



SHENZHEN EXPRESSWAY COMPANY LIMITED

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

Stock Code: 00548(SEHK) 600548(SSE)

2012 First Quarterly Results




April 27th, 2012

First Quarter of 2012

- **A YOY growth in net profit**
- **Operational performances of toll highways were influenced by the macro-economy and the changes in the road networks**
- **Effective control of costs and expenses**

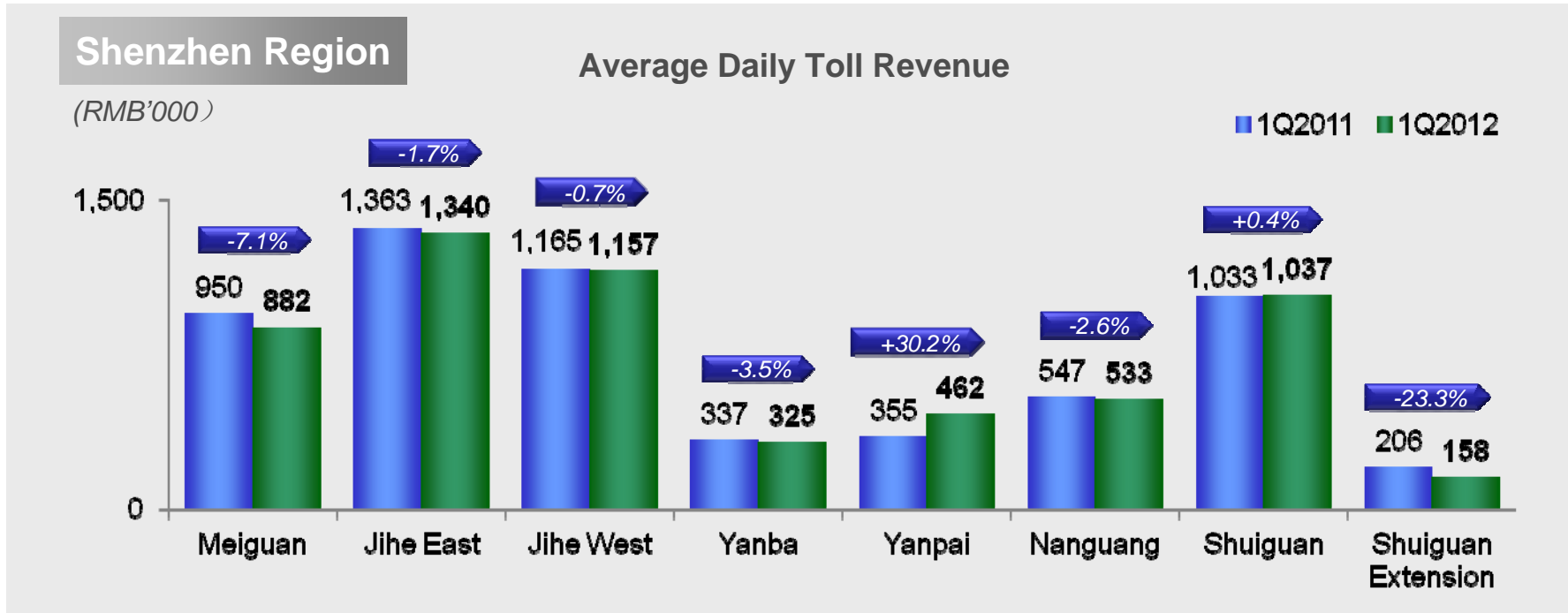


Financial Highlights

	1Q2012 (RMB 'million)	1Q2011 (RMB 'million) (Restated) <small>Note</small>	Change YOY
	As at 31 March		
Revenue	835	678	+23.05%
of which: Toll revenue	697	646	+7.79%
Net Profit attributable to owners of Company (Net profit)	238	186	+28.07%
<i>FYI: Net profit excluding the impact of provisions for maintenance/resurfacing obligations</i>	245	229	+7.02 %
Earnings per share (EPS) (RMB)	0.109	0.085	+28.07%
Return on equity (ROE)	2.56%	2.13%	+0.43p.pt

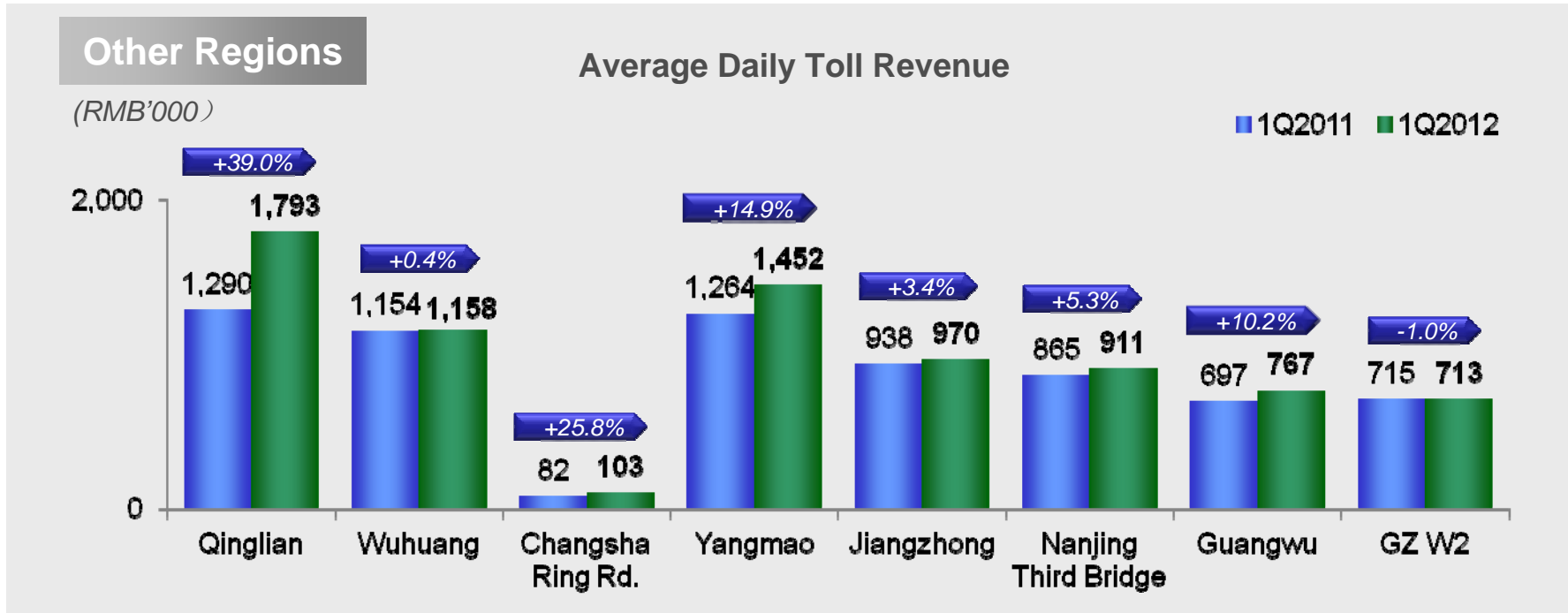
Note: The financial statements of JEL Company have been consolidated into those of the Company since 1 July 2011. As the combination represents the business combination involving enterprises under common control, the Group has adjusted the financial statements for the previous accounting period accordingly as required by the accounting standards.

Analysis of Operational Performance




- The growth of domestic economy declined, the organic growth rate of toll highway projects generally slowed down.
- The operational performances of toll highways were positively or negatively affected by the changes of road networks in the region.



Analysis of Operational Performance




Benefited from the stimulation effect caused by the improvement of the road networks or booming economic activities in peripheral areas and the implementation of toll-by-weight policy, the operational performances of Qinglian Expressway, Yangmao Expressway and Guangwu Project were satisfactory.

Analysis of Revenue

	1Q2012 (RMB'000)	1Q2011 (RMB'000) (Restated)	Change in amount (RMB '000)	Change YOY
Toll revenue	696,756	646,392	+50,364	+7.79%
Other income	137,921	31,954	+105,967	+331.6%

-  The increase in toll revenue was mainly attributable to growth in toll revenue from Qinglian Project.
-  The increase in other income was mainly attributable to the recognition of revenue in entrusted construction management services. During the Reporting Period, based on the Government's audit results on the total construction costs for Nanping (Phase I) and the progress of collection of amounts receivables, the Group recognized a revenue of RMB95.54 million for entrusted construction management services.

Analysis of Costs and Expenses

	1Q2012 (RMB'000)	1Q2011 (RMB'000) (Restated)	Change YOY (RMB '000)	Change YOY
Cost of services	342,112	308,031	+34,081	+11.06%
<i>FYI: Cost of services excluding the impact of provisions for maintenance/resurfacing obligations</i>	342,112	266,338	+75,773	+28.45%
Financial Expenses	156,192	120,669	+35,523	+29.44%

- ↗ Excluding the impact of provisions for maintenance/resurfacing obligations, cost of services increased YOY, the main reasons are:
 - a corresponding increase of RMB17.68 million in the depreciation and amortization of Qinglian Expressway in line with the increase of revenues.
 - the recognition of RMB33.75 million of cost in entrusted construction management services for Nanping (Phase I).
- ↗ The main reasons of the increase in financial expenses are:
 - a YOY increase in borrowings (total borrowings: RMB10.779 billion as at 31 March 2012, RMB9.545 billion as at 31 March 2011)
 - the capital cost increased as a result of the state's macro-economic control and the increase in market interest rate

Investment and Borrowings

□ Capital expenditure: RMB215 million

□ Total borrowings: RMB10.779 billion, a slight decrease from the end of 2011 (end of 2011: RMB10.879 billion)

□ Debt-to-asset ratio: 56.40%, downed by 0.94 percentage point as compared to the end of 2011 (end of 2011: 57.34%)

□ Composite borrowing costs: 5.65%, an increase over the same period of 2011 (same period of 2011: 5.00%)



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Company Declaration

All information presented in the material is available to the public and for the purpose of understanding the operation and the development planning of the Company. The Company might adjust the contents without pre-notice. Besides, the Company wishes to remind investors that the data does not constitute an invitation to trade the Company's stock and the Company does not guarantee the performance of the stock in the future.