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**北京控股有限公司**  
**BEIJING ENTERPRISES HOLDINGS LIMITED**

*(Incorporated in Hong Kong with limited liability under the Companies Ordinance)*  
*(website: [www.behl.com.hk](http://www.behl.com.hk))*  
**(Stock code: 392)**

**PROPOSED ISSUE OF SENIOR NOTES  
TO BE GUARANTEED BY THE COMPANY**

This announcement is made pursuant to Rule 13.09(1) of the Listing Rules.

The Issuer, a wholly owned finance subsidiary of the Company, proposes to conduct an international offering of senior notes to institutional investors in transactions exempt from the registration requirements under the U.S. Securities Act. There will be no public offer of the Notes in Hong Kong. The Notes are expected to be issued by the Issuer and guaranteed by the Company. In connection with the proposed Notes Issue, the Company will provide certain institutional investors with recent corporate and financial information regarding the Group, including but not limited to, updated risk factors, a description of the Group's business and management's discussion and analysis of financial condition and results of operations, which information has not previously been made public. An extract of such recent information can be viewed at the Company's website [www.behl.com.hk](http://www.behl.com.hk) at approximately the same time when such information are released to the institutional investors. The pricing of the proposed Notes Issue, including the aggregate principal amount, the offer price and interest rate, will be determined through a book-building exercise conducted by the Joint Global Coordinators and Joint Lead Managers. Upon finalizing the terms of the Notes, the Joint Lead Managers, the Issuer and the Company will enter into a purchase agreement.

If the Notes are issued, the Issuer intends to advance the net proceeds from the Notes to the Company. The Company intends to use the net proceeds received to repay existing bank loans and for general corporate purposes.

Approval in-principle has been obtained for the listing of the Notes on SGX-ST. Admission of the Notes to the Official List on SGX-ST is not to be taken as an indication of the merits of the Company, the Issuer or the Notes. No listing of the Notes has been sought in Hong Kong.

**As no binding agreement in relation to the proposed Notes Issue has been entered into as at the date of this announcement, the proposed Notes Issue may or may not materialise. The completion of the proposed Notes Issue is subject to market conditions and investors' interest. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.**

Further announcements in respect of the proposed Notes Issue will be made by the Company as and when appropriate.

## **THE PROPOSED NOTES ISSUE**

### **Introduction**

The Issuer, a wholly owned finance subsidiary of the Company, proposes to conduct an international offering of senior notes to institutional investors in transactions exempt from the registration requirements under the U.S. Securities Act. There will be no public offer of the Notes in Hong Kong. The Notes are expected to be issued by the Issuer and guaranteed by the Company. In connection with the proposed Notes Issue, the Company will provide certain institutional investors with recent corporate and financial information regarding the Group, including but not limited to, updated risk factors, a description of the Group's business and management's discussion and analysis of financial condition and results of operations, which information has not previously been made public. An extract of such recent information can be viewed at the Company's website [www.behl.com.hk](http://www.behl.com.hk) at approximately the same time when such information are released to the institutional investors. The pricing of the proposed Notes Issue, including the aggregate principal amount, the offer price and interest rate, will be determined through a book-building exercise conducted by the Joint Lead Managers. Upon finalizing the terms of the Notes, the Joint Lead Managers, the Issuer and the Company will enter into a purchase agreement.

The Notes and the related guarantee by the Company have not been, and will not be, registered under the U.S. Securities Act. Accordingly, the Notes are being offered or sold in the United States only to Qualified Institutional Buyers, as defined in, and in reliance on, Rule 144A, or pursuant to another applicable exemption from the registration requirements, under the U.S. Securities Act or outside of the United States in accordance with Regulation S under the U.S. Securities Act.

### **Reasons for the Notes Issue**

The Group is one of the leading conglomerates in the PRC primarily engaged in gas transmission and distribution, water utilities, brewery operations and toll road operations. The Issuer, a company incorporated in British Virgin Islands, is wholly owned by the Company.

If the Notes are issued, the Issuer intends to advance the net proceeds from the Notes to the Company. The Company intends to use the net proceeds received to repay existing bank loans and for general corporate purposes.

### **Listing**

Approval in-principle has been obtained for the listing of the Notes on SGX-ST. Admission of the Notes to the Official List on SGX-ST is not be taken as an indication of the merits of the Company, the Issuer or the Notes. No listing of the Notes has been sought in Hong Kong.

### **GENERAL**

**As no binding agreement in relation to the proposed Notes Issue has been entered into as at the date of this announcement, the proposed Notes Issue may or may not materialise. The completion of the proposed Notes Issue is subject to market conditions and investors' interest. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company.**

Further announcements in respect of the proposed Notes Issue will be made by the Company as and when appropriate.

## DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings:

“Board”	:	the board of Directors of the Company
“BofA Merrill Lynch”	:	Merrill Lynch International
“Company”	:	Beijing Enterprises Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Credit Suisse”	:	Credit Suisse Securities (Europe) Limited
“Directors”	:	the directors of the Company
“Group”	:	the Company and its subsidiaries
“Hong Kong”	:	the Hong Kong Special Administrative Region of the PRC
“HSBC”	:	The Hongkong and Shanghai Banking Corporation Limited
“Joint Global Coordinators”	:	BofA Merrill Lynch, HSBC and Morgan Stanley
“Joint Lead Managers”	:	BofA Merrill Lynch, HSBC, Morgan Stanley, Credit Suisse and UBS
“Issuer”	:	Mega Advance Investments Limited (宏展投資有限公司), a company incorporated in the British Virgin Islands and a wholly-owned subsidiary of the Company
“Listing Rules”	:	The Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited
“Morgan Stanley”	:	Morgan Stanley & Co. International plc.
“Notes”	:	the senior notes to be issued by the Issuer as mentioned above
“Notes Issue”	:	the issue of the Notes by the Issuer
“PRC”	:	the People’s Republic of China

“SGX-ST” : the Singapore Exchange Securities Trading Limited  
“Stock Exchange” : The Stock Exchange of Hong Kong Limited  
“UBS” : UBS AG, Hong Kong Branch  
“United States” : the United States of America  
“U.S. Securities Act” : the United States Securities Act of 1933, as amended

By Order of the Board  
**Beijing Enterprises Holdings Limited**  
**Zhang Honghai**  
*Vice Chairman*

Hong Kong, 28 April 2011

*At the date of this announcement, the board of directors of the Company comprises Mr. Wang Dong, Mr. Zhang Honghai, Mr. Li Fucheng, Mr. Bai Jirong, Mr. Zhou Si, Mr. E Meng, Mr. Liu Kai, Mr. Guo Pujin, Mr. Lei Zhengang, Mr. Jiang Xinhao and Mr. Tam Chun Fai as executive directors; Mr. Wu Jiesi, Mr. Robert A. Theleen, Mr. Lam Hoi Ham and Mr. Fu Tingmei as independent non-executive directors*