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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: 00548)

ANNOUNCEMENT

PROPOSED CHANGE OF INTERNATIONAL AUDITORS

Proposed Change of International Auditors

At the annual general meeting of the Company on 14 May 2010, PricewaterhouseCoopers (Certified Public Accountants, Hong Kong) (“PwC Hong Kong”) was appointed as the international auditors and PricewaterhouseCoopers Zhong Tian CPAs Company Limited (“PwC China”) as the statutory auditors of the Company for 2010. For financial year ended 31 December 2010, the Company prepared two sets of financial statements in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) and China Accounting Standards for Business Enterprises (“CAS”) and have them audited by international auditors (PwC Hong Kong) and the statutory auditors (PwC China) of the Company respectively, for the purpose of complying with the requirements where the Company is listed.

According to the “Consultation Conclusions on Acceptance of Mainland Accounting and Auditing Standards and Mainland Audit Firms for Mainland Incorporated Companies Listed in Hong Kong” published in December 2010 and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) amended in December 2010, Mainland incorporated issuers listed in Hong Kong are allowed to prepare their financial statements using CAS, and Mainland audit firms endorsed by the China Ministry of Finance (“MOF”) and the China Securities Regulatory Commission (“CSRC”) are allowed to service these issuers using China Standards on Auditing.

In light of the recent acceptance of CAS and China Standards on Auditing and Mainland audit firms by the Stock Exchange and in order to improve the efficiency of and reduce the cost of disclosure, for the financial year beginning on or after 1 January 2011, the Board will only prepare one set of financial statements in accordance with

CAS and arrange for such financial statements to be audited by a Mainland audit firm endorsed by MOF and CSRC.

The Board has proposed that PwC China be nominated for re-appointment as the auditors auditing the Company's financial statements for the financial year ending 31 December 2011 prepared in accordance with CAS, and undertaking the role of international auditors in compliance with the Rules Governing the Listing of Securities in the Stock Exchange. PwC Hong Kong is not nominated for re-appointment as the international auditors on the expiry of their term of office. The Board has also proposed the annual audit fees of PwC China at RMB2,980,000 for 2011. Such proposals are subject to the approval by the shareholders of the Company at the 2010 annual general meeting to be convened. A circular containing, among other things, abovementioned information and the notice of 2010 annual general meeting ("AGM") will be dispatched to the shareholders of the Company separately in accordance with the requirements of the Rules Governing the Listing of Securities on The Stock Exchange.

PwC China is a firm of practicing accountants which has been endorsed by the MOF and the CSRC to act as reporting accountants and/or auditors for Mainland incorporated companies listed in Hong Kong.

On 25 March 2011, PwC China was appointed as auditors for internal control of the Company for the year 2011 at the audit fees of RMB700,000 by the Board.

PwC Hong Kong will retire as the international auditors of the Company at the AGM. PwC Hong Kong had confirmed in writing that there are no circumstances in connection with its retirement as the Company's international auditors that it considered need to be brought to the attention of the shareholders of the Company. The Board and the audit committee of the Company also confirm that there are no circumstances in respect of the change of international auditors which it considers need to be brought to the attention of the shareholders of the Company.

Difference between the Financial Statements in accordance with HKFRS and CAS

In accordance with HK(IFRIC) – int 12 "Service Concession Arrangements" ("IFRIC 12") (effective on 1 January 2008) and HKAS 11 "Construction Contracts", the Group used the percentage of completion method to determine the amount of revenue and costs from construction and upgrade services under services concession arrangements in the financial statements prepared in accordance with HKFRS. Revenue generated by construction and upgrade services is measured at the fair value of the consideration received or receivable, the consideration may be rights to attain a financial asset or an intangible asset. While in accordance with the CAS Interpretation 2 issued by MOF on 7 August 2008, the Group recognised financial assets or intangible assets based on the

actual construction costs incurred by itself during the construction process. According to CAS, the Group did not recognise revenue or related costs for the work consigned to subcontractors instead of being physically constructed by the Group itself. Hence, the revenue and costs of services reported under HKFRS differed from those reported under CAS since 2008. However, the profits attributable to owners of the Company for the year ended 31 December 2010 were the same under CAS and HKFRS.

In the years before 2008, the Group had recognised profits from construction services (after taxation) in accordance with IFRIC 12 with the amount of RMB42,465,000, which constituted a difference of equity attributable to the owners of the Company reported under CAS and HKFRS.

Aforesaid reconciliation of financial statements prepared under CAS and HKFRS have been disclosed in the annual reports, annual results announcements, interim reports and interim results announcements. Investors may login into websites <http://www.sz-expressway.com/> and <http://www.hkex.com.hk/> for the detail information.

Save and except the difference between the financial statements in accordance with HKFRS and CAS as disclosed above, the Company considers that preparing only one set of financial statements in accordance with CAS will not affect the Company's annual results for the year ended 31 December 2010.

By Order of the Board
Wu Qian
Company Secretary

Shenzhen, PRC, 25 March 2011

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. Zhao Jun Rong (Non-executive Director), Mr. Tse Yat Hong (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. Lam Wai Hon, Ambrose (Independent non-executive Director), Mr. Ting Fook Cheung, Fred (Independent non-executive Director), Mr. Wang Hai Tao (Independent non-executive Director) and Mr. Zhang Li Min (Independent non-executive Director).