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北京首都國際機場股份有限公司
Beijing Capital International Airport Co.,Ltd.

(a sino-foreign joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 00694)

ANNOUNCEMENT

CONNECTED TRANSACTION
GUIDANCE SIGN

ENGINEERING CONSTRUCTION AGREEMENT

GUIDANCE SIGN ENGINEERING CONSTRUCTION AGREEMENT

The Board announces that on 16 January 2012, the Company and Beijing Aviation Construction entered into the Guidance Sign Engineering Construction Agreement in relation to the provision of the Construction Services for the construction of guidance signs at the airfield area of the Beijing Airport.

LISTING RULES IMPLICATIONS

The Parent Company is the controlling shareholder of the Company, holding approximately 56.61% of the issued share capital of the Company as at the date of this announcement. Beijing Aviation Construction is a subsidiary of Construction Corporation, which is a wholly-owned subsidiary of the Parent Company. Beijing Aviation Construction is therefore a connected person of the Company and the transaction contemplated under the Guidance Sign Engineering Construction Agreement constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transaction contemplated under the Guidance Sign Engineering Construction Agreement when aggregated with the provision of construction contracting services by Beijing Aviation Construction to the Company under the North-End Deicing Facilities Construction Contracting Services Agreement and the provision of reconstruction contracting services by Beijing Aviation Construction under the Deicing Facilities Reconstruction Contracting Services Agreement is more than 0.1% but less than 5%, the transaction contemplated under the Guidance Sign Engineering Construction Agreement is subject to the reporting, annual review and announcement requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GUIDANCE SIGN ENGINEERING CONSTRUCTION AGREEMENT

Date

16 January 2012

Parties

- (a) The Company; and
- (b) Beijing Aviation Construction.

Term

The term of the Guidance Sign Engineering Construction Agreement is 120 days commencing from the commencement date of the construction work as instructed by the supervisor of the construction project. In view of the time required for carrying out the preliminary procedures for obtaining the administrative approval of the construction work and considering the limitations on the natural environment for the implementation of the construction work, it is expected that the construction work will commence in March 2012 as instructed by the supervisor of the project.

Provision of Construction Services

Pursuant to the Guidance Sign Engineering Construction Agreement, Beijing Aviation Construction agreed to provide the Construction Services to the Company for the construction of “no-entry guidance signs” at the 20 one-way exit taxiways located at the 3 runways at the airfield area of the Beijing Airport, “runway number signs” and ancillary facilities at the entrance taxiway at the 12 non-runway end of the Beijing Airport, which includes but not limited to the following:-

- (i) completion of all construction work;
- (ii) provision of periodic report on the progress of the construction work;
- (iii) taking responsibility for the completeness and safety of the construction work and construction methods;
- (iv) completion of procedures for the management of traffic of the construction site;
- (v) ensuring the safety of the construction work and workers and ensuring that the relevant lighting requirements are complied with;
- (vi) implementation of environmental protection work, noise control management and protection of nearby buildings and trees at the construction site and its surrounding area;
- (vii) provision of maintenance and protection services to the completed construction work;
- (viii) provision of offices and living facilities to the supervisors of the construction work;
- (ix) provision of apparatus and facilities for the supply of electricity, natural gas and water to the construction site;
- (x) provision of cleaning services to the construction site; and
- (xi) provision of other services under the Guidance Sign Engineering Construction Agreement.

Consideration and Payment

The consideration payable by the Company in respect of the provision of the Construction Services by Beijing Aviation Construction is RMB10,788,190.77 (approximately HK\$13,318,754.04).

The fee under the Guidance Sign Engineering Construction Agreement is payable by the Company depending on the construction progress of the project. The Company shall pay Beijing Aviation Construction within 28 days from the construction supervisor's receipt of the progress payment application form submitted by Beijing Aviation Construction, which amount shall be agreed by the Company and the supervisor.

The Company agrees to make advance payment of 35% of the consideration, i.e., approximately RMB3,775,867, to Beijing Aviation Construction within 7 days of the Guidance Sign Engineering Construction Agreement.

The consideration payable by the Company represents the lowest bid amount in the tender for the construction project and includes costs for raw materials, labour cost and management fee. Further, such consideration does not exceed the total budget amount for the project estimated by the Company after taking into account the costs estimates for the project and the prevailing market prices. Therefore, the Company considers that the consideration is on normal commercial term and is fair and reasonable.

REASONS FOR AND BENEFITS OF ENTERING INTO THE GUIDANCE SIGN ENGINEERING CONSTRUCTION AGREEMENT

According to the amendments of the Technical Standards for Airfield Area of Civil Airports issued by the Civil Aviation Administration of China, signs such as 'No Entry' sign, runway number sign and ancillary facilities are required to be set up at the airfield area of the Beijing Airport.

The Company had invited public tender for the construction work of guidance signs and ancillary facilities at the airfield area of the Beijing Airport. After considering the technical experience, construction and design proposal, tender amount, business reputation, project management skills and other relevant factors of all the tenderers, Beijing Aviation Construction was selected as the service provider of the project. The tender was fair in the whole course and complied with PRC laws and regulations and relevant requirements of the Company.

Beijing Aviation Construction has sufficient qualification with expertise in airport runway project and possesses ample experience in carrying out construction work and providing construction services at airport, therefore the Company considers that it is able to satisfy the requirements of this construction project.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Guidance Sign Engineering Construction Agreement are normal commercial terms and are fair and reasonable and the transaction under the Guidance Sign Engineering Construction Agreement is in the interest of the shareholders as a whole.

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BOARD’S APPROVAL

The Board has approved the Guidance Sign Engineering Construction Agreement. Since no Director has any material interest in the transaction contemplated under the Guidance Sign Engineering Construction Agreement, thus none of the Directors has abstained from voting at the relevant Board’s meeting to approve the Guidance Sign Engineering Construction Agreement.

GENERAL

The Company is principally engaged in the operation of Beijing Airport.

The Parent Company is principally engaged in the provision of ground handling services for domestic and international aviation enterprises, including supply of water, electricity, steam and energy; airport management services and counter services.

Beijing Aviation Construction is principally engaged in the provision of construction, maintenance and repair services to airports, including the provision of repair and maintenance services to the lighting system in runways and terminals of airports.

DEFINITIONS

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

“Beijing Airport”	Beijing Capital International Airport
“Beijing Aviation Construction”	北京中航空港建設工程有限公司 (Beijing Aviation Construction Engineering Co., Ltd.)
“Board”	the board of Directors
“Company”	Beijing Capital International Airport Company Limited (北京首都國際機場股份有限公司), a sino-foreign joint stock limited company incorporated in the PRC with limited liability, and the H Shares of which are listed on the Stock Exchange

“Construction Services”	the construction services to be carried out by Beijing Aviation Construction pursuant to the Guidance Sign Engineering Construction Agreement
“Construction Corporation”	中國民航機場建設集團公司(China Airport Construction Corporation), a company established in the PRC and a wholly-owned subsidiary of the Parent Company
“Deicing Facilities Reconstruction Contracting Services Agreement”	the deicing facilities reconstruction contracting services agreement dated 23 December 2011 entered into between the Company and Beijing Aviation Construction for the provision of deicing facilities reconstruction contracting services for the reconstruction of deicing apron and relevant deicing facilities at the south-end of the central runway of the Beijing Airport, details of which please refer to the announcement of the Company dated 23 December 2011
“Director(s)”	the director(s) of the Company
“Guidance Sign Engineering Construction Agreement”	the guidance sign engineering construction agreement dated 16 January 2012 entered into between the Company and Beijing Aviation Construction in relation to the provision of Construction Services for the construction of guidance signs at the airfield area of the Beijing Airport
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“H Share(s)”	overseas listed foreign shares of nominal value of RMB1.00 each in the registered capital of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“North-End Deicing Facilities Construction Contracting Services Agreement”	the deicing facilities construction contracting services agreement dated 23 March 2011 entered into between the Company and Beijing Aviation Construction for the provision of deicing facilities construction contracting services at the north-end of the central runway of the Beijing Airport, details of which please refer to the announcement of the Company dated 24 March 2011
“Parent Company”	首都機場集團公司 (Capital Airports Holding Company), an enterprise established in the PRC and the controlling shareholder of the Company
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC

Note: Unless otherwise specified and for reference only, the conversion of Hong Kong dollars into Renminbi is based on the exchange rate of HK\$1 = RMB0.81 in this announcement.

By the order of the Board
Shu Yong
Secretary of the Board

Beijing, PRC, 16 January 2012

As at the date of this announcement, the directors of the Company are:

Executive Directors: Mr. Dong Zhiyi and Mr. Zhang Guanghui

Non-executive Directors: Mr. Chen Guoxing, Mr. Gao Shiqing, Ms. Yao Yabo, Mr. Zhang Musheng, Mr. Lau Eng Boon and Mr. Yam Kum Weng

Independent Non-executive Directors: Mr. Japhet Sebastian Law, Mr. Wang Xiaolong, Mr. Jiang Ruiming and Mr. Liu Guibin

An announcement containing details of the matter is available for viewing on the website of Hong Kong Exchanges and Clearing Limited website at <http://www.hkex.com.hk> under “Latest Listed Companies Information”, at the website of the Company at <http://www.bcia.com.cn/> and the website of Irasia.com at <http://www.irasia.com/listco/hk/bcia>.