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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)

**FURTHER ANNOUNCEMENT ON
THE PUBLIC ISSUE OF BONDS WITH WARRANTS IN PRC
AND
RESUMPTION OF TRADING IN H SHARES**

This announcement is made pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”).

References are made to the announcement and the overseas regulatory announcements of the Company all dated 24 September 2007 in relation to the public issue of Bonds with Warrants in PRC.

Certain information which may be price sensitive in nature under the Listing Rules was included in the Prospectus of the Bonds with Warrants disclosed on 24 September 2007. The Company wishes to reproduce the same information as follows (for information, the proceeds arisen from the Bonds with Warrants will be applied to the construction and investment in Nanguang Expressway, which is an expressway running from Nantou to Guangming of Shenzhen City):

“(8) Traffic and Toll Revenue Forecast

The following is the section traffic forecast of Nanguang Expressway for the coming major years:

Unit: light van / day

Year	Nanping- Liuxian	Liuxian- Xili	Xili- Niucheng	Niucheng -Tangtou	Tangtou- Liaokeng	Liaokeng -Yulv	Yulv- Tangwei	Tangwei- Xiacun	Xiacun- Songgang	Total (Average)
2008	26,600	31,226	33,802	36,104	33,087	36,409	21,974	18,975	16,049	28,012
2009	30,530	35,845	38,919	41,568	37,959	41,748	25,180	21,743	18,390	32,158
2010	35,084	41,302	44,682	47,725	43,701	48,050	28,974	25,020	21,162	36,985
2015	52,478	61,886	66,948	71,435	65,611	71,994	47,719	37,615	31,815	55,911
2020	77,467	91,499	99,188	105,725	97,006	106,227	70,564	55,657	47,061	82,661
2025	90,573	106,933	115,862	123,501	113,430	124,341	82,524	65,094	55,040	96,647
2030	93,796	110,738	119,984	127,895	117,466	128,765	85,461	67,410	56,998	100,086
2033	95,153	112,340	121,720	129,746	119,166	130,628	86,697	68,385	57,823	101,534

At the initial stage, the toll rate of the Nanguang Expressway is forecasted on the basis of the uniform toll rate for expressways currently-adopted in Guangdong Province. In consideration of the factors of

inflations etc., the toll rate will be increased for 20% after Nanguang Expressway is open for traffic. After that, there will be no further adjustment. The detailed annual toll rate is forecasted as follows:

Classification	2008-2017 toll rate	2018-2033 toll rate
Class 1 vehicle	RMB 0.6/km	RMB 0.72/km
Class 2 vehicle	RMB 0.9/km	RMB 1.08/km
Class 3 vehicle	RMB 1.2/km	RMB 1.44/km
Class 4 vehicle	RMB 1.8/km	RMB 2.16/km
Class 5 vehicle	RMB 2.1/km	RMB 2.52/km

The following is the toll revenue and profit before interest and tax forecasts of Nanguang Expressway for the coming major years:

Unit: RMB '000

Year	2008	2009	2010	2015	2020	2025	2030	2033
Annual income	138,790	273,130	316,640	477,730	847,960	992,380	1,027,370	434,160
Profit before interest and tax	65,980	169,540	203,370	325,910	501,650	591,140	607,400	166,920

(9) Financial Valuation and Sensitivity Analysis

The financial indicators forecast of Nanguang Expressway for normal operating years is forecasted as follows:

Serial No.	Indicator	Indicator figure
1	Internal rate of return	11.11%
2	Static investment return period (including the construction period)	13.2 years

There are unforeseeable risks in project construction and operation of an expressway. With respect to this project, changes in toll fee policy, traffic volume, increase or decrease in construction costs and operation costs, all may cause a positive or negative impact on the profitability of this project. Amongst these factors, changes in traffic volume and toll fee policy are most crucial to the profit to be made by this project. As such, based on the aforesaid basic forecast assumption, two approaches, one being optimistic and one being conservative have been adopted.

Under the optimistic approach, the traffic volume is 10% higher than the aforesaid forecast; under the conservative approach, it includes two settings: (1) the traffic volume is 15% lower than the aforesaid forecast (2) the toll rate will not be adjusted during the operation period and the forecast results are as follows:

Units: vehicle, RMB '000

Year	Optimistic		Conservative			
	Traffic volume 10% higher than the forecast		Traffic volume 15% lower than the forecast		Toll rate not adjusted during the operation period	
	Average daily standard traffic volume	Annual income	Average daily standard traffic volume	Annual income	Average daily standard traffic volume	Annual income
2008	30,813	152,670	23,810	117,970	28,012	138,790
2009	35,374	300,450	27,334	232,160	32,158	273,130
2010	40,683	348,300	31,437	269,140	36,985	316,640
2015	61,502	525,510	47,524	406,070	55,911	477,730
2020	90,927	932,750	70,262	720,760	82,661	706,630
2025	106,312	1,091,610	82,150	843,520	96,647	826,980
2030	110,095	1,130,100	85,073	873,260	100,086	856,140
2033	111,688	477,580	86,304	369,040	101,534	361,800

The financial indicators forecast of Nanguang Expressway under the optimistic and conservative approach is as follows:

Item	Internal Rate of Return	Static investment return period (including the construction period)
Optimistic (traffic volume 10% higher than the forecast)	12.1%	12.2 years
Conservative (traffic volume 15% lower than forecast)	9.51%	14.2 years
Conservative (toll rate not adjusted during the operation period)	10.15%	13.4 years

Apparent from the figures, under the assumption that the traffic volume drops 15%, the internal rate of return of the project is 9.51% and the investment return period (including the construction period) is 14.2 years. If the toll rate is not adjusted upwards, the internal rate of return of the project is 10.15% and the investment return period (including the construction period) is 13.4 years. This demonstrates that the project has a sound ability to sustain risks.

This project matches the State's industry policy and the Company's strategic plan, has good social and economical effects and good market prospect."

The above information contains certain forecasts on toll revenue and profits before interest and tax of Nanguang Expressway. In this regard, the Company will comply with the requirements set out in Rule 14.62 of the Listing Rules and make a further announcement as soon as practicable.

Readers should be aware that the financial figures contained in the Prospectus of the Bonds with Warrants were prepared in accordance with the feasibility report of Nanguang Expressway prepared by an independent consultancy firm in the PRC. Accordingly, shareholders and the investor public should

take caution that such figures may be adjusted if presented under the generally acceptable accounting principles in Hong Kong.

The Directors confirm that the information contained in this announcement in relation to the captioned matter is accurate and complete in all material respects. The Directors further confirm that all the price sensitive information contained in the Prospectus of the Bonds with Warrants has been reproduced in this announcement for reference.

Resumption of Trading in H Shares

At the request of the Company, trading in the H Shares on the Stock Exchange was suspended with effect from 2:30 p.m. on Tuesday, 25 September 2007 pending the issue and publication of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the H Shares with effect from 9:30 a.m. on Friday, 28 September 2007.

By Order of the Board

Yang Hai

Chairman

Shenzhen, the PRC, 27 September 2007

As at the date of this announcement, the directors of the Company 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).