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Shenzhen International Holdings Limited

深圳國際控股有限公司

*(incorporated in Bermuda with limited liability)*

**(Stock Code: 00152)**

**(the “Company”)**

## **OVERSEAS REGULATORY ANNOUNCEMENT**

The document attached hereto is the Third Quarterly Report of 2017 of Shenzhen Expressway Company Limited (a subsidiary of the Company, the A shares of which are listed on the Shanghai Stock Exchange and the H shares of which are listed on The Stock Exchange of Hong Kong Limited) which has been released to the Shanghai Stock Exchange.

The document is originally prepared in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

Hong Kong, 26 October 2017

*As at the date of this announcement, the board of directors of the Company consists of Messrs. Gao Lei, Li Hai Tao, Zhong Shan Qun, Liu Jun and Hu Wei as executive directors, Messrs. Xie Chu Dao and Liu Xiao Dong as non-executive directors and Messrs. Leung Ming Yuen, Simon, Ding Xun, Nip Yun Wing and Dr. Yim Fung, JP as independent non-executive directors.*

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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)**

**THIRD QUARTERLY REPORT OF 2017**

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 (the “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
Tse Yat Hong	Director	take a vacation	Zhao Jun Rong
Chen Yuan Jun	Director	work engagement	Wu Ya De

1.3 Mr. Hu Wei, Chairman, Ms. Gong Tao Tao, Financial Controller, and Ms. Zhao Gui Ping, 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 the Third Quarterly Report of 2017 (the “Report”) of the Company for the three months ended 30 September 2017 (the “Reporting Period” or “Period”) have not been audited.
- 1.5 Unless otherwise stated, the currency of the amounts stated in this announcement 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 the Interim Report 2017 of the Company.

## 2. PRINCIPAL FINANCIAL DATA AND CHANGE IN SHAREHOLDERS

### 2.1 Principal financial data

*Unit: RMB*

	As at 30 Sep 2017	As at 31 Dec 2016	Change (%)
Total assets	36,319,379,044.98	32,384,844,447.16	12.15
Net assets attributable to owners of the Company	13,402,225,203.94	12,674,475,959.27	5.74

	Jan~Sep 2017	Jan~Sep 2016	Change (%)
Net cash flows from operating activities	2,048,022,609.99	1,509,694,215.04	35.66

	Jan~Sep 2017	Jan~Sep 2016	Change (%)
Revenue	3,370,642,712.59	3,179,809,568.00	6.00
Net profit attributable to owners of the Company	1,210,950,232.37	946,755,266.61	27.91
Net profit attributable to owners of the Company - excluding non-recurring items	1,202,472,963.70	835,776,754.47	43.87
Return on equity - weighted average(%)	9.27	7.57	Increased 1.70 percentage point
Earnings per share - basic	0.555	0.434	27.91
Earnings per share - diluted	0.555	0.434	27.91

Non-recurring items and amounts:

Unit: RMB

Non-recurring items	Jul ~ Sep 2017	Jan ~ Sep 2017	Descriptions
Gain from revaluation of the fair value of the equity interest held after consolidation of entity which is not under common control	-	27,504,389.73	Shenchang Company was consolidated into the Group as an entity which is not under common control, and gain was generated from revaluation of the fair value of the equity interest held prior to the acquisition date.
Net income from entrusted management fee of entrusted operation	8,429,433.97	25,288,301.89	The net income from entrusted operation and management services provided to Coastal Company and Longda Company.
Amortisation of compensation provided by concession grantor	6,893,365.54	17,676,760.95	The amortisation of compensations to Yanba Expressway and Yanpai Expressway provided by concession grantors was recognised according to traffic volume method, which was disclosed as write-downs of the amortisation of the related concession intangible assets for accounting treatment.
Income from purchasing bank financing products	-	7,581,799.16	
The fair value loss on foreign exchange swap	-43,184,384.11	-104,364,736.45	To lock in foreign exchange risks, a foreign exchange swap transaction for overseas debentures of USD300 million was entered into. In the first three quarters, losses incurred from changes in fair value of swap were recognised due to the appreciation of RMB.
Other non-operating income and expenses other than the above items	185,973.52	25,395,084.82	
Effect on minority interest (after tax)	-40,369.99	-470,987.40	
Income tax effect	7,993,539.30	9,866,655.97	
<b>Total</b>	<b>-19,722,441.77</b>	<b>8,477,268.67</b>	

## 2.2 Shareholders information

As at the end of the Reporting 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 21,099, of which 20,860 were holders of A shares and 239 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	33.23%	724,683,099	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 Expressway Network & Technology Holdings Company Limited	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
ZHANG PING YING	Domestic natural person	0.28%	6,023,400	0	Unknown
ZHU CAI FENG	Domestic natural person	0.27%	5,856,900	0	Unknown
LIU SHEN PEI	Domestic natural person	0.27%	5,830,000	0	Unknown
CHEN DAN ZHEN	Domestic natural person	0.26%	5,770,000	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>			724,683,099	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 Expressway Network & Technology Holdings Company Limited			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	
ZHANG PING YING			6,023,400	A share	
ZHU CAI FENG			5,856,900	A share	
LIU SHEN PEI			5,830,000	A share	
CHEN DAN ZHEN			5,770,000	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 above 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 thousands) <sup>(1)</sup>		Average daily toll revenue (RMB '000)		Average daily mixed traffic volume (number of vehicles in thousands) <sup>(1)</sup>		Average daily toll revenue (RMB '000)	
			Jul- Sep 2017	YOY	Jul- Sep 2017	YOY	Jan ~ Sep 2017	YOY	Jan ~ Sep 2017	YOY
<b>Guangdong Province - Shenzhen region:</b>										
Meiguan Expressway	100%	100%	100	11.2%	356	8.1%	92	12.3%	335	12.2%
Jihe East	100%	100%	295	10.4%	2,136	16.3%	270	9.3%	1,968	14.7%
Jihe West	100%	100%	231	4.7%	1,829	5.1%	215	7.8%	1,715	5.8%
Shuiguan Expressway	50%	100%	248	0.3%	1,890	3.3%	229	-0.4%	1,761	4.5%
Shuiguan Extension	40%	—	114	5.2%	340	6.8%	104	7.4%	310	4.9%
<b>Guangdong Province - other regions:</b>										
Qinglian Expressway	76.37%	100%	43	12.2%	2,138	15.4%	42	13.3%	2,083	11.0%
Yangmao Expressway	25%	—	57	8.4%	1,902	3.4%	51	8.4%	1,828	1.1%
Guangwu Project	30%	—	36	-18.9%	851	-18.1%	36	-11.3%	829	-18.2%
Jiangzhong Project	25%	—	152	16.6%	1,325	11.7%	142	20.3%	1,237	10.5%
GZ W2 Expressway	25%	—	77	23.6%	1,468	35.9%	69	21.1%	1,245	20.5%
<b>Other provinces:</b>										
Wuhuang Expressway	100%	100%	54	16.2%	1,017	6.3%	51	15.5%	1,024	9.6%
Yichang Project <sup>(3)</sup>	100%	100%	51	N/A	1,237	N/A	N/A	N/A	N/A	N/A
Changsha Ring Road <sup>(2)</sup>	51%	100%	34	25.4%	407	22.4%	31	22.7%	360	22.3%
Nanjing Third Bridge	25%	—	33	17.7%	1,282	15.2%	33	17.9%	1,281	16.5%

Notes:

- (1) Traffic volume which is toll free during holidays is not included in the figures of average daily mixed traffic volume.
- (2) Shenchang Company has been consolidated into the consolidated financial statements of the Group since 1 April 2017. The principal business of Shenchang Company is operation and management of Changsha Ring Road.
- (3) As the Group completed the acquisition of 100% equity interest in Yichang Company in June 2017, Yichang Company has been consolidated into the consolidated financial statements of the Group since 15 June 2017.

The operation performance of highway projects varies by the effect of factors such as changes in economic environment and policy. Meanwhile, the function positioning, operation period, economic development along the highways, changes in surrounding competitive or synergistic road networks, repairs to connected or parallel roads and implementation of urban traffic organisation plans also positively or negatively affected the operation performance of toll highways. In addition, the construction or maintenance works of the projects may also have impact on their then operation performance.

*Guangdong Province - Shenzhen region:*

During the Reporting Period, the total toll revenue of toll highway projects of the Group in Shenzhen region recorded a YOY growth. With the continuous improvement of the transportation network in Shenzhen, coupled with the cancellation of toll collection of certain expressways and local roads, the traffic distribution and composition of the road network in Shenzhen have changed. After the adjusted toll collection scheme on Meiguan Expressway implemented in April 2014, toll-free section of Meiguan Expressway did not only stimulated the growth of traffic volume of its own toll section, but also promoted the operation performance of the connecting Jihe Expressway. In addition, upon the commencement of operation of Congguan Expressway (Conghua – Dongguan) (Dongguan Section) at the beginning of 2017, the traffic volume of Meiguan Expressway was gradually stimulated. Toll-free policy has been implemented for the Three Projects from 00:00 on 7 February 2016. The Company calculates and recognises revenues from these highway projects according to the method specified in the agreement. The growth of traffic volume of these toll-free projects also drove the traffic growth of the connecting Jihe Expressway and Shuiguan Expressway. In addition, the Provisions on the Administration of Use of Roads by Overloaded Transportation Vehicles has been implemented nationwide since late September 2016. The implementation of such policy has caused negative impact on the freight volume of transportation vehicles and toll revenue of Jihe Expressway and Shuiguan Expressway.

*Guangdong Province - other regions:*

The economic growth in the areas along the expressways has helped boosting the operation performance of Yangmao Expressway. However, as such section is a major trunk route connecting the west of Guangdong to the provinces in southwest China, the implementation of stringent policy governing the over-limit and overloaded vehicles posed significant negative impact on the traffic volume of trucks. From January to September 2017, the average daily traffic volume and average daily toll revenue of Yangmao Expressway recorded slight YOY increase, but the growth pace has slowdown. Benefited from the positive implications of factors such as the economic growth in the areas along the expressways, changes of road networks and the implementation of traffic management measures, both the average daily traffic volume and toll revenue of Jiangzhong Project and GZ W2 Expressway witnessed satisfactory YOY growths from January to September 2017. Jiangluo Expressway (Jiangmen - Luoding) Phase II commenced operation on 28 December 2016. As it is basically parallel to Guangwu Project, a great diversion has been brought to Guangwu Project.

Guangle Expressway (Guangzhou – Lechang, in Guangdong), being the dual line of G4 National Expressway (Guangdong Section) (formerly known as Jingzhu Expressway), and Erguang Expressway (Lianhuai Section) (Lianzhou – Huaiji) were completed and opened in September 2014 and at the end of December 2014, respectively. As the said expressways are close to Qinglian Expressway and the route connecting Erguang Expressway to Qinglian Expressway is still under construction, diversion impact has been brought to Qinglian Expressway to a certain extent. The expansion of Guangqing Expressway was completed and has commenced operation at the end of September 2016, resulting in improvement of the road network which has helped improving traffic efficiency and service capability of the entire channel. Meanwhile, Qinglian Company actively carried out promotion of routes and implemented a multi-level marketing strategy, which began to take effect and hence gradually reduced the impact of diversion. The operational performance of Qinglian Expressway remained stable during the Reporting Period.

*Other provinces:*

Benefited from the rapid growth of vehicle ownership in the surrounding cities and the significant growth of traffic volume of trucks, the operation performance of Wuhuang Expressway was good from January to September 2017. However, the diversion impact arising from further commencement of operation of neighbouring road networks on Wuhuang Expressway still existed. Benefited from the positive implications of various factors including the economic development of

the peripheral areas and regions, the closure of the Nanjing Yangtze River Bridge due to construction works and the implementation of two policies in Jiangsu Province which encourage the travelling of trucks, the average daily traffic volume and toll revenue of Nanjing Third Bridge recorded YOY increase. Benefited from the positive impact of various factors including the improvement in road networks, implementation of the toll-by-weight policy, the traffic control measures of neighbouring roads and the business growth of enterprises along the highway, the toll revenue of Changsha Ring Road maintained a relatively rapid YOY growth. In addition, Yichang Company has been included in the Group's consolidated financial statements since 15 June 2017. Benefited from the economic growth of the Northwest regions of Hunan as well as the implementation of traffic control measures on neighbouring roads due to road maintenance, the operational performance of Yichang Expressway was satisfactory in the first three quarters of 2017.

Shenzhen International United Land Co., Ltd. ("United Land Company"), which is 49%-owned by the Company, is the reporting entity and implementing entity of Meilin Checkpoint Renewal Project. The area of the land parcel in respect of the Meilin Checkpoint Renewal Project is approximately 96,000 square meters which is for residential and commercial purposes, with a building area of not more than 486,400 square meters (including ancillary public facilities). United Land Company has acquired the land use right of the said land parcel as planned. For details, please refer to the Company's announcements dated 8 August 2014, 10 September 2014, 8 October 2014 and 30 June 2015, and the circular dated 17 September 2014. During the Reporting Period, United Land Company had commenced works including the design, entrustment of construction management and construction tender of Meilin Checkpoint Renewal Project. As at the end of the Reporting Period, the open tender for the provision of entrusted construction management of the project had been completed, and China Vanke Co., Ltd.\* (萬科企業股份有限公司) was the successful bidder, while other work has been pushed forward orderly.

### 3.2 Financial analysis

During the period from January to September 2017, the Group recorded revenue of 3,370,643,000 representing a YOY increase of 6.00%. In particular, the Group recorded revenue of 1,262,258,000 in the third quarter, representing a YOY increase of 13.04%. Excluding the effect of de-consolidating Consulting Company from the Group's financial statements, the Group recorded a YOY increase of 15.01% from January to September, in which the aggregate toll revenue contributed from consolidation of Shenchang Company and Yichang Company amounted to approximately 200 million. The toll revenue of the other existing ancillary toll highways of the Group recorded a YOY increase of 8.47% , which was mainly due to the fact that Jihe Expressway and Qinglian Expressway was benefited from the factors such as the organic growth of traffic volume, the improvement of neighboring road networks and the induced growth of traffic volume after implementation of the toll-free policy for the Three Projects. For details of the operation performance of various toll highways during the Reporting Period, please refer to the relevant disclosure in paragraph 3.1 above.

During the period from January to September 2017, the Group recognized cost of services of 1,591,240,000 representing a YOY decrease of 3.19%. Excluding the impact of consolidation of the above three companies, the Group's cost of services recorded a YOY increase of 5.41%, which was mainly due to the increase in the depreciation and amortization expenses of ancillary toll highways.

During the period from January to September 2017, the Group recognized financial expenses of 373,144,000 representing a YOY decrease of 11.04%, which was mainly due to the combined effect of the increase in interest expenses, the decrease in interest income and the YOY increase in exchange gains from USD debentures arising from RMB appreciation during the Period. To avoid the risks related to fluctuation in exchange rate of the USD300 million overseas debentures, the Company entered into a foreign exchange swap transaction to lock in the foreign exchange risk. During the period from January to September 2017, due to the appreciation of RMB, the Group recognised loss from changes in fair value of 104 million of the swap transaction instrument, which was almost equal to the exchange gain from the USD debenture during the Reporting Period.



During the period from January to September 2017, the Group recorded net profit attributable to owners of the Company of 1,210,950,000, representing a YOY increase of 27.91%, in which the Group recorded net profit attributable to owners of the Company of 469,219,000 in the third quarter, representing a YOY increase of 41.39%, which was mainly due to the income growth recorded by the toll highways operated and invested by the Group and the revenue contributed by newly acquired projects including Derun Environment and Yichang Expressway.

During the period from January to September 2017, the Group incurred capital expenditures of approximately 6.2 billion. At the end of the Reporting Period, the total outstanding interest-bearing liabilities of the Group amounted to 16.18 billion, representing an increase of approximately 3.2 billion over the beginning of the year. The debt-to-asset ratio was 57.09%, representing an increase of approximately 2.5 pct. pt. over the beginning of the year. This was mainly due to the inclusion of Yichang Company into the Group's consolidated financial statements, which resulted in an increase in the total borrowings of the Group, as well as the increase in bank borrowings so as to satisfy the operational needs of the Group.

### 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 30 Sep 2017	As at 31 Dec 2016	Change (%)	Primary reasons for the change
Cash at bank and on hand	2,997,820	5,663,898	-47.07	Payment for consideration of acquisition of equity interests in Derun Environment and Yichang Company as well as distribution of dividend for 2016.
Dividends receivable	37,885	-	N/A	Dividend receivable declared and to be distributed by associates.
Other current assets	42,775	564,329	-92.42	Redemption of wealth management products from banks.
Available-for-sale financial assets	106,557	43,490	145.02	Addition of 15% equity interests held in Water Resources Planning Institute.
Long-term equity investments	9,009,550	4,703,282	91.56	Acquisition of 20% equity interests in Derun Environment.
Deferred income tax assets	135,207	53,142	154.43	Consolidation Shenchang Company represented an increase in its deferred income tax assets related to concession intangible assets.
Short-term borrowings	2,618,256	-	N/A	Increase in short-term borrowings.
Advances from customers	628,054	227,630	175.91	Increase in the proceeds from pre-sale of commodity housing of Guilong Development Project.
Employee benefits payable	28,665	108,838	-73.66	Performance bonus for the year 2016 was paid to employees.
Taxes payable	205,224	156,192	31.39	Consolidation of Yichang Company and Shenchang Company resulted in an increase in taxes payable accordingly.
Interest payable	31,549	100,188	-68.51	Payment for debenture interest payable.
Other payables	1,522,023	2,387,125	-36.24	Decrease in the balance of the construction payment from the government for Outer Ring Project as well as payment for outstanding consideration for the acquisition of 45% equity interests in JEL Company.
Financial liabilities at fair value through profit or loss	29,373	-	N/A	Recognition of loss from changes in fair value of foreign exchange swap transaction instrument.
Long-term borrowings	3,804,831	1,783,024	113.39	Consolidation of Yichang Company represented an increase in long-term borrowings accordingly, and Outer Ring Company withdrew parts of the consortium loans.

	Jul ~ Sep 2017	Jul ~Sep 2016	Change (%)	Primary reasons for the change
Tax and surcharges	6,967	5,255	32.57	Consolidation of Shenchang Company and Yichang Company as well as increase in toll revenue of various road sections resulted in an increase in tax and surcharges accordingly.
General and administrative expenses	37,928	27,259	39.14	Recognition of bounty for investment projects.
Gain or loss from changes in fair value	-43,184	-2,197	1,865.89	Recognition of loss from changes in fair value of foreign exchange swap transaction instrument.
Investment income	158,899	106,937	48.59	Addition of investment income from Derun Environment.
	Jan ~ Sep 2017	Jan ~Sep 2016	Change (%)	Primary reasons for the change
Tax and surcharges	23,123	46,101	-49.84	Implementation of “Replacing business tax with value-added tax” since 1 May 2016.
Gain or loss from changes in fair value	-104,365	-2,197	4,651.02	Recognition of loss from changes in fair value of foreign exchange swap transaction instrument.
Non-operating income	27,968	2,852	880.79	Recognition of compensation for government expropriation of land-use right for Shenzhen Airport-Heao Expressway - Eastern Section.
Net cash flows from operating activities	2,048,023	1,509,694	35.66	Increase in proceeds from pre-sale of commodity housing of Guilong Development Project and inclusion of Shenchang Company and Yichang Company into the consolidation scope resulted in an increase in net cash flows from operating activities of the Group.
Net cash flows from investing activities	-5,117,299	-2,473,910	106.85	Payment for consideration for acquisition of equity interests in Derun Environment, Yichang Company and Water Resources Planning Institute.
Net cash flows from financing activities	867,447	-1,262,435	N/A	Increase in bank borrowings

3.4 Progress of significant matters and the analysis of the relevant impact and solutions

applicable  not applicable

3.5 Commitments that have not yet been duly fulfilled during the reporting period

applicable  not applicable

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, 26 October 2017

*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. Liao Xiang Wen(Executive Director), Mr. ZHAO Jun Rong (Non-executive Director), Mr. TSE Yat Hong (Non-executive Director), Mr. LIU Ji (Non-executive Director), Mr. CHEN Yuan Jun(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. CAI Shu Guang (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**

30 Sep 2017

*Unit: RMB; Unaudited*

<b>Item</b>	<b>As at 30 Sep 2017</b>	<b>As at 31 Dec 2016</b>
<b>Current assets:</b>		
Cash at bank and on hand	2,997,820,082.83	5,663,897,840.79
Financial liabilities at fair value through profit or loss	-	74,991,317.77
Bills receivable	-	2,928,300.00
Accounts receivable	458,624,618.10	545,051,289.43
Advances to suppliers	248,487,157.00	245,985,667.13
Interest receivable	-	15,869,806.93
Dividends receivable	37,885,032.11	-
Other receivables	108,790,350.27	99,297,652.11
Inventories	693,523,668.69	663,113,521.51
Current portion of non-current assets	98,584,381.00	124,169,139.84
Other current assets	42,775,466.68	564,329,427.09
Total current assets	4,686,490,756.68	7,999,633,962.60
<b>Non-current assets:</b>		
Long-term prepayments	218,138,509.45	184,697,778.86
Available-for-sale financial assets	106,557,169.78	43,490,000.00
Long-term receivable	16,519,232.87	16,519,232.87
Long-term equity investments	9,009,550,051.89	4,703,281,506.17
Investment properties	13,094,650.00	13,526,425.00
Fixed assets	991,909,660.51	1,027,753,114.01
Construction in progress	12,151,346.30	13,575,497.81
Intangible assets	21,125,235,298.04	18,323,851,443.34
Long-term prepaid expenses	4,525,406.79	5,373,382.60
Deferred tax assets	135,206,962.67	53,142,103.90
Total non-current assets	31,632,888,288.30	24,385,210,484.56
<b>TOTAL ASSETS</b>	<b>36,319,379,044.98</b>	<b>32,384,844,447.16</b>

## Consolidated Balance Sheet (continued)

30 Sep 2017

*Unit: RMB; Unaudited*

Item	As at 30 Sep 2017	As at 31 Dec 2016
<b>Current liabilities:</b>		
Short-term borrowings	2,618,256,000.00	-
Accounts payable	263,502,856.93	219,558,035.62
Advances from customers	628,054,429.82	227,629,755.93
Employee benefits payable	28,665,354.94	108,837,788.48
Taxes payable	205,223,745.91	156,192,214.34
Interests payable	31,549,042.58	100,188,323.21
Other payables	1,522,022,921.66	2,387,124,807.60
Current portion of non-current liabilities	1,518,255,637.66	1,582,010,852.14
Deferred income	2,833,781.68	2,646,278.06
Financial liabilities at fair value through profit or loss	29,373,418.68	-
Total current liabilities	6,847,737,189.86	4,784,188,055.38
<b>Non-current liabilities:</b>		
Long-term borrowings	3,804,831,002.86	1,783,024,000.00
Bonds payable	2,760,949,490.60	3,742,863,939.90
Provisions for liabilities	114,474,750.03	127,474,173.03
Deferred income	146,926,388.92	158,796,925.07
Deferred tax liabilities	1,580,682,520.91	1,239,319,854.20
Other non-current liabilities	5,478,706,315.00	5,837,822,400.00
Total non-current liabilities	13,886,570,468.32	12,889,301,292.20
Total liabilities	20,734,307,658.18	17,673,489,347.58
<b>Owners' equity:</b>		
Share capital	2,180,770,326.00	2,180,770,326.00
Capital reserve	2,150,854,347.52	2,151,147,518.61
Other comprehensive income	891,362,846.41	894,501,191.30
Surplus reserve	2,031,208,432.81	2,031,208,432.81
Undistributed profits	6,148,029,251.20	5,416,848,490.55
Total equity attributable to owners of the Company	13,402,225,203.94	12,674,475,959.27
Minority interests	2,182,846,182.86	2,036,879,140.31
Total owners' equity	15,585,071,386.80	14,711,355,099.58
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>36,319,379,044.98</b>	<b>32,384,844,447.16</b>

**Balance Sheet**  
30 Sep 2017

*Unit: RMB; Unaudited*

Item	As at 30 Sep 2017	As at 31 Dec 2016
<b>Current assets:</b>		
Cash at bank and on hand	1,021,529,489.52	2,930,695,804.15
Financial liabilities at fair value through profit or loss	-	74,991,317.77
Accounts receivable	350,906,865.44	463,878,267.64
Advances to suppliers	7,928,152.28	6,962,705.40
Interest receivable	-	15,089,806.93
Dividends receivable	37,885,032.11	-
Other receivables	458,152,120.82	1,542,710,679.60
Inventories	797,747.06	1,088,338.44
Other current assets	-	500,000,000.00
Total current assets	1,877,199,407.23	5,535,416,919.93
<b>Non-current assets:</b>		
Long-term prepayments	3,329,760.00	3,329,760.00
Available-for-sale financial assets	106,557,169.78	43,490,000.00
Long-term receivables	2,708,789,823.41	3,225,354,145.03
Long-term equity investments	14,556,833,400.11	9,280,473,130.10
Investment properties	13,094,650.00	13,526,425.00
Fixed assets	402,666,174.77	445,238,398.93
Construction in progress	2,617,769.52	4,277,528.44
Intangible assets	3,940,143,381.63	4,113,798,324.87
Long-term prepaid expenses	1,502,781.17	1,820,583.14
Deferred tax assets	37,877,662.67	13,037,034.24
Total non-current assets	21,773,412,573.06	17,144,345,329.75
<b>TOTAL ASSETS</b>	<b>23,650,611,980.29</b>	<b>22,679,762,249.68</b>

**Balance Sheet (continued)**

30 Sep 2017

*Unit: RMB; Unaudited*

<b>Item</b>	<b>As at 30 Sep 2017</b>	<b>As at 31 Dec 2016</b>
<b>Current liabilities:</b>		
Short-term borrowings	1,670,000,000.00	-
Accounts payable	20,865,946.42	21,239,839.51
Advances from customers	27,422,357.61	47,179,511.26
Employee benefits payable	14,319,015.52	64,919,960.99
Taxes payable	44,962,147.87	10,579,685.02
Interests payable	26,698,986.17	97,651,044.47
Other payables	1,211,133,887.55	899,008,576.76
Current portion of non-current liabilities	1,393,669,937.66	1,482,810,852.14
Financial liabilities at fair value through profit or loss	29,373,418.68	-
Total current liabilities	4,438,445,697.48	2,623,389,470.15
<b>Non-current liabilities:</b>		
Bonds payable	2,760,949,490.60	3,742,863,939.90
Provisions for liabilities	114,474,750.03	127,474,173.03
Other non-current liabilities	5,478,706,315.00	5,837,822,400.00
Total non-current liabilities	8,354,130,555.63	9,708,160,512.93
Total liabilities	12,792,576,253.11	12,331,549,983.08
<b>Owners' equity:</b>		
Share capital	2,180,770,326.00	2,180,770,326.00
Capital reserve	2,313,014,925.33	2,313,308,096.42
Other comprehensive income	-4,233,294.18	-
Surplus reserve	2,031,208,432.81	2,031,208,432.81
Undistributed profits	4,337,275,337.22	3,822,925,411.37
Total owners' equity	10,858,035,727.18	10,348,212,266.60
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>23,650,611,980.29</b>	<b>22,679,762,249.68</b>

## Consolidated Income Statement

Jul ~ Sep 2017

*Unit: RMB; Unaudited*

Item	Jul ~ Sep 2017	Jul ~ Sep 2016
<b>1. Total revenue</b>	1,262,257,694.61	1,116,681,418.56
Including: Revenue from services	1,262,257,694.61	1,116,681,418.56
<b>2. Total operating cost</b>	759,632,091.64	762,648,758.85
Including: Cost of services	569,934,814.53	576,619,445.30
Tax and surcharges	6,966,826.10	5,255,263.54
Sale expenses	5,872,765.63	4,814,919.28
General and administrative expenses	37,928,133.66	27,258,960.11
Financial expenses	138,929,551.72	148,700,170.62
Add: Gain or loss arising from changes in fair value (“-” indicates loss)	-43,184,384.11	-2,196,680.45
Investment income (“-” indicates loss)	158,899,287.37	106,936,754.71
Including: Share of profit of associates and joint ventures	153,499,287.38	101,717,132.63
<b>3. Operating profit (“-” indicates loss)</b>	618,340,506.23	458,772,733.97
Add: Non-operating income	1,332,934.31	1,497,206.72
Including: Gain on disposal of non-current assets	31.60	52,364.08
Less: Non-operating expenses	1,146,960.79	1,056,044.21
Including: Loss on disposal of non-current assets	352,131.55	90,107.44
<b>4. Total profit (“-” indicates total loss)</b>	618,526,479.75	459,213,896.48
Less: Income tax expenses	112,114,155.42	87,789,657.79
<b>5. Net profit (“-” indicates net loss)</b>	506,412,324.33	371,424,238.69
Net profit attributable to owners of the Company	469,219,394.24	331,851,259.03
Minority interests	37,192,930.09	39,572,979.66
<b>6. Other comprehensive income after tax</b>	90,518.79	50,215.65
Item that may be reclassified subsequently to profit and loss	90,518.79	50,215.65
Including: Currency translation reserve	-535,014.42	50,215.65
Share of other comprehensive income which will be reclassified into profit and loss under equity method by the investee	625,533.21	-
<b>7. Total comprehensive income</b>	506,502,843.12	371,474,454.34
Total comprehensive income attributable to owners of the company	469,309,913.03	331,901,474.68
Total comprehensive income attributable to minority interest	37,192,930.09	39,572,979.66
<b>8. Earnings per share</b>		
(1) Basic earnings per share (RMB per share)	0.215	0.152
(2) Diluted earnings per share (RMB per share)	0.215	0.152



## Consolidated Income Statement

Jan ~ Sep 2017

*Unit: RMB; Unaudited*

Item	Jan ~ Sep 2017	Jan ~ Sep 2016
<b>1. Total revenue</b>	3,370,642,712.59	3,179,809,568.00
Including: Revenue from services	3,370,642,712.59	3,179,809,568.00
<b>2. Total operating cost</b>	2,079,615,873.42	2,189,554,141.51
Including: Cost of services	1,591,239,682.18	1,643,658,085.08
Tax and surcharges	23,123,438.73	46,100,692.54
Sale expenses	13,664,434.41	11,756,292.32
General and administrative expenses	78,444,264.34	68,583,324.88
Financial expenses	373,144,053.76	419,455,746.69
Add: Gain or loss arising from changes in fair value (“-” indicates loss)	-104,364,736.45	-2,196,680.45
Investment income (“-” indicates loss)	405,489,853.92	334,292,001.03
Including: Share of profit of associates and joint ventures	365,003,665.04	222,422,480.07
<b>3. Operating profit (“-” indicates loss)</b>	1,592,151,956.64	1,322,350,747.07
Add: Non-operating income	27,967,740.66	2,851,550.70
Including: Gain on disposal of non-current assets	24,692,026.61	61,071.92
Less: Non-operating expenses	2,572,655.84	1,657,381.15
Including: Loss on disposal of non-current assets	597,206.70	158,862.58
<b>4. Total profit (“-” indicates total loss)</b>	1,617,547,041.46	1,323,544,916.62
Less: Income tax expenses	314,125,097.96	258,380,038.20
<b>5. Net profit (“-” indicates net loss)</b>	1,303,421,943.50	1,065,164,878.42
Net profit attributable to owners of the Company	1,210,950,232.37	946,755,266.61
Minority interests	92,471,711.13	118,409,611.81
<b>6. Other comprehensive income after tax</b>	-3,138,344.89	297,734.48
Item that may be reclassified subsequently to profit and loss	-3,138,344.89	297,734.48
Including: Currency translation reserve	-1,357,984.32	297,734.48
Share of other comprehensive income which will be reclassified into profit and loss under equity method by the investee	-1,780,360.57	-
<b>7. Total comprehensive income</b>	1,300,283,598.61	1,065,462,612.90
Total comprehensive income attributable to owners of the company	1,207,811,887.48	947,053,001.09
Total comprehensive income attributable to minority interest	92,471,711.13	118,409,611.81
<b>8. Earnings per share</b>		
(1) Basic earnings per share (RMB per share)	0.555	0.434
(2) Diluted earnings per share (RMB per share)	0.555	0.434

## Income Statement

Jul ~ Sep 2017

*Unit: RMB; Unaudited*

Item	Jul ~ Sep 2017	Jul ~ Sep 2016
<b>1. Revenue</b>	386,162,576.91	341,464,042.81
Less: Cost of services	136,060,363.25	117,698,275.93
Tax and surcharges	2,126,382.46	1,249,681.86
General and administrative expenses	27,210,657.63	13,535,754.46
Financial expenses	60,094,519.16	82,883,159.65
Add: Gain or loss arising from changes in fair value ("-" indicates loss)	-43,184,384.11	-2,196,680.45
Investment income ("-" indicates loss)	253,528,981.86	257,639,673.15
Including: Share of profit of associates and joint ventures	99,286,744.81	102,468,791.70
<b>2. Operating profit ("-" indicates loss)</b>	371,015,252.16	381,540,163.61
Add: Non-operating income	-	570,415.30
Including: Gain on disposal of non-current assets	-	1,262.14
Less: Non-operating expenses	1,853.29	266,317.85
Including: Loss on disposal of non-current assets	-	5,832.99
<b>3. Total profit ("-" indicates total loss)</b>	371,013,398.87	381,844,261.06
Less: Income tax expenses	25,082,986.28	32,087,378.90
<b>4. Net profit ("-" indicates net loss)</b>	345,930,412.59	349,756,882.16
<b>5. Other comprehensive income</b>	-	-
<b>6. Total comprehensive income</b>	345,930,412.59	349,756,882.16

## Income Statement

Jan ~ Sep 2017

*Unit: RMB; Unaudited*

Item	Jan ~ Sep 2017	Jan ~ Sep 2016
<b>1. Revenue</b>	1,061,886,420.67	1,052,474,792.13
Less: Cost of services	380,353,042.06	399,791,555.19
Tax and surcharges	7,389,046.18	9,175,293.78
General and administrative expenses	55,363,166.86	39,647,806.14
Financial expenses	164,696,477.59	208,175,435.35
Add: Gain or loss arising from changes in fair value ("-" indicates loss)	-104,364,736.45	-2,196,680.45
Investment income ("-" indicates loss)	728,357,102.01	612,808,983.02
Including: Share of profit of associates and joint ventures	292,755,292.13	223,669,528.57
<b>2. Operating profit ("-" indicates loss)</b>	1,078,077,053.54	1,006,297,004.24
Add: Non-operating income	456,286.24	1,178,847.08
Including: Gain on disposal of non-current assets	-	1,262.14
Less: Non-operating expenses	1,022,843.60	297,659.89
Including: Loss on disposal of non-current assets	17,082.71	26,765.68
<b>3. Total profit ("-" indicates total loss)</b>	1,077,510,496.18	1,007,178,191.43
Less: Income tax expenses	83,391,098.61	102,039,280.94
<b>4. Net profit ("-" indicates net loss)</b>	994,119,397.57	905,138,910.49
<b>5. Other comprehensive income</b>	-4,233,294.18	-
Other comprehensive income which will be reclassified into profit and loss	-4,233,294.18	-
Including: Share of other comprehensive income which will be reclassified into profit and loss under equity method by the investee	-4,233,294.18	-
<b>6. Total comprehensive income</b>	989,886,103.39	905,138,910.49

## Consolidated Cash Flow Statement

Jan ~ Sep 2017

*Unit: RMB; Unaudited*

Item	Jan ~ Sep 2017	Jan ~ Sep 2016
<b>1. Cash flows from operating activities</b>		
Cash received from sales of goods and rendering of services	3,437,312,115.22	3,088,164,832.86
Refund of taxes	-	68,227.54
Cash received relating to other operating activities	92,722,876.05	72,766,100.92
Sub-total of cash inflows	3,530,034,991.27	3,160,999,161.32
Cash paid for goods and services	291,428,178.45	359,602,737.27
Cash paid to and on behalf of employees	383,120,657.62	438,356,673.36
Payments of taxes and surcharges	529,120,568.04	534,008,739.86
Cash paid relating to other operating activities	278,342,977.17	319,336,795.79
Sub-total of cash outflows	1,482,012,381.28	1,651,304,946.28
Net cash flows from operating activities	2,048,022,609.99	1,509,694,215.04
<b>2. Cash flows from investing activities</b>		
Cash from repayment of investments	11,058,312.73	33,980,100.85
Cash received from returns on investments	275,405,937.60	124,971,076.79
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	27,004,313.00	86,887.95
Net cash received from disposal of subsidiaries and other business units	-	138,573,770.52
Cash received relating to other investing activities	1,997,370,114.49	2,968,322,470.72
Sub-total of cash inflows	2,310,838,677.82	3,265,934,306.83
Cash paid to acquire fixed assets, intangible assets and other long-term assets	447,512,549.42	90,284,021.76
Net cash paid to acquire subsidiaries and other business units	5,585,625,548.12	1,998,260,000.00
Cash paid relating to other investing activities	1,395,000,000.00	3,651,300,000.00
Sub-total of cash outflows	7,428,138,097.54	5,739,844,021.76
Net cash flows from investing activities	-5,117,299,419.72	-2,473,909,714.93
<b>3. Cash flows from financing activities</b>		
Cash received from borrowings	4,292,172,705.99	31,000,000.00
Cash receives from bonds	-	1,961,787,292.20
Sub-total of cash inflows	4,292,172,705.99	1,992,787,292.20
Cash repayments of borrowings	1,983,830,389.38	2,075,101,764.00
Cash payments for interest expenses and distribution of dividends or profits	1,068,575,246.95	1,177,306,203.94
Including: Cash payments for dividends or profit to minority shareholders of subsidiaries	104,600,742.17	132,275,058.91
Cash payments relating to other financing activities	372,320,090.32	2,814,719.79
Sub-total of cash outflows	3,424,725,726.65	3,255,222,687.73
Net cash flows from financing activities	867,446,979.34	-1,262,435,395.53
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	434,808.87	550,437.10
<b>5. Net increase in cash and cash equivalents</b>	-2,201,395,021.52	-2,226,100,458.32
Add: Cash and cash equivalents at beginning of the Period	4,243,639,666.01	6,180,992,066.06
<b>6. Cash and cash equivalents at end of the Period</b>	2,042,244,644.49	3,954,891,607.74

## Cash Flow Statement

Jan ~ Sep 2017

*Unit: RMB; Unaudited*

Item	Jan ~ Sep 2017	Jan ~ Sep 2016
<b>1. Cash flows from operating activities</b>		
Cash received from sales of goods and rendering of services	614,802,417.02	713,923,878.88
Cash received relating to other operating activities	1,803,306,794.61	581,840,806.41
Sub-total of cash inflows	2,418,109,211.63	1,295,764,685.29
Cash paid for goods and services	69,802,468.84	71,456,672.49
Cash paid to and on behalf of employees	187,207,147.18	154,580,812.34
Payments of taxes and surcharges	119,110,915.07	133,625,808.26
Cash paid relating to other operating activities	570,560,892.46	163,808,339.09
Sub-total of cash outflows	946,681,423.55	523,471,632.18
Net cash flows from operating activities	1,471,427,788.08	772,293,053.11
<b>2. Cash flows from investing activities</b>		
Cash received from disposal of investments	36,372,145.92	161,984,053.64
Cash received from returns on investments	292,620,481.61	490,301,180.19
Cash received relating to other investing activities	3,087,032,160.62	2,680,774,995.93
Sub-total of cash inflows	3,416,024,788.15	3,333,060,229.76
Cash paid to acquire fixed assets, intangible assets and other long-term assets	5,837,139.06	15,285,490.73
Net cash paid to acquire subsidiaries and other business units	5,350,127,800.00	1,978,260,000.00
Cash paid relating to other investing activities	1,390,000,000.00	3,372,000,000.00
Sub-total of cash outflows	6,745,964,939.06	5,365,545,490.73
Net cash flows from investing activities	-3,329,940,150.91	-2,032,485,260.97
<b>3. Cash flows from financing activities</b>		
Cash received from borrowings	2,570,000,000.00	-
Cash receives from bonds	-	1,961,787,292.20
Sub-total of cash inflows	2,570,000,000.00	1,961,787,292.20
Cash repayments of borrowings	1,900,000,000.00	1,619,997,000.00
Cash payments for interest expenses and distribution of dividends or profits	701,642,782.21	971,037,728.15
Cash payments relating to other financing activities	14,399,615.47	2,599,182.57
Sub-total of cash outflows	2,616,042,397.68	2,593,633,910.72
Net cash flows from financing activities	-46,042,397.68	-631,846,618.52
<b>4. Effect of foreign exchange rate changes on cash and cash equivalents</b>	-925,805.64	-483,172.69
<b>5. Net increase in cash and cash equivalents</b>	-1,905,480,566.15	-1,892,521,999.07
Add: Cash and cash equivalents at beginning of the Period	2,881,566,453.69	4,856,442,761.18
<b>6. Cash and cash equivalents at end of the Period</b>	976,085,887.54	2,963,920,762.11