

Stock Code: 000429, 200429 Stock Abbreviation : Guangdong Expressway A, Guangdong Expressway B
Announcement No.:2017-038

Summary of 2017 Semi-Annual Report of Guangdong Provincial Expressway Development Co., Ltd.

I Important notes

The summary is abstract from full-text of semi-annual report, for more details information , investors should found in the full-text of annual report that published on website of Shenzhen Stock Exchange and other website appointed by CSRC.

Director, Supervisor, Senior Manager Objection Statement: None.

All the directors have attended the meeting of the board meeting at which this report was examined

Non-standard audit advice

Applicable Not applicable

The Board of Directors considered the plan for the distribution of ordinary shares in the reporting period or the plan for the transfer of capital reserve.

Applicable Not applicable

The company plans not to send cash dividends, do not send bonus shares, not to increase the share capital.

The Board of Directors decided to adopt the Preplan Preference Share Profit Distribution Plan for the reporting period

Applicable Not applicable

II Company basic information

1. Company Profile

Stock abbreviation	Guangdong Expressway A,B	Stock code	000429、200429
Stock exchange for listing	Shenzhen Stock Exchange		
Contact person and contact manner	Board secretary	Securities affairs Representative	
Name	ZhenRenfa(Chairman of the Board of Directors acting on behalf of the Secretary)	Liang Jirong	
Tel	020-29004619	020-29004523	
E-mail	ygs@gdcg.cn	139221590@qq.com	

2. Summary of Accounting data and shareholder change

Indicate by tick mark whether the Company needs to retroactively restate any of its accounting data

Yes No

In RMB

	Reporting period	Same period of last	YoY+/- (%)
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	year		
Operating income (RMB)	1,440,222,563.74	1,333,492,179.77	8.00%
Net profit attributable to the shareholders of the listed company (RMB)	892,848,012.53	505,899,144.29	76.49%
Net profit after deducting of non-recurring gain/loss attributable to the shareholders of listed company (RMB)	641,933,600.43	356,881,714.84	79.87%
Cash flow generated by business operation, net (RMB)	1,022,392,235.37	932,882,829.38	9.59%
Basic earning per share(RMB/Share)	0.43	0.29	48.28%
Diluted gains per share(RMB/Share)(RMB/Share)	0.43	0.29	48.28%
Weighted average income/asset ratio (%)	10.55%	8.39%	2.16%
	As at the end of the reporting period	As at the end of last year	YoY+/- (%)
Gross assets (RMB)	16,073,707,033.01	16,072,445,216.59	0.01%
Shareholders' equity attributable to shareholders of the listed company (RMB)	8,403,487,736.14	8,289,020,301.39	1.38%

3.Particulars about top ten shareholders

In share

Total number of common shareholders at the end of the reporting period		76,384		Total number of preferred shareholders that had restored the voting right at the end of the reporting period (if any) (note 8)		0		
Particulars about shares held above 5% by shareholders or top ten shareholders								
Shareholders	Nature of shareholder	Proportion of shares held (%)	Number of shares held at period -end	Changes in reporting period	Amount of restricted shares held	Amount of un-restricted shares held	Number of share pledged/frozen	
							State of share	Amount
Guangdong Communication Group Co.,Ltd	State-owned legal person	24.55%	513,382,595		410,002,853	103,379,742		
Guangdong Highway Construction Co., Ltd,	State-owned legal person	22.30%	466,325,020		466,325,020			
Yadong Fuxing Yalian Investment Co., Ltd.	Domestic non State-owned Legal person	9.68%	202,429,149		202,429,149		Pledge	202,429,000
Tibet Yingyue Investment Management Co., Ltd.	Domestic non State-owned Legal person	4.84%	101,214,574		101,214,574			
Guangdong Expressway Co., Ltd.	State-owned legal person	2.53%	52,937,491		52,937,491			
Guangfa Securities Co., Ltd.	Domestic non State-owned Legal person	1.45%	30,364,372		30,364,372			
Feng Wuchu	Domestic natural person shares	1.04%	21,724,797					
PERSHING LLC	Foreign legal person	0.90%	18,744,850					

Xinyue Co., Ltd.	Foreign legal person	0.63%	13,201,086					
Bank of Communications—Hybrid securities investment fund in Huaan strategy optimization	Other	0.54%	11,222,170					
Explanation on associated relationship among the aforesaid shareholders	Guangdong Communication Group Co., Ltd. is the parent company of Guangdong Expressway Co., Ltd. and Guangdong Highway Construction Co., Ltd.. It is unknown whether there is relationship between other shareholders and whether they are persons taking concerted action specified in the Regulations on Disclosure of Information about Change in Shareholding of Shareholders of Listed Companies.							

4. Change of the controlling shareholder or the actual controller

Change of the controlling shareholder in the reporting period

Applicable Not Applicable

There was no any change of the controlling shareholder of the Company in the reporting period.

Change of the actual controller in the reporting period

Applicable Not applicable

There was no any change of the actual controller of the Company in the reporting period.

5. The total number of shareholders of the Company's preferred shares and the shareholdings of the top 10 preferred shareholders

Applicable Not Applicable

The Company did not have any shareholding in the report period.

6. The corporate bonds

Whether the company has a public offering and listed on the stock exchange, and in the semi-annual report approved the date of the report did not expire or due to full payment of corporate bonds.

no

III. Discussion and analysis by the management

1. General

In the first half of 2017, the company, according to the annual business plan established by the board of directors, soundly did a good job of each work:

1. Continuously deepened the operation and management, simultaneously adopted many measures, and ensured the completion of the work goal of ensuring the smooth traffic, ensuring security and ensuring income. In the first half of 2017, the main business income was RMB 1.44 billion, up by 8.03% over the same period of last year, meaning 46.68% of the annual plan was completed; and the operating costs was RMB 534 million, a decrease of 4.47% from the same period last year, representing completed 42.72% of the annual plan.

2. Steadily advancing the merger and consolidation matter of Fokai Company, and as of the date of this report, Guangdong Provincial Expressway Development Co., Ltd Fokai Branch Company had been set up and the relevant industrial and commercial registration procedures were completed, hence the management work of Fokai Expressway was formally transferred to the Fokai Branch Company from the Fokai Company.

3. Approved by the 11th meeting (provisional) of the 8th term Board of Directors, the Company invested RMB 4.5 million to set up the wholly-owned subsidiary to carry out the equity investment business, thus to prominently strength the cooperation with the strategic investors and to seek new equity investment projects, with a goal of share-control, so as to grasp the good equity investment opportunities and to gradually perfect the company's asset

layout in financial and similar financial filed.

4. Guangdong Provincial Expressway Development Co., Ltd Resource Development Branch Company was incorporated and registered by the company in order to promote the development of commercial resources such as lands along the highways under share-control by the company.

The Company is an infrastructure industry, with main business in developing and operating expressway and big bridges. It is one of the main institutions of developing expressway and big bridge in Guangdong Expressway System. The expressway industry is the industry helped by government.

In the report period, the vehicle traffic and toll income of the controlled subsidiaries and joint ventures of the Company are as follows:

	Volume of vehicle traffic in the first half year of 2017(vehicles)	Increase /Decrease(%)	Toll income in the first half year of 2017 (RMB'0000)	Increase /Decrease(%)
Guangfo Expressway	29,100,569	9.50%	19,879.86	4.17%
Fokai Expressway	27,969,945	16.70%	58,924.50	3.51%
Jingzhu Expressway Guangzhu East Section	35,362,654	17.21%	62,042.30	14.56%
Huiyan Expressway	18,279,214	7.24%	11,154.81	5.08%
Guanghui Expressway	25,119,239	17.10%	84,633.89	5.69%
Yuezhao Expressway	13,540,362	-5.42%	24,529.10	-15.41%
Jiangzhong Expressway	25,033,807	22.53%	21,684.65	10.49%
Kangda Expressway	1,269,793	6.92%	12,120.85	4.91%
Gangkang Expressway	1,379,527	19.12%	6,458.55	-11.83%

Overall situation: except the Yue Zhao Expressway and Gan Kang Expressway recorded a negative growth, the rest maintained various extents of growth compared to the same period last year, thereinto GuangZhudong and Jiang Zhong section had a growth rate more than 10%, and Guangfo, Fokai, Guanghui, Huiyan and Kangda had a growth rate around 5%.

1. For Guangfo area, the personnel and materials transportation are more closely related, the surrounding real estate supporting was good, and the demand for logistics and transportation has been increased, thus the vehicle flow increased.

2. Since the completion of expansion of Fokai Expressway in 2012, it has entered a stable growth period, and the small vehicle flow maintained a sustained growth momentum, with a relatively fast growth of short-distance vehicles.

3. Due to the impact of Bridge Closure of Hong Qili bridge of Fan Zhong Highway (S111), the vehicle flow of the section between the Xiang Lingshan station to the Sanjiao Station of Guuang-Zhu-Dong Expressway increased, thus it had an obvious increase of toll revenue. Furthermore, the opening of Jiangluo Expressway has a positive impact on its vehicle flow growth.

4. The completion of the Extension of Huizhou section of Hui Yan Expressway-that is connected to Hui Yan Expressway-and it's opening to traffic had a positive impact on the vehicle flow of Hui Yan Expressway, plus the natural growth of the traffic volume, so those had a positive impact on the toll revenue.

5. Guanghui Expressway has been benefiting from the surrounding road network connectivity, so several toll stations in Lianhui, Huiwan and Boshen had large percentage increase of traffic flow, but there was an increasing obvious tendency that the growth of traffic flow and the revenue growth did not grow in same pace, which indicated that the short distance traffic increased.

6. The Jangzhong Expressway's traffic flow and toll revenue growth were mainly caused by the positive impact brought by the opening to traffic of Zhongjiang phase 1 and Jiang Luo Expressway and the second phase maintenance of Shakou Bridge and Shijiao Bridge of 105 State Road of February 25, 2017.

7. The YueZhao Expressway had a decrease in toll revenue that caused by the following reasons: (1) affecting by the opening of the periphery Jiang Luo Expressway and Guangfo Expressway, the toll revenue decreased; (2) The implementation of temporary traffic control measures-namely restricting the passage of large trucks-at Baitu toll station exit at Zhaoqing Bridge and the expansion and relocation project of Ziyun road had a negative impact.

8. Affecting by the full opening to traffic of Xunquan Expressway from the end of October 2015 and

connection between Jiangxi Ruixun section and Guangdong Ping Xing section from the end of 2015, the traffic flow of Gan Kang Expressway was affected, resulting in a decrease in toll revenue compared to the same period last year.

2. Matters relating to financial report

(1) Explain change of the accounting policy, accounting estimate and measurement methods as compared with the financial reporting of last year.

Applicable Not applicable

In accordance with requirements of the Notice Concerning Printing of the Revised Accounting Standards for Business Enterprises No. 16- Governmental Subsidies (CK[2017] No.15), the company shall include the governmental subsidies related to the enterprise daily activities into the other income or offset relevant costs subject to the economic business property; and include those irrelevant to the enterprise daily activities into the non-business income. Therefore, the company shall adopt the prospective application for such accounting policy change, which will not produce any influence on profits and losses, total assets and net assets listed in the current and previous periods.

(2) Explain retrospective restatement due to correction of significant accounting errors in the reporting period

Applicable Not applicable

N/A

(3) Explain change of the consolidation scope as compared with the financial reporting of last year.

Applicable Not applicable

There was no change in the scope of the consolidated financial statements during the reporting period.