



深圳高速公路股份有限公司

Shenzhen Expressway Company Limited

Macquarie Asia-Pacific Infrastructure & Transportation Conference



December 9th-10th, 2010



Shenzhen Expressway - A company in its growth phase



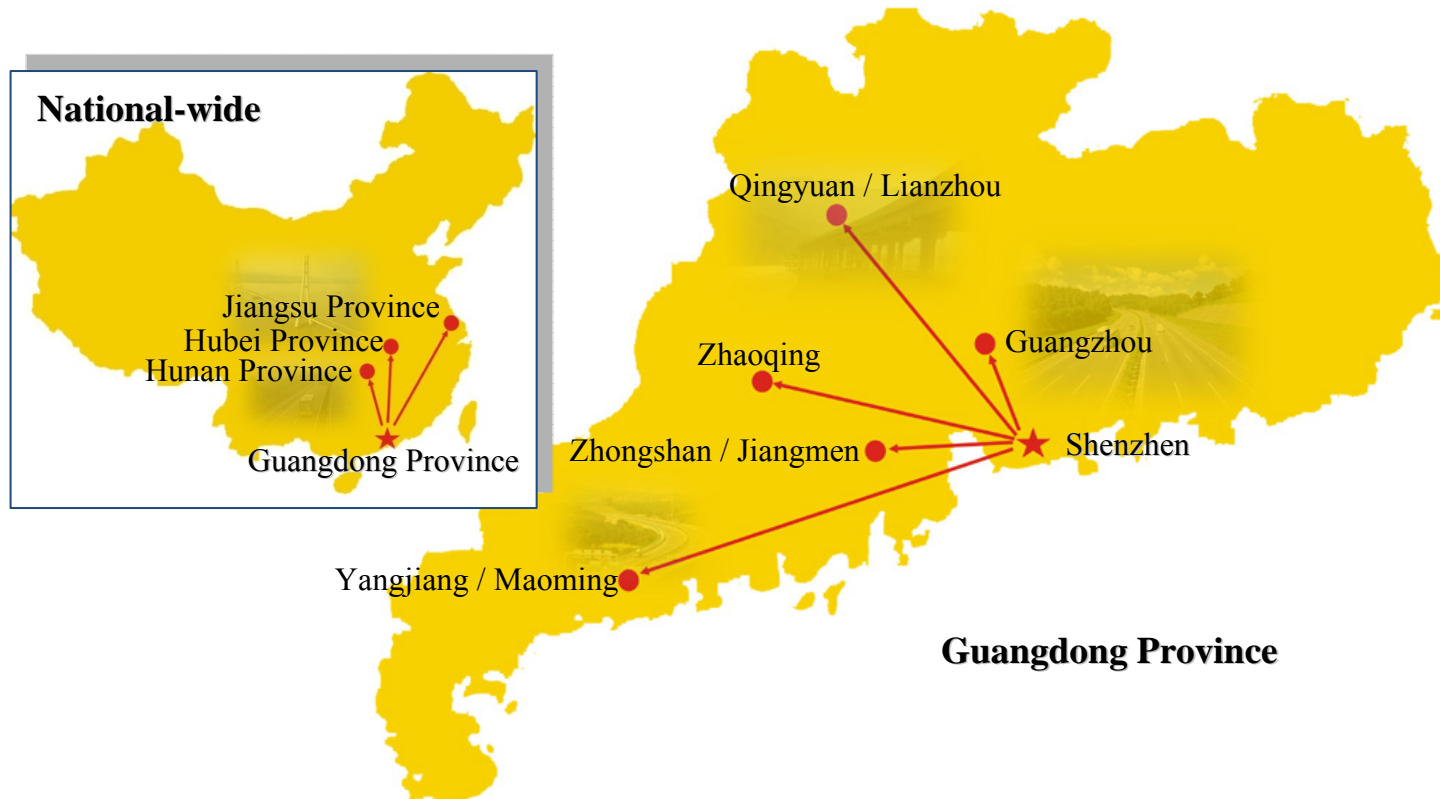
Note: Financial data presenting in this material is prepared in accordance with Hong Kong Financial Reporting Standards.



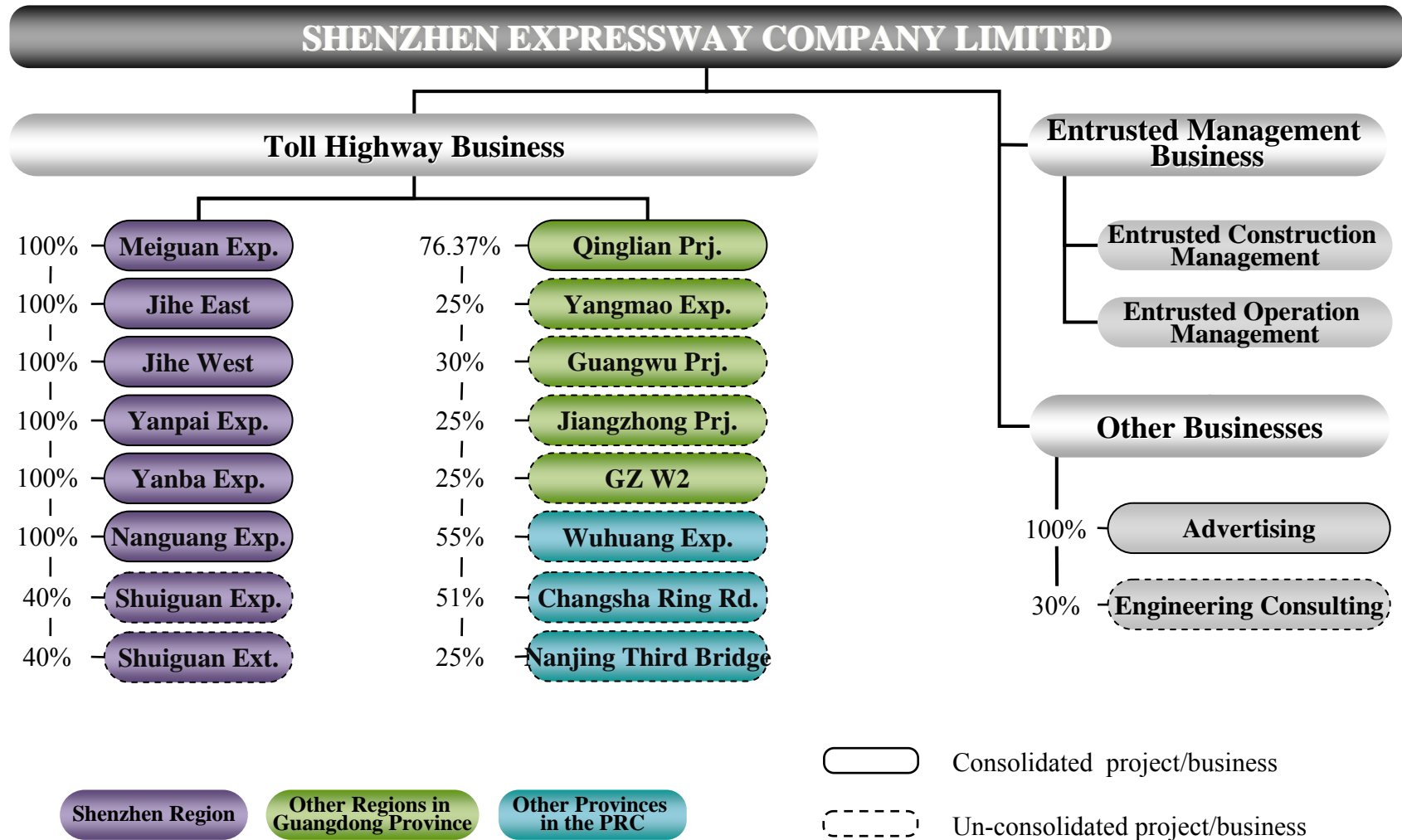
1 **Company Profile**

Basic Information

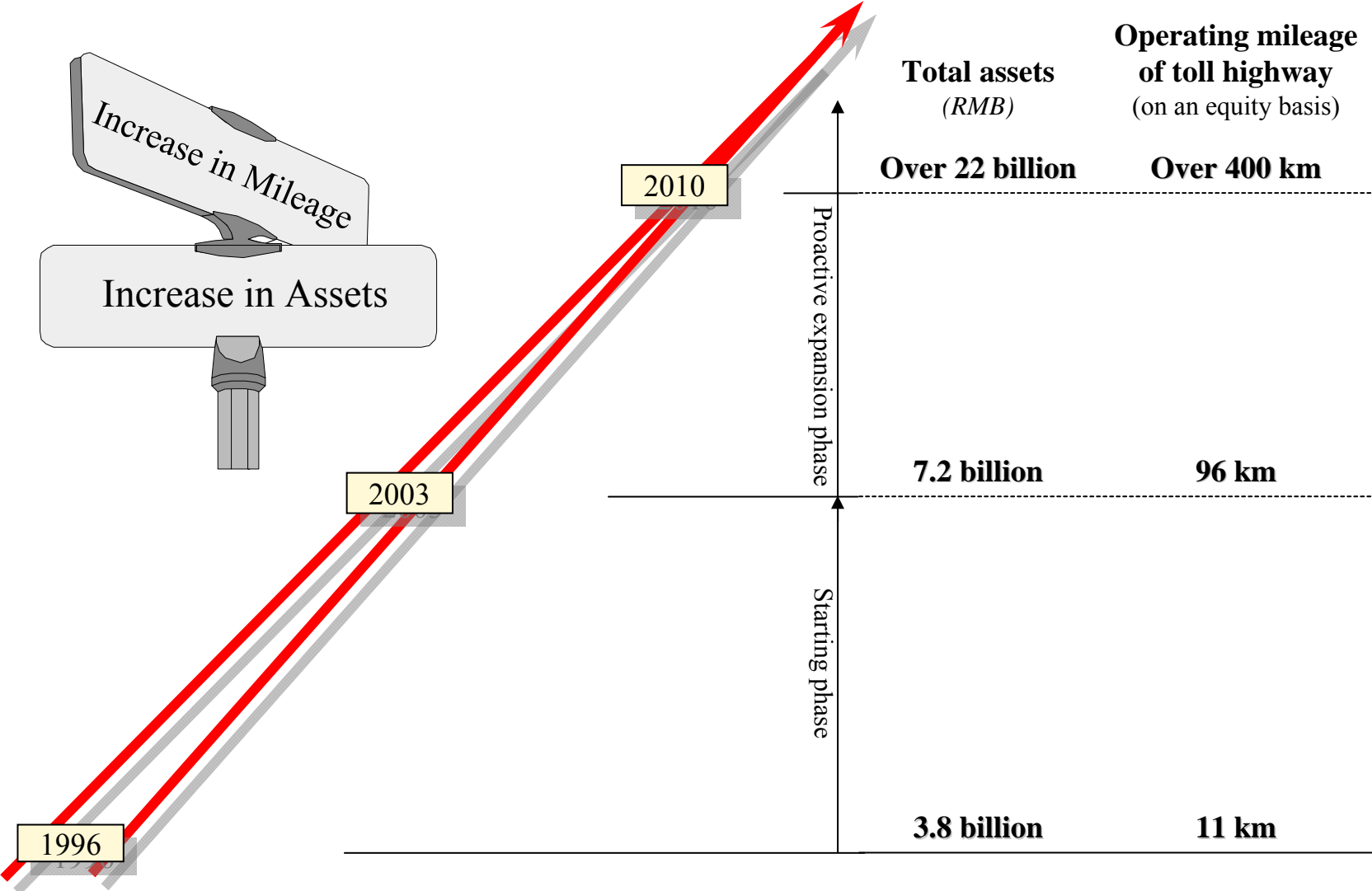
- Established in 1996 in Shenzhen
- Listed on Hong Kong Stock Exchange (H Share: 00548) and Shanghai Stock Exchange (A Share: 600548)
- Principally engaged in the investment, construction, operation and management of toll highways and roads
- Expanded from Shenzhen to Pearl River Delta and other economically-developed regions in China with total 16 operating projects



Business Structure



Rapid Growth





2 Financial Highlights

Results Highlights

<i>(Unit: RMB' million)</i>	1H2010	1H2009	2009	2008
Revenue	1,366	966	2,475	4,242
incl: Toll revenue	1,009	523	1,335	985
<i>Construction services revenue under concession arrangements</i>	<i>312</i>	<i>410</i>	<i>1,034</i>	<i>3,179</i>
Net Profit	359	313	540	503
<i>FYI: excluding the impact of making and adjusting provisions for maintenance/resurfacing obligations</i>	<i>442</i>	299	<i>604</i>	596
EPS (RMB)	0.165	0.144	0.248	0.231
ROE (percentage)	4.32%	4.41%	6.57%	7.14%
Dividends per share (RMB)	N/A	N/A	0.12	0.12

* Please go to slide 31 for quarterly results prepared in accordance with China Accounting Standards (“CAS”)

Financial Position

(Unit: RMB' million)

	30 June 2010	31 December 2009	31 December 2008
Total assets	22,355	22,254	18,264
Total liabilities	13,362	13,344	10,511
incl: Total borrowings	10,209	10,179	8,037
Total equity	8,993	8,910	7,752
Net assets per share (RMB)	3.81	3.77	3.23
Debt-to-asset Ratio [total liabilities / total assets]	59.8%	60.0%	57.6%
Net borrowings-to-equity Ratio [(total borrowings – cash and cash equivalents) / total equity]	108.6%	108.9%	96.8%

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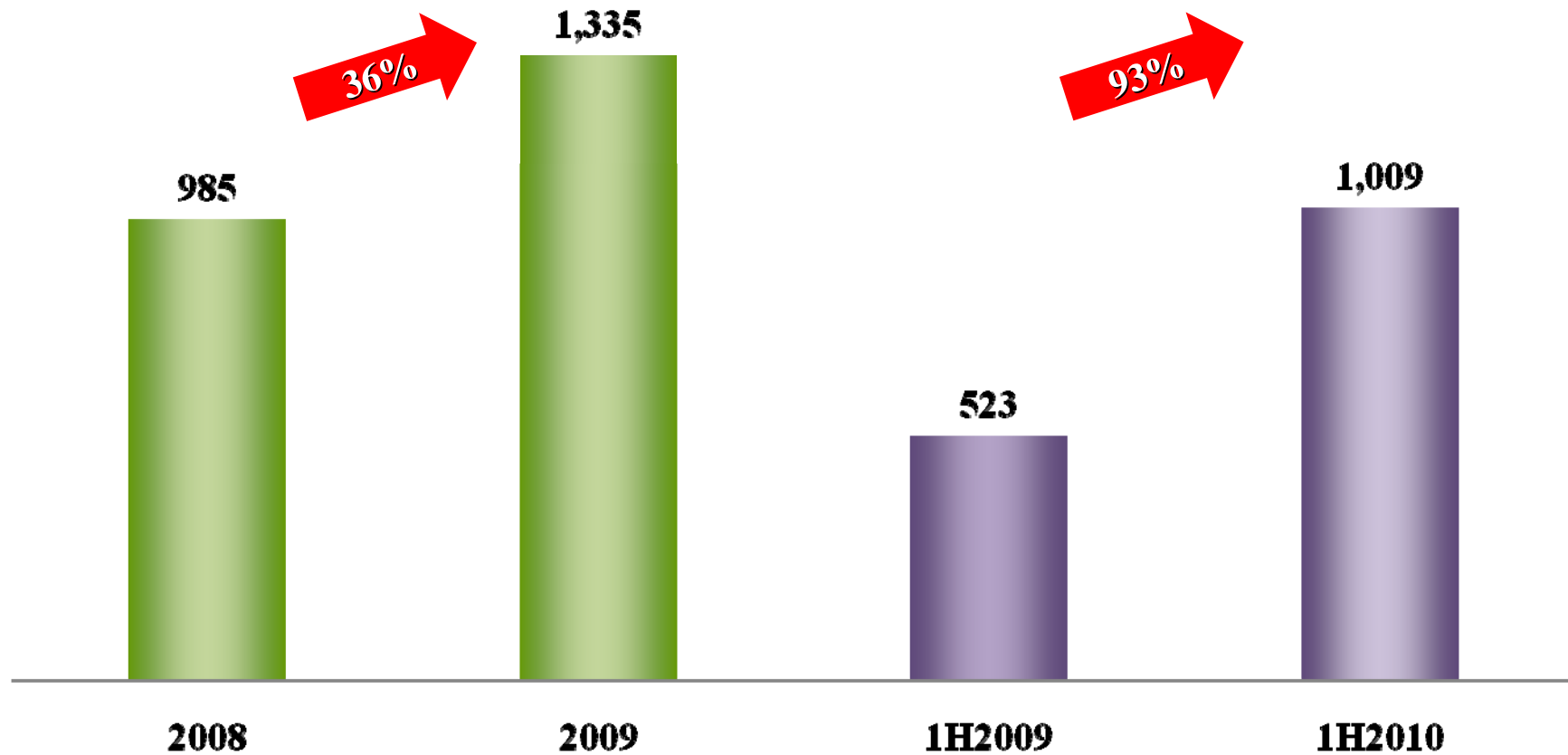
Business Review

	<ul style="list-style-type: none">■ Growing Operation Scale■ Increasing Profitability■ Healthy Business Development■ Returns to Investors

Growing Operation Scale

■ Toll Revenue

(Unit: RMB' million)



Growing Operation Scale

■ Growth Momentums

■ Expansion of business

- Consolidation of Jihe East (since 30 September 2009)
- Operation of Qinglian Expressway (since 1 July 2009)
- Operation of Yanba C Section (since 25 March 2010)

■ Growth of projects

- Continuous recovery of macro-economy
- Enhancement of road networks
- Steady growth of cars ownership

Growing Operation Scale

■ Potentials and Challenges

■ Potentials

- Qinglian Expressway
 - Operation of Liannan Section at beginning of 2011 (about 27km)
 - Completion of connecting road networks
- Nanguang Expressway and Yanba Expressway
 - Further development of economy and industries of neighboring areas
 - Targeted marketing programs
- Expansion of Meiguan Expressway and Shuiguan Expressway

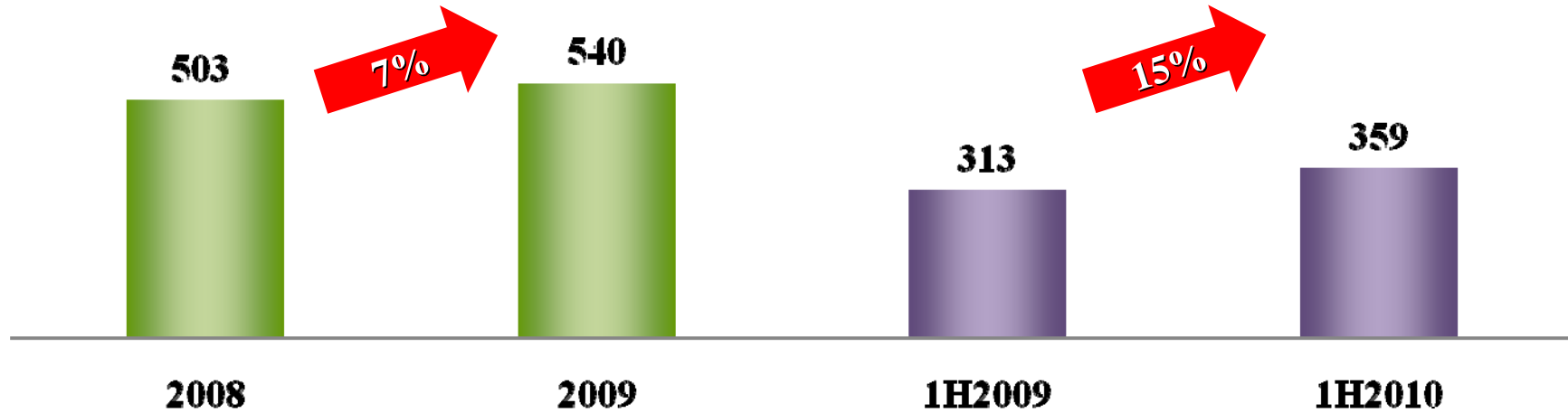
■ Challenges

- Policy risks
 - Adjustment of toll rate
 - Implementation of toll free policies
 - Toll-by-weight system
- The uncertainties of economic environment

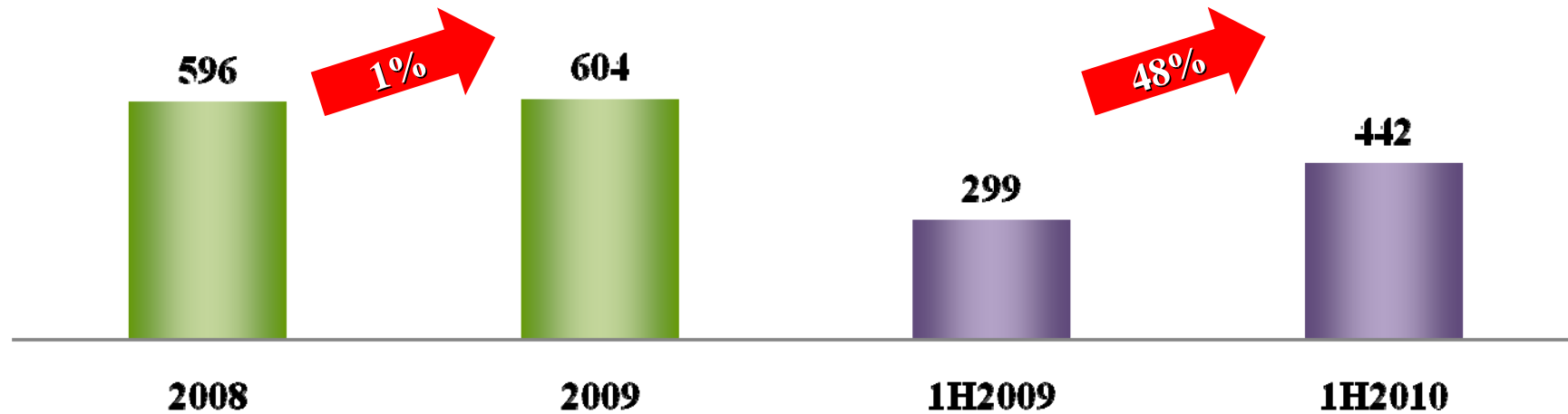
Increasing Profitability

Net Profit

(Unit: RMB' million)



Net profit excluding the impact of making and adjusting provisions for maintenance/resurfacing obligations



Increasing Profitability

- **Increased profit came from:**
 - **Increase in toll revenue**
 - **Growth of profit contribution from jointly controlled entities and associates**
- **Growth rate of profit was lower than that of revenue**
 - **Depreciation and amortization, employee expenses and road maintenance expenses**
increased in deferent extent with the growth of revenue
 - **Borrowing interests were no longer capitalized upon expressways operation,**
leading to a significant increase in finance costs

Increasing Profitability

■ Future Growth Momentums and Challenges

■ Momentums

- Profit contribution from:
 - Qinglian Expressway
 - Nanguang Expressway
 - Yanba Expressway
- Realization of entrusted construction management profit
- Decline of finance costs

■ Challenges

- Increase of road maintenance costs
- Impact on revenue from government policies

Healthy Business Development

■ Investment Strategies

- **Prudently study the investment opportunities of the mature and quality highway projects**
- **Avoid the investment in green-field highway projects outside Shenzhen**
- **Rely to the expressway industry, explore and attempt for new industry investment**

Healthy Business Development

■ Progress of Construction Projects

Liannan Section of Qinglian Project

- Upgrade from Class 1 Highway into expressway
- Scheduled for completion at the beginning of 2011 with additional toll mileages of 27km

Expansion of Shuiguan Expressway

- Expanded from six lanes to eight lanes
- Scheduled for completion in 1H2011

Expansion of Meiguan Expressway

North Section

- Approximately 11km, expanded from four lanes to eight lanes with asphalt road surfaces
- The expansion will be started soon with duration of 36 months

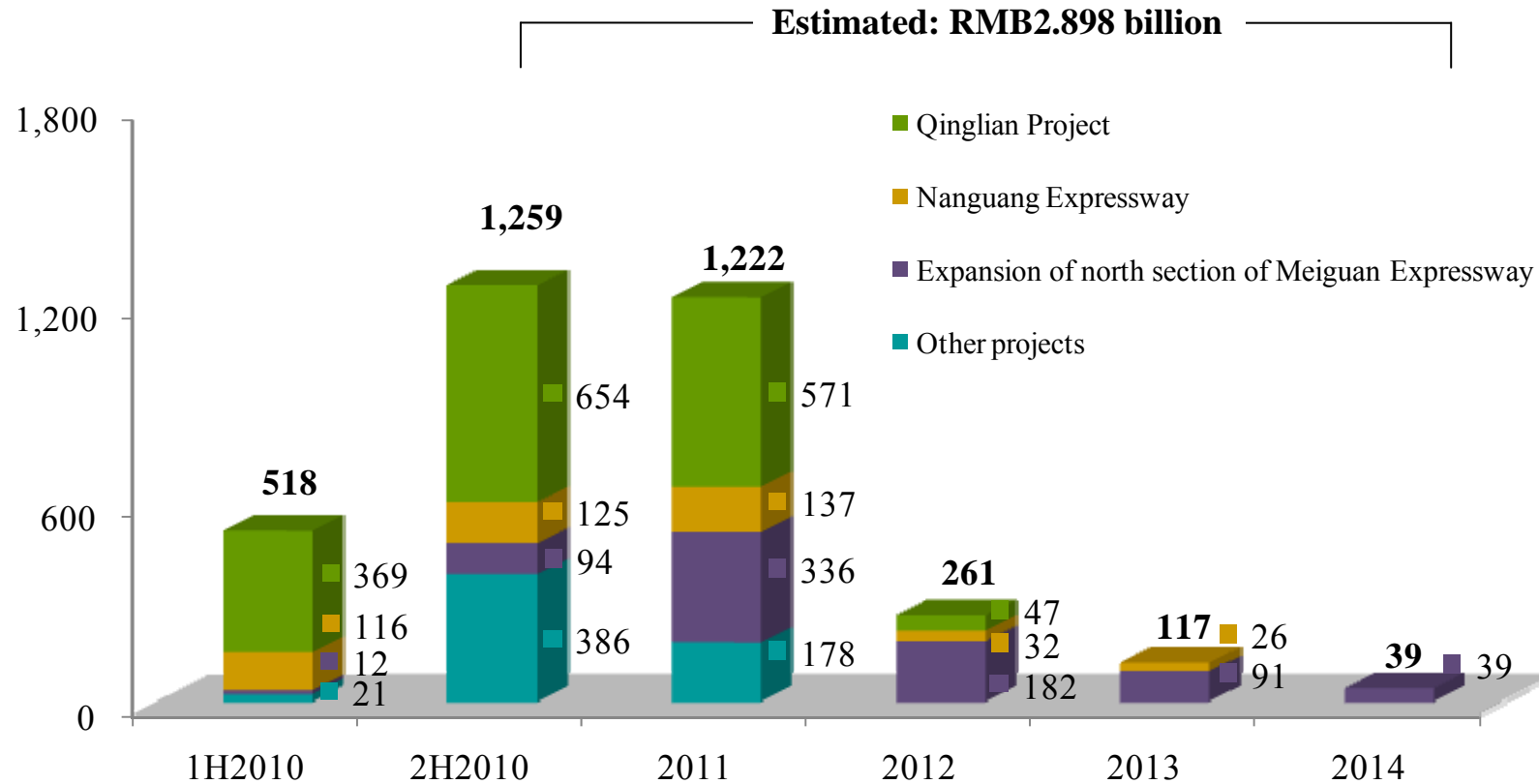
South Section

- Under negotiation with the relevant competent authorities

Healthy Business Development

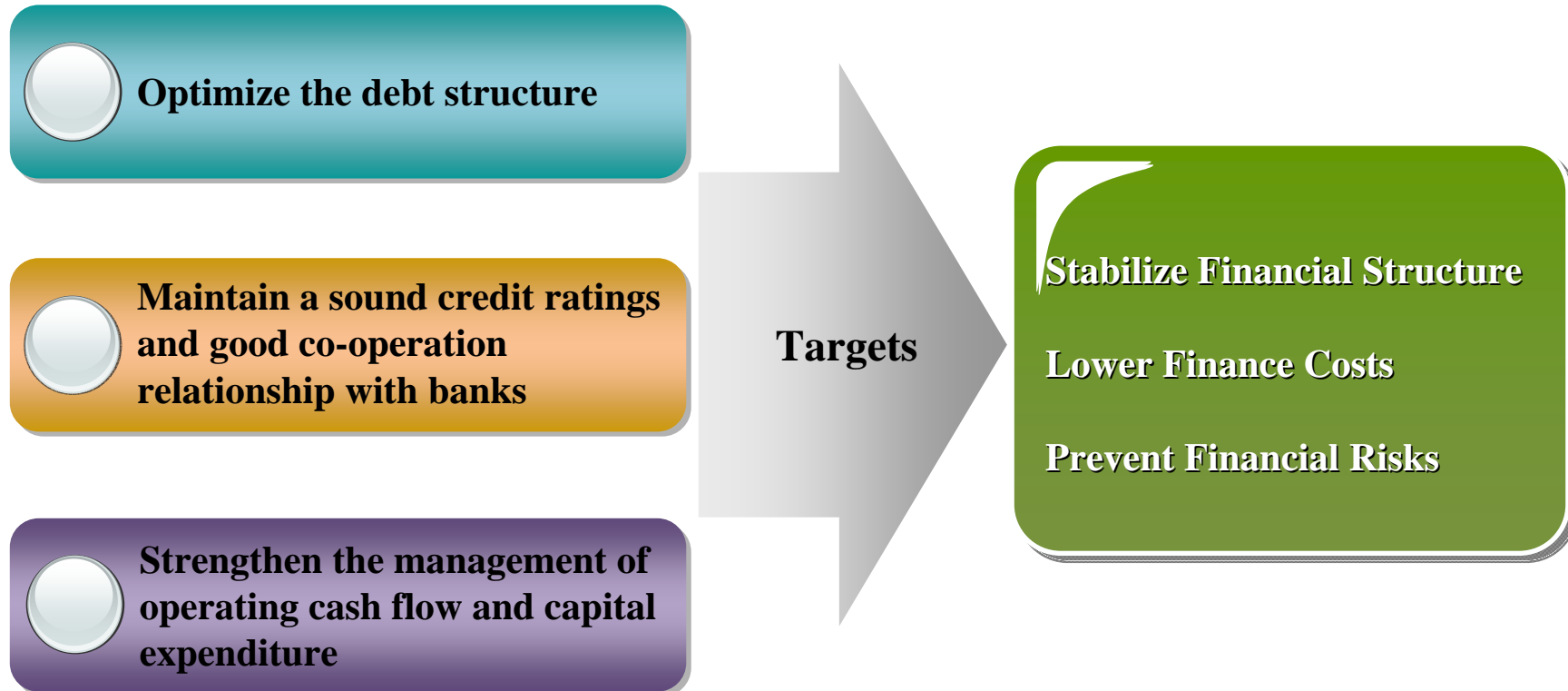
Capital Implementation and Expenditure Plan

(Unit: RMB' million)



Healthy Business Development

■ Financial Management

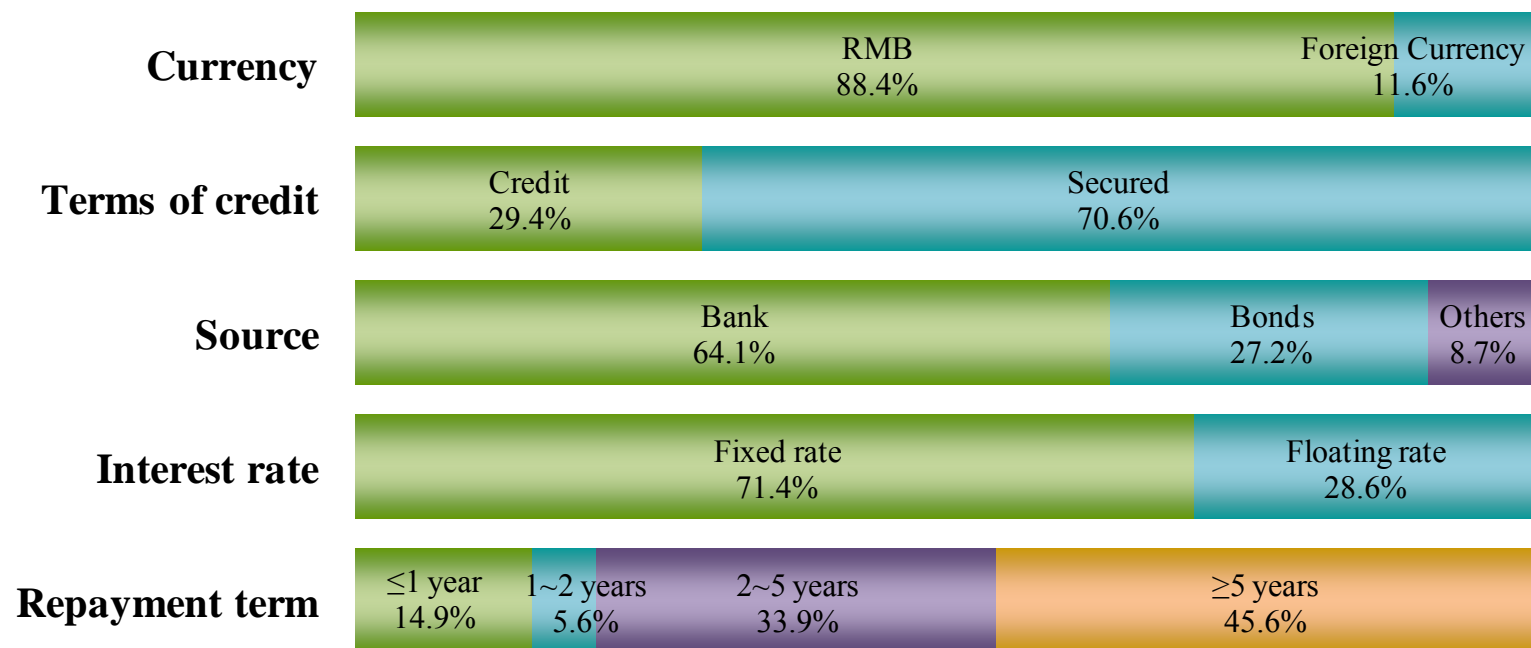


Healthy Business Development

Financial Management

Borrowing Structure

(as at 30 June 2010)



Healthy Business Development

<i>(Unit: RMB' million)</i>	1H2010	2009
Cash flow	813	1,022
Unutilized banking facilities	6,800	7,300
Credit ratings	AAA	AAA
Borrowing costs	4.95%	5.47%

■ Future Moves

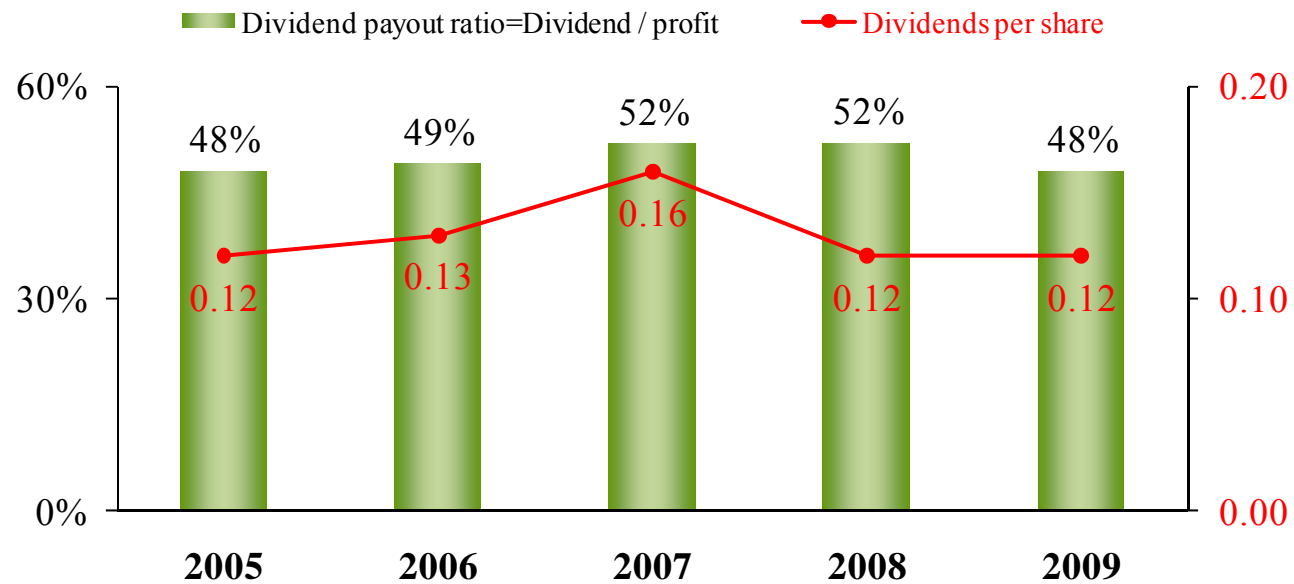
- Further optimization of debt structure
- Maintain an appropriated proportion of fixed interest rate borrowings
- Enhancement of cash flow management

Returns for Investors

■ Dividend Policy

(Unit: Percentage)

(Unit: RMB)

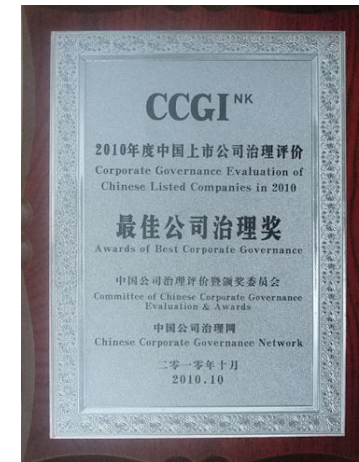


Note: The dividend payout ratio was calculated based on the financial statistics of the year of payout without taking into consideration of the effect of changes in accounting policies thereafter.

Returns for Investors

■ Transparency

- Annual reports
- Announcements
- E-news

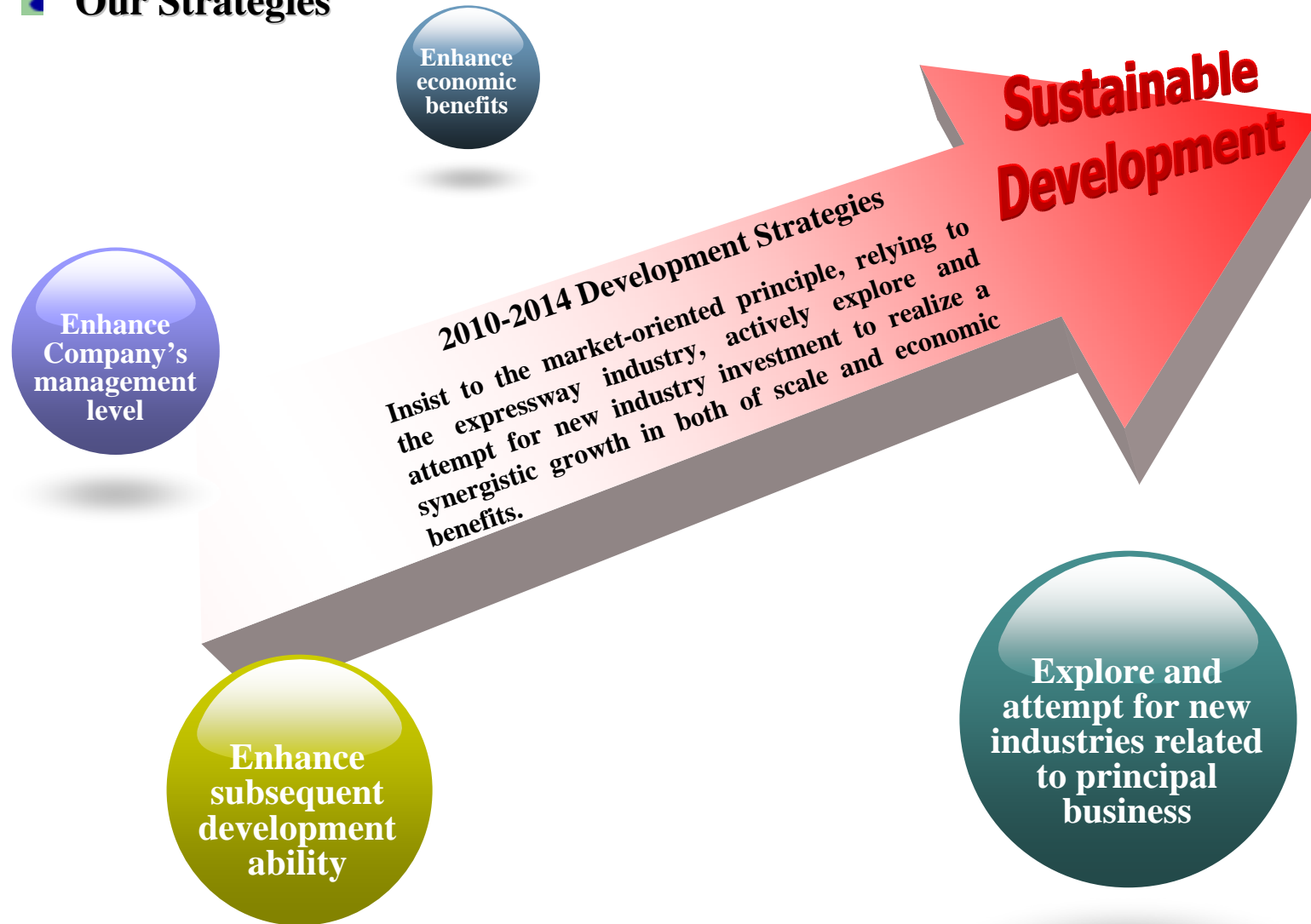


■ Interactive Communication

- Results presentation
- Reverse road-show
- Investor Forum

Returns for Investors

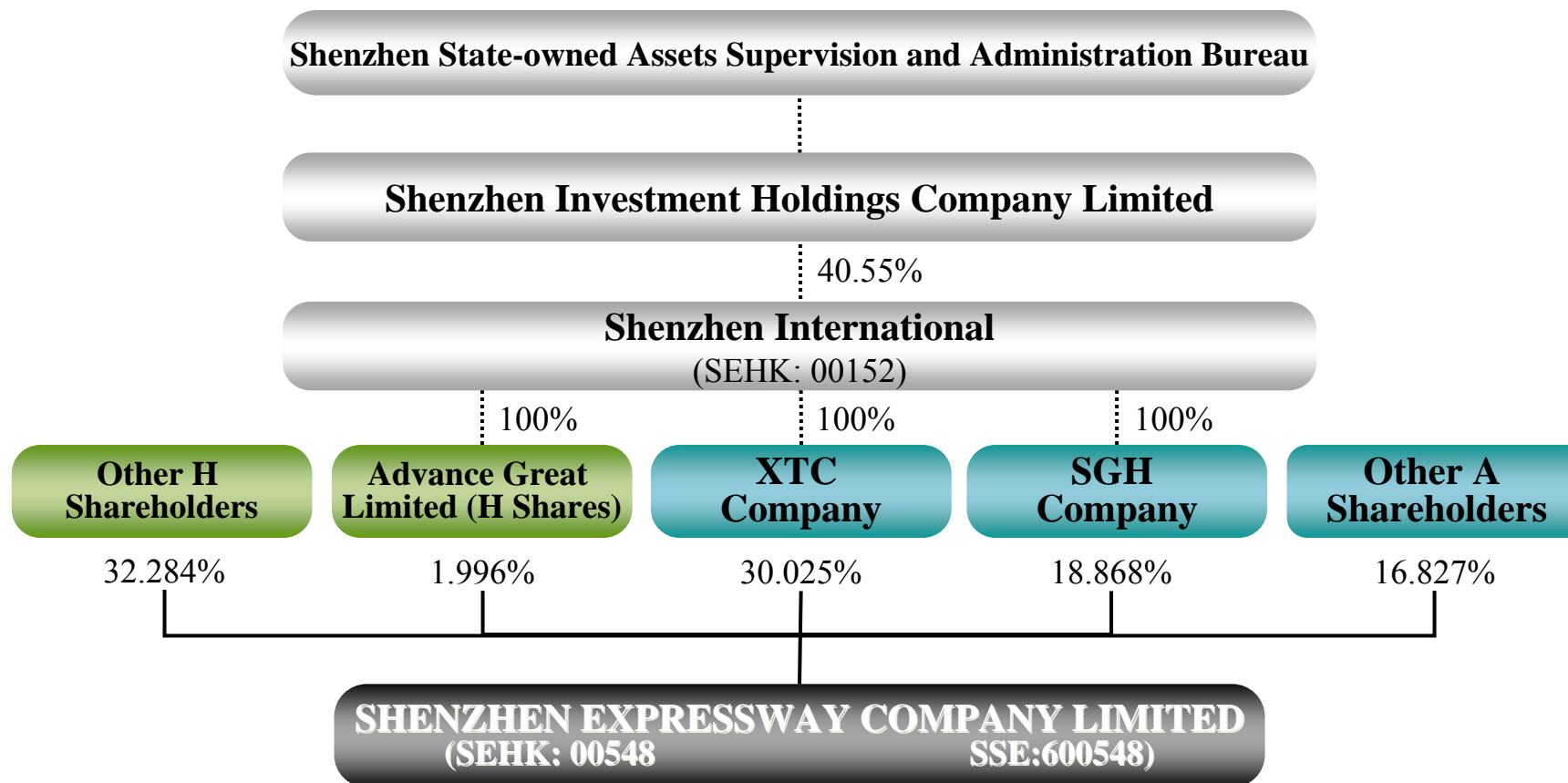
Our Strategies





4 **Appendix**

Shareholding Structure



The total share capital of the Company is 2,180,770,326, of which H shares are 747,500,000, accounting for 34.28% and domestic shares are 1,433,270,326, accounting for 65.72%.

Toll Highway Projects Summary

Toll Highway	Interest held by the Company	Location	Length (km)	No. of lanes	Status	Operation period
Meiguan Exp.	100%	Shenzhen	19.3	6/4	Under operation/extension	1995.05-2027.03
Jihe East	100%	Shenzhen	23.9	6	Under operation	1997.10-2027.03
Jihe West	100%	Shenzhen	21.6	6	Under operation	1999.05-2027.03
Yanba Exp.	100%	Shenzhen	29.1	6	Under operation	2001.04-2031.03
Shuiguan Exp.	40%	Shenzhen	20.1	6	Under operation/extension	2002.02-2025.12
Shuiguan Ext.	40%	Shenzhen	5.2	6	Under operation	2005.10-2025.12
Yanpai Exp.	100%	Shenzhen	15.2	6	Under operation	2006.05-2027.03
Nanguang Exp.	100%	Shenzhen	33.1	6	Under operation	2008.01-2033.01
Yangmao Exp.	25%	Guangdong	79.7	4	Under operation	2004.11-2027.07
Guangwu Prj.	30%	Guangdong	39.8	4	Under operation	2004.12-2027.11
Jiangzhong Prj.	25%	Guangdong	37.5	4	Under operation	2005.11-2027.08
GZ W2	25%	Guangdong	42.0	6	Under operation	Applying for approval
Qinglian Exp.	76.37%	Guangdong	188/27	4	Under operation/reconstruction	2009.07-2034.07
Wuhuang Exp.	55%	Hubei	70.3	4	Under operation	1997.09-2022.09
Changsha Ring Rd.	51%	Hunan	34.5	4	Under operation	1999.11-2029.12
Nanjing Third Bridge	25%	Jiangsu	15.6	6	Under operation	2005.10-2035.10

With the same number of lanes, differences in surface material, designed speed and lane may cause differences in capacity. Generally, the capacity of a four-lane expressway is approximately 100,000 passenger car unit per day, while the capacity of a six-lane expressway is approximately 120,000 passenger car unit per day.

Average Daily Toll Revenue

<i>(Unit: RMB'000)</i>	2005	2006	2007	2008	2009	1H2010
Shenzhen Region						
Meiguan Exp.	795	878	903	792	814	892
Jihe East	787	905	1,151	1,227	1,242	1,371
Jihe West	740	776	945	937	951	1,091
Yanba Exp.	115	153	173	196	213	285
Shuiguan Exp.	504	683	965	1,006	1,072	1,171
Shuiguan Ext.	230	163	182	179	203	231
Yanpai Exp.		252	370	407	383	407
Nanguang Exp.				176	303	442
Other Regions in Guangdong Province						
Yangmao Exp.	547	719	913	902	968	1,158
Guangwu Prj.	165	224	266	265	306	379
Jiangzhong Prj.	201	386	582	652	707	806
GZ W2		69	181	302	471	581
Qinglian Exp.					830	1,050
Other Provinces in the PRC						
Changsha Ring Rd.	58	54	62	61	64	72
Wuhuang Exp.	728	888	1,052	1,017	1,090	1,264
Nanjing Third Bridge	325	473	629	640	672	807

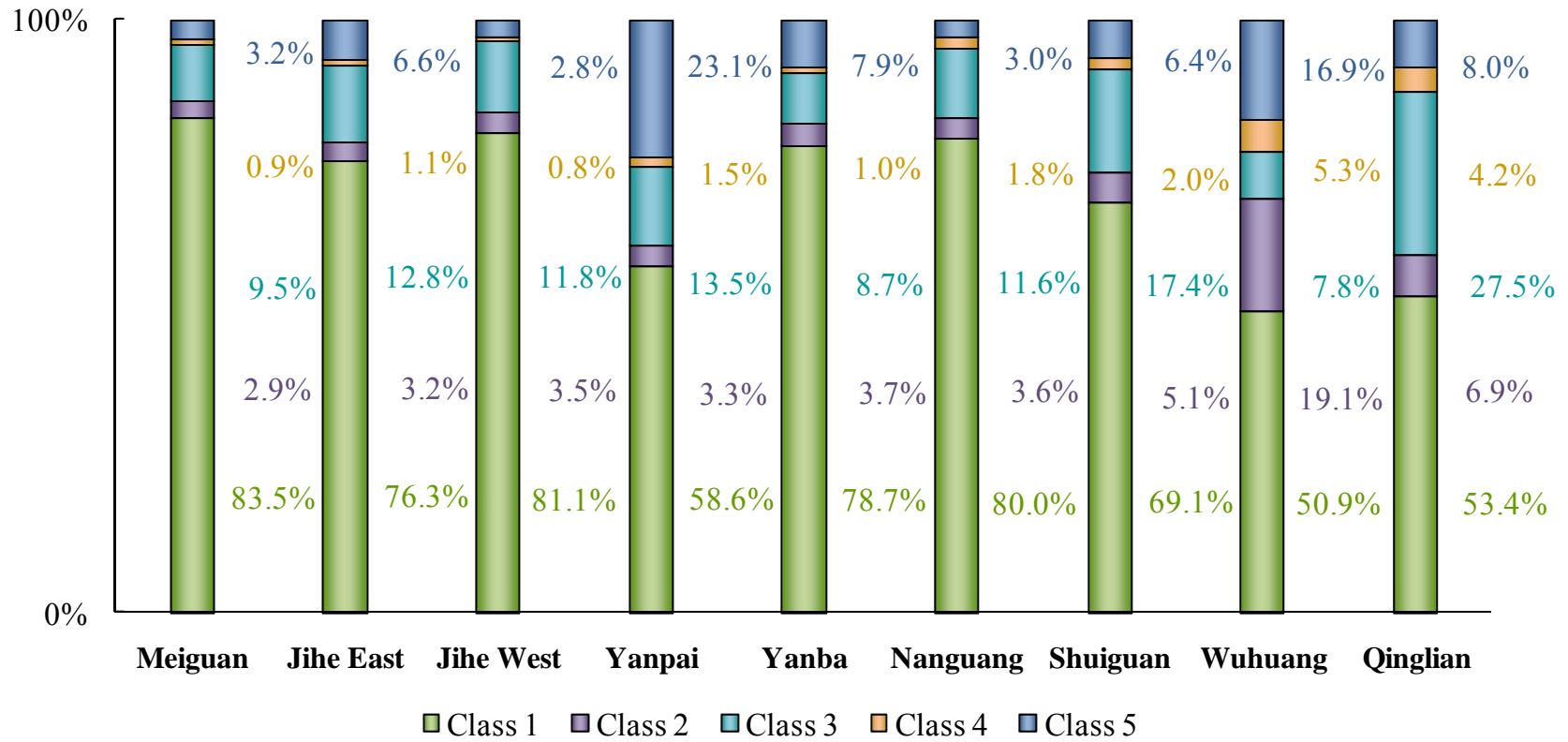
* Please go to <http://www.sz-expressway.com> for further details

Average Daily Toll Revenue in 2010

<i>(Unit: RMB'000)</i>	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.
Shenzhen Region										
Meiguan Exp.	899	703	925	948	922	939	991	1,003	1,037	957
Jihe East	1,387	1,260	1,388	1,425	1,372	1,385	1,481	1,508	1,501	1,399
Jihe West	1,078	888	1,141	1,158	1,119	1,144	1,229	1,280	1,299	1,178
Yanba Exp.	217	180	227	360	361	357	409	437	374	387
Shuiguan Exp.	1,195	833	1,216	1,256	1,244	1,254	1,298	1,351	1,351	1,206
Shuiguan Ext.	240	168	236	244	243	253	268	278	283	252
Yanpai Exp.	409	319	386	422	438	462	506	510	481	419
Nanguang Exp.	417	293	448	486	484	513	543	587	634	566
Other Regions in Guangdong Province										
Yangmao Exp.	1,004	1,649	1,173	1,183	994	991	845	1,226	1,031	1,087
Guangwu Prj.	351	458	371	379	363	357	512	585	572	621
Jiangzhong Prj.	760	820	817	843	808	793	878	926	950	940
GZ W2	575	515	575	640	597	580	672	723	747	759
Qinglian Exp.	1,048	1,218	1,130	1,081	925	914	1,036	1,056	995	1,026
Other Provinces in the PRC										
Changsha Ring Rd.	69	77	73	75	72	63	66	70	69	80
Wuhuang Exp.	1,204	1,204	1,293	1,322	1,259	1,300	1,280	1,315	1,353	1,231
Nanjing Third Bridge	769	879	839	829	782	750	746	734	754	774

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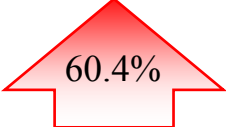

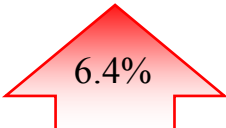
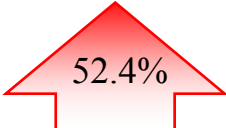
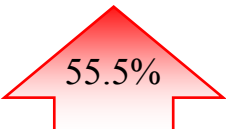
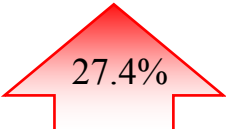
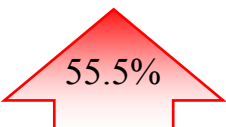
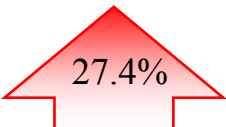
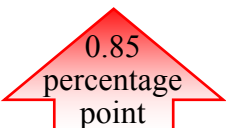
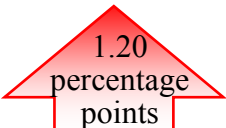
Vehicle Category of Major Highways



1H2010

Results Highlights of 3Q2010

(Unit: RMB' million)

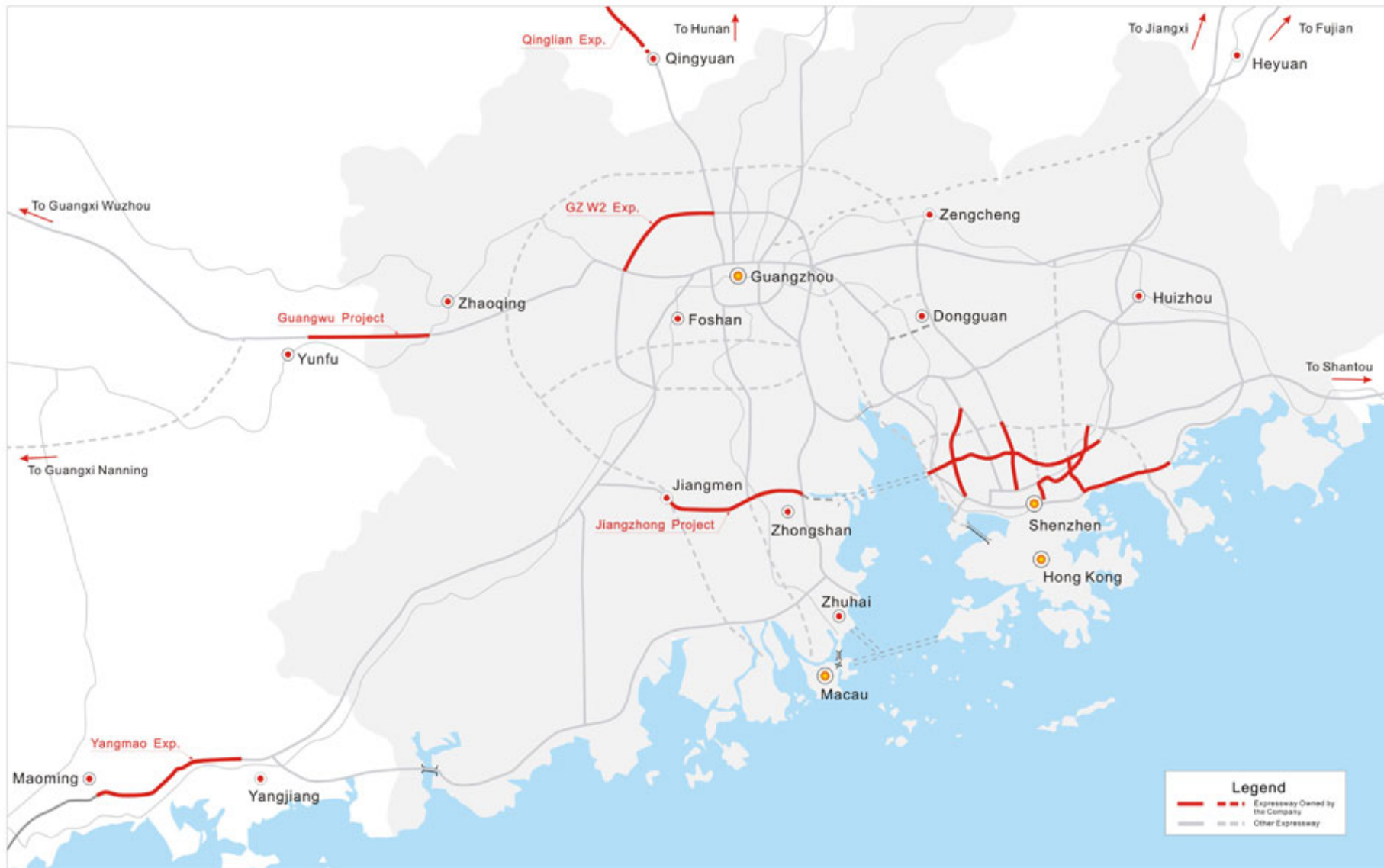
	3Q2010	3Q2009	Change YOY	Jan-Sep 2010	Jan-Sep 2009	Change YOY
Toll revenue	583	333	 75.1%	1,592	856	 86.0%
Cost of services	262	163	 60.4%	730	420	 73.9%
Finance costs	129	122	 6.4%	383	251	 52.4%
Net profit	220	142	 55.5%	580	455	 27.4%
EPS (RMB)	0.101	0.065	 55.5%	0.266	0.209	 27.4%
ROE (percentage)	2.60%	1.75%	 0.85 percentage point	6.83%	5.63%	 1.20 percentage points

Note: financial data presenting in this slide is prepared in accordance with CAS

Road Network of Shenzhen

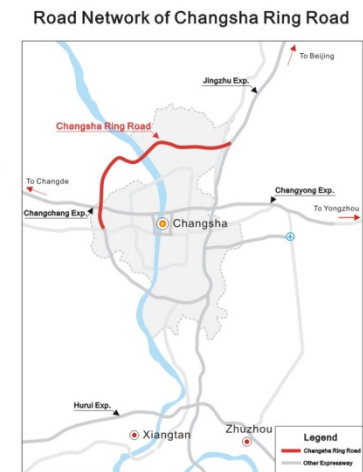
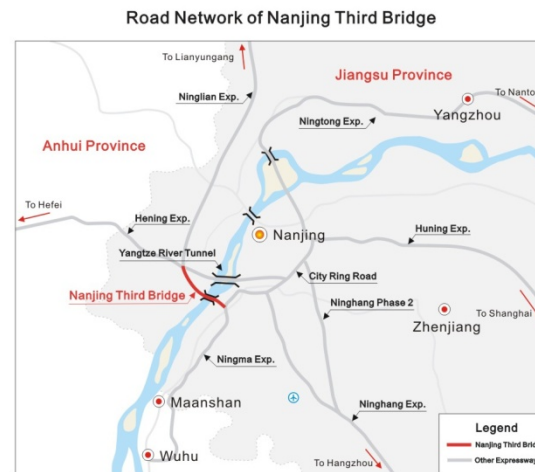


Road Network of Pearl River Delta



Road Network of Qinglian Expressway

Road Network of Wuhuang Expressway



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Company Declaration

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There might be differences between the maps and the actual road networks. The maps are prepared for investors to understand the business of the Company only.