



To: Business Editors
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**Zhejiang Expressway Announces 2007 Annual Results
Net Profit Rises 46.2% to RMB2,416 Million**

Financial Highlights

- Revenue increased by 47.6% to RMB7,030.4 million.
- Profit attributable to equity holders of the Company increased by 46.2% to RMB2,416.0 million.
- Earnings per share was RMB55.63 cents.
- A final dividend of RMB24.0 cents per share is recommended.

(Hong Kong, March 10, 2008) – Zhejiang Expressway Co., Ltd. (“Zhejiang Expressway” or the “Company”) (HKEx code: 576; LSE code: ZHEH; ADR code: ZHEXY) today announced the audited consolidated operating results of the Company and its subsidiaries (the “Group”) for the year ended December 31, 2007 (the “Year”).

During the Year, revenue for the Group was RMB7,030.4 million, representing an increase of 47.6% over 2006. Profit attributable to equity holders of the Company was RMB2,416.0 million, representing an increase of 46.2% over 2006. Earnings per share for the Year was RMB55.63 cents (2006: RMB38.06 cents). The Board of Directors recommended a final dividend of RMB24.0 cents per share. Together with an interim dividend of RMB7.0 cents per share, total dividend for the Year amounted to RMB31.0 cents per share (2006: RMB27.0 cents).

Mr. Geng Xiaoping, Chairman of the Company said, “The favorable economy of Zhejiang Province continued to bring rapid growth in traffic volume to the Company’s expressways. As a result of this and together with the efforts of the Company’s entire staff, the Company achieved satisfactory results for its various operations, including the toll road operations, the toll road-related business operations and the securities business.”

During the Year, daily average traffic volume on the Shanghai-Hangzhou-Ningbo Expressway was 43,001 full-trip-equivalents and toll income amounted to RMB3,145.3 million, representing increases of 11.6% and 11.9%, respectively, over 2006. In particular, the traffic volume in full-trip-equivalents along the Shanghai-Hangzhou section and the Hangzhou-Ningbo section increased by 13.3% and 10.1% year-on-year, respectively. The Shangsang Expressway, on the other hand, recorded a daily average traffic volume of 21,652 full-trip-equivalents and a toll income of RMB879.1 million during the Year, representing increases of 9.5% and 5.4%, respectively, over 2006. The traffic volume of the Shangsang Expressway was higher than that of the previous year, mainly because the traffic diversions caused by the reopening of the parallel National Road 104 had largely diminished in 2007.

During the Year, the Company's toll road-related business operations reported substantial progress, with total income rising 30.5% year-on-year. Among this, the income from service area operations increased by 31.3% year-on-year, mainly owing to the continued rapid growth in traffic volumes of the Shanghai-Hangzhou-Ningbo Expressway and the Shangsang Expressway, improved service standards and quality of the service areas, and the addition of Chang'an service areas along the Shanghai-Hangzhou-Ningbo Expressway. During the Year, leveraging the Company's favorable brand recognition and successful experience in the nation-wide expressway sector, the Company has acquired the concession rights to operate three other service areas within and outside Zhejiang Province for periods ranging from nine to ten years, thereby enabling the Company to further develop this highly profitable business.

As for the securities business, benefiting from a surge in trading volume and increases in the number of newly opened accounts in the domestic stock market, the securities business realized an operating income of RMB1,920.5 million during the Year. Of this, brokerage commission income and bank interest income amounted to RMB1,792.1 million and RMB128.4 million, respectively. In addition, the proprietary securities trading business recorded an income of RMB475.8 million. In addition, Zhejiang Shangsang Expressway Co., Ltd. has obtained approval from the Chinese Securities Regulatory Commission for a capital injection into Zheshang Securities Co., Ltd. ("Zheshang Securities"). This will strengthen the securities business and market valuation of Zheshang Securities. Meanwhile, Zhejiang Tianma Futures Broker Co., Ltd., which was fully acquired by Zheshang Securities during the second half of 2007, has received official permission to conduct financial futures brokerage business and full-scale settlement of financial futures business, thereby laying a solid foundation for conducting index futures brokerage business in the future.

Mr. Geng said, "Year 2008 will offer both opportunities and challenges to the Company. In view of the diversion impact caused by the opening of neighboring highways, the Company has been aggressively preparing itself. On the one hand, we will capitalize on the higher carrying capacity and improved travelling comfort of our eight-lane expressway to attract more traffic volume. On the other hand, the introduction of the non-stop electronic toll collection (ETC) system and the UnionPay bankcard payment system will enhance the overall service efficiency and standards. In addition, the toll-by-weight policy for trucks is expected to be implemented by the end of 2008, which will reduce incidents of truck overloading and lower the Company's road maintenance costs, thereby facilitating considerably the Company's operating results."

Established in 1997, Zhejiang Expressway Co., Ltd. is regarded by the Zhejiang Provincial Government as its main enterprise for investing in, constructing and operating expressways and Class 1 roads in Zhejiang Province. The Company has concession rights to operate the Shanghai-Hangzhou-Ningbo Expressway and the Shangsang Expressway for a period of 30 years.

- End -

Encl. Consolidated Income Statement (Audited)

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Zhejiang Expressway Co., Ltd.
2007 Annual Results

(Prepared in accordance with Hong Kong Financial Reporting Standards)

Consolidated Income Statement (Audited)

For the year ended December 31

	2007	2006
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	7,030,380	4,763,780
Operating costs	(3,089,133)	(2,076,670)
Gross profit	3,941,247	2,687,110
Other income	610,435	203,952
Administrative expenses	(81,089)	(71,022)
Other expenses	(93,259)	(32,901)
Finance costs	(60,552)	(71,991)
Share of (loss) profit of associates	(4,655)	4,435
Share of profit of a jointly-controlled entity	20,406	23,344
Profit before tax	4,332,533	2,742,927
Income tax expense	(1,191,638)	(884,036)
Profit for the Year	3,140,895	1,858,891
Attributable to:		
Equity holders of the Company	2,415,965	1,652,871
Minority interests	724,930	206,020
	3,140,895	1,858,891
Dividends recognized as distribution during the Year	1,172,641	955,485
Earnings per share-Basic	RMB 55.63 cents	RMB38.06 cents