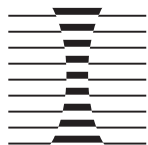
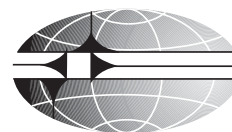


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SHENZHEN INTERNATIONAL HOLDINGS LIMITED
(Incorporated in Bermuda with limited liability)
(Stock Code: 152)



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: 548)

CONTINUING CONNECTED TRANSACTION

JOINT ANNOUNCEMENT

ENTRUSTED MANAGEMENT OF THE EQUITY INTEREST IN BAOTONG COMPANY AND 89.93% EQUITY INTEREST IN LONGDA COMPANY

Entrusted Management Agreement

The directors of SZ International and SZ Expressway are pleased to announce that on 7 January 2008, SZ Expressway entered into the Entrusted Management Agreement with Yibin Company, a wholly-owned subsidiary of SZ International, pursuant to which Yibin Company will entrust SZ Expressway to manage its 100% equity interest in Baotong Company and the 89.93% equity interest in Longda Company which is owned by Baotong Company. The term of the Entrusted Management Agreement will commence on 8 January 2008 and expire on 31 December 2009.

The major duties undertaken by SZ Expressway pursuant to the Entrusted Management Agreement include (but not limited to) exercising the daily operation and management rights of Baotong Company and Longda Company and nomination or recommendation of directors, supervisors and other senior management of Baotong Company and Longda Company. According to the Entrusted Management Agreement, management of Baotong Company and Longda Company by SZ Expressway shall be supervised and examined by Yibin Company.

Pursuant to the Entrusted Management Agreement, the entrusted management fees are calculated on an annual basis at RMB15 million (approximately HK\$16.09 million) or 8% of the audited net profit of Longda Company (but in any event shall not exceed RMB25 million (approximately HK\$26.82 million)), whichever is the higher. The entrusted management fees were arrived at after arm's length negotiation between SZ International and SZ Expressway with reference to SZ Expressway's experience in operation and management of toll highway.

Reasons and Benefits for the Transaction

Operation and management of toll highways is an ordinary and usual course of business of SZ Expressway. SZ Expressway will leverage its ten years of relevant professional experience and strength to enhance the traffic efficiency of the transportation network in Shenzhen area through strengthening the operation and management of Longda Expressway(龍大高速公路), reduce the operating risk and enhance the operating efficiency by consolidating Longda Expressway into one unified toll network, which in turn will result in mutual benefits of SZ International and SZ Expressway.

By fully leveraging the management team of construction of SZ Expressway and its experience in entrusted construction management, the construction of the Longhua link and reconstruction of the toll station, both of which are important construction projects of Longda Expressway, will be proceeded in a more efficient and well organized manner. As a result, it will achieve perfection of the facilities of Longda Expressway and meet the needs of an improved transportation network in Shenzhen city.

General Information

As defined under the Listing Rules, Yibin Company is a connected person of SZ Expressway and the Transaction constitutes a continuing connected transaction of SZ Expressway.

As applicable percentage ratios (except profit ratio) of the Transaction calculated on an annual basis for Shenzhen Expressway are less than 2.5%, pursuant to Rule 14A.34 of the Listing Rules, the Transaction is exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules. SZ Expressway will comply with the reporting requirement under Rules 14A.45 and 14A.46 of the Listing Rules.

The Transaction does not constitute a notifiable transaction of SZ International under Chapter 14 of the Listing Rules. The directors of SZ International, however, wish to make a voluntary disclosure of the Transaction to inform the shareholders of SZ International of the details of the same.

ENTRUSTED MANAGEMENT AGREEMENT

Date:

7 January 2008

Parties:

1. SZ Expressway; and
2. Yibin Company. Yibin Company is a wholly-owned subsidiary of SZ International. As at the date of this announcement, Xin Tong Chan Development (Shenzhen) Co., Ltd. and Advance Great Limited, both of which are wholly-owned subsidiaries of SZ International, hold in aggregate approximately 31.153% equity interest in SZ Expressway. As defined under the Listing Rules, Yibin Company is a connected person of SZ Expressway and the Transaction constitutes a continuing connected transaction of SZ Expressway. On 16 October 2007, 怡萬實業發展(深圳)有限公司 (Yiwan Industry Development (Shenzhen) Co., Ltd.), a wholly-owned subsidiary of SZ International, entered into a conditional agreement with 深圳市人民政府國有資產監督管理委員會 (Shenzhen Municipal State-owned Assets Supervision and Administration Commission) in relation to the acquisition of 100% equity interest in 深圳市深廣惠公路開發總公司 (Shenzhen Shen Guang Hui Highway Development Company). Shenzhen Shen Guang Hui Highway Development Company currently holds approximately 18.868% equity interest in SZ Expressway. Upon completion of the above agreement, SZ International will hold approximately 50.021% equity interest in SZ Expressway and SZ Expressway will become a subsidiary of SZ International.

Term:

From 8 January 2008 to 31 December 2009. The term could be extended upon expiry through negotiation by both parties.

Content of the Agreement:

Pursuant to the Entrusted Management Agreement, Yibin Company will entrust SZ Expressway to manage the operation of its 100% equity interest in Baotong Company and 89.93% equity interest in Longda Company owned by Baotong Company. The major duties undertaken by SZ Expressway pursuant to the Entrusted Management Agreement include (but not limited to):

1. exercising the daily operation and management rights of Baotong Company and Longda Company through Baotong Company pursuant to the authorization of Yibin Company and requirements of the articles of association of Baotong Company and Longda Company, while the rights including amendments to the articles of association, adjustment of accounting policy, proposal of distribution of profits, material expenditure and fund allocation other than the expenses in relation to usual operation management of Baotong Company and Longda Company will be exercised by Yibin Company pursuant to the requirements of the articles of association of Baotong Company and Longda Company;
2. nomination or recommendation of directors, supervisors and other senior management of Baotong Company and Longda Company pursuant to the authorization of Yibin Company and requirements of the articles of association of Baotong Company and Longda Company, and to be responsible for convening the meetings of shareholders, directors and supervisors of Longda Company and exercise relevant rights; and
3. strengthening daily operation and management of Longda Expressway (Longhua, Shenzhen – Dalingshan, Dongguan), ensuring normal operations of toll collection, and maintenance of Longda Expressway in an orderly manner, and strictly controlling and reducing on best effort basis the costs of Longda Company by adopting the normal methods of SZ Expressway in managing expressways.

According to the Entrusted Management Agreement, management of Baotong Company and Longda Company by SZ Expressway shall be supervised and examined by Yibin Company and SZ Expressway shall accept reasonable recommendation and request of Yibin Company.

During the term of the Entrusted Management Agreement, the operational costs and expenses, income and benefits, risk of loss, debts and legal liabilities of Baotong Company and Longda Company shall be borne by Baotong Company and Longda Company.

Further, Yibin Company also intends, but is not bound to entrust SZ Expressway to manage the construction of Longhua Link of Longda Expressway and reconstruction of the toll station at Langtian and other reconstruction projects provided that such entrustment is not in breach of relevant agreements. The preliminary works of such projects will be conducted by SZ Expressway with the assistance of Yibin Company. Specific terms and fees of the relevant entrusted construction management are subject to further negotiation between the parties on an arm's length basis.

Entrusted management fees

Pursuant to the Entrusted Management Agreement, the entrusted management fees are calculated on an annual basis at RMB15 million (approximately HK\$16.09 million) or 8% of the audited net profit of Longda Company (but in any event shall not exceed RMB25 million (approximately HK\$26.82 million)), whichever is the higher. The fees will be paid in cash by Yibin Company by instalments to SZ Expressway as follows: (i) entrusted management fees of RMB7.5 million (approximately HK\$8.05 million) are payable on or before 30 June and 31 December each year, respectively; (ii) if the annual entrusted management fee determined is over RMB15 million (approximately HK\$16.09 million) after the annual audit of Longda Company, the balance is payable to SZ Expressway on or before 30 April in the following year. The above entrusted management fees were determined after arm's length negotiation between SZ International and SZ Expressway with reference to SZ Expressway's experience in operation and management of toll highway.

REASONS AND BENEFITS OF SZ EXPRESSWAY FOR THE TRANSACTION

The major investment of Baotong Company is an 89.93% equity interest in Longda Company. Longda Company is principally engaged in toll collection, maintenance, management and development of Longda Expressway. Operation and management of toll highways is an ordinary and usual course of business of SZ Expressway. By the Transaction, SZ Expressway will timely seize the opportunities in development of operation management of toll highway business and leverage ten years of professional experience and strength of SZ Expressway in operation and management of toll highway, export the management experience and gain reasonable income and returns. In addition, SZ Expressway will enhance the traffic efficiency of the transportation network in Shenzhen area through strengthening the operation and management of Longda Expressway and reduce operating risk and enhance the operating efficiency by consolidating Longda Expressway into one unified toll network, which in turn will result in mutual benefits of SZ International and SZ Expressway.

The directors of SZ Expressway consider that entering into the Entrusted Management Agreement is in line with SZ Expressway's overall strategy in the investment, construction, operation and management of toll highways and roads and the Transaction will consolidate and enhance the competitiveness of above core business of SZ Expressway and will contribute profits to SZ Expressway.

The terms of the Entrusted Management Agreement were entered into on normal commercial terms after arm's length negotiation. The directors of SZ Expressway (including independent non-executive directors of SZ Expressway) consider that the terms of the Entrusted Management Agreement are fair and reasonable and the Transaction is in the interests of SZ Expressway and the shareholders of SZ Expressway as a whole.

CONSIDERATION OF THE TRANSACTION BY SZ EXPRESSWAY

On 20 December 2007, SZ Expressway convened the 15th meeting of the fourth session of the board of directors to consider the Transaction and relevant matters. Twelve directors of SZ Expressway, who were eligible to attend the meeting, all attended the meeting in person. The directors who hold office in connected companies, namely Mr. Yang Hai, Mr. Li Jing Qi, Mr. Wang Ji Zhong and Mr. Liu Jun, declared their interests according to the requirements and abstained from voting. The Transaction was unanimously approved by directors who have no interest in the Transaction. Independent non-executive directors of SZ Expressway approved

the Transaction to be proposed to the board meeting for discussion according to the requirements of the China Securities Regulatory Commission before the meeting and expressed their opinions on the compliance and fairness of the Transaction in the said board meeting.

REASONS AND BENEFITS OF SZ INTERNATIONAL FOR THE TRANSACTION

The entrustment of Longda Expressway to SZ Expressway for unified management enables SZ International to fully leverage and share the ten years of professional experience and strength of SZ Expressway in highway management as well as its resources. Management of Longda Expressway in one unified toll network in Shenzhen region by SZ Expressway will effectively lower and reduce the operation costs and enhance its operation effectiveness. It will also promote the increase of traffic flows of Longda Expressway and its toll revenue and enhance the operational efficiency of Longda Expressway, which in turn will result in mutual benefits of SZ International and SZ Expressway. By fully leveraging the management team of construction of SZ Expressway and its experience in entrusted construction management, the construction of the Longhua link and reconstruction of the toll station, both of which are important construction projects of Longda Expressway, will be proceeded in a more efficient and well organized manner. As a result, it will achieve perfection of the facilities of Longda Expressway and meet the needs of an improved transportation network in Shenzhen city.

The directors of SZ International consider that the terms of the Entrusted Management Agreement are fair and reasonable and the Transaction is in the interests of SZ International and the shareholders of SZ International as a whole.

INFORMATION OF SZ EXPRESSWAY

SZ Expressway is principally engaged in the investment, construction, operation and management of toll highways and roads.

INFORMATION OF YIBIN COMPANY

Yibin Company is an indirect wholly-owned subsidiary of SZ International. It is principally engaged in investment holding.

INFORMATION OF SZ INTERNATIONAL

SZ International is an investment holding company. SZ International, its subsidiaries, associates and jointly controlled entities are principally engaged in the provision of logistics infrastructure and ancillary services as well as investment, operation and management of related assets and projects.

GENERAL INFORMATION

Yibin Company is a wholly-owned subsidiary of SZ International. As at the date of this announcement, Xin Tong Chan Development (Shenzhen) Co., Ltd. and Advance Great Limited, both of which are wholly-owned subsidiaries of SZ International, hold in aggregate approximately 31.153% equity interest in SZ Expressway. As defined under the Listing Rules, Yibin Company is a connected person of SZ Expressway and the Transaction constitutes a continuing connected transaction of SZ Expressway. On 16 October 2007, Yiwang Industry Development (Shenzhen) Co., Ltd., a wholly-owned subsidiary of SZ International, entered into a conditional agreement with Shenzhen Municipal State-owned Assets Supervision and

Administration Commission in relation to the acquisition of 100% equity interest in Shenzhen Shen Guang Hui Highway Development Company. Shenzhen Shen Guang Hui Highway Development Company currently holds approximately 18.868% equity interest in SZ Expressway. Upon completion of the above agreement, SZ International will hold approximately 50.021% equity interest in SZ Expressway and SZ Expressway will become a subsidiary of SZ International.

As applicable percentage ratios (except profit ratio) of the Transaction calculated on an annual basis for SZ Expressway are less than 2.5%, pursuant to Rule 14A.34 of the Listing Rules, the Transaction is exempted from independent shareholders' approval requirement under Chapter 14A of the Listing Rules. SZ Expressway will comply with the reporting requirement under Rules 14A.45 and 14A.46 of the Listing Rules.

The Transaction does not constitute a notifiable transaction of SZ International under Chapter 14 of the Listing Rules. The directors of SZ International, however, wish to make a voluntary disclosure of the Transaction to inform the shareholders of SZ International of the details of the same.

ANNUAL REVIEW OF THE TRANSACTION

SZ Expressway will comply with the requirement of annual review related to the Transaction required under Rules 14A.37 and 14A.38 of the Listing Rules during the respective fiscal years.

DEFINITIONS

“Baotong Company”	深圳市寶通公路建設開發有限公司(Shenzhen Baotong Highway Construction and Development Limited), a limited liability company incorporated in the PRC and is wholly-owned by Yibin Company
“connected person”	has the meaning ascribed thereto under the Listing Rules
“Entrusted Management Agreement”	the entrusted operation management agreement in respect of the Transaction entered into between Yibin Company and SZ Expressway on 7 January 2008
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Longda Company”	深圳龍大高速公路有限公司(Shenzhen Longda Expressway Company Limited), a limited liability company incorporated in the PRC and the 89.93% equity interest of which is owned by Baotong Company

“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SZ Expressway”	Shenzhen Expressway Company Limited, a joint stock limited company incorporated in the PRC with limited liability, the H shares of which are listed on the Stock Exchange and the A Shares of which are listed on the Shanghai Stock Exchange
“SZ International”	Shenzhen International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the entrustment of the operation management of 100% equity interest in Baotong Company and 89.93% equity interest in Longda Company by Yibin Company to SZ Expressway
“Yibin Company”	怡賓實業（深圳）有限公司(Yibin Industrial (Shenzhen) Company Limited), a limited liability company incorporated in the PRC and is wholly-owned by SZ International

Note: For the purpose of this announcement, the exchange rate between HK\$ and RMB at HK\$1.00 to RMB0.932 is used.

By order of the Board
Shenzhen International Holdings Limited
Guo Yuan
Chairman

By order of the Board
Shenzhen Expressway Company Limited
Yang Hai
Chairman

Hong Kong, 8 January 2008

As at the date of this announcement, the board of directors of SZ International consists of Messrs. Guo Yuan, Li Jing Qi, Liu Jun and Yang Hai as executive directors, Messrs. To Chi Keung, Simon, Zhang Hua Qiao and Wang Hang Jun as non-executive directors and Messrs. Leung Ming Yuen, Simon, Ding Xun and Nip Yun Wing as independent non-executive directors.

As at the date of this announcement, the directors of SZ Expressway are Mr. Yang Hai (Chairman of the Board), Mr. Wu Ya De (Executive Director and President), Mr. Li Jing Qi (Non-executive Director), Mr. Wang Ji Zhong (Non-executive Director), Mr. Liu Jun (Non-executive Director), Mr. Lin Xiang Ke (Non-executive Director), Ms. Zhang Yang (Non-executive Director), Mr. Chiu Chi Cheong, Clifton (Non-executive Director), Mr. Li Zhi Zheng (Independent non-executive Director), Mr. Zhang Zhi Xue (Independent non-executive Director), Mr. Poon Kai Leung, James (Independent non-executive Director) and Mr. Wong Kam Ling (Independent non-executive Director).