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中国铁建

中國鐵建股份有限公司

China Railway Construction Corporation Limited

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

(Stock Code: 1186)

**RELEVANT INFORMATION REGARDING THE PUBLIC
ISSUANCE OF RENEWABLE CORPORATE BONDS
(FIRST TRANCHE) IN 2018 IN THE PRC**

This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The public issuance of renewable corporate bonds by China Railway Construction Corporation Limited (the “**Company**”) to qualified investors with the aggregate nominal value up to RMB15 billion has been approved by the China Securities Regulatory Commission, pursuant to which the Company proposed to issue corporate bonds in tranches with the issue size of up to RMB15 billion (RMB15 billion inclusive) in the PRC (the “**Bonds**”). Pursuant to the regulatory requirements in the PRC, the Company prepared and published the “Offering Prospectus of Public Issuance of Renewable Corporate Bonds (First Tranche) of China Railway Construction Corporation Limited in 2018 (Targeted at Qualified Investors)” dated 14 March 2018 and other relevant offer documents (the “**Offer Documents**”) on the Shanghai Stock Exchange. Pursuant to the Offer Documents, the Bonds will be issued in tranches, among which the Renewable Corporate Bonds (First Tranche) of China Railway Construction Corporation Limited in 2018 will be issued under the second tranche of the Bonds, with an initial issue size of RMB2 billion, subject to over-allotment amount of up to RMB2 billion (RMB2 billion inclusive) (the “**Issuance of Current Tranche**”). The initial term of the bonds issued under the Issuance of Current Tranche is three years with a nominal value of RMB100 and an offer price of RMB100 per bond. The indicative coupon rate range is between 5.00% and 6.00%. Upon comprehensive assessment by China Chengxin Securities Credit Rating Co., Ltd.* (中誠信證券評估有限公司), the credit rating of the bonds of the current tranche is AAA. The bonds issued under the Issuance of Current Tranche are proposed to be listed on the Shanghai Stock Exchange. Please refer to the Offer Documents published by the Company on the website of the Shanghai Stock Exchange for details of the Issuance of Current Tranche.

The Company hereby announces certain information in relation to the Company and the Issuance of Current Tranche as set forth in the Offer Documents as follows:

I. KEY FINANCIAL INDICATORS OF THE COMPANY

The key financial indicators of the Company for the last three years and the third quarter of 2017 are set out in the table below:

Table of Key Financial Indicators of the Company

Currency: RMB

Item	30 September 2017	31 December 2016	31 December 2015	31 December 2014
Total assets (<i>RMB0'000</i>)	82,964,333	75,934,503	69,609,633	62,356,600
Total liabilities (<i>RMB0'000</i>)	67,053,281	61,062,905	56,727,717	51,838,265
Total indebtedness (<i>RMB0'000</i>)	23,081,356	18,544,646	18,054,156	17,676,802
Equity of owners (<i>RMB0'000</i>)	15,911,052	14,871,599	12,881,917	10,518,335
Current ratio	1.23	1.25	1.19	1.21
Quick ratio	0.66	0.70	0.68	0.68
Gearing ratio (<i>consolidated statement</i>)	80.82%	80.42%	81.49%	83.13%
Gearing ratio (<i>statement of parent</i>)	44.89%	47.96%	46.52%	51.71%
Debt to capital ratio	59.19%	55.50%	58.36%	62.69%

Item	January to September 2017	Year 2016	Year 2015	Year 2014
Revenue (RMB0'000)	46,038,454	62,932,709	60,053,873	59,330,268
Operating profit (RMB0'000)	1,326,882	1,813,134	1,660,904	1,495,883
Total profit (RMB0'000)	1,379,233	1,896,958	1,711,304	1,553,243
Net profit (RMB0'000)	1,112,311	1,485,083	1,337,443	1,206,001
Net profit attributable to owners of the parent (RMB0'000)	1,052,878	1,399,961	1,264,548	1,173,466
Net cash flow from operating activities (RMB0'000)	-1,984,323	3,713,758	5,037,511	674,200
Net cash flow from investment activities (RMB0'000)	-2,448,333	-2,627,260	-2,433,630	-1,714,899
Net cash flow from financing activities (RMB0'000)	2,776,143	-211,126	-244,668	1,506,497
Operating margin	8.80%	9.21%	11.45%	10.94%

Item	January to September 2017	Year 2016	Year 2015	Year 2014
Total return on assets	1.40%	2.04%	2.03%	2.05%
Weighted average return on net asset	8.23%	11.55%	12.41%	13.40%
Weighted average return on net asset after deduction of non-recurring profit or loss	7.71%	10.66%	11.37%	12.14%
EBITDA (RMB0'000)	–	3,606,111	3,423,708	3,318,869
EBITDA total indebtedness ratio	–	19.45%	18.98%	18.76%
EBITDA interest coverage multiple	–	3.92	3.25	3.20
Accounts receivables turnover rate (time/year)	4.42	4.81	4.93	5.84
Inventory turnover rate (time/year)	1.97	2.23	2.25	2.46
Total asset turnover rate (time/year)	0.77	0.86	0.91	1.01

Note: The accounts receivables turnover rate, inventory turnover rate and total asset turnover rate during January to September 2017 have been annualized. As influenced by the settlement cycles of operating revenue and operating costs of the Company, relevant indicators are not comparable.

The foregoing indicators are calculated based on comparative consolidated statements. Details of formulas for respective indicators are as follows:

- (a) Total indebtedness = Long-term indebtedness + Short-term indebtedness; of which the Long-term indebtedness = Long-term borrowings + Bonds payable; Short-term indebtedness = Short-term borrowings + Trading financial liabilities + Notes payable + Non-current liabilities due within one year;
- (b) Current ratio = Current assets/Current liabilities;
- (c) Quick ratio = (Current assets – Inventories)/Current liabilities;
- (d) Gearing ratio = Total Liabilities/Total assets;
- (e) Debt to capital ratio = Total indebtedness/(Total indebtedness + Equity of owners);
- (f) Operating margin = (Operating revenue – Operating costs)/Operating revenue;
- (g) Total return on assets = (Total profit + Interest expenses included in finance cost)/Average balances of total assets;
- (h) Weighted average return on net asset = $P/(E_0 + NP \div 2 + E_i \times M_i \div M_0 - E_j \times M_j \div M_0 \pm E_k \times M_k \div M_0)$,

of which: P refers to the net profit attributable to the ordinary shareholders of the Company or the net profit after deduction of non-recurring profit or loss attributable to the ordinary shareholders of the Company; NP refers to the net profit attributable to the ordinary shareholders of the Company; E_0 refers to the net assets attributable to the ordinary shareholders of the Company at the beginning of a period; E_i refers to the additional of net assets attributable to the ordinary shareholders of the Company resulting from, among other things, the issue of new shares or the conversion of bonds into shares during the reporting period; E_j refers to the decrease of net assets attributable to the ordinary shareholders of the Company resulting from share repurchase or cash dividend distribution during the reporting period; M_0 refers to the number of months of the reporting period; M_i refers to the number of months for the period between the second month since the net assets increase occurred and the end of the reporting period; M_j refers to the number of months for the period between the second month since the net assets decrease occurred and the end of the reporting period; E_k refers to the change of increase or decrease in net assets resulting from other transactions or matters; M_k refers to the number of months for the period between the second month since the other changes, namely increase or decrease, in net assets occurred and the end of the reporting period;

- (i) $\text{EBITDA} = \text{Total profit} + \text{Interest expenses included in finance cost} + \text{Depreciation} + \text{Amortization}$;
- (j) $\text{EBITDA total indebtedness ratio} = \text{EBITDA} / \text{Total indebtedness}$;
- (k) $\text{EBITDA interest coverage multiple} = \text{EBITDA} / (\text{Interest expenses included in finance cost} + \text{Interest expenses capitalized during the period})$;
- (l) $\text{Accounts receivables turnover rate} = \text{Operating revenue} / \text{Average balances of accounts receivables}$;
- (m) $\text{Inventory turnover rate} = \text{Operating costs} / \text{average balances of inventory}$;
- (n) $\text{Total assets turnover rate} = \text{Operating revenue} / \text{Average balances of total assets}$.

II. BONDS PAYABLE BY THE COMPANY

The bonds payable by the Company (including the subsidiaries of the Company) as of 30 September 2017 are set out in the table below:

Summary of Bonds Payable by the Company

Name of bond	Amount Issued (RMB0'000)	Issuing date	Maturity	Interest rate
China Railway Construction Corporation Limited – First tranche of medium-term notes in 2011	750,000	2011.10.14	7 years	6.28%
China Railway Construction Corporation Limited – First tranche of medium-term notes in 2013	1,000,000	2013.6.20	7 years	5.10%
China Railway 15th Bureau Group Co., Ltd. – 2016 first tranche of private placement note	40,000	2016.3.4	3 years	6.80%
China Railway 16th Bureau Group Co., Ltd. – 2016 first tranche of non-public issuance of corporate bonds	100,000	2016.9.6	5 years	4.00%
China Railway 20th Bureau Group Co., Ltd. – 2015 first tranche of private placement note	70,000	2015.3.13	3 years	6.50%
China Railway 23rd Bureau Group Co., Ltd. – 2015 first tranche of private placement note	10,000	2015.2.11	3 years	6.30%

Name of bond	Amount Issued (RMB0'000)	Issuing date	Maturity	Interest rate
China Railway 23rd Bureau Group Co., Ltd. – 2015 second tranche of private placement note	10,000	2015.2.12	3 years	6.30%
China Railway 25th Bureau Group Co., Ltd. – 2014 first tranche of private placement note	40,000	2014.10.28	3 years	6.50%
China Railway 25th Bureau Group Co., Ltd. – 2015 first tranche of private placement note	40,000	2015.1.30	3 years	6.50%
Chongqing Tiefu Suiyu Highway Co., Ltd. – 2014 third tranche of private placement note	30,000	2014.10.31	3 years	6.70%
Chongqing Tiefu Suiyu Highway Co., Ltd. – 2014 fourth tranche of private placement note	5,000	2014.10.1	3 years	7.05%
Chongqing Tiefu Suiyu Highway Co., Ltd. – 2014 fifth tranche of private placement note	20,000	2014.12.18	3 years	6.50%
Chongqing Tiefu Suiyu Highway Co., Ltd. – 2015 first tranche of private placement note	20,000	2015.2.11	3 years	6.00%
China Railway Construction Investment Group Co., Ltd. – 2015 first tranche of private placement note	100,000	2015.7.28	3 years	4.85%
China Railway Real Estate Group Co., Ltd. – 2015 first tranche of corporate bond	300,000	2015.9.29	5 years	4.02%
China Railway Real Estate Group Co., Ltd. – 2016 first tranche of corporate bond	280,000	2016.1.8	5 years	3.70%
China Railway Real Estate Group Co., Ltd. – non-public issuance of 2016 corporate bonds (second tranche)	300,000	2016.1.21	5 years	4.58%

Name of bond	Amount Issued (RMB0'000)	Issuing date	Maturity	Interest rate
China Railway Real Estate Group Co., Ltd. – non-public issuance of 2016 corporate bonds (third tranche)	150,000	2016.4.19	5 years	4.80%
China Railway Real Estate Group Co., Ltd. – non-public issuance of 2016 corporate bonds (fourth tranche)	150,000	2016.5.24	5 years	5.10%
CRCC Yuxiang Limited US\$800 million 3.50% interest rate guaranteed notes due 2023 ^{Note}	80,000 (US\$)	2013.5.16	10 years	3.50%
China Railway Construction Corporation Limited US\$500 million zero coupon convertible bonds due 2021	50,000 (US\$)	2016.1.29	5 years	–
China Railway Construction Corporation Limited RMB3.45 billion 1.5% coupon interest rate convertible bonds due 2021	345,000	2016.12.21	5 years	1.5%

Note: The Company provided unconditional and irrevocable warrant guarantee for the 10-year CRCC Yuxiang Limited US\$800 million interest rate guaranteed notes due 2023.

By order of the Board
China Railway Construction Corporation Limited
MENG Fengchao
Chairman

Beijing, the PRC
14 March 2018

As at the date of this announcement, the board of directors comprises Mr. MENG Fengchao (Chairman and Executive Director), Mr. ZHUANG Shangbiao (President and Executive Director), Mr. XIA Guobin (Executive Director), Mr. LIU Ruchen (Executive Director), Mr. GE Fuxing (Non-executive Director), Mr. WANG Huacheng (Independent Non-executive Director), Mr. Patrick SUN (Independent Non-executive Director), Mr. CHENG Wen (Independent Non-executive Director) and Ms. Amanda Xiao Qiang LU (Independent Non-executive Director).