

Report of the Supervisory Committee

To: all shareholders

In 2004, the Supervisory Committee aimed at the principle of honesty and trusty in a proactive, practical and prudent manner in accordance with the "Company Law of the People's Republic of China" and the Articles of Association of the Company to protect the shareholders' interests and legalized equity of the Company and to perform its duties loyally. The principal report of work was as follows:

- (1) In attendance of board meeting and shareholders' meeting and in supervision of development plans, investment proposals, decisions on operating strategies, no circumstances of non-compliance with national laws and no detriment to the Company's benefits and interests of shareholders were notified;
- (2) In reviewing the Company's financial statements, it was considered that the accounting audit and financial management of the Company complied with the relevant regulations of PRC. The cost of management was further under control with a well-established internal control system. No doubt was cast on the fine account of expenditure and revenue. The audit financial statements and auditing report of Sichuan Jun He Accountants and Ernst & Young Certified Public Accountants were consented as it was considered that the actual financial status and operating results of the Company were reflected;
- (3) In supervising the operating and management activities of the Company, none of the senior management acted in breach of the laws and regulations and the Articles of Association of the Company in the course of business.
- (4) Saved as disclosed in the connected transactions of Note 33 of the financial statements, no other connected transactions were notified during the year.
- (5) No material litigation and investing activities of the Company were notified during the year.

The Supervisory Committee
Sichuan Expressway Company Limited

31 March 2005