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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**

**CONTINUING CONNECTED TRANSACTIONS**

**AIRFIELD LIGHTS AND CABLE MAINTENANCE AGREEMENT**

The Board announces that on 16 September 2013, the Company and BCAC entered into the Airfield Lights and Cable Maintenance Agreement in relation to the maintenance of lights and cable in the airfield area of the Beijing Airport for a term commencing from 1 July 2013 to 30 November 2013.

**LISTING RULES IMPLICATIONS**

The Parent Company is the controlling shareholder of the Company as at the date of this announcement. BCAC is a subsidiary of the Parent Company. Hence, BCAC is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions under the Airfield Lights and Cable Maintenance Agreement constitute continuing connected transactions 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 transactions under the Airfield Lights and Cable Maintenance Agreement is less than 5%, the transactions under the Airfield Lights and Cable Maintenance Agreement are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, but exempt from approval from the independent shareholders of the Company. The Company will disclose the relevant details in the next published annual report of the Company in accordance with the relevant requirements as set out in Rule 14A.45 of the Listing Rules.

# **AIRFIELD LIGHTS AND CABLE MAINTENANCE AGREEMENT**

## **Date**

16 September 2013

## **Parties**

- (a) The Company; and
- (b) BCAC

## **Services**

Pursuant to the Airfield Lights and Cable Maintenance Agreement, BCAC agreed to provide regular and emergency inspection and maintenance services on the lights and cable in the airfield area of the Beijing Airport.

## **Term**

The Airfield Lights and Cable Maintenance Agreement is for a term commencing from 1 July 2013 to 30 November 2013.

The Company confirms that each of (i) the transaction amount under the Airfield Lights and Cable Maintenance Agreement for the period from 1 July 2013 to the date of this announcement; and (ii) the transaction amount for the previous 12-month period from the date of this announcement under the Former Airfield Lights and Cable Maintenance Agreement and the Airfield Lights and Cable Maintenance Agreement is below the de minimis threshold under Chapter 14A of the Listing Rules.

The Company confirms that the transaction amount under the Former Airfield Lights and Cable Maintenance Agreement and the Airfield Lights and Cable Maintenance Agreement for the period from 1 January 2013 to the date of this announcement is within the 2013 annual cap threshold as disclosed in the Former Announcement.

## Consideration and Payment

The maintenance fee payable by the Company to BCAC for the provision of regular inspection and maintenance services is RMB2,500,000 which is determined according to the costs to be incurred and reasonable level of profit to be made by BCAC for the provision of such service and by arm's length negotiation between the parties with reference to the historical transaction amount.

The fee payable by the Company to BCAC for the provision of emergency inspection and maintenance services is calculated according to the costs to be incurred and reasonable level of profit to be made by BCAC for the provision of such service basing on arm's length negotiation between the parties taking into account the fee standard for provision of similar services in the market.

The maintenance fee for the provision of regular and emergency inspection and maintenance services is payable by the Company to BCAC on a quarterly basis.

## Historical Figures

The table below sets out the historical transactions figures in respect of the maintenance of the lights and cable in the airfield area of the Beijing Airport:

|   | <b>For the<br/>year ended<br/>31 December<br/>2011<br/>(RMB)</b> | <b>For the<br/>year ended<br/>31 December<br/>2012<br/>(RMB)</b> | <b>For the six<br/>months ended<br/>30 June<br/>2013<br/>(RMB)</b> |
|---|--|--|--|
| Maintenance fee payable by the Company<br>for the maintenance<br>of the airfield lights and cable | 5,820,000  | 6,130,000  | 3,370,000  |

## Annual Cap

It is expected that the maximum aggregate annual maintenance fee payable by the Company to BCAC in relation to the maintenance of lights and cable in the airfield area of the Beijing Airport for the year ending 31 December 2013 is set out as follows:

|                                      |               |
|--------------------------------------|---------------|
|                                      | <i>RMB</i>    |
| For the year ending 31 December 2013 | 6,800,000     |
|                                      | <i>(Note)</i> |

*Note:* This represents the maximum aggregate annual maintenance fee payable by the Company for the period from (i) 1 January 2013 to 30 June 2013 under the Former Airfield Lights and Cable Maintenance Agreement; and (ii) 1 July 2013 to 30 November 2013 under the Airfield Lights and Cable Maintenance Agreement.

The above annual cap amount is arrived at after taking in to account the historical transaction amount and the anticipated level of services required by the Company for the year ending 31 December 2013 in view of the business development of the Company.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE AIRFIELD LIGHTS AND CABLE MAINTENANCE AGREEMENT**

As a result of the change in service providers engagement policy of the Company, the Company is in the process of carrying out open engagement of service providers for the provision of maintenance services for lights and cable in the airfield area of the Beijing Airport. The engagement of BCAC for the provision of maintenance services under the Airfield Lights and Cable Maintenance Agreement is therefore a transitional arrangement, pending for the implementation of the new arrangement.

BCAC possesses ample experience and appropriate qualification and expertise in the provision of inspection and maintenance services on the lights and cable in airport area. Further, BCAC has provided satisfactory inspection and maintenance services to the Company in the past few years. The engagement of BCAC for the provision of inspection and maintenance services on the lights and cable in the airfield area of the Beijing Airport during this transitional period can help to ensure the safety and reliability of the operation of lights and cable in the Beijing Airport.

In light of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Airfield Lights and Cable Maintenance Agreement are normal commercial terms and are fair and reasonable and the transactions under the Airfield Lights and Cable Maintenance Agreement are in the interest of the shareholders of the Company as a whole.

## **LISTING RULES IMPLICATIONS**

The Parent Company is the controlling shareholder of the Company as at the date of this announcement. BCAC is a subsidiary of the Parent Company. Hence, BCAC is a connected person of the Company under Chapter 14A of the Listing Rules. Accordingly, the transactions under the Airfield Lights and Cable Maintenance Agreement constitute continuing connected transactions 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 transactions under the Airfield Lights and Cable Maintenance Agreement is less than 5%, the transactions under the Airfield Lights and Cable Maintenance Agreement are subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules, but exempt from approval from the independent shareholders of the Company. The Company will disclose the relevant details in the next published annual report of the Company in accordance with the relevant requirements as set out in Rule 14A.45 of the Listing Rules.

## **BOARD'S APPROVAL**

The Airfield Lights and Cable Maintenance Agreement was approved by the Board. Since no Director has material interest in the transactions contemplated under the Airfield Lights and Cable Maintenance Agreement, thus none of the Directors has abstained from voting at the Board's meeting to approve the Airfield Lights and Cable Maintenance 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.

BCAC is principally engaged in the provision of construction, repair and maintenance services in the Beijing Airport, including the provision of repair and maintenance services on the lights and cable in the terminals, runway and airfield area of the Beijing Airport.

## DEFINITIONS

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

|  |   |
|--|---|
| “Airfield Lights and Cable Maintenance Agreement”        | an agreement dated 16 September 2013 entered into between the Company and BCAC for the maintenance of lights and cable in the airfield area of the Beijing Airport  |
| “BCAC”   | Beijing China Aviation Construction Project Company Limited (北京中航空港建設工程有限公司), a subsidiary of the Parent Company  |
| “Beijing Airport”  | Beijing Capital International Airport   |
| “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     |
| “Director(s)”  | the director(s) of the Company  |
| “Former Announcement”                                    | an announcement of the Company dated 7 June 2011 in relation to the Former Airfield Lights and Cable Maintenance Agreement  |
| “Former Airfield Lights and Cable Maintenance Agreement” | an agreement dated 7 June 2011 entered into between the Company and BCAC in relation to the maintenance of lights and cable in the airfield area of the Beijing Airport, details of which were set out in the Former Announcement |

|                  |  |
|------------------|--|
| “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   |
| “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   |
| “HK\$”           | Hong Kong dollars, the lawful currency of Hong Kong  |
| “RMB”            | Renminbi, the lawful currency of the PRC   |

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

Beijing, the PRC, 16 September 2013

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, Mr. Yao Yabo, Mr. Zhang Musheng and Mr. Lau Eng Boon*

*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>.*