安 徽 皖 通 高 速 公 路 股 份 有 限 公 司

ANHUI EXPRESSWAY COMPANY LIMITED

(incorporated in the People's Republic of China as a joint stock company with limited liability)

(Stock Code: 995)

Announcement of Interim Results for the Six Months Ended 30 June 2015

The Board of Directors of Anhui Expressway Company Limited (the "Company") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2015 (the "Reporting Period"). The unaudited consolidated interim results were reviewed by the Audit Committee of the Company.

The unaudited condensed consolidated financial information prepared according to the Hong Kong Accounting Standards ("HKAS") for the six months ended 30 June 2015, together with comparative figures for the corresponding period in 2014, as follows:

Interim condensed consolidated income statement

For the six months ended 30 June 2015

(All amounts in Renminbi thousands unless otherwise stated)

		Unaudited	Unaudited
		Six months ended 30 June	
	Note	**2015**	**2014**
Revenue	4	1,418,259	1,417,406
Cost of sales		(756,989)	(760,338)
Gross profit		661,270	657,068
Other gains - net	11	55,439	90,148
Administrative expenses		(67,839)	(84,640)
Operating profit		648,870	662,576
Finance costs		(31,923)	(87,482)
Share of profit of associates		4,249	4,699
Profit before income tax		621,196	579,793
Income tax expenses	3	(136,285)	(142,520)
Profit for the period		484,911	437,273
Attributable to:			
Owners of the Company		466,655	433,946
Non-controlling interests		18,256	3,327
		484,911	437,273
Basic and diluted earnings per share from operations attributible to owners of the Company (expressed in RMB per share)	5	0.2814	0.2616
Dividends	6	—	—

Interim condensed consolidated statement of comprehensive income
For the six months ended 30 June 2015
(All amounts in Renminbi thousands unless otherwise stated)

	Unaudited	Unaudited
	Six months ended 30 June	
	2015	2014
Profit for the period	484,911	437,273
Other comprehensive loss		
Items that may be reclassified to profit or loss		
Change in value of available-for-sale financial assets	(37,500)	—
Total comprehensive income for the period	447,411	437,273
Total comprehensive income attributable to:		
Owners of the Company	429,155	433,946
Non-controlling interests	18,256	3,327
	447,411	437,273

Interim condensed consolidated balance sheet
As at 30 June 2015
(All amounts in Renminbi thousands unless otherwise stated)

	Note	**Unaudited 30 June 2015**	**Audited 31 December 2014**
ASSETS			
Non-current assets			
Concession intangible assets		9,144,389	9,222,294
Land use rights		11,929	12,407
Property, plant and equipment		883,497	888,336
Investment property		362,912	372,172
Intangible assets		1,421	1,698
Investments in an associate		76,436	72,187
Deferred income tax assets		33,107	28,910
Available-for-sale financial assets		226,927	276,927
		10,740,618	10,874,931
Current assets			
Inventories		3,409	2,617
Trade and other receivables	9	332,144	193,300
Restricted cash		147,000	97,000
Cash and cash equivalents		548,956	462,945
		1,031,509	755,862
Total assets		11,772,127	11,630,793
EQUITY			
Equity attributable to owners of the Company			
Ordinary share capital		1,658,610	1,658,610
Share premium		1,415,593	1,415,593
Other reserves		123,053	161,060
Retained earnings			
- Proposed final dividend		—	381,480
- Others		4,534,871	4,067,709
		7,732,127	7,684,452
Non-controlling interests		785,453	847,613
Total equity		8,517,580	8,532,065

Interim condensed consolidated balance sheet (continued)
As at 30 June 2015
(All amounts in Renminbi thousands unless otherwise stated)

	Note	**Unaudited 30 June 2015**	**Audited 31 December 2014**
LIABILITIES			
Non-current liabilities			
Long-term payables		928,722	749,815
Borrowings		845,275	851,438
Deferred income tax liabilities		158,145	191,736
Deferred income		36,194	37,279
		1,968,336	1,830,268
Current liabilities			
Trade and other payables	10	965,934	716,655
Current income tax liabilities		35,190	96,229
Provision		13,063	13,063
Borrowings		272,024	442,513
		1,286,211	1,268,460
Total liabilities		3,254,547	3,098,728
Total equity and liabilities		11,772,127	11,630,793
Net current liabilities		(254,702)	(512,598)
Total assets less current liabilities		10,485,916	10,362,333

Interim condensed consolidated statement of changes in equity

For the six months ended 30 June 2015

(All amounts in Renminbi thousands unless otherwise stated)

	Attributable to equity holders of the Company					
	Ordinary share capital	Share premium	Other reserves	Retained earnings	Non-controlling Interests	Total
Balance at 1 January 2014 (audited)	1,658,610	1,415,593	115,991	3,960,602	834,213	7,985,009
Comprehensive income						
Profit for the half-year (unaudited)	—	—	—	433,946	3,327	437,273
Other comprehensive income (unaudited)	—	—	—	—	—	—
Total comprehensive income for the period ended 30 June 2014 (unaudited)	—	—	—	433,946	3,327	437,273
Others (unaudited)	—	—	(688)	688	—	—
Transactions with owners						
Dividends relating to 2013 (unaudited)	—	—	—	(364,894)	—	(364,894)
Dividends paid to non-controlling interests of subsidiaries relating to 2013 (unaudited)	—	—	—	—	(92,175)	(92,175)
Difference between the carrying amount and undiscounted amount of interest free loan received from a non-controlling interest, net of tax (unaudited)	—	—	—	—	21,094	21,094
Balance at 30 June 2014 (unaudited)	1,658,610	1,415,593	115,303	4,030,342	766,459	7,986,307
Balance at 1 January 2015 (audited)	1,658,610	1,415,593	161,060	4,449,189	847,613	8,532,065

	Attributable to equity holders of the Company					
	Ordinary share capital	**Share premium**	**Other reserves**	**Retained earnings**	**Non-controlling Interests**	**Total**
Comprehensive income						
Profit for the half-year (unaudited)	—	—	—	466,655	18,256	484,911
Other comprehensive income (unaudited)	—	—	(37,500)	—	—	(37,500)
Total comprehensive income for the period ended 30 June 2015 (unaudited)	—	—	(37,500)	466,655	18,256	447,411
Others (unaudited)	—	—	(507)	507	—	—
Transactions with owners						
Dividends relating to 2014 (unaudited)	—	—	—	(381,480)	—	(381,480)
Dividends paid to non-controlling interests of subsidiaries relating to 2014 (unaudited)	—	—	—	—	(83,125)	(83,125)
Difference between the carrying amount and undiscounted amount of interest free loan received from a non-controlling interest, net of tax (unaudited)	—	—	—	—	2,709	2,709
Balance at 30 June 2015 (unaudited)	1,658,610	1,415,593	123,053	4,534,871	785,453	8,517,580

Interim condensed consolidated cash flow statement
For the six months ended 30 June 2015
(All amounts in Renminbi thousands unless otherwise stated)

		Unaudited	Unaudited
		Six months ended 30 June	
	Note	2015	2014
Cash flows from operating activities			
Cash generated from operations		575,735	552,889
Interest paid		(39,531)	(30,021)
Income tax paid		(223,516)	(166,621)
Net cash generated from operating activities		312,688	356,247
Cash flows from investing activities			
Purchase of property, plant and equipment		(5,593)	(583)
Purchase of intangible assets		(87)	—
Net increase in restricted cash		(50,000)	(406,597)
Net (increase) / decrease in financial products		(100,000)	30,000
Proceeds from sales of property, plant, equipment and investment property		423	259
Dividend received		—	106,800
Interest received		2,435	13,736
Net cash used in investing activities		(152,822)	(256,385)
Cash flows from financing activities			
Proceeds from bank borrowings		431,578	251,728
Repayments of bank borrowings		(443,126)	(161,327)
Dividends paid to the non-controlling interests		(62,342)	(60,562)
Net cash (used in) / generated from financing activities		(73,890)	29,839
Net increase in cash and cash equivalents		85,976	129,701
Cash and cash equivalents at beginning of the period		462,945	545,670
Exchange gains on cash and cash equivalents		35	765
Cash and cash equivalents at end of the period		548,956	676,136

1 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2015 has been prepared in accordance with HKAS 34, "Interim Financial Reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2014, which have been prepared in accordance with HKFRSs.

As at 30 June 2015, net current liabilities of the Group amounted to RMB 254,702 thousand mainly resulted from construction payables for Ningxuanhang Expressway Anhui Section. As at 30 June 2015, the Group has unused bank borrowing facilities of RMB 6,123,733 thousand. Management of the Group estimates that the Group has sufficient unused bank borrowing facilities and operating cash flow to repay all the current liabilities when they are due. The Group therefore continues to adopt the going concern basis in preparing its condensed consolidated interim financial information.

2 Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2014, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) New amendments and interpretation of HKFRS effective in 2015 adopted by the Group

The following amendments have been adopted by the Group for the first time for the financial year beginning on 1 January 2015:

- Amendment to HKFRS 3, "Business Combinations" and consequential amendments to HKFRS9, "Financial Instruments", HKAS 37, "Provisions, Contingent Liabilities and Contingent Assets", and HKAS 39, "Financial Instruments — Recognition and Measurement": The standard is amended to clarify that an obligation to pay contingent consideration which meets the definition of a financial instrument is classified as a financial liability or as equity, on the basis of the definitions in HKAS 32, "Financial Instruments: Presentation". All non-equity contingent consideration, both financial and non-financial, is measured at fair value at each reporting date, with changes in fair value recognised in profit and loss;

- Amendment to HKFRS 8, "Operating Segments": The standard is amended to require disclosure of the judgements made by management in aggregating operating segments and a reconciliation of segment assets to the entity's assets when segment assets are reported;

- Amendments to HKAS 16, "Property, Plant and Equipment" and HKAS 38, "Intangible Assets": Both standards are amended to clarify how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model;

- Amendment to HKAS 24, "Related Party Disclosures": The reporting entity is not required to disclose the compensation paid by the management entity (as a related party) to the management entity's employee or directors, but it is required to disclose the amounts charged to the reporting entity by the management entity for services provided;

- Amendment to HKFRS 3, "Business Combinations": It clarifies that HKFRS 3 does not apply to the accounting for the formation of any joint arrangement under HKFRS 11 in the financial statements of the joint arrangement;

- Amendment to HKFRS 13, "Fair Value Measurement": It clarifies that the portfolio exception in HKFRS 13, which allows an entity to measure the fair value of a group of financial assets and financial liabilities on a net basis, applies to all contracts (including non-financial contracts) within the scope of HKAS 39 or HKFRS 9;

- Amendment to HKAS 40, "Investment Property": Preparers also need to refer to the guidance in HKFRS 3 to determine whether the acquisition of an investment property is a business combination.

(b) New amendments and interpretation of HKFRS effective in 2015 but not relevant to the Group

- Amendment to HKAS 19 regarding defined benefit plans: This narrow scope amendment applies to contributions from employees or third parties to defined benefit plans. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period. The amendment allows contributions that are linked to service, and do not vary with the length of employee service, to be deducted from the cost of benefits earned in the period that the service is provided. Contributions that are linked to service, and vary according to the length of employee service, must be spread over the service period using the same attribution method that is applied to the benefits;

- Amendment to HKFRS 2, "Share-based Payment": The amendment clarifies the definition of a "vesting condition" and separately defines "performance condition" and "service condition".

(c) New standards and amendments of HKFRS issued but are not effective in 2015 and not early adopted by the Group

- HKFRS 14 "Regulatory Deferral Accounts", effective for annual periods beginning on or after 1 January 2016;

- Amendment to HKFRS 11 "Accounting for Acquisitions of Interests in Joint Operation", effective for annual periods beginning on or after 1 January 2016;

- Amendments to HKAS 16 and HKAS 38 "Clarification of Acceptable Methods of Depreciation and Amortisation", effective for annual periods beginning on or after 1 January 2016;

- Amendments to HKAS 16 and HKAS 41 "Agriculture: Bearer Plants", effective for annual periods beginning on or after 1 January 2016;

- Amendments to HKFRS 10 and HKAS 28 "Sale or Contribution of Assets Between an Investor and Its Associate or Joint Venture", effective for annual periods beginning on or after 1 January 2016;

- Amendment to HKAS 27 "Equity Method in Separate Financial Statements", effective for annual periods beginning on or after 1 January 2016;

- Amendments to HKFRS 10, HKFRS 12 and HKAS 28 "Investment Entities: Applying the Consolidation Exception", effective for annual periods beginning on or after 1 January 2016;

- Amendments to HKAS 1 "Disclosure Initiative", effective for annual periods beginning on or after 1 January 2016;

- Some amendments included in Annual Improvements 2014 which are effective for the accounting period on or after 1 January 2016, including:

  — HKFRS 5, "Non-current Assets Held for Sale and Discontinued Operations"

  — HKFRS 7, "Financial Instruments: Disclosures"

  — HKAS 19, "Employee Benefits"

  — HKAS 34, "Interim Financial Reporting"

- HKFRS15 "Revenue from Contracts with Customers", effective for annual periods beginning on or after 1 January 2017;

- HKFRS 9 "Financial Instruments", effective for annual periods beginning on or after 1 January 2018;

There are no other amended standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on this Group.

3 **Income tax expenses**

(a) ***Hong Kong profits tax***

There were no Hong Kong profits tax liabilities as the Group did not earn any income assessable to Hong Kong profits tax.

(b) ***The PRC Corporate Income Tax ("CIT")***

The Company and its subsidiaries, associated companies determine and pay the PRC Corporate Income Tax ("CIT") in accordance with the CIT Law as approved by the National People's Congress on 16 March 2007. Under the CIT Law, the CIT rate applicable to the Company and its subsidiaries, associated companies is 25%.

	For the six months ended	
	30 June 2015 (unaudited)	**30 June 2014 (unaudited)**
Current income tax	162,477	152,582
Deferred income tax	(26,192)	(10,062)
	136,285	142,520

(c) ***Withholding tax ("WHT") for dividend paid to foreign investors***

According to the new CIT law and the detailed implementation regulations, foreign shareholders are subject to a 10% WHT for the dividend repatriated by the Company starting from 1 January 2008. According to Cai Shui [2008] Circular 1 jointly issued by the Ministry of Finance and the State Administration of Taxation on 22 February 2008, where the Company declares dividend in 2008 and beyond out of the cumulative retained earnings as of 31 December 2007 (i.e. 2007 retained earnings), such dividends earned by the foreign shareholders are exempted from WHT. For dividend which arises from the Company's profit earned after 1 January 2008, WHT is levied on the foreign institute shareholders.

4 Revenue

There is no transaction between segments. The revenue from external parties reported to the strategic steering committee is measured in a manner consistent with that in the income statement.

The revenue of the Group for the six months ended 30 June 2015 and 2014 are set out as follows:

	For the six months ended	
	30 June 2015 (unaudited)	**30 June 2014 (unaudited)**
Toll roads services	1,410,808	1,399,292
Pawn services	7,451	18,114
	1,418,259	1,417,406

5 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. No diluted earnings per share is presented, as the Company has no dilutive potential shares.

	For the six months ended	
	30 June 2015 (unaudited)	**30 June 2014 (unaudited)**
Profit attributable to equity holders of the Company	466,655	433,946
Weighted average number of ordinary shares in issue (thousands)	1,658,610	1,658,610
Basic earnings per share (expressed in RMB per share)	0.2814	0.2616

6 Dividends

The final dividend in respect of 2014 of RMB 0.23 per share, amounting to a total dividend of RMB 381,480 thousand was approved at the Annual General Meeting in May 2015.

The directors did not recommend the payment of a dividend in respect of the six months ended 30 June 2015 (same period of 2014: nil).

7 Commitments

(a) *Capital commitments*

Capital expenditure at the balance sheet date but not yet incurred is as follows:

	30 June 2015 (unaudited)	31 December 2014 (audited)
Concession intangible assets		
- Contracted but not provided for	815,091	944,971
Property, plant and equipment		
- Contracted but not provided for	3,070	—
	818,161	944,971

8 **Capital expenditures**

	Concession intangible assets	Intangible assets	Property, plant and equipment	Investment property	Land use rights
Six months ended 30 June 2014					
Opening net book amount as at 1 January 2014 (audited)	9,034,524	2,490	955,257	378,009	9,958
Additions	252,532	—	3,493	—	—
Disposals	—	—	(400)	(23)	—
Depreciation/amortisation (Note 19)	(253,910)	(449)	(50,604)	(8,724)	(344)
Closing net book amount as at 30 June 2014 (unaudited)	9,033,146	2,041	907,746	369,262	9,614
Six months ended 30 June 2015					
Opening net book amount as at 1 January 2015 (audited)	9,222,294	1,698	888,336	372,172	12,407
Additions	216,311	87	5,593	—	—
Transfer	(42,654)	—	42,654	—	—
Disposals	—	—	(2,250)	(348)	—
Depreciation/amortisation (Note 19)	(251,562)	(364)	(50,836)	(8,912)	(478)
Closing net book amount as at 30 June 2015 (unaudited)	9,144,389	1,421	883,497	362,912	11,929

9 Trade and other receivables

	30 June 2015 (unaudited)	**31 December 2014 (audited)**
Pawn loans to customers (a)	192,891	186,195
Financial products	100,000	—
Toll roll income receivable(b)	55,851	63,915
Dividends receivable (c)	50,000	—
Interests receivable	4,777	2,012
Others	17,627	12,221
	421,146	264,343
Less: Provision for impairment (a)	(89,002)	(71,043)
	332,144	193,300

(a) ***Pawn loans to customers***

At 30 June 2015 and 31 December 2014, the analysis of pawn loans to customers as follows:

	30 June 2015 (unaudited)	**31 December 2014 (audited)**
Pawn loans to customers		
- Principle	192,891	186,195
- interest	—	—
	192,891	186,195
Less: Impairment allowances		
- Individually assessed	(78,275)	(60,920)
- Collectively assessed	(10,727)	(10,123)
	(89,002)	(71,043)
Pawn loans to customers, net	103,889	115,152

(a) ***Pawn loans to customers***

Pawn loans to customers are arising from the Group's pawn loans business. The loan periods granted to customers vary from one to six months in the six months ended 30 June 2015.

Reconciliation of allowance account for losses on pawn loans to customers as follows:

	For the six months ended	
	30 June 2015	**30 June 2014**
At beginning of the period (audited)	(71,043)	(13,028)
Impairment losses recognised (unaudited)	(17,959)	(33,890)
At end of the period (unaudited)	(89,002)	(46,918)

(b) As at 30 June 2015, toll roads income receivables mainly represented receivable from Anhui Expressway Network Operations Co., Ltd. ("安徽高速公路聯網運營有限公司", the toll settlement centre of Anhui Province) of RMB 53,682 thousand (31 December 2014: RMB 62,822 thousand) for uncollected toll roads income.

(c) AXFG declared a cash dividend of RMB 50,000 thousand to the Company in 2015.

At 30 June 2015 and 31 December 2014, the ageing analysis of the trade and other receivables is as follows:

	30 June 2015 (unaudited)	**31 December 2014 (audited)**
Up to 1 year	250,801	132,001
1 to 2 years	133,865	112,594
2 to 3 years	34,104	19,504
Over 3 years	2,376	244
	421,146	264,343

As at 30 June 2015 and 31 December 2014, all trade and other receivables balances were denominated in RMB. Except for pawn loans to customers which are analyzed in Note (a), all trade and other receivables balances were fully performing.

10 **Trade and other payables**

	30 June 2015 (unaudited)	31 December 2014 (audited)
Dividends payable	402,263	—
Payables on acquisition of concession intangible assets	348,670	541,546
Deposit for construction projects	73,007	69,769
Staff salaries and welfare	64,266	25,964
Current portion of long-term payables(Note 16)	31,078	31,078
Other taxation payables	13,662	16,908
Toll road income received on behalf of other entities	8,883	10,286
Interests payable	5,423	2,281
Payables on repair and maintenance projects	496	2,476
Others	18,186	16,347
	965,934	716,655

As at 30 June 2015, trade and other payables of RMB 209,591 thousand were aged over one year (31 December 2014: RMB 243,678 thousand). These payables were mainly for construction projects and will be settled after project is completed.

As at 30 June 2015 and 31 December 2014, all trade and other payables were denominated in RMB.

11. **Other gains — net**

	For the six months ended 30 June 2015 (unaudited)	30 June 2014 (unaudited)
Dividend income from an unlisted company	50,000	71,800
Interest income	6,481	17,466
Amortisation of government grants relating to assets	1,086	1,086
Gain from disposal on property, plant and equipment	58	—
Loss from disposal on property, plant and equipment	(2,234)	(163)
Others	48	(41)
	55,439	90,148

SECTION I. INTERIM RESULTS AND DIVIDENDS

During the Reporting Period, in accordance with the PRC Accounting Standards, the Group achieved a revenue of RMB 1,201,948 thousand (Corresponding period in 2014: RMB1,164,874 thousand) , representing an increase of 3.18% compared with that of the corresponding period of last year. The total profit was RMB 626,954 thousand (Corresponding period in 2014: RMB585,755 thousand), representing an increase of 7.03% compared with that of the corresponding period of last year. Unaudited net profit attributable to shareholders of the parent company reached RMB 470,895 thousand (Corresponding period in 2014: RMB 438,332 thousand), representing an increase of 7.43% compared with that of the corresponding period of last year. Basic earnings per share was RMB0.2839 (Corresponding period in 2014: RMB0.2643), representing an increase of 7.42% compared with that of the corresponding period of last year.

In accordance with Hong Kong accounting standards, the Group achieved a revenue of RMB 1,418,259 thousand, representing an increase of 0.06% compared with that of the corresponding period of last year; profit before income tax was RMB 621,196 thousand, representing an increase of 7.14% compared with that of the corresponding period of last year; unaudited profit attributable to equity holders of the Company was RMB 466,655 thousand, representing an increase of 7.54% compared with that of the corresponding period of last year; basic earnings per share was RMB 0.2814, representing an increase of 7.54% compared with that of the corresponding period of last year.

The 2014 profit appropriation plan of the Company was approved by the 2014 Annual General Meeting held on 22 May 2015, details are as follows: To pay a final dividend of RMB381,480,300 on the basis of RMB 2.3 for every 10 shares (tax inclusive) based on the total number of 1,658,610,000 shares.

According to the authorization given by the General Meeting, the Board of Directors of the Company published the resolutions of 2014 Annual General Meeting on 23 May 2015 in the Shanghai Securities Post, China Securities Post and on 22 May 2015 on the website of The Stock Exchange of Hong Kong Limited, and determined a dividend for H shares of HK$0.2918 (tax inclusive) each, which was priced in RMB and paid in HK$. The registration date of the H Shareholders was 3 June and the dividend payout date was 22 July. On 13 July 2015, the Company published the 2014 profit appropriation implement announcement in the Shanghai Securities Post and China Securities Post and determined that the Domestic Shareholders' registration date was 17 July , the ex-dividend date was 20 July and the dividend payout date was 20 July.

The 2014 profit appropriation proposal has been implemented on July 2015.

The Board of Directors of the Company recommends that the Company will neither pay the dividends for six months as at 30 June 2015 (2014 interim: nil) nor transfer the capital surplus to share capital.

SECTION II. REPORT OF THE BOARD OF DIRECTORS

I. Business Review (In accordance with the PRC Accounting Standards)

1. *Toll Expressway Business*

During the Reporting Period, the Group achieved total toll income of RMB1,151,410 thousand, representing an increase of 3.80% compared with that of the corresponding period of last year, and it nearly achieves the goal made at the beginning of the year.

The slow growth of the economy, the free and favorable policy, the impact of the network and other factors were the main factors which influenced the toll revenue.

In the first half of 2015, the national and regional economic growth became stable and the main economic indicators became better. The growth rate of national GDP in the first half of the year is 7.0%, and the GDP growth rate of Anhui province in the first half of year is 8.6%, which is 0.4% and 0.7% separately fallen down on the same period last year. The influence of the slow growth of economy is that the growth of the goods vehicles volumes is slower than the passenger vehicles volumes, and thus the percentage of the passenger vehicles becomes larger.

During the reporting period, it continued to implement all toll-free policies. The total amount of all deductions continued to increase quickly. The total amount of all deductions of favorable policies of the Group was RMB 308,170 thousand, representing an increase of 9.61% compared with that of the corresponding period of last year. Among which are:

The exempted amount of green passing cars was about RMB 163,530 thousand, representing an increase of 2.95%; the number of the exempted cars reached 464,500;

The exempted amount in the Spring Festival, Qing Ming Festival and the International Labor Day was RMB 114,820 thousand, representing an increase of 16.51%;the number of the exempted cars reached 2,589,400;

Anhui transportation card holders have enjoyed credit card preference amounting to approximately RMB1,520 ten-thousand off, which has increased 61.36% compared with last year;

The amount of other policy exemptions was RMB14,630 thousand, representing an increase of 2.09%.

In addition, the operating performance of the toll road is also affected by the surrounding competitive or synergistic road network changes, linking or parallel road expansion and other factors. The impact varies according to each road project.

Operations of Each Road in the first half of 2015:

		Converted average daily traffic volumes for entire journey (vehicle)			Toll income (RMB'000)		
Items	**Share of interests**	**First half of 2015**	**First half of 2014**	**Flux (%)**	**First half of 2015**	**First half of 2014**	**Flux (%)**
Hening Expressway	100%	25,087	24,248	3.46	470,820	467,095	0.80
New Tianchang Section of National Trunk 205	100%	4,762	4,689	1.56	24,262	23,732	2.23
Gaojie Expressway	100%	11,810	10,786	9.49	239,931	220,858	8.64
Xuanguang Expressway	55.47%	19,762	19,289	2.45	216,651	207,312	4.50
Lianhuo Expressway Anhui Section	100%	11,146	10,751	3.67	103,199	102,877	0.31
Ninghuai Expressway Tianchang Section	100%	30,255	27,331	10.70	48,432	47,840	1.24
Guangci Expressway	55.47%	18,982	18,329	3.56	35,271	33,089	6.59
Xuanning Expressway	51%	2,578	1,489	73.14	12,844	6,460	98.82

Items	Share of interests	Proportion of passenger vehicles to goods vehicles First half of 2015	First half of 2014	Daily toll income per kilometer (RMB)\ First half of 2015	First half of 2014	Flux (%)
Hening Expressway	100%	75:25	71:29	19,412	19,258	0.80
New Tianchang Section of National Trunk 205	100%	36:64	36:64	4,468	4,371	2.23
Gaojie Expressway	100%	65:35	62:38	12,051	11,093	8.64
Xuanguang Expressway	55.47%	77:23	75:25	14,250	13,635	4.50
Lianhuo Expressway Anhui Section	100%	71:29	66:34	10,559	10,526	0.31
Ninghuai Expressway Tianchang Section	100%	80:20	77:23	19,113	18,879	1.24
Guangci Expressway	55.47%	81:19	78:22	13,919	13,058	6.59
Xuanning Expressway	51%	83:17	85:15	1,546	777	98.82

Note:

1. Xuanning Expressway officially began to be open to traffic on 8 September,2013.

2. All of above data of traffic flow does not contain that of toll-free minibus on holidays.

During the reporting period, under the influence of diversion due to the traffic open of Ma'anshan Yangtze River Bridge and the expressway from Ma'anshan to Chaohu, the toll revenue of Longxi interchange to Jiangsu Section of Hening expressway was decreased by 8.8% compared with that of the corresponding period of last year, while the toll revenue of Nanhuan section of Hening expressway was increased by 22.5% compared with that of the corresponding period of last year due to the influence of regional economy. During the reporting period, the total revenue of Hening Expressway increased a little compared with that of the corresponding period of last year.

Under the inflence of traffic limit of Nanjing Yangtze River Second Bridge since the second quarter of last year, part of goods vehicles of New Tianchang Section of National Trunk 205 has been diverged to Ninghuai Expressway. With the improvement of road traffic condition and enhancement of network, the diverged goods vehicles have been reflowed to National Trunk 205. Thus, the toll revenue of National Trunk 205 of the second quarter increased by 11.56% compared with that of the corresponding period of last year and the toll revenue of Ninghuai Expressway decreased by 1.38% compared with that of the corresponding period of last year. During the reporting period, the toll revenue of two expressways increased a little compared with that of the corresponding period of last year.

The open traffic of Ningji Expressway and Jiangsu Section of Liwu Expressway are the main factors of the increase of the toll revenue of Xuanning Expressway. During the reporting period, the toll revenue of Xuanning Expressway increased by 98.82% compared with that of the corresponding period of last year.

The toll revenue of other expressways increased a little.

General Pawn Achievements

The Company and Hefei Huatai Group Company Limited established Hefei Wantong Pawn Company Limited in June 2012. The Company invested in RMB 150,000 thousand and holds 71.43% equity interest in Wantong Pawn. Huatai invested in RMB 60,000 thousand and holds 28.57% equity interest in Wantong Pawn.

During the reporting period, Wantong Pawn Company Limited realized the operating income of RMB 7,450 thousand, mainly due to the macroeconomic decline in cases of overdue debit interest fee project delay of capital and shareholder proposal to suspend business; Due to the large amount of pawn money, the depreciation of gold loss impairment reached RMB 17,960 thousand, and the accumulated depreciation reached RMB 89,000 thousand , which is the main cause of the loss. In the first half of the year, Wantong Pawn Company Limited achieved a total profit of -10,950 thousand (2014: -17,940 thousand), decreased by 39% compared with that of the corresponding period of last year. The net income was -8,220 thousand, and achieved a loss-mitigation of 5,270 thousand year-on-year, and decreased by 39% year-on-year.

2. **Sheet of Variation Analysis of Related Subjects of financial statement (in accordance with the PRC Accounting Standards)**

Unit: RMB

Items	Current period	Last year	Flux (%)
Operating income	1,201,948,179.40	1,164,873,900.31	3.18
Operating costs	490,454,872.17	459,490,912.43	6.74
Administrative expenses	49,864,490.25	49,457,140.18	0.82
Finance costs	25,457,876.13	71,308,349.92	-64.30
Cash flows from operating activities	733,239,039.01	725,899,690.02	1.01
Cash flows from investing activities	-533,841,967.99	-595,252,713.29	N/A
Cash flows from financing activities	-113,386,325.91	-181,442.86	N/A

The change of operating income was mainly due to the increase of the toll revenue during the reporting period.

The change of operating costs was mainly due to the increase of road maintenance cost compared with that of the corresponding period of last year.

The change of administrative expenses was mainly due to the change of the number of administrative staff member.

The change of finance costs was mainly due to the accrued corporate bond interest of RMB 5000 ten-thousand yuan.

The change of cash flows from operating activities was mainly due to the increase of operating income compared with that of the corresponding period of last year.

The change of cash flows from investing activities was mainly due to the decrease of the purchase of bank financing products compared with that of the corresponding period of last year.

The change of cash flows from financing activities was mainly due to the increase of repayment of bank loans compared with that of the corresponding period of last year.

3. **Operation Results Analysis (in accordance with the PRC Accounting Standards)**

Operating income

During the reporting period, the Group achieved the operating income of RMB 1,201,948 thousand, representing an increase of 3.18% over the corresponding period of the previous year. Among it, the toll income is the main revenue source of the Group.

The concrete analysis about the revenue listed as follows:

Unit:RMB'000

Operating income	**The first half of 2015**	**Percentage**	**The first half of 2014**	**Percentage**	**Flux (%)**
Expressway business	1,194,497	99.38	1,146,760	98.44	4.16
Toll income	1,151,410	95.80	1,109,263	95.22	3.80
Service area income	17,085	1.42	17,085	1.47	0.00
Other business income	26,002	2.16	20,412	1.75	27.39
Pawn business	7,451	0.62	18,114	1.56	-58.87
Total	1,201,948	100	1,164,874	100	3.18

Operating Cost

Cost analysis statement

Unit:000' Monetary: RMB

In terms of industries

Industries	**Cost structure items**	**Amount of current period**	**Percentage of amount of current period over the total cost (%)**	**Amount of the same period of the previous year**	**Amount of the same period of the previous Year (%)**	**Amount of current period Compared with the same period over the last year (%)**	**Notes**
Toll ways business	Depreciation and amortization	300,208	61.21	300,000	65.29	0.07	
	Roads repairing expenses	86,640	17.67	67,073	14.60	29.17	Mainly due to the increase of road maintenance cost compared with that of the corresponding period of last year
	Other cost	103,607	21.12	92,418	20.11	12.11	Mainly due to the increase of entrusted management cost compared with that of the corresponding period of last year
	Total	490,455	100.00	459,491	100	6.74	
Pawn business		0	0	0	0	0	

In terms of products

Products	Cost structure items	Amount of current period	Percentage of amount of current period over the total cost (%)	Amount of the same period of the previous year	Amount of the same period of the previous Year (%)	Amount of current period Compared with the same period over the last year (%)	Notes
Toll ways business	*Depreciation and amortization*	*300,208*	*61.21*	*300,000*	*65.29*	*0.07*	
	Roads repairing expenses	86,640	17.67	67,073	14.60	29.17	Mainly due to the increase of road maintenance cost compared with that of the corresponding period of last year
	Other costs	103,607	21.12	92,418	20.11	12.11	Mainly due to the increase of entrusted management cost compared with that of the corresponding period of last year
	Total	490,455	100.00	459,491	100	6.74	
Pawn business	0	0	0	0	0		
Total cost	Total	490,455	100.00	459,491	100	6.74	

Notes: For the reason that the products which the pawn industry operated are quite special, the financing expenditure related to the monetary is accounted in the main business cost, while daily operation expenditure is accounted in administrative expenses and other expenditure items. During the reporting period, Wantong Pawn did not get financing, thus no main business cost occurred and has made adjustment of the cost expenditure based on the same standard.

Expenses

Administrative expenses

During the reporting period, the Group's administrative expenses were RMB 49,864 thousand, representing an increase of 0.82% from the same period in 2014 (2014: RMB49,457thousand). Such increase was mainly because the increase of the positions of the administrative members of the Company.

Finance costs

During the reporting period, the Group's finance costs were RMB 25,458 thousand, representing a decrease of 64.30% from the same period in 2014(2014: RMB71,308 thousand). Mainly because the Group set aside corporate bonds interest of RMB 50,000 thousand with the same period last year;

Income tax

During the Reporting Period, except for HK Subsidiary, applicable income tax of the Company, the company's subsidiaries and affiliates were 25%.

During the Reporting Period, income tax expenses of the Group were RMB 137,725 thousand, representing a decrease of 4.36% from the corresponding period in 2014. That was mainly caused by the decreased deferred income taxes compared with that of the corresponding period of last year.

Cash flows (in accordance with the PRC Accounting Standards)

During the reporting period, the Group's net cash inflows from operating activities were RMB733,239 thousand, representing an increase of 1.01% compared with that of the corresponding period last year, mainly due to the increase of the toll revenue and the decrease of the pawn money issued by Wantong Pawn compared with that of the corresponding period of last year.

During the reporting period, the Group's net cash outflows from investing activities were RMB -533,842 thousand, mainly due to the decrease of bank financing products which purchased compared with that of the corresponding period of last year.

During the reporting period, the Group's net cash outflows from financing activities were RMB -113,386 thousand . Mainly because the bank loans repayment of the Group was increased during the reporting period comparing with the same period last year;

During the reporting period, the Group's bank loans were RMB 250,000 thousand. At the end of the reporting period, the balance of bank loans were RMB 1,117,299 thousand, of which the short-term loan balance is of RMB 867,299 with lending rate 4.815% and the time limit is during 12 months; the long-term loan balance is of RMB 250,000 thousand with annual interest rate between 1.741% and 6.55% which was a floating rate loan borrowed from a bank for the construction of Ningxuanhang Expressway. The principal will be repaid between 2016 and 2025.

The Group was awarded with good credit ratings. As on June 30, 2015, the total credit facilities granted during the year was RMB 7,241 million, and the facilities not yet utilized were RMB 6,124 million.

Employees remuneration and training

As at 30 June 2015, the Group employed approximately 1,976 employees (including Main Subsidiaries), which included1,389 production staff, 45 technician, 39 financial staff and 503 administrative staff(on 30 June 2014, the number **respectively is** 1,429,125,49 and 482).

The Company carried out the reform of the remuneration system with the introduction of broadband pay system to formulate remuneration sequences according to the different positions, making different classifications according to the characteristics of each sequence. By making close connections among the labor remuneration of employees, post value, accumulated contributions, work performance and many others, it has built multiple channels for career development of employees and pay promotion. Through the establishment of pay promotion standards, the enthusiasm of employees has been mobilized and the incentive effect on the implementation of the remuneration system has been ensured.

During the report period, staff salaries are of RMB 124,510 thousand. The Company strictly complies with the State's social insurance policies. According to the relevant State's stipulation, the Company has arranged the old-age insurance, basic medical insurance, unemployment insurance, injury insurance and child-bearing insurance for the staff.

At the beginning of increasing importance to staff education training, according to the training needs, the Company has made annual training plan and training work points, and carried out all kinds of training in terms of the relevant system and the training plan in order to improve the training level. During the reporting period, in order to meet the needs of practical work and department business functions, the Company has carried out the operation management, engineering, security management, information technology and other kinds of business training, which has enhanced the employees' job skills and professional knowledge level. In the aspect of comprehensive management, the Company has highlighted the pertinence of training, in order to solve the difficult problem in the enterprise reform and development as the focus, combined with the company development situation, held the special training of leading cadres at the theme of capital operation. In the aspect of network learning, in order to encourage employees to learn autonomously, the Company has promoted E - learning online learning, learning system upgrade, new mobile phone, such as a new client and online interactive function optimization of network learning platform.

SECTION III. MAJOR EVENTS

I. Material litigation，Arbitration and widespread media enquiry.

The Company was not involved in any material litigation or arbitration or widespread media enquiry during the reporting period.

II. Bankruptcy Reorganization.

There was not involved in any bankruptcy reorganization during the reporting period.

III. Assets Trading and Business Combination.

There was not involved in any assets trading or business combination during the reporting period.

IV. Implementation of Share Incentive Scheme

The Company has not complemented the share incentive scheme

V Major connected transaction

Item overview	**query indexes (being the date of uploading respective announcements on the website of Shanghai Stock Exchange)**
Provide Expressway networking toll system services	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》

Provide service area rental services	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》
Provide gas station rental services	29 April 2015 《Connecting Connected Transactions》
Provide the house of Wantong park rental services	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》
To receive management service	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》
To receive supervisory service of project construction	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》
To receive construction test	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》
To receive management service	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》
Provide vehicles and machinery rental services	30 March 2015《the Announcement of estimating daily Connected Transactions of 2015》

VI. Material Contracts and their Implementation

(1). ***Material custody, subcontracting and leasing items***

During the Reporting Period, the Company was not involved in any material custody, subcontracting and leasing.

(2) ***Implementation of guarantee***

(RMB'000,000,000)

Guarantees provided by the Company to its controlling subsidiaries

Total amount of guarantees provided for the subsidiaries by the Company during the reporting period	-0.01
Total balance of guarantees provided for the subsidiaries as at the end of the reporting period（B）	1.78
Total amount of guarantees provided by the Company (including guarantees provided for the controlling subsidiaries)	
Total guarantee amount（A+B）	1.78
Total guarantee amount as a percentage of net asset value (%)	2.21
Thereinto ：	
Provide amount of guarantee for shareholders，actual controllers and their affiliates（C）	0
Provide amount of debt guarantee directly or indirectly for the guaranteed objects with the ratio of liabilities to assets exceeding 70%（D）	0
Guarantee 50% total net worth more than the sum of the parts（E）	0
The total of the above three amount of guarantee（C+D+E）	0
Outstanding guarantees may bear several and joint liability	

clarification on guarantee	During the reporting period, the Company provided a guarantee of RMB 500 million for the Company's subsidiary NingXuanhang Company, which was approved at the 18th meeting of the 5th Board, held on 18 August 2010. As of the end of the reporting period, balance of guarantees provided by the Company to RMB 0.178 billion.

(3) ***Other material contracts.***

During the Reporting Period, the Company did not have any other material contracts.

VII Fulfillment of Commitments

The commitments for listed companies, shareholders holding 5% or more, the controlling shareholders and actual controllers during the reporting period or lasting until the reporting period.

Background of Commitment	Type of commitment	commitment party	Content of commitment	Time and term of commitment	Whether there is the time limit for performance or not	Whether strictly comply in a timely manner or not
Commitment Related to the share reform	other	Anhui Transportation Holding Group Company Limited	Continue to support the company's future acquisition of the good road assets owned by the Anhui Transportation Holding Group Company Limited and focus on the protection of shareholders' interests as always.	13 February 2006, long-term effective	No	yes

Background of Commitment	Type of commitment	commitment party	Content of commitment	Time and term of commitment	Whether there is the time limit for performance or not	Whether strictly comply in a timely manner or not
Commitment Related to the share reform	other	Anhui Transportation Holding Group Company Limited, China merchants Huajian Highway Investement Co.,Ltd	After the completion of the split-equity reforming, the Board of Directors of the company shall be suggested to develop a long-term incentive plan with equity incentive structure included. In accordance with the relevant provisions of the state, the Board of Directors of the company shall implement it directly or submit it to the General Meeting of Shareholders of the company. After their consideration and approval, the long-term incentive plan shall be implemented.	13 February 2006, long-term effective	No	yes
Commitment Related to IPO	Solve the competition	Anhui Transportation Holding Group Company Limited	Promise not to participate in any of the company's from time to time actual businesses or other business activities which may constitute direct or indirect competition to the Company.	12 October 1996, long-term effective	No	yes
Other Commitment	Other	Anhui Transportation Holding Group Company Limited	Commitment to continue to increase the holdings of the company's shares in the secondary market in your own name during the next 12 months and the cumulative increase in shareholding percentage should be no more than 2% of the total shares (including the increased holdings of shares of this time) issued by the company. It is not allowed to reduce the holdings of shares during the increasing shareholding period and the statutory period.	Term of Overweight: 9 January 2014 to 8 January 2015; Term of Underweight: there is prohibitive in term of Overweight or six months after Completing overweight.	yes	yes

Background of Commitment	Type of commitment	commitment party	Content of commitment	Time and term of commitment	Whether there is the time limit for performance or not	Whether strictly comply in a timely manner or not
Other Commitment	Other	Anhui Transportation Holding Group Company Limited	From now to future 6 months, it doesn't hold through the secondary market shares of the company. Actively fulfill their duties of big shareholders and strive to improve the quality of listed companies, listed companies establish and improve the investors return for a long-term mechanism, continuously improve the level of investor returns	Since10 July 2015 it does not reduce its during 6 months	yes	yes

SECTION IV. OTHER MAJOR EVENTS

American depositary receipt ('ADR') program

On 11 June 2009, the Company set up an American depositary receipt ('ADR') program with Bank of New York Mellon (as the depositary bank). The number of ADR registered by the Company under the ADR program is 50,000 thousand. Each ADR represents ten ordinary H shares traded on Hong Kong Stock Exchange. The Company does not issue new shares because of its American Depositary Receipt program. American Depositary Receipt in American Depositary Receipt program is just traded in American OTC market and will not be listed on any stock exchange in the U.S.

Invested in the share capital of Huayuan Pawn Company

Through the consideration and approval of the Eleventh Session of Sixth Board Meeting on 26 June, 2012, the Company planed to invest RMB 45 million for the shares of Huayuan Pawn Company, accounting for 18.75% of its total enlarged equity. Up to the approval of issuing this announcement, the investment amounts have not been paid.

Set up Hong Kong wholly-owned subsidiary

At the 20th conference of the 6th board of directors held on 23 August 2013, it's resolved and resolution was passed that the Company planned to invest at most 10 million dollars to set up a wholly-owned subsidiary in Hong Kong, Anhui Expressway Company Limited (Hong Kong), to develop overseas business and international market and to develop the fund methods of the company on the basis of the status quos of the company. The actual amount invested would be subject to the registration in the registration authority. The Company used its own RMB funds (through money exchange) as the capital source of the subsidiary in Hong Kong. The businesses of such company include: products trade related to the major businesses; storage, manufacture, delivery; road building abroad, investment and consultation and technology service of businesses including operation.

On 4 September 2013, the company was registered and set up in Hong Kong. The capital stock is 76,440,000 shares. The pre-sale purchase of the company is 2,400,000 shares. By the time this announcement is approved to be released, the aforementioned investment hasn't been paid.

Controlling Shareholder Increase the Shareholdings of the Company Again

Anhui Transportation Holding Group Company Limited had completed the plan that increase the shareholdings for 12 months. From 8 October 2012 to 7 October 2013, Anhui Transportation Group has bought 5,376,120 shares of the Company, accounting for about 0.32% of the total issued shares of the Company.

On 9 January 2014, based on the continuous and steady future development of the Company, Anhui Transportation Holding Group Company Limited increased the holdings of the Company's shares through the buying ways of trading system of SSE in its own name once more. From the date of increasing the holdings of the Company's shares, Anhui Transportation Holding Group Company Limited plans to continue to increase the holdings of the Company's shares through the buying ways of trading system of SSE in its own name during the next 12 months and the cumulative shareholding percentage should be no more than 2% of the total shares. Before increasing of shareholding, the Group held 523,957,120 shares of the Company, accounting for about 31.59% of the total issued shares of the Company. From 9 January 2014 to 8 January 2015, Anhui Transportation Group has increased the shareholdings of 687,100 shares accounting for about 0.04% of the total issued shares of the Company. After increasing of shareholding, the Group held 524,644,220 shares of the Company, accounting for about 31.63% of the total issued shares of the Company.

Apply for issuing short-term financing bonds of RMB 1 billion

After passing the discussion of the first 2014 extraordinary general meeting of shareholders of the company on August 15, 2014, the Company was approved to apply for registering and issuing short-term financing bonds, with the total issues of not more than RMB 1 billion. In November, 2014, the Company received Notice of Registration Acceptance from National Association of Financial Market Institutional

Investors, which accepted the company to register short-term financing bonds with the registered amount of RMB 1 billion. The registered amount shall be valid within 2 years after issuing the above Notice of Registration Acceptance. The financing bonds can be issued in installments during the valid period of the registration, with China Merchants Bank Co., Ltd. as the principal underwriter.

Issue corporation bonds of RMB 1.2 billion

After passing the discussion of the first 2014 extraordinary general meeting of shareholders of the company on August 15, 2014, the Company was approved to issue corporation bonds with total amount of not more than RMB 1.2 billion (including 1.2 billion yuan) within Chinese territory. The bonds can be issued at one time or in several installments, which shall not exceed 8 years (including 8 years). The bonds can be the kind with single term, and mixed kinds with several terms. The specific issuing scale, issuing method and the specific period shall be determined by submitting them to the board of directors authorized by the general meeting according to the company's demand for funds and market situation when issuing. Valid period of resolution of issuing the corporate bonds shall be 24 months after the date of this issuance scheme passing the discussion of the general meeting of shareholders of the Company.

Corporate Governance Code

During the reporting period, save and except that both the duties of a remuneration committee and a nomination committee are performed by the Company's Human Resources and Remuneration Committee (as the Company considers the long established mode of Human Resources and Remuneration Committee has so far been effective and suits the needs of the Company better, and the members of the Human Resources and Remuneration Committee are all independent directors, which can ensure the protection of the interests of shareholders), the Company is always complied with Corporate Governance Code in order to the maintain a high standard of corporate governance so as to improve the corporate transparency and protect the interests of the Company's shareholders.

Diversification Policy of the Members of the Board

According to the latest requirements of the Corporate Governance Code of the Stock Exchange of Hong Kong, the Company has amended the work duties of the human resources and remuneration committee of the board. The Company also adopted a diversification policy of the board members, which was passed at the sixth session of the board of the twentieth board meeting.

Liability Insurance for Directors, Supervisors

According to the Stock Exchange of Hong Kong's latest regulations of the Corporate Governance Code , during the reporting period, it has completed the arrangement of selection of the insurance undertaker of the liability insurance for directors, supervisors and senior executives in 2015, providing the guarantee of the performance for directors, supervisors and senior executives.

Audit Committee

During the Reporting Period, the Audit Committee convened three meetings, which reviewed the 2014Annual Results Report and Financial Statement prepared in accordance with CAS and HKAS, the 2015First Quarterly Report, as well as the 2015 Interim Results Report and Unaudited Financial Statement prepared in accordance with CAS and HKAS.

Independent Non-executive Director

The Company has appointed enough Independent Non-executive Directors with professional knowledge in accordance with Rules 3.10(1), 3.10(2) and 3.10(A) of Listing Rules. The Company appointed 3 Independent Non-executive Directors, one of which is specialized in accounting and financial management.

Model Code for Securities Transactions for Directors and Supervisors of the

Company

For the six months ended 30 June 2015, the Company has adopted the code provisions on the trading of shares of the Company by relevant directors contained in the "Model Code for Securities Transactions by Directors and Supervisors of Listed Issuers" ("Model Code for Securities Transactions") as set out in the Appendix 10 of the Listing Rules. After making specific enquiries of all directors and supervisors, who confirm that they fully complied with the "Model Code for Securities Transactions".

Purchase, Sale and Redemption of the Company's Shares

As at the end of the 30 June,2015, the Company or any of its subsidiaries did not repurchase, purchased or re-sold any of its listed shares of the Company.

Section V. Outlook

It can be seen from the prospect of the next half year of 2015 that Chinese macro-economy still shows the power and potential of maintained growth. Also, the industrialization and urbanization course, which are not completed yet, are still in accelerated development. Information orientation, represented by the Internet, will be highly integrated with industrialization and urbanization, and create new powers. In addition, China is in a critical stage of the upgrade of the consumption structure, where development and enjoyment-oriented consumption are still in the ascendant. All these have laid an important foundation for the sustainable and stable development of the main business of this Group.

In the meanwhile, the "12th Five-year Plan" will also come to an end this year. It is estimated that before the end of this year, 450 kilometers and 400 kilometers will be newly added to expressways and first-class highways respectively in Anhui Province. The further improvement of the road network will make the connection much smoother, and trigger new traffic flow and expected growth of the traffic flow in some of the existing expressways. Although it is possible that individual sections of the highways will be affected by the diversion in the short term, its influence on the overall operating performance of this Group is still positive.

Furthermore, Anhui Transportation Holding Group, one of the controlling shareholders of this company, further integrates its superior resources and completes its industrial chains through combination and reorganization. As a result, it realizes considerable improvement and takes a qualitative leap in assets scale, financing capability, industrial advantages and structure, etc. Also, it has the indispensable conditions of being fully prepared for further achievements.

In the meanwhile, however, this Group is also confronted with many difficulties and challenges in the development: with the decelerated growth of economy, the model and structure of vehicles have witnessed certain changes, the growth of passenger cars has been powerful and the proportion of freight cars has reduced; most of the sections of the highway governed by the company which allow longer operation time, have entered the mature stage, where the income growth is decelerated, and as the worn and broken roads become increasingly severe, the cost of road maintenance is about to increase, and since the newly opened sections haven't formed the effect of road network, the loss is quite severe; the reduced amount involved in different kinds of policy rises continuously; D-trains and high-speed rails have been increasingly popular, and diversion also exerts influence on other sections inside the road network; the market of financial investment has been fiercely competitive, and risk control has become increasingly difficult, etc.

In the next half of this year, the Group will adhere to the philosophy of prudent operation, and adjust its operating strategies in light of the external environment in proper time, so as to achieve better development.

Emphasize on reinforcing highway operation management. Strengthen the study of policies regarding toll roads; make preparations for the open traffic of Phase II expressway of Nanjing, Xuancheng and Hangzhou in the next half of the year; intensify the awareness of road network and relevant marketing, attract parallel traffic flows and enhance the effectiveness of the road network. Reinforce the inspection, place an emphasis on improving the level of leaking stoppage and income generation, and guarantee the completion of the annual toll plans.

Emphasize on reinforcing risk management and control. Strengthen project demonstration, perfect the decision-making procedure, improve the level of scientific investment decision-makings and consolidate the management and control of investment risks.

Explore channels of innovation and financing. Energetically investigate and survey, reinforce the cooperation with foreign-funded banks and the exchange with foreign-funded institutions, energetically understand the environment and policy requirements of overseas financing, and explore low-cost and low-risk modes of overseas financing; make overall arrangements of fund procurement, raise fund timely and practically satisfy the fund demand of the Ning-Xuan-Hang Project.

Continue to drive diversified development. Seize the moment of the "13th Five-year Plan", rely on Anhui Transportation Holding Group as the platform, thoroughly exert various advantages, cultivate new profit growth points and drive the diversified development of the company.

Documents Available for Inspection

The original copy of the Interim Report and Interim Financial Report signed by the Chairman;

Place of inspection:

The Office of the Secretary to the Board of Directors
Anhui Expressway Company Limited
520, Wangjiang West Road, Hefei, Anhui Province, The PRC (postal Code: 230088)

As at the date of this Announcement, the board of directors of the Company comprises: Zhou Renqiang, Li Junjie, Chen Dafeng, Xie Xinyu, Wu Xinhua, LI Shilin, Hu Bin, Yang Mianzhi and Kong Yat Fan.

This announcement was prepared in Chinese, should there be any discrepancy between the Chinese and English versions, the Chinese versionshall prevail.