

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



四川成渝高速公路股份有限公司 Sichuan Expressway Company Limited*

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

(Stock Code: 00107)

2016 Third Quarterly Report

This announcement is made by Sichuan Expressway Company Limited* (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The financial data of the Company for the third quarter of 2016 is unaudited and has been prepared in accordance with the China Accounting Standards for Business Enterprises.

1. IMPORTANT NOTICE

1.1 The board (“**Board**”) of directors (“**Directors**”), the supervisory committee and the Directors, supervisors and senior management of the Company shall ensure the truthfulness, accuracy and completeness of the information contained in the 2016 third quarterly report (the “**Quarterly Report**” or the “**Report**”) and that there are no false representations, misleading statements contained in or material omissions from the Report for which they shall assume joint and several liability.

1.2 Absent Directors

Name	Title	Reason for absence	Name of mandatory
Zheng Haijun	Director	Significant business engagement	Sun Huibi
Tang Yong	Director	Significant business engagement	Zhou Liming
Huang Bin	Director	Significant business engagement	Wang Shuanming
Ni Shilin	Director	Significant business engagement	Liu Lina

1.3 Mr. Zhou Liming, person in charge of the Company, Mr. Li Wenhui, person in charge of accounting and Mr. Sun Ou, head of the accounting department (accounting officer), have declared and confirmed the truthfulness, accuracy and completeness of the financial statements in the Quarterly Report.

1.4 The Company's third Quarterly Report is unaudited. The reporting period of the Report (the "**Reporting Period**" or "**Period**") covers the three months ended 30 September 2016.

2. PRINCIPAL FINANCIAL DATA OF THE COMPANY AND CHANGES IN SHAREHOLDERS

2.1 Principal financial data

Unit: yuan Currency: RMB

	As at the end of the Reporting Period	As at the end of last year	Increase/decrease as at the end of the Reporting Period compared to that as at the end of last year (%)
Total assets	34,578,028,936.68	33,540,199,369.46	3.09
Net assets attributable to shareholders of the Company (" Shareholders ")	13,301,576,700.18	12,519,262,090.48	6.25
	From the beginning of the year to the end of the Reporting Period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)	Increase/decrease over the same period last year (%)
Net cash flows from operating activities	1,413,479,622.08	826,709,624.99	70.98

	From the beginning of the year to the end of the Reporting Period (January to September)	From the beginning of last year to the end of the reporting period of last year (January to September)	Increase/decrease over the same period last year (%)
Operating revenue	5,022,306,439.34	4,817,853,499.16	4.24
Net profit attributable to Shareholders of the Company	1,028,074,209.51	823,298,656.21	24.87
Net profit net of non-recurring profit and loss attributable to Shareholders of the Company	1,016,394,030.39	814,494,809.11	24.79
Weighted average return on net assets (%)	7.94	6.81	1.13
Basic earnings per share (<i>Yuan/share</i>)	0.3362	0.2692	24.89
Diluted earnings per share (<i>Yuan/share</i>)	0.3362	0.2692	24.89

Non-recurring items and amounts

Applicable Not applicable

Unit: yuan Currency: RMB

Item	Amount in the Period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)
Profit or loss from disposal of non-current assets	-114,993.89	-1,109,571.86
Incidental tax refund or exemption in relation to documents of unauthorized approval or without formal approval		
Government subsidies included in profit or loss in the current Period, but excluding those closely related to the Company's normal business operations, in line with national policies and regulations and in accordance with certain fixed amounts on a continuous basis	376,754.25	3,795,123.31
Fund possession cost paid by non-financial enterprises and recorded under current profit and loss		

Item	Amount in the Period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)
Profit arising from investment costs for acquisition of subsidiaries, associates and joint ventures less than the revenue generated from their identifiable net assets of the invested entity at fair value at the time of acquisition		
Profit or loss of non-monetary asset swap		
Profit or loss from entrusted investment or asset management		
Provision for impairment of assets due to force majeure i.e. natural disaster		
Profit or loss from debt restructuring		
Corporate restructuring expenses, i.e. expenses on employee placement, integration costs, etc.		
Profit or loss from the excess of the fair value of a transaction of unfair consideration		
Current net profit or loss of subsidiaries resulting from merger of enterprises under common control from the beginning of the period to the date of merger		
Profit or loss from contingencies irrelevant to the normal operations of the Company		
Except the effective hedging business associated with the Company's normal operation, profit or loss from changes in fair value arising from holding tradable financial assets and tradable financial liabilities, and investment income from disposal of tradable financial assets, tradable financial liabilities and available-for-sale financial assets		
Write back of the provision for impairment of accounts receivable individually tested for impairment		
Profit or loss from external entrusted loans		

Item	Amount in the Period (July to September)	Amount from the beginning of the year to the end of the Reporting Period (January to September)
Profit or loss from changes in fair value of investment properties using the fair value model for subsequent measurement		
Effects of one-off adjustment to current profit or loss in accordance with laws and regulations on taxation and accounting, etc.		
Income of entrustment fees from entrusted operations		
Other operating income and expenses except for the above items	5,135,019.65	10,534,834.52
Other profit and loss items falling within the meaning of non-recurring profit and loss		
Amount of effect of income tax	-808,036.93	-1,880,946.87
Amount of effect on the interest of minority shareholders (after tax)	3,007.34	340,740.02
	<hr/>	<hr/>
Total	<u>4,591,750.42</u>	<u>11,680,179.12</u>

2.2 The total number of Shareholders, shareholding status of the top ten Shareholders and the top ten Shareholders of circulating shares (or Shareholders not subject to trading restriction) as of the end of the Reporting Period

Unit: Share

Total number of Shareholders	80,180 Shareholders (including 79,901 holders of A shares and 279 holders of H shares)
---------------------------------	--

Shareholding of the top ten Shareholders

Name of Shareholder (Full name)	Number of shares at the end of the Period	Shareholding percentage (%)	Number of shares subject to trading restriction	Pledged or frozen Share status	Number	Type of Shareholders
Sichuan Transportation Investment Group Co., Ltd.	1,035,914,278	33.87	0	Nil	0	State
HKSCC NOMINEES LIMITED (Note (1))	888,768,000	29.06	0	Unknown		Foreign legal person
China Merchants Huajian Highway Investment Co., Ltd. (Note (2))	664,487,376	21.73	0	Nil	0	State-owned legal person
Yang Yi	11,430,400	0.37	0	Unknown		Domestic natural person
Zhang Xianguo	6,000,000	0.20	0	Unknown		Domestic natural person
Han Shaoming	3,619,413	0.12	0	Unknown		Domestic natural person
Harvest Yuanlong Growth Equity Pension Product – China Construction Bank Corporation (嘉實元隆成長 股票型養老金產品 – 中國建設銀行 股份有限公司)	3,060,000	0.10	0	Unknown		Unknown
Hong Kong Securities Clearing Company Limited (Note (3))	3,001,373	0.10	0	Unknown		Foreign legal person
Industrial and Commercial Bank of China Co., Ltd. – Shenwan Linxin Quantitative Small-cap Equity Securities Investment Fund (LOF) (中國工商銀行股份有限公司 – 申萬 菱信量化小盤股票型證券投資基金 (LOF))	2,780,770	0.09	0	Unknown		Unknown
China Securities Finance Corporation Limited	1,992,700	0.07	0	Unknown		Unknown

Shareholding of the top ten Shareholders of shares not subject to trading restriction

Name of Shareholder	Number of shares not subject to trading restriction	Class and number of shares	
		Class	Number
Sichuan Transportation Investment Group Co., Ltd.	1,035,914,278	RMB ordinary shares	975,060,078
		Foreign shares listed overseas	60,854,200
HKSCC NOMINEES LIMITED	888,768,000	Foreign shares listed overseas	888,768,000
China Merchants Huajian Highway Investment Co., Ltd.	664,487,376	RMB ordinary shares	664,487,376
Yang Yi	11,430,400	RMB ordinary shares	11,430,400
Zhang Xianguo	6,000,000	RMB ordinary shares	6,000,000
Han Shaoming	3,619,413	RMB ordinary shares	3,619,413
Harvest Yuanlong Growth Equity Pension Product - China Construction Bank Corporation (嘉實元隆成長股票型養老金產品 - 中國建設銀行 股份有限公司)	3,060,000	RMB ordinary shares	3,060,000
Hong Kong Securities Clearing Company Limited	3,001,373	RMB ordinary shares	3,001,373
Industrial and Commercial Bank of China Co., Ltd. - Shenwan Linxin Quantitative Small-cap Equity Securities Investment Fund (LOF) (中國工商銀行股份有限公司 - 申萬菱信量化小盤股 票型證券投資基金(LOF))	2,780,770	RMB ordinary shares	2,780,770
China Securities Finance Corporation Limited	1,992,700	RMB ordinary shares	1,992,700

Explanation on the connected relationship of concerted-party relationship among the aforementioned Shareholders

There is no connected relationship between Shareholders holding state-owned shares and state-owned legal person Shareholders in above tables. Besides, the Company is not aware whether there is any connected relationship of concerted-party relationship among the aforementioned other Shareholders, or between the aforementioned Shareholders holding state-owned shares and state-owned legal person Shareholders and the aforementioned other Shareholders.

Note:

- (1) The H shares held by HKSCC NOMINEES LIMITED were held on behalf of various customers, including 60,854,200 H shares of the Company held by Sichuan Transportation Investment Group Co., Ltd.
- (2) Has been changed into China Merchants Expressway Network & Technology Holding Company Limited (招商局公路網絡科技控股股份有限公司) as approved by Beijing Administration for Industry and Commerce.
- (3) Hong Kong Securities Clearing Company Limited is the nominal holder of shares under the Shanghai-Hong Kong Stock Connect.

2.3 Total number of holders of preference shares, shareholding status of top 10 holders of preference shares and top 10 holders of preference shares not subject to trading restriction as of the end of the reporting period

Applicable Not applicable

3. SIGNIFICANT EVENTS

3.1 Significant changes in items in the principal accounting statement and financial indicators of the Company and the reasons therefor

Applicable Not applicable

(1) *Material changes in items of balance sheet as at the end of the Reporting Period and explanations thereon*

(Unit: RMB, yuan)

Item	Closing balance at the end of the Period	Opening balance at the beginning of the Period	Increase/decrease in amount	Increase/decrease in percentage	Explanations on changes
Prepayments	425,315,293.66	925,004,295.01	-499,689,001.35	-54.02%	Mainly due to the transfer of prepaid land premium into development cost by the real estate companies under the Company
Interests receivable	10,213,078.88	17,409,160.30	-7,196,081.42	-41.34%	Mainly due to recovery of bank fixed deposit interest
Inventory	2,444,375,217.06	1,692,841,500.68	751,533,716.38	44.39%	Mainly due to the transfer of prepaid land premium into development cost by the real estate companies
Non-current assets due within one year	682,644,714.01	352,830,959.45	329,813,754.56	93.48%	Mainly due to increase of finance leasing due within one year in the long-term receivables
Available-for-sale financial assets	140,437,346.27	297,949,684.52	-157,512,338.25	-52.87%	Mainly due to the receipt of principal of Guolian Trust wealth management products
Projects in progress	57,391,492.45	30,446,722.11	26,944,770.34	88.50%	Mainly due to the newly-added guardrail heightening project
Short-term borrowings	0.00	370,000,000.00	-370,000,000.00	-100.00%	Mainly due to the repayment of borrowings

Item	Closing balance at the end of the Period	Opening balance at the beginning of the Period	Increase/decrease in amount	Increase/decrease in percentage	Explanations on changes
Advance receipts	466,018,451.11	149,431,860.78	316,586,590.33	211.86%	Mainly due to increase of pre-sale of properties
Employee remuneration payable	35,552,616.42	82,599,472.08	-47,046,855.66	-56.96%	Mainly due to payment of year-end bonus for 2015
Tax payable	175,180,237.65	306,288,363.16	-131,108,125.51	-42.81%	Mainly due to payment of relevant taxes in 2015
Special reserves	30,070,936.86	22,551,616.84	7,519,320.02	33.34%	Mainly due to the provision for the production safety expenditure

(2) Material changes in items of income statement during the Reporting Period and explanations thereon

(Unit: RMB, yuan)

Item	From the beginning of the year to the end of the Reporting Period	Same period last year	Increase/decrease in amount	Increase/decrease in percentage	Explanations on changes
Operating tax and surcharges	41,282,451.97	140,040,850.84	-98,758,398.87	-70.52%	Mainly due to the cancellation of business tax upon the overall implementation of business tax to value-added tax transformation pilot program since 1 May 2016
Minority interests	48,874,355.02	20,478,406.65	28,395,948.37	138.66%	Mainly due to the increase of net profit in controlling subsidiaries
Net other comprehensive income after tax attributable to shareholders of the Company	-6,118,920.70	-13,597,601.54	7,478,680.84	-55.00%	Mainly due to the changes in the fair value of shares held as a result of the fluctuations in the share price

(3) Material changes in items of the cash flow statement during the Reporting Period and explanations thereon

(Unit: RMB, yuan)

Item	From the beginning of the year to the end of the Reporting Period	Same period last year	Increase/decrease in amount	Increase/decrease in percentage	Explanations on changes
Net cash flows from operating activities	1,413,479,622.08	826,709,624.99	586,769,997.09	70.98%	Mainly due to the inclusion of sales revenue from chemical products in the Period; recovery of receivables of BT project and increase of pre-sold properties
Net cash flows from investing activities	-1,075,542,496.11	-3,077,144,286.41	2,001,601,790.30	-65.05%	Mainly due to decrease in the expenditure of acquisition and construction of fixed assets (including construction cost) as the Suiguang-Suixi Expressways Project was basically completed at the end of last year; receipt of principal and returns of trust wealth management products purchased in last period
Net cash flows from financing activities	2,258,511.53	884,672,494.54	-882,413,983.01	-99.74%	Mainly due to the decrease of newly added borrowings and less inflow from financing activities as compared with last Period in general despite the ease of capital utilization pressure resulting from issuance of bonds

3.2 Progress of significant events and their impacts and the analysis and explanation of solutions

Applicable Not applicable

(1) *Suiguang Suixi Expressways BOT Project (the project on Sichuan Suiguang (Suining–Guang’an) Expressway and Sichuan Suixi (Suining–Xichong) Expressway in the form of BOT (building-operation-transfer))*

At the 2012 first extraordinary general meeting of the Company held on 13 January 2012, the investment in Suiguang Suixi Expressways BOT Project was considered and approved. Suiguang Expressway (“**Sichuan Suiguang (Suining–Guang’an) Expressway**”) starts from the intersection of Jinqiao interchange and Sichuan Miansui Expressway, and ends at Hongtudi interchange intersecting with Sichuan Nanguanglin (“**Nanchong–Guang’an–Linshui**”) Expressway. Its total length is approximately 102.941 km. Suixi Expressway (“**Sichuan Suixi (Suining–Xichong) Expressway**”) starts from Fushanba of Jixiang Town in Suining City, and ends at the intersection of Taiping interchange and Guangnan Expressway. Its total length is approximately 67.644 km. Suiguang Expressway and Suixi Expressway have been open to traffic and commenced toll collection operation since 0:00 a.m. on 9 October 2016. For relevant details, please refer to relevant overseas regulatory announcements published on the websites of the Stock Exchange by the Company on 10 October 2016.

(2) *Renshou Land-linked Pilot BT Project (the land-linked pilot project in Renshou County, Meishan City in the form of BT (building-transfer))*

On 28 January 2011, the Company convened the thirty-fourth meeting of the fourth session of the Board, and considered and approved the proposal in relation to the investment in Renshou Land-linked Pilot BT Project. In July 2011, Chengdu Shuhong Property Company Limited (“**Shuhong Company**”) was established to take charge of the execution of the project. The Renshou Land-linked Pilot BT Project, with an estimated total investment of approximately RMB280.270 million, is located at Gaotan village, Wenlin Town (where the county government is located), Renshou County, Sichuan Province which involves a land area of approximately 4,848 mu. The investment includes relocation of farmers’ houses, settlement of “San Tong Yi Ping” (三通一平, generally referred to as site clearance and resettlement, connecting temporary water and electricity supply to the site and road connection to the site) as well as construction of ancillary municipal roads, resettlement houses (including preparation work) (approximately 112,700 sq.m.) and ancillary facilities at the resettlement site. From the date of its commencement of construction to 30 September 2016, a total of approximately RMB251 million had been invested on a cumulative basis in Renshou Land-linked Pilot BT Project, accounting for approximately 89.64% of the estimated total investment of the project.

- (3) *Shuangliu West Airport Phase VI BT Project (the road project within the Airport High-tech Industrial Functional Zone at Shuangliu District, Chengdu City in the form of BT (building-transfer), which is referred to as the “West Airport Development Zone Phase VI Road Engineering BT (building-transfer) Project” by the Transportation Bureau of Shuangliu District, Chengdu City, the tenderee of this project)*

On 13 January 2012, the Company convened the 41st meeting of the fourth session of the Board and the proposal in relation to the investment and construction of Shuangliu West Airport Phase VI BT Project was considered and approved, and Sichuan Shunan Investment Management Company Limited (“**Shunan Company**”) was approved to be the project company responsible for the preparation, construction and transfer of the project. On 17 January 2012, the Company won the bid to undertake the project, which involved a total of 4 roads, i.e. south extension line of Aviation Avenue, the road on the east side of Rayspower, Airport Road No. 4 and the west extension line of Industrial Park Avenue, with a total length of approximately 8.84 km. The estimated total investment amount is approximately RMB616,070,000, including land requisition and relocation fee of approximately RMB163,030,000 and expenditures for road construction and installation of relevant facilities of approximately RMB453,040,000. From the date of its commencement of the construction to 30 September 2016, a total of approximately RMB325 million had been invested in Shuangliu West Airport Phase VI BT Project, accounting for approximately 52.76% of the estimated total investment of the project.

- (4) *Shuangliu Zongbao BT Project (the Phase I road project within Zongbao ancillary area at Shuangliu District, Chengdu City in the form of BT (building-transfer))*

On 28 March 2012, the Company convened the 42nd meeting of the fourth session of the Board and the proposal in relation to the investment in Shuangliu Zongbao BT Project was considered and approved, and Shunan Company was approved to be the project company responsible for the preparation, construction and transfer of the project. On 6 April 2012, the Company won the bid to undertake the project, which involved 2 roads, i.e. Qinglan Road and the south extension line of Shuanghuang Road, with a total length of approximately 3.23 km. The estimated total investment amount is approximately RMB279,630,000, including land requisition and relocation fee of approximately RMB79,370,000 and expenditures for road construction and installation of relevant facilities of approximately RMB200,260,000. From the date of its commencement of the construction to 30 September 2016, a total of approximately RMB192 million had been invested in Shuangliu Zongbao BT Project, accounting for approximately 68.57% of the estimated total investment of the project.

(5) *Real Estate Projects in Chengbei New Town of Renshou County*

On 30 January 2013, the proposal in relation to participation in the bidding for the land use rights of three state-owned construction land parcels in Chengbei New Town, Renshou County, Meishan City, Sichuan Province for the investment and development of real estate projects was considered and approved by the Office of the General Manager of the Company. On 22 February 2013, the Company won the bid for the land use rights of such land parcels involving a total site area of 235,558.10 sq.m. at an aggregate consideration of RMB920.16 million. In May 2013, Renshou Trading Landmark Company Limited (“**Renshou Landmark Company**”) was established to take full charge of the development and construction of the real estate project in Chengbei New Town, Renshou County. On 15 May 2014, Renshou Landmark Company won the bid for the land use rights of five state-owned construction land parcels (with a total site area of 194,810.52 sq.m.) in Chengbei New Town at an aggregate consideration of RMB787.1 million. At present, certain work of the real estate project has been completed and commenced pre-sale. As of 30 September 2016, approximately RMB234 million has been realized from pre-sale.

(6) *Renshou Gaotan BT Project (Renshou Gaotan Water Park, roads in the area of Gaotan Reservoir, landscape engineering of Central Business Avenue, Tianfu Renshou Avenue, underneath channel of Lingzhou Avenue and Renshou Avenue extension and other construction projects)*

On 3 January 2014, the Office of the General Manager of the Company considered and approved the proposal in relation to the investment in the Renshou Gaotan BT project. On 15 January 2014, the Company won the bid to undertake the project, and on 28 January 2014, the Company entered into the Investment and Construction Contract in relation to the engineering construction projects including Gaotan Water Park, roads in the area of Gaotan Reservoir, landscape engineering of Central Business Avenue, Tianfu Renshou Avenue, underneath channel of Lingzhou Avenue and Renshou Avenue extension. The total estimated investment in these projects amounted to approximately RMB2,472 million (exclusive of land requisition, demolition costs and upfront fee. Relevant preliminary work, e.g. land requisition, demolition, and expenses were borne by the tenderee). In order to reduce the investment risks, and speed up the investment return, upon friendly negotiation, the Company and the Urban and Rural Construction Bureau of Renshou County entered into the Supplementary Agreement to Investment and Construction Contract (“**Supplementary Agreement**”) on 30 December 2015, which adjusted and reduced the greening landscape engineering and internal road works of Gaotan Water Park, and the construction

engineering from Tianfu Renshou Avenue G213 to Renshou Urban Section, amounting to investment reduction of approximately RMB1.334 billion, and the total investment budget of Renshou Gaotan BT Project reduces from approximately RMB2.472 billion to approximately RMB1.138 billion (see the Announcement of Sichuan Chengyu Concerning Change in External Investment (Announcement No.: L2015-031) published by the Company on Shanghai Securities News, China Securities Journal and the website of SSE on 31 December 2015). Renshou Shunan Investment Management Company Limited (“**Renshou Shunan Company**”) is in full charge of the project. From the commencement date of the project to 30 September 2016, an aggregate investment of approximately RMB701 million was made into the Renshou Gaotan BT project, representing approximately 61.60% of the estimated total investment for the project after adjustment and reduction.

- (7) ***Renshou Shigao BT Project (Section II of Shigao Avenue in Renshou Shigao Economic Development Zone, Tianfu New District, Gangtie Avenue, Qingshui Road and Ring Road (including road maintenance project of Artery No. 1), south section of Zhanhua Road (including the business street and Quanlong River levee project) and Logistics Avenue (including storm sewage pipe network project of Huahai Avenue) and other engineering construction projects)***

On 3 January 2014, the Office of the General Manager of the Company considered and approved the proposal in relation to the investment in the Renshou Shigao BT Project. On 17 January 2014, the Company won the bid to undertake the project, and on 7 March 2014, the Company entered into the Investment and Construction Contract in relation to the engineering construction projects including section II of Shigao Avenue in Renshou Shigao Economic Development Zone, Tianfu New District, Gangtie Avenue, Qingshui Road and Ring Road (including road maintenance project of Artery No. 1), south section of Zhanhua Road (including the business street and Quanlong River levee project) and Logistics Avenue (including storm sewage pipe network project of Huahai Avenue). The total estimated investment in these projects amounted to approximately RMB824 million (subject to the final financial review price). Renshou Shunan Company is in full charge of the project. From the commencement date of the project to 30 September 2016, an aggregate investment of approximately RMB240 million was made into the Renshou Shigao BT Project, representing approximately 29.13% of the estimated total investment for the project.

(8) *Capacity expansion trial project for Qinglongchang to Meishan section of Chengle Expressway*

The Company convened the 3rd meeting of the sixth session of the Board of Directors of the Company on 27 October 2016, to consider and approve the proposal in relation to capacity expansion trial project for Qinglongchang to Meishan section of Chengle Expressway. In accordance with approval of the Development and Reform Commission of Sichuan province with respect to the feasibility report of the project, it is 28 km in length in total and will be constructed thoroughly in line with the standard of eight-lane dual carriageway expressway with an estimated investment totaled RMB1,985 million. Upon completion, the project will be conducive to easing the traffic pressure of Qinglongchang to Meishan section of Chengle Expressway and promote the overall accessibility and service quality of Chengle Expressway. For details, please refer to the Announcement on “The Trial Section Project for Expansion Construction of Chengle Expressway” published on the website of the Stock Exchange by the Company on 27 October 2016.

(9) *Industrial investment funds*

On 24 December 2013, the 10th meeting of the fifth session of the Board of Directors of the Company considered and approved the proposal in relation to the cooperation with Sichuan Development Equity Investment Fund Management Co., Ltd. (“**Development Investment Company**”) in carrying out industrial investment funds related business, pursuant to which, Sichuan Zhongxin Assets Management Co., Ltd (“**Zhongxin Company**”) was established on 6 January 2014, with the registered capital of RMB10 million. Chengdu Shuhai Investment Management Company Limited (“**Shuhai Company**”), a wholly-owned subsidiary of the Company and Development Investment Company each contributed RMB5 million and held 50% equity interest in the company, respectively. On 19 June 2014, the Company, Development Investment Company and Zhongxin Company entered into a partnership agreement in relation to the joint contribution to establish Sichuan Chengyu Development Equity Investment Fund Centre (Limited Partnership) (“**Chengyu Development Fund**”). The total contribution is RMB610 million, of which the Company, Development Investment Company and Zhongxin Company contributed RMB300 million, RMB300 million and RMB10 million respectively. At present, the funds which Zhongxin Company has participated in the formation and/or being entrusted to manage are: Chengyu Development Fund, Panxi Strategic Resources Development Investment Fund, Panxi New Material Venture Investment Fund,

Pengzhou Aerospace Dynamics Industry Guidance Fund, Sichuan Transportation Industry Investment Fund and Sichuan Intellectual Property Right Operation and Equity Investment Fund. At present, the financing and investment business of such funds are moving forward steadily.

(10) Medium-long term syndicated loan

In order to guarantee the construction funds for Suiguang–Suixi Expressways BOT Project are funded in time, upon approval by the Company, the syndicated loan contract in relation to Suiguang–Suixi Expressways BOT Project with China Development Bank as the leading bank was entered into in December 2013. The total syndicated facilities amounted to RMB8,330 million. The lending banks included China Development Bank, China Construction Bank, Industrial and Commercial Bank of China and Postal Savings Bank of China. As of 30 September 2016, an aggregate amount of RMB7,226 million of the loan had been drawn down by the Company.

(11) Establishment of Chengyu Financial Leasing Company

On 15 January 2015, the Office of the General Manager of the Company considered and approved that the Company and CSI SCE Investment Holding Limited (信成香港投資有限公司) (“**CSI SCE**”) would jointly establish Chengyu Financial Leasing Company Limited (“**Chengyu Financial Leasing Company**” (成渝融資租賃公司)). On 4 February 2015, the Company entered into a joint venture contract with CSI SCE. In accordance with such joint venture contract, the registered capital of Chengyu Financial Leasing Company would be RMB300 million. The Company and CSI SCE would contribute RMB180 million and RMB120 million respectively, representing 60% and 40% of the equity interest of Chengyu Financial Leasing Company respectively. On 13 April 2015, Chengyu Financial Leasing Company completed its business registration with the Market Supervision Administration of Shenzhen Municipality (深圳市市場監督管理局). On 31 May 2016, the Company completed the acquisition of CSI SCE and thus owned 100% equity interest in Chengyu Financial Leasing Company. During the Reporting Period, Chengyu Financial Leasing Company was actively conducting financing leasing business. As of 30 September 2016, a total of RMB275 million was invested on accumulative basis.

(12) Issuance and listing of domestic corporate bonds

In order to broaden the financing channels, reduce financing costs, raise medium and long-term funds needed by the Company for development and ensure the continuous and stable growth of the operating efficiency of the Company, the Company convened an extraordinary general meeting on 5 February 2015, with reference to the analysis on the current bond market and the capital needs of the Company, to consider and pass a resolution in relation to the issuance of corporate bonds. On 8 July 2015, the Company received “the Approval in Relation to the Public Issuance of Corporate Bonds to Public Investors by Sichuan Expressway Company Limited*” from the China Securities Regulatory Commission, approving the Company to publicly issue corporate bonds to public investors in a nominal value of not exceeding RMB1 billion in multiple tranches. The Company issued the corporate bonds publicly with total amount of RMB1 billion on 17 June 2016, which were listed and traded in the Shanghai Stock Exchange (“SSE”) on 11 July 2016, with the abbreviation of “16 Chengyu 01” and stock code being “136493” and a term expiring on 17 June 2021 (for details, please refer to the relevant announcement published by the Company on the website of the Stock Exchange). Net proceeds raised from the issuance (net of issuance expense) amount to RMB996 million. As of 30 September 2016, RMB954 million has been utilized, among which, RMB500 million was used to repay loans and RMB454 million was used to replenish the working capital of the Company, which was in line with the usage, utilization plan and other agreements as committed in the prospectus.

3.3 Performance of undertakings by the Company and Shareholders with more than 5% shareholding

Applicable

Not applicable

Background of undertakings	Type of undertakings	Undertaking entity	Undertakings	Time and period of undertaking	Any period for performance	Whether timely and strictly performed
Commitments in the acquisition report or the report on change of equity	Other	Sichuan Transportation Investment Group Co., Ltd. ("STI")	<p>On 16 April 2010, the Sichuan Provincial People's Government set up STI. The 31.88% state-owned shares of the Company held by Sichuan Highway Development Holding Company would be transferred to STI at nil consideration, during which, STI had made the following undertakings:</p> <p>1. In order to avoid industrial competition with the Company after the transfer of state-owned shares at nil consideration and protect the legitimate interests of all shareholders of the Company, especially the legitimate interests of minority shareholders, STI had made the following undertakings:</p> <p>"(1) When STI was substantially maintaining the relationship with Sichuan Expressway Company Limited*'s control of shares, STI will take effective measures to ensure that STI and companies with direct and indirect control were not engaged in business which constituted substantial industrial competition with Sichuan Expressway Company Limited*. STI promised not to take advantage of the status of controlling shareholders and actual control capability of Sichuan Expressway Company Limited* and be engaged in or participate in behavior which was prejudicial to the interests of other shareholders of Sichuan Expressway Company Limited*.</p> <p>(2) STI and companies under its direct or indirect control were not involved in the same tenders of the same project with Sichuan Expressway Company Limited* in bidding. Following Sichuan Expressway Company Limited*'s request which was allowed by the tender side, STI and companies with direct and indirect control can sub-contract successfully bid section to Sichuan Expressway Company Limited* involving relevant operation of Sichuan Expressway Company Limited*'s main business in accordance with the fair market price.</p> <p>(3) When STI was substantially maintaining the relationship with Sichuan Expressway Company Limited*'s control of shares, the above undertakings continued to be effective and irrevocable. During the above period, STI bore direct and indirect economic loss, claims responsibility and additional expenses due to a breach of the above undertakings to Sichuan Expressway Company Limited*."</p>	Long term	Yes	Yes

Background of undertakings	Type of undertakings	Undertaking entity	Undertakings	Time and period of undertaking	Any period for performance	Whether timely and strictly performed
			2. In order to decrease and regulate related party transactions and safeguard the legitimate interests of the Company and its minority shareholders after completion of the acquisition, STI had made the following undertakings: "STI would try to decrease and regulate related party transactions between STI and holding subsidiaries and Sichuan Expressway Company Limited*. For any business dealings or transactions which cannot be avoided, they should be conducted in accordance with principles of fairness and equal compensation. The transaction price should be determined in accordance with the reasonable price which was recognized by the market. The transaction approval program should also be performed according to law while fulfilling the obligation to disclose information as required. STI and its holding subsidiaries promised not to damage the legitimate interests of Sichuan Expressway Company Limited* and other shareholders through related party transactions. For a breach of the above undertakings resulting in losses of Sichuan Expressway Company Limited*, STI and its holding subsidiaries would be responsible for compensation."			
Undertaking related to the initial public offering	Other	China Merchants Highway Network Technology Holdings Company Limited ("China Merchants Highway Company")	On 27 July 2009, the Company's A shares were listed on SSE and traded. During the Company's A shares listing process, China Merchants Highway Network Technology Holdings Company Limited (previously known as "China Merchants Huajian Highway Investment Company Limited", hereinafter referred as to "China Merchants Highway Company") promised that during the duration of Sichuan Expressway Company Limited*, China Merchants Highway Company would not be engaged in business which would result in or may result in direct or indirect competition with Sichuan Expressway Company Limited*'s main business in Sichuan province of China, including design, construction, operating fees, maintenance, management of high-grade highways, bridges, tunnels and other infrastructures etc. The letter of undertaking would become effective from the date of signature until the following situations occurred. China Merchants Highway Company or any of its subsidiaries no longer had a direct and indirect control position or significant impact.	Long term	Yes	Yes

3.4 Warning and explanation on reasons for accumulated net profits from the beginning of the year to the end of the next reporting period may be recorded as loss or material change as compared to those of the corresponding period last year.

Applicable

Not applicable

Company name: **Sichuan Expressway Company Limited***
Legal Representative: **Zhou Liming**
Date: **27 October 2016**

4 APPENDIX

4.1 Financial statements

Consolidated Balance Sheet

30 September 2016

Prepared by: Sichuan Expressway Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Current assets:		
Cash and bank balances	3,489,799,420.49	3,202,799,158.55
Balances with clearing companies		
Placements with banks and other financial institutions		
Financial assets at fair value through profit and loss		
Derivative financial assets		
Bills receivable		
Accounts receivable	452,890,907.07	369,724,526.57
Prepayments	425,315,293.66	925,004,295.01
Premiums receivable		
Reinsurance accounts receivable		
Deposits receivable from reinsurance contracts		
Interest receivable	10,213,078.88	17,409,160.30
Dividends receivable		
Other receivables	709,433,547.04	619,235,244.10
Purchases of resold financial assets		
Inventories	2,444,375,217.06	1,692,841,500.68
Assets classified as held for sale		
Non-current assets due within 1 year	682,644,714.01	352,830,959.45
Other current assets		
Total current assets	<u>8,214,672,178.21</u>	<u>7,179,844,844.66</u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Non-current assets:		
Loans and advances granted		
Available-for-sale financial assets	140,437,346.27	297,949,684.52
Held-to-maturity investments		
Long-term receivables	1,440,739,857.48	1,544,721,403.50
Long-term equity investment	226,059,065.45	228,559,574.96
Investment properties	31,932,235.00	33,295,991.69
Fixed assets	555,388,059.46	590,001,011.17
Construction in progress	57,391,492.45	30,446,722.11
Construction materials		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	23,761,440,993.51	23,484,686,284.42
Development expenses		
Goodwill		
Long-term deferred expenses	28,851,795.80	29,783,362.77
Deferred income tax assets	13,723,413.05	13,517,989.66
Other non-current assets	107,392,500.00	107,392,500.00
Total non-current assets	26,363,356,758.47	26,360,354,524.80
Total assets	34,578,028,936.68	33,540,199,369.46

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Current liabilities:		
Short-term borrowings		370,000,000.00
Loans from central bank		
Deposit taking and deposit in inter-bank market		
Placements from banks and other financial institutions		
Financial liabilities at fair value through profit and loss		
Derivative financial liabilities		
Bills payable		
Accounts payable	1,920,492,078.98	2,576,439,894.85
Advance receipts	466,018,451.11	149,431,860.78
Disposal of repurchased financial assets		
Fee and commission payable		
Salaries payable	35,552,616.42	82,599,472.08
Taxes payable	175,180,237.65	306,288,363.16
Interest payable	112,355,023.41	93,116,112.23
Dividends payable	4,868,336.00	
Other payables	849,279,630.56	856,659,559.47
Reinsurance accounts payable		
Reserve for insurance policies		
Customer deposits for trading in securities		
Customer deposits for underwriting securities		
Liabilities classified as held for sale		
Non-current liabilities due within 1 year	974,050,425.51	819,050,425.51
Other current liabilities	7,241,546.36	6,793,785.17
Total current liabilities	<u>4,545,038,346.00</u>	<u>5,260,379,473.25</u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Non-current liabilities:		
Long-term loans	12,212,649,922.72	11,954,894,299.00
Debentures payable	3,600,000,000.00	2,800,000,000.00
Including: Preference shares		
Perpetual bonds	138,500,000.00	138,500,000.00
Long-term payables	138,500,000.00	138,500,000.00
Long-term salaries payable		
Special payables	1,640,000.00	1,640,000.00
Estimated liabilities		
Deferred income	76,887,240.06	75,516,016.97
Deferred income tax liabilities	11,230,888.15	12,624,305.70
Other non-current liabilities		
Total non-current liabilities	16,040,908,050.93	14,983,174,621.67
Total liabilities	20,585,946,396.93	20,243,554,094.92

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Owners' equity:		
Share capital	3,058,060,000.00	3,058,060,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	1,843,940,704.04	1,846,455,903.17
Less: Treasury stock		
Other comprehensive income	27,423,503.78	33,542,424.48
Special reserve	30,070,936.86	22,551,616.84
Surplus reserve	3,862,903,089.39	3,862,903,089.39
General risk reserve		
Undistributed profit	4,479,178,466.11	3,695,749,056.60
Total equity attributable to owners of the Company	<u>13,301,576,700.18</u>	<u>12,519,262,090.48</u>
Minority interests	690,505,839.57	777,383,184.06
Total owners' equity	<u>13,992,082,539.75</u>	<u>13,296,645,274.54</u>
Total liabilities and owners' equity	<u><u>34,578,028,936.68</u></u>	<u><u>33,540,199,369.46</u></u>

Legal representative:
Zhou Liming

Person in charge of
accounting:
Li Wenhui

Head of accounting
department:
Sun Ou

Balance Sheet of the Company

30 September 2016

Prepared by: Sichuan Expressway Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Current assets:		
Cash and bank balances	1,898,899,111.23	1,247,148,709.37
Financial assets at fair value through profit and loss		
Derivative financial assets		
Bills receivable		
Accounts receivable		
Prepayments	7,245,233.59	3,217,481.19
Interest receivable	10,090,437.50	17,185,611.80
Dividends receivable		
Other receivables	1,056,343,765.75	1,114,975,114.07
Inventories	196,561.46	196,561.46
Assets classified as held for sale		
Non-current assets due within 1 year		
Other current assets		
Total current assets	<u>2,972,775,109.53</u>	<u>2,382,723,477.89</u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Non-current assets:		
Available-for-sale financial assets	117,106,496.74	271,953,166.84
Held-to-maturity investments		
Long-term receivables	2,291,864,880.00	2,179,864,880.00
Long-term equity investment	5,168,246,188.06	4,587,367,478.77
Investment properties	33,145,308.01	34,506,753.31
Fixed assets	333,534,185.70	363,703,075.78
Construction in progress	22,338,381.00	2,180,289.00
Construction materials		
Disposal of fixed assets		
Productive biological assets		
Oil and gas assets		
Intangible assets	11,549,743,776.81	11,880,387,526.74
Development expenses		
Goodwill		
Long-term deferred expenses		
Deferred income tax assets	12,551,893.69	12,346,470.30
Other non-current assets		
Total non-current assets	19,528,531,110.01	19,332,309,640.74
Total assets	22,501,306,219.54	21,715,033,118.63

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Current liabilities:		
Short-term borrowings		350,000,000.00
Financial liabilities at fair value through profit and loss		
Derivative financial liabilities		
Bills payable		
Accounts payable	75,047,904.38	141,637,414.43
Advance receipts	32,405,913.82	26,929,571.74
Salaries payable	2,164,073.94	32,038,354.55
Taxes payable	116,339,633.53	81,795,499.43
Interest payable	102,117,351.77	80,254,896.13
Dividends payable	4,868,336.00	
Other payables	246,684,689.58	341,134,031.72
Liabilities classified as held for sale		
Non-current liabilities due within 1 year	954,050,425.51	799,050,425.51
Other current liabilities	7,241,546.36	6,793,785.17
Total current liabilities	1,540,919,874.89	1,859,633,978.68
Non-current liabilities:		
Long-term loans	4,680,149,922.72	5,092,394,299.00
Debentures payable	3,600,000,000.00	2,800,000,000.00
Including: Preference shares		
Perpetual bonds		
Long-term payables		
Long-term salaries payable		
Special payables		
Estimated liabilities		
Deferred income	76,887,240.06	75,516,016.97
Deferred income tax liabilities	3,259,018.46	3,986,018.97
Other non-current liabilities		
Total non-current liabilities	8,360,296,181.24	7,971,896,334.94
Total liabilities	9,901,216,056.13	9,831,530,313.62

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Closing balance as at the end of the Reporting Period	Opening balance as at the beginning of this year
Owners' equity:		
Share capital	3,058,060,000.00	3,058,060,000.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	1,840,328,300.42	1,840,328,300.42
Less: Treasury stock		
Other comprehensive income	18,467,771.34	22,587,440.93
Special reserve		
Surplus reserve	3,620,654,273.65	3,620,654,273.65
Undistributed profit	4,062,579,818.00	3,341,872,790.01
Total owners' equity	<u>12,600,090,163.41</u>	<u>11,883,502,805.01</u>
Total liabilities and owners' equity	<u>22,501,306,219.54</u>	<u>21,715,033,118.63</u>

<i>Legal representative:</i> Zhou Liming	<i>Person in charge of accounting:</i> Li Wenhui	<i>Head of accounting department:</i> Sun Ou
--	--	--

Consolidated Income Statement

January to September 2016

Prepared by: Sichuan Expressway Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount for the period (July to September)	Amount for the previous period (July to September)	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
I. Total revenue from operations	1,729,144,840.80	1,821,378,984.93	5,022,306,439.34	4,817,853,499.16
Including: Operating revenue	1,729,144,840.80	1,821,378,984.93	5,022,306,439.34	4,817,853,499.16
Interest income				
Premium earned				
Fee and commission income				
II. Total cost of operations	1,316,585,202.96	1,501,750,741.43	3,750,834,899.09	3,821,003,594.27
Including: Operating cost	1,137,303,334.99	1,277,572,100.34	3,214,749,063.92	3,169,640,243.43
Interest expenses				
Fee and commission expenses				
Surrender payment				
Net expenditure for compensation payments				
Net provision for insurance deposits				
Policy holder dividend expenses				
Reinsurance costs				
Business tax and surcharges	5,004,138.53	53,709,368.83	41,282,451.97	140,040,850.84
Selling expenses	14,940,856.14	9,640,735.52	44,098,007.24	35,752,175.08
Administrative expenses	49,651,426.06	45,057,919.52	137,473,372.17	128,348,057.00
Finance costs	109,685,447.24	117,133,945.04	313,232,003.79	349,669,544.05
Asset impairment losses		-1,363,327.82		-2,447,276.13
Add: Gains from changes in fair value (loss is represented by "-")				
Investment income (loss is represented by "-")	12,636,070.00	4,441,319.93	28,872,929.23	24,656,913.89
Including: Gains from investment in associates and joint ventures	9,370,758.26	4,099,319.93	16,621,228.45	14,059,833.78
Gains from foreign currencies exchange (loss is represented by "-")				

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount for the period (July to September)	Amount for the previous period (July to September)	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
III. Operating profit (loss is represented by “-”)	425,195,707.84	324,069,563.43	1,300,344,469.48	1,021,506,818.78
Add: Non-operating income	6,266,981.87	4,673,275.77	16,866,447.37	14,938,458.46
Including: Gains from disposal of non-current assets	2,400.00	1,273.50	3,425.64	8,373.50
Less: Non-operating expenses	870,201.86	1,024,683.25	3,646,061.40	5,137,613.05
Including: Loss from disposal of non-current assets	117,393.89	286,609.95	1,112,997.50	1,094,231.54
IV. Total profit (total loss is represented by “-”)	430,592,487.85	327,718,155.95	1,313,564,855.45	1,031,307,664.19
Less: Income tax expenses	67,437,587.77	52,595,079.32	236,616,290.92	187,530,601.33
V. Net profit (net loss is represented by “-”)	363,154,900.08	275,123,076.63	1,076,948,564.53	843,777,062.86
Net profit attributable to owners of the Company	352,628,463.14	267,123,981.98	1,028,074,209.51	823,298,656.21
Minority interests	10,526,436.94	7,999,094.65	48,874,355.02	20,478,406.65
VI. Net other comprehensive income after tax	407,928.05	-20,124,450.29	-6,118,920.70	-13,597,601.54
Net other comprehensive income after tax attributable to shareholders of the Company	407,928.05	-20,124,450.29	-6,118,920.70	-13,597,601.54
(1) Other comprehensive income that cannot be reclassified to profit and loss in subsequent periods				
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans				
2. Share of other comprehensive income of investee(s) that cannot be subsequently reclassified to profit and loss under equity method				

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount for the period (July to September)	Amount for the previous period (July to September)	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
(2) Other comprehensive income that will be subsequently reclassified to profit and loss	407,928.05	-20,124,450.29	-6,118,920.70	-13,597,601.54
1. Share of other comprehensive income of investee(s) that will be subsequently reclassified to profit and loss under equity method				
2. Gains and losses from changes in fair value of available-for-sale financial assets	407,928.05	-20,124,450.29	-6,118,920.70	-13,597,601.54
3. Gains and losses from held-to-maturity investment reclassified as available-for-sale financial assets				
4. Effective part of hedging gains and losses from cash flows				
5. Exchange differences from retranslation of financial statements				
6. Others				
Net other comprehensive income after tax attributable to minority shareholders				

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount for the period (July to September)	Amount for the previous period (July to September)	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
VII. Total comprehensive income	363,562,828.13	254,998,626.34	1,070,829,643.83	830,179,461.32
Total comprehensive income attributable to owners of the Company	353,036,391.19	246,999,531.69	1,021,955,288.81	809,701,054.67
Total comprehensive income attributable to minority shareholders	10,526,436.94	7,999,094.65	48,874,355.02	20,478,406.65
VIII. Earnings per share:				
(1) Basic earnings per share (RMB/share)	0.1153	0.0874	0.3362	0.2692
(2) Diluted earnings per share (RMB/share)	0.1153	0.0874	0.3362	0.2692
 <i>Legal representative:</i> Zhou Liming		<i>Person in charge of accounting:</i> Li Wenhua		<i>Head of accounting department:</i> Sun Ou

Income Statement of the Company

January to September 2016

Prepared by: Sichuan Expressway Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount for the period (July to September)	Amount for the previous period (July to September)	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
I. Operating revenue	629,397,889.17	588,293,354.97	1,834,355,375.15	1,762,738,772.61
Less: Operating cost	220,193,056.77	218,172,496.83	633,012,323.30	632,736,378.88
Business tax and surcharges	2,538,723.26	20,811,418.22	32,570,732.04	62,284,167.62
Selling expenses				
Administrative expenses	14,547,435.48	12,584,421.90	37,161,572.86	36,966,375.89
Finance costs	98,062,007.16	104,403,590.91	285,507,869.62	316,373,840.33
Asset impairment losses		-1,363,327.82		-1,363,327.82
Add: Gains from changes in fair value (loss is represented by "-")				
Investment income (loss is represented by "-")	11,466,245.23	4,099,319.93	237,576,656.68	257,159,004.93
Including: Gains from investment in associates and joint ventures	9,419,873.41	4,099,319.93	17,091,429.25	14,563,618.81
II. Operating profit (loss is represented by "-")	305,522,911.73	237,784,074.86	1,083,679,534.01	972,900,342.64
Add: Non-operating income	5,681,479.16	3,772,300.31	14,164,323.99	11,714,791.01
Including: Gains from disposal of non-current assets				4,100.00
Less: Non-operating expenses	778,800.81	778,989.79	2,488,546.90	3,228,631.24
Including: Loss from disposal of non-current assets		44,600.80	4,345.24	47,041.15
III. Total profit (total loss is represented by "-")	310,425,590.08	240,777,385.38	1,095,355,311.10	981,386,502.41
Less: Income tax expenses	44,843,901.73	35,501,709.83	130,003,483.11	108,643,541.67
IV. Net profit (net loss is represented by "-")	265,581,688.35	205,275,675.55	965,351,827.99	872,742,960.74

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount for the period (July to September)	Amount for the previous period (July to September)	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
V. Net other comprehensive income after tax	274,644.64	-13,549,135.52	-4,119,669.59	-9,154,821.29
(1) Other comprehensive income that cannot be reclassified to profit and loss in subsequent periods				
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans				
2. Share of other comprehensive income of investee(s) that cannot be subsequently reclassified to profit and loss under equity method				
(2) Other comprehensive income that will be subsequently reclassified to profit and loss	274,644.64	-13,549,135.52	-4,119,669.59	-9,154,821.29
1. Share of other comprehensive income of investee(s) that will be subsequently reclassified to profit and loss under equity method				
2. Gains and losses from changes in fair value of available-for- sale financial assets	274,644.64	-13,549,135.52	-4,119,669.59	-9,154,821.29
3. Gains and losses from held-to-maturity investment reclassified as available-for- sale financial assets				
4. Effective part of hedging gains and losses from cash flows				
5. Exchange differences from retranslation of financial statements				
6. Others				

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount for the period (July to September)	Amount for the previous period (July to September)	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
VI. Total comprehensive income	265,856,332.99	191,726,540.03	961,232,158.40	863,588,139.45

VII. Earnings per share:

- (1) Basic earnings per share
(RMB/share)
- (2) Diluted earnings per share
(RMB/share)

Legal representative:
Zhou Liming

Person in charge of accounting:
Li Wenhui

Head of accounting department:
Sun Ou

Consolidated Cash Flow Statements

January to September 2016

Prepared by: Sichuan Expressway Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
I. Cash flows from operating activities:		
Cash received from selling goods and rendering services	5,752,622,836.93	5,437,435,527.91
Net increase in deposits from customers and placements from banks and other financial institutions		
Net increase in borrowings from central bank		
Net increase in placements from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits from policy holders and investments		
Net increase in disposal of financial assets at fair value through profit and loss		
Cash received from interest, handling charges and commissions		
Net increase in placements from banks and other financial institutions		
Net increase in repurchased business fund		
Tax rebate received		
Other cash received relating to operating activities	81,857,060.80	44,635,057.65
Sub-total of cash inflow from operating activities	<u>5,834,479,897.73</u>	<u>5,482,070,585.56</u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
Cash paid for purchasing goods and receiving services	3,527,013,870.05	3,732,013,440.71
Net increase in loans and advances to customers		
Net increase in placements with central bank and other financial institutions		
Cash paid for claims on original insurance contracts		
Cash payment for interest, handling charges and commissions		
Cash payment for policy holder dividend		
Cash paid to and on behalf of employees	403,857,721.21	405,401,872.07
Taxes paid	411,417,193.86	353,645,690.83
Other cash paid relating to operating activities	78,711,490.53	164,299,956.96
Sub-total of cash outflow from operating activities	<u>4,421,000,275.65</u>	<u>4,655,360,960.57</u>
Net cash flows from operating activities	<u><u>1,413,479,622.08</u></u>	<u><u>826,709,624.99</u></u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
II. Cash flows from investing activities:		
Cash received from disposal of investments	155,033,566.54	4,418,509.96
Cash received from return on investments	31,204,846.99	19,149,410.63
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	-3,453.70	540,609.20
Net cash received from disposal of subsidiaries and other business entities		
Other cash received relating to investing activities	499,104,506.20	267,613,708.28
Sub-total of cash inflow from investing activities	<u>685,339,466.03</u>	<u>291,722,238.07</u>
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	1,171,291,232.34	2,869,262,107.46
Cash paid for investment		257,392,500.00
Net increase in pledged loans		
Net cash paid for acquisition of subsidiaries and other business entities	132,930,823.00	150,000,000.00
Other cash paid relating to investing activities	456,659,906.80	92,211,917.02
Sub-total of cash outflow from investing activities	<u>1,760,881,962.14</u>	<u>3,368,866,524.48</u>
Net cash flows from investing activities	<u><u>-1,075,542,496.11</u></u>	<u><u>-3,077,144,286.41</u></u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
III. Cash flows from financing activities:		
Cash received from investments		120,000,000.00
Including: Cash received by subsidiaries from minority shareholders' investment		120,000,000.00
Cash received from borrowings	710,000,000.00	2,470,000,000.00
Cash received from issue of debentures	1,000,000,000.00	
Other cash received relating to financing activities		
 Sub-total of cash inflow from financing activities	 <u>1,710,000,000.00</u>	 <u>2,590,000,000.00</u>
 Cash paid for repayment of liabilities	 867,244,376.28	 787,605,620.94
Cash paid for dividend and profit distribution or interest repayment	 840,281,062.93	 917,601,264.51
Including: Dividend and profit paid by subsidiaries to minority shareholders	 12,600,013.87	 39,045,133.85
Other cash paid relating to financing activities	 216,049.26	 120,620.01
 Sub-total of cash outflow from financing activities	 <u>1,707,741,488.47</u>	 <u>1,705,327,505.46</u>
 Net cash flows from financing activities	 <u><u>2,258,511.53</u></u>	 <u><u>884,672,494.54</u></u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
IV. Effect on cash and cash equivalents due to changes in foreign currency exchange rates	2,335,027.87	-1,008,674.60
V. Net increase in cash and cash equivalents	342,530,665.37	-1,366,770,841.48
Add: Balance of cash and cash equivalents at the beginning of the period	3,067,607,224.12	3,617,552,170.38
VI. Balance of cash and cash equivalents at the end of the period	3,410,137,889.49	2,250,781,328.90

<i>Legal representative:</i>	<i>Person in charge of accounting:</i>	<i>Head of accounting department:</i>
Zhou Liming	Li Wenhui	Sun Ou

Cash Flow Statements of the Company
January to September 2016

Prepared by: Sichuan Expressway Company Limited*

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
I. Cash flows from operating activities:		
Cash received from selling goods and rendering services	1,787,178,525.91	1,657,974,865.44
Tax rebate received		
Other cash received relating to operating activities	18,916,240.47	21,675,787.70
Sub-total of cash inflow from operating activities	1,806,094,766.38	1,679,650,653.14
Cash paid for purchasing goods and receiving services	186,090,493.10	155,132,109.83
Cash paid to and on behalf of employees	238,505,063.11	238,368,793.16
Taxes paid	163,263,545.93	171,252,118.92
Other cash paid relating to operating activities	32,733,739.83	25,145,153.80
Sub-total of cash outflow from operating activities	620,592,841.97	589,898,175.71
Net cash flows from operating activities	1,185,501,924.41	1,089,752,477.43

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
II. Cash flows from investing activities:		
Cash received from disposal of investments	150,000,000.00	
Cash received from return on investments	239,606,965.39	249,354,785.89
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		539,539.20
Net cash received from disposal of subsidiaries and other business entities		
Other cash received relating to investing activities	280,155,536.18	753,394,373.24
Sub-total of cash inflow from investing activities	<u>669,762,501.57</u>	<u>1,003,288,698.33</u>
Cash paid for acquisition of fixed assets, intangible assets and other long-term assets	64,258,171.61	292,833,160.22
Cash paid for investment	450,000,000.00	437,392,500.00
Net cash paid for acquisition of subsidiaries and other business entities	132,930,823.00	330,000,000.00
Other cash paid relating to investing activities	139,324,209.20	517,330,067.72
Sub-total of cash outflow from investing activities	<u>786,513,203.81</u>	<u>1,577,555,727.94</u>
Net cash flows from investing activities	<u><u>-116,750,702.24</u></u>	<u><u>-574,267,029.61</u></u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
III. Cash flows from financing activities:		
Cash received from investments		
Cash received from borrowings		200,000,000.00
Cash received from issuance of bonds	1,000,000,000.00	
Other cash received relating to financing activities		
Sub-total of cash inflow from financing activities	<u>1,000,000,000.00</u>	<u>200,000,000.00</u>
Cash paid for repayment of liabilities	807,244,376.28	758,558,544.94
Cash paid for dividend and profit distribution or interest repayment	556,345,019.21	646,397,564.91
Other cash paid relating to financing activities	216,049.26	120,620.01
Sub-total of cash outflow from financing activities	<u>1,363,805,444.75</u>	<u>1,405,076,729.86</u>
Net cash flows from financing activities	<u><u>-363,805,444.75</u></u>	<u><u>-1,205,076,729.86</u></u>

Unit: yuan Currency: RMB Type of audit: unaudited

Item	Amount from the beginning of the year to the end of Reporting Period (January to September)	Amount from the beginning of last year to the end of reporting period last year (January to September)
IV. Effect on cash and cash equivalents due to changes in foreign currency exchange rates	2,335,027.87	-1,008,674.60
V. Net increase in cash and cash equivalents	707,280,805.29	-690,599,956.64
Add: Balance of cash and cash equivalents at the beginning of the period	1,112,093,840.94	1,427,076,500.94
VI. Balance of cash and cash equivalents at the end of the period	1,819,374,646.23	736,476,544.30

<i>Legal representative:</i> Zhou Liming	<i>Person in charge of accounting:</i> Li Wenhui	<i>Head of accounting department:</i> Sun Ou
--	--	--

4.2 Auditor's reports

Applicable Not applicable

This announcement is published in both Chinese and English languages. In case of any discrepancy, the Chinese version shall prevail.

By order of the Board
Sichuan Expressway Company Limited*
Zhang Yongnian
Company Secretary

Chengdu, Sichuan, the PRC
27 October 2016

As at the date of this announcement, the Board comprises Mr. Zhou Liming (Chairman), Mr. Gan Yongyi (Vice Chairman) and Mr. Luo Maoquan as executive Directors, Mr. Zheng Haijun (Vice Chairman), Mr. Tang Yong, Mr. Huang Bin, Mr. Wang Shuanming and Mr. Ni Shilin as non-executive Directors, Mr. Sun Huibi, Mr. Guo Yuanxi, Mr. Yu Haizong and Madam Liu Lina as independent non-executive Directors.

* For identification purposes only