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中國中鐵股份有限公司
CHINA RAILWAY GROUP LIMITED

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 390)

This overseas regulatory announcement is made pursuant to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Please refer to the attached “Announcement of China Railway Group Limited on Entry into of Agreement for a PPP Project” published by China Railway Group Limited on the Shanghai Stock Exchange website on 21 September 2016 for your information.

By Order of the Board
China Railway Group Limited
LI Changjin
Chairman

21 September 2016

As at the date of this announcement, the executive directors of the Company are LI Changjin (Chairman), YAO Guiqing and ZHANG Zongyan; and the independent non-executive directors are GUO Peizhang, WEN Baoman, ZHENG Qingzhi and NGAI Wai Fung.

A Shares Stock Name:
China Railway
A Shares Stock Code:
601390

H Shares Stock Name:
China Railway
H Shares Stock Code:
00390

Announcement No.:
Lin 2016-056
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Lin 2016-056

Announcement of China Railway Group Limited on Entry into of Agreement for a PPP Project

The board of directors of China Railway Group Limited (the “Company”) and all the directors hereby undertake that this announcement does not have any false or misleading statements or any material omissions, and assume the joint and several liability for the truthfulness, accuracy and completeness of the contents.

Recently, the Company has entered into an investment agreement (the “**Agreement**”) with the Yulin Municipal Government and the Yan’an Municipal Government for the Public-Private-Partnership (PPP) project (the “**Project**”) of the Suide – Yanchuan Motorway (including Qingjian – Zichang High-speed Connection Line) in Shaanxi Province. The total investment amount of the Project is estimated to be RMB13.1 billion. The motorway is around 119 kilometers in length, and will follow the design standards for a two-way four-lane motorway. The concession period of the Project is divided into a construction period and an operation period. Specifically, the construction period is 39 months, commencing on the date when the construction permit is obtained and ending on the date when the construction is completed and delivered, and the operation period is 30 years, commencing on the issuance date of the toll permit and ending on the transfer date of the Project.

The Project will adopt a PPP model, under which the Yulin Municipal Government and the Yan’an Municipal Government, as the government authorities under the project, will select the Company as the private party through public procurement, and the Company will establish a project company which is responsible for the investment, construction, operation, maintenance and transfer of the Project. The Project will recover its investment and receive reasonable return on such investment through collecting tolls and obtaining operating income from the service facilities, advertisements and other operating resources in the specified zones along the motorway, and will be transferred to the government authorities at nil consideration upon the expiration of the operation period.

The contents in the Agreement are the key cooperative conditions to the investment in the Project. After the execution of the Agreement, the Yulin Municipal Government and the Yan'an Municipal Government will enter into a concession agreement with the project company to agree upon the specific matters relating to investment, construction, operation, maintenance and transfer of the Project.

Notice is hereby given.

The Board of Directors of
China Railway Group Limited

22 September 2016