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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)

**UPDATE ON ASSET REORGANISATION
AND
RESUMPTION OF TRADING**

Reference is made to the announcement of China Railway Group Limited (the “**Company**”) dated 14 September 2015, in relation to the planning of a material asset reorganisation (the “**Asset Reorganisation**”) between the Company and China Railway Erju Co., Ltd. (a subsidiary of the Company listed on the Shanghai Stock Exchange (stock code: 600528)) (“**China Railway Erju**”). At the request of the Company, trading in (i) the H shares of the Company and (ii) the debt securities (stock code: 5904) issued by China Railway Resources Huitong Limited, an indirect wholly-owned subsidiary of the Company, and guaranteed by the Company on The Stock Exchange of Hong Kong Limited (the “**Hong Kong Stock Exchange**”) has been suspended with effect from 9:00 a.m. on Monday, 14 September 2015 pending the release of an inside information announcement in relation to the Asset Reorganisation.

Following discussions and negotiations among the relevant parties, it has been preliminarily decided that the Asset Reorganisation will involve an injection by the Company of its equity interests in its relevant subsidiaries in the industrial manufacturing sector into China Railway Erju, in exchange for existing assets and business of China Railway Erju. The scope of assets involved has not been finally determined but, based on the relevant financial data, it is currently contemplated that the Asset Reorganisation will not constitute a material asset reorganisation of the Company. Furthermore, the plan does not involve issuance of shares by the Company.

Further announcement on the progress of the Asset Reorganisation will be made by the Company in a timely manner in accordance with the relevant requirements. Once the specific plan is confirmed, the Company will perform decision-making procedures and make timely disclosure in accordance with the relevant laws and regulations and articles of association of the Company and the Company will comply with the applicable requirements under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong.

The Company has applied to the Hong Kong Stock Exchange for resumption of trading in (i) the H shares of the Company and (ii) the debt securities (stock code: 5904) issued by China Railway Resources Huitong Limited with effect from 9:00 a.m. on Monday, 21 September 2015.

The specific plan for the Asset Reorganisation has yet to be finally determined and Asset Reorganisation is still subject to uncertainties. Investors should exercise caution when dealing in the securities of the Company.

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

Beijing, the PRC
21 September 2015

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