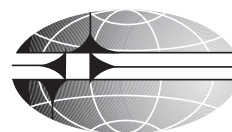


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Shenzhen International Holdings Limited
深圳國際控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code : 00152)



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)

**JOINT ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
FORMATION OF JOINT VENTURE COMPANY**

THE JV AGREEMENT

The boards of directors of Shenzhen International and Shenzhen Expressway are pleased to announce that on 27 October 2011, Shenzhen Expressway (a 50.889%-owned subsidiary of Shenzhen International) and its wholly owned subsidiary Shenzhen Expressway Investment Company Limited (“SE Investment”) together with CCCC Second Highway Engineering Bureau Co., Ltd. (“CCCC Second Bureau”) and its wholly owned subsidiary CCCC-SHB Fifth Engineering Co., Ltd. (“SHB Fifth Co”) entered into the JV Agreement for the establishment of the JV Company. Pursuant to the JV Agreement, SE Investment and SHB Fifth Co agreed to contribute RMB350,000,000 (approximately HK\$426,829,000) and RMB150,000,000 (approximately HK\$182,927,000) in cash to the registered capital of the JV Company respectively. The JV Company will be owned as to 70% by SE Investment and 30% by SHB Fifth Co and will become a non-wholly owned subsidiary of Shenzhen Expressway. The JV Company will replace Shenzhen Expressway to enjoy all its rights and assume all its obligations under the Project Agreement. For details of the Project Agreement, please refer to the joint announcement of Shenzhen International and Shenzhen Expressway dated 12 August 2011.

REASONS FOR AND BENEFITS OF ENTERING INTO THE JV AGREEMENT

The board of directors of Shenzhen Expressway believes that the formation of the JV Company would reduce Shenzhen Expressway’s overall funding requirement and lower the potential investment risks arising from the Guilong Project under the Project Agreement. The formation of the JV Company would also capitalise on the strengths in construction management of respective parties so as to enhance the management on the Guilong Project, which will lead to the successful implementation of the Guilong Project.

As Shenzhen Expressway is a subsidiary of Shenzhen International, reducing Shenzhen Expressway’s overall funding requirement and the potential investment risks arising from the Guilong Project under the Project Agreement through the establishment of the JV Company is also beneficial to Shenzhen International as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios as set out in the Listing Rules are more than 5% but less than 25%, the transaction contemplated under the JV Agreement constitutes a discloseable transaction for each of Shenzhen International and Shenzhen Expressway under Rule 14.06 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

THE JV AGREEMENT

Reference is made to the joint announcement of Shenzhen International and Shenzhen Expressway dated 12 August 2011. Pursuant to the Project Agreement, Shenzhen Expressway shall, by itself or a project company to be established by it, carry out the Guilong Project including the Road Construction Project and the Development Project as set out in the Project Agreement.

The boards of directors of Shenzhen International and Shenzhen Expressway are pleased to announce that on 27 October 2011, Shenzhen Expressway and its wholly owned subsidiary SE Investment together with CCCC Second Bureau and its wholly owned subsidiary SHB Fifth Co entered into the JV Agreement for the establishment of the JV Company. Pursuant to the JV Agreement, the JV Company will replace Shenzhen Expressway to enjoy all its rights and assume all its obligations under the Project Agreement.

Date:

27 October 2011

Parties:

- (1) Shenzhen Expressway, together with its nominated wholly owned subsidiary SE Investment; and
- (2) CCCC Second Bureau, together with its nominated wholly owned subsidiary SHB Fifth Co

Shenzhen Expressway will nominate its wholly owned subsidiary SE Investment as the equity owner of the JV Company and CCCC Second Bureau will nominate its wholly owned subsidiary SHB Fifth Co as the equity owner of the JV Company.

To the best of the knowledge, information and belief of the respective directors of Shenzhen International and Shenzhen Expressway having made all reasonable enquiry, CCCC Second Bureau, SHB Fifth Co and their respective controlling shareholders are third parties independent of Shenzhen International and Shenzhen Expressway and their respective connected persons.

Registered Capital and Capital Contribution:

Pursuant to the JV Agreement, the JV Company will be a limited company to be established in Longli County, Guizhou Province, the PRC with a registered capital of RMB500,000,000 (approximately HK\$609,756,000). SE Investment and SHB Fifth Co agreed to contribute RMB350,000,000 (approximately HK\$426,829,000) and RMB150,000,000 (approximately HK\$182,927,000) in cash to the registered capital of the JV Company respectively. Shenzhen Expressway and CCCC Second Bureau will be responsible for the respective capital contributions of SE Investment and SHB Fifth Co. The JV Company will be owned as to 70% by SE Investment and 30% by SHB Fifth Co upon its establishment and will become a non-wholly owned subsidiary of Shenzhen Expressway.

SE Investment and SHB Fifth Co will make 40% of their respective capital contributions to the registered capital of the JV Company within 30 days from the date of signing of the JV Agreement, with the remaining balance to be made as and when necessary within two years after the establishment of the JV Company.

In the event that the JV Company requires additional funding other than the registered capital, unless otherwise agreed by the equity owners of the JV Company, such funding will be financed by way of third party financings to be obtained by the JV Company and/or additional capital contributions to the registered capital of the JV Company or shareholder's loan(s) to the JV Company by the equity owners in proportion to their respective equity interests in the JV Company. Shenzhen Expressway and CCCC Second Bureau will be responsible for the respective capital contributions or shareholders' loans to be made by SE Investment and SHB Fifth Co, if any.

SE Investment and SHB Fifth Co shall take responsibility for the JV Company up to the committed amount of their respective capital contributions to the registered capital of the JV Company. SE Investment and SHB Fifth Co shall share profit of the JV Company in proportion to their respective capital contributions to the registered capital of the JV Company.

The amount of capital contributions was determined after negotiation between the parties to the JV Agreement with reference to the initial capital requirement of the JV Company and the intent of the parties as to the capital contributions. The capital contributions to be made by Shenzhen Expressway and/or SE Investment will be funded by internal funds and borrowings.

Business scope of the JV Company:

The proposed business scope of the JV Company shall include investment and construction, construction management and operation management of highways and municipal roads; composite land development, project planning, design and construction; development, construction and operation of urban infrastructures and public ancillary facilities; green landscaping; property leasing and management; domestic trading, import and export business (subject to approval of the company registration authority).

Shenzhen Expressway has agreed that upon the establishment of the JV Company, it will transfer all its rights and obligations under the Project Agreement to the JV Company. The JV Company will implement the Guilong Project as set out in the Project Agreement and if necessary, it may establish subsidiary(ies) to complete specific project(s) of the Guilong Project or introduce suitable partner(s) to cooperate in the specific project(s). In the event that the JV Company further develops its business or involved in transaction other than the Guilong Project under the Project Agreement, if any, each of Shenzhen International and Shenzhen Expressway will comply with the applicable requirements under the Listing Rules, if any.

REASONS FOR AND BENEFITS OF ENTERING INTO THE JV AGREEMENT

The board of directors of Shenzhen Expressway believes that the formation of the JV Company would reduce Shenzhen Expressway's overall funding requirement and lower the potential investment risks arising from the Guilong Project under the Project Agreement. The formation of the JV Company would also capitalise on the strengths in construction management of respective parties so as to enhance the management on the Guilong Project, which will lead to the successful implementation of the Guilong Project.

As Shenzhen Expressway is a subsidiary of Shenzhen International, reducing Shenzhen Expressway’s overall funding requirement and the potential investment risks arising from the Guilong Project under the Project Agreement through the establishment of the JV Company is also beneficial to Shenzhen International as a whole.

The respective boards of directors of Shenzhen International and Shenzhen Expressway consider that the terms of the JV Agreement were arrived at after arm’s length negotiation between Shenzhen Expressway and CCCC Second Bureau, entered into on normal commercial terms, and are fair and reasonable, and that entering into the JV Agreement is in the interests of Shenzhen International and Shenzhen Expressway and the shareholders of Shenzhen International and Shenzhen Expressway as a whole.

INFORMATION OF SHENZHEN INTERNATIONAL

Shenzhen International and its subsidiaries are principally engaged in the investment, construction and operation of logistic infrastructure facilities, as well as providing various value-added logistic services to customers leveraging its infrastructure facilities.

INFORMATION OF SHENZHEN EXPRESSWAY AND ITS WHOLLY OWNED SUBSIDIARY SE INVESTMENT

Shenzhen Expressway and its subsidiaries are principally engaged in the investment, construction, operation and management of toll highways and roads. The principal business scope of SE Investment is entities investment and project construction.

INFORMATION OF CCCC SECOND BUREAU AND ITS WHOLLY OWNED SUBSIDIARY SHB FIFTH CO

CCCC Second Bureau and SHB Fifth Co are wholly owned subsidiaries of China Communications Construction Company Limited whose shares are listed on the Stock Exchange and are principally engaged in construction of roads and bridges.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios as set out in the Listing Rules are more than 5% but less than 25%, the transaction contemplated under the JV Agreement constitutes a discloseable transaction for each of Shenzhen International and Shenzhen Expressway under Rule 14.06 of the Listing Rules and is subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

“CCCC Second Bureau” 中交第二公路工程局有限公司 (CCCC Second Highway Engineering Bureau Co., Ltd.), a limited company established in the PRC and is a wholly owned subsidiary of China Communications Construction Company Limited whose shares are listed on the Stock Exchange

“connected person(s)” has the meaning ascribed thereto under the Listing Rules

“Development Project”	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 the Project Agreement
“Guilong Project”	the Road Construction Project and the Development Project
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“JV Agreement”	《合作合同》 (the Cooperation Agreement) entered into between Shenzhen Expressway, SE Investment, CCCC Second Bureau and SHB Fifth Co on 27 October 2011
“JV Company”	a company to be established in Longli County, Guizhou Province, the PRC by Shenzhen Expressway and CCCC Second Bureau through their respective wholly owned subsidiaries under the JV Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Project Agreement”	《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 Shenzhen Expressway on 12 August 2011
“RMB”	Renminbi, the lawful currency of the PRC
“Road Construction Project”	the project of construction of phase I of 貴龍大道 (Guilong Road) by “Build - Transfer” mode contemplated under the Project Agreement
“SHB Fifth Co”	中交二公局第五工程有限公司 (CCCC-SHB Fifth Engineering Co., Ltd.), a limited company established in the PRC and is a wholly owned subsidiary of CCCC Second Bureau

“Shenzhen 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
“Shenzhen International”	Shenzhen International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“SE Investment”	深圳高速投資有限公司 (Shenzhen Expressway Investment Company Limited), a company established in the PRC and is a wholly subsidiary of Shenzhen Expressway
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

Notes:

In this announcement, the exchange rate between HK\$ and RMB at HK\$1.00 to RMB0.82 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
Shenzhen International Holdings Limited
Guo Yuan
Chairman

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

Shenzhen, PRC, 27 October 2011

As at the date of this announcement, the board of directors of Shenzhen International consists of Messrs. Guo Yuan, Li Jing Qi, Liu Jun and Yang Hai as executive directors, Mr. Wang Dao Hai and Professor Wong Yuk Shan, BBS, JP 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 the Shenzhen 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. 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).