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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)**

**DISCLOSEABLE TRANSACTIONS**  
**ACQUISITIONS OF LAND USE RIGHTS IN THE PRC**

The board of directors of the Company is pleased to announce that Guizhou Guizhen Investment Development Company Limited (“Guishen Company”), an indirect 70%-owned subsidiary of the Company, had made successful bids for the land use rights in respect of Lands I and Lands II both located in Wangguan Village, Gujiao Town, Longli County, the PRC through open tenders organised by the Land Bureau, at a consideration of RMB181,661,025 (approximately HK\$224,272,870.37) and RMB127,349,775 (approximately HK\$157,221,944.44) respectively. The respective bid confirmations were signed by the Land Bureau and Guishen Company on 26 April 2012 and on 18 May 2012 respectively.

The Group acquired the land use rights of Lands I and Lands II at a reasonable price, the risk of funds recovery of the Group in Guilong Project can be lowered effectively. The market values of lands may be realised through market transactions, cooperation or self-development of land. It is beneficial for the Group to achieve the expected or better gain from Guilong Project, as well as to expand and enrich its development direction and experience.

As the applicable percentage ratios in respect of Acquisition II, when aggregated with Acquisition I, are greater than 5% but less than 25%, the Acquisitions in aggregation constitute discloseable transactions for the Company and are subject to the reporting and announcement requirements as set out in Rule 14.34 of the Listing Rules.

**INTRODUCTION**

Reference is made to the joint announcements of Shenzhen International Holdings Limited and the Company dated 12 August 2011 and 27 October 2011 respectively in relation to Guilong Project and the formation of the joint venture company (Guishen Company is the joint venture company established as disclosed in the announcement) respectively.

The board of directors of the Company is pleased to announce that Guishen Company had made successful bids for the land use rights in respect of Lands I and Lands II both located in Wangguan Village, Gujiao Town, Longli County, the PRC through open tenders organised by the Land Bureau, at a consideration of RMB181,661,025 (approximately HK\$224,272,870.37) and RMB127,349,775 (approximately HK\$157,221,944.44) respectively. The respective bid confirmations were signed by the Land Bureau and Guishen Company on 26 April 2012 and on 18 May 2012 respectively.

Formal contracts in relation to the Acquisitions shall be entered into by the respective parties in accordance with the terms and conditions set out in the bid confirmations. Formal contracts for Lands I were signed on 10 May 2012 and those for Lands II shall be signed on or before 4 June 2012.

**PRINCIPAL TERMS OF THE BID CONFIRMATIONS AND THE ACQUISITIONS**

**Bid Confirmation I**

Date of the Bid Confirmation:	26 April 2012
Parties to the Bid Confirmation:	The Land Bureau; and Guishen Company
Land:	Lands I, comprising five pieces of land with a total area of approximately 346,021 square metres, all of which are situated at Wangguan Village, Gujiao Town, Longli County, the PRC.
Use of the Land:	Residential use and commercial services uses.
Term of the Land Use Rights:	70 years for residential use and 40 years for commercial services uses.
Consideration and Payment:	The consideration for Acquisition I is RMB181,661,025 (approximately HK\$224,272,870.37).  The bid earnest moneys in the aggregate sum of RMB54,010,000 paid by Guishen Company were treated as the deposit for the consideration of Acquisition I, and Guishen Company shall settle the remaining consideration within 30 days after execution of the formal contracts for Lands I.

## **Bid Confirmation II**

Date of the Bid Confirmation:	18 May 2012
Parties to the Bid Confirmation:	The Land Bureau; and Guishen Company
Land:	Lands II, comprising four pieces of land with a total area of approximately 242,571 square metres, all of which are situated at Wangguan Village, Gujiao Town, Longli County, the PRC.
Use of the Land:	Residential use and commercial services uses.
Term of the Land Use Rights:	70 years for residential use and 40 years for commercial services uses.
Consideration and Payment:	<p>The consideration for Acquisition II is RMB127,349,775 (approximately HK\$157,221,944.44).</p> <p>The bid earnest moneys in the aggregate sum of RMB37,860,000 paid by Guishen Company were treated as the deposit for the consideration of Acquisition II, and Guishen Company shall settle the remaining consideration within 30 days after execution of the formal contracts for Lands II.</p>

## **BASIS OF THE CONSIDERATION**

The total considerations for the Acquisitions were arrived at as a result of successful bids by Guishen Company through open tenders after taking into account the minimum bid price, current market conditions and land price in the surrounding areas. Such consideration will be funded by Guishen Company's internal resources and borrowings.

## **REASONS FOR AND BENEFITS OF THE ACQUISITIONS**

Lands I and Lands II are part of the lands of approximately 3,000 Mu (approximately 2,000,000 square metres), which is designated in Guilong Project. It is expected that Lands I and Lands II will be appreciated in value following the improvement of the infrastructure facilities around the lands and the development of the entire Guilong Economic Zone (貴龍城市經濟帶). The Group acquired the land use rights of Lands I and Lands II at a reasonable price, the risk of funds recovery of the Group in Guilong Project can be lowered effectively. The market values of lands may be realised through market transactions, cooperation or self-development of land. It is beneficial for the Group to achieve the expected or better gain from Guilong Project, as well as to expand and enrich its development direction and experience.

The board of directors of the Company considers that the terms of the Acquisitions were entered into on normal commercial terms, and are fair and reasonable, and the Acquisitions are in the interests of the Company and the shareholders of the Company as a whole.

## **INFORMATION OF THE COMPANY**

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

## **INFORMATION OF THE LAND BUREAU**

The Land Bureau is a local PRC government authority which manages, inter alia, storage and transaction of the land in Longli County, the PRC.

To the best of the knowledge, information and belief of the directors of the Company, having made all reasonable enquiries, the Land Bureau and its ultimate beneficial owners (if any) are Independent Third Parties.

## **IMPLICATIONS UNDER THE LISTING RULES**

As the applicable percentage ratios in respect of Acquisition II, when aggregated with Acquisition I, are greater than 5% but less than 25%, the Acquisitions in aggregation constitute discloseable transactions for the Company and are subject to the reporting and announcement requirements as set out in Rule 14.34 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms have the meanings set opposite to them below:

“Acquisitions”	Acquisition I and Acquisition II;
“Acquisition I”	the acquisition of the land use rights of Lands I by Guishen Company from the Land Bureau;
“Acquisition II”	the acquisition of the land use rights of Lands II by Guishen Company from the Land Bureau;
“Bid Confirmation I”	five bid confirmation notices (成交確認書) all dated 26 April 2012 signed by the Land Bureau and Guishen Company confirming the successful bids for the land use rights of Lands I;
“Bid Confirmation II”	four bid confirmation notices (成交確認書) all dated 18 May 2012 signed by the Land Bureau and Guishen Company confirming the successful bids for the land use rights of Lands II;
“The Company”	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;

“The Group”	the Company and its subsidiaries;
“Guilong Project”	the project of construction of phase I of 貴龍大道 (Guilong Road) by “Build - Transfer” mode and the project of primary development of land with an area of approximately 3,000 mu (approximately 2,000,000 square metres) in a designated area in Longli County Guizhou Province contemplated under 《貴州省貴龍城市經濟帶綜合開發項目合作開發投資協議書》 (the Agreement in relation to the Joint Development and Investment of the Comprehensive Development Project of Guilong Economic Zone in Guizhou Province) entered into between The People’s Government of Longli County Guizhou Province and the Company on 12 August 2011;
“Guishen Company”	貴州貴深投資發展有限公司 (Guizhou Guizhen Investment Development Company Limited), a company established under the laws of the PRC and an indirect 70%-owned subsidiary of the Company;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Third Party(ies)”	persons or companies which are independent of and not connected with any of the directors, chief executive and substantial shareholders of the Company or any of their respective subsidiaries and respective associates, and an “Independent Third Party” means any of them;
“Lands I”	five pieces of land with a total area of approximately 346,021 square metres (land lot numbers: CHZ (2011) 3-01-1, CHZ (2011) 3-01-2, CHZ (2011) 3-01-3, CHZ (2011) 4-01-5 and CHZ (2011) 4-01-6), all of which are situated at Wangguan Village, Gujiao Town, Longli County, the PRC;
“Lands II”	four pieces of land with a total area of approximately 242,571 square metres (land lot numbers: CHZ (2011) 4-01-1, CHZ (2011) 4-01-2, CHZ (2011) 4-01-3 and CHZ (2011) 4-01-4), all of which are situated at Wangguan Village, Gujiao Town, Longli County, the PRC;
“Land Bureau”	龍里縣國土資源局 (Bureau of Land Resources of Longli County);
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China (for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan);
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“RMB”	Renminbi, the lawful currency of the PRC; and
“%”	per cent.

*Notes:*

*In this announcement, the exchange rate between HK\$ and RMB at HK\$1.00 to RMB0.81 is adopted for the purpose of illustration only.*

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

By Order of the Board

**Yang Hai**

*Chairman*

Shenzhen, PRC, 18 May 2012

*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. Hu Wei (Non-executive Director), Mr. Tse Yat Hong (Non-executive Director), Ms. Zhang Yang (Non-executive Director), Mr. Chiu Chi Cheong, Clifton (Non-executive Director), Mr. Wang Hai Tao (Independent non-executive Director), Mr. Zhang Li Min (Independent non-executive Director), Mr. Au Sing Kun (Independent non-executive Director) and Mr. Lin Chu Chang (Independent non-executive Director).*