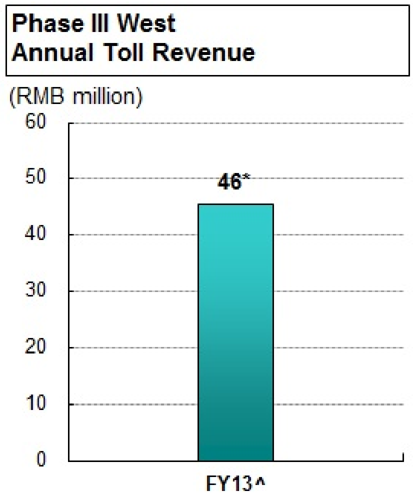
Completion of the entire Western Delta Route

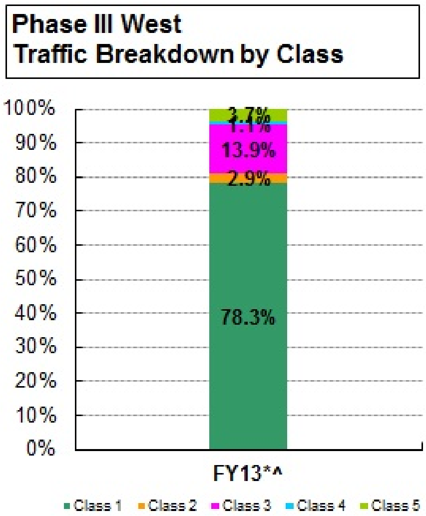


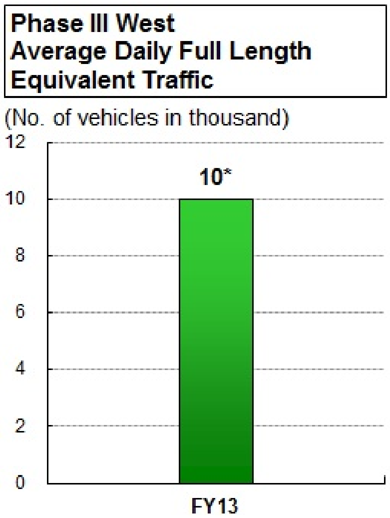
Performance of Phase III West is encouraging. The traffic volume and toll revenue have grown continuously. Between its opening and 30 June 2013, the average daily traffic volume and average daily toll revenue of Phase III West amounted to 14,000 vehicles and RMB291,000 respectively and reached 18,000 vehicles and RMB376,000 respectively in July 2013. The synergy between Phase I West, Phase II West and Phase III West is expected to stimulate a persistent growth of Phase III West's traffic volume and toll revenue.







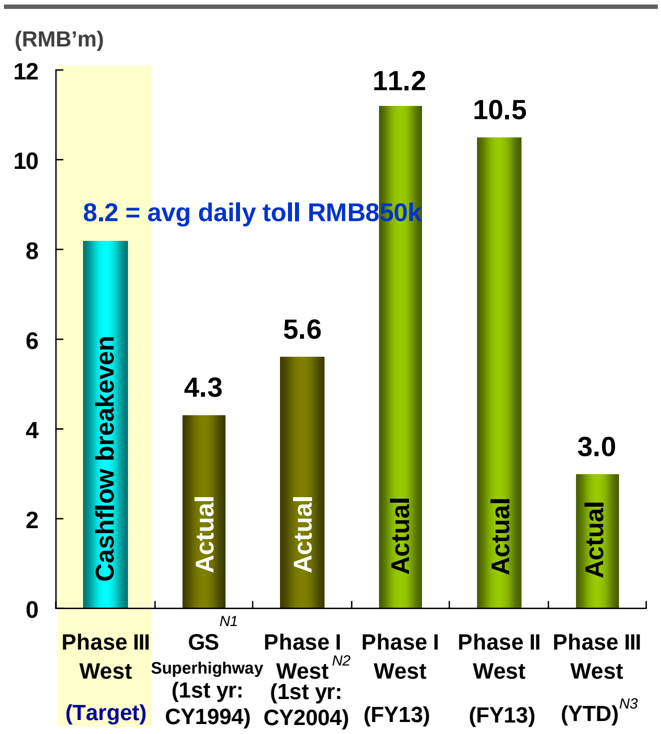




** Phase III West was opened on 25 January 2013.*

^ Holiday Tol1-free Policy was implemented since 2 August 2012 for 13 days during the year under review.

Based on the annual toll revenues and expenses of the GS Superhighway, Phase I West and Phase II West during their first full year of operation, the Group expects that Phase III West's toll revenue will achieve its operating cash flow breakeven target (after taking interest expense payment into account) once its average daily toll revenue reaches RMB850,000 (the equivalent of annual toll revenue of RMB8.2 million per km) within the next 2 years. Following the completion of Phase III West in January 2013, the West Route JV is targeted to become profitable during the second half of FY15.



N1: Annualised figure for CY94 (GS Superhighway started operation on 18 Jul 1994)
N2: Annualised figure for CY04 (Phase I West started operation on 30 Apr 2004)
N3: Annualised figure from 25 Jan 2013 to 31 Jul 2013

The Guangdong Provincial Government has approved the 25-year toll collection period of Phase III West. On the other hand, the planned total investment for Phase III West could increase from RMB5,600 million to up to RMB6,150 million, mainly because land costs may be higher than expected. The remaining project payments of not more than RMB440 million (based on a planned total investment cost of up to RMB6,150 million) will be funded by available PRC project bank loans and the Company's shareholder's loan.

Financial Review

Change of presentation currency from HK Dollars to RMB

The Company's functional currency has been RMB since FY09 and the Group has been receiving RMB dividends directly from the GS Superhighway JV and West Route JV. Moreover, funds raised by the Company in recent years were mostly in RMB. It also placed 120 million RMB-traded shares of the Company on the RMB counter of the Stock Exchange on 29 October 2012. The Directors therefore consider that it is now more appropriate to use RMB for presenting the Group's operating results and financial positions, and to declare dividends in RMB.

As a result, the following consolidated financial statements for the year ended 30 June 2013 are presented in RMB, whereas the comparative figures for the year ended 30 June 2012 have been restated to align with the change in presentation currency. The changes in presentation currency and translation of the comparative amounts from HK Dollars to RMB have no material impact on the Group's consolidated financial statements for the year concerned. The consolidated financial statements presented in HK Dollars on pages 39 to 53 have also been prepared for reference purposes only. The Group's financial summary presented in RMB since its listing on the Stock Exchange in August 2003 can be referred to in the Appendix on pages 54 to 56.

The Group's performance for the year ended 30 June 2013 presented in RMB was as follows:

	Year ended 30 June					
	2012			**2013**		
	Net toll revenue RMB million	EBIT RMB million	Results RMB million	**Net toll revenue RMB million**	**EBIT RMB million**	**Results RMB million**
Project contributions:						
GS Superhighway (Note 1)	1,689	1,183	812	**1,470**	**912**	**616**
Phase I West	77	51	34	**80**	**51**	**34**
Phase II West	183	99	(37)	**231**	**126**	**(20)**
Phase III West (Note 2)	-	-	-	**22**	**3**	**(49)**
Net toll revenue/EBIT/ Net profit of projects	1,949	1,333	809	**1,803**	**1,092**	**581**
Year-on-year change				**-7%**	**-18%**	**-28%**
Corporate results:						
Bank deposits interest income			87			**71**
Interest income from loans made by the Group to a jointly controlled entity			23			**35**
Other Income			1			**1**
General and administrative expenses			(47)			**(43)**
Finance costs			(55)			**(60)**
Income tax expenses			(9)			**(9)**
			0			**(5)**
Profit before net exchange gain (after deduction of related income tax)			809			**576**
Year-on-year change						**-29%**
Net exchange gain (after deduction of related income tax)			42			**36**
Profit for the year			851			**612**
Profit attributable to non-controlling interests			(15)			**(11)**
Profit attributable to owners of the Company			836			**601**
Year-on-year change						**-28%**

Note 1: Excluding exchange differences on US Dollar and HK Dollar loans, and related income tax expenses.

Note 2: Phase III West was opened on 25 January 2013.

The Group's proportionate share of the aggregate net toll revenue of its expressway projects fell by approximately 7% to RMB1,803 million during the year ended 30 June 2013, compared to RMB1,949 million for the previous year. This was mainly due to a decline in the toll revenue of the GS Superhighway of approximately 13% year-on-year, following the implementation of the Tariff Proposal on 1 June 2012 and the Holiday Toll-free Policy. However, this drop was partly offset by a strong growth in the toll revenue of Phase II West and the new revenue contribution from Phase III West, which opened on 25 January 2013. The GS Superhighway, Phase I West, Phase II West and Phase III West contributed 82% (RMB1,470 million), 4% (RMB80 million), 13% (RMB231 million) and 1% (RMB22 million) respectively to the total share attributable to the Group of their aggregate net toll revenues.

The Group's operating expenses increased as the result of the opening of Phase III West on 25 January 2013 and the increased staff costs of the two JV companies. Depreciation charges for the GS Superhighway JV and West Route JV also increased as a result of the rise in traffic volume, additional depreciation charges on assets capitalised upon the completion of certain road expansion and improvement works and the opening of Phase III West. Thus, the aggregate EBIT of toll expressways (excluding an exchange gain on the GS Superhighway JV's US Dollar and HK Dollar loans as well as related income tax expenses) declined by 18%, from RMB1,333 million to RMB1,092 million.

Due to the completion and opening of Phase III West, its interest expenses have been recorded for the first time in the consolidated statement of profit or loss for the second half of FY13. Taking increased finance costs into account, the aggregate net profit of the four projects (excluding an exchange gain on the GS Superhighway JV's US Dollar and HK Dollar loans as well as related income tax expenses) fell by 28%, from RMB809 million to RMB581 million.

The traffic and toll revenue of Phase II West have grown strongly ever since it opened on 25 June 2010. The Group's proportionate share of Phase II West's EBITDA grew by 27% to RMB193 million during the financial year. Despite the increased finance costs of Phase II West, its results improved from a net loss of RMB37 million to a net loss of RMB20 million. The finance costs of Phase II West are set to increase, after the Company advanced a shareholder's loan of RMB1,000 million to West Route JV during the year under review. The shareholder's loan was partly used to repay an intercompany loan to the GS Superhighway JV and the interest incurred, and partly used to settle outstanding project costs of Phase II West. In July 2013, the average daily toll revenue of Phase II West reached RMB1.5 million for the first time.

The Group's profit before the net exchange gain (after deduction of related income tax) fell by 29%, from RMB809 million to RMB576 million. This was mainly attributable to a fall in its net toll revenue, increased depreciation charges, and an operating loss generated by Phase III West following its opening on 25 January 2013. Together with a decline in the net exchange gain on the GS Superhighway JV's loans denominated in US Dollars and HK Dollars as a result of the RMB's appreciation of 1.7% during the year under review, the profit attributable to owners of the Company declined by 28%, from RMB836 million to RMB601 million.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

During the year ended 30 June 2013, the Group's consolidated operating, general and administrative expenses increased by 10%, from RMB289 million to RMB318 million. This was mainly attributable to the opening of Phase III West and the increased staff costs of the two JV companies.

Consolidated depreciation and amortisation charges increased from RMB397 million to RMB454 million year-on-year. This was the result of the opening of Phase III West, the growth in traffic volume (especially a surge in the traffic volume on Phase II West) and an additional depreciation charge on assets capitalised upon the completion of certain road expansion and improvement works.

The Group's total consolidated finance costs rose by 34%, from RMB223 million to RMB299 million. Since the completion and opening of Phase III West, its interest expenses have been recorded for the first time in the consolidated statement of profit or loss for the second half of FY13. In addition to advancing a RMB30 million to Phase III West, the Company also advanced a shareholder's loan of RMB1,000 million to Phase II West during the year under review. As at the close of this financial year, the Company advanced a total of RMB1,030 million shareholder's loan to the West Route JV.

The tax concessions for both the GS Superhighway and Phase I West were adjusted following the PRC's 2008 tax reform, and their EIT rates increased incrementally to 25%. The rates applicable to the GS Superhighway and Phase I West rose from 24% in 2011 to 25% in 2012. The EIT rate for the GS Superhighway and Phase I West remains at 25% from 2012 until the expiry of their contractual operation periods. The increase in the EIT liabilities of the JV companies did not significantly impact the Group's results during the year under review. Phase II West is exempt from EIT from 2010 to 2012. Its applicable rate from 2013 to 2015 is 12.5%, and this will rise to 25% from 2016 until the expiry of its contractual operation period. Phase III West is exempt from EIT from 2013 to 2015. Its applicable rate from 2016 to 2018 will be 12.5%, and this will rise to 25% from 2019 until the expiry of its contractual operation period.

Liquidity and Financial Resources

The Group's debt balance consisted of the Company's RMB corporate bonds, the Group's bank loans and its proportionate share of the non-recourse project loans of its PRC JV companies. As at 30 June 2013, its total debt to total assets ratio and gearing ratio (net debt to equity attributable to owners of the Company) were as shown below. The Group's net cash on hand (excluding JV companies) amounted to RMB278 million. The Group's net cash on hand, together with the shareholder's loan receivable from the West Route JV of RMB1,030 million, amounted to RMB1,308 million.

HHI Corporate Level

As at 30 June 2013			
	RMB million		RMB million
Bank balances and cash and shareholder's loans to JV company		Corporate debt	
- Bank balances and cash	1,480	- RMB corporate bonds	600
- The Company's shareholder's loans to JV company (Note 1)	1,030	- RMB bank loan	500
		- HKD bank loans	102
	2,510		1,202
Net cash (Note 2): RMB278 million Net cash and the Company's shareholder's loans to JV company: RMB1,308 million			

Proportionate Share of JV Companies

As at 30 June 2013			
	RMB million		RMB million
Bank balances and cash		Bank loans and shareholder's loans (Note 3)	
- Bank balances and cash	363	- GS Superhighway	1,832
		- Phase I West	323
		- Phase II West	2,327
		- Phase III West	1,875
	363		6,357
Net debt: RMB5,994 million			

Note 1: The Company's shareholder's loans were made to the JV company for Phase II West and Phase III West as interim financing due to inability of the JV company to borrow from PRC banks for Phase II West before the official approval for its increased investment.

Note 2: Net cash is defined as bank balances and cash less corporate debt.

Note 3: Including bank loans and the shareholder's loans to Phase II West and Phase III West proportionately shared by the Group which would be totally eliminated on consolidation.

	As at 30 June	
	2012 RMB million	**2013** **RMB million**
Total debt		
- Company and subsidiaries (including RMB corporate bonds and bank loans)	3,038	*(Note 2)* **1,202**
- JV companies	5,980	**6,217**
Net debt *(Note 1)*	4,870	**5,576**
Total assets	17,624	*(Note 2)* **16,284**
Equity attributable to owners of the Company	7,282	**7,571**
Total debt / total assets ratio	51%	*(Note 2)* **46%**
Gearing ratio	67%	**74%**

Note 1: Net debt is defined as total debts less bank balances and cash, together with pledged bank balances and deposits for HHI corporate level & proportionate share of JV companies.

Note 2: Taking account of repayment of RMB1,380 million corporate bonds by the Company in July 2012 and prepayment of RMB500 million bank loan in June 2013.

The major sources of the Group's operating cash inflow during the year under review were dividends received from the GS Superhighway JV, including the amount of RMB351 million received after the West Route JV repaid intercompany borrowings in respect of Phase II West of RMB731 million to the GS Superhighway JV. On the other hand, its major operating cash outflow was the payment of dividends to the Company's shareholders. The Group will continue to optimise its balance sheet, improve its cash flow and strengthen its financial position.

The Group enjoys a strong and solid financial position. As at 30 June 2013, the Group's bank balances and cash on hand (excluding JV companies) amounted to RMB1,480 million (30 June 2012: RMB3,756 million), or RMB0.48 per share (30 June 2012: RMB1.27 per share). The decline in the Group's bank balances and cash on hand was the net effect of the repayment of RMB1,380 million for corporate bonds in July 2012, the advance of a RMB1,000 million shareholder's loan to West Route JV as interim financing for Phase II West, the receipt of net proceeds of RMB375 million from the placement of RMB-traded shares in October 2012, dividends received from the GS Superhighway JV of RMB351 million in December 2012 and the prepayment of RMB500 million for the RMB1,600 million bank loan facility. However, the Group's net cash on hand (excluding JV companies) amounted to RMB278 million (30 June 2012: RMB718 million), (after netting off the Company's RMB corporate bond and the Group's bank loans), or RMB0.09 per share (30 June 2012: RMB0.24 per share). In addition, the Group had shareholder's loan receivables from West Route JV of RMB1,000 million, due to interim financing for Phase II West, and RMB30 million in respect of Phase III West, as further described below. The Group's net cash on hand and the shareholder's loan receivables from West Route JV amounted to RMB1,308 million. The net cash on hand, together with the healthy cashflow and stable cash dividends from the Company's toll expressway projects in the PRC, will provide adequate financial resources for the Company's future projects.

Group Financing

The relevant PRC authorities are currently processing the West Route JV's application to increase its investment in Phase II West to RMB7,200 million. Once approval is obtained, additional registered capital will be injected into the West Route JV by the PRC partner and the Company on a 50:50 basis and additional project bank loans can be borrowed. To settle the outstanding project payments for Phase II West and make efficient use of the Company's internal resources, the Company intends to advance shareholder's loans not exceeding a total of RMB1,500 million (of which RMB1,000 million had been advanced and was outstanding as of 30 June 2013) to the West Route JV as interim financing for Phase II West. The Company will continue to provide financial support to the West Route JV until Phase II West's increased investment is approved and additional project bank loans can be obtained. In December 2012, the West Route JV used the RMB1,000 million shareholder's loan provided by the Company to repay in full the intercompany borrowings of RMB731 million to the GS Superhighway JV, and to settle the outstanding project payments of Phase II West. As at 30 June 2013, the estimated outstanding project payments for Phase II West amounted to not more than RMB500 million, which will fully be covered by the Company's shareholder's loans.

The planned total investments for Phase III West could increase from RMB5,600 million to RMB6,150 million, mainly because the land costs may be higher than planned. The project is adequately funded by registered capital, available banking facilities and shareholder's loans. The Group had already contributed the full amount of registered capital (a total of RMB980 million) and advanced shareholder's loan totalling RMB530 million to the West Route JV as interim financing. As of 30 June 2013, the outstanding amount of the shareholder's loan was reduced to RMB30 million since the West Route JV had repaid RMB500 million to the Company during FY12. As of 30 June 2013, the estimated outstanding project payments for Phase III West amounted to not more than RMB440 million (based on planned total investment cost of up to RMB6,150 million), which will be funded by available PRC project bank loans and shareholder's loan.

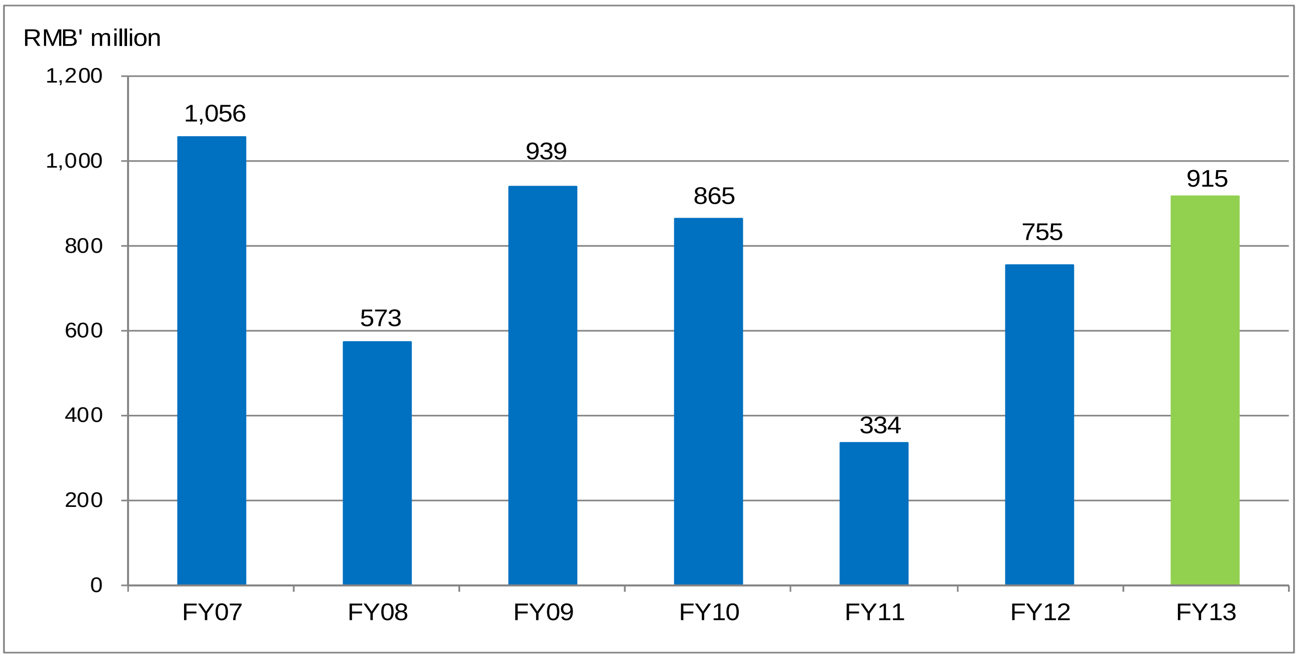
The Group has well arranged the financial resources for the funding requirements of the West Route JV, given that the Company issued RMB600 million corporate bonds in May 2011 (which will mature in May 2014); signed a RMB1,600 million loan facility agreement in May 2012 (which will mature in May 2015 and of which RMB500 million had been prepaid in June 2013); received net proceeds of RMB375 million from the placement of RMB-traded shares in October 2012 and also signed a HK$300 million loan facility agreement in June 2013 (which will mature in June 2016).

As of 30 June 2013 (JV Level)	Planned investment RMB million	Estimated Outstanding Project Payments RMB million	Available Funding RMB million	
Phase II West	7,200	Not more than 500	500	Shareholder’s loan
Phase III West	6,150	Not more than 440	205 235	PRC bank loans Shareholder’s loan

Taking into account the outstanding balances and planned shareholder’s loan to Phase III West of RMB30 million and RMB235 million respectively, totalling RMB265 million, as well as shareholder’s loans already advanced and planned totalling RMB1,500 million for Phase II West, the Group’s exposure in the Western Delta Route will increase from 18% to 26% of the total investment in the project.

The Group’s bank balances and cash on hand will be sufficient to provide further shareholder’s loans for Phase II West and Phase III West, if needed. Together with the stable cash dividends from the Group’s toll expressways, they will also provide sufficient financial resources for future projects. In view of its strong financial position, the Company prepaid RMB500 million of the RMB1,600 million bank loan facility (of which RMB1,000 million had been drawn since June 2012) in June 2013.

Cash Dividends from the GS Superhighway JV



As at 30 June 2013, 99.9% (30 June 2012: 99.9%) of the Group’s bank balances and cash on hand were denominated in RMB and 0.1% (30 June 2012: 0.1%) in HK Dollars. The bank balances and cash on hand of the JV companies proportionately shared by the Group amounted to RMB363 million (30 June 2012: RMB392 million). The Group received cash dividends from the GS Superhighway JV of RMB915 million, RMB755 million, RMB334 million, RMB865 million, RMB939 million, RMB573 million and RMB1,056 million during FY13, FY12, FY11, FY10, FY09, FY08 and FY07, respectively. The reductions in the cash dividends during FY11 and FY08 were mainly brought about by the intercompany borrowings provided by the GS Superhighway JV to the West Route JV in respect of Phase II West and the repatriation of registered capital by the GS Superhighway JV to the Company respectively. The cash dividends from the GS Superhighway JV were restored to their normal levels in FY12. The cash dividends increased during the year under review as the result of the full repayment of intercompany borrowings by the West Route JV in respect of Phase II West to the GS Superhighway JV in December 2012, and the GS Superhighway JV's distribution of a dividend of RMB351 million to the Company out of these funds. The cash dividends received and receivable from the GS Superhighway JV make the Group confident that it has sufficient financial resources for its recurring operational activities, as well as its existing and potential investment activities. In anticipation of the full repayment of the existing bank loans of the GS Superhighway JV in 2019, the Group expects the GS Superhighway JV's cash flow and the amount of cash dividends the Group receives from it to increase substantially thereafter.

In view of its current operating cash flow and strong financial position, the Board believes that the Group's target payout ratio of around 100% is sustainable.

Bank and Other Borrowings

As at 30 June 2013, the total bank and other borrowings of the JV companies proportionately shared by the Group (including US Dollars bank loans of equivalent to RMB1,625 million, HK Dollars bank loan of equivalent to RMB207 million, RMB bank loans of RMB4,010 million and RMB other borrowing of RMB7 million), together with the RMB corporate bonds and RMB term loan raised by the Company and the Group's short-term bank loans, amounted to approximately RMB7,051 million (30 June 2012: RMB8,762 million) with the following profile:

(a) 91% (30 June 2012: 77%) consisted of bank loans and 9% (30 June 2012: 23%) of other loans (including RMB corporate bonds with a total value of RMB600 million (30 June 2012: RMB1,980 million)). The fall in the percentage of other loans was due to the Company's repayment of RMB1,380 million for corporate bonds due; and

(b) 23% (30 June 2012: 21%) was denominated in US Dollars; 73% (30 June 2012: 76%) was denominated in RMB and 4% (30 June 2012: 3%) was denominated in HK Dollars. The decrease in the percentage of RMB borrowings was due to the Company's repayment of RMB1,380 million for corporate bonds in July 2012.

The Group's net current assets decreased by 93%, from approximately RMB1,656 million as at 30 June 2012 to approximately RMB112 million as at 30 June 2013. This decline was due to the drop in bank balances and cash as a result of the Company's repayment of RMB1,380 million for corporate bonds in July 2012; the advance of a RMB1,000 million shareholder's loan by the Group to the West Route JV in respect of Phase II West for the purpose of fully repaying the GS Superhighway's inter-company borrowings of RMB731 million; and the prepayment of RMB500 million out of the RMB1,000 million loan drawn under the RMB1,600 million bank loan facility but partly offset by the issue of the Company's RMB-traded shares with net proceeds of RMB375 million in October 2012. In addition, the decline in current liabilities was the net effect of the repayment of the RMB1,380 million corporate bonds and the reclassification of RMB600 million corporate bonds (which will mature in May 2014) from non-current liabilities to current liabilities during the year under review.

Debt Maturity Profile

As at 30 June 2013, the maturity profile of the bank and other borrowings of the JV companies proportionately shared by the Group, RMB corporate bonds and RMB term loan raised by the Company, together with the Group's short-term bank loans, were shown below, together with the corresponding figures as at 30 June 2012:

	As at 30 June			
	2012		**2013**	
	RMB million	%	**RMB million**	**%**
Repayable within 1 year *(Note 1)*	1,745	20%	**954**	**14%**
Repayable between 1 and 5 years *(Note 2)*	3,151	36%	**2,255**	**32%**
Repayable beyond 5 years	3,866	44%	**3,842**	**54%**
	8,762	100%	**7,051**	**100%**

Note 1: RMB corporate bonds with a total value of RMB1.38 billion matured in July 2012.

Note 2: RMB corporate bonds with a total value of RMB600 million will mature in May 2014, and the RMB term loan of RMB500 million will become due in May 2015 (of which RMB500 million had been prepaid out of the RMB1,000 million loan drawn as of 30 June 2013).

Interest Rate and Exchange Rate Exposure

The Group closely monitors its exposure to interest rates and foreign currency exchange rates and strictly controls its use of financial instruments. At present, neither the Group nor its JV companies has any financial derivative instruments to hedge their exposure to interest rates or foreign currency exchange rates.

Treasury Policies

The Group continues to adopt prudent and conservative treasury policies in its financial and funding management. Its liquidity and financial resources are reviewed on a regular basis, with a view to minimising its funding costs and enhancing the returns on its financial assets. Most of the Group's cash is placed in deposits denominated in RMB. Holding RMB suits the Group's PRC-based operations, and it can earn higher interest income from RMB deposits than HK Dollar deposits. The percentage of cash the Group held in RMB bank deposits was maintained at 99.9% as at 30 June 2013. It has therefore maintained the proportion of its RMB bank deposits to that of its HK Dollar deposits. As there were two cuts in RMB deposit interest rates in the PRC in June and July 2012, the Group's overall treasury yield decreased to 3.18%, compared to 3.26% for the previous year. The Group will continue to strengthen its treasury management and evaluate the options available for improving the yields on its substantial cash-deposit portfolio.

Capital and Other Commitments

As at 30 June 2013, the Group had agreed, subject to the approval by the relevant authorities, to make additional capital contributions of approximately RMB402.5 million (30 June 2012: RMB402.5 million) to the West Route JV for the development of Phase II West. It currently plans, subject to the approval by the relevant authorities, to make these capital contributions during FY14.

As at 30 June 2013, the Group's proportionate share of the GS Superhighway JV and the West Route JV were 48% and 50% respectively. Its outstanding and unfulfilled commitments in relation to the acquisition of property and equipment amounted to approximately RMB39 million (30 June 2012: acquisition of property and equipment and the construction of Phase III West amounted to approximately RMB419 million) in aggregate.

Pledge of Assets

As at 30 June 2013, the Group's JV companies pledged certain assets to banks in order to secure the banking facilities granted to them. The carrying amounts of these assets proportionately shared by the Group were as follows:

	As at 30 June	
	2012 RMB million	**2013** **RMB million**
Concession intangible assets	5,996	**5,767**
Property and equipment	206	**230**
Inventories	2	**2**
Interest and other receivables	56	**58**
Bank balances and deposits	282	**328**
	6,542	**6,385**

In addition to the above, 100% of the toll collection rights of the GS Superhighway, Phase II West and Phase III West, and 53.4% of the toll collection rights of Phase I West were pledged to banks to secure banking facilities granted to their respective JV companies.

Contingent Liabilities

As at 30 June 2013, the Group had no material contingent liabilities.

Material Acquisition or Disposal

The Company's subsidiaries and associated companies did not make any material acquisitions or disposals during the year ended 30 June 2013.

OTHER DISCLOSURES

Purchase, Sale or Redemption of Securities

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 30 June 2013.

Review of Annual Results

The annual results of the Group for the year ended 30 June 2013 have been reviewed by the Audit Committee of the Company.

Compliance with the CG Code

Throughout the year ended 30 June 2013, the Company has complied with all the code provisions as set out in the CG Code except for the deviation from code provisions A.5.1 and A.6.7 of the CG Code, with explanation described below.

Code Provision A.5.1

The Company does not consider it necessary to have a nomination committee as the Company already has the policies and procedures for selection and nomination of Directors in place. The Board as a whole regularly reviews the plans for orderly succession for appointments to the Board and its structure, size and composition. If the Board considers that it is necessary to appoint new Director(s), it will set down the relevant appointment criteria which may include, where applicable, the background, experience, professional skills, personal qualities, availability to commit to the affairs of the Company and, in case of Independent Non-executive Director, the independence requirements set out in the Listing Rules from time to time. Nomination of new Director(s) will normally be made by the Chairman and/or the Managing Director and subject to the Board's approval. External consultants may be engaged, if necessary, to access a wider range of potential candidate(s).

Code Provision A.6.7

Mr. Philip Tsung Cheng FEI, who was an Independent Non-Executive Director and retired at the conclusion of the annual general meeting of the Company held on 18 October 2012, was unable to attend the aforesaid annual general meeting as he was on an overseas engagement. However, all other Independent Non-Executive Directors were present thereat to be available to answer any question to ensure effective communication with shareholders of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 30 June 2013

	NOTES	2012 RMB'000	**2013 RMB'000**	2012 HK$'000 (FOR INFORMATION PURPOSE ONLY)	**2013 HK$'000 (FOR INFORMATION PURPOSE ONLY)**
Toll revenue		1,948,671	**1,803,100**	2,385,666	**2,244,122**
Revenue on construction		1,239,614	**683,120**	1,512,139	**861,893**
Turnover	3	3,188,285	**2,486,220**	3,897,805	**3,106,015**
Other income and other expense	4	202,105	**201,029**	246,975	**250,679**
Construction costs		(1,239,614)	**(683,120)**	(1,512,139)	**(861,893)**
Provision for resurfacing charges		(21,343)	**(22,651)**	(26,129)	**(28,188)**
Toll expressway operation expenses		(188,994)	**(215,721)**	(231,375)	**(268,440)**
Depreciation and amortisation charges		(396,989)	**(453,741)**	(485,979)	**(565,023)**
General and administrative expenses		(100,128)	**(102,381)**	(122,811)	**(127,253)**
Finance costs	5	(223,269)	**(299,471)**	(273,265)	**(373,276)**
Profit before tax		1,220,053	**910,164**	1,493,082	**1,132,621**
Income tax expenses	6	(369,045)	**(297,892)**	(451,737)	**(370,838)**
Profit for the year	7	851,008	**612,272**	1,041,345	**761,783**
Other comprehensive income					
Item that will not be reclassified to profit or loss:					
Exchange gain arising on translation to presentation currency		-	**-**	113,043	**319,728**
Item that may be subsequently reclassified to profit or loss:					
Exchange gain arising on translation of foreign operations		1,123	**3,608**	-	**-**
Total comprehensive income for the year		852,131	**615,880**	1,154,388	**1,081,511**
Profit for the year attributable to:					
Owners of the Company		836,198	**600,744**	1,023,218	**747,430**
Non-controlling interests		14,810	**11,528**	18,127	**14,353**
		851,008	**612,272**	1,041,345	**761,783**
Total comprehensive income attributable to:					
Owners of the Company		837,321	**604,352**	1,136,261	**1,064,969**
Non-controlling interests		14,810	**11,528**	18,127	**16,542**
		852,131	**615,880**	1,154,388	**1,081,511**
		RMB cents	**RMB cents**	HK cents	**HK cents**
Earnings per share	9				
Basic and diluted		28.23	**19.75**	34.55	**24.57**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2013

	1 July 2011 RMB'000	30 June 2012 RMB'000	**30 June 2013 RMB'000**	1 July 2011 HK$'000	30 June 2012 HK$'000 (FOR INFORMATION PURPOSE ONLY)	**30 June 2013 HK$'000**
ASSETS						
Non-current Assets						
Property and equipment	270,571	310,987	**497,179**	325,767	379,404	**627,937**
Concession intangible assets	11,907,961	12,787,518	**13,060,456**	14,337,184	15,600,772	**16,495,355**
Balance with a jointly controlled entity	193,056	245,777	**260,944**	232,440	299,848	**329,572**
Loans to a jointly controlled entity (note i)	-	-	**500,000**	-	-	**631,500**
Investment	-	-	**4,785**	-	-	**6,044**
Bank deposits of the Group	490,000	-	-	589,960	-	-
	12,861,588	13,344,282	**14,323,364**	15,485,351	16,280,024	**18,090,408**
Current Assets						
Inventories	1,960	2,008	**1,853**	2,360	2,450	**2,341**
Deposits and prepayments	11,805	17,448	**6,654**	14,214	21,287	**8,405**
Interest and other receivables	85,493	95,831	**85,565**	102,934	116,913	**108,068**
Loans to a jointly controlled entity (note i)	252,797	16,664	**22,806**	304,367	20,330	**28,804**
Pledged bank balances and deposits of jointly controlled entities	244,880	282,077	**328,394**	294,836	344,134	**414,762**
Bank balances and cash						
- The Group	2,366,217	3,755,752	**1,480,436**	2,848,925	4,582,018	**1,869,790**
- Jointly controlled entities	56,947	110,245	**34,674**	68,564	134,499	**43,793**
	3,020,099	4,280,025	**1,960,382**	3,636,200	5,221,631	**2,475,963**
Total Assets	15,881,687	17,624,307	**16,283,746**	19,121,551	21,501,655	**20,566,371**
EQUITY AND LIABILITIES						
Capital and Reserves						
Share capital	260,941	260,941	**270,603**	296,169	296,169	**308,169**
Share premium and reserves	7,059,784	7,021,242	**7,300,132**	8,517,986	8,588,095	**9,253,670**
Equity attributable to owners of the Company	7,320,725	7,282,183	**7,570,735**	8,814,155	8,884,264	**9,561,839**
Non-controlling interests	50,154	55,335	**49,860**	60,386	67,508	**62,973**
Total Equity	7,370,879	7,337,518	**7,620,595**	8,874,541	8,951,772	**9,624,812**
Non-current Liabilities						
Bank loan of the Group	-	1,000,000	**500,000**	-	1,220,000	**631,500**
Bank and other loans of jointly controlled entities	4,890,400	5,416,871	**5,597,060**	5,888,041	6,608,583	**7,069,087**
Balance with a joint venture partner	193,007	245,728	**260,895**	232,381	299,788	**329,510**
Balance with a jointly controlled entity (note ii)	-	14,620	-	-	17,836	-
Corporate bonds	1,980,000	600,000	-	2,383,920	732,000	-
Resurfacing obligations	43,620	57,360	**80,011**	52,518	69,979	**101,053**
Deferred tax liabilities	317,303	327,762	**325,723**	382,033	399,870	**411,388**
Other non-current liabilities	-	-	**51,488**	-	-	**65,029**
	7,424,330	7,662,341	**6,815,177**	8,938,893	9,348,056	**8,607,567**
Current Liabilities						
Provision, other payables, accruals and deposits received	690,606	760,305	**707,387**	831,489	927,572	**893,431**
Balance with a joint venture partner	-	10,000	**106,595**	-	12,200	**134,629**
Balance with a jointly controlled entity (note ii)	13,641	239	-	16,423	292	-
Bank loans						
- The Group	20,515	58,033	**101,821**	24,700	70,800	**128,600**
- Jointly controlled entities	242,604	307,226	**252,053**	292,095	374,816	**318,342**
Corporate bonds	-	1,380,000	**600,000**	-	1,683,600	**757,800**
Other interest payable	25,208	27,997	**8,690**	30,350	34,157	**10,976**
Tax liabilities	93,904	80,648	**71,428**	113,060	98,390	**90,214**
	1,086,478	2,624,448	**1,847,974**	1,308,117	3,201,827	**2,333,992**
Total Liabilities	8,510,808	10,286,789	**8,663,151**	10,247,010	12,549,883	**10,941,559**
Total Equity and Liabilities	15,881,687	17,624,307	**16,283,746**	19,121,551	21,501,655	**20,566,371**

	1 July 2011 RMB'000	30 June 2012 RMB'000	**30 June 2013 RMB'000**	1 July 2011 HK$'000	30 June 2012 HK$'000	**30 June 2013 HK$'000**
				(FOR INFORMATION PURPOSE ONLY)		
Cash and Cash Equivalents represented by:						
Pledged bank balances and deposits of jointly controlled entities	220,880	258,077	**304,394**	265,940	314,854	**384,450**
Bank balances and cash						
- The Group	2,132,896	3,265,752	**1,480,436**	2,568,007	3,984,218	**1,869,790**
- Jointly controlled entities	56,947	110,245	**34,674**	68,564	134,499	**43,793**
	2,410,723	3,634,074	**1,819,504**	2,902,511	4,433,571	**2,298,033**

Notes:

(i) Reconciliation of loans to a jointly controlled entity

	1 July 2011 RMB'000	30 June 2012 RMB'000	**30 June 2013 RMB'000**	1 July 2011 HK$'000	30 June 2012 HK$'000	**30 June 2013 HK$'000**
				(FOR INFORMATION PURPOSE ONLY)		
Principal amount of loans from the Group to a jointly controlled entity	500,000	30,000	**1,030,000**	602,000	36,600	**1,300,890**
Interest receivable for loans from the Group to a jointly controlled entity	5,594	3,328	**15,612**	6,734	4,060	**19,718**
Less: Elimination of the Group's proportionate share of the corresponding amounts of the jointly controlled entity	(252,797)	(16,664)	**(522,806)**	(304,367)	(20,330)	**(660,304)**
	252,797	16,664	**522,806**	304,367	20,330	**660,304**

Analysed for reporting purpose:

	1 July 2011 RMB'000	30 June 2012 RMB'000	**30 June 2013 RMB'000**	1 July 2011 HK$'000	30 June 2012 HK$'000	**30 June 2013 HK$'000**
Non-current assets	-	-	**500,000**	-	-	**631,500**
Current assets	252,797	16,664	**22,806**	304,367	20,330	**28,804**
	252,797	16,664	**522,806**	304,367	20,330	**660,304**

(ii) Reconciliation of balance with a jointly controlled entity

	1 July 2011 RMB'000	30 June 2012 RMB'000	**30 June 2013 RMB'000**	1 July 2011 HK$'000	30 June 2012 HK$'000	**30 June 2013 HK$'000**
				(FOR INFORMATION PURPOSE ONLY)		
Loans from a jointly controlled entity to another jointly controlled entity	340,500	365,500	-	409,950	445,910	-
Interest payable for loans from a jointly controlled entity to another jointly controlled entity	1,054	5,983	-	1,268	7,299	-
Less: Elimination of the Group's proportionate share of the corresponding amounts of the jointly controlled entities	(327,913)	(356,624)	-	(394,795)	(435,081)	-
	13,641	14,859	-	16,423	18,128	-
Analysed for reporting purpose:						
Non-current liabilities	-	14,620	-	-	17,836	-
Current liabilities	13,641	239	-	16,423	292	-
	13,641	14,859	-	16,423	18,128	-

Loans from a jointly controlled entity to another jointly controlled entity represented 50% proportionately shared by the Group in respect of the loans made by 廣深珠高速公路有限公司 Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited ("GS Superhighway JV") to 廣東廣珠西綫高速公路有限公司 Guangdong Guangzhou-Zhuhai West Superhighway Company Limited ("West Route JV") with the principal amounts of RMB731,000,000 as at 30 June 2012. The amounts have been fully repaid in December 2012.

1. BASIS OF PREPARATION

The Company's functional currency is Renminbi ("RMB"). The presentation currency of the consolidated financial statements in prior financial years was Hong Kong dollars ("HKD"). Starting from 1 July 2012, the Group has changed its presentation currency for the preparation of its consolidated financial statements from HKD to RMB as a result of that the Group has been receiving RMB dividends directly from both of the GS Superhighway JV and the West Route JV. Moreover, the Company raised funding in recent years were mostly in RMB and placed 120 million RMB-traded shares of the Company on the RMB counter of the Stock Exchange on 29 October 2012. Accordingly, the directors of the Company consider that it is more appropriate to use RMB as the presentation currency in presenting the operating results and financial positions of the Group and the comparative information has been represented to conform with the current year's presentation in RMB. The presentation of HKD amounts in these consolidated financial statements is for information purpose only.

For the purpose of presenting the consolidated financial statements of the Group in HKD, the assets and liabilities for the consolidated statement of financial position are translated into HKD at the closing rate at the date of the consolidated statement of financial position. Income and expenses for the consolidated statement of profit or loss and other comprehensive income are translated at the average exchange rates for the month of the transactions, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of transactions are used. The share capital, and the share premium and reserves are translated at the exchange rate at the date when the amount was determined (i.e. the rate at the date of transaction for an item measured in terms of the historical cost). The non-controlling interests for the consolidated statement of financial position are translated into HKD at the closing rate at the date of the consolidated statement of financial position.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied the following amendments to International Financial Reporting Standard ("IFRS") issued by the International Accounting Standards Board.

IAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income
IAS 1 (Amendments)	Presentation of Financial Statements (as part of the Annual Improvements to IFRSs 2009 - 2011 Cycle issued in 2012)

IAS 1 (Amendments) Presentation of Items of Other Comprehensive Income

The amendments to IAS 1 introduce new terminology for statement of comprehensive income and income statement. Under the amendments to IAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and an income statement is renamed as a statement of profit or loss. The amendments to IAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to IAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the statement of comprehensive income has been renamed and the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to IAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

IAS 1 (Amendments) Presentation of Financial Statements (as part of the Annual Improvements to IFRS 2009-2011 Cycle issued in 2012)

In current year, the Group has applied for the first time the amendments to IAS 1 in advance of the effective date (annual periods beginning on or after 1 January 2013).

The amendments to IAS 1 clarify that an entity is required to present a statement of financial position as at the beginning of the preceding period (third statement of financial position) only when the retrospective application of an accounting policy, restatement or reclassification has a material effect on the information in the third statement of financial position and that the related notes are not required to accompany the third statement of financial position.

In the current year, the Group has changed its presentation currency and made a retrospective restatement to the consolidated financial statements. Accordingly, the Group has presented the consolidated statement of financial position as at 1 July 2011 without related notes.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective:

IFRS 7 (Amendments)	Disclosures - Offsetting Financial Assets and Financial Liabilities[1]
IFRS 9 and IFRS 7 (Amendments)	Mandatory Effective Date of IFRS 9 and Transition Disclosures[3]

IFRS 10, IFRS 11 and IFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance[1]
IFRS 10, IFRS 12 and IAS 27 (Amendments)	Investment Entities[2]
IFRS 9	Financial Instruments[3]
IFRS 10	Consolidated Financial Statements[1]
IFRS 11	Joint Arrangements[1]
IFRS 12	Disclosure of Interests in Other Entities[1]
IFRS 13	Fair Value Measurement[1]
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine[1]
IFRIC 21	Levies[2]
IAS 19 (Revised 2011)	Employee Benefits[1]
IAS 27 (Revised 2011)	Separate Financial Statements[1]
IAS 28 (Revised 2011)	Investments in Associates and Joint Ventures[1]
IAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities[2]
IAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets[2]
IAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting[2]

[1] Effective for annual periods beginning on or after 1 January 2013
[2] Effective for annual periods beginning on or after 1 January 2014
[3] Effective for annual periods beginning on or after 1 January 2015

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including IFRS 10, IFRS 11, IFRS 12, IAS 27 (Revised 2011) and IAS 28 (Revised 2011).

Key requirements of these five standards are described below.

IFRS 10 replaces the parts of IAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and SIC-Int 12 *Consolidation - Special Purpose Entities*. IFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in IFRS 10 to deal with complex scenarios.

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-Int 13 *Jointly Controlled Entities - Non-Monetary Contributions by Venturers*. IFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under IFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under IAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under IFRS 11 are required to be accounted for using the equity method of accounting, whereas jointly controlled entities under IAS 31 can be accounted for using the equity method of accounting or proportionate accounting.

IFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in IFRS 12 are more extensive than those in the current standards.

In July 2012, the amendments to IFRS 10, IFRS 11 and IFRS 12 were issued to clarify certain transitional guidance on the application of these five IFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time. The directors of the Company anticipate that these five standards will be adopted in the consolidated financial statements for the annual period beginning 1 July 2013. The Group's jointly controlled entities that are currently accounted for using proportionate consolidation method will have to be accounted for using the equity method of accounting if they are joint ventures under IFRS 11.

Other than disclosed above, the Directors anticipate that the application of the other new and revised IFRSs will have no material impact on the results and the financial positions of the Group.

3. TURNOVER AND SEGMENT INFORMATION

Turnover

Turnover represents the Group's proportionate share of the jointly controlled entities' toll revenue received and receivable from the operations of toll expressways in the PRC, net of business tax, and revenue on construction and is analysed as follows:

	2012 RMB'000	**2013** **RMB'000**	2012 HK$'000	**2013** **HK$'000**
			(FOR INFORMATION PURPOSE ONLY)	
Toll revenue before business tax	2,008,771	**1,858,873**	2,459,244	**2,313,536**
Business tax	(60,100)	**(55,773)**	(73,578)	**(69,414)**
	1,948,671	**1,803,100**	2,385,666	**2,244,122**
Revenue on construction	1,239,614	**683,120**	1,512,139	**861,893**
	3,188,285	**2,486,220**	3,897,805	**3,106,015**

Information reported to the chief operating decision maker, including segment revenue, earnings before interest and tax ("EBIT") and segment result, is more specifically focused on individual toll expressways projects jointly operated and managed by the Group and the relevant joint venture partners. On 25 January 2013, Phase III of the Western Delta Route ("Phase III West") commences to operate. Accordingly, the Group's operating segments under IFRS 8 are therefore as follows:

- Guangzhou-Shenzhen Superhighway ("GS Superhighway")
- Phase I of the Western Delta Route ("Phase I West")
- Phase II of the Western Delta Route ("Phase II West")
- Phase III West

Information regarding the above segments is reported below.

Segment revenue and results

	2012			**2013**		
	Segment revenue RMB'000	EBIT RMB'000	Segment result RMB'000	**Segment revenue RMB'000**	**EBIT RMB'000**	**Segment result RMB'000**
GS Superhighway	1,688,962	1,183,360	811,421	**1,470,113**	**912,240**	**615,823**
Phase I West	77,202	50,801	34,288	**80,180**	**51,180**	**34,027**
Phase II West	182,507	99,141	(37,020)	**230,665**	**125,616**	**(19,852)**
Phase III West	-	-	-	**22,142**	**2,762**	**(49,155)**
Total	1,948,671	1,333,302	808,689	**1,803,100**	**1,091,798**	**580,843**
Corporate interest income from bank deposits			86,733			**71,319**
Corporate interest income from loans made by the Group to a jointly controlled entity			23,630			**35,048**
Other income			1,242			**1,312**
Corporate general and administrative expenses			(47,892)			**(43,255)**
Corporate finance costs			(54,592)			**(60,523)**
Corporate income tax expenses			(9,034)			**(8,828)**
Net exchange gain, net of related income tax expenses			42,232			**36,356**
Profit for the year			851,008			**612,272**

(FOR INFORMATION PURPOSE ONLY)

	2012			**2013**		
	Segment revenue HK$'000	EBIT HK$'000	Segment result HK$'000	**Segment revenue HK$'000**	**EBIT HK$'000**	**Segment result HK$'000**
GS Superhighway	2,067,701	1,448,606	993,309	**1,829,348**	**1,134,983**	**766,170**
Phase I West	94,522	62,191	41,989	**99,793**	**63,675**	**42,336**
Phase II West	223,443	121,399	(45,288)	**287,137**	**156,392**	**(24,720)**
Phase III West	-	-	-	**27,844**	**3,501**	**(61,732)**
Total	2,385,666	1,632,196	990,010	**2,244,122**	**1,358,551**	**722,054**
Corporate interest income from bank deposits			106,042			**88,340**
Corporate interest income from loans made by the Group to a jointly controlled entity			28,786			**43,846**
Other income			1,566			**1,624**
Corporate general and administrative expenses			(58,080)			**(53,691)**
Corporate finance costs			(66,761)			**(75,129)**
Corporate income tax expenses			(11,046)			**(10,989)**
Net exchange gain, net of related income tax expenses			50,828			**45,728**
Profit for the year			1,041,345			**761,783**

All of the segment revenue reported above is earned from external customers.

Segment result represents the profit earned or loss incurred by each segment without allocation of corporate interest income (from bank deposits and loans made by the Group to a jointly controlled entity), other income (excluding interest income from bank deposits of jointly controlled entities, rental income and other income derived from jointly controlled entities), corporate general and administrative expenses, corporate finance costs, corporate income tax expenses and net exchange gain, net of related income tax expenses. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Reconciliation from segment revenue to turnover

	2012 RMB'000	**2013 RMB'000**	2012 HK$'000 (FOR INFORMATION PURPOSE ONLY)	**2013 HK$'000**
Segment revenue - net toll revenue	1,948,671	**1,803,100**	2,385,666	**2,244,122**
Revenue on construction	1,239,614	**683,120**	1,512,139	**861,893**
Turnover	3,188,285	**2,486,220**	3,897,805	**3,106,015**

Other segment information

2012

	GS Superhighway RMB'000	Phase I West RMB'000	Phase II West RMB'000	Phase III West RMB'000	Segment total RMB'000	Reallocation RMB'000 (Note i)	Elimination RMB'000 (Note ii)	Unallocated RMB'000	Consolidated total RMB'000
Amounts included in the measure of segment profit or loss:									
Depreciation and amortisation	332,655	10,987	52,524	-	396,166	-	-	823	396,989
Interest income	(21,877)	(162)	(197)	-	(22,236)	(11,553)	19,671	(110,363)	(124,481)
Interest expenses	22,311	18,323	136,161	-	176,795	11,553	(19,671)	54,592	223,269
Income tax expenses	349,628	(1,810)	-	-	347,818	-	-	21,227	369,045

2013

	GS Superhighway RMB'000	**Phase I West RMB'000**	**Phase II West RMB'000**	**Phase III West RMB'000**	**Segment total RMB'000**	**Reallocation RMB'000 (Note i)**	**Elimination RMB'000 (Note ii)**	**Unallocated RMB'000**	**Consolidated total RMB'000**
Amounts included in the measure of segment profit or loss:									
Depreciation and amortisation	**359,707**	**12,971**	**67,059**	**13,457**	**453,194**	**-**	**-**	**547**	**453,741**
Interest income	**(11,493)**	**(166)**	**(389)**	**(441)**	**(12,489)**	**(15,167)**	**9,828**	**(106,367)**	**(124,195)**
Interest expenses	**19,071**	**17,153**	**145,468**	**51,917**	**233,609**	**15,167**	**(9,828)**	**60,523**	**299,471**
Income tax expenses	**277,346**	**-**	**-**	**-**	**277,346**	**-**	**-**	**20,546**	**297,892**

2012

	GS Superhighway HK$'000	Phase I West HK$'000	Phase II West HK$'000	Phase III West HK$'000	Segment total HK$'000	Reallocation HK$'000 (Note i)	Elimination HK$'000 (Note ii)	Unallocated HK$'000	Consolidated total HK$'000
Amounts included in the measure of segment profit or loss:									
Depreciation and amortisation	407,264	13,450	64,259	-	484,973	-	-	1,006	485,979
Interest income	(26,789)	(199)	(241)	-	(27,229)	(14,143)	24,084	(134,828)	(152,116)
Interest expenses	27,324	22,434	166,687	-	216,445	14,143	(24,084)	66,761	273,265
Income tax expenses	427,973	(2,232)	-	-	425,741	-	-	25,996	451,737

2013

	GS Superhighway HK$'000	**Phase I West HK$'000**	**Phase II West HK$'000**	**Phase III West HK$'000**	**Segment total HK$'000**	**Reallocation HK$'000 (Note i)**	**Elimination HK$'000 (Note ii)**	**Unallocated HK$'000**	**Consolidated total HK$'000**
Amounts included in the measure of segment profit or loss:									
Depreciation and amortisation	**447,773**	**16,155**	**83,497**	**16,925**	**564,350**	**-**	**-**	**673**	**565,023**
Interest income	**(14,195)**	**(206)**	**(487)**	**(554)**	**(15,442)**	**(18,875)**	**12,117**	**(132,186)**	**(154,386)**
Interest expenses	**23,705**	**21,339**	**181,112**	**65,233**	**291,389**	**18,875**	**(12,117)**	**75,129**	**373,276**
Income tax expenses	**345,108**	**-**	**-**	**-**	**345,108**	**-**	**-**	**25,730**	**370,838**

Notes:

(i) Included in the measure of segment profit or loss, interest income from loans made by the Group to a jointly controlled entity and imputed interest income on interest-free registered capital contributions and loans made to a jointly controlled entity are presented with imputed interest on interest-free registered capital contributions and loans made by joint venture partners on a net basis. Amounts are reallocated to reconcile from "Segment total" to "Consolidated total".

(ii) Included in the measure of segment profit or loss, interest income/expense for the loans from GS Superhighway to Phase II West are presented on gross basis. Amounts are eliminated to reconcile from "Segment total" to "Consolidated total".

Geographical information

The Group's operations are located in the PRC. All of the Group's revenue from external customers by location where the services were provided and the location of the non-current assets excluding balance with a jointly controlled entity, loans to a jointly controlled entity and investment amounting to RMB13,557,635,000 (approximately HK$17,123,292,000) (2012: RMB13,098,505,000 (approximately HK$15,980,176,000)) are in the PRC.

Segment assets and liabilities

Segment assets and liabilities are not disclosed in the consolidated financial statements as they are not regularly provided to chief operating decision maker for the purpose of resource allocation and performance assessment.

4. OTHER INCOME AND OTHER EXPENSE

	2012 RMB'000	**2013 RMB'000**	2012 HK$'000 (FOR INFORMATION PURPOSE ONLY)	**2013 HK$'000**
Interest income from:				
Bank deposits	89,298	**73,980**	109,187	**91,665**
Loans made by the Group to a jointly controlled entity	23,630	**35,048**	28,786	**43,846**
Imputed interest income on interest-free registered capital contributions made by the Group to a jointly controlled entity	11,553	**15,167**	14,143	**18,875**
Net exchange gain	54,425	**48,074**	65,777	**60,469**
Rental income	13,212	**16,257**	16,184	**20,290**
Management fee income from jointly controlled entities	1,242	**1,312**	1,566	**1,624**
Loss on disposal of property and equipment	(289)	**-**	(356)	**-**
Others	9,034	**11,191**	11,688	**13,910**
	202,105	**201,029**	246,975	**250,679**

5. FINANCE COSTS

	2012 RMB'000	**2013 RMB'000**	2012 HK$'000 (FOR INFORMATION PURPOSE ONLY)	**2013 HK$'000**
Interest on:				
Bank loans	219,512	**315,684**	268,808	**393,316**
Corporate bonds	50,562	**10,652**	61,831	**13,190**
Loans made by the Group to a jointly controlled entity	11,815	**17,524**	14,393	**21,923**
Loans made by a jointly controlled entity to another jointly controlled entity	819	**410**	1,004	**505**
Loans made by a jointly venture partner to jointly controlled entity	-	**3,924**	-	**4,939**
Imputed interest on:				
Interest-free registered capital contributions made by a joint venture partner	11,553	**15,167**	14,142	**18,875**
Other interest-free loan	396	**423**	485	**526**
	294,657	**363,784**	360,663	**453,274**
Other financial expenses	3,726	**6,116**	4,559	**7,649**
	298,383	**369,900**	365,222	**460,923**
Less: Amounts included in toll expressway construction costs	(75,114)	**(70,429)**	(91,957)	**(87,647)**
	223,269	**299,471**	273,265	**373,276**

6. INCOME TAX EXPENSES

	2012 RMB'000	**2013** **RMB'000**	2012 HK$'000	**2013** **HK$'000**
			(FOR INFORMATION PURPOSE ONLY)	
The tax charge comprises:				
PRC Enterprise Income Tax ("EIT")				
The Group	50,225	**51,122**	61,387	**63,848**
Jointly controlled entities	310,171	**248,809**	379,847	**309,775**
Refund of EIT of a jointly controlled entity recognised in prior year	(1,810)	**-**	(2,232)	**-**
Deferred taxation	10,459	**(2,039)**	12,735	**(2,785)**
	369,045	**297,892**	451,737	**370,838**

No provision for Hong Kong Profits Tax has been made as there was no assessable profit derived from or arising in Hong Kong.

Included in the EIT charge of the Group is the withholding tax in relation to the dividends distributed from GS Superhighway JV amounting to RMB42,295,000 (approximately HK$52,859,000) (2012: RMB41,191,000 (approximately HK$50,341,000)).

The EIT charge of the jointly controlled entities for the year ended 30 June 2013 represents the Group's proportionate share of the provision for the EIT of GS Superhighway JV for the year ended 30 June 2013 amounting to approximately RMB248,809,000 (approximately HK$309,775,000), which is calculated at 25% for the year ended 30 June 2013 of the estimated taxable profit for the year. No provision for the EIT of West Route JV has been made as West Route JV has no assessable profit for the year ended 30 June 2013.

The EIT charge of the jointly controlled entities for the year ended 30 June 2012 represents the Group's proportionate share of the provision for the EIT of GS Superhighway JV for the year ended 30 June 2012 amounting to approximately RMB310,171,000 (approximately HK$379,847,000), which is calculated at 24% for the half year ended 31 December 2011 and 25% for the half year ended 30 June 2012 of the estimated taxable profit for the year. No provision for the EIT of West Route JV has been made as West Route JV has no assessable profit for the year ended 30 June 2012.

GS Superhighway JV is entitled to a 5-year exemption from income tax commencing from the first profit-making year as computed under PRC accounting standards and tax regulations and 5-year half of the regular tax rate ("5 + 5" exemption). The first year for which GS Superhighway JV recorded profits for PRC tax purposes was the year ended 31 December 2000 and the "5+5" exemption from income tax expired in December 2009.

West Route JV is entitled to a 2-year exemption from income tax for income from Phase I West commencing from the first profit-making year as computed under PRC accounting standards and tax regulations and a 3-year concessionary rate of half of the regular tax rate ("2 + 3" exemption). The first year for which West Route JV recorded profit from Phase I West for PRC tax purpose was the year ended 31 December 2006 and 2-year exemption from income tax expired in December 2007.

On 16 March 2007, the PRC promulgated the Law of the PRC on Enterprise Income Tax (the "New Law") by Order No. 63 of the President of the PRC, which changed the tax rate from 18% (including 3% local tax) to 25% for the PRC jointly controlled entities of the Group from 1 January 2008. On 26 December 2007, the State Council announced the detailed measures and regulations of the New Law ("Implementation Rules"). The Implementation Rules ratcheted the EIT at 15% rate over five years to 25% for grandfathering of incentives. It has been stated that grandfathering would apply to both the "2+3" exemption or "5+5" exemption and for enterprises enjoying certain geographic incentive rates (often 15%). For those enterprises that paid at this 15% rate, the 15% rate would ratchet up to 18%, 20%, 22%, 24% and 25% in years 2008, 2009, 2010, 2011 and 2012 respectively. The deferred tax balances have been adjusted to reflect the tax rates that are expected to apply to the respective periods when the asset is realised or the liability is settled.

Under the Implementation Rules, West Route JV is entitled to a 3-year exemption from income tax from Phase II West and Phase III West commencing from the first receipt of toll revenue on 25 June 2010 and 25 January 2013 respectively, and 3-year concessionary rate of half of the regular tax rate. The applicable regular tax rate is 25%.

The income tax expenses for the year can be reconciled to the profit before tax per consolidated statement of profit or loss and other comprehensive income as follows:

	2012 RMB'000	**2013** **RMB'000**	2012 HK$'000	**2013** **HK$'000**
			(FOR INFORMATION PURPOSE ONLY)	
Profit before tax	1,220,053	**910,164**	1,493,082	**1,132,621**
Tax at normal PRC income tax rate of 25% (2012: 25%)	305,013	**227,541**	373,271	**283,155**
Effect of different rate on income tax expenses	(24,275)	**(16,121)**	(29,690)	**(20,151)**
Tax effect of income not taxable for tax purposes	(307,927)	**(177,036)**	(375,849)	**(223,248)**
Tax effect of expenses not deductible for tax purposes	350,486	**219,410**	428,030	**275,981**
Differential tax rate on temporary difference of PRC jointly controlled entities	(1,438)	**4,072**	(1,757)	**5,264**
Deferred tax on undistributed earnings of PRC jointly controlled entities	6,209	**(3,209)**	7,775	**(4,194)**
Withholding tax on earnings distributed by PRC jointly controlled entities	41,191	**42,295**	50,341	**52,859**
Others	(214)	**940**	(384)	**1,172**
Income tax expenses	369,045	**297,892**	451,737	**370,838**

7. PROFIT FOR THE YEAR

	2012 RMB'000	**2013 RMB'000**	2012 HK$'000 (FOR INFORMATION PURPOSE ONLY)	**2013 HK$'000**
Profit for the year has been arrived at after charging (crediting):				
Auditor's remuneration	1,310	**1,291**	1,602	**1,602**
Directors' remuneration	19,280	**19,973**	23,609	**24,797**
Other staff costs	144,076	**162,726**	176,435	**202,525**
Total staff costs	163,356	**182,699**	200,044	**227,322**
Amortisation of concession intangible assets	360,057	**405,745**	441,484	**505,053**
Depreciation of property and equipment	37,048	**48,127**	44,636	**60,135**
Less: Amount included in toll expressway construction costs	(116)	**(131)**	(141)	**(165)**
	36,932	**47,996**	44,495	**59,970**
Impairment losses (reversed) recognised on other receivables	(1,055)	**248**	(1,287)	**313**

8. DIVIDENDS

	2012 RMB'000	**2013 RMB'000**	2012 HK$'000 (FOR INFORMATION PURPOSE ONLY)	**2013 HK$'000**
Dividends paid and recognised as a distribution during the year:				
Interim dividend paid of RMB10 cents (equivalent to HK12.3394 cents (2012: HK18 cents (approximately RMB14.70 cents)) per share	435,327	**308,169**	533,104	**380,262**
Final dividend for the year ended 30 June 2012 paid of HK16 cents (approximately RMB12.95 cents) (2012: year ended 30 June 2011 paid of HK18 cents (approximately RMB14.88 cents)) per share	440,582	**383,427**	533,104	**473,870**
	875,909	**691,596**	1,066,208	**854,132**

	2012 RMB'000	**2013 RMB'000**	2012 HK$'000	**2013 HK$'000**
			(FOR INFORMATION PURPOSE ONLY)	
Final dividend proposed of RMB9 cents (equivalent to HK11.3122 cents) (2012: HK16 cents (approximately RMB12.95 cents) per share and special final dividend proposed of RMB10 cents (equivalent to HK$12.5691 cents) (2012: nil) per share	383,427	**585,521**	473,870	**735,948**

A final dividend and a special final dividend in respect of the financial year 2013 of RMB9 cents (equivalent to HK$11.3122 cents) per share and RMB10 cents (equivalent to HK$12.5691 cents) per share respectively, totalling approximately RMB585,521,000 (approximately HK$735,948,000) is proposed by the Board. The dividends are subject to approval by shareholders at the forthcoming annual general meeting and have not been included as liabilities in these consolidated financial statements. The proposed final dividend and special final dividend are calculated based on the number of shares in issue at the date of approval of these consolidated financial statements.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	2012 RMB'000	**2013 RMB'000**	2012 HK$'000	**2013 HK$'000**
			(FOR INFORMATION PURPOSE ONLY)	
Earnings for the purposes of basic and diluted earnings per share	836,198	**600,744**	1,023,218	**747,430**

	2012 Number of shares	**2013 Number of shares**
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	2,961,690,283	**3,042,238,228**

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those options is higher than the average market price for shares for years ended 30 June 2012 and 30 June 2013.

10. TOTAL ASSETS LESS CURRENT LIABILITIES/NET CURRENT ASSETS

The Group's total assets less current liabilities as at 30 June 2013 amounted to RMB14,435,772,000 (approximately HK$18,232,379,000) (2012: RMB14,999,859,000 (approximately HK$18,299,828,000)). The Group's net current assets as at 30 June 2013 amounted to approximately RMB112,408,000 (approximately HK$141,971,000) (2012: RMB1,655,577,000 (approximately HK$2,019,804,000)).

APPENDIX

The financial summary of the Group presented in RMB since its listing on the Stock Exchange in August 2003.

10-Year Financial Summary

Consolidated Results (in RMB million)[(1)]

	Year ended 30 June									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	**2013**
Net toll revenue	1,324	1,613	1,801	2,026	1,601	1,593	1,706	1,934	1,949	**1,803**
Profit before tax	821	1,059	1,329	1,554	2,343	1,114	1,112	1,250	1,220	**910**
Income tax expenses	(24)	(71)	(121)	(161)	(417)	(165)	(256)	(368)	(369)	**(298)**
Profit for the year	797	988	1,208	1,393	1,926	949	856	882	851	**612**
Profit for the year attributable to:										
Owners of the Company	**781**	**969**	**1,187**	**1,367**	**1,909**	**933**	**841**	**866**	**836**	**601**
Non-controlling interests	16	19	21	26	17	16	15	16	15	**11**
Profit for the year	**797**	**988**	**1,208**	**1,393**	**1,926**	**949**	**856**	**882**	**851**	**612**

Segment revenue and results (in RMB million)

	Year ended 30 June									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	**2013**
Net toll revenue	**1,324**	**1,613**	**1,801**	**2,026**	**1,601**	**1,593**	**1,706**	**1,934**	**1,949**	**1,803**
GS Superhighway	1,201	1,413	1,558	1,776	1,485	1,521	1,628	1,718	1,689	**1,470**
ESW Ring Road[(2)]	118	153	183	183	44	-	-	-	-	**-**
Phase I West	5	47	60	67	72	72	77	82	77	**80**
Phase II West	-	-	-	-	-	-	1	134	183	**231**
Phase III West	-	-	-	-	-	-	-	-	-	**22**
EBIT	**967**	**1,242**	**1,369**	**1,529**	**1,110**	**1,173**	**1,192**	**1,317**	**1,333**	**1,092**
GS Superhighway	880	1,100	1,193	1,373	1,045	1,123	1,140	1,195	1,183	**912**
ESW Ring Road[(2)]	84	108	133	107	12	-	-	-	-	**-**
Phase I West	3	34	43	49	53	50	52	53	51	**51**
Phase II West	-	-	-	-	-	-	-	69	99	**126**
Phase III West	-	-	-	-	-	-	-	-	-	**3**
Segment results	**784**	**956**	**970**	**1,027**	**660**	**903**	**894**	**822**	**809**	**581**
GS Superhighway	770	910	906	1,055	694	882	865	832	812	**616**
ESW Ring Road[(2)]	17	37	47	(53)	(55)	-	-	-	-	**-**
Phase I West	(3)	9	17	25	21	21	31	37	34	**34**
Phase II West	-	-	-	-	-	-	(2)	(47)	(37)	**(20)**
Phase III West	-	-	-	-	-	-	-	-	-	**(49)**
Corporate results	16	39	96	144	75	49	(34)	(16)	-	**(5)**
Net exchange gain/(loss)	(3)	(7)	142	222	377	(3)	(4)	76	42	**36**
Gain on disposal of ESW Ring Road[(2)]	-	-	-	-	814	-	-	-	-	**-**
Profit for the year	797	988	1,208	1,393	1,926	949	856	882	851	**612**
Profit for the year attributable to:										
Owners of the Company	**781**	**969**	**1,187**	**1,367**	**1,909**	**933**	**841**	**866**	**836**	**601**
Non-controlling interests	16	19	21	26	17	16	15	16	15	**11**
Profit for the year	**797**	**988**	**1,208**	**1,393**	**1,926**	**949**	**856**	**882**	**851**	**612**

Consolidated Statement of Financial Position (in RMB million)(3)

	As at 30 June									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	**2013**
Property and equipment	28	69	101	152	162	167	268	271	311	**497**
Concession intangible assets	12,036	11,815	11,372	11,469	9,113	9,910	10,963	11,908	12,787	**13,061**
Balance with a jointly controlled entity	1,156	1,166	1,200	786	467	124	155	193	246	**261**
Loans to a jointly controlled entity	-	-	-	-	-	-	-	-	-	**500**
Bank deposits	-	-	-	-	-	-	-	490	-	**-**
Investment	-	-	-	-	-	-	-	-	-	**5**
Current assets	2,772	3,140	3,692	4,436	5,582	2,626	2,645	3,020	4,280	**1,960**
Total assets	**15,992**	**16,190**	**16,365**	**16,843**	**15,324**	**12,827**	**14,031**	**15,882**	**17,624**	**16,284**
Current liabilities	467	486	545	616	603	702	1,696	1,087	2,625	**1,848**
Non-current liabilities	5,833	5,681	5,338	5,700	4,518	4,765	5,053	7,424	7,662	**6,815**
Total liabilities	**6,300**	**6,167**	**5,883**	**6,316**	**5,121**	**5,467**	**6,749**	**8,511**	**10,287**	**8,663**
Non-controlling interests	34	35	37	43	45	42	45	50	55	**50**
Equity attributable to owners of the Company	**9,658**	**9,988**	**10,445**	**10,484**	**10,158**	**7,318**	**7,237**	**7,321**	**7,282**	**7,571**

Consolidated Statement of Cash Flows (in RMB million)

	Year ended 30 June									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	**2013**
Net cash from operating activities	1,328	1,374	1,517	1,758	1,213	1,357	1,261	1,335	1,319	**1,233**
Net cash from (used in) investing activities	(3,026)	1,448	884	(106)	1,325	(1,023)	(1,682)	(1,850)	(867)	**(719)**
Net cash from (used in) financing activities	1,914	(1,066)	(1,004)	(742)	(700)	(3,283)	(78)	936	772	**(2,328)**
Net increase (decrease) in cash and cash equivalents	216	1,756	1,397	910	1,838	(2,949)	(499)	421	1,224	**(1,814)**
Cash and cash equivalents at the beginning of year	195	411	2,168	3,482	4,213	5,462	2,531	2,001	2,411	**3,634**
Effect of foreign exchange rate changes	-	1	(83)	(179)	(576)	18	(31)	(11)	(1)	**-**
Effect of profit sharing of a jointly controlled entity	-	-	-	-	(13)	-	-	-	-	**-**
Cash and cash equivalents at the end of year	411	2,168	3,482	4,213	5,462	2,531	2,001	2,411	3,634	**1,820**

Per Share Basis

	Year ended 30 June									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	**2013**
Basic earnings per share (RMB cents)	27.1	33.5	40.0	46.0	64.3	31.5	28.4	29.2	28.2	**19.8**
Dividend per share (RMB cents)										
- Interim	10.7	10.9	12.0	15.1	15.9	15.0	15.0	13.6	14.7	**10.0**
- Final	13.3	13.6	17.5	19.5	11.4	15.9	13.1	14.9	13.0	**9.0**
- Special	-	-	-	-	31.2	73.9	-	-	-	**10.0**
Net asset value per share (RMB)	3.4	3.5	3.5	3.5	3.4	2.5	2.4	2.5	2.5	**2.5**

Financial Ratios

	As at 30 June									
	2004	2005	2006	2007	2008	2009	2010	2011	2012	**2013**
Gearing ratio (Net debt[(4)] to equity) attributable to owners of the Company	54%	36%	18%	14%	0%	30%	43%	57%	67%	**74%**
Return on equity attributable to owners of the Company	8%	10%	12%	13%	19%	13%	12%	12%	12%	**8%**
Dividend payout ratio	89%	73%	74%	75%	91%	98%[(5)]	99%	98%	98%	**97%[(6)]**

Notes:

(1) *For the purpose of presenting the consolidated results in RMB, income and expenses are translated at the average exchange rates for the month of the transactions, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used.*

(2) *The Group's 45% interest in Guangzhou East-South-West Ring Road ("ESW Ring Road") was disposed of in late September 2007.*

(3) *For the purpose of presenting the consolidated statement of financial position in RMB, the assets and liabilities are translated at the closing rate at the date of the consolidated statement of financial position. The share capital, and the share premium and reserves are translated at the exchange rate at the date when the amount was determined (i.e. the rate at the date of transaction for an item measured in terms of the historical cost). The non-controlling interests are translated at the closing rate at the date of the consolidated statement of financial position.*

(4) *Net debt is defined as total debt (including bank loans of the Group, bank and other loans of jointly controlled entities, balance with a joint venture partner, balance with a jointly controlled entity and RMB corporate bonds) less the bank balances and cash together with pledged bank balances and deposits exceeded total debt as at the reporting date.*

(5) *Excluding extraordinary special dividend of RMB73.9 cents per share.*

(6) *Excluding special final dividend of RMB10.0 cents per share.*

GLOSSARY

"2013 Annual General Meeting"	the annual general meeting of the Company to be held at Auditorium, 3/F., Kowloonbay International Trade and Exhibition Centre, 1 Trademart Drive, Kowloon Bay, Kowloon, Hong Kong on Monday, 21 October 2013 at 10:00 a.m.
"Board"	the board of Directors
"CG Code"	Corporate Governance Code contained in Appendix 14 to the Listing Rules
"Coastal Expressway"	Guangzhou-Shenzhen Coastal Expressway
"Company" or "HHI"	Hopewell Highway Infrastructure Limited
"Director(s)"	director(s) of the Company
"DPS"	dividend per share
"EBIT"	earnings before interest and tax
"EIT"	Enterprise Income Tax
"EPS"	earnings per share
"FY07"	the financial year ended 30 June 2007
"FY08"	the financial year ended 30 June 2008
"FY09"	the financial year ended 30 June 2009
"FY10"	the financial year ended 30 June 2010
"FY11"	the financial year ended 30 June 2011
"FY12"	the financial year ended 30 June 2012
"FY13"	the financial year ended 30 June 2013
"FY14"	the financial year ending 30 June 2014
"FY15"	the financial year ending 30 June 2015
"GDP"	Gross Domestic Product
"Group"	the Company and its subsidiaries
"GS Superhighway"	Guangzhou-Shenzhen Superhighway
"GS Superhighway JV"	Guangzhou-Shenzhen-Zhuhai Superhighway Company Limited, the joint venture company established for the GS Superhighway
"HHL"	Hopewell Holdings Limited
"HK$", "HKD" or "HK Dollar(s)"	Hong Kong Dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HZM Bridge"	the Hong Kong-Zhuhai-Macau Bridge
"JCE/JCEs"	jointly controlled entity/entities
"km"	kilometre
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange

"Macau"	the Macau Special Administrative Region of the PRC
"Mainland China"	the PRC, excluding Hong Kong and Macau
"Phase I West"	Phase I of Western Delta Route
"Phase II West"	Phase II of Western Delta Route
"Phase III West"	Phase III of Western Delta Route
"PRC" or "China"	the People's Republic of China
"PRD"	Pearl River Delta
"RMB"	Renminbi, the lawful currency of the PRC
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United States"	the United States of America
"US$" or "US Dollar(s)"	US Dollars, the lawful currency of the United States
"West Route JV"	Guangdong Guangzhou-Zhuhai West Superhighway Company Limited, the joint venture company established for the Western Delta Route
"Western Delta Route"	the route for a network of toll expressways comprising Phase I West, Phase II West and Phase III West

As at the date of this announcement, the Board comprises six Executive Directors namely, Sir Gordon Ying Sheung WU (Chairman), Mr. Eddie Ping Chang HO (Vice Chairman), Mr. Thomas Jefferson WU (Managing Director), Mr. Alan Chi Hung CHAN (Deputy Managing Director), Mr. Cheng Hui JIA and Mr. Alan Ming Fai TAM and three Independent Non-executive Directors namely, Professor Chung Kwong POON, Mr. Yuk Keung IP and Mr. Brian David Man Bun LI.