



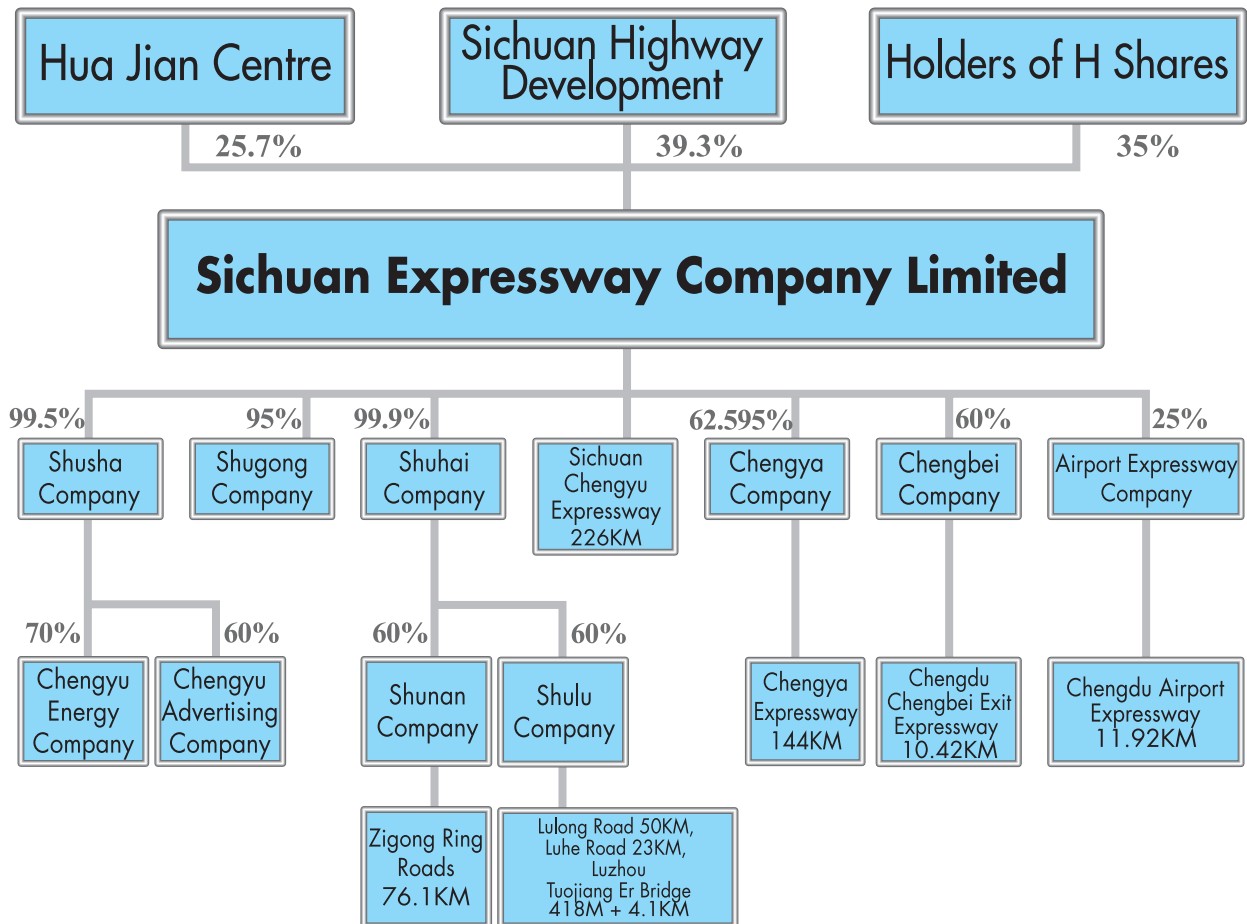
Sichuan Expressway Company Limited (the "Company"), incorporated on 19 August 1997, is the only company in the western region of the PRC which is engaged in the infrastructure construction and has its H shares listed on the Stock Exchange of Hong Kong Limited. The Company has a total share capital of approximately 2,558 million shares, of which there are approximately 1,663 million State shares held by Sichuan Highway Development

Holding Company ("Sichuan Highway Development") and Hua Jian Transportation Economic Development Centre ("Hua Jian Centre"), accounting for 39.3% and 25.7% of the total share capital of the Company respectively; and approximately 895 million H shares or 35% of the total share capital. On 7 October 1997, H Shares of the Company were listed on the Hong Kong Stock Exchange with stock code 0107. The Company has been changed to be a Sino-foreign joint stock limited company as approved by Ministry of Foreign Trade and Economic Cooperation, PRC in March 1998.

The Company and its subsidiaries (the "Group") are principally engaged in the investment, construction and operation of road infrastructure projects as well as the operation of other ancillary businesses related to toll roads.

Following the continuously fast and healthy economic development and comprehensive progress of various social projects in Sichuan Province, there was great advancement in transportation constructions in the province. The network of expressways has been basically established and the scale of construction for the network of expressways is also the best in the western region. Based on the development plan of transportation networks in Sichuan Province, the Company will focus on its principal business and actively develop the businesses of investment, construction and operation in transportation infrastructure facilities. At the same time, the Company will seize the opportunities arising from the State's strategy of developing the western region, speed up the development of new profit sources and achieve a sustainable growth, paving a way towards an extra large and first class infrastructure construction group corporation for itself.

The structure of the Company's assets is as follows:



Notes:

"Sichuan Highway Development"
 "Hua Jian Centre"
 "Shusha Company"
 "Shugong Company"
 "Shuhai Company"
 "Shunan Company"
 "Shulu Company"
 "Chengyu Energy Company"
 "Chengyu Advertising Company"
 "Chengya Company"
 "Chengbei Company"
 "Airport Expressway Company"

Sichuan Highway Development Holding Company
 Hua Jian Transportation Economic Development Centre
 Sichuan Shusha Enterprise Company Limited
 Sichuan Shugong Expressway Engineering Company Limited
 Chengdu Shuhai Investment Management Company Limited
 Zigong Shunan Ring Road Company Limited
 Luzhou Shulu Road Business Company Limited
 Sichuan Chengyu Expressway Energy Development Company Limited
 Sichuan Chengyu Expressway Advertising Company Limited
 Sichuan Chengya Expressway Company Limited
 Chengdu Chengbei Exit Expressway Company Limited
 Chengdu Airport Expressway Company Limited

* The Company directly holds 62.37% equity interests in Chengya Company, and through the Company's subsidiary, Chengbei Company, indirectly holds 0.225% equity interests in Chengya Company. The Company holds totalling 62.595% equity interests in Chengya Company.

* During the year, Shuhai Company has consecutively completed assignment of its shareholding in Shulu Company and Shunan Company. As at 31 December 2003, Shuhai Company did not hold any shareholding in such two companies. For details please refer to the paragraph headed "Toll roads and bridge in Zigong and Luzhou" in the section "Management Discussion and Analysis".