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四川成渝高速公路股份有限公司
Sichuan Expressway Company Limited*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00107)

(1) PROPOSED ISSUE OF A SHARES;

**(2) PROPOSED AMENDMENTS TO THE ARTICLES OF
ASSOCIATION OF THE COMPANY;**

**(3) PROPOSED ADOPTION OF THE RULES OF PROCEDURES AND
THE INTERNAL RULES OF THE COMPANY; AND**

**(4) PROPOSED CHANGE OF DIRECTOR AND
SUPERVISOR OF THE COMPANY**

**Independent financial adviser
to the Independent Board Committee and the Independent Shareholders**

VINCO  **城高**

Grand Vinco Capital Limited

INTRODUCTION

References are made to: (i) the announcements of the Company dated 5 October 2007 and 12 December 2007 respectively; (ii) the circular of the Company dated 26 October 2007; and (iii) notices of extraordinary general meeting and relevant class meetings of the Company dated 26 October 2007 and 23 November 2007 respectively, all in relation to, inter alia, the A Share Issue, proposed amendments to the Articles and proposed adoption of the Rules of Procedures and Internal Rules.

At the relevant extraordinary general meeting and class meetings of the Company held on 12 December 2007 respectively, the holders of securities of the Company had passed the respective special resolutions in relation to (i) the A Share Issue for a validity period of 12 months from 12 December 2007; and (ii) the proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and the Internal Rules subject to, among others, the completion of the A Share Issue.

The Board announces that due to the recent unfavourable conditions in the PRC stock market and the pending issue of the formal approval documents from the CSRC regarding the A Share Issue, the Company is not likely to be able to proceed with the A Share Issue on favourable terms before the validity period for the A Share Issue ends on 11 December 2008. The proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and Internal Rules will not be effective if the A Share Issue is not proceeded with. In the circumstances, the Board has resolved to obtain fresh approvals from the Shareholders at the EGM and CSM in relation to the A Share Issue, the proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and Internal Rules.

THE A SHARE ISSUE

The Company has applied to the CSRC for the allotment and issue of not more than 500,000,000 A Shares to institutional and public investors in the PRC for the listing of, and permission to deal in such A Shares on the Shanghai Stock Exchange. The A Share Issue is subject to the approval by the Shareholders, as well as the approval by the CSRC.

PROPOSED AMENDMENTS TO THE ARTICLES AND ADOPTION OF THE RULES OF PROCEDURES AND THE INTERNAL RULES

Pursuant to the “Guidelines on Articles of Associations of Listed Companies” (《上市公司章程指引》) dated 16 March 2006 issued by the CSRC and the “Guidelines on Corporate Governance of Listed Companies” (《上市公司治理準則》) dated 7 January 2002 jointly issued by the CSRC and the former National Economic and Trade Commission (國家經濟貿易委員會), the Company proposed to make certain amendments to the Articles including proposals at Shareholders’ general meetings; procedures of appointment of Directors and Supervisors; rights and obligations of Shareholders, Directors and the Company’s senior management; addition of a new chapter on independent Director(s), as well as other amendments in relation to the A Share Issue as required by the applicable PRC laws and regulations and the relevant rules of the Shanghai Stock Exchange.

Amendments to the Articles are subject to Shareholders’ approval by poll, and special resolutions to consider and approve the amendments to the Articles will be proposed at the EGM. The proposed amendments to the Articles are subject to the obtaining of any required approval or endorsement from or registration with the relevant regulatory authorities, and shall come into effect upon approval by the CSRC and completion of the A Share Issue.

As a result of the aforesaid amendments to the Articles, the Company proposed to adopt the Rules of Procedures and the Internal Rules pursuant to the requirements of the applicable PRC laws and regulations and the relevant rules of the Shanghai Stock Exchange.

Adoption of the Rules of Procedures and the Internal Rules (save for working rules for general manager; working rules for secretary to the Board, working system for investor relationships and management system for disclosure of information) are subject to Shareholders’ approval by poll. Special resolutions to consider and approve the adoption of the Rules of Procedures and the Internal Rules will be proposed at the EGM. The proposed adoption of the Rules of Procedures and the Internal Rules shall come into effect at the same time as the proposed amendments to the Articles come into effect.

Details regarding the proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and the Internal Rules will be set out in the circular to be despatched to the Shareholders.

PROPOSED CHANGES OF DIRECTOR AND SUPERVISOR

Changes of Director and Supervisor

Due to work arrangement, Mr. Nie Xinquan resigns as the executive Director, his position as an executive Director will be replaced by the appointment of Mr. Liu Xianfu. Due to change in job position, Mr. Liu Xianfu resigns as the Supervisor of the Company. And his position as a Supervisor will be replaced by the appointment of Madam Luo Yi. All resignations and appointments abovementioned will be effective after the approval from the Shareholders at the EGM has been obtained.

GENERAL

The A Share Issue is subject to approval by the Independent Shareholders by poll. Sichuan Highway Development and its associates, which are considered to have a material interest in the A Share Issue, shall abstain from voting on the proposed resolution in respect of the A Share Issue at the EGM and the CSM respectively.

An independent board committee will be established by the Company to provide recommendation to the Independent Shareholders in respect of the A Share Issue. Grand Vinco has been appointed as the independent financial adviser to advise the independent board committee of the Company and the Independent Shareholders in respect of the A Share Issue.

A circular containing, among other things, further details of the A Share Issue, the proposed amendments to the Articles, the proposed adoption of the Rules of Procedures and the Internal Rules and the proposed changes of Director and Supervisor, a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in respect of the A Share Issue, a letter of advice from Grand Vinco to the independent board committee of the Company and the Independent Shareholders in respect of the A Share Issue, the expected timetable of the A Share Issue, as well as the notices of the EGM and the CSM respectively, will be despatched to the Shareholders as soon as practicable in accordance with the requirements of the Listing Rules.

There is no assurance that the A Share Issue will proceed to completion. In the event the A Share Issue does not proceed to completion, the S&P Agreement shall lapse. Investors are advised to exercise caution in dealings in the H Shares. Further details about the A Share Issue will be disclosed by the Company in the PRC in due course and the relevant information will be disclosed in Hong Kong concurrently in accordance with the Listing Rules.

INTRODUCTION

References are made to: (i) the announcements of the Company dated 5 October 2007 and 12 December 2007 respectively; (ii) the circular of the Company dated 26 October 2007; and (iii) notices of extraordinary general meeting and relevant class meetings of the Company dated 26 October 2007 and 23 November 2007 respectively, all in relation to, inter alia, the A Share Issue, proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and the Internal Rules.

At the relevant extraordinary general meeting and class meetings of the Company held on 12 December 2007 respectively, the holders of securities of the Company had passed the respective special resolutions in relation to (i) the A Share Issue for a validity period of 12 months from 12 December 2007; and (ii) the proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and the Internal Rules subject to, among others, the completion of the A Share Issue.

The Board announces that due to the recent unfavourable conditions in the PRC stock market and the pending issue of the formal approval documents from the CSRC regarding the A Share Issue, the Company is not likely to be able to proceed with the A Share Issue on favourable terms before the validity period for the A Share Issue ends on 11 December 2008. The proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and Internal Rules will not be effective if the A Share Issue is not proceeded with. In the circumstances, the Board has resolved to obtain fresh approvals from the Shareholders at the EGM and CSM in relation to the A Share Issue, the proposed amendments to the Articles and the proposed adoption of the Rules of Procedures and Internal Rules.

THE A SHARE ISSUE

The Company has applied to the relevant regulatory authorities in the PRC for the allotment and issue of not more than 500,000,000 A Shares to qualified strategic investors, participants in the price consultation process as approved by the CSRC and individuals, legal persons and other investors which have maintained share accounts with the Shanghai Stock Exchange (except those prohibited by PRC laws and regulations and other regulatory requirements to which the Company is subject), and will make application for the listing of, and permission to deal in such A Shares on the Shanghai Stock Exchange.

If any investors are connected persons of the Company, the Company will take every reasonable step to comply with the relevant requirements under Chapter 14A of the Listing Rules. At present, the H Shares are listed on the main board of the Hong Kong Stock Exchange.

Assuming 500,000,000 A Shares will be issued in the A Share Issue, such shares represent:

- (i) approximately 30.07% of the aggregate domestic shares in issue as at the date of this announcement;
- (ii) approximately 23.12% of the aggregate domestic shares in issue as enlarged by the A Share Issue;
- (iii) approximately 19.55% of the total shares of the Company in issue as at the date of this announcement; and
- (iv) approximately 16.35% of the total shares of the Company as enlarged by the A Share Issue.

The proposed structure of the A Share Issue will comprise the following:

- (i) Class and nominal value of new shares to be issued:

A Shares of nominal value of RMB1.00 each.

- (ii) Proposed stock exchange for listing:

Shanghai Stock Exchange.

(iii) Number of A Shares to be issued:

Not more than 500,000,000 A Shares.

The number of A Shares to be issued shall be subject to approval by the CSRC, and subject to adjustment by the Board as authorised by the Shareholders and within the range approved by the CSRC having regard to the relevant circumstances.

(iv) Target persons for the issue:

Qualified strategic investors, participants in the price consultation process as approved by the CSRC and the individuals, legal persons and other investors which have maintained share accounts with the Shanghai Stock Exchange (except those prohibited by PRC laws and regulations and other regulatory requirements to which the Company is subject).

(v) Price range or price determination method:

The issue price range will be determined based on price consultations with participants in the price consultation process. Subject to the CSRC's approval of the A Share Issue, the Company and the lead underwriters shall undertake a roadshow, and conduct cumulative bidding price consultations within the price range. The issue price will be determined based on the results of the cumulative bidding price consultations and market conditions. The amount to be raised from the A Share Issue could not be ascertained as at the date of this announcement.

(vi) Use of proceeds:

Net proceeds are expected to be not more than RMB2 billion. The net proceeds of the issue of A Shares are presently intended to apply for (1) the payment for the Consideration; and (2) the partial repayment of the bank loans of SC Expressway.

(vii) Approval by the Shareholders:

The EGM and the CSM will be held to consider and, if thought fit, approve, among other things, the A Share Issue and to authorise the Board to determine and implement the specific plan for the A Share Issue (including but not limited to the specific timing of the issue, timetable of issue, number of A Shares to be issued, method of issue, pricing mechanism, issue price and offering structure, over-allotment option (if any) and other matters relating to the A Share Issue and the listing of A Shares). It should be noted that the A Share Issue, upon approval by Shareholders by way of special resolution at the EGM and the CSM, is still subject to approvals by the CSRC and other relevant regulatory authorities. In addition, the examination and consent of the Shanghai Stock Exchange for the listing of and dealings in the A Shares on the Shanghai Stock Exchange is also required.

The approval in respect of the A Share Issue, if obtained from Shareholders at the EGM and the CSM, shall be effective for a period of 12 months from the date on which such approval is obtained or until revoked or modified by a special resolution passed in a general meeting, whichever is earlier.

(viii) Approval by general meetings authorizing the Board to process the A Share Issue and related matters:

In order to enhance the smooth running of the A Share Issue, the Company would put forward the A Share Issue to general meetings to authorize the Board to process the A Share Issue and related matters in accordance with the relevant requirements of the CSRC, Hong Kong Stock Exchange and Shanghai Stock Exchange, and authorize the Board to sub-authorize such authorization (if obtained). The authorization from the general meetings shall include (but not limit to):

- (1) the specific number of A Shares to be issued, target persons for the issue, issue price, issue method and timetable of issue, under the scheme in relation to the A Share Issue to be considered and, if thought fit, approved at general meetings;
- (2) matters relating to the target persons for the issue or relevant strategic investor(s), which shall include (but not limit to) target strategic investor(s), negotiations with such investor(s) and the entering into of relevant agreement(s); and

- (3) the duly signing by the Board of all necessary documents in connection with the A Share Issue, which shall include (but not limit to) offering circular(s), prospectus, sponsorship agreement, underwriting agreement, listing agreement and various announcements, the processing of all related matters in connection with the A Share Issue, and the taking of all other necessary actions, as well as the processing of procedures in relation to the change in registered capital after the A Share Issue.

Subject to the approval by the Shareholders at the EGM, the authorizations as detailed above shall be granted to the sub-committee of the Board which would comprise Mr. Tang Yong, Mr. Zhang Zhiying and Mr. Liu Mingli for their implementation. The authorization, if approved, shall be effective for a period of 12 months from the date on which such approval is obtained or until revoked or modified by a special resolution passed in a general meeting, whichever is earlier.

(ix) Timing of completion:

Although it is the intention of the Company to conduct the A Share Issue as soon as possible after all relevant approvals are obtained, the exact timing and structure of the A Share Issue will depend on market condition and other consideration factors such as specific acquisition opportunities and the availability of alternative funding channels.

The H Shares are currently listed on the Hong Kong Stock Exchange. There is no fund raising exercise carried out by the Company during the 12 months prior to the date of this announcement. Relevant announcement(s) will be made by the Company in respect of the issue price, number of A Shares to be issued or other details of the A Share Issue as and when appropriate.

EFFECTS OF THE A SHARE ISSUE ON THE COMPANY'S CAPITAL STRUCTURE

Set out below is a summary of the share capital structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of A Share Issue (assuming no other H Shares, Domestic Shares or A Shares are to be issued by the Company from the date of this announcement up to and including the date of issue of the A Shares):

Types of shares of the Company	As at the date of this announcement		Immediately after completion of the A Share Issue	
	Number of shares	%	Number of shares	%
Shares held by Sichuan Highway Development				
— Domestic Shares	1,005,290,000	39.30	—	—
— A Shares	—	—	1,005,290,000	32.87
Shares held by Huajian Transportation and Economic Development Centre				
— Domestic Shares	657,450,000	25.70	—	—
— A Shares	—	—	657,450,000	21.50
Other listed shares				
— A Shares	—	—	500,000,000	16.35
— H Share	895,320,000	35.00	895,320,000	29.28
Total	<u>2,558,060,000</u>	<u>100.00</u>	<u>3,058,060,000</u>	<u>100.00</u>

PROPOSED AMENDMENTS TO THE ARTICLES

Pursuant to the “Guidelines on Articles of Associations of Listed Companies” (《上市公司章程指引》) dated 16 March 2006 issued by the CSRC and the “Guidelines on Corporate Governance of Listed Companies” (《上市公司治理準則》) dated 7 January 2002 jointly issued by the CSRC and the former National Economic and Trade Commission (國家經濟貿易委員會), the Company proposed to make certain amendments to the Articles, including proposals at Shareholders’ general meetings; procedures of appointment of Directors and Supervisors; rights and obligations of Shareholders, Directors and the Company’s senior management; addition of a new chapter on independent Director(s); as well as other amendments in relation to the A Share Issue as required by the applicable PRC laws and regulations and the relevant rules of the Shanghai Stock Exchange.

Amendments to the Articles are subject to Shareholders’ approval by poll, and special resolutions to consider and approve the amendments to the Articles will be proposed at the EGM. The proposed amendments to the Articles are subject to the obtaining of any required approval or endorsement from or registration with the relevant regulatory authorities, and shall come into effect upon approval by the CSRC and completion of the A Share Issue.

Details regarding the proposed amendments to the Articles will be set out in the circular to be despatched to the Shareholders.

PROPOSED ADOPTION OF THE RULES OF PROCEDURES AND THE INTERNAL RULES

As a result of the aforesaid amendments to the Articles, the Company proposed to adopt the Rules of Procedures and the Internal Rules pursuant to the requirements of the applicable PRC laws and regulations and the relevant rules of the Shanghai Stock Exchange.

Adoption of the Rules of Procedures and the Internal Rules (save for working rules for general manager; working rules for secretary to the Board, working system for investor relationships and management system for disclosure of information) are subject to Shareholders’ approval by poll. Special resolutions to consider and approve the adoption of the Rules of Procedures and the Internal Rules will be proposed at the EGM. The proposed adoption of the Rules of Procedures and the Internal Rules shall come into effect at the same time as the proposed amendments to the Articles come into effect.

Details regarding the proposed adoption of the Rules of Procedures and the Internal Rules will be set out in the circular to be despatched to the Shareholders.

REASONS FOR AND BENEFITS OF THE A SHARE ISSUE

The A Share Issue

The Directors believe that the A Share Issue will allow the Company to have access of an additional fund channel via the PRC stock market and strengthen the Company's shareholder base in the PRC. In addition, the A Share Issue will provide the necessary fund for the Acquisition. In light of the above, the Directors consider that the A Share Issue is in the interests of the Group and the Shareholders as a whole.

GENERAL

The A Share Issue is subject to approval by the Independent Shareholders by poll. Sichuan Highway Development and its associates, which are considered to have a material interest in the A Share Issue, shall abstain from voting on the proposed resolution in respect of the A Share Issue at the EGM and the CSM respectively. To the best of knowledge, information and belief of the Directors after having made all reasonable enquiries, Xing Yuan and its associates did not hold any shares of the Company as at the date of this announcement.

An independent board committee will be established by the Company to provide recommendation to the Independent Shareholders in respect of the A Share Issue. Grand Vinco has been appointed as the independent financial adviser to advise the independent board committee of the Company and the Independent Shareholders in respect of the A Share Issue.

A circular containing, among other things, further details of the A Share Issue, the proposed amendments to the Articles, the proposed adoption of the Rules of Procedures and the Internal Rules and the proposed changes of Director and Supervisor, a letter of recommendation from the independent board committee of the Company to the Independent Shareholders in respect of the A Share Issue, a letter of advice from Grand Vinco to the independent board committee of the Company and the Independent Shareholders in respect of the A Share Issue, the expected timetable of the A Share Issue, as well as the notices of the EGM and the CSM respectively, will be despatched to the Shareholders as soon as practicable in accordance with the requirements of the Listing Rules.

There is no assurance that the A Share Issue will proceed to completion. In the event the A Share Issue does not proceed to completion, the S&P Agreement shall lapse. Investors are advised to exercise caution in dealings in the H Shares. Further details about the A Share Issue will be disclosed by the Company in the PRC in due course and the relevant information will be disclosed in Hong Kong concurrently in accordance with the Listing Rules.

PROPOSED CHANGES OF DIRECTOR AND SUPERVISOR

Changes of Director and Supervisor

Due to work arrangement, Mr. Nie Xinquan resigns as the executive Director, his position as an executive Director will be replaced by the appointment of Mr. Liu Xianfu. Due to change in job position, Mr. Liu Xianfu resigns as the Supervisor of the Company. And his position as a Supervisor will be replaced by the appointment of Madam Luo Yi. All resignations and appointments abovementioned will be effective after the approval from the Shareholders at the EGM has been obtained.

Mr. Nie and Mr. Liu have respectively confirmed that they have no disagreement with the Company and there is nothing to be brought to the attention of the Shareholders in relation to their resignations.

Appointment of New Director and Supervisor

The Company proposes to appoint the following persons to be the new Director and Supervisor, and will propose the appointments at the EGM for the consideration and approval of the Shareholders.

Executive Director

Mr. Liu Xianfu (劉先福先生), aged 44, graduated from Changsha Jiaotong College with a bachelor degree. He had worked as an officer, deputy supervisor, supervisor, deputy director and director at the Audit Department of the Ministry of Communication of China, manager of the Planning and Finance Department of Huajian Centre and supervisor of the Finance Department of China Merchants Group Limited. He had been director of Guangxi Wu Zhou Company and supervisor of Hubei Chutian Expressway and Northeast Expressway. He is currently the financial controller of Huajian Centre and the vice chairman of the fifth board of directors of Guangxi Wu Zhou Company, director of Hubei Chutian Expressway, 安徽皖通高速公路股份有限公司 (Anhui Expressway Company Limited*) (a Company listed on the Shanghai Stock Exchange and the Hong Kong Stock Exchange) and chairman of supervisory committee of Northeast Expressway and a Supervisor of the Company.

Save as disclosed above and proposed to be a Director, Mr. Liu has not held any directorship or supervisorship in other listed companies during the last three years nor any other positions with the Company and other subsidiaries of the Company at any time. Save as disclosed above, Mr. Liu does not have any relationships with any Directors, senior management of the Company, substantial or controlling Shareholders. Mr. Liu does not have any interest in the shares in the Company within the meaning of Part XV of the SFO. Mr. Liu will enter into a director service contract with the Company for a term of three years and will be an executive Director (subject to the approval from the Shareholders at the EGM). The proposed directors' emolument of Mr. Liu is RMB130,000 per year (subject to final confirmation upon execution of the relevant service contract) plus discretionary bonus at the discretion of the Company which is determined with reference to his duties and responsibilities.

Save as disclosed above, there are no other matters relating to the appointment that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

Supervisor

Madam Luo Yi (羅翼女士), aged 36, registered accountant, graduated from Changsha Jiaotong College with a bachelor degree in financial accounting. She had worked as deputy supervisor of Finance Department of the China Merchants Group Limited, financial controller of the 招商局保險有限公司 (China Merchants Insurance Company Limited*), deputy manager of the Finance Department of 海達保險經紀有限公司 (Houlder China Insurance Brokers Limited*), manager of the Finance Department of 招商局集團(北京)有限公司 (China Merchants Group (Beijing) Company Limited*) and supervisor of Shandong Expressway. She is currently manager of the Planning and Finance of Huajian Centre, director of Shandong Expressway, and supervisor of 江蘇寧滬高速公路股份有限公司 (Jiangsu Expressway Company Limited*) (a Company listed on the Shanghai Stock Exchange and Hong Kong Stock Exchange) and Guangxi Wu Zhou Company.

Save as disclosed above and proposed to be a Supervisor, Madam Luo has not held any directorship or supervisorship in other listed companies during the last three years nor any other positions with the Company and other subsidiaries of the Company at any time. Save as disclosed above, Madam Luo does not have any relationships with any Directors, senior management of the Company, substantial or controlling Shareholders. Madam Luo does not have any interest in the shares in the Company within the meaning of Part XV of the SFO. Madam Luo will be appointed as a Supervisor for a term of three years according to the Articles (subject to the approval from the Shareholders at the EGM). Madam Luo will not receive any remuneration for her appointment as a Supervisor.

Save as disclosed above, there are no other matters relating to the appointment that need to be brought to the attention of the Shareholders and there is no other information that should be disclosed pursuant to paragraph 13.51(2)(h) to (v) of the Listing Rules.

DEFINITIONS

In this announcement, the following expressions have the respective meanings set out below unless the context requires otherwise:

“A Share Issue”	the proposed issue of not more than 500,000,000 A Shares to qualified strategic investors, participants in the price consultation process as approved by the CSRC and the individuals, legal entities and other investors which have maintained share accounts with the Shanghai Stock Exchange (except those prohibited by the PRC laws and regulations and other regulatory requirements to which the Company is subject)
“A Shares”	domestic ordinary share(s) of the Company of RMB1.00 each in the share capital of the Company proposed to be allotted and issued, which are proposed to be listed on the Shanghai Stock Exchange
“Acquisition”	the S&P Agreement and the transactions contemplated thereunder; as at the date of this announcement, the conditions precedent (i), (ii), (iii), (iv), (v), (vi) and (vii) to the S&P Agreement as set out in the announcement of the Company dated 5 October 2007 have been fulfilled
“Articles”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	board of Directors of the Company

“Company”	四川成渝高速公路股份有限公司 (Sichuan Expressway Company Limited*), a joint stock limited company incorporated on 19 August 1997 with limited liability in the PRC, the H Shares of which are listed and traded on the Hong Kong Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration”	the aggregate consideration of RMB1,098,320,800 payable by the Company to the Vendors pursuant to the S&P Agreement
“CSM”	the class shareholders meeting of the Company for each of the holders of the H Shares and holders of the Domestic Shares to be convened on the same date as the EGM to consider and, if thought fit, approve, among other things, the ordinary resolution(s) to approve the A Share Issue
“CSRC”	China Securities Regulatory Committee (中國證券監督管理委員會)
“Directors”	directors of the Company
“Domestic Shares”	ordinary domestic shares of nominal value of RMB1.00 each in the capital of the Company which are subscribed for in RMB
“EGM”	an extraordinary general meeting of Shareholders to be convened to consider and, if thought fit, approve, among other things, the resolution(s) to approve the A Share Issue, the amendments to the Articles, the proposed adoption of the Rules of Procedures and the Internal Rules, and the proposed changes of Director and Supervisor

“Grand Vinco”	Grand Vinco Capital Limited, the independent financial adviser to the independent board committee of the Company and the Independent Shareholders in respect of, the A Share Issue, being a licensed corporation licensed by the SFC to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
“Group”	the Company and its subsidiaries
“Guangxi Wu Zhou Company”	廣西五洲交通股份有限公司 (Guangxi Wu Zhou Communications Company Limited*), a company listed on the Shanghai Stock Exchange
“H Shares”	the overseas listed foreign shares of the Company of RMB1.00 each which are listed on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Huajian Centre”	華建交通經濟開發中心 (Huajian Transportation Economic Development Centre*), a substantial Shareholder of the Company
“Hubei Chutian Expressway”	湖北楚天高速公路股份有限公司 (Hubei Chutian Expressway Company Limited*), a company listed on the Shanghai Stock Exchange
“Independent Shareholders”	Shareholders other than Sichuan Highway Development and its associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Northeast Expressway”	東北高速公路股份有限公司 (Northeast Expressway Company Limited*), a company listed on the Shanghai Stock Exchange

“PRC”	the People’s Republic of China (which, solely for the purpose of this announcement, excluding Hong Kong, Taiwan and Macau Special Administrative Region of the People’s Republic of China)
“Rules of Procedures and the Internal Rules”	procedures for the Board meetings and the rules of procedures for the supervisory committee of the Company, working rules for independent Directors, working rules for general manager, working rules for secretary to the Board, working system for investor relationships and management system for disclosure of information, decision-making principles on connected transactions, method for investment management and method of management on fund transfers with connected persons, guarantees and utilisation of raised proceeds
“S&P Agreement”	A conditional agreement entered into between the Company, Sichuan Highway Development and Xing Yuan on 26 September 2007 in relation to sale and purchase of 100% equity interest in SC Expressway
“SC Expressway”	四川成樂高速公路有限責任公司(Sichuan Chengle Expressway Company Limited*), a company incorporated in the PRC with limited liability in which Sichuan Highway Development had a direct interest of 99.18% while Xing Yuan owned the remaining 0.82% as at the date of this announcement
“SFO”	Securities and Futures Ordinance (Cap. 571) of Hong Kong
“Shandong Expressway”	山東高速公路股份有限公司(Shandong Expressway Company Limited*), a company listed on the Shanghai Stock Exchange)
“Shareholder(s)”	holder(s) of the shares of the Company, including the holder(s) of H Shares

“Sichuan Highway Development”	四川高速公路建設開發總公司(Sichuan Highway Development Holding Company*), a state-owned enterprise and the controlling Shareholder of the Company
“Supervisors”	supervisors of the Company
“Vendors”	Sichuan Highway Development and Xing Yuan
“Xing Yuan”	樂山市星源交通開發總公司 (Leshan City Xing Yuan Traffic Development Holding Company*), a state-owned enterprise which owned 0.82% of the registered share capital of SC Expressway as at the date of this announcement
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

By order of the Board
Sichuan Expressway Company Limited
Tang Yong
Chairman

Chengdu, Sichuan, the PRC
25 November 2008

In this announcement, the English names of the PRC entities are translation of their Chinese names and included herein for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail.

As at the date of this announcement, the Board comprises: Mr. Tang Yong, Mr. Zhang Zhiying, Madam Zhang Yang, Mr. Gao Chun, Mr. Zhou Liming, Mr. Wang Shuanming, Mr. Liu Mingli, Mr. Nie Xinquan, Madam Luo Xia[#], Mr. Feng Jian[#], Mr. Zhao Zesong[#] and Mr. Xie Bangzhu[#].

[#] *Independent Non-executive Director*

^{*} *For identification purposes only*