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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)

(Listed Debt Securities Code: 5945, 5778, 5610 and 5338)

2018 FIRST QUARTERLY REPORT

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) and Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company's unaudited results for the first quarter ended 31 March 2018 are summarised as follows:

- This results report was prepared in accordance with the relevant requirements in relation to information disclosure of quarterly reports of listed companies issued by China Securities Regulatory Commission.
- Information set out in this results report was prepared in accordance with the Generally Accepted Accounting Principles in the PRC.
- Unless otherwise indicated, Renminbi is the recording currency in this results report.
- As at the end of the first quarter of 2018, the Company recorded revenue from operations of RMB131,648.728 million, with net profit attributable to the shareholders of the Company amounting to RMB3,421.661 million.

DEFINITIONS:

1. “**Company**” or “**CRCC**” refers to China Railway Construction Corporation Limited (中國鐵建股份有限公司).
2. “**Group**” refers to China Railway Construction Corporation Limited and its wholly-owned and non-wholly-owned subsidiaries.
3. “**Reporting Period**” or “**Current Period**” refers to the period from January to March 2018.
4. “**RMB**” refers to Renminbi.
5. “**Hong Kong Stock Exchange**” refers to The Stock Exchange of Hong Kong Limited.

I. IMPORTANT NOTICE

1.1 The board of directors (the “**Board**”), the supervisory committee and the directors, supervisors and members of the senior management of the Company warrant the truthfulness, accuracy and completeness of the contents in this quarterly report and confirm that there is no misrepresentation or misleading statements contained in, or material omissions from this quarterly report, and accept several and joint responsibilities.

1.2 Absent Directors

Name of Director Absent	Position of Director Absent	Reasons for the Absence	Name of Proxy
WANG Huacheng	Independent Non-executive Director	Due to other public affairs	Patrick SUN

1.3 MENG Fengchao, chairman of the Company, WANG Xiuming, person in-charge of accounting affairs, and QIAO Guoying, Head of Accounting Department (person in charge of accounting), confirm that the financial statements in this quarterly report are true, accurate and complete.

1.4 The first quarterly report of the Company is unaudited.

II. BASIC INFORMATION OF THE COMPANY

2.1 Major Financial Data

		<i>Unit: '000</i>	<i>Currency: RMB</i>
	As at the end of the Reporting Period	As at the end of last year	Changes as at the end of the Reporting Period as compared to the end of last year (%)
Total assets	825,050,249	821,887,459	0.38
Net assets attributable to shareholders of the Company	155,267,858	149,411,983	3.92
	From the beginning of the year to the end of the Reporting Period	From the beginning of last year to the end of the corresponding reporting period of last year	Changes for the Reporting Period as compared to the same period last year (%)
Net cash flow from operating activities	-40,663,574	-19,572,435	N/A

	From the beginning of the year to the end of the Reporting Period	From the beginning of last year to the end of the reporting period of last year	Changes for the Reporting Period as compared to the same period last year (%)
Revenue from operations	131,648,728	123,065,019	6.97
Net profit attributable to shareholders of the Company	3,421,661	2,878,644	18.86
Net profit attributable to shareholders of the Company excluding non- recurring profit or loss	3,297,384	2,842,760	15.99
Weighted average return on net assets (%)	2.49	2.17	Increased by 0.32 percentage point
Basic earnings per share (RMB per share)	0.252	0.212	18.87
Diluted earnings per share (RMB per share)	0.236	0.203	16.26

Non-recurring profit or loss items and amounts

Applicable Not applicable

Unit: '000 Currency: RMB

Items	Amount for the Current Period
Gains or Losses on disposal of non-current assets	-34,869
Government subsidies recognized through current profit or loss (other than those which are closely related to the Company's normal business operations and enjoyed continuously in accordance with national policies on a fixed amount or quantity)	16,077
Gains or losses from exchange of non-monetary assets	2,703
Gains or losses from debt restructuring	26,046
Gains or losses from changes in fair values of trading financial assets and trading financial liabilities held by the Company, and investment gains from disposal of trading financial assets and trading financial liabilities and available-for-sale financial assets, other than effective hedging activities associated with normal business operations of the Company	19,637
Reversal of provision for impairment from receivables individually tested for impairments	76,487
Other non-operating income and expenses other than the aforesaid items	61,733
Impact on equity attributable to minority interests (after tax)	-6,374
Effect of income tax	-37,163
Total	<u>124,277</u>

2.2 Total number of shareholders and particulars of shareholdings of the top ten shareholders and the top ten holders of tradable shares (or shares not subject to trading moratorium) as at the end of the Reporting Period

Unit: Share

Total number of shareholders 291,288

Particulars of shareholdings of top ten shareholders

Name of shareholder (full name)	Number of shares held as at the end of the Reporting Period	Percentage (%)	Number of shares held subject to trading moratorium	Pledged or frozen Status of shares	Number	Nature of shareholder
China Railway Construction Co., Ltd. (中國鐵道建築有限公司)	7,567,395,500	55.73	0	Nil	0	State-owned
HKSCC NOMINEES LIMITED	2,061,152,613	15.18	0	Unknown		Overseas legal person
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	665,394,995	4.90	0	Nil	0	Others
Anbang Asset Management – China Merchants Bank – Anbang Asset – Win-Win No. 3 Collective Asset Management Product (安邦資管–招商銀行–安邦資產–共贏3號集合資產管理產品)	275,253,346	2.03	0	Nil	0	Others
Central Huijin Asset Management Corporation Limited (中央匯金資產管理有限責任公司)	141,519,100	1.04	0	Nil	0	Others
Hexie Health Insurance Co., Ltd. – Traditional – General Insurance Product (和諧健康保險股份有限公司–傳統–普通保險產品)	115,954,126	0.85	0	Nil	0	Others

Name of shareholder (full name)	Number of shares held as at the end of the Reporting Period		Percentage (%)	Number of shares held subject to trading moratorium	Pledged or frozen Status of shares		Nature of shareholder
	Period				Status of shares	Number	
Anbang Asset – Minsheng Bank – Anbang Asset – Shengshi Selected No. 2 Collective Asset Management Product (安邦資產–民生銀行–安邦資產–盛世精選2號集合資產管理產品)	86,409,412		0.64	0	Nil	0	Others
Anbang Annuity Insurance Co., Ltd. – Group All Around Products Account (安邦養老保險股份有限公司–團體萬能產品)	77,539,029		0.57	0	Nil	0	Others
Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Assets Management Scheme (博時基金–農業銀行–博時中證金融資產管理計劃)	55,095,400		0.41	0	Nil	0	Others
E Fund – Agricultural Bank of China – E Fund CSI Financial Assets Management Scheme (易方達基金–農業銀行–易方達中證金融資產管理計劃)	55,095,400		0.41	0	Nil	0	Others
Da Cheng Fund – Agricultural Bank of China – Da Cheng CSI Financial Assets Management Scheme (大成基金–農業銀行–大成中證金融資產管理計劃)	55,095,400		0.41	0	Nil	0	Others
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Assets Management Scheme (嘉實基金–農業銀行–嘉實中證金融資產管理計劃)	55,095,400		0.41	0	Nil	0	Others
GF Fund – Agricultural Bank of China – GF CSI Financial Assets Management Scheme (廣發基金–農業銀行–廣發中證金融資產管理計劃)	55,095,400		0.41	0	Nil	0	Others

Name of shareholder (full name)	Number of shares held as at the end of the Reporting Period		Percentage (%)	Number of shares held subject to trading moratorium	Pledged or frozen Status of shares	Number	Nature of shareholder
	Period	Percentage (%)					
Lombarda China Fund – Agricultural Bank of China – Lombarda China CSI Financial Assets Management Scheme (中歐基金–農業銀行–中歐中證金融資產管理計劃)	55,095,400	0.41	0	Nil	0	Others	
China Asset Management – Agricultural Bank of China – China Asset Management CSI Financial Assets Management Scheme (華夏基金–農業銀行–華夏中證金融資產管理計劃)	55,095,400	0.41	0	Nil	0	Others	
Yinhua Fund – Agricultural Bank of China – Yinhua CSI Financial Assets Management Scheme (銀華基金–農業銀行–銀華中證金融資產管理計劃)	55,095,400	0.41	0	Nil	0	Others	
CSAM – Agricultural Bank of China – CSAMCSI Financial Assets Management Scheme (南方基金–農業銀行–南方中證金融資產管理計劃)	55,095,400	0.41	0	Nil	0	Others	
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Assets Management Scheme (工銀瑞信基金–農業銀行–工銀瑞信中證金融資產管理計劃)	55,095,400	0.41	0	Nil	0	Others	

Particulars of shareholdings of the top ten holders of shares not subject to trading moratorium

Name of shareholder	Number of tradable shares not subject to trading moratorium held	Class and number of shares	
		Class	Number
China Railway Construction Co., Ltd. (中國鐵道建築有限公司)	7,567,395,500	Ordinary shares denominated in RMB	7,567,395,500
HKSCC NOMINEES LIMITED	2,061,152,613	Overseas listed foreign shares	2,061,152,613
China Securities Finance Corporation Limited (中國證券金融股份有限公司)	665,394,995	Ordinary shares denominated in RMB	665,394,995
Anbang Asset Management – China Merchants Bank – Anbang Asset – Win- Win No. 3 Collective Asset Management Product (安邦資管-招商銀行- 安邦資產-共贏3號集合資產管理產品)	275,253,346	Ordinary shares denominated in RMB	275,253,346
Central Huijin Asset Management Corporation Limited (中央匯金資產管理有限責任 公司)	141,519,100	Ordinary shares denominated in RMB	141,519,100
Hexie Health Insurance Co., Ltd. – Traditional – General Insurance Product (和諧健康 保險股份有限公司-傳統-普通保險 產品)	115,954,126	Ordinary shares denominated in RMB	115,954,126
Anbang Asset – Minsheng Bank – Anbang Asset – Shengshi Selected No. 2 Collective Asset Management Product (安邦資產- 民生銀行-安邦資產-盛世精選2號 集合資產管理產品)	86,409,412	Ordinary shares denominated in RMB	86,409,412
Anbang Annuity Insurance Co., Ltd. – Group All Round Products Account (安邦養老 保險股份有限公司-團體萬能產品)	77,539,029	Ordinary shares denominated in RMB	77,539,029
Bosera Fund – Agricultural Bank of China – Bosera CSI Financial Assets Management Scheme (博時基金-農業銀行-博時 中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400

Name of shareholder	Number of tradable shares not subject to trading moratorium held	Class and number of shares	
		Class	Number
E Fund – Agricultural Bank of China – E Fund CSI Financial Assets Management Scheme (易方達基金–農業銀行–易方達中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
Da Cheng Fund – Agricultural Bank of China – Da Cheng CSI Financial Assets Management Scheme (大成基金–農業銀行–大成中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
Harvest Fund – Agricultural Bank of China – Harvest CSI Financial Assets Management Scheme (嘉實基金–農業銀行–嘉實中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
GF Fund – Agricultural Bank of China – GF CSI Financial Assets Management Scheme (廣發基金–農業銀行–廣發中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
Lombarda China Fund – Agricultural Bank of China – Lombarda China CSI Financial Assets Management Scheme (中歐基金–農業銀行–中歐中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
China Asset Management – Agricultural Bank of China – China Asset Management CSI Financial Assets Management Scheme (華夏基金–農業銀行–華夏中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
Yinhua Fund – Agricultural Bank of China – Yinhua CSI Financial Assets Management Scheme (銀華基金–農業銀行–銀華中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
CSAM – Agricultural Bank of China – CSAMCSI Financial Assets Management Scheme (南方基金–農業銀行–南方中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400
ICBC Credit Suisse Fund – Agricultural Bank of China – ICBC Credit Suisse CSI Financial Assets Management Scheme (工銀瑞信基金–農業銀行–工銀瑞信中證金融資產管理計劃)	55,095,400	Ordinary shares denominated in RMB	55,095,400

Name of shareholder	Number of tradable shares not subject to trading moratorium held	Class and number of shares	Number
Explanations on the connected relationship or concerted action among the above shareholders	HKSCC Nominees Limited is wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited (HKEx). Save as disclosed above, the Company doesn't know whether there exists connected relationships between the top ten shareholders not subject to trading moratorium and the top ten shareholders and whether the shareholders are persons acting in concert as specified in the Measures for the Administration of the Acquisition of Listed Companies.		
Explanations on preference shareholders with voting rights restored and the number of shares held	Not Applicable.		

Note: The H shares held by HKSCC Nominees Limited are held on behalf of its various customers. As at the end of the Reporting Period, HKSCC Nominees Limited held 2,061,152,613 shares of the Company while the pledged or frozen status of such shares remain to be unclear.

2.3 Total number of preference shareholders and particulars of shareholdings of the top ten preference shareholders and the top ten preference shareholders not subject to trading moratorium as of the end of the Reporting Period

Applicable Not applicable

III. SIGNIFICANT EVENTS

3.1 Particulars of, and reasons for, material changes in major accounting items and financial indicators of the Company

Applicable Not applicable

- (1) The balance of financial assets at fair value through profit or loss at the end of the period was RMB2,555,396,000, representing an increase of RMB2,065,684,000 or 421.82% as compared to the beginning of the year, which was mainly attributable to acquisition of monetary funds by the Group from licensed financial institutions during the Current Period.

- (2) The balance of interest receivables at the end of the period was RMB270,786,000, representing an increase of RMB68,236,000 or 33.69% as compared to the beginning of the year, which was mainly attributable to the increase in accrued interest of the Group during the Current Period.
- (3) The balance of other current assets at the end of the period was RMB11,023,159,000, representing an increase of RMB2,608,680,000 or 31.00% as compared to the beginning of the year, which was mainly attributable to increase in prepaid tax and VAT input to be deducted of the Group during the Current Period.
- (4) The balance of long-term prepayments to be amortized at the end of the period was RMB450,018,000, representing an increase of RMB127,536,000 or 39.55% as compared to the beginning of the year, which was mainly attributable to increase in costs of improvements to fixed assets under operating leases of the Group during the Current Period.
- (5) The balance of taxes payable was RMB3,743,037,000, representing a decrease of RMB2,221,346,000 or 37.24% as compared to the beginning of the year, which was mainly attributable to the increase of taxes paid by the Group during the Current Period.
- (6) Finance costs for the Reporting Period were RMB979,362,000, representing an increase of RMB416,065,000 or a year-on-year increase of 73.86% as compared to RMB563,297,000 for the corresponding period of last year, which was mainly attributable to the increase in interest expenses and exchange losses of the Group during the Current Period.
- (7) Net cash flow from operating activities for the Reporting Period recorded net outflow of RMB40,663,574,000, representing an increase of RMB21,091,139,000 as compared to the net outflow for the corresponding period of last year, which was mainly attributable to the increase in payments made by the Group during the Current Period.

3.2 Progress of significant events and explanations on their impact and solutions

Applicable Not applicable

3.2.1 Particulars of newly signed contracts and progress of outstanding contracts

During the Reporting Period, the total value of new contracts signed by the Group amounted to RMB279.8567 billion, accounting for 18.53% of the value as set in the annual plan and representing a year-on-year increase of 6.98%, among which, the value of the domestic new contracts amounted to RMB266.5750 billion, accounting for 95.25% of the total value of new contracts and representing a year-on-year increase of 11.57%, while the value of the overseas new contracts amounted to RMB13.2817 billion, accounting for 4.75% of the total value of new contracts and representing a year-on-year decrease of 41.45%. As of 31 March 2018, the total value of outstanding contracts of the Group amounted to RMB2,559.2786 billion, representing a year-on-year increase of 28.75%. Among them, the value of outstanding domestic contracts amounted to RMB2,093.5354 billion, accounting for 81.80% of the total value of outstanding contracts, and the value of outstanding overseas contracts amounted to RMB465.7432 billion, accounting for 18.20% of the total value of outstanding contracts.

During the Reporting Period, the value of newly signed contracts for construction contracting operations segment of the Group amounted to RMB236.6696 billion, accounting for 84.57% of the total value of newly signed contracts and representing a year-on-year increase of 8.48%, among which, the value of newly signed contracts for railway projects amounted to RMB27.2142 billion, accounting for 11.50% of the total value of the newly signed contracts of the construction contracting operations segment and representing a year-on-year increase of 26.12%; the value of newly signed contracts for road projects amounted to RMB63.2153 billion, accounting for 26.71% of the total value of the newly signed contracts of the construction contracting operations segment and representing a year-on-year increase of 4.70%; the value of newly signed contracts for urban rail transit projects amounted to RMB44.8426 billion, accounting for 18.95% of the total value of the newly signed contracts of the construction contracting operations segment and representing a year-on-year growth of 2.17%; the value of newly signed contracts for housing construction projects amounted to RMB49.7649 billion, accounting for 21.03% of the total value of the newly signed contracts of the construction contracting

operations segment and representing a year-on-year increase of 34.62%; the value of newly signed contracts for municipal engineering projects amounted to RMB37.5880 billion, accounting for 15.88% of the total value of the newly signed contracts of the construction contracting operations segment and representing a year-on-year decrease of 11.24%; the value of newly signed contracts for hydraulic and electric engineering projects amounted to RMB9.4768 billion, accounting for 4.00% of the total value of the newly signed contracts of the construction contracting operations segment and representing a year-on-year increase of 6.88%; the value of newly signed contracts for airport and terminal projects amounted to RMB0.7949 billion, accounting for 0.34% of the total value of the newly signed contracts of the construction contracting operations segment and representing a year-on-year increase of 2.05%. The year-on-year decrease in the value of newly signed contracts for municipal engineering projects was attributable to the Chinese Spring Festival Holiday and the traditional “slack season” of municipal construction in the first quarter. As the country promoted major strategies including “eight vertical and eight horizontal” high-speed railway network, construction of Xiong’an New Area and Beijing-Tianjin-Hebei coordinated development, railway and housing construction in the infrastructure business will record significant growth.

During the Reporting Period, the value of newly signed contracts for non-construction contracting operations segment of the Group amounted to RMB43.1871 billion, accounting for 15.43% of the total value of newly signed contracts and representing a year-on-year decrease of 0.59%, among which, the value of newly signed contracts for survey, design and consultancy business amounted to RMB5.7117 billion, representing a year-on-year decrease of 2.24%; the value of newly signed contracts for industrial manufacturing business amounted to RMB5.1221 billion, representing a year-on-year decrease of 24.07%; the value of newly signed contracts for logistics and materials trading business amounted to RMB15.6954 billion, representing a year-on-year decrease of 10.34%; the value of newly signed contracts for real estate development business amounted to RMB13.6333 billion, representing a year-on-year increase of 7.16%. The year-on-year decrease in value of newly signed contracts for industrial manufacturing business was affected by the Chinese Spring Festival Holiday, and industrial manufacturing contracts signed during the first quarter saw certain fluctuations.

3.2.2 Material litigation and arbitration

During the Reporting Period, the Company was not involved in any material litigation or arbitration.

3.2.3 Particulars of major projects in financing contract model

Unit: 0'000 Currency: RMB

No.	Project name	Total investment	Shareholding percentage/ Shareholding proportion	Investment during the Reporting Period	Accumulative investment in the project	Progress of the project
1	BOT Project of Jianyang-Pujiang Expressway in Sichuan	1,567,850	100%	20,388	1,367,040	The entire line was put into trial operation on 28 December 2017.
2	Deyang-Dujiangyan Segment BOT Project of G0511 Line	1,595,400	100%	1,698	133,604	The project is in smooth progress.
3	Investment, Financing and Construction BT Project of Phase I and II of Line 5 of Chengdu Subway	1,719,899	100%	110,748	830,048	The project is in smooth progress.
4	Investment and Financing BT Project of Line 6 of Chengdu Subway	1,766,031	100%	76,280	346,069	The project is in smooth progress.

Note: The above projects were those in the scope of the consolidated statements whose total investment amount exceeds 10% of the unaudited net assets of the Group as at the end of last year.

3.2.4 Public issuance of 2018 renewable corporate bonds

As approved by China Securities Regulatory Commission in the document “Zheng Jian Xu Ke [2016] No. 1337” issued on 21 June 2016, the Company was permitted to publicly issue renewable corporate bonds to qualified investors by tranche, with the aggregate nominal value up to RMB15 billion.

During the Reporting Period, the Company completed the public issuance of 2018 renewable corporate bonds (first tranche) on 19 March 2018, with an issue size of RMB3 billion and a coupon rate of 5.56%. All proceeds from the issuance will be utilized to replenish the working capital of the Company.

As at the disclosure date of this report, the Company completed the public issuance of 2018 renewable corporate bonds (second tranche) on 17 April 2018, with a value of RMB2 billion and a coupon rate of 5.23%. All proceeds from the issuance will be utilized to replenish the working capital of the Company.

3.3 Commitments that have yet to be fulfilled within the stated timeframe during the Reporting Period

Applicable Not applicable

3.4 Statement about change of accounting policies

On 31 March 2017, the Ministry of Finance issued the revised Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments, the revised Accounting Standards for Business Enterprises No. 23 – Transfer of Financial Assets and the revised Accounting Standards for Business Enterprises No. 24 – Hedging, requiring that companies listed both domestically and overseas and companies listed overseas and adopting the International Financial Reporting Standards or the Accounting Standards for Business Enterprises in preparing their financial reports shall apply such standards from 1 January 2018. On 2 May 2017, the Ministry of Finance issued the revised Accounting Standards for Business Enterprises No. 37 – Presentation of Financial Instruments, requiring that companies listed both domestically and overseas and companies listed overseas and adopting the International Financial Reporting Standards or the Accounting Standards for Business Enterprises in preparing their financial reports shall apply such standards from 1 January 2018. The Group applied the revised standards on financial instruments stated above from 1 January 2018 as required by the Ministry of Finance, and the impairment methodology for financial asset will be changed from “incurred loss” to

“expected credit loss”, and the “three classifications” stated in such new standards on financial instruments will be applied in the classification, measurement and presentation of financial instruments.

On 5 July 2017, the Ministry of Finance issued the revised Accounting Standards for Business Enterprises No. 14 – Revenue, requiring that companies listed both domestically and overseas and companies listed overseas and adopting the International Financial Reporting Standards or the Accounting Standards for Business Enterprises in preparing their financial reports shall apply such standards from 1 January 2018, and that the Accounting Standards for Business Enterprises No. 15 – Construction Contracts issued on 15 February 2006 will not be applicable any more. The Group followed requirements of the Ministry of Finance and applied the revised standards on revenue stated above from 1 January 2018, using revenue recognition model consistently as required by the new standards on revenue to record revenue from contracts between the Company and customers.

In accordance with transition requirements set out in the standards above, the Group will reconcile the cumulative effect of initial application with the retained earnings at the beginning of the year during which such standards have been initially applied and the amount of other relevant items in the financial statements. However, no reconciliation will be made to information of comparative periods. Such change of accounting policies will not have material impact on the financial position, operating results, cash flows and future operating results of the Group. If the Ministry of Finance subsequently publishes guidance or further interpretation on the above-mentioned accounting standards, the Company will review the reasonableness of such change of accounting policies and relevant major judgments and estimates, and there would be differences between the disclosure of possible impact from such change of policies and the corresponding data in financial statements for the first quarter of 2018.

For details, please refer to the announcement dated 28 April 2018, which is published on China Securities Journal, Shanghai Securities News, Securities Daily and Securities Times, and on the website of the Shanghai Stock Exchange (www.sse.com.cn), the website of the Hong Kong Stock Exchange (www.hkex.com.hk) and the website of the Company (www.crcc.cn).

3.5 Warning and explanation on reasons for accumulated net loss expected to be recorded from the beginning of the year to the end of the next reporting period or material changes as compared to those of the same period last year

Applicable Not applicable

3.6 Significant events after the Reporting Period

Applicable Not applicable

Company name	China Railway Construction Corporation Limited
<i>Legal representative</i>	MENG Fengchao
Date	27 April 2018

IV. APPENDIX

4.1 Financial statements

Consolidated Balance Sheet

31 March 2018

Prepared by: China Railway Construction Corporation Limited

Unit: RMB'000, Unaudited

Items	Closing balance	Opening balance
Current assets:		
Cash and bank balances	100,846,870	141,206,185
Clearing provision		
Interbank lending		
Financial assets designated at fair value through profit or loss	2,555,396	489,712
Derivative financial assets		
Bills receivables	5,229,364	7,024,926
Trade receivables	147,105,070	146,503,891
Advances to suppliers	23,133,234	18,784,004
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contracts provision receivable		
Interests receivable	270,786	202,550
Dividends receivable	37,243	37,256
Other receivables	64,367,058	55,039,159
Purchases of resold financial assets		
Inventories and contract assets	288,307,823	266,604,158
Assets classified as held-for-sale		
Non-current assets due within one year	9,365,840	8,591,799
Other current assets	11,023,159	8,414,479
Total current assets	<u>652,241,843</u>	<u>652,898,119</u>

Items	Closing balance	Opening balance
Non-current assets:		
Loans and advances	1,998,704	1,683,000
Financial assets designated at fair value through other comprehensive income	8,382,543	8,382,301
Long-term receivables	41,335,183	40,662,087
Long-term equity investments	19,529,771	17,869,525
Investment properties	3,505,700	3,646,745
Fixed assets	46,597,103	45,981,850
Construction in progress	3,917,001	3,863,578
Constructive materials		
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	40,833,108	40,155,864
Development expenditure		
Goodwill	200,506	200,506
Long-term prepayments	450,018	322,482
Deferred income tax assets	3,533,803	3,577,034
Other non-current assets	2,524,966	2,644,368
	<hr/>	<hr/>
Total non-current assets	172,808,406	168,989,340
	<hr/> <hr/>	<hr/> <hr/>
Total assets	825,050,249	821,887,459
	<hr/> <hr/>	<hr/> <hr/>

Items	Closing balance	Opening balance
Current liabilities:		
Short-term loans	31,503,279	29,499,098
Borrowing from PBOC		
Customer and interbank deposits	734,213	804,834
Interbank borrowing		
Financial liabilities designated at fair value through profit or loss		
Derivative financial liabilities		
Bills payable	44,014,911	41,411,304
Trade payable	251,419,836	282,080,205
Advances from customers and contract liabilities	101,263,407	85,682,565
Sales of repurchased financial assets		
Fees and commissions payable		
Staff remuneration payable	8,182,024	10,159,506
Taxes payable	3,743,037	5,964,383
Interests payable	1,219,952	1,082,309
Dividends payable	186,695	158,560
Other payables	51,436,458	48,556,677
Reinsurance accounts payable		
Insurance contract reserve		
Payment for agent of trading securities		
Payment for agent of underwriting securities		
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	31,154,373	30,201,473
Other current liabilities	7,866,327	8,053,925
	<hr/>	<hr/>
Total current liabilities	<u>532,724,512</u>	<u>543,654,839</u>

Items	Closing balance	Opening balance
Non-current liabilities:		
Long-term loans	64,680,149	58,826,793
Bonds payable	37,187,016	35,677,923
Including: Preference shares		
Perpetual bonds		
Long-term payables	1,867,312	1,962,636
Long-term staff remuneration payable	526,860	604,068
Special payables	567,432	603,600
Estimated liabilities		
Deferred income	835,018	831,482
Deferred income tax liabilities	278,894	289,431
Other non-current liabilities	794,628	787,842
	<hr/>	<hr/>
Total non-current liabilities	<u>106,737,309</u>	<u>99,583,775</u>
	<hr/>	<hr/>
Total liabilities	<u>639,461,821</u>	<u>643,238,614</u>

Items	Closing balance	Opening balance
Owners' equity:		
Share capital	13,579,542	13,579,542
Other equity instruments	16,397,167	13,400,233
Including: Preference shares		
Perpetual bonds	10,989,038	7,992,104
Capital reserve	40,423,332	40,428,564
Less: Treasury stock		
Other comprehensive income	-437,857	-92,447
Special reserve		
Surplus reserve	2,891,462	2,891,462
Provisions for general risks		
Retained earnings	<u>82,414,212</u>	<u>79,204,629</u>
Total equity attributable to owners of the parent company	<u>155,267,858</u>	<u>149,411,983</u>
Minority interests	<u>30,320,570</u>	<u>29,236,862</u>
Total owners' equity	<u>185,588,428</u>	<u>178,648,845</u>
Total liabilities and owners' equity	<u>825,050,249</u>	<u>821,887,459</u>

<i>Legal representative:</i> MENG Fengchao	<i>Person-in-charge of accounting:</i> WANG Xiuming	<i>Head of Accounting Department:</i> QIAO Guoying
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Balance Sheet of the Parent Company

31 March 2018

Prepared by: China Railway Construction Corporation Limited

Unit: RMB'000, Unaudited

Items	Closing balance	Opening balance
Current assets:		
Cash and bank balances	14,318,220	15,225,353
Financial assets designated at fair value through profit or loss	44,714	42,192
Derivative financial assets		
Bills receivables		
Trade receivables	3,854,226	4,370,398
Advances to suppliers	538,035	507,404
Interests receivable		
Dividends receivable	3,213,069	
Other receivables	35,967,327	32,608,183
Inventories and contract assets	266,275	2,048,514
Assets classified as held-for-sale		
Non-current assets due within one year	1,600,000	1,600,000
Other current assets	50,675	42,187
Total current assets	<u>59,852,541</u>	<u>56,444,231</u>

Items	Closing balance	Opening balance
Non-current assets:		
Financial assets designated at fair value through other comprehensive income	295,724	307,584
Long-term receivables	10,128,000	10,129,000
Long-term equity investments	90,807,195	90,804,311
Investment properties		
Fixed assets	28,135	29,083
Construction in progress	34,590	31,493
Constructive materials		
Disposals of fixed assets		
Biological assets for production		
Fuel assets		
Intangible assets	25,146	22,634
Development expenditure		
Goodwill		
Long-term prepayments	2,246	4,070
Deferred income tax assets	383	383
Other non-current assets		
	_____	_____
Total non-current assets	<u>101,321,419</u>	<u>101,328,558</u>
Total assets	<u>161,173,960</u>	<u>157,772,789</u>

Items	Closing balance	Opening balance
Current liabilities:		
Short-term loans		
Financial liabilities designated at fair value through profit or loss		
Derivative financial liabilities		
Bills payable		
Trade payable	5,187,872	6,941,877
Advances from customers and contract liabilities	574,237	856,037
Staff remuneration payable	69,179	78,100
Taxes payable	20,437	19,014
Interests payable	622,671	368,021
Dividends payable		
Other payables	21,272,478	22,330,027
Liabilities classified as held-for-sale		
Non-current liabilities due within one year	14,524,303	14,545,863
Other current liabilities	171,377	225,195
	<hr/>	<hr/>
Total current liabilities	<u>42,442,554</u>	<u>45,364,134</u>
Non-current liabilities:		
Long-term borrowings	8,423,150	8,424,271
Bonds payable	15,747,311	15,785,270
Including: Preference shares		
Perpetual bonds		
Long-term payables	10,000	10,000
Long-term staff remuneration payable	14,010	14,010
Special payables		
Estimated liabilities		
Deferred income		
Deferred income tax liabilities	71,006	73,341
Other non-current liabilities	712,676	712,677
	<hr/>	<hr/>
Total non-current liabilities	<u>24,978,153</u>	<u>25,019,569</u>
Total liabilities	<u>67,420,707</u>	<u>70,383,703</u>

Items	Closing balance	Opening balance
Owners' equity:		
Share capital	13,579,542	13,579,542
Other equity instruments	16,397,167	13,400,233
Including: Preference shares		
Perpetual bonds	10,989,038	7,992,104
Capital reserve	46,493,552	46,493,552
Less: Treasury stock		
Other comprehensive income	105,319	114,213
Special reserve		
Surplus reserve	2,891,462	2,891,462
Retained earnings	14,286,211	10,910,084
	<hr/>	<hr/>
Total owners' equity	<u>93,753,253</u>	<u>87,389,086</u>
Total liabilities and owners' equity	<u>161,173,960</u>	<u>157,772,789</u>

<i>Legal representative:</i>	<i>Person-in-charge of accounting:</i>	<i>Head of Accounting Department:</i>
MENG Fengchao	WANG Xiuming	QIAO Guoying

Consolidated Income Statement

January – March 2018

Prepared by: China Railway Construction Corporation Limited

Unit: RMB'000, Unaudited

Items	Amount for the Current Period	Amount for the last period
I. Total revenue from operations	131,648,728	123,065,019
Including: Revenue from operations	131,648,728	123,065,019
Interest income		
Premiums earned		
Income from handling fees and commissions		
II. Total operating costs	127,107,859	119,228,224
Including: Operating cost	118,603,202	111,718,083
Interest payments		
Handling fee and commission expenses		
Surrender payment		
Net expenditures for compensation payments		
Net provision for insurance contracts		
Expenditures for policy dividend		
Reinsurance costs		
Taxes and surcharges	597,087	758,824
Selling expenses	972,646	973,585
Administrative expenses	5,578,792	4,929,365
Finance costs	979,362	563,297
Asset impairment losses	376,770	285,070
Add: Gains from changes in fair value (loss is represented by “-”)	19,637	-177,514
Gains from investments (loss is represented by “-”)	21,535	70,717
Including: Gains from investments in associates and joint ventures	17,249	59,065
Gains on disposal of assets (loss is represented by “-”)	-35,458	-2,062
Gains from foreign currency exchange (loss is represented by “-”)		
Other income	20,967	

Items	Amount for the Current Period	Amount for the last period
III. Profit from operations		
(loss is represented by “-”)	4,567,550	3,727,936
Add: Non-operating income	193,601	197,811
Less: Non-operating expenses	87,042	80,626
IV. Total profit (total loss is represented by “-”)	4,674,109	3,845,121
Less: Income tax expense	1,056,213	846,621
V. Net profit (net loss is represented by “-”)	3,617,896	2,998,500
(I) Classified by the continuity of operation	3,617,896	2,998,500
1. Net profit from continuing operations (net loss is represented by “-”)	3,617,896	2,998,500
2. Net profit from discontinued operations (net loss is represented by “-”)		
(II) Classified by the ownership	3,617,896	2,998,500
1. Profit or loss attributable to minority shareholders	196,235	119,856
2. Net profit attributable to owners of the parent company	3,421,661	2,878,644
VI. Net other comprehensive income after taxes	-322,563	-61,266
Net other comprehensive income attributable to owners of the parent company after taxes	-345,410	-64,047
(I) Other comprehensive income that may not be subsequently reclassified to profit or loss	-147,686	
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Shares of other comprehensive income of investees that may not be reclassified to profit or loss under the equity method		
3. Changes in fair value of equity instrument investments designated at fair value through other comprehensive income	-147,686	
4. Changes in fair value of financial liabilities designated at fair value due to changes in the inherent credit risk		

Items	Amount for the Current Period	Amount for the last period
(II) Other comprehensive income that may be subsequently reclassified to profit or loss	-197,724	-64,047
1. Shares of other comprehensive income of investees that may be subsequently reclassified to profit or loss under the equity method	12,627	10,676
2. Gains or losses from changes in fair value of available-for-sale financial assets		-59,069
3. Gains or losses from changes in fair value of financial assets designated at fair value through other comprehensive income		
4. Gains or losses from reclassifying held-to-maturity investments to available-for-sale financial assets		
5. Effective portion of cash flow adjusted for hedging gains or losses		
6. Exchange differences from translation of financial statements	-210,351	-15,654
7. Others		
Net other comprehensive income attributable to minority shareholders after taxes	22,847	2,781

Items	Amount for the Current Period	Amount for the last period
VII. Total comprehensive income	3,295,333	2,937,234
Total comprehensive income attributable to the owners of the parent company	3,076,251	2,814,597
Total comprehensive income attributable to minority shareholders	219,082	122,637
VIII. Earnings per share:		
(I) Basic earnings per share <i>(RMB/share)</i>	0.252	0.212
(II) Diluted earnings per share <i>(RMB/share)</i>	0.236	0.203

For business combination involving entities under common control occurred during the Current Period, net profit of the acquiree generated before the business combination is: RMB nil, and net profit of the acquiree generated for the last period was: RMB nil.

<i>Legal representative:</i>	<i>Person-in-charge of accounting:</i>	<i>Head of Accounting Department:</i>
MENG Fengchao	WANG Xiuming	QIAO Guoying

Income Statement of the Parent Company

January – March 2018

Prepared by: China Railway Construction Corporation Limited

Unit: RMB'000, Unaudited

Items	Amount for the Current Period	Amount for the last period
I. Revenue from operations	1,820,017	2,663,461
Less: Operating cost	1,780,782	2,518,131
Taxes and surcharges	3,999	1,469
Selling expenses	2,444	3,476
Administrative expenses	71,407	72,469
Finance costs	-272,823	-10,292
Asset impairment losses		
Add: Gains from changes in fair value (loss is represented by “-”)	2,522	-193,889
Gains from investments (loss is represented by “-”)	3,215,953	1,953
Including: Gains from investments in associates and joint ventures	2,884	-1,012
Gains on disposal of assets (loss is represented by “-”)	-118	-56
Other income		
II. Profit from operations (loss is represented by “-”)	3,452,565	-113,784
Add: Non-operating income		
Less: Non-operating expenses	30	100
III. Total profit (total loss is represented by “-”)	3,452,535	-113,884
Less: Income tax expenses	631	-48,472
IV. Net profit (net loss is represented by “-”)	3,451,904	-65,412
(I) Net profit from continuing operations (net loss is represented by “-”)	3,451,904	-65,412
(II) Net profit from discontinued operations (net loss is represented by “-”)		

Items	Amount for the Current Period	Amount for the last period
V. Net other comprehensive income		
after taxes	-8,894	6,767
(I) Other comprehensive income that may not be subsequently reclassified to profit or loss	-8,894	
1. Changes in net liabilities or net assets arising from the re-measurement of defined benefit plans		
2. Shares of other comprehensive income of investees that may not be reclassified to profit or loss under the equity method		
3. Changes in fair value of equity instrument investments designated at fair value through other comprehensive income	-8,894	
4. Changes in fair value of financial liabilities designated at fair value due to changes in the inherent credit risk		
(II) Other comprehensive income that may be subsequently reclassified to profit or loss		6,767
1. Shares of other comprehensive income of investees that may be subsequently reclassified to profit or loss under the equity method		
2. Gains or losses from changes in fair value of available-for-sale financial assets		6,767
3. Gains or losses from changes in fair value of financial assets designated at fair value through other comprehensive income		
4. Gains or losses from reclassifying held-to-maturity investments to available-for-sale financial assets		

Items	Amount for the Current Period	Amount for the last period
5. Effective portion of cash flow adjusted for hedging gains or losses		
6. Exchange differences from translation of financial statements		
7. Others		
VI. Total comprehensive income	3,443,010	-58,645
VII. Earnings per share:		
(I) Basic earnings per share <i>(RMB/share)</i>		
(II) Diluted earnings per share <i>(RMB/share)</i>		
<i>Legal representative:</i> MENG Fengchao	<i>Person-in-charge of accounting:</i> WANG Xiuming	<i>Head of Accounting Department:</i> QIAO Guoying

Consolidated Cash Flow Statement

January – March 2018

Prepared by: China Railway Construction Corporation Limited

Unit: RMB'000, Unaudited

Items	Amount for the Current Period	Amount for the last period
I. Cash flow from operating activities:		
Cash received from sale of goods or rendering of services	129,692,454	143,252,562
Net increase in customer and interbank deposits		
Net increase in borrowings from PBOC		
Net increase in borrowings from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment		
Net increase in disposal of financial assets at fair value and its changes are calculated into profit or loss in the current period		
Cash received from interest, handling fees and commissions		
Net increase in interbank borrowings		
Net increase in income from repurchase business		
Refunds of taxes	116,450	83,053
Other cash received relating to operating activities	3,335,596	3,026,463
Sub-total of cash inflow from operating activities	133,144,500	146,362,078
Cash paid for goods purchased and service received	148,906,756	141,432,244
Net increase in customer loans and advances	315,704	
Net increase in deposit in PBOC and interbank deposits		-676,214
Cash paid for compensation payments under original insurance contracts		

Items	Amount for the Current Period	Amount for the last period
Cash paid for interest, handling fees and commission		
Cash paid for insurance policy dividend		
Cash paid to and on behalf of employees	14,543,653	12,880,356
All types of taxes paid	7,236,996	7,358,523
Other cash paid relating to operating activities	2,804,965	4,939,604
Sub-total of cash outflow from operating activities	173,808,074	165,934,513
Net cash flow from operating activities	-40,663,574	-19,572,435
II. Cash flow from investment activities:		
Cash received from disposal of investments	7,689	61,793
Cash received from return on investments	38,923	13,544
Net cash received from disposal of fixed assets, intangible assets and other long-term assets	14,121	20,022
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investing activities	1,352,723	
Sub-total of cash inflow from investing activities	1,413,456	95,359
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	6,442,163	6,719,459
Cash paid for investments	6,023,902	2,846,860
Net increase in pledged loans		
Net cash paid for acquiring subsidiaries and other operating entities	11,050	122,751
Other cash paid relating to investing activities		68,779
Sub-total of cash outflow from investing activities	12,477,115	9,757,849
Net cash flow from investment activities	-11,063,659	-9,662,490

Items	Amount for the Current Period	Amount for the last period
III. Cash flow from financing activities:		
Cash received from investments	4,529,489	20,000
Including: Cash received by subsidiaries from minority shareholders' investment	1,532,555	20,000
Cash received from borrowings	23,747,220	37,162,308
Cash received from issuing bonds		
Other cash received relating to financing activities	2,200,000	
Sub-total of cash inflow from financing activities	30,476,709	37,182,308
Cash repayments of borrowings	14,747,164	21,582,128
Cash paid for distribution of dividends or profits or for interest expenses	2,897,214	2,424,809
Including: Dividend and profit paid by subsidiaries to minority shareholders	676,421	375,884
Other cash paid relating to financing activities		
Sub-total of cash outflow from financing activities	17,644,378	24,006,937
Net cash flow from financing activities	12,832,331	13,175,371
IV. Effect of fluctuations in exchange rates on cash and cash equivalents	-100,042	8,270
V. Net increase in cash and cash equivalents	-38,994,944	-16,051,284
Add: Balance of cash and cash equivalents at the beginning of the period	129,360,990	117,534,021
VI. Balance of cash and cash equivalents at the end of the period	90,366,046	101,482,737

<i>Legal representative:</i>	<i>Person-in-charge of accounting:</i>	<i>Head of Accounting Department:</i>
MENG Fengchao	WANG Xiuming	QIAO Guoying

Cash Flow Statement of the Parent Company

January – March 2018

Prepared by: China Railway Construction Corporation Limited

Unit: RMB'000, Unaudited

Items	Amount for the Current Period	Amount for the last period
I. Cash flow from operating activities:		
Cash received from sale of goods or rendering of services	4,289,964	5,910,750
Refunds of taxes	478	855
Other cash received relating to operating activities	3,938,248	3,688,587
Sub-total of cash inflow from operating activities	8,228,690	9,600,192
Cash paid for goods purchased and service received	3,951,394	6,207,778
Cash paid to and on behalf of employees	63,474	76,949
All types of taxes paid	17,560	13,098
Other cash paid relating to operating activities	7,056,075	5,183,434
Sub-total of cash outflow from operating activities	11,088,503	11,481,259
Net cash flow from operating activities	-2,859,813	-1,881,067
II. Cash flow from investment activities:		
Cash received from disposal of investments		
Cash received from return on investments		
Net cash received from disposal of fixed assets, intangible assets and other long-term assets		
Net cash received from disposal of subsidiaries and other operating entities		
Other cash received relating to investing activities		
Sub-total of cash inflow from investing activities	–	–
Cash paid for acquisition and construction of fixed assets, intangible assets and other long-term assets	5,959	3,174
Cash paid for investments		

Items	Amount for the Current Period	Amount for the last period
Net cash paid for acquiring subsidiaries and other operating entities		
Cash paid relating to other investing activities		
Sub-total of cash outflow from investing activities	5,959	3,174
Net cash flow from investment activities	-5,959	-3,174
III. Cash flow from financing activities:		
Cash received from investments	2,996,934	
Cash received from borrowings		500,000
Other cash received relating to financing activities		
Sub-total of cash inflow from financing activities	2,996,934	500,000
Cash repayments of borrowings	1,000	
Cash paid for distribution of dividends or profits or for interest expenses	142,294	72,071
Other cash paid relating to financing activities		
Sub-total of cash outflow from financing activities	143,294	72,071
Net cash flow from financing activities	2,853,640	427,929
IV. Effect of fluctuations in exchange rates on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-12,132	-1,456,312
Add: Balance of cash and cash equivalents at the beginning of the period	12,318,553	13,198,369
VI. Balance of cash and cash equivalents at the end of the period	12,306,421	11,742,057

<i>Legal representative:</i>	<i>Person-in-charge of accounting:</i>	<i>Head of Accounting Department:</i>
MENG Fengchao	WANG Xiuming	QIAO Guoying

4.2 Audit report

Applicable Not applicable