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## 深圳高速公路股份有限公司

### **SHENZHEN EXPRESSWAY COMPANY LIMITED**

*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 00548)**

### **FIRST QUARTERLY REPORT OF 2016**

This announcement is made pursuant to the disclosure obligation under Rules 13.09(2) and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and related requirements.

This quarterly report is prepared in accordance with relevant regulations of the China Securities Regulatory Commission on disclosure of information in quarterly reports for listed companies. The financial information set out in this quarterly report has not been audited. Shareholders of the Company and public investors should exercise caution when trading in the shares of the Company.

#### **1. IMPORTANT NOTICE**

1.1 The board of directors, the supervisory committee and the directors, the supervisors, the senior management of Shenzhen Expressway Company Limited (“Company”) confirm the truthfulness, accuracy and completeness of the content of this quarterly report and that there are no false representations or misleading statements contained in or material omissions from this report, and assume several and joint legal responsibility.

1.2 The director who was unable to attend the board meeting in which this quarterly report was approved in person:

Name of the director unable to attend the board meeting	Position of the director unable to attend the board meeting	Reason for the absence	Name of the director appointed to vote
Li Jing Qi	director	official business	Hu Wei

1.3 Mr. Hu Wei, Chairman, Ms. Gong Tao Tao, Financial Controller, and Mr. Sun Bin, General Manager of Finance Department, confirm the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

1.4 The financial statements contained in First Quarterly Report of 2016 (the “Report”) of the Company for the three months ended 31 March 2016 (the “Reporting Period” or “Period”) have not been audited.

- 1.5 Unless otherwise stated, the currency of the amounts stated in the Report is in RMB.
- 1.6 Unless otherwise stated, the abbreviation of the highways/projects operated, invested and managed by the Company and the investee companies of the Company in the Report shall have the same meaning as defined in Annual Report 2015 of the Company.

## 2. PRINCIPAL FINANCIAL DATA AND CHANGE IN SHAREHOLDERS

### 2.1 Principal financial data

*Unit: RMB*

	As at 31 Mar 2016	As at 31 Dec 2015	Change (%)
Total assets	31,919,678,086.80	31,670,655,088.41	0.79
Net assets attributable to owners of the Company	12,620,565,634.09	12,368,892,973.17	2.03

	Jan ~ Mar 2016	Jan ~ Mar 2015	Change (%)
Net cash flows from operating activities	417,435,067.02	-29,143,445.98	N/A

	Jan ~ Mar 2016	Jan ~ Mar 2015	Change (%)
Revenue	997,748,950.04	739,317,826.20	34.96
Net profit attributable to owners of the Company	251,677,912.78	255,829,315.71	-1.62
Net profit attributable to owners of the Company - excluding non-recurring items	242,894,467.21	228,809,082.00	6.16
Return on equity - weighted average (%)	2.01	2.15	Decreased by 0.14 percentage point
Earnings per share – basic (RMB/share)	0.115	0.117	-1.62
Earnings per share - diluted (RMB/share)	0.115	0.117	-1.62

Non-recurring Items and Amounts:

Unit: RMB

Non-recurring items	Jan ~ Mar 2016	Descriptions
Profit from entrusted operation management services	4,248,000.00	Mainly attributable to the profits from entrusted operation management services of the equity interests in Longda Company for the Period.
Amortisation of compensation provided by concession grantor	5,330,306.44	The amortisation of compensation to Yanpai Expressway and Yanba Expressway provided by concession grantors recognised according to traffic volume method for the Period which is deemed as a deduction of the amortisation of the related concession intangible assets for accounting treatment.
Interest income of the compensation related to the toll adjustment of Meiguan Expressway	510,452.38	
Interest income of the compensation related to the toll adjustment of Nanguang Expressway, Yanpai Expressway and Yanba Expressway (the "Three Projects")	710,547.94	
Other non-operating income and expenses other than the above items	-535,292.79	
Effect on minority interest (after tax)	276,263.83	
Income tax effect	-1,756,832.23	
Total	8,783,445.57	

## 2.2 Shareholders information

As at the end of the Period, based on the shareholders' registers provided by the share registrar and the transfer offices of the Company in the PRC and Hong Kong, the total number of shareholders of the Company is 28,496, of which 28,244 were holders of A shares and 252 were holders of H shares. The top ten shareholders and the top ten holders of non-restricted circulating shares of the Company were as follows:

Unit: share

The top ten shareholders					
Name of shareholder	Nature of shareholders	Percentage	Number of shares held	Number of restricted circulating shares held	Information on shares pledged or frozen
HKSCC NOMINEES LIMITED <sup>(1)</sup>	Overseas legal person	32.96%	718,809,099	0	Unknown
Xin Tong Chan Development (Shenzhen) Company Limited	Domestic non-state-owned legal person	30.03%	654,780,000	0	None
Shenzhen Shen Guang Hui Highway Development Company	Domestic non-state-owned legal person	18.87%	411,459,887	0	None
China Merchants Hua Jian Highway Investment Co., Ltd	State-owned legal person	4.00%	87,211,323	0	None
Guangdong Roads and Bridges Construction Development Company Limited	State-owned legal person	2.84%	61,948,790	0	None
AU SIU KWOK	Overseas natural person	0.50%	11,000,000	0	Unknown
IP KOW	Overseas natural person	0.42%	9,100,000	0	Unknown
ZHANG PING YING	Domestic natural person	0.27%	6,094,806	0	Unknown
ZHANG LI QI	Domestic natural person	0.14%	2,950,147	0	Unknown
China Everbright Bank Company Limited –UBS-SDIC Boom Industry Securities Investment Fund	Domestic non-state-owned legal person	0.13%	2,892,259	0	Unknown
Top ten holders of non-restricted circulating shares					
Name of shareholder			Number of non-restricted circulating shares held	Type of shares	
HKSCC NOMINEES LIMITED <sup>(1)</sup>			718,809,099	H share	
Xin Tong Chan Development (Shenzhen) Company Limited			654,780,000	A share	
Shenzhen Shen Guang Hui Highway Development Company			411,459,887	A share	
China Merchants Hua Jian Highway Investment Co. Ltd			87,211,323	A share	
Guangdong Roads and Bridges Construction Development Company Limited			61,948,790	A share	
AU SIU KWOK			11,000,000	H share	
IP KOW			9,100,000	H share	
ZHANG PING YING			6,094,806	A share	
ZHANG LI QI			2,950,147	A share	
China Everbright Bank Company Limited –UBS-SDIC Boom Industry Securities Investment Fund			2,892,259	A share	
Connected relationship or concerted action relationship among the abovementioned shareholders:	Xin Tong Chan Development (Shenzhen) Company Limited and Shenzhen Shen Guang Hui Highway Development Company are connected persons under the same control of Shenzhen International Holdings Limited. There is no connected relationship among the state-owned shareholders in the above table. The Company did not notice any connected relationship among the other abovementioned shareholders or any connected relationship among the abovementioned state-owned shareholders and other shareholders.				

Note: (1) The H shares held by HKSCC NOMINEES LIMITED were held on behalf of various clients.

### 3. SIGNIFICANT MATTERS

#### 3.1 Operational information

Toll highway	Percentage of equity held by the Group	Percentage of revenue consolidated	Average daily mixed traffic volume (number of vehicles in '000) <sup>(1)</sup>		Average daily toll revenue (RMB '000)	
			Jan ~ Mar 2016	YOY	Jan ~ Mar 2016	YOY
<b>Guangdong Province - Shenzhen region:</b>						
Meiguan Expressway	100%	100%	75	12.3%	273	9.3%
Jihe East	100%	100%	226	16.7%	1,751	11.4%
Jihe West	100%	100%	179	15.4%	1,509	16.6%
Yanba Expressway <sup>(3)</sup>	100%	100%	N/A	N/A	N/A	N/A
Yanpai Expressway <sup>(3)</sup>	100%	100%	N/A	N/A	N/A	N/A
Nanguang Expressway <sup>(3)</sup>	100%	100%	N/A	N/A	N/A	N/A
Shuiguan Expressway <sup>(2)</sup>	50%	100%	197	17.7%	1,421	6.5%
Shuiguan Extension	40%	—	77	22.7%	268	24.2%
<b>Guangdong Province - other regions:</b>						
Qinglian Expressway	76.37%	100%	41	6.3%	2,221	2.6%
Yangmao Expressway	25%	—	48	13.4%	1,938	12.3%
Guangwu Project	30%	—	41	5.8%	1,030	9.1%
Jiangzhong Project	25%	—	108	7.8%	1,056	2.6%
GZ W2 Expressway	25%	—	51	15.9%	965	13.9%
<b>Other provinces:</b>						
Wuhuang Expressway	55%	100%	46	8.5%	983	6.9%
Changsha Ring Road	51%	—	23	27.7%	262	45.2%
Nanjing Third Bridge	25%	—	30	-2.7%	1,108	3.9%

Notes:

- (1) Traffic volume which is toll free during holidays is not included in the figures of average daily mixed traffic volume.
- (2) During 2015, as the Group acquired additional 10% equity interest in the project company of Shuiguan Expressway and obtained effective control over the said project company, the project company of Shuiguan Expressway has been included to the consolidated financial statements of the Group since 30 October 2015, and the proportion of revenue consolidated into the financial statements has been adjusted to 100% from 0%.
- (3) Pursuant to the agreement entered into between the Company and the Transport Commission of Shenzhen Municipality (深圳市交通運輸委員會) (the "Transport Commission"), the toll-free policy has been implemented for the Three Projects from 00:00 on 7 February 2016, and the Company calculated and recognized the income in accordance with the methods set out in the agreement. In the upcoming regular report of operational information, the Company will not disclose data on the Three Projects.

*Guangdong Province - Shenzhen region:*

The classification standard of vehicles on expressways and toll-by-weight for lorries were adjusted to be consistent with the national standards in Guangdong Province with effect from the end of June 2015. The implementation of these two policies has brought negative and positive impacts on the toll revenue of the Group's projects in Shenzhen region, respectively. However, the positive impact is greater than the negative impact as a whole. During the Reporting Period, the total toll revenue of the Group's toll highway projects in Shenzhen region recorded a YOY increase. During the Reporting Period, toll-free policy has been implemented for the Three Projects from 00:00 on 7 February 2016, resulting in growth of traffic volume of the toll-free projects, which has in turn driven the growth of traffic volume of the connecting Jihe Expressway and Shuiguan Expressway. On the other hand, the Group proposed to implement bridge reinforcement and maintenance works for Pinghu Bianzuzhan Bridge of Jihe East, where one of the lanes of certain sections on both ends of the bridge has been closed since the end of November 2015, which has negatively affected the traffic conditions and operational performance of the project and the connected roads to a certain extent. The Company will strive to reduce the adverse impact on the traffic services by means of optimisation of construction plans and implementation of reasonable traffic organisation plans, on the condition that assurance will be given about the safety and quality of the construction.

*Guangdong Province - other regions:*

Benefitted from the positive impacts of various factors including economic growth along the highways and the implementation of the policy of toll-by-weight for lorries, during the Reporting Period, Yangmao Expressway, Guangwu Project and GZ W2 Expressway have recorded greater growth in terms of both average daily traffic volume and toll revenue. Guangle Expressway (Guangzhou – Lechang, in Guangdong), being the dual-line of G4 National Expressway (Guangdong Section) (formerly known as Jingzhu Expressway) commenced operation at the end of September 2014, and Erguang Expressway (Lianzhou to Huaiji section, in Guangdong) commenced operation at the end of December 2014. As the layout of the above sections is similar to that of Qinglian Expressway, and construction of the link between Erguang Expressway and Qinglian Expressway is underway, certain diversions on Qinglian Expressway were resulted at this stage.

*Other provinces:*

Negative impacts on the operational performance of Wuhuang Expressway by factors such as commencement of operation of peripheral road networks and the implementation of traffic control measures on the municipal road still existed. However, the impact on YOY changes has been eliminated in general. The toll revenue of Nanjing Third Bridge for the Period recorded a slight YOY increase due to the growth of traffic volume of heavy trucks. However, as affected by the diversion impact caused by the implementation of toll-free policy of Nanjing Weisan Road Tunnel and Weiqi Road Tunnel with effect from 1 January 2016, there was a YOY decrease in traffic volume for the Period. Benefitted from the positive impacts of various factors such as the improvement of road networks, the implementation of traffic control measures of neighboring roads and the growth of business of enterprises along the highway, Changsha Ring Road achieved a greater YOY increase in toll revenue during the Reporting Period.

### 3.2 Financial analysis

During the Reporting Period, the Group recorded a revenue of RMB997,749,000 (same period of 2015: RMB739,318,000), representing a YOY increase of 34.96%, of which toll revenue

amounted to RMB894,141,000 (same period of 2015: RMB703,585,000), representing a YOY increase of 27.08%. During the Reporting Period, the Group recorded net profit attributable to owners of the Company (“Net Profit”) of RMB251,678,000 (same period of 2015: RMB255,829,000), which recorded a slight YOY decrease of 1.62%.

During the Reporting Period, the Group recorded a YOY increase in revenue of RMB258,431,000, mainly due to the consolidation of Consulting Company and Qinglong Company into the Group’s financial statements with effect from 1 July 2015 and 30 October 2015, respectively, which have contributed a revenue of RMB67,445,000 and RMB129,306,000, respectively during the Reporting Period. After excluding the effect of the change of scope of consolidation, the Group recorded a YOY increase in revenue of 8.34%, of which a YOY increase in toll revenue of 8.71% was recorded, which was mainly due to the greater growth in toll revenue of Jihe Expressway as benefitted from the impacts of various factors such as organic growth of traffic volume and the attraction of traffic volume after the implementation of toll-free policy of the Three Projects. In addition, pursuant to the agreement entered into by the Company and the Transport Commission, the toll-free policy has been implemented for the Three Projects from 00:00 on 7 February 2016. During Phase 1 (from 00:00 on 7 February 2016 to 24:00 on 31 December 2018), the Company will retain the toll collection right and continue to be responsible for the management and maintenance of the Three Projects; meanwhile, the Transport Commission will acquire traffic services of the Three Projects from the Company and make compensation for the exempted toll fees to the Company accordingly. During the Reporting Period, the Company recognised compensation for the toll revenue from the Three Projects of RMB83,977,000 pursuant to the agreement. For the operational performance of each of the toll highway projects during the Reporting Period, please refer to section 3.1 above.

During the Reporting Period, the Group recorded cost of services of RMB523,406,000 (same period of 2015: RMB337,058,000), representing a YOY increase of RMB186,348,000 or 55.29%. Among which, the consolidation of Consulting Company and Qinglong Company into the Group’s financial statements has resulted in increases in cost of services of RMB73,719,000 and RMB89,418,000, respectively. After excluding the effect of the change of scope of consolidation, the Group recorded a YOY increase in cost of services of 6.89%, which was mainly attributable to the increase in depreciation and amortisation costs. As affected by the receipt of prepayment from the Shenzhen government for compensation for the toll adjustment of the Three Projects at the end of 2015, the Group recorded a YOY increase in interest-bearing liabilities during the Reporting Period, and the financial expenses also increased by 66.61% year-on-year to RMB133,274,000.

During the Reporting Period, the capital expenditures of the Group amounted to approximately RMB116,000,000. As at the end of the Reporting Period, the Group’s total amount of outstanding interest-bearing liabilities amounted to RMB12,767,000,000 (as at 31 March and 31 December 2015: RMB8,020,000,000 and RMB13,276,000,000). As at the end of the Reporting Period, the Group’s debt-to-asset ratio was 52.40% and the composite borrowing costs for the Reporting Period was 5.12% (same period of 2015: 5.82%).

Pursuant to the requirements of the relevant accounting policies and rules of the Company, and based on the actual circumstances of each of the major toll highway, the Group has revised the relevant accounting estimates for the unit amortisation amount of concession intangible assets of Qinglian Expressway, Nanguang Expressway, Yanpai Expressway and Yanba Expressway with effect from 1 January 2016. These changes in accounting estimates have resulted in a decrease of the equity attributable to owners of the Company of approximately RMB6,315,000 as at 31 March 2016 and a decrease in net profit of approximately RMB6,315,000 from January to March 2016,

which has no significant impact on the financial position and operating results of the Group as a whole. For details, please refer to the relevant announcement of the Company dated 29 January 2016.

3.3 Substantial changes of key financial statements items and financial indicators of the Company and the reasons for the changes:

*Unit: RMB'000*

	As at 31 Mar 2016	As at 31 Dec 2015	Change (%)	Primary reasons for the change
Interests receivable	9,150	959	853.86	Interest income receivable from time deposits increased.
Other receivables	180,441	123,462	46.15	Relevant refunds receivable from the government of Longli County for to the reorganisation of land and change of use of certain land lots recognised.
Classified as asset held for sale	115,631	169,004	-31.58	For the proposed transfer of the entire equity interests of Guizhou Pengbo and the 51% equity interests of Guizhou Hengtongli, the procedures in relation to the reorganisation of land and the change of use of certain land lots have been completed during the Reporting Period, and the relevant refunds receivable from the government of Longli County has been recognised.
Current portion of non-current assets	94,172	139,082	-32.29	Part of the receivables from Guilong Road BT Project recovered.
Other non-current assets	168,880	18,880	794.51	Purchased wealth management products from banks.
Long-term prepayments	4,688	6,851	-31.57	Delivery of some of government affordable housing applied.
Short-term borrowings	11,000	-	N/A	Short-term borrowings increased.
Interests payable	169,165	118,790	42.41	Interest on bonds payables increased.
Dividends payable	2,968	-	N/A	Dividends payables to minority shareholders of Qinglong Company.
Other payables	1,881,181	1,325,054	41.97	Government funding for the construction of Outer Ring Project increased.



Unit: RMB'000

	Jan ~ Mar 2016	Jan ~ Mar 2015	Change (%)	Primary reasons for the change
Revenue from operations	997,749	739,318	34.96	The consolidation of Consulting Company and Qinglong Company into the financial statements has resulted in an increase in the Group's revenue.
Cost of services	523,406	337,058	55.29	The consolidation of Consulting Company and Qinglong Company into the financial statements has resulted in an increase in the Group's cost of services.
General and administrative expenses	24,203	13,147	84.09	The consolidation of Consulting Company into the financial statements has resulted in an increase in the Group's general and administrative expenses, and the growth of business has resulted in a corresponding increase in general and administrative expenses such as employee expenses.
Financial expenses	133,274	79,990	66.61	The amount of interest-bearing liabilities increased.
Net cash flows from operating activities	417,435	-29,143	N/A	Income tax of approximately RMB424,000,000 paid in relation to the gains on disposal of assets of the Toll Free Section of Meiguan Expressway in the same period last year.
Net cash flows from investing activities	-204,640	-19,767	935.28	Purchased wealth management products from banks and paid the subsequent additional capital contribution in Bank of Guizhou.
Net cash flows from financing activities	-535,461	-116,619	359.15	Repayment of borrowings recorded a YOY increase.

#### 3.4 Progress of significant matters and the analysis on the relevant impacts and solutions

On 30 November 2015, the Company and the Transport Commission (on behalf of Shenzhen Municipal People's Government) entered into the Agreement on the Toll Adjustment, Compensation and Transfer of Asset regarding Nanguang Expressway, Yanpai Expressway and Yanba Expressway (the "Adjustment Agreement"). The Adjustment Agreement was approved by the respective general meeting of Shenzhen International Holdings Limited ("Shenzhen International"), an indirect controlling shareholder of the Company, and the Company on 28 January 2016 and 29 January 2016, respectively. Pursuant to the Adjustment Agreement, the Company has implemented toll-free policy for Nanguang Expressway, Yanpai Expressway and Yanba Expressway from 00:00 on 7 February 2016, and the Company received compensation of RMB6,588,000,000 from the Transport Commission as agreed under the Adjustment Agreement in December 2015. The balance of the compensation (including compensation for relevant taxes) as agreed under the Adjustment Agreement, any settlement difference and interests accrued are expected to be paid as agreed under the Adjustment Agreement. For details, please refer to the Company's announcements dated 30 November 2015, 29 January 2016 and 1 February 2016, respectively.

Pursuant to the concession agreement relating to Outer Ring (Section A) entered into by the Transport Commission and Outer Ring Company, a wholly-owned subsidiary of the Company, on 18 March 2016, and the joint investment and construction agreement relating to Outer Ring (Section A) entered into by Shenzhen Special Economic Zone Construction and Development Group Co., Ltd. (深圳市特區建設發展集團有限公司) (the "SZCDGC"), the Company and Outer Ring Company on the same date, the Company, Outer Ring Company and SZCDGC shall jointly invest funds or arrange financing for the construction of Outer Ring (Section A) (among which, the Company and Outer Ring Company shall in aggregate invest funds or arrange financing with

an amount of RMB6,500,000,000, while the balance amount shall be contributed by SZCDGC). Outer Ring Company shall act as the entity for the construction and operation of Outer Ring (Section A) and be fully in charge of the operation and management of construction, toll collection, facilities, road assets, finance, etc. of Outer Ring (Section A); while the Company shall be entrusted to manage the construction of Outer Ring (Section A). The implementation of this project is subject to the approval by the annual general meeting of the Company to be held on 19 May 2016 and the general meeting of Shenzhen International Holdings Limited, an indirect controlling shareholder of the Company. For details, please refer to the Company's announcement dated 18 March 2016.

On 23 December 2015, the Company entered into a share subscription agreement with Bank of Guizhou Co., Ltd. ("Bank of Guizhou"), pursuant to which the Company subscribed 382,000,000 additional shares issued by Bank of Guizhou in the consideration of RMB595,920,000. On 21 March 2016, the Company entered into another share subscription agreement with Bank of Guizhou, pursuant to which the Company will subscribe 44,000,000 additional shares issued by Bank of Guizhou in the consideration of RMB68,640,000. Upon completion of the aforesaid subscriptions, the Company will hold an aggregate of 426,000,000 shares of Bank of Guizhou, accounting for 4.63% of the total share capital of Bank of Guizhou after the capital increase. For details of the above matters, please refer to the Company's announcements dated 23 December 2015 and 21 March 2016, respectively.

Pursuant to the resolution of the 13th meeting of the seventh session of the Board of the Company, on 28 March 2016, the Company purchased wealth management products under the Excellence Plan for Rolling Capital Guaranteed Renminbi-denominated Corporate Wealth Management Product of Ping An Bank in the amount of RMB150,000,000, which has a term of 28 days and an expected yield rate of 3.50%.

### 3.5 The fulfillment of the undertakings made by the Company and the shareholders holding over 5%

The shareholders of the Company, Xin Tong Chan Development (Shenzhen) Company Limited and Shenzhen Shen Guang Hui Highway Development Company, each of which holds more than 5% shareholding in the Company, have undertaken in the promoters' agreement in January 1997 that they will not engage in any industry or business in any form in Shenzhen, which, directly or indirectly, competes with the Company. The Company did not notice violation of such undertakings by the above two shareholders up to the end of the Reporting Period.

Shenzhen International and 深國際控股(深圳)有限公司(Shenzhen International Holdings (SZ) Limited, formerly known as 怡萬實業發展(深圳)有限公司(Yiwan Industry Development (Shenzhen) Company Limited)) made undertakings in 《詳式權益變動報告書》(Detailed Report on the Change of Equity Interests) published on 18 October 2007 in the securities market of PRC. The undertakings include avoiding competition and standardising connected transactions, etc. For details thereof, please refer to the abovementioned 《詳式權益變動報告書》(Detailed Report on the Change of Equity Interests) or related contents of the Annual Report 2007 of the Company. Up to the end of the Reporting Period, the Company did not notice violation of such undertakings by the above two companies.

Shenzhen International made undertakings in respect of the matters such as avoiding competitions and supporting the development of the Company in December 2010 and June 2011 respectively. 深圳市投資控股有限公司(Shenzhen Investment Holdings Company Limited, "SIHCL") made

undertakings in respect of the matters such as avoiding competitions and supporting the development of the Company in December 2010 and May 2011 respectively. The undertakings include that the highway assets shall be injected into the Company in 5-8 years in the case of qualified. For details thereof, please refer to 《收購報告書》 (Acquisition Report) published on 4 January 2011 in the securities market of PRC by SIHCL and the announcement of the Company dated 1 June 2011. Up to the end of the Reporting Period, the Company did not notice violation of such undertakings by Shenzhen International or SIHCL .

3.6 Profit alert, with reasons therefore, that the cumulative net profit from the beginning of the year to the end of the next reporting period may be a substantial change as compared to the same period of last year

applicable  not applicable

By order of the Board

**Hu Wei**

Chairman

Shenzhen, the PRC, 25 April 2016

*As at the date of this announcement, the directors of the Company are Mr. HU Wei (Executive Director and Chairman of the Board), Mr. WU Ya De (Executive Director and President), Mr. WANG Zeng Jin (Executive Director), Mr. LI Jing Qi (Non-executive Director), Mr. ZHAO Jun Rong (Non-executive Director), Mr. TSE Yat Hong (Non-executive Director), Ms. ZHANG Yang (Non-executive Director), Mr. AU Sing Kun (Independent non-executive Director), Mr. LIN Chu Chang (Independent non-executive Director), Mr. HU Chun Yuan (Independent non-executive Director) and Mr. SHI Xian Liang (Independent non-executive Director).*

*This announcement is originally prepared in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.*

**Appendix:****Consolidated Balance Sheet**

31 Mar 2016

*Unit: RMB; Unaudited*

<b>Item</b>	<b>As at 31 Mar 2016</b>	<b>As at 31 Dec 2015</b>
<b>Current assets:</b>		
Cash at bank and on hand	6,703,544,098.23	6,422,377,830.89
Accounts receivable	642,802,243.11	659,832,794.56
Advances to suppliers	246,330,618.27	242,115,831.87
Interest receivable	9,149,666.67	959,220.83
Other receivables	180,441,056.26	123,461,626.41
Inventories	718,654,159.81	648,713,256.36
Classified as assets held for sale assets	115,630,793.66	169,004,404.40
Current portion of non-current assets	94,171,555.14	139,082,269.66
Other current assets	168,879,520.24	18,879,520.24
Total current assets	8,879,603,711.39	8,424,426,755.22
<b>Non-current assets:</b>		
Long-term prepayments	4,687,810.00	6,850,959.00
Available-for-sale financial assets	30,170,000.00	30,170,000.00
Long-term receivable	69,420,809.50	68,710,261.56
Long-term equity investments	1,996,683,372.88	1,982,890,024.59
Investment properties	13,958,200.00	14,102,125.00
Fixed assets	1,121,373,379.66	1,156,211,660.69
Construction in progress	34,935,231.75	29,456,086.42
Intangible assets	19,013,643,327.40	19,271,775,774.01
Goodwill	1,543,560.21	1,543,560.21
Long-term prepaid expenses	12,081,108.25	10,980,369.76
Deferred tax assets	77,017,575.76	77,617,511.95
Other non-current assets	664,560,000.00	595,920,000.00
Total non-current assets	23,040,074,375.41	23,246,228,333.19
<b>TOTAL ASSETS</b>	<b>31,919,678,086.80</b>	<b>31,670,655,088.41</b>

**Consolidated Balance Sheet (continued)**

31 Mar 2016

*Unit: RMB; Unaudited*

Item	As at 31 Mar 2016	As at 31 Dec 2015
<b>Current liabilities:</b>		
Short-term borrowings	11,000,000.00	-
Accounts payable	186,312,941.02	182,023,959.15
Advances from customers	250,970,540.32	232,847,835.82
Employee benefits payable	130,159,969.03	154,056,117.83
Taxes payable	180,703,683.54	258,044,934.34
Interests payable	169,165,048.52	118,790,435.51
Dividends payable	2,967,648.86	-
Other payables	1,881,180,832.36	1,325,053,997.31
Current portion of non-current liabilities	1,739,901,645.01	1,836,240,879.39
Deferred income	3,464,972.66	3,464,972.66
Total current liabilities	4,555,827,281.32	4,110,523,132.01
<b>Non-current liabilities:</b>		
Long-term borrowings	1,857,424,000.00	2,201,928,764.00
Bonds payable	2,691,048,037.38	2,690,329,788.48
Provisions	125,207,118.71	125,239,600.71
Deferred income	171,514,280.00	174,680,489.68
Deferred tax liabilities	1,323,139,118.56	1,339,812,592.32
Other non-current liabilities	6,003,016,995.84	6,067,060,199.11
Total non-current liabilities	12,171,349,550.49	12,599,051,434.30
Total liabilities	16,727,176,831.81	16,709,574,566.31
<b>Owners' equity:</b>		
Share capital	2,180,770,326.00	2,180,770,326.00
Capital surplus	2,274,351,523.42	2,274,351,523.42
Other comprehensive income	893,600,268.47	893,605,520.32
Surplus reserve	1,915,883,968.12	1,915,883,968.12
Undistributed profits	5,355,959,548.08	5,104,281,635.31
Total equity attributable to owners of the Company	12,620,565,634.09	12,368,892,973.17
Minority interests	2,571,935,620.90	2,592,187,548.93
Total owners' equity	15,192,501,254.99	14,961,080,522.10
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>31,919,678,086.80</b>	<b>31,670,655,088.41</b>

**Balance Sheet**  
31 Mar 2016

*Unit: RMB; Unaudited*

Item	As at 31 Mar 2016	As at 31 Dec 2015
<b>Current assets:</b>		
Cash at bank and on hand	4,869,040,806.59	4,888,439,240.81
Accounts receivable	496,464,254.46	495,255,623.24
Advances to suppliers	4,031,294.27	6,985,783.71
Interest receivable	9,693,800.55	956,785.27
Dividends receivable	109,201,348.39	80,000,000.00
Other receivables	944,688,911.57	1,269,557,969.42
Inventories	1,571,813.35	1,952,913.31
Other non-current assets	150,000,000.00	-
Total current assets	6,584,692,229.18	6,743,148,315.76
<b>Non-current assets:</b>		
Long-term prepayments	3,329,760.00	3,329,760.00
Available-for-sale financial assets	30,170,000.00	30,170,000.00
Long-term receivables	4,102,729,780.81	3,112,019,232.87
Long-term equity investments	6,720,863,544.46	6,721,818,997.37
Investment properties	13,958,200.00	14,102,125.00
Fixed assets	490,913,566.09	508,597,421.41
Construction in progress	5,352,351.19	4,008,899.94
Intangible assets	4,276,609,301.12	4,327,665,068.64
Long-term prepaid expenses	401,513.11	2,871,534.84
Deferred tax assets	41,986,226.19	41,792,784.92
Other non-current assets	664,560,000.00	595,920,000.00
Total non-current assets	16,350,874,242.97	15,362,295,824.99
<b>TOTAL ASSETS</b>	<b>22,935,566,472.15</b>	<b>22,105,444,140.75</b>

**Balance Sheet (continued)**

31 Mar 2016

*Unit: RMB; Unaudited*

<b>Item</b>	<b>As at 31 Mar 2016</b>	<b>As at 31 Dec 2015</b>
<b>Current liabilities:</b>		
Short-term borrowings	120,000,000.00	120,000,000.00
Accounts payable	20,704,026.50	22,230,271.50
Advances from customers	-	1,583,333.37
Employee benefits payable	57,077,292.44	57,554,501.48
Taxes payable	48,472,901.19	42,852,641.21
Interests payable	168,950,626.00	111,110,863.10
Other payables	1,890,528,011.43	1,367,946,083.86
Current portion of non-current liabilities	1,640,701,645.02	1,567,040,879.39
Total current liabilities	3,946,434,502.58	3,290,318,573.91
<b>Non-current liabilities:</b>		
Bonds payable	2,695,279,677.30	2,694,728,466.81
Provisions	125,207,118.71	125,239,600.71
Other non-current liabilities	6,001,266,796.73	6,065,310,000.00
Total non-current liabilities	8,821,753,592.74	8,885,278,067.52
Total liabilities	12,768,188,095.32	12,175,596,641.43
<b>Owners' equity:</b>		
Share capital	2,180,770,326.00	2,180,770,326.00
Capital surplus	2,315,587,934.74	2,315,587,934.74
Surplus reserve	1,915,883,968.12	1,915,883,968.12
Undistributed profits	3,755,136,147.97	3,517,605,270.46
Total owners' equity	10,167,378,376.83	9,929,847,499.32
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>22,935,566,472.15</b>	<b>22,105,444,140.75</b>

## Consolidated Income Statement

Jan ~ Mar 2016

*Unit: RMB; Unaudited*

Item	Jan ~ Mar 2016	Jan ~ Mar 2015
<b>1. Total revenue</b>	997,748,950.04	739,317,826.20
Including: Revenue from operation	997,748,950.04	739,317,826.20
<b>2. Total operating cost</b>	716,406,141.42	457,538,766.88
Including: Cost of services	523,405,753.89	337,057,927.20
Business tax and surcharges	32,318,790.00	25,125,849.98
Selling expenses	3,204,287.07	2,217,692.33
General and administrative expenses	24,203,026.87	13,147,268.13
Financial expenses	133,274,283.59	79,990,029.24
Add: Investment income (“-” indicates loss)	62,443,547.24	60,328,196.77
Including: Share of profit of associates and joint ventures	62,443,547.24	60,328,196.77
<b>3. Operating profit (“-” indicates loss)</b>	343,786,355.86	342,107,256.09
Add: Non-operating income	41,097.66	908,705.00
Including: Gain on disposal of non-current assets	-	821,897.50
Less: Non-operating expenses	576,390.45	1,641,432.77
Including: Loss on disposal of non-current assets	23,228.77	1,639,594.63
<b>4. Total profit (“-” indicates total loss)</b>	343,251,063.07	341,374,528.32
Less: Income tax expenses	75,323,392.83	70,556,625.67
<b>5. Net profit (“-” indicates net loss)</b>	267,927,670.24	270,817,902.65
Net profit attributable to owners of the Company	251,677,912.78	255,829,315.71
Minority interests	16,249,757.46	14,988,586.94
<b>6. Other comprehensive income after tax</b>	-5,251.85	-
Other comprehensive income after tax attributable to owners of the Company	-5,251.85	-
(1) Item that may not be reclassified subsequently to profit and loss	-	-
(2) Item that may be reclassified subsequently to profit and loss	-5,251.85	-
Balance arising from the translation of foreign currency financial statements.	-5,251.85	-
<b>7. Total comprehensive income</b>	267,922,418.39	270,817,902.65
Total comprehensive income attributable to owners of the company	251,672,660.93	255,829,315.71
Total comprehensive income attributable to minority interest	16,249,757.46	14,988,586.94
<b>8. Earnings per share</b>		
(1) Basic earnings per share (RMB per share)	0.115	0.117
(2) Diluted earnings per share (RMB per share)	0.115	0.117



## Income Statement

Jan ~ Mar 2016

*Unit: RMB; Unaudited*

Item	Jan ~ Mar 2016	Jan ~ Mar 2015
<b>1. Revenue</b>	301,553,834.14	276,560,981.14
Less: Cost of services	116,418,641.37	103,563,659.41
Business tax and surcharges	10,163,255.00	9,317,553.46
General and administrative expenses	14,127,649.13	10,842,022.16
Financial expenses	59,795,737.82	35,862,332.67
Add: Investment income (“-” indicates loss)	160,996,094.40	115,473,634.60
Including: Share of profit of associates and joint ventures	62,443,547.24	60,328,196.77
<b>2. Operating profit (“-” indicates loss)</b>	262,044,645.22	232,449,048.04
Add: Non-operating income	3,000.00	86,807.50
Less: Non-operating expenses	16,799.81	1,325,139.47
Including: Loss on disposal of non-current assets	6,390.46	1,325,034.26
<b>3. Total profit (“-” indicates total loss)</b>	262,030,845.41	231,210,716.07
Less: Income tax expenses	24,499,967.89	28,341,653.09
<b>4. Net profit (“-” indicates net loss)</b>	237,530,877.52	202,869,062.98
<b>5. Other comprehensive income</b>	-	-
<b>6. Total comprehensive income</b>	237,530,877.52	202,869,062.98

## Consolidated Cash Flow Statement

Jan ~ Mar 2016

*Unit: RMB; Unaudited*

Item	Jan ~ Mar 2016	Jan ~ Mar 2015
<b>1. Cash flows from operating activities</b>		
Cash received from sales of goods and rendering of services	1,005,901,037.77	765,144,723.33
Cash received relating to other operating activities	46,823,960.12	26,874,267.74
Sub-total of cash inflows	1,052,724,997.89	792,018,991.07
Cash paid for goods and services	120,732,474.79	118,123,096.09
Cash paid to and on behalf of employees	133,401,633.69	59,807,657.52
Payments of taxes and surcharges	234,210,214.19	530,774,886.58
Cash paid relating to other operating activities	146,945,608.20	112,456,796.86
Sub-total of cash outflows	635,289,930.87	821,162,437.05
Net cash flows from operating activities	417,435,067.02	-29,143,445.98
<b>2. Cash flows from investing activities</b>		
Cash received from returns on investments	48,650,198.92	16,792,885.71
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	3,000.00	3,510.00
Cash received relating to other investing activities	14,270,883.48	5,735,376.39
Sub-total of cash inflows	62,924,082.40	22,531,772.10
Cash paid to acquire fixed assets, intangible assets and other long-term assets	27,624,309.83	36,119,424.77
Cash paid for investments	150,000,000.00	-
Net cash paid to acquire subsidiaries and other business units	88,640,000.00	-
Cash paid relating to other investing activities	1,300,020.00	6,179,073.80
Sub-total of cash outflows	267,564,329.83	42,298,498.57
Net cash flows from investing activities	-204,640,247.43	-19,766,726.47
<b>3. Cash flows from financing activities</b>		
Cash received from borrowings	11,000,000.00	-
Sub-total of cash inflows	11,000,000.00	-
Cash repayments of borrowings	514,504,764.00	29,867,000.00
Cash payments for interest expenses and distribution of dividends or profits	31,676,859.61	86,704,946.79
Including: Cash payments for dividends or profit to minority shareholders of subsidiaries	-	28,625,546.59
Cash payments relating to other financing activities	279,337.45	46,985.68
Sub-total of cash outflows	546,460,961.06	116,618,932.47
Net cash flows from financing activities	-535,460,961.06	-116,618,932.47
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	-91,304.90	-399,640.83
<b>5. Net increase in cash and cash equivalents</b>	-322,757,446.37	-165,928,745.75
Add: Cash and cash equivalents at beginning of the Period	6,180,992,066.06	1,255,154,897.37
<b>6. Cash and cash equivalents at the end of the Period</b>	5,858,234,619.69	1,089,226,151.62

## Cash Flow Statement

Jan ~ Mar 2016

*Unit: RMB; Unaudited*

Item	Jan ~ Mar 2016	Jan ~ Mar 2015
<b>1. Cash flows from operating activities</b>		
Cash received from sales of goods and rendering of services	214,834,971.41	321,115,824.45
Cash received relating to other operating activities	615,918,273.57	238,420,494.02
Sub-total of cash inflows	830,753,244.98	559,536,318.47
Cash paid for goods and services	15,830,078.56	55,806,054.29
Cash paid to and on behalf of employees	36,382,618.58	29,062,567.15
Payments of taxes and surcharges	29,737,946.43	44,437,070.10
Cash paid relating to other operating activities	356,966,670.57	411,724,665.29
Sub-total of cash outflows	438,917,314.14	541,030,356.83
Net cash flows from operating activities	391,835,930.84	18,505,961.64
<b>2. Cash flows from investing activities</b>		
Cash received from disposal of investments	23,134,120.57	22,582,398.65
Cash received from returns on investments	109,616,078.35	71,938,323.40
Cash received relating to other investing activities	173,445,742.22	24,154,798.97
Sub-total of cash inflows	306,195,941.14	118,675,521.02
Cash paid to acquire fixed assets, intangible assets and other long-term assets	6,757,887.81	7,344,077.71
Cash paid for investments	150,000,000.00	-
Net cash paid to acquire subsidiaries and other business units	68,640,000.00	-
Cash paid relating to other investing activities	522,000,020.00	78,324,780.00
Sub-total of cash outflows	747,397,907.81	85,668,857.71
Net cash flows from investing activities	-441,201,966.67	33,006,663.31
<b>3. Cash flows from financing activities</b>		
Cash payments relating to other financing activities	20,890.62	19,139.41
Sub-total of cash outflows	20,890.62	19,139.41
Net cash flows from financing activities	-20,890.62	-19,139.41
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	-1,784.10	-1,174.91
<b>5. Net increase in cash and cash equivalents</b>	-49,388,710.55	51,492,310.63
Add: Cash and cash equivalents at beginning of the Period	4,856,442,761.18	605,631,016.66
<b>6. Cash and cash equivalents at the end of the Period</b>	4,807,054,050.63	657,123,327.29