
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Sichuan Expressway Company Limited** (“**Company**”), you should at once hand this circular and the accompanying form of proxy and the reply slip to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or the transferee.

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四川成渝高速公路股份有限公司
Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00107)

**PROPOSED INVESTMENT IN AND CONSTRUCTION AND OPERATION OF
SUINING-GUANG'AN EXPRESSWAY AND SUINING-XICHONG EXPRESSWAY
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 1 to 7 of this circular.

A notice for convening the extraordinary general meeting (“**EGM**”) of the Company to be held at 9 a.m. on 13 January 2012 (Friday) at Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the People's Republic of China (“**PRC**”) is set out on pages 8 to 11 of this circular.

A form of proxy for use at the EGM is enclosed with this circular and is also published on the website of The Stock Exchange of Hong Kong Limited. If you intend to appoint a proxy to attend the EGM, you are required to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. For the holders of H Shares, the form of proxy should be returned to the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for convening the EGM (or any adjournment thereof) or 24 hours before the time appointed for the passing of the resolutions. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

28 November 2011

* For identification purposes only

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DEFINITIONS

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

“A Share(s)”	ordinary shares of the Company with a nominal value of RMB1.00 each, which are issued in the PRC, subscribed for in RMB and listed on the Shanghai Stock Exchange (stock code: 601107)
“Announcements”	the announcements of the Company dated 19 October 2011 and 21 November 2011 in relation to the Project
“Articles of Association”	the Articles of Association of the Company, as amended from time to time
“Board”	the board of Directors
“Company”	Sichuan Expressway Company Limited* (四川成渝高速公路股份有限公司), a joint stock limited company incorporated in the PRC with limited liability, the H Shares and A Shares of which are listed on the Stock Exchange and the Shanghai Stock Exchange respectively
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held at 9 a.m. on 13 January 2012 (Friday) at Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC
“Expressways”	Suining-Guang’an Expressway and Suining-Xichong Expressway, both of which are to be located in Sichuan Province, the PRC with a total designated length of approximately 162.671km
“Group”	the Company and its subsidiaries

DEFINITIONS

“H Share(s)”	overseas listed shares of the Company with a nominal value of RMB1.00 each, which are issued in Hong Kong, subscribed for in Hong Kong dollars and listed on the main board of the Stock Exchange (stock code: 00107)
“HK\$”	Hong Kong dollars, the lawful currency in Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Investment Agreement”	the agreement dated 21 November 2011 in relation to the Project, which was entered into between the Company and the Joint Tender Organizers
“Joint Tender Organizers”	Suining Municipal People’s Government, Guang’an Municipal People’s Government and Nanchong Municipal People’s Government
“km”	kilometer(s)
“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 circular, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Project”	the project in relation to the investment in, construction and operation of the Expressways
“Project Company”	the project company to be established for implementing the Project
“RMB”	Renminbi, the lawful currency in the PRC
“Shareholder(s)”	registered holder(s) of the Shares



四川成渝高速公路股份有限公司
Sichuan Expressway Company Limited*

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Board of Directors:

Mr. Tang Yong (*Chairman*)
Mr. Zhang Zhiying (*Vice Chairman*)
Madam Zhang Yang (*Vice Chairman*)
Mr. Gao Chun
Mr. Zhou Liming
Mr. Wang Shuanming
Mr. Liu Mingli
Madam Hu Yu
Madam Luo Xia[#]
Mr. Feng Jian[#]
Mr. Zhao Zesong[#]
Mr. Xie Bangzhu[#]

Legal Address:

252 Wuhouci Da Jie
Chengdu
Sichuan Province
The PRC
Postcode: 610041

[#] *Independent Non-executive Directors*

28 November 2011

To the Shareholders

Dear Sir or Madam,

**PROPOSED INVESTMENT IN AND CONSTRUCTION AND OPERATION OF
SUINING-GUANG'AN EXPRESSWAY AND SUINING-XICHONG EXPRESSWAY
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Announcements.

On 19 October 2011, the Company received a notice issued by the Joint Tender Organizers advising that the Company, through public tender, has won the tender for the Project in relation to the investment in, construction and operation of the Expressways to be located in Sichuan Province, the PRC.

LETTER FROM THE BOARD

On 21 November 2011, the Board has resolved, among other things, the investment in, construction and operation of the Project as well as other related matters. On the same date, the Company and the Joint Tender Organizers entered into the Investment Agreement.

Entering into the Investment Agreement will not constitute a notifiable transaction or connected transaction under Chapters 14 and 14A of the Listing Rules. Nevertheless, pursuant to the Articles of Association and relevant PRC laws and regulations, the Project is subject to the Shareholders' approval by ordinary resolution.

The purpose of this circular is to provide you with information relating to the Project and Investment Agreement as well as to give you a notice of the EGM to be convened for the Shareholders to consider and, if thought fit, approve, among other things, the Project and other related matters.

THE PROJECT

Set out below is a summary of the Project:

Nature of the Project	Investment in, construction and operation of the Expressways by way of BOT.
Details of the Expressways	Suining-Guang'an Expressway and Suining-Xichong Expressway, both of which are to be located in Sichuan Province, the PRC with a designed total length of approximately 162.671km, including approximately 96.821km for Suining-Guang'an Expressway and approximately 65.85km for Suining-Xichong Expressway respectively.
Construction and operation method	BOT (Build-Operate-Transfer), a mode in which the government or its authorized proprietor(s) (i.e. the Joint Tender Organizers) selects the investor for an infrastructure project to be constructed (i.e. the Project) through public tendering, and authorizes the winning bidder to be responsible for the financing, investment, construction, operation and maintenance of the project. During the operation period of the project, the profits generated therefrom shall be attributable to the investor and the associated risks shall be borne by the investor as well. The government or its authorized proprietor(s) reserve(s) the rights to supervise and manage the project. Upon expiry of the operation period, the project shall be transferred to the government or its authorized proprietor(s).

LETTER FROM THE BOARD

Construction period of the Expressways	Approximately 3 years. It is expected that the construction work will be fully commenced in 2012.
Operation period of the Expressways	29 years and 336 days, during which the Company is entitled to charge toll fees with respect to the Expressways. The commencement of collection of the toll fees shall be subject to the approval document issued by the relevant governmental authorities which approves the collection of such fees.
Estimated total investment amount	According to the estimated total investment amount provided in the tender documents and as disclosed in the Company's announcement dated 19 October 2011 in relation to the winning of the tender for the Project, the estimated investment amounts for Suining-Guang'an Expressway and Suining-Xichong Expressway are approximately RMB7.071 billion and approximately RMB4.671 billion respectively, totaling approximately RMB11.742 billion. However, according to the evaluation in the feasibility study reports on the Expressways issued by Sichuan Engineering Consulting and Research Institute* (四川省工程諮詢研究院) which was entrusted by Sichuan Development and Reform Commission, the estimated total investment amount for the Project is currently adjusted to RMB12.284 billion (equivalent to approximately HK\$14.986 billion), of which approximately RMB7.329 billion (equivalent to approximately HK\$8.941 billion) is for Suining-Guang'an Expressway and approximately RMB4.955 billion (equivalent to approximately HK\$6.045 billion) is for Suining-Xichong Expressway. The final total investment amount is subject to the approval(s) by the relevant governmental authorities.
Expected source of fund	The construction of the Project will be financed by capital fund of the Project and indirect financing channels, among which 30% of the estimated total investment amount will be financed by capital fund of the Project and the remaining 70% will be financed by bank loans and/or other appropriate and available financing channels.

LETTER FROM THE BOARD

THE INVESTMENT AGREEMENT

Set out below is a summary of the Investment Agreement:

Date	21 November 2011
Parties	(i) The Company (ii) The Joint Tender Organizers
Incorporation of the Project Company	The Company shall establish the Project Company in Suining City, Sichuan Province, the PRC for implementing the Project.
Supervision of the Project	The Joint Tender Organizers are entitled to supervise and manage the establishment of the Project Company as well as the construction and operation of the Project. The Joint Tender Organizers shall also give assistance in the examination and approval procedures in relation thereto.
Performance Guarantee	The Company has agreed to provide performance guarantee of RMB20,000,000 (equivalent to approximately HK\$24,400,000) for performance of its duties and obligations under the Investment Agreement. Such performance guarantee shall be released within 10 working days after delivery, examination and acceptance of the Project.
Conditions precedent	The Investment Agreement shall become effective upon fulfillment of the following: (i) signing and affixing the company seal by the legal representative and authorized person of the parties; (ii) undergoing the relevant legal procedures.

LETTER FROM THE BOARD

REASONS FOR INVESTING IN THE PROJECT AND ENTERING INTO THE INVESTMENT AGREEMENT

Both Suining-Guang'an Expressway and Suining-Xichong Expressway are among the 10 linking roads newly included in the Adjustment Program for the Sichuan Expressway Network Planning (《四川高速公路路網規劃》). The construction of the Expressways will further improve the expressway network in Sichuan Province, the PRC, thus forming the most convenient road transportation channel from Chengdu to Hubei, Shanghai and other regions in central and eastern China while effectively connecting the roads from northwest China to Yunnan, Guizhou and other regions via Sichuan. In addition, it is also the reflection of the Company's development strategy of "one main body and two wings".

For the purpose of setting out the framework of the Project, the Company and the Joint Tender Organizers entered into the Investment Agreement.

In view of the above, the Directors (including the independent non-executive Directors) consider that the participation and investment in the Project, which includes but not limited to entering into the Investment Agreement, is on normal commercial terms and in the ordinary and usual course of business of the Group and in the interests of the Company and Shareholders as a whole.

LISTING RULES IMPLICATIONS

Since the Company is principally engaged in the investment, construction, operation and management of road infrastructure projects in Sichuan Province, the PRC as well as the operation of other businesses related to toll expressways, the participation in the Project (i.e. the investment in, construction and operation of the Expressways) are in the ordinary and usual course of business of the Group. Accordingly, entering into the Investment Agreement will not constitute a notifiable transaction or connected transaction under Chapters 14 and 14A of the Listing Rules.

It is anticipated that the Company will, besides the Investment Agreement, enter into a series of transactions contemplated under the Project with different parties, including but not limited to the license agreement and construction agreement, etc. In the event these contemplated transactions materialize, they may or may not constitute notifiable transactions and/or connected transactions under Chapters 14 and 14A of the Listing Rules. The Company will comply with the relevant requirements pursuant to the Listing Rules in respect of these transactions.

LETTER FROM THE BOARD

EGM

Pursuant to the Articles of Association and relevant PRC laws and regulations, the Project is subject to the Shareholders' approval by ordinary resolution.

The EGM will be held at 9 a.m. on 13 January 2012 (Friday) at Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC, for the Shareholders to consider and, if thought fit, approve, among other things, the Project and other related matters. At the EGM, votes will be taken by poll.

The notice of the EGM is set out on pages 8 to 11 of this circular. The form of proxy and the reply slip of the EGM are also enclosed.

If you intend to appoint a proxy to attend the EGM, you are required to complete and return the enclosed form of proxy in accordance with the instructions printed thereon. For the holders of H Shares, the form of proxy should be returned to the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 24 hours before the time appointed for convening the EGM (or any adjournment thereof) or 24 hours before the time appointed for the passing of the resolutions. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

If you intend to attend the EGM in person or by proxy, you are required to complete and lodge the reply slip for attending the EGM at the Company's legal address at 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC not later than 4:30 p.m. on 23 December 2011 (Friday). The reply slip may be delivered to the Company by hand, by post or by fax (fax no.: (8628) 8553 0753).

CLOSURE OF REGISTER OF MEMBERS

The H Share register of members of the Company will be closed from 14 December 2011 (Wednesday) to 13 January 2012 (Friday), both days inclusive, during which period no transfer of H Shares will be effected. In order to qualify for attending the EGM, unregistered holders of H Shares shall ensure that all transfers of H Shares accompanied by the relevant share certificates and appropriate transfer documents must be lodged with the Company's H Share Registrar, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 13 December 2011 (Tuesday).

LETTER FROM THE BOARD

RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the participation and investment in the Project is in the interests of the Company and Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend all Shareholders to vote in favour of the relevant ordinary resolution(s) for approving the Project and other related matters to be proposed at the EGM.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

GENERAL

As the Project is subject to the Shareholders' approval and therefore may or may not proceed to completion, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

Yours faithfully,
By order of the Board
Sichuan Expressway Company Limited*
Zhang Yongnian
Company Secretary



四川成渝高速公路股份有限公司
Sichuan Expressway Company Limited*

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 00107)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the “EGM”) of Sichuan Expressway Company Limited* (the “**Company**”) will be held at 9 a.m. on 13 January 2012 (Friday) at Room 420, 4th Floor, 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC for the purpose of considering and, if thought fit, passing (with or without modifications) the following resolution:

Unless otherwise indicated, capitalized terms used herein shall have the same meanings as those defined in the circular of the Company dated 28 November 2011 in relation to the Project for the investment in, construction and operation of the Expressways.

AS ORDINARY RESOLUTION

1. To consider, approve and confirm the Project and other related matters including:
 - (a) **THAT** the Company’s participation in the work and arrangements in relation to the tendering and preparation for the Project be and is hereby approved and confirmed; and the granting to the Board the general authority, to the extent that is permitted under the relevant laws and regulations and within the estimated total investment amount for the Project as approved by the competent governmental authorities, to invest in and operate the Project be and is hereby approved and confirmed;

NOTICE OF EGM

- (b) **THAT** establishment of the Project Company in form of branch company, subsidiary, joint venture company or any other corporate entity by the Company in accordance with the relevant laws and regulations for the preparation, construction, operation, management and delivery in connection with the Project be and is hereby approved and confirmed (if the Project Company is established in the form of joint venture company, the Company shall have a shareholding of not less than 90% in the Project Company, whilst the joint venture parties shall enjoy and assume, whether directly or through the Project Company, the rights and obligations in connection with the Project in proportion to their respective shareholdings therein); and with respect to the establishment of the Project Company, a committee comprising any three Directors be and is hereby authorized to evaluate and determine the qualified strategic investor (the “**Qualified Investor**”) with reference to its scale, financial condition and enterprise image, etc. to jointly establish the Project Company (if established in the form of joint venture company), and to determine the name, registered office, articles of association and other matters of the Project Company;
- (c) **THAT** subject to the registration(s) and approval(s) (if required) of the relevant PRC governmental authorities, applications by the Company or Project Company to banks and other financial institutions for loans or other financial capital up to the estimated total investment amount for the Project be and are hereby approved and confirmed; and where necessary, provision of guarantee (including but not limited to pledging the right to charge toll fees with respect to the Project) for obtaining the capital for the Project;
- (d) **THAT** subject to the approval(s) of the relevant PRC governmental authorities, adjustment(s) in the estimated investment amount for the Project from time to time in accordance with the laws by the Company or the Project Company be and is/are hereby approved and confirmed;
- (e) **THAT** a committee comprising any three Directors, for and on behalf of the Company and/or to authorize Director(s) or other authorized representative(s), to negotiate, prepare, execute, amend, supplement and implement all the documents in connection with the Project (including but not limited to the Investment Agreement, license agreement, cooperation agreement, construction agreement, loan agreement and pledge agreement, etc.) with the Joint Tender Organizers, Qualified Investor and/or other relevant parties, and to do all such required matters and acts, as well as the authorization to them to make amendments to the contents of the above documents, as they may in their sole discretion consider appropriate and desirable and in the interests of the Company and Shareholders as a whole be and are hereby approved and confirmed;

NOTICE OF EGM

- (f) **THAT** the authorization to any Director or the secretary to the Board to, for and on behalf of the Company, draft, prepare, sign and publish any announcements, circulars and other related documents in connection with the Project in accordance with the requirements of the Stock Exchange and Shanghai Stock Exchange be and is hereby approved and confirmed; and the Company's engagements in accordance with the laws with professional intermediate parties with respect to the Project (including but not limited to financial advisers, lawyers and traffic volume consultants, etc.), and the authorization to any Director to determine the terms of such engagements and to execute, amend and/or terminate the engagement agreements with such professional intermediate parties for and on behalf of the Company be and are hereby approved and confirmed.

By order of the Board
Sichuan Expressway Company Limited*
Zhang Yongnian
Company Secretary

Chengdu, Sichuan, the PRC
28 November 2011

As at the date of this notice, the Board comprises: Mr. Tang Yang (Chairman), Mr. Zhang Zhiying (Vice Chairman), Madam Zhang Yang (Vice Chairman), Mr. Gao Chun, Mr. Zhou Liming, Mr. Wang Shuanming, Mr. Liu Mingli, Madam Hu Yu, Madam Luo Xia[#], Mr. Feng Jian[#], Mr. Zhao Zesong[#] and Mr. Xie Bangzhu[#].

Independent non-executive Director

** For identification purposes only*

NOTICE OF EGM

Notes:

- (i) The register of members of H Shares will be closed from 14 December 2011 (Wednesday) to 13 January 2012 (Friday), both days inclusive, during which period no transfer of H Shares will be effected. In order to qualify for attending the EGM, unregistered holders of H Shares shall ensure that all transfers of H Shares accompanied by the relevant share certificates and the appropriate transfer documents must be lodged with the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 13 December 2011 (Tuesday).
- (ii) Any holder of H Shares who has registered on the register of members of H Shares before the close of business on 13 December 2011 (Tuesday) is entitled to attend the EGM after registration for the meeting. He/she is also entitled to appoint one or more proxies to attend and vote at the EGM on his/her behalf in accordance with the Articles of Association of the Company. A proxy need not to be a Shareholder of the Company.
- (iii) In order to be valid, the form of proxy of holders of H Shares and, if such form of proxy is signed by a person under a power of attorney or other authority on behalf of the principal, a notarially certified copy of that power of attorney or authority shall be deposited at the Company's H Share Registrar, Hong Kong Registrars Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the EGM (or any adjournment thereof) or 24 hours before the time appointed for the passing of the resolution(s).
- (iv) Shareholders or their proxies should produce their identity documents when attending the EGM. Should a proxy be appointed, the proxy shall also present the form of proxy.
- (v) Pursuant to the Articles of Association of the Company and the Listing Rules, the Chairman of the EGM will demand a poll in relation to all the resolution(s) proposed at the EGM.
- (vi) Shareholders who intend to attend the EGM shall complete and lodge the reply slip for attending the EGM at the Company's legal address at 252 Wuhouci Da Jie, Chengdu, Sichuan Province, the PRC not later than 4:30 p.m. on 23 December 2011 (Friday). The reply slip may be delivered to the Company by hand, by post or by fax (fax no.: (8628) 8553 0753).
- (vii) The EGM is expected to last for less than one day. Shareholders or their proxies attending the EGM shall be responsible for their own traveling and accommodation expenses.